

Head 186 — TRANSPORT DEPARTMENT

Controlling officer: the Commissioner for Transport will account for expenditure under this Head.

Estimate 2026–27	\$13,058.8m
Establishment ceiling 2026–27 (notional annual mid-point salary value) representing an estimated 1 858 non-directorate posts as at 31 March 2026 reducing by 58 posts to 1 800 posts as at 31 March 2027.....	\$1,140.3m
In addition, there will be an estimated 36 directorate posts as at 31 March 2026 reducing by three posts to 33 posts as at 31 March 2027.	
Commitment balance	\$14,263.4m

Controlling Officer’s Report

Programmes

Programme (1) Planning and Development	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Logistics).
Programme (2) Licensing of Vehicles and Drivers	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Logistics) and Policy Area 25: Revenue Collection and Financial Control (Secretary for Financial Services and the Treasury).
Programme (3) District Traffic and Transport Services	These programmes contribute to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Logistics).
Programme (4) Management of Transport Services	
Programme (5) Transport Services for Persons with Disabilities and Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities	This programme contributes to Policy Area 14: Social Welfare (Secretary for Labour and Welfare).
Programme (6) Public Transport Fare Subsidy Scheme	This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Logistics).

Detail

Programme (1): Planning and Development

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	1,977.9	1,653.7	1,313.9 (–20.5%)	1,410.3 (+7.3%)
				(or –14.7% on 2025–26 Original)

Aim

2 The aims are to assist in the formulation of transport policies and infrastructure development programmes for safe and efficient passenger, pedestrian and goods movements and to implement the Government’s policy on public transport development, franchising and regulation, all of which contribute towards the sustainable development of Hong Kong.

Brief Description

- 3 The work of the Department involves:
- conducting studies for transport planning for Hong Kong, which forms the basis for formulating transport policies and strategies and developing transport infrastructure, public transport development programmes and measures to deal with traffic congestion;

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- scrutinising traffic impact assessments for developments and advising on development proposals and town planning matters;
- providing traffic and transport inputs for the planning and implementation of new railway and strategic highway, and preparing for the implementation of the Smart and Green Mass Transit System (SGMTS) projects;
- planning and developing franchised bus, non-franchised bus, tram, ferry, public light bus, taxi and ride-hailing services, formulating regulatory measures for the services, and planning their related facilities;
- monitoring existing railway services, assessing the impact of new railways on other public transport modes and maintaining a co-ordinated network of public transport services along rail corridors; and
- processing service planning programmes and applications for fare adjustment for different public transport modes.

4 In 2025, the Department handled fare increase applications from franchised bus, green minibus, tram as well as licensed ferry operators. The Department worked with the franchised bus companies in pursuing route rationalisation proposals through the annual route planning programmes (RPPs). The Department continued preparing for the implementation of the SGMTS in Hung Shui Kiu/Ha Tsuen and Yuen Long South New Development Areas (HSK/HT and YLS NDAs). In terms of ferry services, the Department continued the provision of the Special Helping Measures (SHM) to 13 outlying island ferry routes and continued to take forward the Vessel Subsidy Scheme (VSS) to subsidise purchase of new and greener vessels by eligible ferry operators. It also took forward the renovation project of Peng Chau Ferry Pier following the completion of the pilot renovation project of the Yung Shue Wan Ferry Pier. With regard to taxis, the Department issued five Taxi Fleet Licences in July 2025 and closely monitored the operation of the licensed taxi fleets. The Department also introduced legislative amendments to mandate the installation of Journey Recording Systems on all taxis and provision of electronic payment means by all taxi drivers. As regards ride-hailing services, the Department assisted the Transport and Logistics Bureau (TLB) in introducing a regulatory framework by way of legislative amendments. To address labour shortage situation in the transport sector, the Department continued administering the Labour Importation Scheme for Transport Sector – Public Light Bus/Coach Trade. The Department also implemented new toll levels for Tai Lam Tunnel upon the Government’s takeover of the tunnel in May 2025. In addition, the toll levels for Aberdeen Tunnel and Shing Mun Tunnels and the parking meter fees were adjusted in September 2025. The law was amended for the collection of tolls at Central Kowloon Bypass upon its full commissioning. The law was also amended to rationalise the annual licence fee structure and levels for electric private cars, with incremental adjustments in five phases over six years. The Department continued to improve existing cycle tracks and associated facilities in new towns in the New Territories and implement a host of measures to increase car parking spaces, including the provision of public parking spaces at government, institution or community facilities and public open space projects, taking forward automated parking system projects and opening up more night-time parking spaces for commercial vehicles. The Transport Strategy Blueprint had been released.

5 The key performance measures in respect of planning and development are:

Indicators

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
public transport forward planning programmes processed	6	6	6
processing of bus service rationalisation packages	357	244	304
new or extension of licences for ferry services granted	45 [^]	38 [^]	34 [^]
bus-bus interchange (BBI) schemes introduced	20	23	23
project definition statements/technical feasibility statements for inclusion of transport infrastructure projects in Public Works Programme processed	2	3	3

[^] These licences include licensed ferry service and kaito ferry service. A ferry licence may be granted or extended for up to five years.

