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Paper for the House Committee meeting on 24 February 2017

Report of the Subcommittee on Public Bus Franchisees' Schedule of Routes Orders

Purpose

This paper reports on the deliberations of the Subcommittee on Public Bus Franchisees' Schedule of Routes Orders ("the Subcommittee").

Background

2. Under section 5(1) of the Public Bus Services Ordinance (Cap. 230) ("the Ordinance"), the Chief Executive ("CE") in Council may grant to a registered company the right to operate public bus service on such routes as specified by order (i.e. a Schedule of Routes Order). The routes so specified form the franchised bus networks of the respective bus franchises.¹

3. To cater for changing passenger demand and to improve the efficiency of franchised bus operation, the franchised bus networks need to be adjusted from time to time. Section 15(1) of the Ordinance provides that the Commissioner for Transport may, after consultation with the franchised bus companies, require them to introduce new routes and make alternations to specified routes on a temporary basis where appropriate. Such route changes may take effect for a period up to 24 months ("the relevant period") unless they are reflected in new Schedule of Routes Orders made by CE in Council from time to time under section 5(1) of the Ordinance before expiry of the relevant period.

¹ At present, there are six franchises for bus services in Hong Kong operated by five bus companies, namely, Citybus Limited, Kowloon Motor Bus Company (1933) Limited, Long Win Bus Company Limited, New Lantao Bus Company (1973) Limited, and New World First Bus Services Limited.

4. The existing Schedule of Routes Orders (i.e. L.N. 202 to L.N. 207 of 2015) were made by CE in Council in October 2015, formalizing changes to bus routes up to 31 March 2015.

The Schedule of Routes Orders (L.N. 1 to L.N. 6 of 2017)

5. To formalize the service changes introduced by the franchised bus companies between 1 April 2015 and 31 July 2016, CE in Council made six new Schedule of Routes Orders (i.e. L.N. 1 to L.N. 6 of 2017) ("the six Orders") to respectively repeal the existing ones, and specify the updated schedule of bus routes of the franchised bus companies. The changes are as follows:

- (a) *Schedule of Routes (Citybus Limited) Order 2017* (L.N. 1) Citybus Limited ("Citybus") cancelled four routes and made alterations to 24 routes under its franchise for Hong Kong Island and cross-harbour bus services;
- (b) Schedule of Routes (Citybus Limited) (North Lantau and Chek Lap Kok Airport) Order 2017 (L.N. 2) – Citybus introduced two new routes and made alterations to nine routes under its franchise for North Lantau and Chek Lap Kok Airport bus network;
- (c) Schedule of Routes (Kowloon Motor Bus Company (1933) Limited) Order 2017 (L.N. 3) – The Kowloon Motor Bus Company (1933) Limited introduced nine new routes, cancelled two routes and made alterations to 54 routes;
- (d) Schedule of Routes (Long Win Bus Company Limited) Order 2017
 (L.N. 4) Long Win Bus Company Limited introduced three new routes and made alterations to eight routes;
- (e) Schedule of Routes (New Lantao Bus Company (1973) Limited) Order 2017 (L.N. 5) – New Lantao Bus Company (1973) Limited made alterations to 11 routes; and
- (f) Schedule of Routes (New World First Bus Services Limited) Order 2017 (L.N. 6) New World First Bus Services Limited introduced two new routes, cancelled four routes and made alterations to 28 routes.

6. According to the Administration, the District Councils ("DCs") concerned had been consulted on the major service changes before such changes were introduced under section 15(1) of the Ordinance. Suggestions from DC members had been taken on board where justified.

7. The six Orders, published in the Gazette on 13 January 2017, were tabled before the Legislative Council ("LegCo") at its meeting of 18 January 2017 and are subject to the negative vetting procedure. The six Orders will come into operation on 31 March 2017.

The Subcommittee

8. At the House Committee meeting held on 20 January 2017, Members agreed to form a subcommittee to study the six Orders. The membership list of the Subcommittee is in the **Appendix**. Under the chairmanship of Hon Frankie YICK, the Subcommittee held two meetings on 10 and 14 February 2017 to examine the six Orders, including one meeting to discuss with the Administration.

9. To allow sufficient time for the Subcommittee to prepare a report on its deliberations for submission to the House Committee, the Subcommittee Chairman moved a motion at the Council meeting of 15 February 2017 to extend the scrutiny period to the Council meeting of 22 March 2017. The motion was passed.

