

**Panel on Transport  
Meeting on 11 July 2011**

**Difficulties in Operating Discovery Bay – Central Ferry Service**

**Purpose**

This paper sets out the difficulties faced by the operator of the Discovery Bay – Central ferry service.

**Background**

2. The Discovery Bay Transportation Services Limited (DBTPL) has been operating the Discovery Bay – Central ferry service for over 28 years. It is the first operator to introduce high speed ferries in local water, providing a fast, convenient, comfortable and reliable service for residents of Discovery Bay round the clock. As a result of the factors set out in the next section, DBTPL has been incurring huge loss in recent years in particular. Even with the fare increase approved recently by the Government, it is envisaged that DBTPL will still be making huge loss in the coming years.

**Difficulties Faced by DBTPL**

3. Over the years, DBTPL has been facing various difficulties in its operation due to rising operating costs and the lack of adequate government support.

4. As Members would have been aware, the extremely high and fluctuating fuel cost has put very heavy pressure on all transport operators. The pressure is even much heavier for ferry operators due to huge fuel consumption of hi-speed ferries. Other operating costs such as maintenance cost and labour cost also keep rising at a pace higher than the inflation rate.

5. While it is encouraging to see that the Government has introduced various measures seeking to help ferry operators in recent years, a more comprehensive policy applicable to ALL ferry operators is needed. For example, in a recent Government scheme to provide financial assistance to outlying islands ferry services, only six out

of 14 ferry routes could benefit from the scheme. This selective approach is arbitrary and most unfair to passengers of the remaining eight routes (including Discovery Bay – Central) not covered by the scheme. Members and the Government are urged to support extension of the scheme to all the remaining eight ferry routes as their passengers are also tax payers.

6. Another selective helping measure by the Government is to build an additional floor for commercial use on top of the piers in Central except Pier 2 (used by Park Island passengers) and Pier 3 (used by Discovery Bay passengers). The objective of this measure is to help ferry operators generate non-fare income, but again it is most unfair to exclude some ferry operators from this helping measure.

### **Support of Panel Sought**

7. Members are urged to note the difficulties faced by DBTPL and to support extending various helping measures introduced by the Government to all outlying islands ferry operators.

Discovery Bay Transportation Services Limited  
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