

立法會
Legislative Council

LC Paper No. CB(4)513/16-17
(These minutes have been
seen by the Administration)

Ref : CB4/PL/TP/1

Panel on Transport

**Minutes of meeting held on
Friday, 16 December 2016, at 10:45 am
in Conference Room 3 of the Legislative Council Complex**

Members present : Hon CHAN Han-pan, JP (Chairman)
Dr Hon KWOK Ka-ki (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon LEUNG Kwok-hung
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick

Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, MH, JP
Dr Hon CHENG Chung-tai
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim

Member attending : Hon CHAN Kin-por, BBS, JP

Members absent : Hon Abraham SHEK Lai-him, GBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-yea, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon CHUNG Kwok-pan
Hon CHAN Chun-ying
Hon KWONG Chun-yu

Public Officers attending : **Agenda item III**

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

Mrs Ingrid YEUNG, JP
Commissioner for Transport

Ms Stella LEE
Assistant Commissioner/Management and
Paratransit
Transport Department

Miss Janet HO
Chief Transport Officer/Special Duties
Transport Department

Agenda item IV

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Miss Crystal YIP
Principal Assistant Secretary for Transport and
Housing (Transport) 1

Ms Stella LEE
Assistant Commissioner for Transport/Management
and Paratransit

Mr Dannis LEUNG
Chief Transport Officer/Planning/Taxi
Transport Department

Clerk in attendance: Ms Sophie LAU
Chief Council Secretary (4)6

Staff in attendance : Ms Macy NG
Senior Council Secretary (4)6

Miss Katherine CHAN
Council Secretary (4)6

Ms Emily LIU
Legislative Assistant (4)6

Action

I. Information papers issued since the last meeting

- (LC Paper No. CB(4)144/16-17(01) - Letter dated 18 November 2016 from Hon IP Kin-yuen on withdrawal of membership
- LC Paper No. CB(4)151/16-17(01) - Information paper on fares of MTR South Island Line (East) provided by the MTR Corporation Limited
- LC Paper No. CB(4)207/16-17(01) - Letter dated 29 November 2016 from Hon MA Fung-kwok on withdrawal of membership
- LC Paper No. CB(4)213/16-17(01) - Letter dated 30 November 2016 from Hon WONG Ting-kwong on withdrawal of membership
- LC Paper No. CB(4)233/16-17(01) - Letter dated 2 December 2016 from Hon Kenneth LEUNG on withdrawal of membership
- LC Paper No. CB(4)235/16-17(01) - Letter dated 5 December 2016 from Dr Hon CHIANG Lai-wan on withdrawal of membership
- LC Paper No. CB(4)266/16-17(01) - Information paper on installation of camera systems inside taxi compartments
- LC Paper No. CB(4)286/16-17(01) - Letter dated 7 December 2016 from Hon Tanya CHAN on installation of camera systems inside taxi compartments

- LC Paper No. CB(4)290/16-17(01) - Letter dated 9 December 2016 from Hon SHIU Ka-chun on withdrawal of membership
- LC Paper No. CB(4)293/16-17(01) - Letter from Hon CHU Hoi-dick on fares of MTR West Rail Line and East Rail Line, and introduction of feeder bus service for Tung Chung Line
- LC Paper No. CB(4)304/16-17(01) - Letter dated 12 December 2016 from Dr Hon LAU Siu-lai on withdrawal of membership)

Members noted the above papers issued since the last meeting.

2. The Chairman referred to Ms Tanya CHAN's letter dated 7 December 2016 requesting to discuss the issue of the installation of camera systems inside taxi compartments. He said that since the issue not only concerned transport matters but also personal data protection, the subject matter of which was under the purview of the Panel on Constitutional Affairs ("CA Panel"), he would liaise with the Chairman of the CA Panel on the feasibility of holding a joint meeting to discuss the matter. Members noted.

II. Items for discussion at the next meeting

- (LC Paper No. CB(4)285/16-17(01) - List of outstanding items for discussion
- LC Paper No. CB(4)285/16-17(02) - List of follow-up actions)

3. Members agreed to discuss the following items at the next regular meeting to be held on 20 January 2017 –

- (a) Briefing by the Secretary for Transport and Housing on the Chief Executive's 2017 Policy Address; and
- (b) New franchise for the bus network of the Kowloon Motor Bus Company (1933) Limited.

4. To allow sufficient time for discussion, members agreed to advance the start time of the next meeting to 10:00 am.

III. Increasing the Seating Capacity of Light Buses

(LC Paper No. CB(4)285/16-17(03) - Administration's paper on increasing the Seating Capacity of Light Buses

LC Paper No. CB(4)285/16-17(04) - Paper on increasing the seating capacity of public light buses prepared by the Legislative Council Secretariat (updated background brief)

LC Paper No. CB(4)323/16-17(01) - Submission from Community for Road Safety)

5. At the invitation of the Chairman, Secretary for Transport and Housing ("STH") briefed members on the outcome of the study on the proposal to increase the seating capacity of public light buses ("PLBs") and the implementation details of the proposal. In brief, the Administration proposed to increase the maximum seating capacity of PLBs (both green minibuses ("GMBs") and red minibuses ("RMBs")) from 16 to 19 seats in order to increase the carrying capacity of PLBs. It also recommended that the same increase in the maximum seating capacity should apply to private light buses as well. It planned to introduce the amendment bill into the Legislative Council ("LegCo") in the second quarter of 2017.

