For discussion on 12 July 2024

Legislative Council Panel on Transport Combating illegal carriage of passengers for hire or reward and study of online hire car hailing platforms

Purpose

This paper reports to Members and seeks their views on the Government's initiatives to enhance the existing legislation relating to hire cars for combating illegal carriage of passengers for hire or reward more effectively, as well as the preliminary findings on the study on the regulation of online hire car hailing ("online hailed car") platforms.

Background and purpose of review

2. In recent years, obtaining and providing personalized point-to-point transport services through online hailing services have become commonplace around the world. Currently, taxis constitute the majority of personalized point-to-point transport services, while the role of hire cars with permits ⁹ in the current transport system is to mainly supplement services that are not provided by existing public transport services, with a view to meeting specific travel needs. Many taxis and hire cars with permits nowadays offer online hailing services. The Government has all along been striving to enhance personalized point-to-point transport services. While the Government is open-minded in respect of the use of different communications technologies, including the use of online or mobile applications for hailing/booking taxis or hire cars, it is imperative to ensure that the passenger transport services supported by the use of new technologies or platforms comply with the laws and regulations, thereby safeguarding the safety and interests of passengers.

3. Hong Kong is a small and densely-populated city with high development intensity. To ensure sustainable development and effective utilisation of limited road resources, the Government has adhered to a public transport oriented policy. At

⁹ Hire cars with permits refer to vehicles with hire car permits issued by the Transport Department. In the 1970s, a large number of private cars were used for illegal carriage of passengers for reward. To strictly regulate the use of private cars for carriage of passengers for reward, and provide a legal channel for illegal operators to offer carriage of passengers for reward, the Government amended relevant legislations in 1977 and introduced the hire car regime, with subsequent enhancements in 1981, under which the types of hire car services and the cap on the number of permits are specified.

present, over 90% of commuters use public transport services. As different public transport services have their distinctive roles, members of the public can choose the type of transport modes which suit their travel needs. Taking into account that the carrying capacity of each trip of personalized point-to-point transport services is relatively low, the Government needs to control the delivery of such services and the total number of vehicles to ensure effective use of roads and smooth traffic flow.

4. In respect of taxis, the Government has earlier launched a series of measures to enhance the overall quality of taxi services, including the introduction of a taxi fleet regime. The taxi fleet regime is a new regulatory regime, under which operators may assemble existing taxis to form fleets and apply to the Transport Department (TD) for a Taxi Fleet Licence. It is expected that through the taxi fleet regime, a good example of taxi fleet management will be set so that fleets providing quality services can play an exemplary role and take the lead in the trade and boost passengers' confidence in taxi services. In the long run, more industry players will be encouraged to join taxi fleets, thus enhancing the overall quality of taxi services and the image of the trade. Under the taxi fleet regime, apart from the requirements on driving safety and other operation-related matters, fleet licensees are required to provide online booking channels (including mobile applications and websites), under which a passenger may book a trip, lodge enquiries and complaints, and rate the driver's performance upon completion of a trip, etc. The TD invited application for the Taxi Fleet Licence earlier and received a total of 15 applications during the application period. The response of the taxi trade is positive and the background of the applicants are diverse, and in addition to the taxi trade, members of other transport sectors also participated. The Government is assessing all of the applications received and it is expected that the application results will be announced within this month.

5. On another front, the Government is aware of the public's concern about illegal carriage of passengers for hire or reward and the regulation of online hailed car platforms. In addition to reviewing the existing legislation in order to combat illegal carriage of passengers for hire or reward more effectively, we have also studied the experiences of other places and made reference to the regulation of online hailed car platforms therein as well as the relevant key considerations. After hearing the views of the stakeholders, we will map out the way forward for addressing the public demand for quality personalized point-to-point transport services, and providing regulated online hailed car platform services while enhancing the quality of taxi services, thereby achieving a win-win situation for both trades with upgrade in service quality.

