# 立法會 Legislative Council

LC Paper No. CB(1)1142/14-15 (These minutes have been seen by the Administration)

Ref: CB1/SS/8/14/1

# **Subcommittee on Road Traffic Ordinance** (Amendment of Schedule 10) Order 2015

Minutes of second meeting held on Wednesday, 10 June 2015, at 8:30 am in Conference Room 2 of the Legislative Council Complex

**Members present**: Hon Frankie YICK Chi-ming (Chairman)

Hon Cyd HO Sau-lan, JP Hon CHAN Hak-kan, JP Dr Hon KWOK Ka-ki

Hon POON Siu-ping, BBS, MH

Hon TANG Ka-piu, JP

**Public Officers** attending

: For item I

Mr MOK Wai-chuen, JP

Assistant Director (Air Policy)

**Environmental Protection Department** 

Mr FONG Kin-wa

Principal Environmental Protection Officer

(Mobile Source)

**Environmental Protection Department** 

Mr Alex LAI

Government Counsel Department of Justice **Attendance by** invitation

: For item I

<u>United Friendship Taxi Owners and Drivers</u> <u>Association Limited</u>

Mr FUNG Shing Chairman

Hong Kong Container Tractor Owner Association Limited

Mr LAM Hoi-tat 常務副主席兼秘書長

Taxi Dealers & Owners Association Limited

Mr NG Kwan-sing Permanent President

<u>Hong Kong Commercial Vehicle Maintenance</u> <u>Association</u>

Mr MA Shing-wai Vice Chairman

Wai Yik HK, KLN and NT Taxi Owners Association Limited

Mr LI Kwok-ying Vice Chairman

Hong Kong, Kowloon and NT Public and Maxicab Light Bus Merchants' United Association

Mr LEUNG Hung Chairman

Sun Star Taxi Operators Association

Mr CHAN Wai-ming President

#### Hong Kong Taxi Owners' Association Limited

Mr WONG Po-keung Chairman

#### The Kowloon Taxi Owners Association Limited

Mr WAN Cheuk-ming Chairman

Individual

Mr LUI Ah-fook

#### **LPG Vehicle Supporting Association**

Mr POON Lik-hung Chairman

# 環保汽車維修同業聯會

Mr LAM Hing-cheong Chairman

# NT Taxi Operations Union

Mr CHAN Shu-sang Chairman

# **Chung Shing Taxi Limited**

Mr CHE Chi-hung Leasing Department Supervisor

# <u>Hong Kong Vehicle Repair Merchants Association</u> <u>Limited</u>

Mr YEUNG Ka-wo Chairman

# Transport and Logistics Services Council

Mr Joseph LEUNG Vice Chairman

# 西北區的士司機從業員總會

Mr WONG Wing-chung Chairman

**Clerk in Attendance :** Ms Angel SHEK

Chief Council Secretary (1)1

**Staff in attendance**: Miss Carrie WONG

Assistant Legal Adviser 4

Ms Mandy LI

Council Secretary (1)1

Miss Mandy POON

Legislative Assistant (1)1

Action

# I. Meeting with deputations and the Administration

# Matters arising from previous meeting

(LC Paper No. CB(1)964/14- — List of follow-up actions arising from the meeting on

3 June 2015

LC Paper No. CB(1)964/14-15(02) — Administration's response to the issues raised at the

meeting on 3 June 2015

Relevant papers

L.N. 90 of 2015 — Road Traffic Ordinance

(Amendment of Schedule 10)

Order 2015

issued in May 2015 — Legislative Council Brief

issued by the Environment Bureau/ Environmental

**Protection Department** 

LC Paper No. LS66/14-15

Legal Service Division Report

LC Paper No. CB(1)926/14-15(01)

Marked-up copy of relevant provisions to be amended by the subsidiary legislation prepared by the Legal Service Division (Restricted to members)

LC Paper No. CB(1)926/14-15(02)

 Background brief prepared by the Legislative Council Secretariat)

#### Meeting with deputations

Submissions from organizations attending the meeting

(LC Paper No CB(1)991/14-15(01)

 Submission from Hong Kong Taxi Owners' Association Limited (Chinese version only)

LC Paper No. CB(1)964/14-15(03)

Submission from NT Taxi Operations Union (Chinese version only))

Submissions from organizations not attending the meeting

(LC Paper No. CB(1)964/14-15(04)

 Submission from Union Inv. Holdings Limited (Chinese version only)

