

**立法會**  
***Legislative Council***

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**Paper for the House Committee meeting on 25 November 2016**

**Report of Subcommittee on Road Traffic  
(Public Light Buses: Limit on Number) Notice 2016**

**Purpose**

This paper reports on the deliberations of the Subcommittee on Road Traffic (Public Light Buses: Limit on Number) Notice 2016.

**Background**

2. The total number of motor vehicles which may be registered as public light buses ("PLBs") has all along been capped at 4 350<sup>1</sup> since 1976. Section 23(1) of the Road Traffic Ordinance ("RTO") provides that the Chief Executive in Council may, by publication of notice in the Gazette, limit the number of vehicles which may at any time be registered by reference to, inter alia, the class or description of vehicle. According to section 23(2) and (3) of RTO, the notice can remain in force for such period not exceeding 12 months unless it is extended by the Legislative Council ("LegCo") by resolution.

3. Over the past three decades or so, LegCo has time and again passed resolutions to extend the effective period of the cap on the number of PLBs as specified under the now repealed Public Light Buses (Limitation on Number)

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<sup>1</sup> PLBs were first registered as a new class of vehicles in 1969 to supplement bus services. In view of the traffic management problems arising from the concentration of PLB's activities on busy thoroughfares as well as the considerable improvement in public transport services, the Government decided in 1976 that PLBs should be encouraged to operate scheduled services as far as possible to complement the major public transport modes such as rail and bus services. One of the measures implemented to meet this policy objective was the restriction of the maximum number of PLBs to 4 350. The cap on the number of PLBs has remained the same since then, whereas the seating capacity of a PLB has been increased from 14 to 16 since 1988.

Notice (Cap. 374K) ("the Repealed Notice") pursuant to section 23(3) of RTO. Previously, LegCo passed a resolution in 2011 to extend the effective period of the cap for another five years until 20 June 2016.

4. According to the Administration, in June 2015, the Transport Department ("TD") consulted all PLB registered owners, holders of PLB passenger service licences<sup>2</sup>, green minibus ("GMB") associations and major red minibus ("RMB") associations on whether the existing cap on the number of PLBs should be maintained. Of the 38 written submissions received by TD, 36 contain clear views on the cap on the number of PLBs and all support the retention of the existing cap of 4 350 PLBs. The main reason quoted is that increasing the number of PLBs under the current operating environment would intensify competition and adversely affect the operation of the trade. Noting the supplementary role played by PLBs in the public transport system, operators of other public transport services (including franchised buses, non-franchised buses and taxis) also relayed their views that the Government should maintain the cap on the number of PLBs at 4 350 without further increase to TD through regular communication channels.

5. The Administration briefed the Panel on Transport of LegCo on 6 November 2015 and the Transport Advisory Committee on 24 November 2015 respectively on the findings of the review on the statutory cap on the number of PLBs. Members supported the recommendation to extend the effective period of the cap on the number of PLBs (i.e. 4 350) for five years.

6. The Secretary for Transport and Housing gave notice to move a motion at the LegCo meeting of 6 January 2016 to seek LegCo's approval to extend the period for which the cap on the number of PLBs specified under the Repealed Notice would remain in force for five years up to 20 June 2021 ("the Proposed Resolution"). However, the Proposed Resolution was not dealt with by the Council before the expiry of the cap on 20 June 2016. Given that the cap on the number of PLBs set out in the Repealed Notice could not be extended after it ceased to be in force after 20 June 2016, the Road Traffic (Public Light Buses: Limited on Number) Notice 2016 ("the Notice") was made to re-impose the same cap on the number of PLBs which may be registered.

7. At the meeting of the House Committee on 14 October 2016, Members agreed to form a subcommittee to study the Notice. Due to the adjournment of the Council meeting on 19 October 2016, the motion to extend the scrutiny period of the Notice was not moved by the Chairman of the House Committee at the said Council meeting. As such, the scrutiny period of the Notice expired

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<sup>2</sup> At present, there are over 800 holders of passenger service licences for PLBs.

on 20 October 2016. Notwithstanding that no amendments could be made to the Notice, the Government was invited to attend a meeting with members to note their views on the Notice and related issues.

8. Under the chairmanship of Hon Frankie YICK Chi-ming, the Subcommittee has held one meeting with the Administration. The membership list of the Subcommittee is in **Appendix**.

### **Deliberations of the Subcommittee**

9. The Subcommittee supports the Notice which aims to impose a cap on the number of PLBs at 4 350 up to 20 June 2017.

10. Members have raised questions on the nature and effective period of the Notice and expressed views on how to enhance PLBs service at the meeting with the Administration.

11. In response to Hon CHAN Han-pan's question of whether it would be possible to review the cap during the period in which it is in force, the Administration has explained that the cap was made by the Executive Council in the form of a notice published in the Gazette which could only last for one year and the validity of the cap could be extended by the LegCo. The Administration has further explained that if the LegCo and public considered that there would be a need to review the cap and having consulted the trade, the Administration would need to go through certain established procedures before putting up any proposal to the LegCo for discussion. The Administration has further advised that during the 12-month period in which the Notice was in force, the Government would seek LegCo's approval to extend the effective period of the cap by resolution. Members would then have the opportunity to review the appropriateness of the cap.

