

立法會
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Panel on Transport
Meeting on 6 November 2015

Background brief on the statutory cap on the number of public light buses

Purpose

This paper provides background information on the statutory cap on the number of public light buses ("PLBs") and summarizes the major views and concerns expressed by Legislative Council ("LegCo") Members on the subject.

Background

Role and operations of PLBs

2. Under the current public transport policy¹, railway is the backbone of the local public transport system complemented by other public transport services. PLBs provide feeder service to public transport interchanges, and serve areas where passenger demand is comparatively lower or the use of high-capacity transport modes is not suitable. With the opening of the West Island Line in December 2014 and four other new railway lines successively in the next few years, the role of railway in the public transport system will be enhanced. According to the Administration, the other public transport services, including PLB service, would then be coordinated to ensure their healthy development.

3. At present, there are 4 350 PLBs in Hong Kong². There are two types, i.e. green minibuses ("GMBs") and red minibuses ("RMBs"). GMBs provide scheduled service with fixed routes, fares, vehicle allocation and timetable

¹ Source: The Administration's press release on "LCQ11: Operation of public light buses" issued on 17 December 2014

² Source: The Administration's paper on "Public Transport Strategy Study – seating capacity of public light buses" issued in May 2015 [LC Paper No. CB(4)922/14-15(06)]

approved by the Transport Department. RMBs are not required to operate on fixed routes or timetable and can set their own fares, and are subject to certain restrictions on their service area under existing policy³. The Administration encourages RMBs to convert to GMBs through planning and introducing new GMB routes. By the end of 2014, there were 3 143 GMBs (72%) operating about 350 routes and carrying an average of about 1 500 000 passengers per day. At the same time, there were 1 207 RMBs (28%) in operation, carrying an average of about 347 000 passengers per day. The average daily patronage of PLBs at over 1 800 000 passengers makes up about 15% of the total public transport patronage. In the past decade, the overall number of passengers using public transport services has increased by about 12% from 2005 to 2014. Nevertheless, the patronage of PLBs has registered a slight drop. Details on PLB patronage on a per year basis are shown at **Appendix I**. In brief, the average daily patronage of PLBs has declined from about 1 895 000 at its peak in 2011 to about 1 857 000 in 2014 (a decrease of 38 000 or 2%).

Limitation on the number of PLBs

4. Under section 23(1) of the Road Traffic Ordinance (Cap. 374), the Chief Executive in Council by notice in the Gazette may limit the number of a class of vehicle which may at any time be registered. Section 23(3) of the same Ordinance provides that LegCo may from time to time by resolution extend the period for which a limit remains in force. The size of PLB fleet has been limited at 4 350 since 1976 by way of the Public Light Buses (Limitation on Number) Notice, which was last extended in June 2011 for five years up to 20 June 2016.

5. The Administration⁴ has commenced the Public Transport Strategy Study ("PTSS")⁵, which is a comprehensive and systematic review of the roles and positioning of various public transport services to enhance their complementarity. Eight topical issues will be covered by the Topical Study under PTSS and one of the topical issues concerns the statutory cap on the number of PLBs. Having regard to the implications for the other public transport services and taking into account the seating capacity of each PLB, the Administration will assess the supply and demand of PLBs and determine if the

³ The Administration's established policy is to restrict the total number of PLBs and contain their service area. Taking into account the road congestion problem in Hong Kong and the objective to encourage the conversion of RMBs to GMBs, the Administration has imposed certain restrictions on RMB operation. RMBs can operate in their existing service area but are not allowed access to new towns or new housing developments. Besides, there are also restrictions on RMBs in using expressways.

⁴ Source: The Administration's paper on "Public Transport Strategy Study – work plan" issued in November 2014 [LC Paper No. CB(1)238/14-15(06)]

⁵ PTSS comprises two parts, namely the Role and Positioning Review ("RPR") and the Topical Study. The former will review the roles and positioning of various public transport services, while the latter will look into important topics that are of concern to LegCo members, the public and the public transport trades.

statutory cap should be adjusted.

Major views and concerns of Members

6. At the meetings of the Council and the Panel on Transport ("the Panel") held in the Fourth and Fifth LegCos, Members have discussed the operation of PLBs, including number of PLBs; seating capacity of PLBs as well as policy on PLB service. Their major views and concerns are summarized in the following paragraphs.

