

立法會
Legislative Council

LC Paper No. CB(1)480/13-14
(These minutes have been seen
by the Administration)

Ref : CB1/PL/TP/1

Panel on Transport

**Minutes of meeting held on
Friday, 19 July 2013, at 9:00 am
in Conference Room 1 of the Legislative Council Complex**

Members present : Hon CHAN Kam-lam, SBS, JP (Chairman)
Hon Gary FAN Kwok-wai (Deputy Chairman)
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon WONG Kwok-hing, BBS, MH
Hon Ronny TONG Ka-wah, SC
Hon CHAN Hak-kan, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon Michael TIEN Puk-sun, BBS, JP
Hon NG Leung-sing, SBS, JP
Hon Frankie YICK Chi-ming
Hon WU Chi-wai, MH
Hon CHAN Han-pan
Dr Hon Elizabeth QUAT, JP
Hon POON Siu-ping, BBS, MH
Hon TANG Ka-piu
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
Hon Tony TSE Wai-chuen

Members attending : Hon Paul TSE Wai-chun, JP
Hon YIU Si-wing

Members absent : Hon Jeffrey LAM Kin-fung, GBS, JP
Dr Hon KWOK Ka-ki
Hon CHUNG Kwok-pan
Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Public Officers attending : **Agenda item III**

Prof Anthony CHEUNG, GBS, JP
Secretary for Transport and Housing

Mr Joseph LAI, JP
Permanent Secretary for Transport and Housing
(Transport)

Mr Andy CHAN
Deputy Secretary for Transport and Housing
(Transport)²

Miss Cathy WONG
Deputy Law Officer (Civil Law)
Department of Justice

Mrs Miranda YIM
Assistant Commissioner for Tourism 3
Commerce and Economic Development Bureau

Ms Doris CHOW
Assistant Director of Lands (Hong Kong)

Dr LEUNG Kin-man
Assistant Director of Electrical and Mechanical
Services (Railways)

Agenda item IV

Mr YAU Shing-mu
Under Secretary for Transport and Housing

Mr Patrick CHAN, JP
Deputy Secretary for Transport and Housing
(Transport) 3

Miss Cinderella LAW, JP
Deputy Commissioner for Transport/Transport
Services and Management

Mr CHEUNG Jin-pang
Assistant Commissioner for
Transport/Administration and Licensing

Mr Patrick WONG
Chief Transport Officer/Driving Services

**Attendance by
invitation : Agenda item IV**

Hong Kong School of Motoring Driving
Instructors Union

Mr LIN Kwok
Chairman

Hung Chun Driving School

Mr Patrick CHANG Po-chun
Director

Hong Kong Kowloon Goods Vehicles, Omnibuses
and Minibuses Instructors Association

Mr CHANG Shui-hung
Chairman

Kwun Tong Driving School

Mr Stephen CHENG
Chairman

Hong Kong Commercial Vehicle Driving
Instructors Association

Mr CHENG Cho-kwong
Chairman

Hong Kong Motor Car Driving Instructors'
Association Limited

Mr TSE Hang-lok
Board Secretary of Treasurer

前駕駛學院導師

Mr NG Chiu-wang

駕駛關注堂

Mr CHAN Wai-man

方案一大聯盟

Mr LEUNG Yiu-chung
Representative

Individual

Mr TAM Chi-wing

港粵司機團體

Mr CHONG Wing

師傅牌關注組

Mr CHAN Dik-sau
Representative

Individual

Mr LUK Chun-yip

Individual

Mr LAU Wing-hoi

Individual

Mr YU Fu-cheong

Individual

Mr HO Chun-pong

Individual

Mr LAM Wai-pong

Individual

Mr Mark CHUI Wai-yin

Public and Private Commercial Driving Instructors'
Society

Mr MA Hing-chung
Chairman

Yau Kei Driving School

Mr CHAN Chun-yeung
Representative

Public and Private Light Buses Driving Instructors'
Society

Mr NG Yam-sing
Secretary

Hong Kong Society of Articulated Vehicle Driving
Instructors

Mr MA Kwai-wah
Secretary

Hong Kong Driver's Training Association

Mr WU Hing-sing
Chairman

駕駛導師權益關注組

Mr CHEUNG Sun-ping
Chairman

Individual

Mr Joshua LI Ka-on

Driving Instructors Association

Mr LAI Man-kit
Chairman

Lam Kui Driving School

Mr LAM Kui
Chairman

交通業及教車評議會

Mr LAI Shui-yung
President

Lai Shui Yung Driving School

陸麗金女士
Chairman

Driving Instructors Merchants Association Limited

Mr NG Kin-wah
Chairman

Individual

Mr Zachary WONG Wai-yin
Yuen Long District Councillor

Kowloon Motor Driving Instructors' Association

Mr WAI Shau-sun
Chairman of the Board

港九駕駛教師聯會

Mr David CHEONG
Secretary

Hong Kong Driving Instruction Club

Mr LAM Ping-tak
Acting Chairman

Tak On Driving School Ltd

Mr LAM Chi-kin
Manager

Driving School Training Centre

Mr LI Siu-pang
Director

好易學

Mr NG Ka-wai
Spokesman

Town

Mr CHEUNG Ka-hin
Spokesman

LC Club Limited

Mr LUI Leung-ping
Spokesman

L-PASS

Miss CHAN Fung-yee
Spokesman

YK Drive to pass

Mr CHAN Yung-kuen
Spokesman

Individual

Mr CHIU Man-leong
Sha Tin District Councillor

Individual

Mr NGAN Wai-man

Individual

Mr SIU Ka-kin

Individual

Mr WONG Po-ki

Individual

Mr LI Ka-leung
Sai Kung District Councillor

Motor Transport Workers General Union

Mr LAM Chun-tung
Driving Instructor Branch Director

Lee Kin Driving School Limited

Mr POON Hau-leung
Administration Manager

The Lion Rock Institute (HK)