LC Paper No. CB(1)991/14-15(02)

 Submission from Hong Kong Vehicle Carbon Emission Testing Company Limited (Chinese version only)

LC Paper No. CB(1)991/14-15(03)

 Submission from China Inspection Company Limited (Chinese version only)

LC Paper No. CB(1)991/14-15(04)

 Submission from Environmental Technology Consultants Limited (English version only) LC Paper No. CB(1)1010/14-15(01) — Submission from Yau Shing Motor Services Limited (Chinese version only))

The Chairman welcomed representatives of the Administration and deputations/individual to the meeting. He reminded the deputations/individual that their written submissions provided to the Subcommittee and views presented at the meeting would not be covered by the protection and immunity provided under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382).

#### Discussion

2. <u>The Subcommittee</u> received views from 17 deputations/individual attending the meeting and noted the written submissions provided by the five deputations which did not attend the meeting (index of proceedings attached at the **Annex**).

#### Follow-up actions to be taken by the Administration

Admin 3. <u>The Administration</u> was requested to provide written responses to the concerns and suggestions expressed by the deputations at the meeting as well as in their written submissions, as highlighted below –

#### Test fee increase

- (a) it was unfair that the increased operating costs of privately-run designated vehicle emission testing centres ("DVETCs") should be passed by means of the test fee increase onto the transport trades, and ultimately onto passengers or transport services users, on the ground of unsustainability of DVETCs;
- (b) the Government should shoulder responsibility of environmental protection by providing emission tests free of charge or at fees lower than those payable to DVETCs by transport operators, or subsidizing the test fees;

#### Emission tests

(c) the Administration should include dynamometer-based emission tests as part of the annual examination administered by the Transport Department for licence renewal of motor vehicles, so that the vehicles would not need to undergo additional emission tests in the same year after passage of the annual examination,

thereby reducing the cost burden of the vehicle owners;

(d) considerations for determining the locations of remote sensing equipment and the concern about the objectivity of emission measurement if the remote sensing equipment was placed at the start of steep roads, as vehicles would generate more emissions as a result of more fuel combustion when they were running uphill;

#### Replacement of catalytic converters and vehicle repair

- (e) mechanism for selecting the catalytic converters under the one-off subsidy scheme for replacement of this component to reduce emissions from vehicles ("the Scheme"); and for handling complaints about the quality of these catalytic converters;
- (f) the alleged problem that the catalytic converters provided under the Scheme were quickly worn out and could not help reduce emissions from motor vehicles effectively because they were not original equipment manufactured ("OEM") devices;
- (g) the Administration should consider deploying resources and taking measures to help the transport trades to replace the non-OEM catalytic converters under the Scheme by OEM catalytic converters for their vehicles; and

#### Liquefied petroleum gas taxis

- (h) concerns about the existing policy restrictions on importation of diesel taxis, and whether the Government would consider relaxing the requirements on the types of vehicles for replacement of diesel or liquefied petroleum gas ("LPG") taxis so long as they could meet the prescribed emission standards.
- 4. <u>The Administration</u> was requested to provide information on
  - (a) the respective number of petrol and LPG vehicles participating in the Scheme; and
  - (b) the respective number of petrol and LPG vehicles that were served with emission testing notices ("ETNs") in the past year, with breakdown of the number of vehicles (i) with catalytic converters replaced under the Scheme, and (ii) required to be re-tested for ETNs issued.

- 5. <u>The Administration</u> was requested to advise whether it would consider
  - (a) postponing the date on which the new test fee for DVETCs would come into operation in the light of concerns raised by deputations; and
  - (b) earmarking spaces at public facilities (such as car parking facilities for heavy vehicles and new government complexes) under planning for lease to DVETC operators at rental levels affordable to them, with a view to enhancing the sustainability of their operation.

(*Post-meeting note*: The Administration's written response was issued vide LC Paper No. CB(1)984/14-15(02) on 12 June 2015).

#### II. Any other business

#### Date of next meeting

- 6. The <u>Chairman</u> informed members that the next meeting would be held on Monday, 15 June 2015, at 10:45 am.
- 7. There being no other business, the meeting ended at 10:32 am.

