

政府總部  
運輸及房屋局  
運輸科  
香港添馬添美道2號  
政府總部東翼



**Transport and  
Housing Bureau**  
**Government Secretariat**  
**Transport Branch**  
East Wing, Central Government Offices,  
2 Tim Mei Avenue,  
Tamar, Hong Kong

本局檔號 OUR REF.:  
來函檔號 YOUR REF.: CB4/PL/TP

電話Tel. No.: 3509 7150  
傳真Fax No.: 3912 4817

13 December 2017

[English translation for reference only]

Secretary General  
Legislative Council Secretariat  
Legislative Council Complex  
1 Legislative Council Road  
Central, Hong Kong  
(Attn.: Ms. Sophie LAU)  
[Fax no.: 2840 0716]

Dear Ms. LAU,

**Motions passed at the meeting  
of Panel on Transport on 20 October**

Thank you for your letter dated 24 October to the Secretary for Transport and Housing regarding the captioned subject. Our reply is set out below.

The Government proposed in the 2017 Policy Address to introduce a non-means tested Public Transport Fare Subsidy Scheme (“the Scheme”). The policy objective of the Scheme is to relieve the fare burden of commuters who travel on local public transport services for daily commuting and whose public transport expenses are relatively high. At the same time, according to the principles of fiscal prudence, we would have to ensure proper use of public funds.

In October 2017, we briefed the Legislative Council Panel on Transport (“Transport Panel”) on initiatives related to transport policy set out in the 2017 Policy Address, at which we introduced the preliminary proposal of the Scheme and listened to Members’ views. Meanwhile, the Government also noted the views of the public and public transport trades on the proposed Scheme. Overall speaking, the public welcome the introduction of the

Scheme and consider that the Scheme could relieve their fare burden. However, we note that there are views to request the Government to expand the Scheme to cover other public transport services, in particular non-franchised buses (“NFBs”) providing residents’ services (“RS”) and red minibuses (“RMBs”), in order to benefit commuters who travel on these two public transport services frequently. Meanwhile, we also note that some sectors of the public are of the view that the Scheme might be subject to abuse by the parallel traders and suggest that the Government should explore measures to impose additional restrictions on the Scheme to prevent such abuses.

Having regard to the policy objective of introducing the Scheme and views of various stakeholders, the Government has completed the study on the coverage and operational arrangements of the proposed Scheme, including refining the preliminary proposal submitted to this Panel earlier to enhance the Scheme.

The Government initially proposed that the Scheme should cover the Mass Transit Railway, franchised buses, green minibuses, ferries and trams. After careful review, the Government now proposes to cover RS, NFBs providing employee’s services, RMBs and Kaitos under the Scheme, subject to that the operators concerned agree to comply with some prescribed operational requirements, to benefit commuters who have to rely on the four public transport services mentioned above as the only or major transport mode for daily commuting. The Government also proposes implementing a series of monitoring measures to ensure that the public funds are properly used under the Scheme and risks of abuse are minimised as far as possible.

As regards the concerns about parallel traders benefiting from the Scheme, we are of the view that we should not impose additional restrictions on the Scheme to exclude any particular groups of commuters, which will complicate the operation of the Scheme and unnecessarily increase the administrative cost while creating inconvenience to the majority of the beneficiaries of the Scheme. In fact, we are mindful of the need to reduce possible abuses as far as possible when we design the Scheme. Under the current design of the Scheme, commuters will still have to pay for the basic monthly public transport expenses of \$400 and 75% of the expenses exceeding \$400. The subsidy is also subject to a maximum of \$300 per month. We consider that such arrangement should be able to reduce abuses of the Scheme effectively.

We will brief the Transport Panel on the latest proposal of the Scheme and canvass Members’ views on 9 January 2018. To commence the preparatory work as early as possible, we will seek funding approval for the

Scheme from the Finance Committee of the Legislative Council as soon as possible with a view to implementing the Scheme within a year after obtaining funding approval. Upon the implementation of the Scheme, we will review the Scheme as and when necessary.

Yours sincerely,  
[signed]  
(Angus WAT)  
for Secretary for Transport and Housing