Regime for hire car permits and relevant enforcement work

6. According to existing legislation, if any person or organisation intends to arrange for a private car for the carriage of passengers for hire or reward, the car concerned must be issued with a valid hire car permit (HCP) under the regulation of the Road Traffic Ordinance (Cap. 374) (the Ordinance). In addition, under the Road Traffic (Public Service Vehicles) Regulations (Cap. 374D) (the Regulations), if car owners (whether individuals or companies) are interested in using their private cars for the carriage of passengers for hire or reward, they may apply to the Commissioner for Transport for HCPs for operating hire car services ².

7. Given the Government's adherence to a public transport oriented policy as mentioned in paragraph 3 above, as far as the regulation of hire cars is concerned, the existing legislation stipulates the five types of hire car services and the upper limits of the number of HCPs.

8. On enforcement, the Hong Kong Police Force (HKPF) has been taking action through targeted operations, as well as investigating and following up on referral and complaint cases, with a view to combating illegal carriage of passengers for hire or reward. From 2019 to 2023, the HKPF took enforcement actions against 311 cases in which private cars or light goods vehicles were used for illegal carriage of passengers for hire or reward. During the same period, a total of 275 vehicles were subject to suspension of vehicle licence and impoundment upon conviction by the court for the offence of illegal carriage of passengers for hire or reward. On 22 December 2023, the Legislative Council (LegCo) passed legislative amendments to increase penalties for offences relating to illegal carriage of passengers for hire or reward by motor vehicles ³.

² In February 2017, the TD rolled out a series of new measures on the issuance of HCPs to enhance the vetting and regulatory regime for hire car services and facilitate the entry of new service providers into the hire car market. Some of the measures include the introduction of a "pre-application assessment", under which parties who are interested in applying for HCPs may make a request for "pre-application assessment" without the need to submit private car registration documents, and they can therefore be informed of the likelihood of their HCP applications being approved before purchasing vehicles; as well as giving special consideration to cases where the applicants for private service (limousine) HCPs are unable to produce hiring records or service contracts with a validity period of six months or above.

³ The penalties for offences relating to illegal carriage of passengers for hire or reward by motor vehicles were raised on 22 December 2023. Details are as follows:

⁽a) fine – the maximum fines at level 2 (\$5,000) and level 3 (\$10,000) for the first and subsequent conviction were raised to level 3 (\$10,000) and level 4 (\$25,000) respectively;

⁽b) period of suspension of vehicle licence and impoundment of vehicle – the periods of three months and six months for the first and subsequent conviction were lengthened to six months and 12 months respectively; and

Further reviewing the existing legislation for combating illegal carriage of passengers for hire or reward more effectively

9. As mentioned in paragraph 8 above, the Government raised the penalties for the offence of illegal carriage of passengers for hire or reward in end-2023. However, there are still constraints in enforcement under the existing legislation. To strengthen the deterrence effect and combat the use of vehicles by vehicle owners or drivers for illegal carriage of passengers for hire or reward, we propose to further enhance the existing legislation.

10. Under the existing legislation, upon receipt of a request from the HKPF under section 63 of the Ordinance for information of the driver who may have been involved in an alleged offence or a traffic accident under the Ordinance, the vehicle owner is required to provide the relevant information to police officers. We note that some of the vehicle owners or drivers involved refused to provide drivers' information⁴. As a result, prosecutions against illegal carriage of passengers for hire or reward cannot be instituted because the identity of the drivers involved cannot be confirmed. To further deter vehicle owners who use or allow others to use their vehicles (such as through borrowing or renting) from carrying out illegal carriage of passengers for hire or reward, we initially propose to amend section 52 of the Ordinance – when sufficient evidence is available to show that the vehicle concerned has been involved in the offence of illegal carriage of passengers for hire or reward, the court may order, having regard to the specific circumstances at the time, to have the vehicle concerned impounded and the vehicle licence temporarily suspended, even if no prosecution can be instituted against the driver involved because his identity cannot be confirmed due to various reasons. Impoundment of a vehicle and temporary suspension of the relevant vehicle licence will temporarily prevent the vehicle from being used or driven, thus affecting its normal use by the owner. If the vehicle is under a company name, its impoundment may even affect the normal business operation of the company. We therefore consider that the relevant penalties have considerable deterrent effect against illegal carriage of passengers for hire or reward.

