

# LCQ12: Government public transport fare concession scheme

Following is a question by the Hon Frankie Yick and a written reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (November 4):

Question:

Since June 2012, the Government has implemented in phases the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (the Scheme) to encourage the elderly (i.e. persons aged 65 or above) and persons with disabilities to participate in community activities. The public transport modes currently covered by the Scheme are MTR, franchised buses, ferries and green minibuses. However, although the Scheme has been implemented for eight years, quite a number of public transport modes (e.g. red minibuses (RMBs), non-franchised buses providing residents' service (RS), kaitos, trams) have not been included in the Scheme. On the other hand, the Government commissioned a consultancy firm in 2018 to conduct a comprehensive review of the Scheme to study, among others, whether the Scheme should cover other public transport modes. In this connection, will the Government inform this Council:

(1) Of the latest progress of the aforesaid consultancy study (including the public transport modes recommended to be included in the Scheme); when the review outcome will be released;

(2) Of the factors currently considered by the Government for determining whether or not to include a certain public transport mode in the Scheme;

(3) As the Government has indicated that one of the reasons for some public transport modes not having been included in the Scheme is that their fares are not regulated by the Government, whether the Government will consider including such public transport modes in the Scheme under certain circumstances (e.g. the operators concerned are willing to abide by certain conditions on fare restrictions and accept the amount of subsidies calculated on the basis of journey lengths); if so, of the details; if not, the reasons for that;

(4) Whether it has conducted studies on the impacts of the Scheme on the overall patronage of public transport services and on the patronage of individual public transport services; if so, of the details; if not, the reasons for that; and

(5) As some operators of RMBs, RS, kaitos and trams have indicated that the patronage of such public transport modes has been dropping continuously in recent years and one of the reasons is that they have not been included in the Scheme, of the Government's new measures to assist such operators in improving their business environment?

Reply:

President,

The Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (\$2 Scheme) has been implemented since 2012 with an aim to enable the elderly and eligible persons with disabilities to travel on designated public transport modes at a concessionary fare of \$2 per trip.

In consultation with the Transport and Housing Bureau, my reply to the Member's question is as follows:

(1) The Government is conducting a comprehensive review of the \$2 Scheme, which aims to assess the effectiveness and fiscal sustainability of the \$2 Scheme, and to examine it in detail having regard to our ageing demographic trend, operation of public transport, effectiveness of anti-abuse measures, public aspirations and the Government's overall fiscal affordability, etc. The review is still in progress. The Chief Executive has publicly stated that, given the complexity of the issues involved, particularly the Government's overall fiscal position and the need to tackle the problem of abuse, it would be difficult to set a specific implementation timetable at present. Nonetheless, we have neither set aside nor discontinued our work. Proactive efforts are being made and there will be a formal announcement in due course.

(2) and (3) The \$2 Scheme currently covers most of the public transport modes, including general lines of the Mass Transit Railway, franchised buses, ferries and green minibuses, which account for 88 per cent of the overall public transport journeys in 2019. The fare adjustment and service arrangements of these public transport modes are subject to government regulation. Nevertheless, the Government will carefully consider in the review the proposal of covering more public transport modes and explain in detail the decision on various proposals upon completion of the review.

(4) and (5) The Transport Department has all along been closely monitoring the passenger demand under the overall public transport system and the operation of different public transport modes. In 2019, the total number of eligible beneficiaries under the \$2 Scheme was over 1.49 million, while the total number of journeys undertaken by eligible beneficiaries amounted to around 472.5 million. As mentioned above, the Government will examine the \$2 Scheme in detail and there will be a formal announcement in due course.