

LCQ16: Payment of transport fares by scanning QR codes

Following is a question by the Hon Chan Hak-kan and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (September 15):

Question:

Several franchised bus operators have, one after another since last year, introduced electronic payment systems to their bus fleets to enable passengers to pay bus fares via e-payment platforms (platforms) by scanning QR codes (code scanning). In January this year, payment of fares by code scanning was extended to heavy rail: passengers may pay MTR fares by scanning the "QR Code Ticket" in the MTR Mobile app or the "EasyGo" of the relevant platform. The MTR Corporation Limited (MTRCL) indicated at that time that more platforms would be introduced after 12 months. In this connection, will the Government inform this Council:

- (1) whether it knows, among the passenger trips of public transport services since January this year, the (i) number and (ii) percentage of those the transport fares for which were paid by code scanning, and set out a breakdown of such number and the relevant percentages by type of transport services;
- (2) whether it knows the MTRCL's progress in introducing other platforms;
- (3) given that as members of the public who pay MTR fares by code scanning are not entitled to the fare concessions currently offered by the MTRCL to students and persons with disabilities, such persons have been greatly discouraged from paying fares by code scanning, whether the Government will request the MTRCL to make improvements; if so, of the details; if not, the reasons for that; and
- (4) given that members of the public are currently required to use an Octopus card to pay transport fares in order to benefit from the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (commonly known as "the \$2 Scheme") as well as the Public Transport Fare Subsidy Scheme, whether the Government will bring the transport fares paid by code scanning into the scopes of application of the two schemes, so as to encourage members of the public to pay transport fares by code scanning; if so, of the details; if not, the reasons for that?

Reply:

President,

Having consulted the Labour and Welfare Bureau (LWB) and the MTR Corporation Limited (MTRCL), our reply to the Hon Chan Hak-kan's question is as follows:

(1) During the period from January to June 2021, the usage of QR code function for payment of various public transport fares is tabulated as follows:

Public Transport Services	Passenger Journeys (Thousands) (Note 1)	Total Passenger Journeys Using QR Code Function to Pay Transport Fares (Thousands)	Usage
Railway (Heavy Rail)	646 115	3 539	0.5%
Franchised Bus (Note 2)	61 255	307	0.5%
Green Minibus (Note 3)	26 320	125	0.5%
Ferry (Note 4)	1 860	4	0.2%

Note 1: Only include routes that accept QR code fare payment (except for routes on trial).

Note 2: As of June 2021, franchised bus companies that accept QR code fare payment include Citybus Limited, New World First Bus Services Limited and Long Win Bus Company Limited while the QR code payment system for the Kowloon Motor Bus Company (1933) Limited is on trial.

Note 3: As of June 2021, there are 91 green minibus routes that accept QR code fare payment.

Note 4: As of June 2021, ferry routes that accept QR code fare payment include "Central – Hung Hom", "Central – Peng Chau", "Central – Yung Shue Wan" and "Central – Sok Kwu Wan" routes.

As for taxi service, the Government has been encouraging the taxi trade to introduce different electronic payment systems for the convenience of passengers. Currently, some taxi drivers or operators accept electronic payment means such as QR code to settle the fares. The Government has not compiled figures on the payment of taxi fares using QR code function.

(2) The MTRCL is following up with the works of connecting other electronic payment system service providers with the MTR's electronic payment system. It is expected that more electronic payment system options would be available by early 2022, bringing convenience to passengers. At the same time, the MTRCL will replace and upgrade the current Automatic Fare Collection systems in the stations (including the entry/exit gates) in phases starting from 2022. It is expected that passengers may start using credit cards for fare payment from 2023.

(3) and (4) At present, MTR passengers using QR code for fare payment could also enjoy the "fare rebate for every trip" concession. With regard to fare concession for students and eligible persons with disabilities, due to

considerations such as the need of collecting personal data for eligibility verification, the concession has not been extended to QR code payment. The MTRCL will continue to monitor the market situation and review the relevant arrangement for the concession schemes.

As some public transport operators have already offered passengers with electronic payment options other than Octopus, the Government has initially approached individual electronic payment system service providers to explore how to expedite the incorporation of suitable electronic payment systems to the Public Transport Fare Subsidy Scheme (PTFSS). We will further discuss with public transport operators upon formulation of concrete implementation plans, so that suitable electronic payment systems could be covered by the PTFSS as soon as possible.

As for the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (the \$2 Scheme), it is necessary to combat any abuse of the scheme to ensure proper use of public fund. Since the current mode of payment of transport fares through scanning QR codes does not require real-name registration, and the photo of the user is not displayed when paying the fare, it is difficult to verify the identity of the eligible passenger. The Government considers it necessary to require beneficiaries of the \$2 Scheme to use JoyYou Cards, which are tailor-made Personalised Octopus Cards for the \$2 Scheme with personal photos and Chinese and English names of the holders, to facilitate inspection by public transport operators and raise the deterrent effect against ineligible passengers. The Government has started to accept applications for JoyYou Cards in phases from August 2, 2021, for persons aged 60 to 64, so that they could enjoy the \$2 Scheme from February 27, 2022, onwards.