⁽c) maximum term of imprisonment – the maximum terms of three months and six months for the first and subsequent conviction were increased to six months and 12 months respectively.

⁴ Section 63(5) and (6) of the Ordinance provide that a person who contravenes section 63(1) commits an offence and is liable to a fine at level 3 (\$10,000) and to imprisonment for six months, unless he shows that he did not know, and could not with reasonable diligence have ascertained, the name, address and driving licence number of the driver of the vehicle at the time of the alleged offence or accident or of the last driver of the vehicle prior to the accident.

11. Furthermore, while section 69 of the Ordinance requires that if a person is convicted of an offence under the Ordinance in connection with the driving of a motor vehicle (including illegal carriage of passengers for hire or reward), the court may disqualify him from driving for such period as it thinks fit, with no exact or minimum period for disqualification for driving being specified. Therefore, it is our preliminary proposal to amend section 52 of the Ordinance to clearly specify that if a person is convicted of an offence of illegal carriage of passengers for hire or reward, he shall be disqualified from obtaining or holding a driving licence for no less than a specified period (e.g. 12 months⁵) unless the court for special reasons thinks fit to order otherwise.

12. We will further examine with the Department of Justice (DoJ) and the HKPF the direction of our preliminary proposal for legislative amendment as mentioned in paragraphs 9 and 10 above, with a view to finalising the amendment details as soon as possible.

Study findings on regulation of online hailed car platforms

13. Our existing legislation on hire cars mainly regulate vehicle owners and drivers, with no clear and relevant provisions for regulating the operation of online hailed car platforms⁶. In this respect, we have studied the practices in other places including Shenzhen, Singapore, London, Canberra, Toronto and Japan. Legislations regulating online hailed car platform companies (platform companies) are all in force in these places and requiring that the online hailing services of these companies must be provided by taxis and other vehicles with relevant licences/permits, of which the details are summarised at <u>Annex</u>. The main regulatory details are as follows:

(a) <u>Regulating platform companies</u>

14. Platform companies are regulated through a licence or permit regime in the above places. Such companies are required to submit applications to the respective governments and operate in accordance with conditions of approval. Currently, no restrictions on the number of platform companies are imposed in Shenzhen,

⁵ Reference has been drawn from section 4(2)(a) of the Motor Vehicles Insurance (Third Party Risks) Ordinance (Cap. 272). If a person uses, or causes or permits any other person to use, a motor vehicle on a road but there is not in force such a policy of insurance or such a security in respect of third party risks as complies with the requirements of this Ordinance, he/she shall be liable to a fine at level 3 and to imprisonment for 12 months and (unless the court for special reasons thinks fit to order otherwise) disqualified from holding or obtaining a licence to drive a motor vehicle for such period as the court may determine being not less than 12 months nor more than three years from the date of conviction.

⁶ Under section 52(5) of Cap. 374, no person shall solicit or attempt to solicit any person for hire or reward to travel in a private car.

Singapore, London, Canberra and Toronto, whereas in Japan, only taxi companies are allowed to apply for the operation of online hailed car services.

15. In general, platform companies are required to set up a company in the place they operate, and provide a local correspondence address and a responsible person, so as to facilitate monitoring of their services by local authorities. The approved operating periods of platform companies are subject to a maximum limit, and they are required to submit a new application upon expiry of such periods.

16. For a platform company, providing services without a government-issued licence or arranging vehicles or drivers without the appropriate licences and insurance coverage to provide services commits an offence, which is punishable with fine or imprisonment. In Shenzhen, such an offence is punishable with a maximum fine of RMB30,000, whereas in Singapore, offenders are liable to a maximum fine of SGD10,000⁷/SGD100,000⁸ or an imprisonment up to six months (or to both). If a platform company violates the conditions of approval, the respective government may suspend/revoke its licence and impose other penalties.