Miss Helen LE
Research Assistant

EC PASS

Mr CHANG Kei-hei
Spokesman

Clerk in attendance : Ms Sophie LAU
Chief Council Secretary (1)2

Staff in attendance : Ms Macy NG
Senior Council Secretary (1)2

Ms Emily LIU
Legislative Assistant (1)2

Miss Ariel SHUM
Clerical Assistant (1)2

Action

I Confirmation of minutes of meeting

(LC Paper No. CB(1)1516/12-13 - Minutes of meeting on
15 March 2013)

1. The minutes of the meeting held on 15 March 2013 were confirmed.

II Information papers issued since last meeting

(LC Paper No. CB(1)1363/12-13(01) - Joint letter from Dr Hon
Kenneth CHAN Ka-lok and
Dr Hon KWOK Ka-ki
requesting to discuss the
recent accident arising from
the construction of
Central-Wanchai Bypass

LC Paper No. CB(1)1357/12-13(01) - Memorandum referring to the
Panel the views and concerns
raised by Islands District
Council members on the fares

- and services of outlying island ferry routes
- LC Paper No. CB(1)1487/12-13(01) - Administration's response to the letter from Hon TANG Ka-piu on taxi licence premium
- LC Paper No. CB(1)1535/12-13(01) - Administration's information paper on review of existing licensing regime for driving motor cycles)

2. Members noted the above papers issued since the last meeting.

III The operating right of the peak tramway

- (LC Paper No. CB(1)1512/12-13(01) - Administration's paper on the operating right of the peak tramway
- LC Paper No. CB(1)1512/12-13(04) - Paper on the peak tramway prepared by the Legislative Council Secretariat (background brief))

3. Secretary for Transport and Housing ("STH") briefed members on the Administration's proposal to amend the Peak Tramway Ordinance (Cap. 265) ("the Ordinance") to enable continuation of the operation of the peak tramway after 31 December 2013, for an interim period of two years, till 31 December 2015. During the proposed two-year interim period, the Administration would study and make the long-term arrangements, including the necessary legislative amendments, for the operation of the peak tramway beyond the end of the interim period on 31 December 2015.

4. STH said that the Peak Tramways Company Limited ("PTC")'s current 10-year operating right was granted in 2003 on account of PTC's good performance on service and safety and its commitment to implement a number of measures to enhance passenger convenience. The current operating right lasted from 1 January 2004 to 31 December 2013. In anticipation of the expiry of the current operating right, PTC had since late 2012 started approaching the Government for an extension and subsequently for exploring feasibility of a plan to upgrade the peak tramway system and services. PTC had also requested the Government to consider if an operating right of longer than 10 years could be granted to make its proposed upgrading plan, if found feasible and meritorious, financially viable.

5. STH explained that over the years, it had been the understanding of the Government and PTC that the Ordinance provided the necessary basis for the continued operation of the peak tramway beyond 2013, subject to application by PTC, payment of a premium by PTC and approval by the Chief Executive in Council ("CE-in-Council"). However, during the discussion held on the extension of the operating right beyond 2013 between the Government and PTC, and upon further examination of the legislation by and advice from the Department of Justice ("DoJ"), it came to the Government's attention that this was not the case. The current operating right would have to lapse automatically on 31 December 2013 and sections 2A(5) and 2A(6) of the Ordinance were one-off provisions and had already served their purpose. The Ordinance had to be amended to enable the Government to have the power to extend the operating right or grant it anew.

General views

6. Stressing the importance of the peak tramway as a tourist and recreational facility in Hong Kong, Mr WONG Kwok-hing, Mr YIU Si-wing, Mr Tony TSE, Mr Michael TIEN and Mr WU Chi-wai considered that the peak tramway service could not be disrupted as a result of the legal problem. As such, they supported the Administration's two-stage approach to amend the Ordinance. The first stage would be to amend the Ordinance so that a two-year operating right could be granted to PTC as an interim measure. The second stage would be for the Administration to study and decide during the proposed two-year interim period the long-term arrangements including legislative amendments required for the operation of the peak tramway beyond 31 December 2015.

7. Mr WONG Kwok-hing said that he was taken by surprise by the "misunderstanding" on the Ordinance. He and Mr TANG Ka-piu also expressed concern over how the Administration would ensure the continued operation of the peak tramway after the end of the proposed interim operating period and whether there would be any impact on PTC's employees.

8. STH said that the current interpretation of sections 2A(5) and 2A(6) of the Ordinance was different from the Government's previous understanding. He supplemented that the Ordinance was amended in 1980s and 1990s. In 1980s, the provision on "exit arrangement" in the Ordinance catering for the scenario whereby the operating right no longer rested with PTC was removed alongside the addition of sections 2A(1) to 2A(4) of the Ordinance which essentially provided two ten-year operating rights to PTC from 1984 to end-2003. In 1990s, sections 2A(5) and 2A(6) were added to the Ordinance to allow PTC to apply for extension of its operating right beyond 2003.