Number of PLBs

7. Some Members expressed that since 1976, the Administration had limited the number of PLBs at 4 350 in order to control the operation of PLBs and reduce the burden of an increasing number of PLBs on road space. Also, they opined that if the current fleet size of PLBs was maintained to 4 350, this arrangement could in fact provide stability to the business operation of PLB trade. They considered that sometimes when passengers were boarding a PLB, two or three PLBs were waiting for their turn. Even if two PLBs were added to service the route, they should also wait because it took time for the passengers to board PLB waiting in the front.

Seating capacity of PLBs

8. Members noted that since the start of 2014, GMB trade had proposed to the Administration to increase the seating capacity of PLBs from 16 to 20-24 while there were differing views within the transport trades and the public. Some Members supported the proposal as it would bring about multiple benefits to all stakeholders concerned. Apart from increasing the overall public transport capacity without increasing vehicle number, thus more environmental-friendly, the proposal could make more efficient use of the existing PLB capacity, reduce passengers' waiting time during peak hours and enhance the financial viability of PLB trade, resulting in a higher income for drivers and alleviating the pressure on fare increase. Notwithstanding this, some Members opined that as the proposal might have an adverse impact on other public transport services, the Administration should review holistically the impact of the proposal. The Administration should listen to the views of other public transport trades in working out a proposal which would be acceptable to all stakeholders concerned.

9. In response, the Administration advised that if the seating capacity of a PLB was increased from 16 to 20 and the seating capacity of all PLBs increased accordingly, it would represent an increase of 25% in total passenger capacity, which was equivalent to an addition of 1 087 16-seat PLBs. In other words, increasing the number of passenger seats would consequentially increase the overall capacity of PLBs. In considering whether the suggestion was feasible and desirable, the Administration had to study the long-term operational and financial implications for PLB trade and the impact on other public transport services and road traffic management. One of the issues of concern would be the overall supply of and demand for public transport services as well as the division of labour among the different modes. In this connection, the Administration would explore this suggestion together with other related issues in detail under PTSS.

Policy on PLB service

10. Some Members considered that the existing transport policy on PLB service was outdated and inadequate for the sustainable development of the trade. Even though there was an emerging demand for PLB service arising from the development of new towns, the role of PLBs as providing supplementary feeder service had not changed over the years. They opined that the Administration did not have any long-term planning on how to maximize the supplementary role and functions of PLBs against the expanding railway network. Therefore, they called on the Administration to conduct a comprehensive review of the policy on PLB service.

11. Some Members also expressed concern about the operating difficulties faced by PLB trade as many PLB routes were operating at a loss due to the shortage of drivers, difficulties in increasing fares for GMBs, restrictions on their operating areas and direct competition from new railway lines. They urged the Administration to consider implementing immediate measures that could address the operating difficulties faced by the trade. Some of the suggestions included introducing new GMB routes in new districts where there was a keen demand for public transport services; relaxing restricted or prohibited zones in busy districts to allow PLBs to pick up and drop off passengers; gauging the views of the trade when considering the rationalization of GMB routes; and enhancing the financial viability of those loss-making routes.

12. In response, the Administration considered it necessary to carry out a systematic review of the roles and positioning of various public transport services under RPR of PTSS. The objective of RPR was to ensure that the public could enjoy efficient services with reasonable modal choices on one hand,

and the public transport operators could enjoy sustainable development on the other.

Major views and concerns of transport trade

13. During the Administration's review⁶ on the number of PLBs in 2011, PLB trade generally expressed support for maintaining the current fleet size of PLBs at 4 350. PLB drivers in general were concerned that an increase in the number of PLBs would increase competition and hence reduce their earnings. Whereas, PLB owners were concerned that an increase in the number of PLBs would affect their rental and other income. Apart from PLB trade, operators of other public transport modes, such as franchised buses, non-franchised buses and taxis, also expected the Administration to maintain the current limitation on the number of PLBs, the role of which had been clearly defined under the established public transport policy.

Latest development

14. The Administration plans to brief members on the outcome of the review on the statutory cap on the number of PLBs at the Panel meeting to be held on 6 November 2015.