Matters Requiring Special Attention in 2026–27

6 During 2026–27, the Department will:

- continue to assist TLB in formulating the technical details of the new regulatory regime for ride-hailing services by way of subsidiary legislation, and licence or permit conditions, as well as to monitor the implementation of the new regulatory regime;
- continue to plan and formulate bus route rationalisation proposals in conjunction with franchised bus companies through the annual RPP exercise;
- continue to support the Environmental Protection Department (EPD) in the trial and application of electric buses and exploration of other new energy buses, the pilot scheme of electric public light buses, and to support the implementation of the “Dedicated 100% Loan Guarantee Scheme for Battery Electric Taxis”;

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- continue to assist TLB in implementing measures to enhance taxi service quality, including monitoring the operation of the licensed taxi fleets, implementation of the mandatory installation of Journey Recording Systems on all taxis and provision of electronic payment means by all taxi drivers;
- continue to provide timely traffic and transport inputs for the planning and implementation of new railway and strategic highway, and to prepare for the implementation of the SGMTS projects;
- continue to enhance the safety of franchised bus, including monitoring the safety performance of franchised bus companies, studying new initiatives in respect of bus captain training, fatigue management and working environment, exploring the latest technology development on vehicles and for assisting safe driving, implementing traffic management and road improvement measures, and implementing measures to enhance bus maintenance;
- continue to monitor the operation of the new vessels under VSS for the six major outlying island ferry routes and the provision of SHM to 13 outlying island ferry routes;
- continue to assist TLB in fostering a pedestrian-friendly environment, promoting “Walk in HK”, implementing walkability enhancement measures in selected areas and following up on the hillside escalator links and elevator systems (HEL) proposals selected under the revised assessment mechanism for priority implementation;
- continue to follow up on the legislative amendment proposals to regulate the use of electric mobility devices (EMDs) with a view to providing a proper regulatory arrangement for EMDs;
- continue to improve existing cycle tracks and associated facilities in new towns in the New Territories;
- continue to implement the Smart Traffic Fund to provide funding support for research and application of vehicle-related innovation and technology;
- continue to administer the Labour Importation Scheme for Transport Sector – Public Light Bus/Coach Trade; and
- continue the preparatory work, including planning, investigation and design work, for the SGMTS in HSK/HT and YLS NDAs.

Programme (2): Licensing of Vehicles and Drivers

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	731.7	760.2	719.6 (–5.3%)	755.8 (+5.0%)
				(or –0.6% on 2025–26 Original)

Aim

7 The aims are to operate an efficient vehicle and driver registration and licensing system, and to promote road safety through the efficient regulation of vehicles and drivers.

Brief Description

- 8 The work of the Department involves:
- handling the registration of vehicles, issuance and renewal of vehicle and driving licences, transfer of vehicle ownership and issuance and renewal of Closed Road Permits for cross-boundary vehicles;
 - taking enforcement action on unauthorised operation of vehicles governed under the Passenger Service Licence (PSL) System;
 - instituting prosecution action in relation to the Driving Offence Points (DOP) System, the Taxi Driver Offence Points System, non-compliance cases of Mandatory Attendance of Driving Improvement Courses (MDIC) and Obligatory Attendance of Taxi Service Improvement Course, and traffic offences in the control areas of government tunnels and bridges;
 - processing applications for PSLs and Hire Car Permits in respect of public service vehicles and other miscellaneous licences;
 - inspecting the roadworthiness and emission condition of vehicles through government-operated vehicle examination centres;
 - supervising the performance of the management contractor on the examinations of goods vehicles of gross vehicle weight (GVW) less than 16 tonnes and trailers, regulating the operation of designated car testing centres, and monitoring the bus maintenance of franchised bus companies;

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- promoting safer vehicles through reviewing and updating the relevant vehicle regulations and safety standards; and
- arranging written and road tests for drivers and driving instructors, monitoring the operation of designated driving schools, driving improvement schools, pre-service training schools and taxi service improvement schools, monitoring the quality of private driving instructors and restricted driving instructors of driving schools and promoting road safety through the Driver Improvement Scheme and pre-service courses.

9 In 2025, the Department continued to handle the issuance of vehicle and driving licences, Closed Road Permits for cross-boundary vehicles between Hong Kong/Guangdong and Hong Kong/Macao, applications for the Hong Kong-Zhuhai-Macao Bridge Macao Port Park-and-Ride Scheme and the “Northbound Travel for Hong Kong Vehicles”, and supported the implementation of the “Southbound Travel for Guangdong Vehicles”. The Department also continued to provide support to the Environment and Ecology Bureau in continuing the implementation of the Ex-gratia Payment Scheme for Phasing Out Euro IV Diesel Commercial Vehicles, the “One-for-One Replacement” Scheme for electric private cars and the promotion of the use of environment-friendly vehicles. The Department also implemented enhanced vehicle registration and licensing arrangements for handling prolonged unlicensed vehicles, launched electronic form for the majority of the Department’s permits and rolled out various e-licensing initiatives, including electronic driving licence and self-service kiosks for International Driving Permit.

10 The key performance measures in respect of licensing of vehicles and drivers are:

Targets

	Target	2024 (Actual)	2025 (Actual)	2026 (Plan)
conducting road test				
within 82 days upon application for				
light bus, bus, medium and heavy				
goods vehicle and articulated				
vehicle driving licence				
(% of all cases)	95	100	100	95
conducting written test				
within 45 days upon application for				
learner driving licence				
(% of all cases)	98	98	99	98
within 60 days upon application for				
taxi driving licence				
(% of all cases)	98	100	100	98
announcing written test result within				
15 minutes upon completion of the				
test (% of all cases)	98	100	99	98
providing driving licence renewal service				
over the counter within 70 minutes				
(% of all cases)	98	100	100	98
providing vehicle licence renewal service				
over the counter within 70 minutes				
(% of all cases)	95	99	100	98
providing non-counter licensing services				
within ten working days upon				
application (% of all cases)	95	100	100	100
conducting annual examination of				
vehicles at government centres				
within ten working days upon				
application (% of all cases)	100	100	100	100
conducting recheck examination of				
vehicles at government centres				
within four working days upon				
application (% of all cases)	100	100	100	100

Indicators

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
written tests arranged for			
private car, motorcycle and light goods vehicle			
drivers	54 400	53 600	54 000
taxi drivers	16 700	16 700	16 700

