

Islands District Council
Traffic and Transport Committee
Paper T&TC 14/2014

Question on proposal to Transport and Housing Bureau
on providing subsidy to all local ferry and kaito operators

Ms. Amy YUNG notifies this Council that she will raise the following enquiry at the Traffic and Transport Committee meeting to be held on 17 March 2014:

“The Transport and Housing Bureau (“THB”) started to provide \$115 million subsidy to 6 major outlying island ferry routes in 2011 to alleviate operational costs of ferry operators and to lower the amount of fare increases. Last year, the THB submitted a funding application to the Legislative Council which raised the subsidy for the 6 ferry routes to \$191 million. The subsidy had never been applicable to other ferry routes and all kaito routes.

Since the Lamma ferry collision of 2012, the public and the maritime industry have been concerned about maritime safety. They are also concerned of the ever increasing costs (including maritime safety costs) that will dramatically drive up ferry and kaito fares, forcing operators to terminate their services.

At Islands District Council (“IDC”) and its Traffic and Transport Committee (“T&TC”), meetings, other members and myself on many occasions proposed the provision of the same subsidy to all ferry and kaito routes other than the 6 ferry routes mentioned, in order to safeguard the interests of the maritime industry and passengers. The Secretary for Transport and Housing or his delegates were requested to attend the meetings and respond to the proposal. The THB, however, only arranged the attendance of the Marine Department and the Transport Department but no positive response were given. Many members expressed their regret on this.

I therefore request the Policy Unit of the THB to attend the IDC – T&TC meeting to be held on 17 March this year and explain whether they will consider striving at the Legislative Council to extend the subsidy measures to all local ferry and kaito routes, and to discuss the long-term ferry and kaito policies with IDC.”

Islands District Council Secretariat

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