THB’s response to media enquiries about franchised bus fare adjustment

In response to media enquiries about franchised bus fare adjustment, the Transport and Housing Bureau today (March 18) said that all the franchised bus operators are facing severe financial difficulties in view of the prolonged COVID-19 pandemic and rising operating costs.

To help the franchised bus sector tide over the difficult time, the Government has earlier implemented a series of relief measures under the Anti-epidemic Fund, including the Employment Support Scheme, fuel subsidy, and reimbursement of regular repair and maintenance costs and insurance premium. Under the Employment Support Scheme, the Government provided time-limited financial support to bus companies for their payment of salaries, with a view to preserving employment opportunities of nearly 20 000 employees. With the gradual cessation of these relief measures by end 2020, franchised bus operators are facing financial cliff edge even though they have already implemented measures to increase revenue and reduce expenditure.

In approving the fare adjustment applications of the franchised bus operators, the Executive Council has taken into account a host of factors, including public affordability and acceptability, to ensure the sound operation of normal bus services and to minimise the impact on the livelihood of employees of the operators.

In adjusting the fares of individual routes, the Government has strived to minimise the impact on the public through applying the mitigation effect of the Franchised Bus Toll Exemption Fund. In addition, the Government will further extend the expiry of the temporary special measure under the Public Transport Fare Subsidy Scheme (i.e. providing a subsidy amounting to one-third of the monthly expenses in excess of $200) from June 30 till December 31, and temporarily raise the monthly subsidy cap from $400 to $500 during the period from April 1 to December 31, with a view to further alleviating commuters' fare burdens.