Normally, if legal provisions were one-off in nature, such should be reflected clearly in their wording and there should be an "exit arrangement" spelt out in the provisions. However, neither was provided for in the Ordinance. He further pointed out that when the Ordinance was amended in 1990s, an ad hoc group was formed by the Legislative Council ("LegCo") to scrutinise the legislative amendments but whether sections 2A(5) and 2A(6) were one-off in nature was not discussed. He said with regret that the circumstances were not satisfactory and that the Government would rectify the situation.

9. STH said that the Administration would carefully draft the bill for the long-term arrangements for the operation of the peak tramway beyond end-2015. During the proposed two-year interim period commencing on 1 January 2014, the Government would discuss with PTC to resolve all the issues related to the long-term arrangements. He added that the employees of PTC would not be affected as what the Government was proposing was basically to roll over existing arrangements for the two-year interim period, pending long-term arrangements to be worked out.

10. Mr Ronny TONG considered that it was uncommon that all parties, including DoJ, PTC and LegCo, had overlooked the one-off nature of legal provisions during the legislative amendment exercise in 1990s. Having studied the relevant provisions in detail, Mr TONG opined that it might be the intent of the Government some 20 years ago to extend PTC's operating right for only 10 years beyond 2003. The Administration failed to make early arrangements to review the operation of the peak tramway upon the expiry of the current operating right. He considered it undesirable to grant the operating right indefinitely to the same company. The Administration should consider opening up the peak tramway service through tender so that the service could be improved through competition.

11. Sharing Mr TONG's view, Mr Paul TSE said that it might be the original legislative intent to set an end date for PTC's operating right. He also considered that the peak tramway service should not be monopolised in the long term. Noting that the land of the two peak tramway termini was owned by PTC whilst the land on which the track laid was owned by the Government, Mr TSE reminded that this might be a major issue for the Administration to address for any possible open tender to be arranged. He also suggested that any future operating right should be granted on the conditions that better auxiliary facilities would be put in place.

12. Mr Frankie YICK considered that opening up the peak tramway service might not be easy if intellectual property registration was made. He

also hoped that the Administration would handle the matter promptly and carefully.

13. Ir Dr LO Wai-kwok said that the peak tramway was part of the collective memory of Hong Kong people. He believed that the majority of the members of the public would not like to see any disruption to the peak tramway service because of the legal problem. With this in mind, he also believed that the law should be intended to be able to allow continued operation of the peak tramway. Ir Dr LO asked whether there were any restrictions on the usage of the land of the two termini.

14. STH responded that the peak tramway was first built by PTC for the purpose of serving its hotel at the Peak over a hundred years ago. It then also became a transport mode for residents in the Peak area later on. But, since 1980s, the peak tramway had become a tourist and recreational facility. The Administration shared members' view that the peak tramway service should not be disrupted as a result of the legal problem. Assistant Director of Lands (Hong Kong) ("ADL(HK)") supplemented that according to the leases, the land concerned on Garden Road was restricted to non-industrial, maintenance and operation of the peak tramway uses. Whereas, the land at the Peak was not allowed for domestic or industrial uses except for purposes in connection with the operation of the peak tramway or for such public entertainment and recreational purposes as the Director of Lands might approve.

Interim and long-term arrangements

15. Noting that there were a number of complex issues to be resolved for the long-term arrangements for the operation of the peak tramway, some members wondered whether all the issues could be timely resolved during the two-year interim period. Against this background, Mr Tony TSE and Ir Dr LO Wai-kwok suggested that the Administration might consider lengthening the interim period to allow flexibility.

16. Mr WU Chi-wai considered that the Administration should set a timetable for the issues to be resolved, and report to members the underlying principles upon which the long-term arrangements would be proposed. He also considered that the Administration should work out contingency measures in case the long-term arrangements could not be made within the proposed interim period.

17. In response, STH said that the Administration had engaged with PTC on its upgrading plan for the peak tramway system and services. If members

supported the Administration's proposed interim two-year operating right, the Administration planned to introduce a bill into LegCo in October 2013 to give legal basis for the Government to grant the right. The Administration would also explore the contingency measures in case that the legislative amendments could not be completed in time.

18. Mr YIU Si-wing expressed concern over whether the Government would have little bargaining power in discussing with PTC the legislative amendments for the long-term operation of the peak tramway and the upgrading plan simultaneously because PTC might think that the Government would have little choice but to grant it the operating right after the proposed interim period.

19. STH pointed out that PTC should not have any expectation of being granted the operating right perpetually under the Ordinance, and decision of granting the right always rested with CE-in-Council. During the proposed two-year interim period, the Administration would discuss with PTC a number of issues, including the feasibility and merits of PTC's upgrading plan, how the operating right should be granted, extended and, where necessary, ended for the long term having regard to the upgrading plan (if found feasible and meritorious in the end). Although the schedule was tight, the Administration aimed to resolve all the above issues within the proposed two-year interim period.

20. Mr NG Leung-sing considered that members should focus on the future arrangements for the operation of the peak tramway. He welcomed PTC's proposed upgrading plan to replace tramcars with new ones with carrying capacity increased by over 60%, and to install an upgraded haulage system to ensure safe operation of the enlarged tramcars. He asked whether the safety standard or monitoring system would be adjusted accordingly after the completion of the above upgrading works. He also suggested that an open design competition on the appearance of new tramcars could be arranged.