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	2024 (Actual)	2025 (Actual)	2026 (Estimate)
road tests arranged for			
private car drivers.....	71 200‡	70 200‡	68 300 ^Λ
motorcycle and light goods vehicle drivers	106 900‡	93 300‡	91 800 ^Λ
other drivers	23 600‡	21 500‡	21 500 ^Λ
vehicle licence transactions.....	2 003 000	2 102 000	2 102 000
driving licence transactions.....	1 880 000	1 825 000	1 825 000
DOP summonses issued.....	2 713	2 450	2 500
MDIC summonses issued.....	1 037	950	1 100
summonses issued for traffic offences in control areas of			
government tunnels and bridges.....	4 890	5 620	5 600
surveys conducted on unauthorised operation by vehicles			
governed under the PSL System.....	902	906	900
vehicles inspected at government centres			
public service vehicles	51 000	53 000	53 000
light goods vehicles (exceeding 1.9 tonnes GVW).....	71 000	70 000	70 000
medium and heavy goods vehicles.....	43 000	44 000	44 000
private cars and light goods vehicles (not exceeding			
1.9 tonnes GVW) inspected at designated centres	394 000	394 000	394 000
daily spot checks on franchised buses in service	14	14	14

‡ The number of tests in 2024 and 2025 included the extra tests arranged on Saturdays under the special overtime arrangement to clear the cases accumulated during the COVID-19 pandemic.

Λ The number of tests in 2026 is estimated taking into account the changing trend in 2024 and 2025.

Matters Requiring Special Attention in 2026–27

11 During 2026–27, the Department will:

- continue to provide efficient and customer-oriented licensing services for the issuance and renewal of licences and permits;
- continue to conduct process re-engineering of licensing services, including arranging more online services and using Artificial Intelligence to assist in the processing of licensing applications;
- continue to keep in view the evolving international standards on construction and maintenance of vehicle requirements, and propose corresponding legislative amendment to improve road safety as necessary;
- continue to support the implementation of the Ex-gratia Payment Scheme for Phasing Out Euro IV Diesel Commercial Vehicles and the promotion of the use of environment-friendly vehicles;
- continue to facilitate wider trial and use of autonomous vehicles; and
- continue to further enhance the operation of the “Northbound Travel for Hong Kong Vehicles”, and support the implementation of the “Southbound Travel for Guangdong Vehicles”.

Programme (3): District Traffic and Transport Services

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	832.1	888.4	873.6 (–1.7%)	904.6 (+3.5%)
				(or +1.8% on 2025–26 Original)

Aim

12 The aim is to enable safe and orderly pedestrians and vehicular traffic, and provision of efficient public transport services by implementing traffic management schemes, deploying intelligent transport systems, monitoring and regulating public transport operations, formulating and implementing road safety strategies and measures, and maintaining regular dialogue with District Councils and other public bodies.

Brief Description

13 The work of the Department involves:

- regulating and monitoring the operation of public transport services;
- maintaining close liaison with public transport operators and the related trades and associations including the goods vehicle and cross-boundary coach trades;

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- providing professional transport advice to improve access to public transport and provision of transport facilities for persons with disabilities;
- maintaining close contact with public transport operators and disseminating timely traffic and transport information to the public in case of traffic incidents;
- planning and introducing new green minibus services;
- planning and implementing public transport services and related facilities to tie in with the commissioning of new infrastructure projects, including new railways and land boundary control points as well as housing and commercial developments;
- planning and implementing special traffic and transport arrangements to facilitate public events including international conventions and exhibitions, sports, cultural, festive and social events;
- designing and implementing road improvement works, traffic management measures, measures to improve pedestrian facilities and other proposals to ensure the efficient use of limited road space and to enhance road safety; and
- promoting “Smart Mobility”, implementing and maintaining intelligent transport systems including area traffic control (ATC) systems, traffic control and surveillance systems and traffic detectors on strategic routes and major roads, traffic and incident management system, transport information system, journey time indication system and speed map panel system for enhancing traffic management, efficient use of road space and timely dissemination of real-time traffic and transport information, as well as implementing red light camera (RLC) system and speed enforcement camera (SEC) system to facilitate road safety and law enforcement.

14 In 2025, the Department continued to regulate and monitor public transport services, including the local and cross-boundary public transport services for the boundary control points to ensure that the transport needs of local residents and visitors were met. The Department worked with franchised bus operators to implement bus route rationalisation proposals. The Department continued to design and implement traffic management measures to improve traffic and enhance road safety, including introduction of subsidiary legislation on tightening the use of child restraining devices in private cars, and tightening the use of mobile telecommunications devices by drivers while driving, as well as the legislative amendment exercise relating to the fitting and wearing requirements of seat belts.

15 The key performance measures in respect of district traffic and transport services are:

Targets

	Target	2024 (Actual)	2025 (Actual)	2026 (Plan)
maintaining serviceability of ATC systems				
central computer system (%).....	99.5	99.7	99.9	99.9
on-street signal controllers (%).....	99.5	99.9	99.9	99.9

Indicators

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
implementing RPP items for franchised buses.....	103τ	76τ	95τ
introducing new green minibus service routes.....	4	6	3
signalised road junctions (cumulative).....	2 016	2 041	2 073
junctions with RLC systems installed (cumulative).....	218	220	230
locations with SEC systems installed (cumulative).....	155	161	164
closed circuit television cameras (cumulative).....	929	936	967
average vehicular speed (km/hour) forφ			
Urban.....	24	22	22
New Territories.....	40	39	39
injury accidents involving motor vehicles per million			
vehicle-km.....	1.16δ	1.08§	1.08
locations with clusters of injury accidents investigated.....	100	100	100
area studies for enhancing road safety.....	2	2	2
road safety publicity projects initiated and participated.....	9	9	9
road safety enhancement measures planned			
(no. of locations).....	90	90	90

