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25 June 2002

Mr Andy Lau
Clerk to Panel
Legislative Council
8 Jackson Road
Central
Hong Kong

Dear Mr Lau,

**LegCo Panel on Transport
Meeting on 25 January 2002**

The public light bus (PLB) trade raised a number of matters at the captioned meeting. The Administration's response is set out below.

Setting up of an independent body to conduct an overall review on the role and operation of PLBs

In response to the request of members of the LegCo Panel on Transport, the Administration conducted a review on the role and operation of PLBs and explained in detail the conclusions of our review in the paper "Review of the Operation of Public Light Buses" which was discussed by the Panel in December 2001.

The review examined the various factors relevant to the role and function of PLBs. It concluded that PLBs should continue to have the primary function of supplementing the mass carriers, particularly in view of the substantial development and improvement in the public transport system in recent years. The review also examined the key issues concerning the operation of PLBs and identified measures to promote GMB services and improve PLB operation. Since the review was conducted recently, it is not fruitful to conduct another review. Instead it is now important that we focus our resources on the implementation of the improvement measures.

Relaxation of existing restrictions on RMB operation

As explained in the Panel meetings in December 2001 and January 2002, it is not appropriate to pursue general relaxation of existing restrictions on RMB operation in view of the road congestion problem in Hong Kong and the objective of encouraging the conversion of RMBs to GMBs.

Since expressways mainly link up new development areas in different districts and normally the provision of public transport services in these areas has been planned during the planning stage, in general PLBs are not allowed to operate on expressways. If there is a practical need to introduce new PLB service to operate on individual expressways and if it is considered suitable to do so, Transport Department (TD) will consider introducing new GMB services to meet the need.

In view of the above, we do not see strong justification for allowing RMBs to run on expressways. That said, the Administration fully understands the concerns of the RMB trade and TD would, within the framework of the policy on PLBs, consider requests for relaxing the stopping restrictions or the restrictions on the operation of RMBs in individual service areas on a case-by-case basis. At present, TD is considering the feasibility of allowing RMBs to operate on the New Territories-bound section of Tuen Mun Road between Tsuen Wan and Sham Tseng during the period when the road widening works on Castle Peak Road between Tsuen Wan West and Ka Lung Tsuen are in progress.

As mentioned above, it is not appropriate to pursue general relaxation of existing restrictions on RMB operation. The existing restriction on RMB operation in new development areas will be maintained and RMB operation in public housing estates in new development areas will continue to be prohibited. As for the public housing estates within the existing service area of RMBs, it is not our transport policy to prohibit PLB operation in such estates. In fact, there are GMBs and RMBs serving a number of public housing estates. The operation of PLBs in individual public housing estates is considered based on a number of factors, including the aforesaid restriction, the need for transport services and the positions of the relevant estate management on PLB's access to the estates.

Triad activities affecting PLB operation

Subsequent to the Panel meeting held on 25 January 2002, TD has conveyed the PLB trade's concern to the Hong Kong Police Force (HKPF). HKPF will continue to monitor and take appropriate actions against triad activities affecting PLB operation as and when necessary. Individual operators are encouraged to approach HKPF if they believe that their operation is affected by triad activities. HKPF stands ready to assist the affected operators.

Insurance charge for the PLB trade

With the assistance of the Commissioner of Insurance, TD arranged a meeting on 7 March 2002 for the PLB trade and the representatives of the insurance sector to discuss issues about adjustments in insurance premium. At the meeting, the insurance sector representatives undertook to reflect the trade's concern to the insurance sector and consider appropriate and feasible means to assist the trade. We understand that the representative of Hong Kong Federation of Insurers already relayed the PLB trade's concern to its members in its monthly General Insurance Council meeting held in March this year. The Commissioner of Insurance has also provided the PLB trade with details of two insurance broker associations and a list of major insurers currently underwriting PLB insurance for their reference.

Yours sincerely,

(Ms Louise Leung)
for Secretary for Transport