Number of seats to be increased

6. Members in general supported increasing the seating capacity of light buses to meet passenger demand without increasing the traffic burden on roads. However, Mr LAU Kwok-fan, on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong, Mr Jeremy TAM, on behalf of the Civic Party, Ms Claudia MO, Mr CHAN Hak-kan, Mr WU Chi-wai, Mr LAM Cheuk-ting and Mr CHAN Kin-por requested that the seating capacity should be increased to 20 seats ("20-seat Proposal") instead of 19 seats to accommodate more passengers in particular during peak hours and in rural areas with less PLB service frequency.

7. Mr LAU Kwok-fan, Ms Claudia MO, Mr WU Chi-wai and Mr Jeremy TAM pointed out that the 20-seat Proposal was technically feasible as a portion of light buses were manufactured to accommodate 20 seats but four seats had been removed to meet the legal requirements on seat and passage arrangements. Mr Jeremy TAM added that the above removal cost had increased the financial burden of nanny van operators. Mr WU Chi-wai queried the rationale of not accepting the 20-seat Proposal and said that LegCo Members might make amendment to the amendment bill to be introduced to LegCo. Mr POON Siu-ping also asked whether the Administration would accept the 20-seat Proposal.

8. In response, STH said that when considering the appropriate maximum seating capacity of PLBs, the main considerations of the Administration were the supply and demand for PLBs and the need to maintain the delicate balance amongst various public transport services so that they could continue to develop in a sustainable manner and provide diversified modal choices to benefit the community as a whole. The policy considerations would not be based on a particular type or model of vehicle. In fact, the majority of existing PLBs were short wheelbase PLBs and replacement of vehicles was required to increase the seating capacity.

9. STH added that the current proposal of the Administration was to increase the maximum seating capacity of PLBs to 19 seats, but not to mandate all PLBs to adopt the same seating capacity. In respect of meeting passenger demand during peak periods, he advised that apart from increasing the seating capacity of PLBs, there might be a need to increase the service frequency as well.

Details and schedule of implementation

10. Noting that PLB operators were free to decide whether to increase the seats or not, Mr LEUNG Che-cheung queried the effectiveness of the proposal to reduce passengers' waiting time. Pointing out that the seating capacity was currently specified on PLB body, Mr POON Siu-ping was concerned about the implementation in practice, such as law enforcement, as different PLBs would have different seating capacity by then.

11. STH said that the Administration noted that the PLB trade generally welcomed the proposal of increasing the seating capacity of PLBs. He added that after increasing the seating capacity, GMB operators would still be required to maintain the current scheduled service frequency and to maintain the sustainability of GMB routes.

12. Commissioner for Transport ("C for T") supplemented that in around the middle of the licence period, the Transport Department ("TD") would review the service performance of GMB operators. If there were always left-behind passengers at the GMB stands or termini and GMB operators had not actively taken measures to solve the problem, including improvement of service frequency or increasing the seating capacity of GMBs, TD might consider not extending their Passenger Service Licences.

13. Mr YIU Si-wing supported to allow flexibility for PLB operators to choose whether or not to increase seats taking into account their operational condition and passenger demand. However, he and Dr CHENG Chung-tai expressed concern that increasing the seating capacity of RMBs, which might be parked at roadside to wait for passengers, might cause more illegal parking problems or aggravate traffic congestion as a longer waiting time would be required to fully load a vehicle. Dr CHENG cautioned that while increasing the seating capacity of PLBs, the quality and safety of PLB service should not be neglected.

14. STH said that regardless of whether the seating capacity would be increased or not, the Administration would endeavour to tackle traffic congestion problems. He added that it was the Administration's policy to encourage the conversion of RMBs to GMBs and there was about 1.5% of RMBs converted to GMB each year in the past ten years. As such, the monitoring over PLB service by the Administration had been enhanced over the years.

15. C for T supplemented that at present, RMBs mainly provided overnight and long-haul services such as harbour-crossing service. In the past 20 years, the number of RMBs and RMB routes had been decreasing. The situation of having RMBs waiting at roadside for passengers had significantly reduced. She added that RMB operators were not mandated to increase the seating capacity. The Administration believed that they would avoid prolonged waiting time as this would discourage passengers.

16. Mr Wilson OR supported the Administration's proposal to increase the seating capacity of PLBs to meet the passenger demand. He urged the Administration to expedite the work of legislative amendment and asked whether it would conduct a review after the proposal had been implemented.

17. STH said that the maximum seating capacity of PLBs would not change frequently, with the last change from 14 seats to 16 seats in 1988. The Administration hoped that the legislative amendment to give effect to the increase in maximum seating capacity of light buses, if passed by LegCo,

would bring to positive effect to the PLB trade and passengers. The Administration would review the matter after implementation of the proposal.