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	2024 (Actual)	2025 (Actual)	2026 (Estimate)
route modification and other improvement items including construction of shelters, provision/relocation of stops/stands, installation of display panels for real-time bus arrival information and provision of seats by			
franchised operators	1 494	1 523	1 425
non-franchised operators	1 015	1 113	995
schemes co-ordinated to improve access to public transport for persons with disabilities	3	3	3

- τ The greater number of RPP items in 2024 was mainly due to the carryover of implementation of settled RPP items from the previous year to 2024 which stemmed from additional time required for coordination with and resource mobilisation by franchised bus operators. Meanwhile, the greater number of RPP items in 2026 as compared to 2025 is mainly due to the deferral of some items from 2025 to 2026, such as the implementation of two-way section fare in Southern District to tie in with the validator installation programme of franchised bus operator. The actual number of items to be settled under 2026–27 RPP are subject to local consultation.
- φ The average vehicular speed is measured during the morning peak period from 08:00 to 09:30 from September to December along routes that are representative of the road network.
- δ Adjusted from the provisional actual figure shown in the 2025–26 Estimates.
- § Provisional actual subject to adjustment.

Matters Requiring Special Attention in 2026–27

16 During 2026–27, the Department will continue to:

- rationalise and improve franchised bus services to enhance service quality and efficiency, and to help relieve congestion and reduce road-side emissions;
- facilitate the planning and smooth operation of cross-boundary and local traffic and transport services and associated facilities at existing and planned boundary control points, including the commissioning of the new Huanggang Port;
- monitor the traffic-related issues of pedestrian schemes and the impact of these schemes in the vicinity to improve the environment for pedestrians;
- collaborate with the Highways Department (HyD) to provide a better walking environment for pedestrians such as providing covers for suitable walkways;
- provide traffic and transport inputs and collaborate with HyD in taking forward HEL projects;
- provide traffic and transport inputs for the retrofitting of barrier-free access facilities at existing footbridges, elevated walkways and subways under the Universal Accessibility Programme;
- improve the Traffic Data Analytics System through big data analytics of traffic and weather data accumulated;
- examine and implement measures to enhance road safety through auditing, legislation, publicity and use of technology, including preparation of legislative amendments for mandating the wearing of helmets by cyclists, drivers and passengers of motor tricycles, and passengers on side cars of motor cycles, and renewal of Belisha beacons at zebra crossings on public roads; and
- plan and expand the implementation of real-time adaptive traffic signal systems at suitable junctions in the territory.

Programme (4): Management of Transport Services

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	1,427.1	1,521.5	1,465.8 (–3.7%)	1,678.9 (+14.5%)

(or +10.3% on
2025–26 Original)

Aim

17 The aims are to ensure the efficient management of transport infrastructure and services in respect of government and private tunnels, bridges, parking meters, government carparks, the Central to Mid-Levels Escalator System, the Austin Road Cross Boundary Coach Terminus, the Tsing Ma Control Area and the Tsing Sha Control Area and to ensure efficient handling of emergency traffic and transport incidents.

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Brief Description

18 The work of the Department involves:

- handling the tendering of management contracts for the government transport infrastructure and services mentioned in paragraph 17;
- overseeing and monitoring the performance of the contractors that operate and maintain the above transport infrastructure and services;
- co-ordinating the maintenance and renovation of ferry piers;
- handling traffic and transport incidents in the territory and disseminating timely information on the traffic and transport situation to the public;
- providing input on the legislative, management and operational aspects of planning of new strategic highways, bridges and tunnels to be constructed; and
- monitoring the operation of HKeToll at government tolled tunnels and the Tsing Sha Control Area.

19 In 2025, the Department met the targets in respect of the management of transport infrastructure. The Department implemented HKeToll with time-varying tolls at the Tai Lam Tunnel after its reversion to the Government and awarded the management contracts for the vehicle examination centre at the portion of ground floor of Transport Department Vehicle Examination Complex, the Tai Lam Tunnel, the Eastern Harbour Crossing, the Tsing Sha Control Area, the Tsing Ma Control Area, Route 6 and the provision of fee collection services for parking meter system. The Department started the tender procedures for the management contracts for the government carparks, the Western Harbour Crossing and the Aberdeen Tunnel. The Department also started to prepare for the implementation of HKeToll at the Central Kowloon Bypass upon its full commissioning.

20 The key performance measures in respect of the management of transport services are:

Targets

	Target	2024 (Actual)	2025 (Actual)	2026 (Plan)
attending to traffic accidents and vehicle breakdown inside government tunnel areas in accordance with contract requirement (% of all cases)	97	99	99	99
carbon monoxide concentration inside government tunnels below 100 ppm at all times (% of all readings).....	100	100	100	100
visibility inside government tunnels within the standard of EPD at all times (% of all readings).....	100	100	100	100
attending to traffic accidents and vehicle breakdown on the Lantau Link within five minutes (% of all cases).....	97	99	100	99

Indicators

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
defective parking meters repaired within 60 minutes upon report (% of cases)	97.2	97.5	99.0
incidents handled by Transport Incident Management Section	7 762	9 347ε	9 400
awarding management contract for government carparks (cumulative % completed).....	—	70	100
awarding management contract for the Austin Road Cross Boundary Coach Terminus (cumulative % completed)	—	—	10μ
awarding management contract for the Western Harbour Crossing (cumulative % completed).....	—	10	100
awarding management contract for the vehicle examination centre at the portion of ground floor of Transport Department Vehicle Examination Complex (cumulative % completed).....	90	100	—
awarding management contract for the Tai Lam Tunnel (cumulative % completed).....	90	100	—
awarding management contract for the Eastern Harbour Crossing (cumulative % completed).....	60	100	—

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	2024 (Actual)	2025 (Actual)	2026 (Estimate)
awarding management contract for the Tsing Sha Control Area (cumulative % completed).....	30	100	—
awarding management contract for the Tsing Ma Control Area (cumulative % completed).....	60	100	—
awarding management contract for Route 6 (cumulative % completed).....	30	100	—
awarding management contracts for the provision of fee collection services for parking meter system (cumulative % completed).....	10	100	—
awarding management contract for the Aberdeen Tunnel (cumulative % completed).....	—	10	100
awarding management contract for the Tate's Cairn Tunnel (cumulative % completed)□.....	—	—	60μ
awarding management contract for HKeToll (cumulative % completed)□.....	—	—	10μ

ε The number of upsurge of incidents handled in 2025 was mainly due to increase in minor traffic accidents and vehicle breakdown.

