

**For discussion  
on 24 April 2020**

**Legislative Council Panel on Transport  
Comprehensive Review of Private Driving Instructor’s Licences**

**PURPOSE**

This paper briefs Members on the findings and recommendations of the Comprehensive Review on Private Driving Instructor (“PDI”) Licences (“the Review”) conducted by the Transport Department (“TD”).

**BACKGROUND**

2. The Government adopts a “two-pronged approach” in respect of driver training. We promote off-street driver training through the establishment of designated driving schools (“DDSs”) while maintaining a good supply of PDIs for on-street driver training. This “two-pronged approach” provides a choice for learner drivers, with regard to the traffic conditions in Hong Kong.

3. Following a comprehensive review on driver training policy in 1999, the PDI licences were re-arranged from seven types into three groups, namely Group 1 (Private Cars and Light Goods Vehicles), Group 2 (Light Buses and Buses) and Group 3 (Medium Goods Vehicles, Heavy Goods Vehicles and Articulated Vehicles). The numbers of valid PDI licences then prevailing for the three groups (i.e. 1 050 for Group 1, 130 for Group 2, and 230 for Group 3) have been used as benchmarks for TD’s periodic reviews of the need to issue new PDI licences. The Commissioner for Transport (the “Commissioner”) may consider issuing new PDI licences for a particular group when the number of respective valid licences<sup>1</sup> falls below the benchmark by 10% (“the triggering point”).

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<sup>1</sup> The average number of valid licences for the period of six months prior to a review is used for comparison.

4. Pursuant to Regulation 21A of the Road Traffic (Driving Licences) Regulations (Cap. 374B) (“the Regulations”), if new licences are to be issued, the Commissioner should invite the public to apply for them. If the total number of applications received exceeds the number of new PDI licences to be issued, TD will draw lots to determine the order in which the applications are to be dealt with. Eligible applicants will be invited to take the driving instructor’s test conducted by TD according to their orders as determined by lot. The Commissioner has no power to issue new PDI licence directly or give any priority to any individuals or particular groups of individuals.

5. In response to Members’ suggestions raised at the meeting of the Legislative Council Panel on Transport on the 2016 review on PDI licences in February 2018, TD conducted the Review from 2018 to 2019. As in the past reviews, TD has taken into account the following factors stipulated in regulation 21A of the Regulations in reviewing whether the existing benchmarks for the three groups of PDIs should be adjusted :

- (a) policy adopted for driver training for the time being;
- (b) prevailing traffic conditions; and
- (c) the demand of learner drivers to receive driving instructions from PDIs in respect of that group of motor vehicles.

6. Besides the benchmarks, TD has taken the opportunity to review related matters such as the licence issuing mechanism, quality of PDIs, etc. In order to examine the driving training demand and the adequacy of PDIs in a holistic manner, TD has adopted various means to gauge opinions from a wide range of stakeholders, including face-to-face opinion surveys with learner drivers and members of the public in the vicinity of driving test centres (“DTCs”), telephone survey with the public, working group meetings with the PDI trades and representatives of the restricted driving instructors (“RDIs”), etc. The findings and recommendations of the Review are provided in the ensuing paragraphs.

## **FINDINGS AND RECOMMENDATIONS OF THE REVIEW**

### *Maintenance of the two-pronged approach*

7. Under the Government's two-pronged approach of the driver training policy, the ratio of learner driver training provided by Group 1 PDIs and DDSs has been maintained at about 70:30 in the past five years, while that for Groups 2 and 3 is about 90:10. The Review findings revealed that the learner drivers and members of the public chose PDIs or DDSs based on their own needs considering the expected teaching quality, recommendation by relatives/friends, training schedule, etc. This points to the need of maintaining the two-pronged approach. As for the PDI and RDI trades, they both support the continued adoption of the "two-pronged approach" under the driver training policy.

8. Currently, learner drivers may practise driving on public roads (including those near the 17 DTCs), except those which expressively prohibit learner drivers, during specified time periods. On and off, there may be local concerns about possible traffic congestion caused by the learner drivers in the vicinity of DTCs. In order not to aggravate the prevailing traffic conditions caused by PDIs' on-street driving training, TD is mindful of the need to strike a delicate balance between meeting the demand for driver training and minimising the impact on the local residents.