Service improvement

Provision of barrier-free access facilities at public light buses

18. Ms Claudia MO noted that the new low-floor wheelchair-accessible PLB models ("low-floor PLBs") would be introduced in the second half of 2017 for trial runs on some suitable hospital routes ("Trial Runs"). She was concerned over whether the Mei Foo—Princess Margaret Hospital route would be included in the Trial Runs. Dr Fernando CHEUNG welcomed the Trial Runs and requested that hospital routes with pressing needs for low-floor PLBs should be chosen for the Trial Runs, for examples, routes serving Princess Margaret Hospital, Caritas Medical Centre and The Duchess of Kent Children's Hospital at Sandy Bay which were situated on hilly terrain. Mr Wilson OR considered that low-floor PLBs should be provided for routes serving the United Christian Hospital, Our Lady of Maryknoll Hospital and Hong Kong Buddhist Hospital as they were situated on hilly terrains and the demand for low-floor PLBs was great.

19. C for T explained that at present, there were only three GMB operators which had expressed interest to participate in the Trial Runs and provide low-floor PLBs on some hospital routes under their operation, which included routes serving the Queen Mary Hospital, Prince of Wales Hospital and St Teresa's Hospital. TD welcomed more PLB operators to participate in the Trial Runs such that more hospital routes would be included in the Trial Runs.

20. Dr Fernando CHEUNG expressed concern over the safety issues of providing and using barrier-free access ("BFA") facilities at PLBs. He suggested that the Administration should invite wheelchair users to try and comment on the suitability of those low-floor PLBs. He further asked whether the Administration would consider providing subsidies for PLB operators to adopt low-floor PLBs and install BFA facilities. Dr CHEUNG and Mr Jeremy TAM also enquired whether the Administration would consider amending the statutory length limit of PLBs to allow low-floor PLBs exceeding the length limit of seven metres.

21. C for T undertook to liaise with PLB operators on the suggestion of inviting wheelchair users to try those low-floor PLBs. She added that after ascertaining the suitable low-floor PLB models in the Trial Runs and the

related cost, the Administration would discuss with the GMB trade how to take forward the plan to deploy low-floor PLBs.

22. Regarding the suggestion of amending the statutory length limit of PLBs, STH advised that the Administration had no such intent at the moment. However, C for T would consider exercising her discretionary power under the legislation to grant exemption in respect of vehicle length with a view to encouraging the adoption of PLB models with BFA facilities and those environmentally friendly PLB models with prescribable green-energy features that could only come with vehicle length longer than the statutory length limit as recommended by the Environment Bureau.

23. In response to Dr CHENG Chung-tai's enquiry on whether BFA facilities would be provided at RMBs, C for T advised that if the proposal to increase the seating capacity of light buses was passed, TD would include the requirements of installing a half-step at the middle door and handrails and call bells with indication lights in the Passenger Service Licence, which would be applied to both RMBs and GMBs.

Other service and facilities

24. Mr CHAN Hak-kan hoped that the Administration would liaise with PLB operators on the installation of electronic instant display panels at PLB stands and termini to facilitate better time management by passengers and management of PLB fleet by PLB operators.

25. C for T explained that the frequency of public transport services, including PLB service, might sometimes be delayed due to road traffic congestion or traffic accidents. She pointed out that the installation of instant display panel to display the arrival time of PLBs would involve huge cost and might not be affordable by PLB operators with most of them being small companies. Nevertheless, TD would liaise with them on Mr CHAN's suggestion. She added that some PLB operators had deployed regulators at PLB termini to manage passenger order and provide service information to them.

26. Mr Michael TIEN strongly supported the proposal to increase the seating capacity of PLBs and appreciated STH's effort in pursuing the proposal. However, he was concerned that there had been a rising trend in the number of traffic casualties involving PLBs in recent years, and he suspected that this might be related to the failure of passengers to wear seat belts. As such, he urged the Government, while implementing the adjustment in the maximum seating capacity of PLBs, to require that all

newly registered GMBs must be equipped with seat belt sensors. He also indicated that he would move a motion in this regard.

27. STH said that the suggestion made by Mr TIEN was useful and undertook that TD would study its feasibility and consult the PLB trade in this regard.

28. Mr HO Kai-ming asked about the Administration's measures to provide incentives to PLB operators to replace old vehicles. He and Mr LEUNG Che-cheung were also concerned whether the additional cost of replacing vehicles or adding seats would be transferred to passengers by fare increase. Mr CHAN Hak-kan said that since the increased seats were expected to bring about more income to PLB operators, he hoped that PLB operators would not apply for fare increase in the coming two years.

29. STH advised that the Administration had launched an incentive scheme to encourage vehicle owners to replace pre-Euro IV diesel commercial vehicles with Euro V models. He added that if the proposal to increase the maximum seating capacity of PLBs was passed by LegCo, the PLB trade could take the opportunity to replace vehicles by applying for subsidy from the above scheme.

30. C for T supplemented that the hygienic condition and functionality of PLBs would affect the service quality of respective GMB routes and would be taken into account in assessing the performance of the operators for the extension of Passenger Service Licences. The Administration considered the current mechanism effective in encouraging GMB operators to replace old vehicles. She added that TD would consider a basket of factors when assessing the fare increase applications by GMB operators, including the operating cost. She explained that TD would only consider the depreciation cost of vehicles over a reasonable period of time instead of as a one-off cost for procuring a new vehicle. As such, GMB fares would not be increased significantly at a certain time due to the procurement of a new vehicle. She added that the income of GMB operators might increase after vehicle replacement and income would also be a factor to be considered by TD when assessing the fare increase applications.

(The meeting was suspended from 11:37 am to 11:47 am to allow members to participate in the voting at the meeting of the Panel on Development held in Conference Room 1.)

