立法會 Legislative Council

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Panel on Transport Meting on 22 May 2009

Background brief on private driving instructors' licences

Purpose

This paper provides background information on the mechanism for issuing private driving instructors' licenses (PDI licenses) and summarizes the major concerns expressed by the Panel on Transport (the Panel) on the subject in past discussions.

Background

Driving training policy

2. The Administration has all along adopted a two-pronged approach in respect of driver training. On the one hand, off-street driver training is promoted through the establishment of driving schools. On the other hand, the Administration maintains a sufficient supply of PDIs for on-street driver training.

The 1999 Review

- 3. In pursuance of the above policy and following a review in 1999, the Administration developed a package of proposals in November 1999 which aimed at ensuring a good supply of PDIs, streamlining the operation of PDI licences and improving the management of on-street driver training activities. The proposals included -
 - (a) organizing the seven types of PDIs into three groups:

Group 1 - private cars and light goods vehicles

Group 2 - bus and public light bus

Group 3 - articulated vehicles, heavy goods vehicles and medium goods vehicles

- (b) capping the Group 1 licences at 1 050 and not to issue Groups 2 and 3 licences for four years;
- (c) on the methods for issuance of new PDI licences, two options were proposed: eligible candidates should be invited to take test by lot or on a first-come-first-served basis; and
- (d) setting down the criteria for the provision of off-street practice sites for PDIs.
- 4. The Administration briefed the Panel on the proposals at its meeting on 26 November 1999 and consulted the driving instructor trade, including PDIs and operators of designated driving schools.
- 5. On 28 April 2000, the Administration briefed the Panel on the outcome of its consultation with the trade. Having consulted the Panel and the trade, the Road Traffic (Driving Licences) Regulations (Cap. 374B) were amended in September 2001 to give effect to a new mechanism for issuing new PDI licences.

New mechanism for issuing new PDI licences

6. The seven types of PDI licences were re-organized into three groups. The grouping and the numbers of valid driving instructors' licences as at November 1999 were as follows -

Group 1	Private car and light goods vehicle (1 036 licences)
Group 2	Light bus (public and private) and bus (public and private) (124 licences)
Group 3	Medium/heavy goods vehicle and articulated vehicle (221 licences)

- 7. The new grouping took effect on 1 September 2000. Since then, an existing PDI holding one type of instructor licence in a group can give instructions to all other type(s) of vehicle in the same group, provided that he is in possession of a valid driving licence for not less than 3 years for the other type(s) of vehicles in that group.
- 8. Under the existing system, the respective numbers of valid PDI licences for the three groups of motor vehicles as at November 1999 are regarded as benchmarks for issue of new PDI licences. The trigger point for the Commissioner for Transport (the Commissioner) to consider issuing new PDI licences for that group is when the

number of valid licences falls below the benchmark by 10%. The Commissioner conducts a review at two-year intervals on the number of driving instructors' licences for PDIs, before he determines the number of new licences to be issued each time.

- 9. For Group 1 licences, if it is found that the number of valid licences falls below the level of 1 050 by 10 %, the Commissioner may, after taking into account all relevant factors, including the impact on traffic conditions, the prevailing policy for driver training and the demand, invite applications for new licences to fill up the difference. For Group 2 and Group 3 licences, a similar mechanism is used for the issue of new licences. However, in view that there was substantial over-supply of Group 2 and Group 3 driving instructors, it was decided that new driving instructors' licences for PDIs of these two groups should not be issued for four years from 2000 to 2004.
- 10. Under the new system, the Commissioner was also empowered to fix the number of PDI licences to be issued. If the total number of the applications received by the Commissioner by the specified date exceeds the number of licences that he proposes to issue, the Commissioner may cause the applications and the order in which they are to be dealt with to be determined by lot. Where a PDI has his licence cancelled, his re-application for a licence in respect of the same group of vehicles shall not be affected by the quota system. Provisions have also been made to incorporate the practices of restricting a driving instructor of a driving school or an organization to giving instructions only on behalf of the school or organization, and dividing a driving instructors' test into parts and allowing exemption from any part if there is adequate past experience.

The 2002 Review

11. A review based on the arrangements set out in paragraph 8 was conducted by the Transport Department (TD) in 2002, and following which, 173 new Group 1 PDI licences were issued.

The 2004 Review

12. TD conducted another round of review on the number of valid PDI licences for each of the three groups of motor vehicles in 2004. Although the respective numbers of Group 1, 2 and 3 PDI licences in 2004 were found to have dropped by some 16%, 19% and 12% compared to the benchmark numbers in 1999, the Administration was of the view that it was not necessary to issue any new PDI licences, having considered the demand for learner drivers to receive driver training. Information on the market demand for driver training in 1999 and 2004 was set out in the Administration's paper (LC Paper No. CB(1) 1829/04-05(01)).

The 2006 Review

13. TD conducted another round of review on the number of valid PDI licences for

each of the three groups of motor vehicles in 2004. Although the respective numbers of Group 1, 2 and 3 PDI licences in 2006 was found to have dropped by more than 10%, the Administration considered it not necessary to issue any new PDI licences, having regard to the market demand for driver training. Information on the market demand for driver training in 1999 and 2006 was set out in the Administration's paper (LC Paper No. CB(1) 2145/06-07(01)).