### *Proposed Benchmarks of PDI Licences*

9. In assessing the need to issue new PDIs licences for meeting the driving training demand, TD has taken a holistic look into the changes in the demand for driving tests (as reflected by the test forms sold to learner drivers who received driver training from PDIs by TD upon application for driving test) and in the supply of PDIs (as reflected by the number of valid PDI licence holders) since 1999. The demand for Group 1 (i.e. Private Cars and Light Goods Vehicles) driving test had increased significantly by 25.6% from 77 790 test forms sold in 1999 to 97 706 in 2018. The ratio of valid Group 1 PDI licences to the number of test forms sold had increased substantially from 1:74 in 1999 to 1:104 in 2018.

10. The demand for Group 2 (i.e. Light Buses and Buses) driving tests, however, had decreased drastically by more than 56% from 10 450 in 1999 to 4 567 in 2018. The ratio of valid Group 2 PDI licences to the number of test forms sold had decreased markedly from 1:80 in 1999 to 1:45 in 2018. For Group 3 (i.e. Medium Goods Vehicles, Heavy Goods Vehicles and Articulated Vehicles), the demand for driving tests had decreased by 17.8% from 11 070 in 1999 to 9 104 in 2018, and the ratio of valid Group 3 PDI licences to the number of test forms sold had remained unchanged at 1:48 in 2018 as compared with 1999.

11. Having reviewed the existing demand and supply situation of the three groups of PDIs, the projected number of “inactive” PDIs<sup>2</sup>, and the data obtained from the opinion surveys with learner drivers on the actual and preferred training hours of learner drivers, TD proposes raising the benchmark for Group 1 PDI licences from the existing level of 1 050 to 1 170 (i.e. + 120), which will improve the ratio of PDI licences to test forms sold. As a result, 226 Group 1 new PDI licences<sup>3</sup> will be issued. As for the benchmarks of Group 2 (Light Buses and Buses) and Group 3 (Medium Goods Vehicles, Heavy Goods Vehicles and Articulated Vehicles), TD proposes maintaining them at 130 and 230 respectively given the adequate supply of both groups of PDIs to meet the market demand.

12. As for the triggering point, we consider that the prevailing threshold of 10% has been functioning effectively since 1999 and is generally accepted by the PDI trades. Hence, we propose maintaining the status quo.

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<sup>2</sup> There is no clear and widely accepted definition for determining whether a PDI is “active” or “inactive” as there are a host of factors affecting whether or not a PDI provides training. For projection purpose for the Review, TD has assumed that PDIs who did not accompany any candidate to attend driving tests in a year are inactive PDIs.

<sup>3</sup> The total number of valid Group 1 PDI licences in 2018 (i.e. average number of valid PDI licences in July – December 2018) is 944. As TD recommends raising the benchmark to 1 170, 226 licences (difference between number of valid Group 1 PDI licences and the new benchmark) will be issued for Group 1 PDI.

### *Proposed Issuing Mechanism for the New PDI Licences*

13. Under the mechanism described in paragraph 4 above, any new PDI licences are for open application and there is no quota reserved for any particular groups. In order to utilise the driving competence and training experience of Group 2 and Group 3 PDIs as well as RDIs while encouraging new blood to join the trade, we propose refining the existing issuing mechanism by –

- (a) allocating 75%, i.e. 169 of the 226 new Group 1 PDI licenses, to eligible members of the public by open application so as to attract new blood to join the PDI industry;
- (b) allocating the remaining 25%, i.e. 57 of the 226 new licences, as the “Driving Instructor (“DI”) Quota” for application by valid licence holders of PDIs in Group 2 and Group 3, as well as serving and ex-RDIs<sup>4</sup> (of DDSs and franchised bus companies (“FBCs”)) in recognition of their driving competence and training experience; and
- (c) adopting the new issuing mechanism for issue of new Group 2 and/or Group 3 PDI licences in future, i.e. the same proportion (25%) of Group 2 and/or Group 3 new PDI licences will be allocated to eligible Group 1 PDIs as well as serving and ex-RDIs of DDSs and FBCs.

14. The proposed changes to the licence issuing mechanism requires legislative amendments. In order to meet the imminent need to increase the supply of PDIs, TD proposes adopting a two-stage approach by inviting applications from members of the public first, to be followed by the invitation of applications for the DI quota pending the completion of the requisite legislative amendment exercise. The current target is to invite applications from members of the public for the 169 new PDI licences in the fourth quarter of 2020.

