

**立法會**  
***Legislative Council***

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**Paper for the House Committee meeting on 7 April 2017**

**Report of Subcommittee on Proposed Resolution under Section 23(3)  
of the Road Traffic Ordinance (Cap. 374)**

**Purpose**

This paper reports on the deliberations of the Subcommittee on Proposed Resolution under Section 23(3) of the Road Traffic Ordinance (Cap. 374).

**Background**

Statutory limit on the number of public light buses

2. Among the public transport system, the role of public light buses ("PLBs") is to provide supplementary feeder service and to serve areas with relatively lower passenger demand or where the use of high-capacity transport modes is not suitable. It has been the Government's established policy to set a limit on the number of PLBs to maintain control on the overall supply of PLBs having regard to their supplementary feeder role in the public transport system.

3. The total number of motor vehicles which may be registered as PLBs has all along been capped at 4 350 since 1976. Section 23(1) of the Road Traffic Ordinance (Cap. 374) ("the Ordinance") provides that the Chief Executive ("CE")-in-Council may, by notice in the Gazette, limit the number of vehicles in a particular class which may be registered. Pursuant to section 23(2) and (3) of the Ordinance, the notice can remain in force for such period not exceeding 12 months unless it is extended by the Legislative Council ("LegCo") by resolution.

## Review on the statutory limit on the number of public light buses

4. The statutory limit was imposed by way of the Public Light Buses (Limitation on Number) Notice (Cap. 374K) made under the Ordinance, and the effective period has been extended from time to time through resolutions of LegCo. It was last extended in 2011 for a period of five years up to 20 June 2016.

5. On 6 November 2015, the Panel on Transport ("the Panel") was briefed on the findings of the Administration's review on the statutory limit on the number of PLBs under the Public Transport Strategy Study.<sup>1</sup> Having regard to the review results, the Administration recommended extending the effective period of the cap on the number of PLBs (i.e. 4 350) for five years, from 21 June 2016 to 20 June 2021. Separately, the Administration would examine the issue of increasing the seating capacity of PLBs with a view to increasing the overall carrying capacity of PLBs having regard to the generally greater service demand during peak periods. Panel members supported the recommendations. According to the Administration, the public transport trade and the Transport Advisory Committee ("TAC") were also consulted in 2015 on whether the existing limit on the number of PLBs should be maintained. The trade and TAC supported maintaining the current limit.

6. The Secretary for Transport and Housing ("STH") gave notice to move a proposed resolution at the LegCo meeting of 6 January 2016 to seek LegCo's approval to further extend the period for which the statutory limit of the number of PLBs would remain in force for five years up to 20 June 2021. However, the effective period of the statutory limit had not been further extended as the said resolution was not dealt with by the Council before its expiry on 20 June 2016. To prevent a legal lacuna from arising owing to the lack of the statutory limit on the number of PLBs, CE-in-Council made the Road Traffic (Public Light Buses: Limit on Number) Notice 2016 (L.N. 101 of 2016 gazetted on 21 June 2016 which was subsequently assigned the chapter number of Cap. 374X) ("the Notice") pursuant to the Ordinance so as to maintain the same statutory limit (at 4 350) for 12 months up to 20 June 2017. The Subcommittee formed under the House Committee ("HC") to study the Notice in the 2016-2017 legislative session noted that the Administration would seek LegCo's approval to further extend the effective period of the current limit for five years by resolution during the 12-month effective period of the limit.

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<sup>1</sup> The findings and recommendations of the review are detailed in the Administration's paper [LC Paper No. CB(4)119/15-16(06)] issued in November 2015.

## **Proposed resolution under section 23(3) of the Road Traffic Ordinance**

7. STH gave notice to move a motion pursuant to section 23(3) of the Ordinance at the Council meeting of 29 March 2017. The purpose of the motion is to seek LegCo's approval of a resolution to extend the effective period of the current limit on the number of motor vehicles which can be registered as PLBs at 4 350 as stipulated in the Notice for five years until 20 June 2022.

## **The Subcommittee**

8. At the meeting of HC on 17 March 2017, Members agreed to form a subcommittee to study the proposed resolution ("the Subcommittee"). The membership list of the Subcommittee is in the **Appendix**. At the request of HC, STH withdrew his notice for moving the proposed resolution at the Council meeting of 29 March 2017 to allow time for the Subcommittee to study the proposed resolution in detail.