Panel's discussion on the existing mechanism for issuing new PDI licences

- 14. At the meeting on 5 November 2005, the Panel discussed the outcome of the biennial review conducted by TD in end-2004 on the need to issue PDI licences. Panel further discussed the subject and met with deputations on 24 February 2006. Members noted that there were divergent views in the trade over the issue of new PDI While some PDI associations and the Quality Driver Training Centre Limited supported the Administration's proposal to withhold issuing new PDI licences having regard to the decreasing demand for driver training, a group of ex-Hong Kong School of Motoring driving instructors held a different view. The latter were dissatisfied that the Administration had not consulted the trade before coming to the conclusion that there was no need to issue new PDI licences. They also took the view that the Administration had failed to exercise proper regulatory control of the Hong Kong School of Motoring, and individual PDIs were therefore unable to compete with designated driving schools on fair grounds. The group also met with Duty Roster Members on 15 July 2005. The relevant paper was circulated vide LC Paper No. CB(1) 111/05-06(01).
- 15. In response to members' concern as to whether the Administration had unfairly prejudiced against PDIs in favour of driving schools as alleged by some PDIs, the Administration refuted the claim and pointed out that the market share of driving schools had all along remained at one-third of the market. As with on-street driver training, the student intake of driving schools had dropped from 52 000 in 2000 to 44 000 in 2005.
- 16. Some members sought the Administration's response to complaints from Group 2 and Group 3 PDIs about the restriction imposed on them from providing instruction to learner drivers of Group 1 vehicles. These members also highlighted the trade's proposal that the present three groups of PDI licences be merged into one.
- 17. The Administration advised that the present grouping was a consensus reached after extensive consultation in 1999 and the majority of the trade associations had expressed support for the present grouping. Changing the present grouping or allowing greater flexibility with regard to the types of vehicles in respect of which PDIs could give instructions would involve a policy change and have different impacts on different groups of PDIs. The Administration was of the view that the present grouping should be allowed to operate for a longer period of time before its effectiveness could be evaluated. Members requested TD to review the grouping

when it conducted the third review in 2006.

- 18. A review of the grouping was subsequently conducted in the 2006 review. After review, TD remained of the view that the existing grouping was drawn up after detailed considerations and had achieved a good balance between providing flexibility for the work of PDIs (by allowing them to teach more than one vehicle class within the same group) without compromising the quality of driver training and road safety.
- 19. At the meeting on 5 November 2005, some members expressed concern that with the anticipated rapid growth of cross-boundary traffic, the demand for professional drivers might increase significantly in the near future. They also pointed out that the newly implemented Mainland regulation prohibiting a person aged 60 or above from driving commercial vehicles and the relaxation of the "1-truck-1-driver" rule to "1-truck-2-drivers" might give rise to an increase in demand for professional drivers. They considered that the Administration should assess the consequential changes to the demand for driver training and review the existing mechanism for issuing PDI licences.
- 20. The Administration advised that the demand for driver training on medium/heavy goods vehicles had been on the decrease from 2000 to 2004. Any rise in demand would be reflected in the number of driving test forms sold, which was a useful indicator of the demand for driver training as each learner driver was required to buy a test form for each driving test attempt. Changes in demand for driver training would thus be taken into account in the biennial reviews under the existing mechanism.

Latest developments

21. In early 2009, TD conducted another round of review having regard to the supply of and demand for on-street driver training and consulted with 11 PDI associations. The Administration intends to report the outcome of the biennial review on the need to issue new PDI licences to the Panel at its meeting on 22 May 2009.

Relevant papers

22. A list of the relevant papers is in **Appendix**.

Council Business Division 1 <u>Legislative Council Secretariat</u> 21 May 2009

Private Driving Instructors' Licences

List of relevant papers

Date of	Committee	Minutes/Paper	LC Paper No.
meeting			
28.5.1999	Transport Panel (TP)	Administration's paper on Private Driving Instructor Licence	CB(1)1370/98-99(08) http://www.legco.gov.hk/yr9 8-99/english/panels/tp/paper s/tp28054j.htm
		Minutes of meeting	CB(1) 1823/98-99 http://www.legco.gov.hk/yr9 8-99/english/panels/tp/minut es/tp280599.htm
26.11.1999	ТР	Administration's paper on driving training	CB(1)419/99-00(04) http://www.legco.gov.hk/yr9 9-00/english/panels/tp/paper s/a419e04.pdf
		Minutes of meeting	CB(1)869/99-00 http://www.legco.gov.hk/yr9 9-00/english/panels/tp/minut es/tp261199.pdf
28.4.2000	TP	Administration's paper on driver improvement scheme	CB(1)1435/99-00(04) http://www.legco.gov.hk/yr9 9-00/english/panels/tp/paper s/a1234e05.pdf
		Minutes of meeting	CB(1)1663/99-00 http://www.legco.gov.hk/yr9 9-00/english/panels/tp/minut es/tp280400.pdf

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Date of	Committee	Minutes/Paper	LC Paper No.
meeting			
4.11.2005	TP	Administration's paper on Private Driving Instructor's Licences	CB(1)1829/04-05(01) http://www.legco.gov.hk/yr0 4-05/english/panels/tp/paper s/tp0624cb1-1829-1e.pdf
		Minutes of meeting	CB(1)452/05-06 http://www.legco.gov.hk/yr0 5-06/english/panels/tp/minut es/tp051104.pdf
24.2.2006 T	TP	Administration's paper on private driving instructor's licences	CB(1)1829/04-05(01) http://www.legco.gov.hk/yr0 4-05/english/panels/tp/paper s/tp0624cb1-1829-1e.pdf
		Minutes of meeting	CB(1)1234/05-06 http://www.legco.gov.hk/yr0 5-06/english/panels/tp/minut es/tp060224.pdf