μ The next cycle for contract renewal starts in 2026.

□ New indicator for 2026 onwards.

Matters Requiring Special Attention in 2026–27

21 During 2026–27, the Department will:

- prepare/conduct tendering exercises and/or award new management contracts for:
 - government carparks;
 - the Western Harbour Crossing;
 - the Aberdeen Tunnel;
 - the Austin Road Cross Boundary Coach Terminus;
 - the Tate's Cairn Tunnel;
 - the provision of HKeToll services at government tolled tunnels and roads installed with free-flow tolling system; and
- continue to monitor the operation of HKeToll at government tolled tunnels and the Tsing Sha Control Area, and implement HKeToll at the Central Kowloon Bypass upon its full commissioning.

Programme (5): Transport Services for Persons with Disabilities and Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	4,658.8	5,696.1	4,889.3 (–14.2%)	5,494.1 (+12.4%)
				(or –3.5% on 2025–26 Original)

Aim

22 The aims are to ensure the efficient management and operation of the rehabus services to improve the mobility of persons with disabilities and to administer effectively the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (the \$2 Scheme) under the policy purview of the Labour and Welfare Bureau (LWB) to encourage the elderly and eligible persons with disabilities to participate more in community activities.

Brief Description

23 The work of the Department involves:

- handling and monitoring the efficient utilisation of subvention for the operators of rehabus services; and
- administering the \$2 Scheme including reimbursing the participating public transport operators for the revenue forgone.

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24 In 2025, the Department:

- arranged the purchase of five additional rehabuses to meet passenger demand;
- oversaw the Hong Kong Society for Rehabilitation's replacement of the existing rebus operating system with a new integrated computerised system;
- continued to implement the strengthened anti-abuse measures for the \$2 Scheme; and
- provided support to LWB in carrying out the preparation work of the adjustments to the \$2 Scheme after review.

25 The key performance measures are:

Indicators

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
vehicles for			
rehabus scheduled route services (SRS)	139	139	139
rehabus full-day dial-a-ride services	63	71 ^α	78 ^γ
rehabus feeder services	19	20	20
passenger trips for			
SRS	365 000	352 000	352 000
rehabus dial-a-ride services.....	599 000	671 000 [¶]	807 000 [¶]
rehabus feeder services	71 000	93 000 [¶]	104 000 [¶]
no. of persons waiting for SRS (including carers).....	24	30	30
average daily passenger trips taken under the \$2 Scheme			
elderly.....	2 547 800 ^δ	2 573 000 [§]	2 638 400
eligible persons with disabilities	171 700 ^δ	170 000 [§]	173 100

^α Including eight additional rehabuses transferred to the Department in connection with the cessation of the Southern District Rehab Access service since July 2025.

^γ Including five additional rehabuses delivered in 2025–26 and two additional rehabuses to be delivered in 2026–27.

[¶] The increase in passenger trips is attributed to service enhancement.

^δ Adjusted from the provisional actual figure shown in the 2025–26 Estimates.

[§] Provisional actual subject to adjustment.

Matters Requiring Special Attention in 2026–27

26 During 2026–27, the Department will:

- replace five rehabuses;
- continue to monitor the operation of the \$2 Scheme and implement the strengthened anti-abuse measures; and
- continue to provide support to LWB in implementing adjustments to the \$2 Scheme.

Programme (6): Public Transport Fare Subsidy Scheme

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	2,482.6	2,744.5	2,096.4 (–23.6%)	2,815.1 (+34.3%)
				(or +2.6% on 2025–26 Original)

Aim

27 The aim is to administer effectively the Public Transport Fare Subsidy Scheme (the Fare Subsidy Scheme) to relieve the fare burden of daily commuters travelling on local public transport services and whose public transport expenses are relatively high.

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Brief Description

28 The work of the Department involves:

- administering the Fare Subsidy Scheme, including the provision of accurate amount of subsidy to individual commuters through their Octopus cards or AlipayHK EasyGo accounts; and
- implementing monitoring measures, including conducting regular assurance exercises and field inspections on operators' systems of internal controls, and conducting transport surveys and analytical reviews of operating information provided by operators, to minimise risks of abuse under the Fare Subsidy Scheme.

29 In 2025, the Department provided support to TLB in implementing measures related to the review of the Fare Subsidy Scheme with an aim to enhancing its financial sustainability.

30 The key performance measure is:

Indicator

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
Average no. of beneficiaries per month (in terms of Octopus card holders/AlipayHK EasyGo account holders)Ω.....	1 988 100	1 763 900η	1 800 000

Ω Beneficiaries refer to commuters who are eligible to receive subsidy under the Fare Subsidy Scheme.

η The decrease in the average number of beneficiaries per month in 2025 as compared with 2024 was mainly due to the increase of the monthly public transport expenses threshold from \$400 to \$500 starting from 1 June 2025.

Matters Requiring Special Attention in 2026–27

31 During 2026–27, the Department will continue to administer the Fare Subsidy Scheme and monitor its operation, including conducting regular transport surveys and vetting of operating reports of operators.

