

TAC's response to Chief Executive in Council's decision to approve franchised bus operators' fare increases

The following is issued on behalf of the Transport Advisory Committee:

In response to the Chief Executive in Council's decision to approve fare increase applications from three franchised bus operators today (December 17), the Chairman of the Transport Advisory Committee (TAC), Professor Stephen Cheung, said the TAC appreciated that the Government has handled the fare increase applications from franchised bus operators in a prudent manner as it has always been, taking into account a basket of factors before arriving at the decision.

Professor Cheung said, "The TAC acknowledges that timely implementation of fare increases at suitable rates is needed for franchised bus operators to maintain adequate financial resources, not only to continue to deliver safe, efficient, and reliable bus services, but also to maintain their professional and high-quality workforce by improving remuneration packages, as well as to make necessary investments to enhance their services to ensure that franchised bus services could stay in tune with the latest societal and economic needs, and complement the long-term development of Hong Kong.

"In respect of this round of fare increase, the TAC notices that the Government has exercised its gatekeeper role, reducing the rates of increase of the two major franchises by a certain extent. The TAC agrees that the Government has endeavoured to strike a balance between minimising the impact on people's livelihood and maintaining reasonable financial capability of franchised bus operators for continuous investments. The TAC recommends that the Government should continue to encourage and assist franchised bus operators in raising revenue and reducing expenditure through a multipronged approach, including enhancing the operational efficiency by optimising bus networks and expanding sources of non-farebox revenue to alleviate the pressure for fare increases," Professor Cheung continued.