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20pc increase approved for ferry fares

By TAD STONER

THE Transport Advisory Committee (TAC) yesterday approved an almost 20 per cent fare increase for all trips on Hongkong Ferry Company vessels.

About 130,000 passengers use the ferries daily to cross the harbour or to reach the outlying islands. The increase could be introduced before the end of the year.

TAC chairman Miss Maria Tam Wai-chu declined to reveal the exact amount of the increase, but said "it's not too far short" of the 20 per cent the company requested earlier this month, citing declining patronage, increased staff costs and rising inflation.

"In exchange, though, we will ask the company for thorough explanations of three things," Miss Tam said.

"We want an explanation of last year's profit; of the percentage increase they have sought and its comparison to inflation; and of the different services and why some get higher increases than others."

She said the TAC would not seek service improvements from the company, and acknowledged that complaints may result from the fare rises.

"We think there may be objections from commuters, and that's why we want the explanations," Miss Tam said.

"We granted the increases, though, after con-

sidering that some of the fares were last increased on January 1, 1988, while others had remained unchanged since January, 1986.

"We also considered management costs, inflation and the justification the company had in asking for the increase."

In March the company reported a 1988 operating profit of \$103.6 million, a 16.3 per cent increase from the previous year. Inflation is running at 10 per cent.

Miss Tam said a 40 per cent decline in patronage on cross-harbour ferry services had been predicted between now and 1996 by a Government transport study, which had recommended that loss-making routes be discontinued.

"It's terribly important for the company to rationalise its services, and we hope they will apply for a reduction in those services," she said.

A spokesman for the company, Ms Janet Yu Kwok-wah, said, however, that the company had no immediate plans to discontinue any of its services.

"We can't just do anything we want because we need approval from the Government, and we also have to think about the passengers, so for the moment we are not talking about it.

"We don't have any plans for service improvements at the moment either," she said.

Ms Yu denied that the

outlying islands routes subsidised loss-making cross-harbour services, saying that it was impossible to separate the operations.

"You can't divide it like that," she said. "We have to look at it as the whole company because we serve all of Hongkong and Kowloon."

She said patronage on harbour services would suffer dramatically after the opening of the Eastern Harbour Crossing.

"We have five routes across the eastern part of the harbour, and they carry 3,000 people each day.

"The new tunnel will decrease those numbers, which have already suffered from the new Mass Transit Railway line.

"We hope the new fares will take effect as soon as possible, before the end of the year or at least early next year," she said.

Miss Tam also said the advisory committee yesterday approved a proposal to require taxi drivers to display identification plates, making it easier for passengers to complain about malpractices.

She also reviewed 1988 traffic-accident statistics that indicated light goods vehicles were involved in more fatal mishaps than any other type of vehicle.

"There were a total of 362 fatal accidents, 119 of which involved light goods vehicles, and of 24,788 vehicles involved in severe accidents, 6,126 were light-goods vehicles," she said.