

24 Oct. 1990

~~\$1~~ surcharge likely for taxi fares

By JEREMY LAU

TAXI fares will increase by a \$1 per journey if a Transport Advisory Committee (TAC) proposal recommending a surcharge to offset fuel price increases is accepted by the Executive Council.

The surcharge, which would be a temporary one, is expected to take effect in December if approved.

Five taxi organisations petitioned Government House yesterday urging the implementation of the surcharge as soon as possible.

TAC members believe a flat surcharge would be better than a scaled one as it would prevent confusion and disputes between passengers and drivers.

Transport officials earlier told TAC

members that the surcharge should be withdrawn once the price of diesel dropped to pre-August 22 prices, the date of the first cost increases following the beginning of the Gulf crisis in early August. The present price for diesel is \$5.05 per litre, compared with \$4.20 before August 22.

A spokesman for yesterday's petitioners, the chairman of the left-wing Motor Transport Workers' General Union, Mr Kung Chi-keung, said taxi drivers had had to pay about \$20 more a shift following the three price increases since August 22.

However, it is calculated that urban drivers will each earn as much as \$33 extra a shift if the surcharge is introduced. Mr Kung said they hoped the Government would approve the surcharge within a month.

Representatives of the New Territories Taxi Union have argued against a flat surcharge. Union chairman Mr Choi Kwok-hung said yesterday the surcharge should be calculated according to distance. "Otherwise short distance passengers will be subsidising long distance passengers," Mr Choi said.

Yesterday's TAC meeting was the first on taxi issues since its chairman, Miss Maria Tam Wai-chu, became embroiled in a controversy over conflict of interest as a result of her position as committee chairman and an indirect stakeholder in the taxi and bus trades.

A TAC source said Miss Tam did not comment on the issue, even though she has transferred her shares in a taxi company to her brother.