Remuneration of public light bus drivers

31. Mr LUK Chung-hung noted that the public in general supported the proposed increase in the seating capacity of PLBs to a maximum of 19 seats. The proposal would also benefit PLB operators as it would increase their income. He said that The Hong Kong Federation of Trade Unions supported increasing the seating capacity of PLBs to 19 seats on the condition that the remuneration of GMB drivers would be improved, including providing GMB drivers with 50 minutes rest time in which 30 minutes for meal break and two 10-minute for rest, removing the "insurance excess" (some GMB drivers were required by the operators to pay a specified amount of money to serve as the insurance excess in case a traffic accident occurred) collected by operators from their drivers, and abolishing the industry's practice of offering employment on the basis of basic salary plus revenue sharing or solely revenue sharing. He requested that the above conditions be included in the Passenger Service Licences of GMBs.

32. STH advised that regardless of whether the seating capacity of PLBs would be increased or not, the remuneration and safety of GMB drivers should not be overlooked. C for T supplemented that the Administration noted the difficulties in recruiting GMB drivers. She advised that the percentage of GMB route packages suffering losses was expected to be reduced from 60% to 30% after increasing the seating capacity of PLBs. She said that some GMB operators had reflected to the Administration that the expected increase in income would enable them to offer better remuneration packages to GMB drivers. She added that TD had discussed with the GMB trade revising the Guidelines on Working Hours of GMB Drivers. She expected that the revised guidelines would be issued to the trade very soon.

33. In respect of the issue of "insurance excess", C for T said that it was a Passenger Service Licence condition that a GMB operator must have an employment relationship with its drivers and there should not exist the so-called "insurance excess" paid by some GMB drivers to their operators in case of accidents. She appealed to those GMB drivers to report to TD or the Labour Department should there be such illegal cases.

34. Mr Frankie YICK noted that the major problem facing by the PLB trade was shortage of PLB drivers which had led to a decrease in carrying capacity and an increase in waiting time of passengers. He disagreed that increasing the seating capacity of PLBs would increase the income of PLB operators as the patronage of PLB was not expected to increase. While he supported the proposal to increase the seating capacity of PLBs, he urged the

Administration to study the reasons for having about 60% of GMB route packages suffering losses in operation; and to review the fare levels of GMBs and the processing mechanism of fare increase applications, such that GMB operators could know when to have the approval to increase fare and offer appropriate salary to their drivers. He believed this would help to relieve the difficulties in recruiting GMB drivers.

35. STH said that the aging problem of drivers had existed in the public transport sector for some time and he believed that the remuneration package was one of the factors attributed to the problem. He explained that as different stakeholders had different views on the fare increase of GMBs, the Administration had to balance those different views while accessing the fare increase applications. STH added that although 60% of GMB route packages were operating at a loss, GMB operators were still willing to operate as certain routes were still profitable.

Motion

36. The Chairman said that there were four motions to be moved respectively by Mr Michael TIEN, Mr LUK Chung-hung, Mr LAU Kwok-fan and Mr LAM Cheuk-ting under this agenda item. He proposed that the four motions could be dealt with and put them to vote. Members agreed.

37. Mr Michael TIEN moved the following motion –

"鑒於近年有關公共小巴的交通意外的傷亡數字有上升趨勢，懷疑與乘客未有配戴安全帶有關，而司機難以確定每位乘客有否有配戴安全帶。為公共小巴乘客安全著想，本委員會促請政府落實公共小巴調整座位上限的同時，規定所有新登記的專線小巴必須配備安全帶配戴感應器，在乘客沒有配戴安全帶時發出聲號及司機可拒絕駕駛，以確保安全。"

(Translation)

"That as there is a rising trend in the number of traffic casualties involving public light buses in recent years, which is suspected to be related to the failure of passengers to wear seat belts, and it is difficult for drivers to ascertain if every passenger has worn the seat belt, for the sake of safety of public light bus passengers, this Panel urges the Government, while implementing the adjustment in the maximum

seating capacity of public light buses, to require that all newly registered green minibuses must be equipped with seat belt sensors which will make a sound signal when a passenger fails to wear the seat belt and the driver may refuse to drive so as to ensure safety."

38. The Chairman put the motion to vote. A total of 15 members voted for the motion, none voted against it and none abstained from voting. The Chairman declared that the motion was carried.

39. Mr LUK Chung-hung moved the following motion, which was seconded by Mr HO Kai-ming –

"本會要求政府考慮增加公共小巴座位上限時，同時需改善前線小巴司機的工作待遇，當中包括廢除業界以底薪附加分帳又或純分帳形式受聘、取消營辦商向司機徵收「墊底費」，以及為司機提供有薪飯鐘及足夠休息時間等，從而整體改善公共小巴的服務質素。"

(Translation)

"That this Panel requests the Government, while considering increasing the maximum seating capacity of public light buses, to also improve the remuneration of frontline light bus drivers, including abolishing the industry's practice of offering employment on the basis of basic salary plus revenue sharing or solely revenue sharing, removing the "insurance excess" collected by operators from their drivers and providing drivers with paid meal breaks and sufficient rest time, thereby improving the overall quality of public light bus service."

40. The Chairman put the motion to vote. A total of 15 members voted for the motion, none voted against it and none abstained from voting. The Chairman declared that the motion was carried.