Head 186 — TRANSPORT DEPARTMENT

ANALYSIS OF FINANCIAL PROVISION

	2024–25 (Actual) (\$m)	2025–26 (Original) (\$m)	2025–26 (Revised) (\$m)	2026–27 (Estimate) (\$m)
Programme				
(1) Planning and Development.....	1,977.9	1,653.7	1,313.9	1,410.3
(2) Licensing of Vehicles and Drivers	731.7	760.2	719.6	755.8
(3) District Traffic and Transport Services.....	832.1	888.4	873.6	904.6
(4) Management of Transport Services	1,427.1	1,521.5	1,465.8	1,678.9
(5) Transport Services for Persons with Disabilities and Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities	4,658.8	5,696.1	4,889.3	5,494.1
(6) Public Transport Fare Subsidy Scheme.....	2,482.6	2,744.5	2,096.4	2,815.1
	12,110.2	13,264.4	11,358.6 (-14.4%)	13,058.8 (+15.0%)
				(or -1.6% on 2025–26 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2026–27 is \$96.4 million (7.3%) higher than the revised estimate for 2025–26. This is mainly due to the increased provision of SHM for outlying island ferry routes under the long-term operation model for outlying island ferry services and the increased cash flow requirement for non-recurrent items. There will be a net decrease of nine posts in 2026–27.

Programme (2)

Provision for 2026–27 is \$36.2 million (5.0%) higher than the revised estimate for 2025–26. This is mainly due to the increased provision for operating expenses. There will be a net decrease of 42 posts in 2026–27.

Programme (3)

Provision for 2026–27 is \$31.0 million (3.5%) higher than the revised estimate for 2025–26. This is mainly due to the increased provision for operating expenses. There will be a net decrease of one post in 2026–27.

Programme (4)

Provision for 2026–27 is \$213.1 million (14.5%) higher than the revised estimate for 2025–26. This is mainly due to the increased cash flow requirement for replacement of plants, vehicles and equipment for tunnels and control areas as well as the increased provision for operating expenses. There will be a net decrease of three posts in 2026–27.

Programme (5)

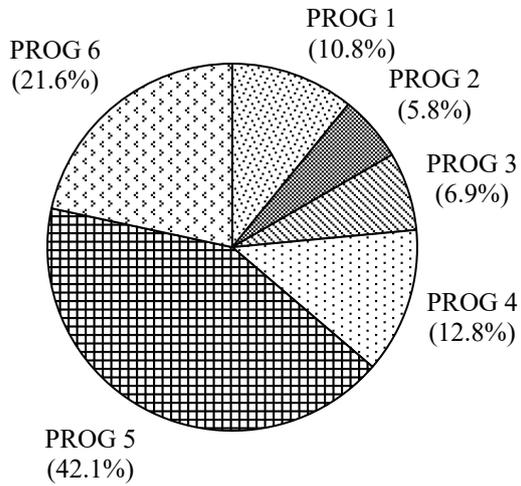
Provision for 2026–27 is \$604.8 million (12.4%) higher than the revised estimate for 2025–26. This is mainly due to the increased provisions for the \$2 Scheme and other operating expenses. There will be a net decrease of six posts in 2026–27.

Programme (6)

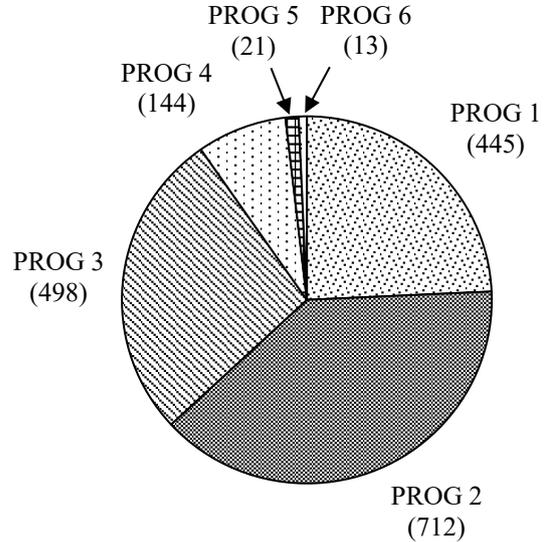
Provision for 2026–27 is \$718.7 million (34.3%) higher than the revised estimate for 2025–26. This is mainly due to the increased provision for fare subsidy for public transport in 2026–27, taking into consideration the implementation of measures related to the review of the Fare Subsidy Scheme.

Head 186 — TRANSPORT DEPARTMENT

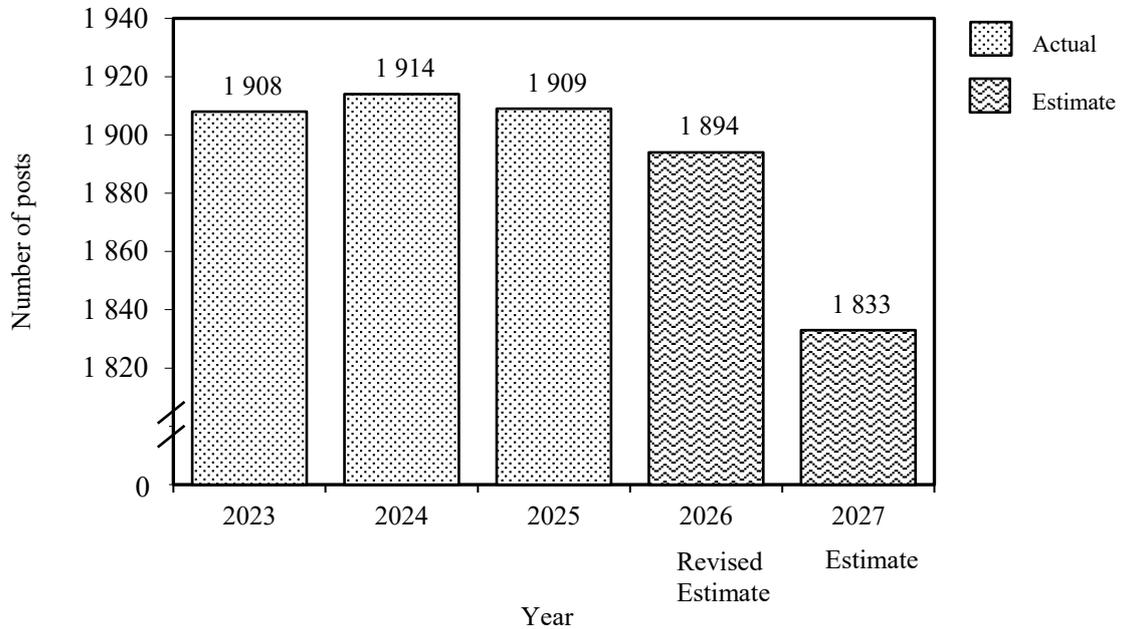
Allocation of provision to programmes (2026-27)



