

Executive Council approves taxi fare adjustments

The Chief Executive in Council approved today (May 3) adjustments to the urban, the New Territories ("NT") and Lantau taxi fares by increasing their respective flagfall charges by \$2. Details are as follows:

Flagfall charge for the first 2 km or any part thereof

	Urban taxis	NT taxis	Lantau taxis
Existing fare	\$18	\$14.5	\$13
Approved new fare	\$20	\$16.5	\$15

A spokesman for the Transport and Housing Bureau said that in considering the applications for taxi fare adjustment, the Government has taken into account all relevant factors, including changes in revenue and costs of taxi operators, public acceptability, and the fare differential between taxis and other modes of public transport.

"The Government on the one hand understands that the public is facing inflation, and that although taxi services are generally used by those with better affordability, the public are still concerned about the impact of public transport fare increases on their livelihood. On the other hand, the Government is fully aware of the concerns of taxi operators who are under the pressure of increasing operating costs, including fuel, insurance, repair and maintenance costs, etc. As such, in processing the taxi fare increase applications this time, the Government has fully considered all relevant factors and tried to strike a balance among different interests with a view to setting the adjusted taxi fares at a level generally acceptable to consumers," the spokesman said.

In September 2010, the urban, NT and Lantau taxi trades reached consensus respectively and applied to the Transport Department ("TD") for an increase of the respective flagfall charges by \$2. They have not applied for changes to the incremental charges after flagfall, or charges for waiting time or any surcharges. The TD has discussed these applications with the trades and listened to their views. The Administration has also consulted the Legislative Council Panel on Transport and the Transport Advisory Committee on the applications.

Urban and Lantau taxi fares were last increased in November 2008. The NT taxi fare was last increased in January 2009.

As the scales of taxi fares are specified in Schedule 5 to the Road Traffic (Public Service Vehicles) Regulations, legislative amendments are necessary to effect the taxi fare adjustment. The Amendment Regulation concerned will be tabled at the Legislative Council on May 18 for negative vetting. Upon completion of the relevant procedures, the new fares will take effect from July 10 this year.

The spokesman said taxi drivers are required to display in a prominent position inside a taxi the fare conversion table specified by the Commissioner for Transport until the taximeter has been calibrated to reflect the new fares approved by the Chief Executive in Council.

The approved taxi fare increase is estimated to lift the Composite Consumer Price Index by 0.02 of a percentage point in 2011 and by another 0.02 of a percentage point in 2012.

Ends/Tuesday, May 3, 2011

Issued at HKT 18:58