Deliberations of the Subcommittee

10. The Subcommittee generally supports the six Orders. In the course of deliberations, the Subcommittee has examined the rationales and considerations for adjustment to bus networks, bus route reorganization upon the opening of new railway lines, and the role and positioning of franchised bus services among other modes of public transport. The deliberations are summarized in the ensuing paragraphs.

Rationales and considerations for adjustment to bus networks

11. The Subcommittee notes the Transport Department ("TD")'s on-going efforts in coordinating with the franchised bus companies on bus route rationalization to optimize the use of bus and road resources, enhance bus network efficiency, ease traffic congestion and reduce roadside air pollution. As an annual exercise, franchised bus companies will submit to TD their route planning programmes, which include proposals to introduce new services, to adjust the frequency, routeing and operating hours of existing routes, or to cancel or amalgamate routes with persistently low patronage. In addition, TD and franchised bus companies have in the past few years adopted an "area approach" to review bus service holistically for a district as a whole, rather than on a route-by-route basis, with a view to maximizing the overall benefits to the community.

12. Members stress that when considering proposals for service reduction, and in particular cancellation or amalgamation of routes serving areas without direct railway access, it is incumbent upon TD and the franchised bus companies to ensure that the transport needs of the local community concerned will continue to be met through necessary alternative means. A member has cited the frequency adjustment and subsequent amalgamation of certain bus routes (namely Citybus Route Nos. 25A and 25C) serving the Braemar Hill area in the past. He has expressed concern about the arrangement of bus departure time and frequency of bus trips by the franchised bus company concerned, resulting in bunching of bus arrivals and long waiting time by passengers, as well as low patronage of some departures.

13. The Administration states that it has all along attached importance to passenger needs when considering proposals for adjustment to bus services. TD will take into account factors such as changes in population and passenger demand as well as infrastructural development. Reference will also be made to the established Guidelines on Service Improvement and Reduction in Bus Route Planning Programmes ("the Guidelines").² DCs are consulted on major service changes before such changes are to be introduced by franchised bus companies. As regards the monitoring of bus services, the Administration has advised that while road traffic conditions might cause service interruptions from time to time, particularly if the routes concerned ply on busy road sections, franchised bus companies are required to adhere strictly to the timetable, frequency and bus allocation as stipulated in the Schedule of Service approved by TD.

14. Members have further asked whether the Administration will monitor and assess the effectiveness and impact of route changes made by franchised bus companies on a temporary basis pursuant to section 15 of the Ordinance, before formalizing such changes by way of new Schedule of Routes Orders made under section 5(1) of the Ordinance. In response, the Administration has advised that TD monitors the bus services provided by the franchised bus companies and the changes in passenger demand on an on-going basis. The operations of new routes or route alterations made on a temporary basis as well as their passenger demand are subject to close monitoring by TD in the same way as all other existing routes.

15. The Subcommittee has discussed whether the threshold for considering frequency improvement during peak period as specified in the Guidelines (i.e. occupancy rate reaching 100% during any half hour of the peak period and 85% during that one hour) shall be treated more flexibly in respect of airport bus routes, taking into account cases where passengers' luggage occupies

² Please refer to Annex F to the LegCo Brief on Public Bus Franchisees' Schedule of Routes Orders (File Ref.: THB(T)L 2/4/115).

considerable space for standees and passageway inside the bus compartments and even some of the seats on the buses. The maximum number of passengers that can be carried may thus be smaller than the passenger capacities. A member has relayed the views of some passengers including airport staff that the said problem has long existed for some airport bus routes such as Citybus Route Nos. S56 and N29, yet TD has dismissed repeated requests for frequency improvement for these routes on grounds that their occupancy rates have not met the specified threshold. The member considers that TD is too rigid in applying the specified threshold without regard to the actual situation on airport buses. That said, he recognizes that there have been recent improvements to the two routes concerned through more frequent services of Citybus Route No. S56 and introduction of overnight express service (Citybus Route No. NA29).

16. The Administration has responded that in considering whether to improve frequency of any bus route, TD will take into account whether there has been a persistently high occupancy rate based on patronage data collected by various means including boarding and alighting surveys conducted on board buses. Airport bus services have been enhanced in recent years in view of growing passenger demand. For instance, the six Orders would formalize five new airport bus routes introduced in 2015/2016. TD would continue to monitor the abovementioned situation regarding the airport bus routes.