41. Mr LAU Kwok-fan moved the following motion –

"鑒於現時公共小巴的載客量未能滿足繁忙時段的乘客需求，以及市面的小巴車款和技術普遍可設置20個座位，本會促請政府應善用現有可載客容量，增加公共小巴座位數目至20個，以應付乘客需要和縮短繁忙時段的候車時間。"

(Translation)

"That given that the existing carrying capacity of public light buses is unable to meet the passenger demand during peak periods, and that light bus models in the market can in general accommodate technically 20 seats, this Panel urges the Government to make optimal use of the existing carrying capacity by increasing the seating capacity of public light buses to 20 seats, so as to meet the passenger demand and reduce the passenger waiting time during peak periods."

42. The Chairman put the motion to vote. A total of 14 members voted for the motion, none voted against it and one abstained from voting. The Chairman declared that the motion was carried.

43. Mr LAM Cheuk-ting moved the following motion –

"本委員會要求政府將小巴座位的法定上限增加至二十座。"

(Translation)

"That this Panel requests the Government to increase the statutory maximum seating capacity of light buses to 20 seats."

44. The Chairman put the motion to vote. Fourteen members in total voted for the motion, none voted against it and one abstained from voting. The Chairman declared that the motion was carried.

45. The Chairman requested the Administration to take note of the views of members.

IV. Taxi fare increase applications

(LC Paper No. CB(4)285/16-17(05) - Administration's paper on taxi fare increase applications

LC Paper No. CB(4)285/16-17(06) - Paper on taxi fare adjustments prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(4)307/16-17(01) - Submission from Taxi Dealers & Owners Association Limited)

46. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") briefed members on the fare increase applications made by the taxi trade. In brief, the urban, New Territories ("NT") and Lantau taxi trade submitted applications to TD in April 2016 for increasing their respective flagfall charges and subsequent incremental charges, as well as shortening the waiting time. The average rate of the proposed fare increase was 15.97% for urban taxis, 17.35% for NT taxis and 18.18% for Lantau taxis.

General views on taxi fare increase applications

47. The Chairman, Mr Frankie YICK, Mr Jeffrey LAM, Mr CHAN Kin-por, Mr YIU Si-wing and Ir Dr LO Wai-kwok indicated support for the taxi fare increase applications. Noting that the monthly net income of taxi drivers had lagged behind the average monthly salary of the transport trade, they expressed concern that if the income of taxi drivers was not improved by fare increase, the aging problem and recruitment difficulties of taxi drivers would become worse. Ir Dr LO said that the Business and Professionals Alliance for Hong Kong noted that the taxi groups, comprising representatives of both taxi owners and frontline taxi drivers, had conducted a comprehensive analysis on the income of the taxi trade before putting forward the fare increase applications. He considered the proposed taxi fare increase justified and acceptable.

48. Noting that taxi fares had not been increased since 2013, Mr Frankie YICK, Mr Jeffrey LAM, Mr CHAN Kin-por, Mr YIU Si-wing and Ir Dr LO Wai-kwok expressed similar views that the level of taxi fares should catch up with the inflation rate in the same period to maintain the financial viability of the business as the operating cost, including maintenance cost and insurance cost, had been on the rise and the oil price had been fluctuating. Mr Michael TIEN also supported the taxi fare increase applications given the operating difficulties of the taxi trade. Both the Chairman and Mr Jeffrey LAM considered that the expected increase in income generated by the fare increase would induce the taxi owners to conduct more frequent vehicle maintenance, which would better protect the safety of passengers and other road users.

49. USTH clarified that the fare increase as mentioned in the discussion paper was proposed by the taxi trade and was subject to consideration by the

Government. In assessing the fare increase applications, the Government would base on the various criteria as set out in paragraph 4 of the discussion paper (LC Paper No. CB(4)285/16-17(05)) and take into account the views of the Panel on Transport ("the Panel") and the Transport Advisory Committee before submitting its recommendations to the Executive Council. USTH explained that if the operating status of taxi drivers could not be enhanced, it would be difficult to attract new blood to enter the industry.

50. Regarding the fare adjustment rates proposed by the taxi trade, Mr Frankie YICK considered that the rates were comparable to the accumulative inflation rate over the past three years. He added that the proposed shortening of waiting time would not affect passengers if there was no traffic congestion.

51. Mr LAM Cheuk-ting indicated that the Democratic Party had no comments on the taxi fare increase applications if the proposed fare increase rates were comparable to the inflation rate. Mr CHAN Kin-por requested the Administration to study in detail whether the rate of the proposed fare increase was appropriate.

52. Mr YIU Si-wing was concerned that the public might not accept the significant fare increase rate of more than 10%. Since inflation would affect every public transport operator, he suggested that the Administration should review the fares with the taxi trade bi-yearly.

53. Ms YUNG Hoi-yan noted that although the increase in average monthly net income of Lantau rentee-drivers since the last fare increase in 2013 (i.e. 8.8%) was the highest among that of urban and NT rentee-drivers, the Lantau taxi trade had applied for the highest rate of fare increase (i.e. 18.18%). She enquired how the proposed fare increase rate was calculated. To tackle the problem of refusal of hire for short-haul trips, she requested the Administration to consider the appropriateness of allowing flagfall charge to be increased at a higher rate whereas incremental charges at a lower rate.