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<sup>4</sup> Ex-RDI refers to a person who once held a RDI licence in respect of Group 1, 2 or 3 vehicles within three years immediately preceding the application date for the new licence.

### *Proposed Measures for Enhancing the Quality of PDIs*

15. We see it vital to enhance the quality of driving instructors including their driving attitude for setting a good example for learner drivers. Enhancing the quality of PDIs is also supported by the PDI trades and the community at large. To this end, we propose raising the PDI applicants' minimum licence-holding period of private car and light goods vehicle from three to six years and requiring that, in addition to the existing requirements for no conviction records on certain traffic offences, the applicants shall not be convicted of careless driving and dangerous driving offence under section 38 and section 37 of the Road Traffic Ordinance (Cap. 374) within two and five years respectively preceding the application date.

16. We also propose that all new PDI licence holders shall attend a mandatory pre-service course before they are issued with the PDI licence. The purpose of the pre-service course is to instill proper knowledge, skills and attitude into the prospective PDIs, covering the role and conduct of a PDI, the driving test system, areas where candidates are prone to make mistakes, etc. In respect of the existing PDI licence holders, we propose that they should attend a mandatory refresher course provided by TD once every three years as a prerequisite for renewal of their PDI licences so as to keep them abreast of the latest development of the profession. A PDI shall also be required to display an identity plate inside the vehicles which should be clearly visible to the public to deter illegal driving training services.

17. Same as the change to the PDI licence issuing mechanism, the above enhancement measures also require legislative amendments.

### **CONSULTATION WITH THE TRADE**

18. TD has set up a working group comprising 14 associations with representatives of the three PDI groups and RDI trade in July 2018 as listed at **Annex** to conduct trade consultation for the Review. The DI trade in general has two main divergent views. In summary, trade associations mainly representing PDIs in Group 2, Group 3 and RDI trade expressed general support for the recommendations of the Review.

19. On the other hand, the majority of associations of Group 1 PDIs opposed raising Group 1 benchmark, the new PDI license issuing mechanism, as well as the mandatory pre-service and refresher courses for PDIs. They considered that even though the Group 1 benchmark at 1 050 had remained unchanged for 20 years, the serving PDIs could still absorb any additional driver training demand. They criticised that both the new benchmark and the PDI licence issuing mechanism had damaged the consensus reached among the PDI trade in 1999, and the new PDI licence issuing mechanism in particular would deprive the public of a fair opportunity to join the PDI industry. They also objected to the proposed refresher courses as they anticipated that the PDI licence holders would not benefit much from the courses. One Group 1 PDI association expressed support for raising the quality of PDIs. Four DDSs and five FBCs were consulted and have no comment on the proposed DI Quota arrangement in general.

## **NEXT STEPS**

20. Members are invited to note the outcome of the Review as set out in paragraphs 7 to 17. TD will take forward the preparatory work for the new PDI licence issuing exercise for Group 1 vehicles and the relevant legislative amendment exercise to give effect to the new licence issuing mechanism and quality enhancement measures.

**Transport and Housing Bureau**  
**Transport Department**  
**April 2020**

**Comprehensive Review of  
Private Driving Instructor's ("PDI") Licences  
Members of the Working Group**

<b><u>Associations of PDI</u></b>	<b>Group</b>
1. Driving Instructors Merchants Association Limited	1
2. Kowloon Motor Driving Instructors' Association Limited	1
3. Motor Transport Workers General Union	1
4. Hong Kong Motor Car Driving Instructors' Association Limited	1
5. Driving Instructors Association	1
6. Container Transportation Employees General Union (GP1 Private Driving Instructors Group)	1
7. Hong Kong Driving Instructors' Association	1, 2 and 3
8. Hong Kong Kowloon Goods Vehicles, Omnibuses and Minibuses Instructors Association Limited	2 and 3
9. Hong Kong Society of Articulated Vehicle Driving Instructors Ltd.	3
10. Hong Kong Driver's Training Association	1, 2 and 3
11. Public and Private Commercial Driving Instructors' Society	2 and 3
12. Hong Kong Commercial Vehicle Driving Instructors Association	3
<b><u>Associations of RDI</u></b>	
13. Hong Kong School of Motoring Driving Instructors Union	
14. HKDIA	