

TAC Chairman welcomes Budget measures to control private car growth

The following is issued on behalf of the Transport Advisory Committee:

The Chairman of the Transport Advisory Committee (TAC), Professor Stephen Cheung, today (February 24) welcomed the proposed increase of the first registration tax (FRT) rates and the vehicle licence fee (VLF) levels for private cars (PCs) by 15 per cent and 30 per cent respectively, as set out in the Financial Secretary's 2021-22 Budget, with a view to controlling PC growth, thereby addressing the traffic congestion issue in Hong Kong at its root.

Professor Cheung said, "Hong Kong is a small and densely populated city. The number of PCs has been on the rise, growing by about 38 per cent from 415 000 in 2010 to 573 000 in 2020. Traffic congestion has thus been increased, which affects all walks of life in Hong Kong.

"The TAC published the Report on Study of Road Traffic Congestion in Hong Kong in December 2014. It was proposed that the FRT rates and VLF levels be increased as one of the short- and medium-term measures to alleviate road traffic congestion. All along, the Government has been implementing the recommendations in the TAC's Report in a progressive manner, in addition to continued enhancement of the public transport network and services as well as various smart mobility initiatives, with a view to making it easier for the public to commute. The current proposals in the Budget of raising the FRT and VLF for PCs have demonstrated the Government's determination to address Hong Kong's road traffic congestion. Easing road traffic congestion will benefit the community at large."

Professor Cheung added, "I truly wish that various sectors in the community, including Legislative Council members, can render support for the proposals concerned."