54. USTH said that when assessing the taxi fare increase applications, the Government would consider various factors, including public acceptability, the need to maintain a reasonable differential between taxi fares and those of other public transport modes, and the need to ensure the financial viability of taxi operation, taking into consideration changes in revenue and operating costs. He explained that all along, taxi fare increase applications were initiated by the taxi trade and there was no restriction on the frequencies. The Government considered the current mechanism effective and appropriate. USTH further explained that in the past two years, the

patronage of Lantau taxis had a slight increase and the oil price had remained at a relatively low level, thus leading to a relatively higher net income of Lantau taxi drivers.

55. Mr Jeremy TAM objected to the taxi fare increase applications. He considered that compared to the rate of fare increase in 2013 by about 7% to 9%, the current proposal to increase fares by about 16% to 18% very significant. He noted that since the last fare increase, there had only been a slight increase in the average monthly net income of rentee-drivers which in his view was due to the drop in oil price. He considered that increasing taxi fares would not improve the income of rentee-drivers significantly but would lead to increase in taxi rental which might in turn fuel speculation activities on taxi licences. He remarked that the level of taxi licence premiums was at present relatively stable and maintaining the status quo would be the best option for taxi drivers.

56. Mr LEUNG Kwok-hung also expressed concern about the speculation activities on taxi licences and considered the taxi licence premium in Hong Kong too high. He opined that if taxi drivers had operating difficulties, the Administration should amend the legislation to eliminate discount gangs. He also suggested that the Administration should issue taxi licences to in-service taxi drivers/operators only.

57. USTH advised that the Government would not take into account taxi licence premium when assessing taxi fare increase applications. While taxi licence premium had fluctuated in the past year, the level of taxi rental had been rather stable in the same period.

58. Pointing out that the current taxi service was poor and outdated, Mr Charles MOK indicated his objection to the taxi fare increase applications. He urged the Administration to review the permanent nature of the existing taxi licences and to study the relaxation of requirements for applying for hire car permits, so as to boost market competition and enhance the service quality of taxis. He indicated that he would move a motion in this regard.

59. Mr CHAN Kin-por considered that although the service of some taxi drivers was poor, some was very well. He considered that only approving taxi fare increase on the condition of improved taxi service, which was hard to measure, would be unfair to those good taxi drivers.

60. USTH advised that as compared with other major cities, the taxi fare level in Hong Kong was relatively low in general. He said that the

Government had earlier advised the Panel that it would examine measures to enhance the processing of applications for hire car permits. As for the suggestion of removing the requirement of holding hire car permits for provision of hire car service for particular companies, the Government considered that it should be carefully handled, having regard to the road condition in Hong Kong as well as the safety and insurance issues.

61. Dr Helena WONG noted that each time when applications for taxi fare increase was made, there were opposing views from some taxi drivers on the ground that they would not be able to benefit from the fare increase as it would trigger taxi rental increase. She asked whether the Administration had consulted frontline taxi drivers on the taxi fare increase applications.

62. Chief Transport Officer/Planning/Taxi of TD ("CTO/P/T") said that the fare increase application proposals of the three taxi trades were supported by the majority of the taxi associations, which comprised both taxi drivers and owners, during the regular taxi conference meetings between TD and the three taxi trades in late April to early May 2016. USTH added that the urban taxi trade associations, comprising representatives of both taxi owners and frontline taxi drivers, had also indicated in writing that they agreed to the taxi fare increase. At the request of Dr WONG, CTO/P/T agreed to provide a list of taxi associations which indicated support to the fare increase application proposals of the three taxi trades at the regular taxi conference meetings held in late April to early May 2016.

Admin

(Post-meeting notes: The supplementary information provided by the Administration was issued vide LC Paper No. CB(4)460/16-17(01) on 25 January 2017.)

Views on taxi service

Tackling the malpractice of taxi drivers

63. Mr LAM Cheuk-ting expressed dissatisfaction with the poor taxi service, which included refusing hire, overcharging, robbing passengers of their luggage, failing to drive to destinations by the most direct practicable route and poor drivers' service attitude. He considered that while the above malpractice was only committed by a small group of taxi drivers, the image of the entire industry had been tarnished. He said that the taxi trade had reflected to him that there was insufficient effort made by the Government in combating the malpractice of taxi drivers and the penalty for those malpractice was light too. The Chairman raised the same concern. He and Mr LAM urged the Administration to strengthen its monitoring over the

taxi service while approving the taxi fare increase applications and to consider increasing the penalty of the above malpractice. The Chairman also suggested designating more cross-harbour taxi stands as a measure to solve the problem of refusal of hire for cross-harbour service.

64. USTH advised that the government departments concerned had stepped up efforts in the enforcement actions against malpractices of taxi drivers and publicity on encouraging taxi drivers to obey the law. The level of penalty on the offenders would be determined by the court according to circumstances. There was already a mechanism to allow for the review of the sentence which was considered inadequate. Meanwhile, the highest fine imposed by the court in respect of the malpractices thus far was still below the maximum penalty for the relevant offences. As such, there was still room for the court to impose heavier penalty. In respect of the Chairman's suggestion of setting up more cross-harbour taxi stands, USTH advised that TD would consider the feasibility of the suggestion having regard to the actual circumstances.

