For discussion 24 February 2006

Legislative Council Panel on Transport <u>Private Driving Instructors' Licences</u>

PURPOSE

This paper provides Members with the background information on the grouping of Private Driving Instructors' (PDI) licences and the mechanism for issuing new PDI licences.

BACKGROUND

The 1999 Review

- In 1999, we conducted a major review on the driver training policy in Hong Kong, with a view to ensuring that the "two-pronged" approach i.e. promoting off-street driver training through the establishment of driving schools whilst maintaining a sufficient supply of PDIs for on-street driver training, could be sustained. The review also sought to streamline the PDI licence regime and set out an objective means to stabilize the supply of PDIs. Details of the review findings and recommendations are set out in paragraphs 5 to 9 below.
- 3. Following the review, we consulted the trade on the recommendations. The majority of the relevant trade associations expressed support for the proposed grouping of PDI licences and the mechanism to issue new PDI licences. The Legislative Council Panel on Transport also discussed the issue in 2000, and Members supported the recommendations. Subsequently, we introduced legislative amendments to implement the proposals. The whole legislative exercise was completed in July 2001.
- 4. Since then, we have followed the legislative provisions and the agreement in this Panel in regard to the issue of PDI licences.

Grouping of PDI Licences

5. Before the review, PDI licences were divided into 7 types. In order to allow PDIs greater flexibility and efficiency in their work, the 7 types of PDI licences were organized into 3 groups as below -

Group 1: Private Cars and Light Goods Vehicles

Group 2: Public Light Buses and Buses

Group 3: Medium Goods Vehicles, Heavy Goods Vehicles and Articulated Vehicles.

6. The above grouping was drawn up on the consideration that from the driver training point of view, there are some common features within each group of vehicles – Group 1 vehicles are small vehicles for the training of beginners; Group 2 vehicles are vehicles for the carriage of a substantial number of passengers; and Group 3 vehicles are vehicles for the carriage of goods. As the skills required of the driving instructors for providing training to learner drivers in different vehicle groups differ, this grouping arrangement helps provide flexibility to the work of PDIs while at the same time not compromising road safety and the quality of driver training.

Issue of New PDI Licences

- 7. To maintain an adequate supply of on-street driver training, the review recommended, and the trade and this Panel supported, a new objective mechanism for issuing new PDI licences. Under this mechanism, the Commissioner for Transport (C for T) will conduct a review on the number of PDI licences biennially to determine if there is a need to issue new PDI licences. The Road Traffic (Driving Licences) Regulations (the Regulations) have set out the following factors that C for T must take into account:
 - (a) prevailing traffic conditions;
 - (b) policy adopted for driver training at that time; and
 - (c) the demand for driving instruction for each group of motor vehicles.
- 8. In addition, the number of valid PDI licences for the three groups of vehicles as at November 1999 would be used as benchmarks. If the number of valid licences falls below the benchmark by 10% or more, the number of new licences to be issued will be that required to bring the total number of licences to the benchmark level.

9. The Regulations also stipulate that should new licences be issued, C for T shall invite public applications; and if the number of applications received exceeds the number of licences to be issued, he shall draw lots to decide the order in which the applications are handled. This arrangement is to ensure transparency and fairness.

Application of the Agreed Mechanism

- 10. Based on the legislation and the mechanism agreed at this Panel, C for T conducted the first review using the statistics in late 2002. It concluded that new Group 1 PDI licences should be issued, and following the mechanism, C for T issued 173 such licences in early 2003.
- 11. A second review was carried out in early 2005, using the statistics in late 2004. The conclusion was that new PDI licences should not be issued, since the demand for PDIs had decreased by a greater magnitude than the decrease in the supply of PDIs.

NEXT STEP

12. C for T will carry out the third review in early 2007, having regard to the supply and demand situation in the latter half of this year.

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