

For information  
8 March 2012

**Subcommittee on the Six Orders  
Made Under Section 5(1) of the  
Public Bus Services Ordinance and Gazetted on 20 January 2012**

**Response to Members' Request for Information / Suggestions**

**Purpose**

This paper provides information requested, and the Administration's response to suggestions made, by Members at the meeting of the Subcommittee held on 23 February 2012.

**Number of buses and bus drivers of each franchised bus company**

2. The existing five franchised bus companies operated a total fleet of 5,798 buses and employed a total of 12,088 full-time and 330 part-time bus drivers as at end 2011. Details of the number of buses and bus drivers of each of the bus companies by their franchises are as follows:

| <b>Franchisee</b>  | <b>Number of<br/>Licensed<br/>Buses<br/>(A)</b> | <b>Number of<br/>Full-time<br/>Bus<br/>Drivers**<br/>(B)</b> | <b>(B)/(A)</b> |
|--|---|--|----------------|
| The Kowloon Motor Bus Company (1933) Limited ("KMB")                                     | 3,890   | 7,918  | 2.04           |
| Long Win Bus Company Limited ("LW")  | 163   | 367  | 2.25           |
| Citybus Limited (Franchise for Hong Kong Island and Cross-harbour Routes) ("CTB(F1))*    | 766   | 1,648  | 2.15           |
| Citybus Limited (Franchise for North Lantau and Chek Lap Kok Airport Routes) ("CTB(F2))* | 172   | 474  | 2.76           |
| New World First Bus Services Limited ("NWFB")  | 703   | 1,708  | 2.43           |
| New Lantao Bus Company (1973) ("NLB")  | 104   | 139  | 1.34           |
| <b>Total</b>   | <b>5,798</b>                                    | <b>12,253</b>  | <b>2.11</b>    |

\* CTB operates two bus networks under two franchises.

\*\* Two part-time drivers are counted as one full-time driver for calculation purpose. Figures do not add up to the total due to rounding.

3. The table above shows that the average ratio of the number of full-time bus drivers against buses is 2.11, i.e. above two or more full-time bus drivers per vehicle. NLB has a ratio of 1.34 owing to its relatively shorter operating hours. The average 2.11 driver/bus ratio in Hong Kong is comparable to the average 2.01 driver/bus ratio in Singapore<sup>1</sup>.

### **Breakdown of the percentage of bus trips which deviated from the Schedule of Service by each franchised bus company**

4. The breakdowns of the percentages of bus trips which deviated from the Schedule of Service (“SoS”) by district, by franchised bus companies and by cross harbour routes and non-cross harbour routes are listed at **Annex**.

5. As shown in Annex, KMB had the highest lost trip rate among all franchised bus companies. The Transport Department (“TD”) was alive to the problem and has been taking follow-up actions on different fronts. Apart from strengthening the monitoring of the performance of bus services through field surveys and inspections, TD has had frequent correspondences including the issue of reminder letters and warning letters and meetings with KMB’s senior management, demanding timely and effective remedial measures. KMB has committed to carrying out such measures expeditiously.

6. KMB explained that the rise of lost trip rates in the past year was primarily a result of more congested roads and shortage of bus drivers. The latter was mainly caused by the introduction of the Statutory Minimum Wage which funnels potential drivers to other occupations. The tense labour market for drivers was especially acute for KMB owing to its large size of bus drivers. KMB considers the manpower situation in 2011 to be temporary and has confidence that the situation will improve with the measures being implemented by it. These include recruiting more bus drivers through more channels, expanding its bus driver training school capacity, as well as launching retention measures by giving a special bonus to the new bus drivers who successfully pass probation and reviewing existing bus drivers’ remuneration and improving their working environments. TD has been closely monitoring the effectiveness of KMB’s remedial measures. The latest lost trip rate of KMB in February 2012 was reduced to 6.7% and TD would continue to closely monitor the situation.

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<sup>1</sup> Source: SBS Transit, Singapore.

**To advise the feasibility of including a benchmark for deviation from SoS and measures and actions taken by the Administration against the non-compliance of SoS**

7. There are a number of factors leading to lost trips. Some may be within the control of the bus companies whilst others are not. For each non-compliance case including lost trips, TD would require the relevant bus company to look into the cause of the non-compliance and take appropriate rectification measures. For cases of lost trips, TD will monitor the improvement actions of franchised bus companies through field surveys and inspections, examination of regular reports submitted by bus companies (including the number and turnover rate of serving bus drivers and the average daily number of bus trips made), stepping up spot checks on vehicles and regular meetings with the bus companies, etc. In case a franchised bus company fails to provide reasonable explanations and make timely improvement on factors which may be manageable by it (such as vehicle breakdown and driver shortage), TD may issue a reminder to the company, requesting it to implement improvement measures within a certain period of time. If the problem persists without improvement, TD may issue a warning letter to the company. Follow-up surveys may also be arranged as appropriate to ascertain the effectiveness of improvement measures adopted. In case there is still no progress of improvement after a reasonable period of time, the Administration may recommend the Chief Executive in Council to impose financial penalty on the bus company according to section 22 of the Public Bus Services Ordinance (Cap. 230).