(b) <u>Imposing obligations on platform companies</u>

17. Generally speaking, platform companies are required, through legislation, terms and conditions of licence or codes of practice, to exercise due diligence on their business in these places so that they can provide safe and comfortable online hailed car services. The obligations of the platform companies generally include:

- (i) to ensure that vehicles providing services are properly licensed and covered by insurance, while relevant insurance policies are also purchased for passengers;
- (ii) to ensure that the vehicles have met the operating requirements under the relevant legislation and passed regular safety inspections;
- (iii) to ensure that the drivers have passed physical examinations and background checks and obtained appropriate licences, and to provide, among others, relevant training for the drivers; and/or

⁷ If a platform company provides services without a government-issued licence, it is liable to a fine not exceeding SGD10,000 or to imprisonment for a term not exceeding six months (or to both).

⁸ If a platform company arranges vehicles or drivers without the appropriate licences and insurance coverage to provide services, it is in breach of the conditions of approval in its business operation and liable to a financial penalty of SGD100,000.

(iv) to keep records and submit in a timely manner the relevant accounts, audit reports, operational information, documents, data or service performance indicators as stipulated in the conditions of approval.

18. If a platform company fails to exercise due diligence, it will be subject to penalties that correspond to severity of its failure. In Shenzhen, a platform company is required to rectify its failure within a time limit and suspend relevant services until the failure is rectified. If it fails to carry out any rectification measures or remains unable to meet the permit conditions through rectification measures taken in the prescribed time limit, its permit will be cancelled. In Singapore, such a platform company is liable to a financial penalty of SGD100,000 while its permit may be suspended/revoked as appropriate.

(c) <u>Regulating drivers' provision of services through licensed platform companies</u> <u>only</u>

19. Laws and regulations of the above places not only allow such platforms to operate under a licence, but also empower law enforcement agencies to combat illegal acts. Drivers of online hailed cars are only permitted to provide pre-arranged services for carrying passengers for reward by vehicles issued with relevant permits through government-licensed platform companies. Failure to do so will be an offence. In Shenzhen, such an offender is liable to a fine of RMB1,000. In Singapore, an offender is liable to a maximum fine of SGD1,000 or to an imprisonment up to three months (or to both), and on subsequent conviction, to a maximum fine of SGD2,000 or to an imprisonment up to six months (or to both).

(d) <u>Conclusion</u>

20. In conclusion, laws and regulations are in force in the places cited above for regulation of online hailed car platform companies/drivers. Platform companies are required to submit applications to the respective governments for relevant operating licences or permits before they can run their business; they also need to operate in accordance with the conditions of approval, and exercise due diligence on their business, including ensuring that all vehicles and drivers engaged for providing services through their platforms are issued with appropriate licences/permits and covered by relevant insurance policies. It is an offence for a platform company to provide online hailing services without a government licence, or arrange for services provided by vehicles or drivers without appropriate licences and insurance coverage. Moreover, eligible drivers are only allowed to provide pre-arranged services through government-licensed platform companies, or they will commit an offence. The aforesaid due diligence and other regulating requirements aim at effectively

protecting the platforms, drivers and passengers while ensuring travel safety of the public.

Follow-up study on regulation of online hailing platforms

21. Taking into account the regulatory experience in other places and the situation in Hong Kong, we propose to consider regulating platforms that provide online hailing services in Hong Kong, and to factor in the overall supply and demand of personalized point-to-point transport services in the market in parallel with the study on regulating platforms.

As mentioned in paragraph 3 above, given the low per-trip carrying capacity 22. of personalized point-to-point transport services, it is necessary for the Government to control the total number of vehicles involved in point-to-point services, with a view to ensuring effective use of roads and smooth traffic flow. Public transport services have high carrying capacity of up to over 90% annually, and the Government has been using railways as the backbone, supplemented by franchised buses and minibuses, to provide efficient services to the public. In assessing the supply of personalized point-to-point transport services that may be permitted, we will take into account whether the existing quantity and quality of point-to-point services (including online hailing services) can meet passenger demand, and the impact on the supply of point-to-point services when the taxi fleet gradually comes into operation next year. It should be emphasized that the purpose of the review is not to encourage frequent users of mass carrier of public transport to switch to point-topoint services, lest the additional demand for vehicles may in turn add pressure to the existing busy traffic. Meanwhile, we will carefully assess whether factors such as changes in travelling demand and fare adjustments will attract more people to use vehicles of point-to-point services, thereby leading to an adverse impact on the longterm operation of public transport service providers.