9. Under the chairmanship of Hon Frankie YICK, the Subcommittee held one meeting with the Administration to examine the proposed resolution.

## **Deliberations of the Subcommittee**

10. The Subcommittee generally supports the proposed resolution and will not propose any amendments. In the course of deliberations, the Subcommittee has examined the appropriateness of the current statutory limit and its effective period, as well as the operation difficulties of the PLB trade. Members have also noted the Administration's plan to introduce into LegCo the Road Traffic (Amendment) Bill 2017 ("the Bill") which seeks to increase the maximum seating capacity of light buses (i.e. both PLBs and private light buses) from 16 to 19 seats, and provide for the transitional arrangement.<sup>2</sup> In addition, members have noted the observations of the Legal Adviser to the Subcommittee in relation to the drafting aspect of the proposed resolution and the Administration's response. The deliberations are summarized in the ensuing paragraphs.

### **Appropriateness of the current statutory limit and its effective period**

11. Members generally support maintaining the current statutory limit on the number of PLBs at 4 350 for another five years from 21 June 2017 to

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<sup>2</sup> The Bill will be published in the Gazette on 7 April 2017 for its first reading on 26 April 2017.

20 June 2022. Noting that the Administration will soon introduce the Bill to increase the maximum seating capacity of PLBs, Mr Jeremy TAM has asked if the Administration will consider extending the statutory limit for a shorter period of, say, three years, such that another review can be conducted after those PLBs with increased seating capacity come into service. Further, Mr TAM is of the view that in tandem with the increase in seating capacity of PLBs and taking into account other factors, including the policy of reducing the number of vehicles on the roads to ease traffic congestion and reduce air pollution, considerations may be given to adjusting the statutory limit downward. He has therefore asked if the Administration will consider introducing compensation measures, such as buyout package of existing PLB licences, should there be a downward adjustment of the statutory limit in future.

12. The Administration has stressed that the statutory cap is only an upper limit on the number of vehicles which can be registered as PLBs. The demand for PLB service has remained generally stable over the years, with an average daily total patronage of around 1.8 million passenger trips (i.e. 15% of the public transport market share) over the past five years. Further, according to the comprehensive surveys on PLB services conducted by the Transport Department ("TD") in 2015, the utilization of green minibuses ("GMBs") and red minibuses ("RMBs") were 98% and 95% respectively as at 2015, meaning that most of the PLB vehicles were in service to meet passenger demand. Reasons for those PLB vehicles that were not in service included, for example, undergoing repair and maintenance, buying/selling or pending for renting. There is thus no need to adjust the PLB number cap downward. The Administration also considers it appropriate to set an effective period of five years with a view to maintaining a stable operating environment for the PLB trade and facilitating the trade's plan for their investment in PLB services such that passengers will benefit from service improvement.

13. Members have also noted the Administration's views that comparing to the option of increasing the number of PLB vehicles, increasing the seating capacity of PLBs is a more desirable option for increasing the carrying capacity so as to meet the passenger demand, in particular during peak periods. Increasing the number of PLBs will generate additional traffic flow and aggravate traffic congestion problems, not to mention the difficulties in recruiting drivers.

#### Operation difficulties faced by the public light bus trade

14. Mr LAU Kwok-fan agrees with the Administration's approach to increase the number of seats instead of increasing the number of vehicles to meet the passenger demand, as the latter will be constrained by the shortage of PLB drivers. He has further requested the Administration to introduce

measures to facilitate the recruitment of drivers by the trade and attract more young people to join the trade with a view to addressing the acute ageing problem of PLB drivers. He has suggested lowering the threshold of granting PLB driving licences and streamlining the relevant procedures.

15. The Administration has envisaged that the proposed seat increase for PLBs will increase the carrying capacity of PLBs, most useful for meeting the demand during the peak periods. This will not only benefit passengers, but also improve the financial position of PLB operators. With this, the PLB trade shall have more room for improving the employment conditions of PLB drivers and will thus help attract more drivers to join the trade. To alleviate the driver shortage problem, the PLB operators have all along been flexibly deploying their drivers as far as practicable to meet passenger demand of different routes, and employ part-time drivers to meet passenger demand during peak periods as necessary.

16. The Chairman has remarked that it has yet to be seen as to whether the increase in the number of seats on PLBs can generate more revenue to PLB operators and eventually raise the income of PLB drivers as the overall patronage of PLBs may remain unchanged. Yet, he shares the view that the increase in the number of seats on PLBs can reduce the waiting time of passengers during peak periods.