21. STH said that although PTC had adopted various measures to reduce the waiting time for the peak tramway service, it would be worthwhile to upgrade the peak tramway system in anticipation of a growing patronage in the long run. He advised that PTC had provided some information on its proposed upgrading plan to the Administration, and that the Administration would assess the feasibility and merits of the proposal in detail in due course. Since the proposed upgrading plan involved PTC's investment, the Administration needed to consider how the long-term arrangements for the operating right and the upgrading plan should interact. STH further said that

irrespective of the arrangements for the operating right, the operator would continue to be required to maintain a safe and good service. The Electrical and Mechanical Services Department would continue to conduct regular inspections on the safety performance of the peak tramway system.

22. Mr WONG Kwok-hing suggested that a site visit should be arranged in due course so that members could better understand PTC's proposed upgrading plan. STH undertook to reflect Mr WONG's suggestion to PTC.

23. Mr POON Siu-ping noted that although the peak tramway service had been satisfactory so far, there were still about two complaints on average against it every year. He asked about the details of the complaints. He also suggested that the Administration might consider setting a target for PTC to reduce the queuing time. Mr POON asked whether the discussion with PTC on the long-term arrangements would cover the conditions of service of PTC's frontline staff.

24. Deputy Secretary for Transport and Housing (Transport)² explained that the number of complaints received against the peak tramway service – two cases per year – was insignificant when compared with an average daily patronage of about 16 000 in 2012. Those complaint cases were mainly about the general standard of service, such as the conduct and performance of individual staff, and did not concern any major issues. Assistant Commissioner for Tourism 3 of the Commerce and Economic Development Bureau supplemented that the tourism sector was generally satisfied with the peak tramway service.

25. In respect of the conditions of service for PTC's frontline staff, STH believed that as a private business, PTC should have every incentive of its own to offer attractive staff remuneration and benefits to recruit and retain talent to ensure quality service.

26. Mr TANG Ka-piu appreciated that PTC offered free rides on the peak tramway to disabled persons on the International Day of Disabled Persons. He hoped that PTC could step up its efforts to show its care for the disabled and disadvantaged group in the community. STH undertook to reflect Mr TANG's views to PTC.

27. Mr YIU Si-wing, Mr TANG Ka-piu and Mr Paul TSE asked how the Administration would determine the amount of premium to be paid by PTC for the proposed two-year interim operating right.

28. ADL(HK) advised that the amount of premium would be assessed by the Lands Department ("LandsD") based on the full market value of the government land occupied, taking into due consideration of past profits generated from the peak tramway service. If PTC had disagreement over the amount of premium assessed by LandsD, it could counter-propose with justifications. LandsD would then conduct an independent assessment on the counter proposal. The reassessment result had to be approved by a committee comprising the Deputy Director of Lands, Assistant Directors of Lands and professional estate surveyors. She pointed out that LandsD would need to discuss with PTC the premium amount for the two-year interim operating right period.

29. In response to views of Mr Tony TSE, Mr Michael TIEN and Mr Paul TSE that the Administration should have some control over the fares of the peak tramway, STH said that the fares of the peak tramway were de-regulated since 1980s as the peak tramway had essentially become a tourist and recreational facility. Apart from the peak tramway, there were other public transport services (including public light buses and franchised buses) for the Peak. He added that the proposed interim operating right arrangement was to grant PTC the operating right for two years basically on the current terms and conditions, including the need of payment of premium.

Summing up

30. The Chairman asked whether there were any objections to the Administration's two-step approach, with the first one to amend the Ordinance to enable continuation of the operation of the peak tramway service after 31 December 2013, for an interim period till 31 December 2015. No members expressed objection. The Chairman requested the Administration to take note of the concerns raised by members at the meeting while taking forward the legislative amendment exercise.

IV Private Driving Instructor's Licences

(LC Paper No. CB(1)1512/12-13(02) - Administration's paper on private driving instructors' licences

LC Paper No. CB(1)1512/12-13(03) - Paper on private driving instructors' licences prepared by the Legislative Council Secretariat (background brief)

LC Papers Nos. - Submissions from members

CB(1)1513/12-13(05), of the public
 CB(1)1520/12-13(01) and
 CB(1)1643/12-13(01) and (10)-(19)
 LC Paper No. CB(1)1520/12-13(02) - Submission from The Hong
 Kong School of Motoring
 Limited

31. Under Secretary for Transport and Housing ("USTH") briefed members on the outcome of the Transport Department ("TD")'s biennial review in 2012 on the need to issue new Private Driving Instructor's ("PDI") licences and the review on the existing issuing mechanism of PDI licences.

32. USTH advised that after the review in 2012 on the need to issue new PDI licences ("the 2012 review"), the Commissioner for Transport ("C for T") had decided to issue new PDI licences for the three groups of PDI licences as follows:

No of new licences	Private Driving Instructor's Licences
212	Group 1: Private Cars and Light Goods Vehicles
32	Group 2: Light Buses and Buses
43	Group 3: Medium, Heavy Goods Vehicles and Articulated Vehicles

In addition, TD had come up with nine options to address the concerns of the PDI trade on the existing issuing mechanism of PDI licences. Details of the nine options were summarized below:

- Option 1: Maintaining the status quo (i.e. both the existing issuing mechanism of new PDI licences and the benchmarks of the three groups remain unchanged);
- Option 2: Maintaining the benchmarks; new PDI licences for issue to be equally shared among (i) PDIs of other groups; (ii) serving and former Restricted Driving Instructors ("RDI") and (iii) members of the public;
- Option 2 (A): Similar to Option 2 but grouping PDIs and RDIs into one group; new PDI licences to be equally shared by (i) driving instructors ("DI") (including PDIs of other groups, serving and former RDIs) and (ii) members of the public:

- Option 3 : Maintaining the benchmarks; new PDI licences to be equally shared among (i) PDIs of other groups and (ii) serving and former RDIs. If there are any PDI licences in any group left after applications by PDIs and RDIs, members of the public will be invited to apply;
- Option 3 (A): Similar to Option 3 but grouping PDIs and RDIs into one group.
- Option 4 : Maintaining the benchmarks; new PDI licences to be issued to serving and former RDIs only;
- Option 5 : Maintaining the benchmarks; new PDI licences to be issued under this review to be equally shared among (i) PDIs of other groups and (ii) serving and former RDIs. All new PDI licences to be issued in next biennial review would be allocated to members of the public and so forth;
- Options 5(A): Similar to Option 5, but grouping PDIs and RDIs into one group;
- Option 6: Maintaining the existing grouping of PDIs but removing the benchmarks of each group (i.e. no restriction on the number of PDI licences). Interested and qualified person can apply for PDI licence at any time.

Presentation of views by deputations attending session I of the meeting

33. The Chairman invited deputations attending session I of the meeting to express their views on the proposed options of the issuing mechanism of PDI licences. The summary of deputations' views is in the **Appendix**.

(At 10:10 am, the Chairman suspended the meeting for about five minutes because a deputation of the Hong Kong School of Motoring Driving ("HKSM") Instructors Union suddenly passed out whilst he was speaking at the meeting.)

Discussion

34. Mr Ronny TONG pointed out that under the existing policy, holders of RDI licences were only permitted to provide driver training services at the designated driving schools ("DDSs") by which they were employed, and the relevant licences would cease to be valid once they left the DDSs. He criticized that such an arrangement would facilitate monopoly of DDSs, which would not seek to enhance the remuneration package of their driving instructors. In his view, the Administration should address the problem and adopt an option which could balance the interests of different parties.

35. The Deputy Chairman considered that the consultation carried out by the Administration was far from satisfactory because the trade was required to express their views within a few days. He also opined that the restrictions imposed on the driving instructors of HKSM were unfair and urged the Administration to discontinue the monopoly of HKSM. He suggested that the Administration should consider standardizing the venues for conducting road tests.

36. Mr WONG Kwok-hing noted that the majority of deputations/individuals who had attended section I of the meeting were in favour of Option 1, i.e. maintaining the status quo. He asked about the Administration's stance in respect of this majority view. He also urged the Administration to review the situation that DDSs had taken advantage of the current mechanism of issuing RDI licences to exploit their driving instructors. Sharing with the Deputy Chairman, Mr WONG was dissatisfied with the very short consultation period set by the Administration.

37. Mr LEE Cheuk-yan was dissatisfied that the Administration had long been transferring benefits to HKSM by giving it preferential treatment. On top of the nine options, he proposed a new option, i.e. cancelling the "two-pronged" approach and allowing holders of RDIs to obtain/apply for PDI licences to recognize their experience and qualifications. Under this option, DDSs would be required to employ PDIs of the same category in the market, thus providing more choices to serving PDIs.

38. Mr Albert CHAN pointed out that the current mechanisms of issuing PDI and RDI licences were in favour of HKSM and were unfair to small-scale DDSs and PDIs. He considered that HKSM should not be allowed to monopolize the market any more. He objected to limiting the number of PDI licences by legislation as this was not common to impose a ceiling for other professional jobs like lawyers and doctors, and the practice had facilitated the monopoly of HKSM.

39. Mr Paul TSE considered that apart from drawing lots, the opportunity to enter the industry, recognition of the experience of serving driving instructors, as well as public safety should all be considered to maintain a fair issuing mechanism. He opined that the quota of issuing PDI licences should be removed. To be fair and open, all eligible people should be allowed to apply for PDI licences and they should be free to opt for staying in the business or not.

40. In response, USTH said that the road traffic in Hong Kong was extremely busy. Under the current "two-pronged" approach driver training policy, off-street driver training was provided through the establishment of driving schools on one hand and a steady supply of PDIs who could provide on-street driver training was maintained on the other. In light of the views collected on the current mechanism, TD had come up with nine options to facilitate discussion by the trade. He stressed that the consultation was still on-going and the Administration had an open mind. He added that should there be a clear majority view on any of the options, the Administration would further analyze the option concerned and work out the relevant implementation details, including legislative amendments. He noted the deputations' views that while formulating the ultimate option, the Administration would have to adopt a fair and transparent policy, recognize the experience of serving driving instructors and allow new entrants to the trade.

(The Chairman ordered a break from 11:24 am to 11:30 am)

Presentation of views by deputations attending session II of the meeting

41. The Chairman invited deputations attending session II of the meeting to express their views on the issuing mechanism of PDI licences. The summary of deputations' views is in the **Appendix**.

Discussion

42. Mr POON Siu-ping considered that apart from reviewing the issuing mechanism of PDI licences, the Administration should also review that of RDI licences. He also expressed concern over whether the Administration would increase the number of sites for conducting off-street driving training and those for road tests with a view to relieving the road traffic burden caused by on-street driving training by PDIs.

