

Ailing ferry routes may be subsidised

By FRANCIS LI 7-11

The Government may temporarily change its policy of not subsidising private transport because of financial losses on some Hongkong and Yaumati Ferry Co (HYF) cross-harbour services.

The Transport Department has proposed directly subsidising certain ailing routes until the second rail-road harbour crossing provides an alternative by 1989.

The proposal and other options are being studied by the policy-setting Transport Branch of the Government Secretariat.

Since the Mass Transit Railway opened, the number of HYF passengers has

dropped from 132 million in 1980 to 84 million last year.

The biggest drop has been on cross-harbour routes.

However, the subsidy proposal is bound to raise many eyebrows because of its unprecedented departure from traditional Government policy.

Transport Commissioner Mr Peter Leeds said in a recent interview that "subsidy is an ugly word" within the Government.

But Mr Leeds, who oversees the day-to-day running of Hongkong's massive public transport network, said the temporary subsidy option is "worth considering."

He said the alternatives are to do nothing - which would be "unfair" to outlying island ferry users whose fares help pay for the less profitable cross-harbour routes - or to cancel some money-losing services.

However, cancellation would increase the burden on the underground railway and cross-harbour tunnel, which are already stretched during rush hours.

Mr Leeds said the subsidy would only cover the shortfall in revenue needed to make the services break-even.

Possible subsidised routes are Central to Kun Tong, Sai

Wan Ho to Kowloon City and Wanchai to Jordan Road.

Mr Leeds said the cost is not expected to be huge, although it has yet to be worked out in detail.

If approved, the subsidy would also delay or reduce the impact of the HYF fare increase expected early next year.

However, the subsidy is only a short-term measure and HYF, the territory's largest internal maritime ferry operator, will probably have to reduce its services after 1989.

The second harbour tunnel, with an underground railway linking Quarry Bay and Cha Kwo Ling in Kun Tong, will double the passenger capacity crossing the harbour and will force many HYF routes off the market.

Mr Leeds said the services likely to survive are the Central to Jordan Road passenger-vehicular route and either the Tai Kok Tsui or Shamshuipo to Central route.

With tremendous development at the Wanchai reclamation area, a ferry linking it with Tsimshatsui is a potential new route.

Mr Leeds predicted the profitable outlying island ferry services would become HYF's major domestic activity.