17. Mr LUK Chung-hung has indicated that the Hong Kong Federation of Trade Unions supports maintaining the current cap on the number of PLBs for five years. He has enquired about the supporting measures to alleviate the operation difficulties of the PLB trade, which in his views have become more challenging after the opening of new railway lines in recent years. He has asked whether the Administration has supported the PLB trade by introducing new PLB routes, in particular for serving remote areas and those areas not within walking distance from the new railway stations.

18. The Administration has indicated that within the statutory cap on the number of PLBs (i.e. 4 350), there has been growth in both the number of GMBs (due to conversion from RMBs) and GMB routes over years. New GMB routes have been introduced having regard to the changes in passenger demand, including meeting the needs of new development areas. In line with the major role of GMBs in providing supplementary feeder services to/from railway stations, new GMB feeder routes have been introduced following the recent opening of the Kwun Tong Line Extension and the South Island Line (East). In response to the Administration's request, the MTR Corporation Limited has agreed to offer interchange concessions with all GMB routes to benefit more passengers. Moreover, it is noted that the extension of fare concession at \$2 per trip for elderly people and eligible persons with disabilities

to GMBs has brought about increase in patronage on some GMB routes. To ensure that the GMB services will operate efficiently, there is an established mechanism for the GMB operators to apply for fare and service adjustments.

19. The Chairman has relayed the concern of a member on GMB service for Shui Chuen O Estate. The concern is over the operation difficulties of the GMB routes for Shui Chuen O Estate due to the slower than expected population intake. He has pointed out that the GMB routes concerned (812, 812A, 813 and 813A) are not fully loaded even in the peak periods. While noting that this is a district issue not directly related to the Notice itself, he has urged TD to work with the operators on feasible ways to improve the situation. Members has noted that TD had been following up on the issue.

#### Drafting aspect of the proposed resolution

20. In the letter dated 27 March 2017,<sup>3</sup> the Legal Adviser to the Subcommittee has requested explanation from the Administration regarding the reason for the text of the proposed resolution to cite the Notice by way of its number among the Legal Notices of the year in which it was made (i.e. L.N. 101 of 2016) instead of by way of its chapter number ("Cap. No.") given to it under the authority of the Legislation Publication Ordinance (Cap. 614) (i.e. Cap. 374 sub. leg. X).

21. The Administration has explained that following the launch of a new electronic legislation database known as Hong Kong e-Legislation ("HKeL") in February 2017, the Notice has been given a Cap. No. (i.e. Cap. 374 sub. leg. X) and published on HKeL. However, considering that the public may not be familiar with the newly launched HKeL, the Department of Justice, when drafting the proposed resolution, decided to adopt the conventional approach to cite the Notice as "L.N. 101 of 2016". The Administration has affirmed that pursuant to section 13 of the Interpretation and General Clauses Ordinance (Cap. 1), it is appropriate and makes no material difference to cite the Notice in either manner in the proposed resolution.<sup>4</sup>

#### **Recommendation**

22. The Subcommittee has noted that the Administration will give fresh

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<sup>3</sup> LC Paper No. CB(4)754/16-17(02) issued on 27 March 2017.

<sup>4</sup> The Administration's written response to the letter from the Legal Adviser to the Subcommittee was circulated to members of the Subcommittee vide LC Paper No. CB(4)782/16-17(01) on 30 March 2017.

notice for moving the proposed resolution to seek LegCo's approval of the proposed resolution. The Administration has subsequently advised that it will give notice to move the proposed resolution at the Council meeting of 26 April 2017.

**Advice sought**

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

Council Business Division 4  
Legislative Council Secretariat  
5 April 2017

**Subcommittee on Proposed Resolution under Section 23(3)  
of the Road Traffic Ordinance (Cap. 374)**

**Membership list**

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

**Members**           Hon LEUNG Kwok-hung  
                          Hon CHAN Han-pan, JP  
                          Dr Hon Junius HO Kwan-yiu, JP  
                          Hon LAM Cheuk-ting  
                          Hon LUK Chung-hung  
                          Hon LAU Kwok-fan, MH  
                          Hon Jeremy TAM Man-ho

(Total : 8 Members)

**Clerk**               Ms Doris LO

**Legal Adviser**   Miss Rachel DAI