43. Deputy Commissioner for Transport/Transport Services and Management ("DC/TSM") said that the Administration had not set any limit

on the number of DDSs. If an organisation could identify a site suitable for conducting off-street driving training and had the capability to provide driving training, it might submit an application to TD for consideration. She added that the law had set out how road tests should be conducted. Driving examiners adopted the same standard in assessing the driving skills of candidates irrespective of how they were trained.

44. Mr LEUNG Kwok-hung, however, opined that it was difficult for PDI organizations to identify off-street driving training sites themselves as approval by the Town Planning Board was required. He considered that RDI licences should be cancelled such that all eligible drivers could apply for PDI licences. By doing so, DDSs would no longer be able to exploit their driving instructors. He also suggested that the Administration might consider closing all DDSs and designate a venue for conducting driving lessons and road tests for all learner drivers on 24-hour basis.

45. Mr TANG Ka-piu considered that the dissatisfaction towards the current mechanism was caused by the unharmonious labour relation and poor remuneration package of DDSs. He called on the Administration to conduct a thorough review on the operation of DDSs, including consideration of a standard salary level for RDIs. Noting that there were diverse views on the current issuing mechanism, he requested that the Administration should produce a report on different options raised by the trade. In the meantime, the Administration should suspend the issuance of RDI licences before any decision was made.

46. Mr LEE Cheuk-yan expressed his dissatisfaction with the preferential treatment given by the Administration to HKSM, such as priority given in making appointments for road tests. He reiterated that there was a need to remove the "two-pronged" approach so that HKSM could not monopolize the market. In light of the diverse views on the current mechanism of issuing driving instructor's licences, he considered that more time should be allowed for discussion of the options in detail. He asked about the Administration's schedule in this regard.

47. DC/TSM clarified that the Administration had not provided any subsidy or preferential treatment to any DDSs, including discount in rental of land for conducting off-street driving training and tests. On the arrangement of driving tests, she advised that TD had been assigning driving examiners to different driving test centres for conducting tests in proportion to the numbers of test forms received from the candidates of DDSs and PDIs. On average, the waiting time required for a learner driver taught by PDI for taking a driving test after making an appointment was about

200 days while that through DDS was 150 days. She further explained that in circumstances where candidates were unable to attend the driving tests at the appointed time, DDSs indeed had more flexibility than individual PDIs in filling up these vacant test slots thus reducing wastage of the slots.

48. In respect of the schedule of the review, USTH said that since how the Administration would issue the new PDI licences subsequent to the 2012 review would hinge on the consultation outcome, he hoped that there could be a clear majority view by end of 2013 or early 2014 to facilitate the issuing of new PDI licences by the Administration.

Admin 49. At the request of Mr LEE Cheuk-yan, the Administration agreed to provide written information to explain the differences in the licensing mechanisms between RDI and PDI and whether HKSM was given any privileges in the processing of driving tests.

(To allow sufficient time for discussion, the Chairman extended the meeting by 15 minutes.)

50. Mr Paul TSE considered that in consideration of the number of new PDI licences which should be issued, the Administration should assess the actual number of PDIs who were practising apart from just making reference to the benchmarks agreed in 1999, which were only indicative of the number of PDIs in the 3 Groups. Sharing with other members, he also had concern over the preferential treatment given to HKSM and considered that the Administration should review the policy towards DDSs. He reiterated his suggestion that the Administration should open up the number of PDI licences to enable any eligible person to apply for it.

51. Mr WONG Kwok-hing said that according to his rough counting, of the 50 deputations/individuals who had attended the meeting, the majority of them were in favour of Option 1. He also urged the Administration to review the unfair situation that make-up tests could be arranged for applicants of RDI licences who failed in the written/driving tests while applicants of PDI licences could only attempt once the tests after they gained a place to take the test through the drawing of lots.

52. USTH undertook to study the views of members and deputations expressed at the meeting. He said that their views could provide a good base for arriving at a majority view.

53. The Chairman thanked all deputations/individuals attending the meeting. He hoped that the Administration could clearly inform the public

on the consultation period and the schedule of making a decision on the matter to facilitate the expression of further views by members of the public.

V Any other business

54. There being no other business, the meeting ended at 12:41 pm.

Council Business Division 1
Legislative Council Secretariat
9 December 2013

Panel on Transport

Meeting on Friday, 19 July 2013, at 9:00 am

Private Driving Instructor's Licences

Summary of views and concerns expressed by deputations/individualsSession I

No.	Name of deputation/individuals	Major views and concerns
1.	Hong Kong School of Motoring Driving Instructors Union	<ul style="list-style-type: none"> the "two-pronged approach" of the current driver training policy should be cancelled as the issuance of Restricted Driving Instructor ("RDI")'s Licence had facilitated designated driving schools ("DDS") to employ driving instructors at low cost the current mechanism was unfair to RDIs as they were not allowed to provide driving instructions after leaving the driving school
2.	Hung Chun Driving School	<ul style="list-style-type: none"> the "two-pronged" approach should be cancelled strongly objected to giving priority to RDIs for applying for Private Driving Instructor ("PDI")'s licences driving instructors should be free to work in the driving school or in the private market
3.	Hong Kong Kowloon Goods Vehicles, Omnibuses and Minibuses Instructors Association	<ul style="list-style-type: none"> in support of the current mechanism of issuing PDI licences, i.e. dealing with eligible applications in accordance with their priorities determined by drawing of lots