12. Hon WU Chi-wai, Hon POON Siu-ping and Hon Jeremy TAM Man-ho have asked for the actual number of PLBs which were in active service. The Administration has explained that of the 4 350 PLBs, 3 180 licenses were for GMBs and 1 170 licenses were for RMBs, and that the former had to provide services according to schedules and specified routes while the latter did not have to. The Administration nevertheless did not have the information on the actual number of PLBs in active service. Members have suggested that it would be more helpful for the Administration to check the number of PLBs with paid valid vehicle licenses to estimate the number of PLBs in active service when evaluating the adequacy and performance of PLBs in future. *[Post-meeting note: According to TD, the number of PLBs with paid valid vehicle licences is 4 348 as at 23 November 2016.]*

13. Hon POON Siu-ping has enquired whether the number of in-service GMB drivers were sufficient to meet the service requirements. The Administration has advised that although it was difficult to recruit GMB drivers, no routes were cancelled due to shortage of drivers. TD has advised that they did not have the information on the number of in-service GMB drivers at hand. However, it is understood that GMB operators had been taking measures to overcome difficulties in recruitment of full-time GMB drivers. For example, the operators were hiring part-time employees to fill the gap of about 10% to 20% shortage of drivers.

14. As for the issue of GMBs being left idle, the Administration advised that since GMBs were required to provide service according to schedules, GMBs should normally be in operation at all times and not left idle. On the other hand, since RMBs were not required to operate on fixed routes and operators of RMBs were free to deploy their vehicles on any route, TD did not have information at hand on whether all RMBs were in service.

15. Having noted that the Administration planned to make a proposal of increasing the seating capacity of PLBs from 16 seats to not more than 19 seats ("Seating Capacity Proposal"), Hon LUK Chung-hung requested the Administration to consider requiring PLB operators to share the benefits they would gain from the Seating Capacity Proposal by raising the salaries of PLB drivers and providing fare concessions to passengers.

16. The Administration has advised that the objective of the Seating Capacity Proposal was to meet passenger demand without the need to increase the number of vehicles on the road. The Administration pointed out that the operating environment for GMB was not very good with about 60% of GMB routes operating in deficit, but it still encouraged the trade to take the opportunity to carry out improvement measures for PLB services, such as installing an additional half-step at the middle door and handrails to facilitate boarding and alighting by passengers with minor mobility difficulties and elderly, in view of the increase in the maximum seating capacity of PLBs and possible improvement in revenue. The Administration has advised that it would refer Hon LUK's proposal to the trade at its regular meetings with the trade.

17. Hon Frankie YICK Chi-ming also considered it necessary to increase the income of PLB drivers in order to attract and retain PLB drivers in the trade. In view of the fact that the patronage of PLBs was not expected to increase sharply in the future, the Administration should consider allowing PLBs to increase fares so as to raise the salary level of drivers.

18. In response to Hon Jeremy TAM Man-ho's enquiry regarding the timing of the implementation of the Seating Capacity Proposal, the Administration advised that subject to the support of the Panel on Transport in December 2016, the Administration would begin preparing for the necessary legislative amendments with a view to submitting the legislative proposal to the LegCo for scrutiny in the first half of 2017. It was expected that if everything went smoothly, the Seating Capacity Proposal would come into operation starting from the first half of 2018, the earliest, if the relevant legislative amendments were to be passed by LegCo.

19. Hon Frankie YICK Chi-ming expressed that according to his understanding, there were two models of PLBs operating in the market, namely long wheelbase models and short wheelbase models. He understood that a shorter lead time would be required to implement the Seating Capacity Proposal for the long wheelbase models, whereas a longer lead time would be required for short wheelbase models as replacement of short wheelbase models vehicle would be necessary to accommodate the increased number of seats. The Administration has explained that long wheelbase models accounted for only about 15% of PLBs in the market. If the Seating Capacity Proposal was to be implemented, the majority of PLBs would need to be replaced to accommodate the increased number of seats.

20. Referring to a comment made by Hon WU Chi-wai on footnote 3 of the LegCo Brief (THB(T)CR19/5591/72), Hon Frankie YICK Chi-ming has requested the Administration to make clear in documents that the Government's established policy to contain and reduce the total number of PLBs and to contain their service area would only apply to RMBs. The Administration has taken note for internal reference.

### **Advice sought**

21. Members are invited to note the deliberations of the Subcommittee.

Council Business Division 4  
Legislative Council Secretariat  
24 November 2016

**Subcommittee on Road Traffic  
(Public Light Buses: Limit on Number) Notice 2016**

**Membership list**

**Chairman** Hon Frankie YICK Chi-ming, JP

**Members** Hon WU Chi-wai, MH  
Hon CHAN Han-pan, JP  
Hon POON Siu-ping, BBS, MH  
Dr Hon Junius HO Kwan-yiu, JP  
Hon LAM Cheuk-ting  
Hon Tanya CHAN  
Hon LUK Chung-hung  
Hon LAU Kwok-fan, MH  
Hon Jeremy TAM Man-ho

(Total : 10 Members)

**Clerk** Ms Sophie LAU

**Legal Adviser** Miss Joyce CHAN