Council Business Division 1 <u>Legislative Council Secretariat</u> 23 July 2015

### Subcommittee on Road Traffic Ordinance (Amendment of Schedule 10) Order 2015

#### Proceedings of the second meeting on Wednesday, 10 June 2015, at 8:30 am in Conference Room 2 of the Legislative Council Complex

Time	Speaker	Subject(s)	Action required		
	marker   Subject(s)  Agenda Item I - Meeting with deputations and the Administration				
1100110101110	11genua nem 1 - meening wiin aepitations and me manustration				
000509 -	Chairman	Introductory remarks			
000909					
000910 - 001020	Mr FUNG Shing United Friendship Taxi Owners and Drivers Association Limited	Presentation of views			
001021 - 001235	Mr LAM Hoi-tat Hong Kong Container Tractor Owner Association Limited	Presentation of views			
001236 - 001539	Mr NG Kwan-sing Taxi Dealers & Owners Association Limited ("TDOAL")	Presentation of views			
001540 - 001557	Mr MA Shing-wai Hong Kong Commercial Vehicle Maintenance Association	Presentation of views			
001558 - 001725	Mr LI Kwok-ying Wai Yik HK, KLN and NT Taxi Owners Association Limited ("WYTOAL")	Presentation of views			
001726 - 001832	Mr LEUNG Hung Hong Kong, Kowloon and NT Public and Maxicab Light Bus Merchants' United Association	Presentation of views			
001833 - 001942	Mr CHAN Wai-ming Sun Star Taxi Operators Association ("SSTOA")	Presentation of views			

Time marker	Speaker	Subject(s)	Action required
001943 - 002155	Mr WONG Po-keung Hong Kong Taxi Owners' Association Limited ("HKTOAL")	Presentation of views as set out in submission [LC Paper No. CB(1)991/14-15(01)]	
002156 - 002420	Mr WAN Cheuk-ming The Kowloon Taxi Owners Association Limited	Presentation of views	
002421 - 002438	Mr LUI Ah-fook	Presentation of views	
002439 - 002615	Mr POON Lik-hung LPG Vehicle Supporting Association ("LPGVSA")	Presentation of views	
002616 - 002636	Mr LAM Hing-cheong 環保汽車維修同業 聯會	Presentation of views	
002637 - 002956	Mr CHAN Shu-sang NT Taxi Operations Union ("NTTOU")	Presentation of views as set out in submission [LC Paper No. CB(1)964/14-15(03)]	
002957 - 003008	Mr CHE Chi-hung Chung Shing Taxi Limited	Presentation of views	
003009 - 003108	Mr YEUNG Ka-wo Hong Kong Vehicle Repair Merchants Association Limited	Presentation of views	
003109 - 003212	Mr Joseph LEUNG Transport and Logistics Services Council	Presentation of views	
003213 - 003519	Mr WONG Wing-chung 西北區的士司機從業 員總會	Presentation of views	
003520 - 003920	Chairman Administration	The Chairman observed that —  (a) 13 out of the 17 deputations attending the meeting expressed objection to the increase in fees payable to designated vehicle emission	The Administration to take action as paragraph 3(a) to (c) of the minutes

Time marker	Speaker	Subject(s)	Action required
		testing centres ("DVETCs") for conducting vehicle emission tests ("test fees") as the magnitude of increase was substantial (i.e. increase by one-fold or more from the existing level); and	
		(b) some deputations suggested that the Government should shoulder responsibility of environmental protection by providing emission tests free of charge or at fees lower than those payable to DVETCs by transport operators, or subsidizing the test fees. There was also a suggestion that the emission test should be included as part of the annual examination for licence renewal of motor vehicles.	
		The Administration's initial responses to deputations' views on the test fee increase and the emission test –	
		(a) the existing test fee of \$310 had not been raised over the past 17 years. With the introduction of the dynamometer-based emission test for diesel and petrol/liquefied petroleum gas ("LPG") vehicles by the Environmental Protection Department ("EPD") in 2000 and 2014 respectively, DVETCs had to bear the extra capital cost and operating expenses for the new equipment and conducting the emission tests. As all DVETCs were now privately-run, it was necessary to set the test fee at reasonable levels to sustain their operations;	
		(b) the Administration had been making preparations for the inclusion of dynamometer-based emission test as part of the annual examination of petrol/LPG taxis and public light buses; and	
		(c) under the "user-pays principle", vehicle owners should pay the test fees for their vehicles. However, the fee increase would not affect vehicle owners who had properly maintained their vehicles.	
003921 - 012238	Chairman Mr POON Siu-ping Mr CHAN Hak-kan WYTOAL	Discussion on –  (a) the one-off subsidy scheme to assist owners of petrol and LPG taxis and public light buses to	The Administration to take action as paragraph 3(e) to