No.	Name of deputation/individuals	Major views and concerns
4.	Kwun Tong Driving School	<ul style="list-style-type: none"> ● in support of the current mechanism of issuing PDI licences and the adoption of "two-pronged approach" ● did not object to RDI licence holders to obtain PDI licences after serving a driving school for three years ● disagreed to allowing driving instructors to hold RDI and PDI licences at the same time as it would create management difficulties of driving schools
5.	Hong Kong Commercial Vehicle Driving Instructors Association [LC Papers Nos. CB(1)1513/12-13(01) and CB(1)1643/12-13(09)]	<ul style="list-style-type: none"> ● in support of Option 3, which allowed new PDI licences to be equally shared among (i) PDIs of other groups and (ii) serving and former RDIs ● the three existing PDI groups should be merged into one
6.	Hong Kong Motor Car Driving Instructors' Association Limited [LC Paper No. CB(1)1513/12-13(02)]	<ul style="list-style-type: none"> ● in support of Option 1, i.e. maintaining the status quo ● the existing three PDI groups should be maintained ● holders of different groups of PDI licences and RDI licences should need to go through the same processes as other applicants, including drawing of lots and driving test
7.	前駕駛學院導師	<ul style="list-style-type: none"> ● dissatisfied with the Administration's policy which was in favour of the Hong Kong School of Motoring

No.	Name of deputation/individuals	Major views and concerns
8.	駕駛關注堂	<ul style="list-style-type: none">● in support of Option 1● dissatisfied with the insufficient consultation on the review on the issuing mechanism of new PDI licences
9.	方案一大聯盟	<ul style="list-style-type: none">● in support of Option 1● new PDI licences should be issued through an open and fair system by drawing of lots
10.	Mr TAM Chi-wing	<ul style="list-style-type: none">● in support of Option 1● disagreed to giving priority to holders of RDI licences on application for PDI licences
11.	港粵司機團體	<ul style="list-style-type: none">● in support of Option 1● other experienced drivers would be deprived of the opportunity to apply for new PDI licences if priority was given to holders of RDI licences
12.	師傅牌關注組	<ul style="list-style-type: none">● in support of Option 1● Hong Kong citizens should be given equal opportunity to apply for PDI licences
13.	Mr LUK Chun-yip	<ul style="list-style-type: none">● in support of Option 1

No.	Name of deputation/individuals	Major views and concerns
		<ul style="list-style-type: none"> the current mechanism by drawing of lots was fair
14.	Mr LAU Wing-hoi [LC Paper No. CB(1)1643/12-13(07)]	<ul style="list-style-type: none"> in support of Option 1 resources would be over-concentrated on the existing PDIs under Options 2 to 5 the existing mechanism by drawing of lots would allow new entrants to the trade and enhance the image of PDIs
15.	Mr YU Fu-cheong	<ul style="list-style-type: none"> in support of Option 1 the current mechanism by ballot was open and fair to all eligible applicants; and had been functioning well for more than ten years
16.	Mr HO Chun-pong [LC Paper No. CB(1)1643/12-13(04)]	<ul style="list-style-type: none"> in support of Option 1 the current mechanism by drawing of lots was open and fair
17.	Mr LAM Wai-pong	<ul style="list-style-type: none"> in support of Option 1 the current mechanism by drawing of lots was open and fair
18.	Mr Mark CHUI Wai-yin	<ul style="list-style-type: none"> it was unfair to give priority to RDIs to apply for PDI licences the qualifications of holders of PDI licences were recognized through driving test conducted by Transport Department ("TD") under the current mechanism

No.	Name of deputation/individuals	Major views and concerns
19.	Public and Private Commercial Driving Instructors' Society [LC Paper No. CB(1)1513/12-13(03)]	<ul style="list-style-type: none"> ● suggested to issue new PDI licences to serving driving instructors of other groups ● the current policy was contradictory as it disallowed PDIs of Groups 2 and 3 to provide driver instructions to learner drivers of Group 1 while it allowed learner drivers to obtain the qualification of driving the 1st class of vehicles after passing the driving test of large vehicles
20.	Yau Kei Driving School	<ul style="list-style-type: none"> ● with their rich experience in providing driving instructions, PDIs of Groups 2 and 3 should be allowed to provide driving instructions to learner drivers of Group 1 vehicles
21.	Public and Private Light Buses Driving Instructors' Society	<ul style="list-style-type: none"> ● in support of Option 3 under which public resources for arranging drawing of lots and driving tests could be saved ● the rich experience of serving PDIs and RDIs would safeguard public safety
22.	Hong Kong Society of Articulated Vehicle Driving Instructors [LC Paper No. CB(1)1643/12-13(05)]	<ul style="list-style-type: none"> ● in support of Option 3 under which public resources could be saved ● new PDI licences should be shared among serving driving instructors with more than three years' training experience
23.	Hong Kong Driver's Training Association	<ul style="list-style-type: none"> ● in support of Option 3 ● with their rich experience in providing driving instructions, PDIs of Groups 2 and 3 should be issued with new PDI licences in Group 1

No.	Name of deputation/individuals	Major views and concerns
24.	駕駛導師權益關注組	<ul style="list-style-type: none"> in support of Option 3 or Option 6 (maintaining the existing grouping of PDIs but removing the benchmarks of each group) in support of issuing new PDI licences by drawing of lots
25.	Mr Joshua LI Ka-on	<ul style="list-style-type: none"> in support of Option 1 other options, which would give priority to serving PDIs of other groups and RDIs in applying for new PDI licences, were unfair