17. The Subcommittee notes the concern of passengers including airport staff on the Administration's proposal to extend the airport bus "A" route network to Hong Kong Boundary Crossing Facilities ("HKBCF") of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") by arranging the airport-bound buses to be diverted via the Southern Connection of Tuen Mun-Chek Lap Kok Link (in lieu of North Lantau Highway and Airport Road) and observing a new stop at HKBCF before terminating at the Hong Kong International Airport, which will likely increase the journey time of the "A" routes. The Chairman has indicated that members expressed a similar concern when the proposed local public transport arrangements for HKBCF were discussed at meetings of the Panel on Transport in the last term of LegCo.

18. In response, the Administration has advised that according to the consultant's projection in respect of the aforesaid proposal for diversion of airport bus "A" routes to serve HKBCF, the journey time for airport-bound trips of the "A" routes may increase by around five minutes, whereas that for city-bound trips can possibly be slightly shortened due to a change in the route alignment. That said, the Administration has emphasized that the proposed transport arrangements at HKBCF of HZMB are under review, taking into account the views of LegCo Members and other stakeholders including airport staff as well as the progress of related works projects. It will also work with bus operators to increase the frequency of airport bus routes to cater for the additional patronage for HKBCF. This will also benefit passengers travelling

to/from the airport.

Bus route reorganization upon the commissioning of new railway lines

19. The Subcommittee notes that the development of new railway lines, such as the commissioning of the West Island Line ("WIL") and the South Island Line (East) ("SIL(E)"), has necessitated reorganization of road-based public transport services in the areas concerned for better coordination with the new railway lines and matching the changes in passengers' travelling patterns. Among others, the six Orders will formalize some changes to bus network which have already been implemented for some time following the full commissioning of WIL in March 2015. In light of the commissioning of SIL(E) in December 2016, members have urged the Administration to also holistically take into account the demand for bus services along some sections of the routeings of existing bus routes which remain outside of the railway catchment, and introduce appropriate alternative arrangements for affected passengers in fine-tuning the reorganization plan.

20. The Administration has advised that TD has conducted surveys since 6 February 2017 to gather patronage data of bus routes concerned for analyzing changes in travelling pattern of passengers, with a view to assessing the impact of SIL(E) on franchised bus service and fine-tuning the public transport reorganization plan for further consultation with DCs concerned. It will take into account members' views when fine-tuning the plan.

Role and positioning of franchised bus services

21. In view of the over-crowding of railways during peak hours, a member has considered that the Administration shall review the extent to which the policy of using railways as the backbone of Hong Kong's transport system should be implemented, and establish more point-to-point bus routes to meet passenger demand and to ease the load of railway during peak hours.

22. The Administration has advised that railways are environmentally friendly and efficient mass carriers. Given that Hong Kong is a small and densely populated city with limited road space as well as the community's aspiration for cleaner air, the Government has adopted public a transport-oriented policy with railways as the backbone. However, road-based public transport services will continue to play important roles. Among these services, franchised bus services will continue to be the mass carrier to complement railway services by providing feeder services to railway stations and inter-district bus services. For districts without direct railway access, franchised bus services will remain to be the major public transport mode. The Administration will provide an overall view on the role and positioning of the major modes of public transport (including franchised buses) other than heavy rail in the report of the Public Transport Strategy Study to be published in mid-2017.

Recommendation

23. The Subcommittee raises no objection to the six Orders. Both the Subcommittee and the Administration will not propose any amendment to the six Orders.

Advice sought

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

Council Business Division 4 <u>Legislative Council Secretariat</u> 22 February 2017

Appendix

Subcommittee on Public Bus Franchisees' Schedule of Routes Orders

Membership list

Chairman	Hon Frankie YICK Chi-ming, JP
Members	Hon Jeffrey LAM Kin-fung, GBS, JP
Wiemberg	Hon YIU Si-wing, BBS
	Hon CHAN Han-pan, JP
	Hon KWOK Wai-keung
	Dr Hon Fernando CHEUNG Chiu-hung
	Hon Andrew WAN Siu-kin
	Dr Hon Junius HO Kwan-yiu, JP
	Hon SHIU Ka-fai
	Hon Tanya CHAN
	Hon LAU Kwok-fan, MH
	Hon Jeremy TAM Man-ho
	(Total : 12 members)

Clerk Ms Doris LO

Legal Adviser Ms Clara TAM