65. Mr Michael TIEN considered that the taxi service should be improved. However, he noted that the complaints against malpractice of taxi drivers were to no avail as the different accounts of the incidents given by passengers and drivers rendered it difficult to establish evidence. On the other hand, he noted that the installation of a close-circuit television ("CCTV") system in 10 taxis by the Association of Taxi Industry Development in September 2016 had received a positive response from the public at large and the Office of the Privacy Commissioner for Personal Data ("PCPD") had not received any complaints relating to the installation of such system in taxis. He asked whether the Government would consult the PCPD on the full implementation of the installation of a CCTV system in taxi compartments while considering the fare increase applications, and to enact relevant legislation to ensure the quality of taxi services upon confirmation of no violation of any principles on privacy of personal data. He indicated that he would move a motion in this regard.

66. USTH agreed that there was room for improvement in taxi service. On the suggestion of installing CCTV systems inside taxi compartments to enhance the quality of taxi service, he said that application to the TD for installing camera systems inside taxi compartments was generally not required if it did not affect the vehicle structure and driving safety. However, the Government noted that the installation of such camera systems would involve the issue of privacy protection, which was under the purview of the PCPD. He said that PCPD had published the Guidance on CCTV Surveillance and Use of Drones to provide organizations with suggestions on

whether and how to properly use CCTV in order to assist individuals or organizations in complying with the requirements of the Personal Data (Privacy) Ordinance (Cap 486). The above guidance was applicable to the installation of camera systems inside taxi compartments. He added that the taxi trade should liaise with PCPD for more details in this respect, while TD would be willing to assist the trade in keeping communication with PCPD.

Measures to improve the taxi service

67. Mr Jeffrey LAM noted that there were many reasons leading to refusal of hire by taxi drivers, for example, road traffic congestion which should be handled by various parties collaboratively. As the former Chairman of the Quality Taxi Services Steering Committee, he noted that the taxi trade had a strong mission to enhance the quality of taxi service. He urged the Administration to communicate with the stakeholders more frequently with a view to improving taxi service such that taxis could provide satisfactory service to the public.

68. Ir Dr LO Wai-kwok noted that the taxi trade had proposed measures to provide better service. He asked about the Administration's measures to enhance the service quality of taxis and to encourage people entering the industry.

69. USTH advised that some members of the taxi trade had been actively considering measures to improve the service quality of ordinary taxis. These measures included the launch of a mobile application for hailing taxis which allowed passengers to rate and comment on drivers' performance, as well as the organization of retraining programme for taxi drivers. He said that the taxi trade or taxi associations could introduce more measures to further improve their service and control the behaviour of their members.

(At 12:36 pm, the Chairman extended the meeting for 15 minutes to 1:00 pm. At 12:53 pm, the Chairman suggested and the meeting supported to further extend the meeting for 15 minutes to 1:15 pm.)

Motion

70. The Chairman proposed that the motions to be moved respectively by Mr Charles MOK, Mr Michael TIEN and Dr Helena WONG could be dealt with and put to vote. Members agreed. As directed by the Chairman, the voting bell was rung for five minutes.

71. Mr Charles MOK moved the following motion –

"本事務委員會反對的士加價申請，促請政府檢討的士牌照制度，並研究放寬申請出租汽車許可證之機制，增加市場競爭，提升服務質素。"

(Translation)

"That this Panel objects to the taxi fare increase applications, and urges the Government to review the taxi licensing system and to study the relaxation of requirements under the mechanism for applying for hire car permits, so as to boost market competition and enhance service quality."

72. The Chairman put the motion to vote. A total of 12 members voted for the motion, 15 voted against it and none abstained from voting. The Chairman declared that the motion was negatived.

73. The Chairman then referred members to the original motion moved by Mr Michael TIEN and its amendment moved by Dr Helena WONG–

Original motion moved by Mr Michael TIEN —

"鑒於的士行業申請加價，但市民對的士服務有很大意見，例如的士拒載、濫收車資或態度惡劣的投訴大幅上升，乘客與司機各說各話令舉證困難，以致投訴不了了之。「推動的士發展聯會」在今年9月已先行在10部的士安裝攝錄系統(CCTV)，得到大多市民正面回應，而個人資料私隱專員公署也沒有接獲任何與的士車廂內安裝攝錄系統相關的投訴。本委員會促請政府考慮加價申請的同時，盡快就全面落實在的士車廂內安裝攝錄系統，諮詢個人資料私隱專員公署，確認沒有違反與個人資料私隱有關的原則之後訂立相關法例，以確保的士服務質素。"

(Translation)

"That given that the taxi trade has made fare increase applications, but the public has strong views about taxi services, for example, the number of complaints about taxi drivers' refusal of hire, overcharging or poor attitude has increased significantly, and the complaints are to no avail as the different accounts of the incidents given by passengers

and drivers render it difficult to establish evidence; the installation of a close-circuit television ("CCTV") system in 10 taxis by the Association of Taxi Industry Development in September this year has received a positive response from the public at large and the Office of the Privacy Commissioner for Personal Data ("the Office") has not received any complaints relating to the installation of such system in taxis; this Panel urges the Government to consult the Office as soon as possible on the full implementation of the installation of a CCTV system in taxis while considering the fare increase applications, and to enact relevant legislation to ensure the quality of taxi services upon confirmation of no violation of any principles on privacy of personal data."