Staff by programme (as at 31 March 2027)



Changes in the size of the establishment (as at 31 March)



Head 186 — TRANSPORT DEPARTMENT

Sub-head (Code)	Actual expenditure 2024–25	Approved estimate 2025–26	Revised estimate 2025–26	Estimate 2026–27	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	3,534,332	3,643,197	3,624,145	3,867,219
166	Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities.....	4,391,577	5,400,144	4,647,130	5,170,678
256	Public Transport Fare Subsidy Scheme	2,440,583	2,690,000	2,050,400	2,767,000
260	Provision of Special Helping Measures for Outlying Island Ferry Routes	221,541	273,623	259,623	342,323
	Total, Recurrent.....	<u>10,588,033</u>	<u>12,006,964</u>	<u>10,581,298</u>	<u>12,147,220</u>
Non-Recurrent					
700	General non-recurrent	1,069,279	683,375	358,291	380,977
	Total, Non-Recurrent.....	<u>1,069,279</u>	<u>683,375</u>	<u>358,291</u>	<u>380,977</u>
	Total, Operating Account	<u>11,657,312</u>	<u>12,690,339</u>	<u>10,939,589</u>	<u>12,528,197</u>
Capital Account					
Plant, Equipment and Works					
603	Plant, vehicles and equipment.....	329,731	421,374	312,788	392,068
661	Minor plant, vehicles and equipment (block vote).....	95,144	125,801	83,491	131,117
	Total, Plant, Equipment and Works.....	<u>424,875</u>	<u>547,175</u>	<u>396,279</u>	<u>523,185</u>
Subventions					
927	Rehabus services (block vote)	28,045	26,912	22,731	7,369
	Total, Subventions	<u>28,045</u>	<u>26,912</u>	<u>22,731</u>	<u>7,369</u>
	Total, Capital Account.....	<u>452,920</u>	<u>574,087</u>	<u>419,010</u>	<u>530,554</u>
	Total Expenditure	<u><u>12,110,232</u></u>	<u><u>13,264,426</u></u>	<u><u>11,358,599</u></u>	<u><u>13,058,751</u></u>

Head 186 — TRANSPORT DEPARTMENT

Details of Expenditure by Subhead

The estimate of the amount required in 2026–27 for the salaries and expenses of the Transport Department is \$13,058,751,000. This represents an increase of \$1,700,152,000 over the revised estimate for 2025–26 and \$948,519,000 over the actual expenditure in 2024–25.

Operating Account

Recurrent

2 Provision of \$3,867,219,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Transport Department.

3 The establishment as at 31 March 2026 will be 1 894 posts. It is expected that there will be a net decrease of 61 posts in 2026–27. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2026–27, but the notional annual mid-point salary value of all such posts must not exceed \$1,140,300,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2024–25 (Actual) (\$'000)	2025–26 (Original) (\$'000)	2025–26 (Revised) (\$'000)	2026–27 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	1,191,771	1,222,990	1,211,716	1,250,965
- Allowances	38,696	44,566	39,101	41,344
- Job-related allowances.....	466	1,029	647	647
Personnel Related Expenses				
- Mandatory Provident Fund contribution	4,139	2,903	3,722	1,995
- Civil Service Provident Fund contribution	121,115	136,188	130,103	148,354
- Disturbance allowance.....	—	154	147	—
Departmental Expenses				
- Light and power.....	9,208	9,746	9,746	9,047
- Contract maintenance	964,328	999,466	980,279	1,074,105
- Workshop services	383,909	350,437	373,575	396,728
- General departmental expenses	670,825	707,770	707,161	758,711
Subventions				
- Special transport facilities for persons with disabilities	149,875	167,948	167,948	185,323
	3,534,332	3,643,197	3,624,145	3,867,219

5 Provision of \$5,170,678,000 under *Subhead 166 Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities* is for reimbursement of revenue forgone to the participating public transport operators under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (the \$2 Scheme). The increase of \$523,548,000 (11.3%) over the revised estimate for 2025–26 is due to the increased provision for reimbursing the revenue forgone to the participating public transport operators.

6 Provision of \$2,767 million under *Subhead 256 Public Transport Fare Subsidy Scheme* is for the payment of public transport fare subsidy in 2026–27. The increase of \$716,600,000 (34.9%) over the revised estimate for 2025–26 is due to the increased provision for the fare subsidy for public transport in 2026–27, taking into consideration the implementation of measures related to the review of the Public Transport Fare Subsidy Scheme.

7 Provision of \$342,323,000 under *Subhead 260 Provision of Special Helping Measures for Outlying Island Ferry Routes* is for the provision of Special Helping Measures (SHM) to ferry operators in 2026–27. The increase of \$82,700,000 (31.9%) over the revised estimate for 2025–26 is due to the increased provision for providing SHM for various ferry routes under the long-term operation model for outlying island ferry service.