Time marker	Speaker	Subject(s)	Action required
	Mr LUI Ah-fook LPGVSA 西北區的士司機從業員 總會 TDOAL SSTOA HKTOAL Administration	replace the catalytic converters of their vehicles to reduce emissions ("the Scheme");  (b) the mechanism for procuring the catalytic converters under the Scheme and for handling complaints from vehicle owners concerned;  (c) make of origin and performance of the catalytic converters under the Scheme; and  (d) maintenance and repair of vehicles for reducing emissions.  Administration's response on the above issues as set out in paragraph 1(e) to (g) of LC Paper No. CB(1)984/14-15(02)  Mr CHAN's enquiry and the Administration response on —  (a) the respective number of petrol/LPG vehicles participating in the Scheme; and  (b) the respective number of petrol/LPG vehicles that were served with emission testing notices ("ETNs") in the past year, with breakdown of the number of vehicles (i) with catalytic converters replaced under the Scheme, and (ii) required to be re-tested for ETNs issued.	The Administration to take action as paragraph 4(a) and (b) of the minutes
012239 - 013944	Chairman Ms Cyd HO TDOAL 西北區的士司機從業員 總會 WYTOAL NTTOU Administration	Discussion on –  (a) objectivity of emission measurement if the remote sensing equipment deployed by EPD for screening petrol/LPG vehicle emission was placed at the start of steep roads, where vehicles would normally generate more emissions as a result of more fuel combustion when running uphill;  (b) feasibility and timing to include dynamometer-based emission tests as part of the annual examination for licence renewal of motor vehicles; and  (c) policy restriction on importation of diesel taxis.	The Administration to take action as paragraph 3(c), (d) and (h) of the minutes
013945 - 014529	Chairman Mr POON Siu-ping Administration	In the light of concerns raised by deputations, Mr POON suggested the Administration consider postponing the date on which the new test fees for	The Administration to take action as

Time marker	Speaker	Subject(s)	Action required
		DVETCs would come into operation.  The Administration responded that the existing test fee of \$310 had not been raised over the past 17 years, and it was necessary to set the test fee at a reasonable level to sustain the operation of DVETCs. If the test fees were not raised, some DVETCs might consider withdrawing from the provision of the emission test services, which would hamper the ongoing efforts to strengthen emission control for improving roadside air quality. Moreover, the test fee would only affect the very few vehicle owners who had not properly maintained their vehicles. The fee should thus be increased.  The Chairman indicated that he would discuss with members of the transport trades and consider whether to move amendments to the Order.	paragraph 5(a) of the minutes
014530 - 015035	Administration	Briefing by the Administration on its responses to issues arising from the discussions at the meeting on 3 June 2015 [LC Paper No. 964/14-15(02)]	
015036 - 020219	Chairman Dr KWOK Ka-ki Administration	Dr KWOK and the Chairman suggested –  (a) the Administration consider earmarking spaces at public facilities (such as government complexes) under planning for lease to DVETC operators at rental levels affordable to them so that they could provide emission tests at lower fees; and  (b) after the dynamometer-based emission tests had been included as part of the annual	The Administration to take action as paragraph 5(b) of the minutes
		had been included as part of the annual examination for licence renewal of motor vehicle by the Transport Department ("TD") in future, the emission tests required in relation to ETNs issued should be conducted at TD's car testing centres with a view to keeping the test fees at levels affordable to vehicle owners.  The Administration reiterated that –	
		(a) under the "polluter-pays" and "user-pays" principles, vehicle owners should pay the test fees for their vehicles. It was not justifiable for the Government to make financial contribution in this regard. The Administration considered it appropriate to	

Time marker	Speaker	Subject(s)	Action required
		maintain operation of DVETCs under the market mechanism;	
		<ul> <li>(b) given the established government policy to recover fees for services on a full cost recovery basis, the test fee would also need to be fixed on a full cost recovery basis even if the Government provided the test service; and</li> <li>(c) the Administration would in future review the test fees from time to time to keep the fees in pace with cost increases while avoiding making substantial fee increase at one time.</li> </ul>	
020220 - 020323	Chairman	The Administration was requested to provide written responses to the concerns and suggestions expressed by the deputations at the meeting as well as in their written submissions.  Date of next meeting	

Council Business Division 1 <u>Legislative Council Secretariat</u> 23 July 2015