#### For information

# Legislative Council Panel on Transport Limitation on the Number of Public Light Buses

## **Purpose**

This paper informs Members of the Government's intention to move a motion under section 23(3) of the Road Traffic Ordinance (Cap. 374) ("RTO") to extend the effective period of the current limitation on the number of the public light buses ("PLB") at 4,350 for five years from 21 June 2006 to 20 June 2011.

#### **Background**

- 2. PLBs are operated under passenger service licences issued by the Transport Department ("TD"). There are two types of PLB operation at present, viz. green minibuses ("GMBs") and red minibuses ("RMBs"). GMBs operate scheduled services on fixed routes whereas RMBs operate on non-scheduled services. The routeings, frequency and fares of GMB are subject to approval by TD.
- 3. Government's transport policy is to encourage the provision of public transport services by mass carriers comprising railways and franchised buses. PLBs perform a supplementary role in the public transport system in Hong Kong. In view of their supplementary role, the Government's established policy is to limit the total numbers of PLBs. The size of the PLB fleet of 4,350 was determined by the then Governor-in-Council through the Public Light Bus (Limitation on Number) Notice ("the Notice") made under section 23(1) of the RTO. The effective period of the Notice has been extended from time to time through resolutions passed by the Legislative Council ("LegCo") pursuant to section 23(3) of the RTO. It was last extended on 21 June 2001 for a period of five years up to 20 June 2006.

#### Proposal to Extend the Current Limitation on Number

4. In planning public transport services, it has been the Government's policy to encourage the provision of services by mass carriers. PLBs will

continue to perform its useful function as a supplementary mode to provide feeder services to railway stations and major public transport interchanges as well as to serve areas physically inaccessible to buses or where demand does not justify the provision of high capacity services.

- 5. With the rapid and continued expansion of rail and bus capacity, the market share of PLBs declined from about 28% in 1976 to about 16% in 2005. The decline in the market share of PLBs levelled off during the last decade, with its market share maintaining at around 15% to 16% and its average daily patronage ranges from 1.6 million to 1.7 million. At present, out of the total 4,350 PLBs in Hong Kong, there are 2,762 GMBs (63.5%) operating in 352 routes and 1,588 RMBs (36.5%) operating in about 90 routes. The average daily patronage of GMBs and RMBs are 1.35 million and 0.44 million respectively.
- 6. Transport Department ("TD") conducts surveys to monitor the operation of PLB services and ascertain the service level of GMB routes from time to time. In March 2006, TD carried out a survey to assess the operating situation of 23 high-frequency and high-demand GMB routes. The survey results show that the average waiting time of these routes during peak hours range from one minute to two minutes only while the average daily loading of these routes is at 59%. The survey findings reflect that the average waiting time for GMB routes is reasonable and the existing GMB service can adequately meet the demand of the passengers.
- As a result of the commissioning of the new rail lines including the MTR Tseung Kwan O line, KCR West Rail and KCR East Rail Extension in the past few years, the carrying capacity of the railway network has been expanded. In the coming years, new rail lines including Kowloon Southern Link and Spur Line, etc. will be introduced and other rail lines are under planning. With the expanded railway network and the provision of services by various transport modes including franchised bus, PLB, ferry and taxi, there will be sufficient public transport service capacity to meet the transport demand. It is unlikely that there will be significant change in the demand for PLB services in the coming years.
- 8. In the light of the above reasons, the Government recommends extending the current limitation on PLB fleet size at 4,350 for another five years up to 20 June 2011. This would provide greater certainty for the PLB trade to

operate in the public transport market. We will move a motion to this effect at the LegCo meeting on 24 May 2006.

### **Looking Ahead**

9. The Government will continue to implement measures to encourage the conversion of RMBs to GMBs. In pursuance of this objective, TD will continue to identify suitable new GMB routes to be grouped into packages based on geography as well as the viability of the routes. New route packages will be published in the Gazette to invite applications. The Government will also closely liaise with the PLB trade to identify measures to improve the trade's operating environment.

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