Amendment moved by Dr Helena WONG —

"鑒於的士行業申請加價，但市民對的士服務有很大意見，例如的士拒載、濫收車資或態度惡劣的投訴大幅上升，乘客與司機各說各話令舉證困難，以致投訴不了了之。「推動的士發展聯會」在今年9月已先行在10部的士安裝攝錄系統(CCTV)，得到大多市民正面回應，~~而~~**但**個人資料私隱專員公署也**沒有**接獲任何與**已指出**的士車廂內安裝攝錄**及收音**系統相關的投訴**會違反個人資料私隱條例**。本委員會促請政府考慮加價申請的同時，盡快就全面落實在**調查**的士車廂內安裝攝錄系統**是否違法**，諮詢個人資料私隱專員公署，**確認沒有違反與個人資料私隱有關的原則**之後訂立相關法例，以確保的士服務質素**及保障乘客私隱**。"

(Translation)

"That given that the taxi trade has made fare increase applications, but the public has strong views about taxi service, for example, the number of complaints about taxi drivers' refusal of hire, overcharging or poor attitude has increased significantly, and the complaints are to no avail as the different accounts of the incidents given by passengers and drivers render it difficult to establish evidence; ~~the installation of a close-circuit television ("CCTV") system in 10 taxis by the Association of Taxi Industry Development~~ **installed a close-circuit television ("CCTV") system in 10 taxis** in September this year ~~has received a positive response from the public at large and,~~ **but** the Office of the Privacy Commissioner for Personal Data ("~~the Office~~")

~~has not received any complaints relating to~~ *pointed out that* the installation of ~~such a CCTV system for video and audio recording~~ in taxis *will violate the Personal Data (Privacy) Ordinance*; this Panel urges the Government to ~~consult the Office~~ *conduct* as soon as possible ~~on the full implementation of the installation of a comprehensive investigation into whether it is unlawful to install a~~ CCTV system in taxis ~~capturing only the images of drivers while considering the fare increase applications, and to enact relevant legislation so as to ensure the quality of taxi service upon confirmation of no violation of any principles on~~ *and protect the privacy of personal data passengers."*

(Amendments were marked in *bold and italic type* or with deletion line.)

74. In response to the amendments proposed by Dr Helena WONG, Mr Michael TIEN clarified that the CCTV system would only capture the images of drivers. Dr Fernando CHEUNG raised that according to the Rules of Procedure, Mr Michael TIEN should propose his amendment in written form. Mr Michael TIEN then submitted his amendment in written form.

75. Ms Tanya CHAN queried whether Mr Michael TIEN's amendment to his original motion should be dealt with during the period of extension of the meeting. The Chairman advised that according to paragraphs 3.50 and 3.51 of the Handbook for Chairmen of Panels, no new motion might be proposed during the period of extension of the meeting but amendments might be proposed to a motion to be dealt with during the extended time of the meeting.

76. Mr Michael TIEN moved the following motion with amendment –

"鑒於的士行業申請加價，但市民對的士服務有很大意見，例如的士拒載、濫收車資或態度惡劣的投訴大幅上升，乘客與司機各說各話令舉證困難，以致投訴不了了之。「推動的士發展聯會」在今年9月已先行在10部的士安裝攝錄系統(CCTV)，得到大多市民正面回應，而個人資料私隱專員公署也沒有接獲任何與的士車廂內安裝攝錄系統相關的投訴。本委員會促請政府考慮加價申請的同時，盡快就全面落實在的士車廂內安裝**只攝錄司機**攝錄系統，諮詢個人資料私隱專員公署，確認沒有違反與個人資

料私隱有關的原則之後訂立相關法例，以確保的士服務質素。"

(Translation)

"That given that the taxi trade has made fare increase applications, but the public has strong views about taxi services, for example, the number of complaints about taxi drivers' refusal of hire, overcharging or poor attitude has increased significantly, and the complaints are to no avail as the different accounts of the incidents given by passengers and drivers render it difficult to establish evidence; the installation of a close-circuit television ("CCTV") system in 10 taxis by the Association of Taxi Industry Development in September this year has received a positive response from the public at large and the Office of the Privacy Commissioner for Personal Data ("the Office") has not received any complaints relating to the installation of such system in taxis; this Panel urges the Government to consult the Office as soon as possible on the full implementation of the installation of a CCTV system in taxis *capturing only the images of drivers* while considering the fare increase applications, and to enact relevant legislation to ensure the quality of taxi services upon confirmation of no violation of any principles on privacy of personal data."

(Amendment was marked in *bold and italic type*.)

77. The Chairman put to vote the amendment moved by Dr Helena WONG to the original motion moved by Mr Michael TIEN. A total of 14 members voted for the motion, 15 voted against it and none abstained from voting. The Chairman declared that the motion was negated.

78. The Chairman then put to vote the amended motion moved by Mr Michael TIEN. A total of 17 members voted for the motion, 14 voted against it and none abstained from voting. The Chairman declared that the motion was carried.

79. The Chairman said that due to insufficient meeting time, the discussion on the last agenda item on "Procurement of bridge inspection vehicles for Tsing Ma Control Area and Tsing Sha Control Area" would be deferred to the next regular meeting on 20 January 2017.

V. Any other business

80. There being no other business, the meeting ended at 1:14 pm.

Council Business Division 4
Legislative Council Secretariat
9 February 2017