Relevant papers

15. A list of relevant papers is at **Appendix II**.

Council Business Division 4
Legislative Council Secretariat
2 November 2015

⁶ Source: The Administration's paper on "Limitation on the number, and passenger seating capacity of public light buses" issued in February 2011 [LC Paper No. CB(1)1288/10-11(04)]

Change in Patronage of Public Light Buses from 2005 to 2014

Year	GMBs (a)		RMBs (b)		PLBs (a)+(b)		Total average daily passenger trips of all public transport services (thousands)
	Average daily passenger trips (thousands)	Share of public transport market (%)	Average daily passenger trips (thousands)	Share of public transport market (%)	Average daily passenger trips (thousands)	Share of public transport market (%)	
2005	1 306.2	11.7%	453.2	4.1%	1 759.4	15.8%	11 170.8
2006	1 365.6	12.0%	434.5	3.8%	1 800.1	15.8%	11 364.8
2007	1 400.4	12.2%	414.9	3.6%	1 815.3	15.8%	11 522.6
2008	1 439.4	12.6%	398.0	3.5%	1 837.3	16.1%	11 415.2
2009	1 463.0	12.9%	390.1	3.4%	1 853.1	16.3%	11 345.1
2010	1 505.6	12.9%	375.4	3.2%	1 881.1	16.2%	11 630.0
2011	1 531.6	12.9%	363.4	3.1%	1 895.0	15.9%	11 898.4
2012	1 526.8	12.6%	353.3	2.9%	1 880.1	15.6%	12 078.6
2013	1 512.3	12.2%	351.8	2.8%	1 864.1	15.1%	12 350.2
2014 (provisional figures)	1 507.8	12.1%	349.0	2.8%	1 856.9	14.8%	12 508.3

Source: The Administration's paper on "Public Transport Strategy Study - seating capacity of public light buses" issued in May 2015 [LC Paper No. CB(4)922/14-15(06)] (Annex 2)

Statutory cap on the number of public light buses

List of relevant papers

Date of meeting	Panel/Committee	Minutes/Paper	LC Paper No.
25.2.2011	Panel on Transport ("TP")	Administration's paper on limitation on the number, and passenger seating capacity of public light buses	CB(1)1288/10-11(04) http://www.legco.gov.hk/yr10-11/english/panels/tp/papers/tp0225cb1-1288-4-e.pdf
		Administration's supplementary information paper on limitation on the number, and passenger seating capacity of public light buses	CB(1)1718/10-11(01) http://www.legco.gov.hk/yr10-11/english/panels/tp/papers/tp0225cb1-1718-1-e.pdf
		Background brief on limitation on the number of public light buses	CB(1)1345/10-11 http://www.legco.gov.hk/yr10-11/english/panels/tp/papers/tp0225cb1-1345-e.pdf
		Minutes of meeting	CB(1)2542/10-11 http://www.legco.gov.hk/yr10-11/english/panels/tp/minutes/tp20110225.pdf
30.3.2011	Council meeting	Minutes of meeting – Agenda item IV (4) Proposed resolution under the Road Traffic Ordinance	CB(3)1062/10-11 http://www.legco.gov.hk/yr10-11/english/counmtg/minutes/cm20110330.pdf

Date of meeting	Panel/ Committee	Minutes/Paper	LC Paper No.
		Hansard	http://www.legco.gov.hk/yr10-11/english/counmtg/hansard/cm0330-translate-e.pdf
17.12.2014	Council meeting	Hon Michael TIEN Puk-sun raised a question on the operation of public light buses	http://www.info.gov.hk/gia/general/201412/17/P201412170436.htm
25.11.2014 & 5.5.2015	TP	Administration's paper on the Public Transport Strategy Study – work plan	CB(1)238/14-15(06) http://www.legco.gov.hk/yr14-15/english/panels/tp/papers/tp20141125cb1-238-6-e.pdf
		Background brief on public transport strategy in Hong Kong	CB(1)238/14-15(07) http://www.legco.gov.hk/yr14-15/english/panels/tp/papers/tp20141125cb1-238-7-e.pdf
		Minutes of meeting	CB(4)437/14-15 http://www.legco.gov.hk/yr14-15/english/panels/tp/minutes/tp20141125.pdf
16.1.2015	TP	Administration's paper on transport-related policy initiatives of the Transport and Housing Bureau under the 2015 Policy Agenda	CB(4)349/14-15(04) http://www.legco.gov.hk/yr14-15/english/panels/tp/papers/tp20150116cb4-349-4-e.pdf

Date of meeting	Panel/ Committee	Minutes/Paper	LC Paper No.
12.5.2015	TP	Administration's paper on Public Transport Strategy Study – seating capacity of public light buses	CB(4)922/14-15(06) http://www.legco.gov.hk/yr14-15/english/panels/tp/papers/tp20150512cb4-922-6-e.pdf

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