

立法會
Legislative Council

LC Paper No. CB(1)158/08-09
(These minutes have been
seen by the Administration)

Ref: CB1/SS/1/08

**Subcommittee on Road Traffic (Public Service Vehicles)
(Amendment) Regulation 2008**

**Minutes of first meeting on
Tuesday, 21 October 2008, at 10:45 am
in Conference Room B of the Legislative Council Building**

- Members present** : Hon Miriam LAU Kin-yee, GBS, JP (Chairman)
Hon Andrew CHENG Kar-foo
Hon LI Fung-ying, BBS, JP
Hon WONG Kwok-hing, MH
Hon CHEUNG Hok-ming, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon Cyd HO Sau-lan
Hon IP Wai-ming, MH
- Public officers attending** : **Agenda item II**
- Mr YAU Shing-mu
Under Secretary for Transport and Housing
- Miss Shirley YUEN
Deputy Secretary for Transport and Housing
- Mrs Avia LAI
Principal Assistant Secretary for Transport and Housing
- Mr Don HO
Assistant Commissioner/Management and Paratransit
Transport Department

Mr Ken HUI
Chief Transport Officer/Planning /Taxi
Transport Department

Clerk in attendance : Ms Rosalind MA
Chief Council Secretary (1)2

Staff in attendance : Miss Winnie LO
Assistant Legal Adviser 7

Ms Sarah YUEN
Senior Council Secretary (1)6

Miss Winnie CHENG
Legislative Assistant (1)5

Action

I Election of Chairman

Ms Miriam LAU, the member who had the highest precedence among members on the membership list, presided at the election of the Chairman of the Subcommittee and invited nominations for the chairmanship.

2. Ms Miriam LAU was nominated by Mr CHEUNG Hok-ming and the nomination was seconded by Ms LI Fung-ying. Ms LAU accepted the nomination. There being no other nominations, Ms Miriam LAU was elected Chairman of the Subcommittee.

II Meeting with the Administration

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| (File ref: THB(T)L 3/3/5
L.N. 219 of 2008 | - The Legislative Council Brief
- Road Traffic (Public Service
Vehicles) (Amendment)
Regulation 2008 |
| LC Paper No. LS 2/08-09 | - Legal Service Division Report
on Subsidiary Legislation tabled
in the Legislative Council on
8 October 2008 |
| LC Paper No. CB(1)69/08-09 | - Paper on Road Traffic (Public
Service Vehicles) (Amendment)
Regulation 2008 prepared by
the Legislative Council
Secretariat (Background brief) |

LC Paper No.
CB(1)72/08-09(01)

- Marked-up copy of the
Regulation prepared by the
Legal Service Division)

3. The Subcommittee deliberated (index of proceedings attached at **Annex**).

4. The Administration briefed members on the Road Traffic (Public Service Vehicles) (Amendment) Regulation 2008 (the Amendment Regulation), which sought to give effect to an adjustment in the fares for the hiring of Lantau and urban taxis, with effect from 30 November 2008.

5. Members noted with concern that a new taxi fare structure (the new structure) would be introduced through the Amendment Regulation, which was "front-loaded and thereafter on a varying descending scale of incremental charges". As a result, taxi fares for long-haul trips would decrease and fares for short-haul trips would increase. Members expressed the following concerns about the new structure –

- (a) Some member doubted whether the new structure could effectively curtail discount gang activities. They considered it necessary to introduce legislative amendments against fare bargaining by passengers. Notwithstanding enforcement difficulties, legislative prohibition against fare bargaining should be introduced, preferably in the context of the Amendment Regulation;
- (b) Some members noted with concern that a consensus had yet to be reached on the level of taxi fare adjustment and the fare structure, as revealed in the recent demonstrations of members of the trade. The Administration should address divergent views of the trade, even from the minority groups; and
- (c) Some member questioned whether the upward fare adjustment for short-haul trips under the new structure would increase the operating revenue of a rentee-driver, having regard to the likely reduction in the number of short-haul passengers and the increase in taxi rentals as a result of the adjustment. In their view, the fare increase might have adverse impact on the operating environment of the taxi trade as a whole, thereby affecting the income and livelihood of taxi drivers. While the new fare structure involving reduction in fare for long-haul trips would have little impact on taxi owners, rentee-drivers might find it unaffordable.

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6. The Administration's responses to members' concerns were as follows –

- (a) On the proposal of legislating against fare bargaining by passengers, it should be noted that taxi passengers should pay according to the meters, similar to other public transport passengers paying the stipulated fares. However, a legislative prohibition against fare bargaining by passengers would be difficult to enforce in particular in terms of collection of evidence. Moreover, public acceptability of penalizing passengers for fare bargaining would have to be taken into consideration. The proposal would therefore require careful examination and public consultation to gauge views from the community at large;
- (b) The new fare structure was initiated, developed and in general agreed upon by the majority of the taxi trade through a lengthy deliberation process. By lowering fares for long-haul trips and hence minimizing the scope for discount offers, the new structure could help restore a level playing field for taxi operators whose business had been affected by discount gangs; and
- (c) A rationalized taxi fare structure was expected to benefit the taxi trade as a whole, as about 80% of taxi trips were short-haul, of which an increased fare would be implemented. The new fare structure might not necessarily result in corresponding increase in taxi rentals as the rentals would be determined by the forces of demand and supply in the taxi rental market. The Administration would maintain liaison with the taxi trade to discuss with them issues of concern relating to their operating condition.

Follow-up

7. To address members' concerns expressed at the meeting, the Administration was requested –

Admin.

