

Legislative Council Panel on Transport

Policy on Non-Franchised Bus Services

Purpose

This paper provides information to Members on the policy and regulation of non-franchised bus services, including Residents' Service ("RS").

Policy framework

2. To ensure the efficient use of Hong Kong's limited road space and taking into account environmental considerations, the use of mass carriers viz. railways and franchised buses as the main service providers of trunk services to/from the busy areas is encouraged. Under our transport policy, priority is accorded to the development of railways which will form the backbone of the transport system. Franchised buses will be a key service provider in areas not accessible by railways and play a more prominent role in feeding passengers to the railways.

Role and functions of non-franchised buses

3. Non-franchised buses perform a supplementary role in the public transport system. The operators are primarily engaged in running hotel services, sight-seeing tours, cross-boundary trips, and services for students, employees and residential developments. Many also operate group excursions to picnic spots for local residents, particularly at weekends and on public holidays.

4. RS are operated as a supplementary service primarily during peak hours to relieve the peak-hour demand on franchised buses and green minibuses, especially as feeder services to railway stations and major public transport interchanges.

Licensing arrangement of non-franchised buses

5. Non-franchised bus services are regulated by Passenger Service Licence (“PSL”) issued by Transport Department (“TD”) under the Road Traffic Ordinance, Chapter 374. Any person who wants to provide non-franchised bus services has to apply for a PSL. In determining an application for operation of non-franchised bus services, TD has to consider the following factors -

- (a) the need for the services to be provided by the applicant;
- (b) the level of service already provided or planned by other public transport operators;
- (c) traffic conditions in the areas and on the roads where the services are to be provided; and
- (d) the standard of service to be provided by the applicant.

6. In granting a new PSL or approving the renewal of an existing PSL, TD may stipulate licence conditions to regulate the number of vehicles that the licensee may use, the types of passenger services which the vehicles may be used for, and the places at which the vehicles may stop for passengers.

Operation of non-franchised buses

7. As at end 2002, there were 6,579 non-franchised buses operated by about 1,550 operators. This represents an increase of about 16.5% in the total number of non-franchised buses since 1999. The number of authorised vehicles licensed to operate RS service also increased by 18% from 875 to 1,035 during the same period. At present, there are about 320 approved RS routes operating in various parts of Hong Kong. This represents an increase of 33.9% over the past three years.

8. With the introduction of new railways and the consequential increase in public transport capacity, and in view of the increasing public concerns

about air quality and traffic congestion, TD has been implementing measures on an on-going basis to rationalise bus services (including both franchised bus services and RS). They are intended to enhance the operating efficiency of bus services and improve the environment in particular in busy corridors. In general, new direct long haul bus routes would not normally be considered and bus-bus interchange schemes are encouraged to reduce the number of bus trips in busy urban corridors for the benefits of the community as a whole.

9. The operation of unauthorised RS creates traffic problems and would impact on the legitimate operation of other public transport modes including taxis and public light buses. It also creates concerns on insurance coverage in the event of accidents involving a non-franchised bus which provides unauthorised public bus service. TD will continue to take appropriate enforcement actions in conjunction with the Police to tackle unauthorised RS.

Measures to assist the non-franchised bus trade

10. Within the regulatory framework explained above, TD has been working with the non-franchised bus trade to explore measures to facilitate their operation. For instance, TD has introduced improvements to the pick up/set down and parking facilities of non-franchised buses. TD also organized a 3-day seminar in October 2002 for non-franchised bus operators and drivers with participation of knowledgeable speakers from the relevant professions on the opportunities offered to the trade in the promotion of tourism in Hong Kong and on improvements to driving skills and techniques. In addition, TD has launched the quarterly "Non-franchised Bus Bulletin" in collaboration with the trade to provide a platform for trade members to voice opinions, share experience and exchange know-how.

11. TD will continue to maintain close liaison with the non-franchised bus trade.