Head 186 — TRANSPORT DEPARTMENT

Capital Account

Plant, Equipment and Works

8 Provision of \$131,117,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$47,626,000 (57.0%) over the revised estimate for 2025–26. This is mainly due to the increased cash flow requirement for procurement/replacement of equipment and systems.

Subventions

9 Provision of \$7,369,000 under *Subhead 927 Rehabus services (block vote)* is for the procurement of rehabuses and related equipment, each costing above \$200,000 but not exceeding \$10 million. The decrease of \$15,362,000 (67.6%) against the revised estimate for 2025–26 is mainly due to the decreased cash flow requirement for procuring rehabuses and related equipment.

Head 186 — TRANSPORT DEPARTMENT

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2025	Revised estimated expenditure for 2025–26	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
845		Setting up of a centralised settlement platform and related system enhancement for implementing the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities.....	225,197	197,624	690	26,883
855		Consultancy study on enhancing the walkability in Hong Kong	21,620	19,477	160	1,983
890		Upgrading public transport ancillary facilities to benefit passengers through provision of one-off subsidy to franchised bus operators for installing seats and display panels for provision of real-time bus arrival information at bus stops/termini.....	88,270	30,063	168	58,039
89P		Set up a Smart Traffic Fund	1,150,000	694,812	101,653	353,535
89Q		Vessel Subsidy Scheme for outlying island ferry routes	6,897,070	1,417,177	248,966	5,230,927
8A7		Dedicated 100% Loan Guarantee Scheme for Battery Electric Taxis.....	6,400,000	12,753	6,654	6,380,593
			<u>14,782,157</u>	<u>2,371,906</u>	<u>358,291</u>	<u>12,051,960</u>
<i>Capital Account</i>						
603		<i>Plant, vehicles and equipment</i>				
883		Procurement of new generation of parking meter system and the associated equipment	304,000	247,067	2,260	54,673
89A		Replacement of tunnel ventilation system at the Aberdeen Tunnel.....	113,250	6,850	3,600	102,800
89C		Implementation of free-flow tolling system at government tolled tunnels and the Tsing Sha Control Area.....	945,980	547,065	76,551	322,364
89G		Replacement of tunnel ventilation system at the Tseung Kwan O Tunnel.....	76,400	2,680	4,000	69,720
89S		Replacement of fire service system at the Tate's Cairn Tunnel	79,040	16,500	20,000	42,540
89T		Replacement of high voltage and low voltage electrical supply and distribution system and generator system at the Shing Mun Tunnels.....	132,380	7,410	25,000	99,970
89U		Replacement of tunnel lighting system at the Eastern Harbour Crossing.....	125,410	50,000	30,000	45,410
89W		Replacement of integrated management system at Lantau Link and Ting Kau Bridge in Tsing Ma Control Area.....	29,610	14,583	2,972	12,055

Head 186 — TRANSPORT DEPARTMENT

Commitments—Cont'd.

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2025	Revised estimated expenditure for 2025–26	Balance
			\$'000	\$'000	\$'000	\$'000
Capital Account—Cont'd.						
603	<i>Plant, vehicles and equipment—Cont'd.</i>					
89Z	Replacement of high voltage, low voltage and generator power supply system at the Eastern Harbour Crossing.....		73,962	11,367	1,000	61,595
8A0	Renewal of "TD142" and part of closed circuit television systems in New Territories Area.....		203,540	18,845	18,860	165,835
8A2	Replacement of fire services system at the Eastern Harbour Crossing.....		36,650	600	1,000	35,050
8A3	Replacement of tunnel lighting system at the Tate's Cairn Tunnel.....		255,150	13,150	7,000	235,000
8A4	Renewal of Belisha Beacons at existing zebra crossings.....		61,804	6,309	12,900	42,595
8A5	Replacement of electronic audible traffic signals.....		239,720	1,147	32,000	206,573
8A8	Replacement of fire services system at Tsing Ma Control Area.....		24,250	100	100	24,050
8A9	Replacement of tunnel ventilation system at Shing Mun Tunnels.....		178,500	1,000	4,000	173,500
8AA	Renewal of closed circuit television systems for Tuen Mun, Yuen Long and West Kowloon Expressway.....		20,900	2,618	6,708	11,574
8AB	Implementation of real-time adaptive traffic signal system at suitable independent traffic signal junctions.....		62,304	1,457	820	60,027
8AC	Replacement of the high voltage power supply system at the Western Harbour Crossing.....		63,000	—	3,780	59,220
8AD	Replacement of the tunnel ventilation system at the Tate's Cairn Tunnel.....		174,810	—	1,110	173,700
8AE	Replacement of Supervisory Control and Data Acquisition System and Central Monitoring and Control System at the Tsing Ma Control Areap.....		28,000p	—	—	28,000
8AF	Replacement of Central Monitoring and Control System at the Western Harbour Crossingp.....		23,940p	—	—	23,940
8AG	Replacement of High Voltage, Low Voltage and Generator Power Supply System at the Tsing Ma Control Areap.....		95,760p	—	—	95,760
8AH	Replacement of Tunnel Lighting System at the Tseung Kwan O Tunnelp.....		47,800p	—	—	47,800

Head 186 — TRANSPORT DEPARTMENT

Commitments—Cont'd.

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2025	Revised estimated expenditure for 2025–26	Balance
			\$'000	\$'000	\$'000	\$'000
Capital Account—Cont'd.						
603		<i>Plant, vehicles and equipment—Cont'd.</i>				
	8AJ	Replacement and Enhancement of Security System for Lower Deck Service Walkway at the Tsing Ma Control Areap	17,640 ^p	—	—	17,640
			<u>3,413,800</u>	<u>948,748</u>	<u>253,661</u>	<u>2,211,391</u>
		Total	<u>18,195,957</u>	<u>3,320,654</u>	<u>611,952</u>	<u>14,263,351</u>

^p This is a new item, funding for which is sought in the context of the Appropriation Bill 2026.