Session II

No.	Name of deputation/individuals	Major views and concerns
26.	Driving Instructors Association [LC Paper No. CB(1)1643/12-13(06)]	<ul style="list-style-type: none"> the consultation conducted by TD was insufficient in support of Option 1 under which new PDI licences would be issued in a fair, impartial and open manner
27.	Lam Kui Driving School	<ul style="list-style-type: none"> new PDI licences should be allocated to those experienced and serving driving instructors for the sake of public safety
28.	交通業及教車評議會	<ul style="list-style-type: none"> All holders of driving licences with three-year driving experience should be eligible for applying for PDI licence
29.	Lai Shui Yung Driving School	<ul style="list-style-type: none"> in support of Option 3 experienced driving instructors would facilitate learner drivers to obtain driving licences easily

No.	Name of deputation/individuals	Major views and concerns
30.	Driving Instructors Merchants Association Limited	<ul style="list-style-type: none"> the current mechanism by drawing of lots was fair, impartial and open.
31.	Mr Zachary WONG Wai-yin, Yuen Long District Councillor	<ul style="list-style-type: none"> RDI licences should be cancelled
32.	Kowloon Motor Driving Instructors' Association	<ul style="list-style-type: none"> in support of Option 1 all interested people should be allowed to apply for PDI licence through the drawing of lots
33.	港九駕駛教師聯會 [LC Paper No. CB(1)1513/12-13(06)]	<ul style="list-style-type: none"> in support of Option 1 disagreed to converting RDI licences to PDI licences as it was easier to obtain the former although holders of Groups 2 and 3 PDI licences had rich experience in teaching learner drivers with three-year driving experience, they did not have experience in teaching those without any driving experience in Group 1
34.	Hong Kong Driving Instruction Club	<ul style="list-style-type: none"> TD should review the situation that there was indeed a shortage of driving instructors in the last decade because some of the licence holders were not practising as driving instructors
35.	Tak On Driving School Ltd	<ul style="list-style-type: none"> there was a serious shortage of driving instructors in the market

No.	Name of deputation/individuals	Major views and concerns
		<ul style="list-style-type: none"> the Administration should increase considerably the number of PDI licences
36.	Driving School Training Centre [LC Paper No. CB(1)1643/12-13(08)]	<ul style="list-style-type: none"> in support of Option 1 the current mechanism by drawing of lots should be maintained
37.	好易學	<ul style="list-style-type: none"> in support of Mr Albert CHAN's suggestion of de-regulating the number of PDI licences. However, some issues, including the "two-pronged" approach, monopoly of DDS, and existence of RDI licences, had to be resolved before implementation of the proposal in support of Option 1
38.	Town	<ul style="list-style-type: none"> in support of Option 1, which was fair and open all eligible Hong Kong people, including serving RDIs, should be allowed to get the PDI licences through drawing of lots and passing of driving tests
39.	LC Club Limited	<ul style="list-style-type: none"> in support of Option 1 the current mechanism, which was fair, impartial and open, should be maintained
40.	L-PASS	<ul style="list-style-type: none"> in support of Option 1

No.	Name of deputation/individuals	Major views and concerns
		<ul style="list-style-type: none"> the current mechanism, which was fair, impartial and open, should be maintained to allow new entrants to the trade
41.	YK Drive to pass	<ul style="list-style-type: none"> in support of Option 1, which allowed any eligible members of the public to apply for PDI licences through drawing of lots
42.	Mr CHIU Man-leong, Sha Tin District Councillor	<ul style="list-style-type: none"> drivers' driving standard was much related to the standard of driving instructors in support of Option 3 under which the standard of driving instructors would be enhanced to ensure road safety
43.	Mr NGAN Wai-man [LC Paper No. CB(1)1643/12-13(02)]	<ul style="list-style-type: none"> the restrictions imposed on RDI licences should be removed only PDI licences should be issued
44.	Mr SIU Ka-kin	<ul style="list-style-type: none"> all applicants for RDI licences should undergo an interview apart from attending written and road tests the restrictions imposed on RDI licences should be removed
45.	Mr WONG Po-ki	<ul style="list-style-type: none"> the current mechanism of issuing PDI licences by drawing of lots was fair
46.	Mr LI Ka-leung, Sai Kung District Councillor	<ul style="list-style-type: none"> in support of Option 3 road safety should be the prime consideration of TD in issuing new PDI licences

No.	Name of deputation/individuals	Major views and concerns
		<ul style="list-style-type: none">holders of PDI licence should be required to provide driving instructions to learner drivers
47.	Motor Transport Workers General Union	<ul style="list-style-type: none">in support of Option 1, which was fair and impartialapart from being experienced, a driving instructor should also be polite and observant
48.	Lee Kin Driving School Limited [LC Paper No. CB(1)1513/12-13(04)]	<ul style="list-style-type: none">in support of Option 6 as there was a shortage of driving instructors in the market
49.	The Lion Rock Institute (HK)	<ul style="list-style-type: none">the restrictions on the number of PDI licence should be removedany competent drivers should be allowed to apply for PDI licence
50.	EC PASS [LC Paper No. CB(1)1643/12-13(03)]	<ul style="list-style-type: none">in support of Option 1the current mechanism by ballot was fair, impartial and openthe Administration could consider imposing conditions on the licence of DDS which must improve the remuneration packages of RDIs