23. With regard to paragraph 22 above, the TD will commence a survey later this year on the relevant passenger demand and changes, etc. TD will review the progress in six months' time, and expects it to be completed in a year. Subject to the findings of the above study, we will assess the types and number of vehicles that may provide complying services through the platforms under the future regulatory proposal, as well as the relevant licensing requirements for the platforms and drivers, etc.

Diverse services to achieve mutual benefits and win-win situation

24. Having consolidated the experiences of regulation in various places and having regard to the situation in Hong Kong, and with a view to ensuring legality

and rule-compliance so as to safeguard public interests, we suggest that consideration should be given to regulating platforms for providing online hailing services in Hong Kong. Through the issuance of licences and various licensing conditions imposed on platform companies, which are to be clearly stipulated in legislation, as well as continuous enhancement in the quality of taxi services, members of the public can be put at ease in the use of diverse point-to-point transport services. This will achieve the objective of a creating win-win situation for both the transport sector and the travelling public, and also facilitate the combat of illegal activities by enforcement departments.

25. While taxis and hire cars provide personalized point-to-point transport services through online hailing platforms, the unified regulation of licensed online hailing platforms to allow only taxis and licensed complying vehicles to provide legal online hailing services will enable them to complement each other. Various travel needs of the public can also be addressed, such as providing services during the hours when personalized point-to-point services are in high demand, as well as catering for those with special travel needs (e.g. providing wheelchair accessible vehicles, serving the needs of high-end hotels and business customers, etc.).

26. By regulating online hailing platform services, drivers will feel at ease about providing personalized point-to-point transport services through legal platforms, which in turn will attract drivers to join the industry. Meanwhile, members of the public will be able to identify clearly those legal platforms, so that they may prearrange a journey conveniently through such platforms according to their needs and enjoy personalized point-to-point transport services with higher quality, thereby benefiting all parties.

27. Subject to the views of Members and stakeholders on the above-mentioned objectives of regulating platforms and various key considerations in regulation, we aim at achieving the objectives set out in paragraphs 21 to 23 through formulation of legislative framework.

Upcoming work and way forward

28. The Government is committed to enhancing the quality of personalized pointto-point transport services while safeguarding the safety and interests of passengers, as well as ensuring effective use of roads and the efficient, reliable and long-term healthy development of the existing public transport system. In this connection, we propose the upcoming work and the way forward as follows:

- (i) to implement measures to enhance the overall quality of taxi service, including facilitating and assisting the taxi fleets to commence operation as soon as possible; and reviewing the effectiveness of the taxi fleet services (including the arrangement for online booking services) and the feedback from the public in a timely manner (see paragraph 4 above); and actively follow up on the recommendation of mandating the installation of camera system in all taxi compartments: the Government is conducting a feasibility study, and will consult the taxi trade by the end of this year before reporting to the LegCo;
- to actively follow up with the HKPF and the DoJ to examine the further enhancement of the existing legislation on the regulation of illegal carriage of passengers for reward with a view to finalising the legislative amendment details, thereby combating illegal activities more effectively (see paragraphs 10 to 11 above); and
- to continue to explore strategic directions for enhancing personalized (iii) point-to-point transport services, with a view to allowing online hailed cars, including taxis and licensed vehicles, to support and complement each other in providing personalized point-to-point transport services for passengers, with a view to meeting the public demand for such services, as well as promoting its long-term healthy and sustainable development. This will include studying the views of stakeholders, the experience of other places and the development of point-to-point services in Hong Kong. For example, a comprehensive assessment will be conducted on the supply and demand of personalized point-to-point transport services, the types and number of vehicles that can provide complying services through the platforms under the future regulatory regime, and the relevant licensing requirements for the platforms and We also need to wait for and take on board the Court's drivers, etc. judgement on a judicial review case concerning the driver of online hailed car. We are willing to continue listening to the views of Members and other stakeholders in the community, and formulate legislative proposals for the regulation of online hailed car platforms (targeted in 2025) after considering the views of various parties and our further study (paragraphs 21 to 27 above).