- (a) To provide details on enforcement against taxi discount gangs by the Police, including the relevant prosecution figures, how effective such actions were, and prosecution against taxi drivers for dangerous driving when they took orders through their mobile phones while driving;
- (b) To address members' concerns about the possible adverse impacts of the proposed taxi fare adjustment on the

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livelihood of taxi drivers by providing further details on the costs of taxi operation, including cost components such as license premium, maintenance cost, fuel cost, insurance cost, etc. The cost components should be presented in monetary terms instead of in percentage; and

- (c) To address members' concern about the effectiveness of the new taxi fare structure in curtailing discount gang activities, by providing a paper on measures to prevent fare bargaining for discussion by the Subcommittee. The Administration should set out in the paper concrete proposals to ensure payment of taxi fares according to the taximeter, such as measures to strengthen enforcement against taxi discount gangs and legislative amendment to forbid fare bargaining by passengers, as well as the timeframe for implementation of the proposals. The subject might be followed up by the Panel on Transport where necessary.

8. In relation to paragraph 7(a) above, the Administration also agreed to coordinate attendance of representative(s) of the Police Force at a future meeting of the Subcommittee.

Legislative timetable

9. To allow sufficient time for the Subcommittee to scrutinize the Amendment Regulation and for the Administration to respond to the views and concerns raised, members agreed that the Subcommittee Chairman should move a motion at the Council meeting on 29 October 2008 to extend the scrutiny period of the Amendment Regulation to 26 November 2008.

III Any other business

Invitation of views

10. To ascertain the views of the taxi trade and the public on the Amendment Regulation, members agreed that a general invitation for submissions should be posted on the website of the Legislative Council. Letters would also be issued to the Lantau and the urban taxi trade associations and the 18 District Councils to invite views on the Amendment Regulation. Members also agreed that a meeting be scheduled for 28 October 2008 at 10:45 am for the Subcommittee to receive oral presentations from deputations.

(Post-meeting note: At the instruction of the Chairman, the starting time of the meeting on 28 October 2008 was subsequently deferred to 2:30 pm.)

Action

Meetings in November

11. Members also agreed to schedule two more meetings in November 2008, as follows:

Date	Time
6 November 2008 (Thursday)	8:30 am – 10:30 am
10 November 2008 (Monday)	2:30 pm – 4:30 pm

12. There being no other business, the meeting ended at 12:30 pm.

Council Business Division 1
Legislative Council Secretariat
5 November 2008

**Proceedings of the first meeting of
the Subcommittee on Road Traffic (Public Service Vehicles)
(Amendment) Regulation 2008
on Tuesday, 21 October 2008, at 10:45 am
in Conference Room B of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
Agenda Item I – Election of Chairman			
000000 – 000127	Ms Miriam LAU Mr CHEUNG Hok-ming Ms LI Fung-ying	- Election of Chairman	
Agenda Item II – Meeting with the Administration			
000128 – 000711	Chairman Administration	- Briefing by the Administration on the Road Traffic (Public Service Vehicles) (Amendment) Regulation 2008 (the Amendment Regulation)	
000712 – 001257	Chairman Mr WONG Kwok-hing Administration	- Discussion on the effectiveness of the new taxi fare structure (the new structure) in curtailing discount gang activities in the absence of new measures to ensure payment of taxi fares according to the taximeter - Discussion on enforcement against taxi discount gangs by the Police	Administration to take follow-up action as requested in paragraph 7(a)
001258 – 002454	Chairman Mr Andrew CHENG Administration Mr Ronny TONG	- Discussion on the desirability and feasibility of strengthening enforcement against taxi discount gangs by introducing legislative amendment to forbid fare bargaining by passengers	
002455 – 003030	Chairman Ms Cyd HO Administration	- Discussion on the possible adverse impacts of the new structure on the livelihood of taxi operators and on the fare levels of other public transport modes - Discussion on the costs of taxi operation, in particular the license premium and fuel cost	
003031 – 003711	Chairman Ms LI Fung-ying Administration	- Discussion on how minority views of the taxi trade on the new structure would be addressed to minimize	

Action

Time marker	Speaker	Subject(s)	Action required
		discontent and maintain social harmony - Discussion on the need to strengthen enforcement against taxi discount gangs	
003712 – 004536	Chairman Mr IP Wai-ming Administration	- Discussion on how the new structure could help curtail discount gang activities and increase operating revenue	
004537 – 005210	Chairman Administration	- Discussion on the need to address taxi operators' concerns about likely decrease in operating revenue, and to proactively map out relevant mitigation measures	
005211 – 010555	Chairman Mr WONG Kwok-hing Administration Mr Andrew CHENG	- Discussion on the Administration's plan and timeframe for introducing concrete measures to ensure payment of taxi fares according to the taximeter	
010556 – 011026	Chairman Ms Cyd HO Administration	- Discussion on the cost of taxi operation borne by different types of taxi operators - Discussion on whether taxi drivers could be prosecuted for dangerous driving when they took orders through their mobile phones while driving	Administration to take follow-up action as requested in paragraph 7 (b)
011027 – 012628	Chairman Mr Andrew CHENG Administration	- Discussion on the need for legislative measures to ensure payment of taxi fares according to the taximeter, and whether such could be introduced in the context of the Amendment Regulation	Administration to take follow-up action as requested in paragraph 7 (c)
012629 – 014235	Chairman Clerk Administration Ms Cyd HO Mr Andrew CHENG Ms LI Fung-ying	- Discussion on the meeting schedule, the legislative timetable and invitation of public views - Discussion on the need and feasibility of introducing legislative measures to ensure payment of taxi fares according to the taximeter in the context of the Amendment Regulation	