

**Legislative Council Panel on Transport**  
**Limitation on the Number of Public Light Buses**

**Purpose**

This paper informs Members of the Government's intention to move a motion under section 23(3) of the Road Traffic Ordinance (Cap. 374) ("RTO") to extend the effective period of the current limitation on the size of the Public Light Bus ("PLB") fleet at 4,350 for five years until 20 June 2006.

**Background**

2. There are two types of PLB operation – Red Minibuses ("RMBs") which operate on non-scheduled routes, and Green Minibuses ("GMBs") which operate scheduled services on fixed routes. The size of the PLB fleet has been limited at 4,350 since 1976. The limitation was promulgated by the Executive Council through the Public Light Bus (Limitation on Number) Notice ("the Notice"). The effective period of the Notice has been extended from time to time through resolutions passed by the Legislative Council, and it was last extended in June 1999 for two years to 20 June 2001.

**Proposal to extend the current limitation on PLB fleet size by 5 years**

3. In the planning of public transport services, it has been and it remains Government's policy to encourage the provision of services by mass carriers (comprising railways and franchised buses) to meet passenger demand. PLBs, on the other hand, perform a useful function in supplementing the mass carriers, mainly by providing connecting services to public transport interchanges and serving areas where patronage is not high enough for the provision of services by mass carriers.

4. In the last 20 years, there has been a marked increase in the provision and use of the mass carriers. The combined market share of public transport boardings for railways and franchised buses increased from about 51% in 1979 to 70% in 2000, whilst that for PLBs dropped from about

24% to 15% during the same period. In the past few years, the patronage of PLBs has remained at around 1.6 million per day.

5. The planned expansion of the railway in the coming years will increase significantly the capacity of the overall public transport system. The franchised bus services are also expected to continue to improve. These developments will enhance the competition in the public transport market.

6. In the light of the above considerations, the limit on the number of PLBs should continue. Accordingly we propose to extend the effective period of the current limitation on the PLB fleet size at 4,350 for a period of five years up to 20 June 2006. This would also provide greater certainty for the PLB trade to operate in the public transport market. We will move a motion to this effect in the Legislative Council meeting on 13 June 2001.

### **Looking ahead**

7. The Government will continue to implement measures to encourage the conversion of RMBs to GMBs. In pursuance of this objective, the Transport Department will continue to identify suitable new GMB routes to be grouped into packages based on geography as well as the profitability of the routes. New route packages will be published in the Gazette to invite applications.

8. In response to suggestions made by Members at the Panel meeting in December 2000, we are reviewing certain issues concerning the operation of PLBs, including the current restrictions on RMBs to use the Tai Lam Tunnel. The review will focus on specific aspects relating to PLBs' functions and operation. It will not have impact on the overall number of PLB licences. We will brief the Panel on the findings of the review when it is completed.