Advice sought

29. Members are invited to advise on the upcoming work and the way forward set out in paragraph 28 above.

Transport and Logistics Bureau Transport Department July 2024

Overview of main regulatory details of online hailed car platforms in different places

	Shenzhen	Singapore	London	Canberra	Toronto	Japan
Licence regime regulating online hailed car platforms (platform companies)	 It is required to hold a permit for the operation of online hailing of hire cars (《網路 預約出租汽車經 營許可證》) issued by the municipal transport authority; It must be an enterprise legal person, and is required to set up a company in Shenzhen Municipality, and provide a local correspondence address and a responsible person; and The validity period of the licence for operation is up to five years. 	 A large operator of fleets with 800 or more vehicles⁹ is required to hold a Hire Car Licence issued by the Land Transport Authority; It is required to have a correspondence address and a responsible person in Singapore; and The validity period of the licence for operation is stipulated in the terms and conditions of the licence. 	 It is required to hold a licence issued by relevant government departments; It is required to set up a company in the place it operates, and provide a local correspondence address and a responsible person; and the validity period of the licence for operation is up to five years. 	 A transport booking service must be accredited by the Road Transport Authority; An applicant must be a local citizen or a permanent resident, or a person holding a visa for engaging in relevant work in Australia; and The validity period of the licence for operation is subject to a maximum limit of six years. 	 It is required to hold a Private Transportation Company (PTC) licence issued by the Municipal Licensing and Standards Division; It is required to have a business registration address in Ontario; and The validity period of the licence for operation is up to a year. 	 Only taxi companies are accepted as platform companies. To safeguard public interests and under unavoidable circumstances, a taxi company is allowed to deploy vehicles for transport services within specific areas or during specific hours upon permission by the Minister of Land, Infrastructure, Transport and Tourism; It is required to set up a company in the place it operates, and provide a local correspondence address and a

⁹ As for large operators of fleets with less than 800 vehicles, while the requirement to hold a Hire Car Licence may be exempted by order published in the gazette by the Singapore government, the operators are still required to observe the conditions stated in the order.

	Shenzhen	Singapore	London	Canberra	Toronto	Japan
						responsible person; and3. The validity period of the licence for operation is up to
Imposing obligations on platform companies	1. To ensure that all drivers and vehicles engaged for providing services are issued with appropriate permits and covered by insurance;	1. To ensure that all drivers and vehicles engaged for providing services are issued with appropriate licences and covered by insurance;	1. To ensure that all drivers and vehicles engaged for providing services are issued with appropriate licences and covered by insurance;	 To ensure that the drivers and vehicles are issued with appropriate licences and covered by insurance; To ensure the coverage of 	1. To ensure that all drivers and vehicles engaged for providing services are issued with appropriate permits and covered by insurance;	two years. 1. To ensure that all drivers and vehicles engaged are issued with appropriate licences and covered by insurance;
	2. To ensure the coverage of relevant insurance policies;	2. To ensure the coverage of the insurance policies stipulated in the licensing conditions;	 To ensure the coverage of relevant insurance policies; To ensure that the 	relevant insurance policies;3. To ensure that the drivers and vehicles	 To ensure the coverage of relevant insurance policies; To ensure that the 	2. To ensure the coverage of relevant insurance policies;
	3. To ensure that the vehicles have met the operating requirements under relevant legislations and passed regular safety inspections;	3. To ensure that the vehicles have met the operating requirements under relevant legislations and passed regular	vehicles have met the operating requirements under relevant legislations and passed regular safety inspections; to ensure that the	have met the operating requirements under relevant legislations and passed regular safety inspections;	 vehicles have met the operating requirements under relevant legislations; 4. Not to include mandatory 	3. To ensure that the vehicles have met the operating requirements under relevant legislations and passed regular
	 To ensure that the drivers are legally qualified, and to safeguard their legal rights; To allow 	 safety inspections; 4. To keep records and submit in a timely manner the relevant accounts, audit reports, operational information, 	 drivers have passed physical examinations and background checks; and 4. To keep records and submit in a timely 	 To provide services that meet the minimum service standards; To keep records relating to drivers, vehicles, platform 	 arbitration clauses in the agreement on use of service by passengers; 5. To keep records relating to drivers, vehicles, platform 	 safety inspections; 4. To ensure that the number of available vehicles is within the range as specified by the authority;