8. Given that the cause of lost trips could be affected by factors beyond the bus companies' control and the impact and seriousness of each non-compliance case vary, it is considered inappropriate to establish a benchmark simply based on the number or a percentage of lost trips. The Administration considers it more appropriate to consider each non-compliance of the SoS on a case-by-case basis, rather than imposing penalties based on a certain benchmark.

9. As for the legality of including a benchmark for deviation from SoS in the six Orders which specify the routes that a franchise bus company operates, the Administration is looking into the matter in detail and will provide its views once ready.

**To consider using public fund to set up an on-line electronic system to gather data of bus departures and arrivals at bus stops**

10. It is the Government's established policy that public transport services should be operated by the private sector in accordance with commercial principles to ensure their cost-effectiveness and efficiency. The Government would provide the necessary infrastructure, e.g. road link and bus termini, to support the provision of the services. On the other hand, the franchised bus companies are obliged to provide proper and efficient services during their franchise period. They are responsible for setting up their own management system to monitor the provision of services according to the approved timetable as set out in the SoS. The bus companies are also required to submit regular operating returns, including number of buses deployed, actual number of trips / kilometers operated, etc. to the Commissioner for Transport. TD would conduct regular monitoring checks through surveys, site inspections, examination of data from the bus companies, and feedback from passengers and other channels to monitor the services of the bus companies.

11. Real-time information on bus arrival and departure time at bus stops may help provide detailed information on the early / late arrival of a certain bus at a certain bus stop. It, however, would not be essential for TD to perform its monitoring role. The large amount of data would require detailed analysis before they can be of use. TD would still require the bus companies to investigate and explain the reason for non-compliances and propose rectification measures. The use of public money to set up such a system for monitoring purpose would therefore not be cost-effective.

**Advice Sought**

12. Members are requested to note the content of this paper.

**Transport and Housing Bureau  
Transport Department  
March 2012**

## Percentages of bus trips which deviated from Schedule of Service in 2011

| Districts           | No. of Bus routes terminating in the District | Scheduled Trips ('000) | Actual Trips ('000) | Deviations from the scheduled trips |
|---------------------|---|------------------------|---------------------|-------------------------------------|
| Central and Western | 109   | 2,180                  | 2,104               | -3.5%                               |
| Eastern             | 69  | 1,854                  | 1,770               | -4.5%                               |
| Southern            | 84  | 1,610                  | 1,585               | -1.6%                               |
| Wan Chai            | 35  | 857                    | 825                 | -3.7%                               |
| Kowloon City        | 38  | 1,075                  | 956                 | -11.1%                              |
| Kwun Tong           | 87  | 2,821                  | 2,601               | -7.8%                               |
| Sham Shui Po        | 51  | 1,563                  | 1,410               | -9.8%                               |
| Yau Tsim Mong       | 92  | 2,787                  | 2,527               | -9.3%                               |
| Wong Tai Sin        | 45  | 1,618                  | 1,489               | -8.0%                               |
| Island              | 69  | 1,001                  | 1,077               | 7.6%                                |
| Kwai Tsing          | 63  | 2,192                  | 2,097               | -4.3%                               |
| North               | 35  | 1,521                  | 1,413               | -7.1%                               |
| Sai Kung            | 40  | 832                    | 799                 | -4.0%                               |
| Shatin              | 91  | 2,823                  | 2,654               | -6.0%                               |
| Tai Po              | 29  | 805                    | 789                 | -2.0%                               |
| Tsuen Wan           | 61  | 1,805                  | 1,703               | -5.7%                               |
| Tuen Mun            | 42  | 1,021                  | 966                 | -5.4%                               |
| Yuen Long           | 38  | 1,084                  | 1,034               | -4.6%                               |
| <b>Total</b>        |   | <b>29,447</b>          | <b>27,800</b>       | <b>-5.6%</b>                        |

| Cross Harbour /<br>Non Cross Harbour | Operators    |              |              |              |              |               | Deviations from the<br>scheduled trips |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|--|
|                                      | KMB          | CTB(F1)      | NWFB         | CTB(F2)      | LWB          | NLB           |  |
| Cross Harbour                        | -6.7%        | -3.6%        | -3.8%        | +0.5%        | /            | /             | -4.9%                                  |
| Non-Cross Harbour                    | -7.3%        | -2.4%        | -2.7%        | -1.2%        | -1.6%        | +24.3%        | -5.7%                                  |
| <b>Total</b>                         | <b>-7.2%</b> | <b>-2.7%</b> | <b>-3.1%</b> | <b>-0.7%</b> | <b>-1.6%</b> | <b>+24.3%</b> | <b>-5.6%</b>                           |

Note: For routings with terminating points at two different districts, the routes will be counted on both districts and their trips data will be shared evenly among the two districts.