	Shenzhen	Singapore	London	Canberra	Toronto	Japan
	 connectivity of the operational data with the regulatory platform of the Municipal Government for access by regulatory authorities, and to safeguard network security; and 6. To set up the platform server in Mainland China, with the collected data stored and used within the Mainland. 	 documents, data or service performance indicators as stipulated in the conditions of approval; and 5. To comply with the operational manual issued by the Land Transport Authority. 	manner the relevant accounts, audit reports, operational information, documents, data or service performance indicators as stipulated in the conditions of approval.	 service operators and pre-arranged services, and to submit them to the Road Transport Authority as required; and 6. To submit reports on operational performance to the government in a timely manner. 	 service operators and pre-arranged services, and to submit them to the Municipal Licensing and Standards Division as required; and 6. To provide wheelchair- accessible vehicles if more than 500 drivers are engaged by the platform. 	 5. To ensure that the drivers have passed background checks; and 6. To keep records and submit in a timely manner the documents as required by the conditions of approval.
Penalties for unlicensed platform companies	If an online hailed car operator engages without authorisation or in a disguised form in the operation of online hailed cars without having obtained a permit for the operation of online hailing of hire cars, the municipal transport authority may order rectification. An offender is liable to a fine of RMB30,000.	It is an offence for a person without having obtained the licence for operating hire car services or exempted as a ride-hail service operator to operate hire car services or arrange vehicles or drivers without the appropriate licences and insurance coverage to provide services. An offender is liable on conviction to a maximum fine of	It is an offence for a person to provide private hire car services without a licence. An offender is liable on conviction to a maximum fine of GBP2,500	A person who provides services without having been accredited under the Transport Booking Service Accreditation is liable to a maximum penalty of 50 "penalty units", i.e. AUD160 (for individuals) or AUD810 (for companies).	A person who provides services without holding a PTC licence is liable to a maximum fine of CAD50,000 (for individuals/members of board of directors or staff of companies), or to a maximum fine of CAD100,000 (for companies), and to a special fine equivalent to the economic benefits obtained due to the non-compliance.	It is an offence for a person to provide services without the permission by the Minister of Land, Infrastructure, Transport and Tourism. An offender is liable on conviction to a maximum fine of 1.5 million yen or to an imprisonment up to a year (or to both).

	Shenzhen	Singapore	London	Canberra	Toronto	Japan
Penalties for drivers who provide	Shenzhen It is an offence for a unit or a person to provide online hailed car services through an online service platform	Singapore SGD10,000 ¹⁰ /SGD100,000 ¹¹ or to an imprisonment up to six months (or to both). It is an offence for a driver to provide hire car services through unlicensed platform companies. An	London Information not available	Canberra A driver who provides services without affiliating with a platform having been accredited under the	TorontoA driver for the PTCwho provides servicesthrough an operatorwithout holding a PTClicence is liable to a	Japan Information not available
hire car services through unlicensed platform companies	without the permission for operation of online hailed cars. An offender is liable to a fine of RMB1,000.	offender is liable on conviction to a maximum fine of SGD1,000 or to an imprisonment up to three months (or to both), and on subsequent conviction, to a maximum fine of SGD2,000 or to an imprisonment up to six months (or to both).		Transport Booking Service Accreditation is liable to a maximum penalty of 50 "penalty units", i.e. AUD160 (for individuals) or AUD810 (for companies).	maximum fine of CAD50,000, and to a special fine equivalent to the economic benefits obtained due to the non-compliance.	

¹⁰ If a platform company provides services without a government-issued licence, it is liable to a maximum fine of SGD10,000 or to a maximum imprisonment term for six months (or to both).

 ¹¹ If a platform company arranges vehicles or drivers without the appropriate licences and insurance coverage to provide services, it is in breach of the conditions of approval in its business operation and liable to a financial penalty of SGD100,000.