

**Publicity about minibus section fares under the Government Public
Transport Fare Concession Scheme for the Elderly and Eligible Persons
with Disabilities by Labour and Welfare Bureau and
Transport Department
Investigation Report**

The Complaint

On 5 June 2021, the complainant complained to this Office against the Labour and Welfare Bureau (“LWB”) and the Transport Department (“TD”).

2. The complainant alleged that many elderly persons, who were beneficiaries under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (“\$2 Scheme”), did not ask the drivers to adjust the payable fare when travelling on green minibus (“GMB”) routes with section fares. They paid the full fare with their Octopus cards, resulting in the Government having to reimburse an overpayment to the GMB operators. The complainant considered the publicity by LWB and TD insufficient that elderly persons were unaware of the need to ask the drivers to adjust the payable fare when boarding and thus a waste of public funds. The complainant opined that the publicity poster concerned was complicated with too many details in small print, making it difficult for the elderly to understand. Besides, the poster was displayed inside the minibus compartment inconvenient for passengers’ viewing. The complainant had complained about this issue to LWB in 2015, but the situation had not improved. She was dissatisfied with the delay and improper handling of her complaint by LWB and TD.

3. After preliminary inquiry, this Office decided to launch a full investigation into this complaint.

Our Findings

Background of the \$2 Scheme

4. The Government implemented the \$2 Scheme in phases from 2012 with the objective of building a caring and inclusive society in Hong Kong by enabling elderly aged 65 or above and eligible persons with disabilities to travel on specified public

transport modes at a concessionary fare of \$2 per trip. LWB is responsible for formulating the policy of the \$2 Scheme, while TD is responsible for implementation, including publicity, complaint handling, etc.

5. The public transport services covered by the \$2 Scheme include general Mass Transit Railway lines, franchised bus services, GMB routes and ferry routes, etc. The Government reimburses specified public transport operators (“PTOs”) for the difference between the uniform flat rate of \$2 per trip paid by an eligible beneficiary and the adult fares charged by PTOs.

6. The Government has all along encouraged PTOs to provide fare concessions, including section fares, as far as possible in the light of socio-economic environment and their operating situation, thereby easing the burden of public transport costs for the general public. For routes with fare concessions, the Government’s reimbursement to PTOs is calculated based on the difference between the actual applicable fares after discounting the concessions already offered by PTOs (i.e. concessionary fares minus \$2). Consequently, if PTOs offer section fares, the Government’s expenditure on the \$2 Scheme will be reduced.

GMB Section Fares

7. GMB section fares are available in one-way or two-way. One-way section fares are offered for minibus journeys in one direction. Passengers boarding at the terminus or before the starting point of the applicable section are required to pay the full fare irrespective of where they alight. They are entitled to the section fare if boarding at or after the section’s starting point.

8. Where two-way section fares are offered for a minibus route, passengers boarding the minibus at any point along the route can pay section fares according to the length of their journeys. Upon boarding, they should press a button on the Octopus reader to choose the applicable section fare before tapping the Octopus card. If no such button is available, passengers should ask the driver to adjust the fare setting on the Octopus reader.

9. It is the commercial decision of GMB operators to offer fare concessions for their routes. GMB operators’ decision to offer section fares is generally based on factors such as passenger volume and distribution of a route, travel distance, travel duration and operating situation. TD prudently considers any applications for charging

section fares from operators in the light of the arrangement's impact on the overall transport planning (including coordination between different modes of public transport) and effective use of road and public transport service resources.

Publicity and Education about Section Fares

10. The \$2 Scheme was extended by phases to cover GMB services since March 2015. As of August 2018, all GMB routes in Hong Kong were covered. To ensure that GMB passengers eligible under the Scheme make use of the two-way section fares properly, TD issued 13 letters to the operators participating in the Scheme between 2015 and 2021, advising them to display the notices or posters prepared by the operators or LWB prominently at major minibus termini and inside vehicle compartments to remind passengers to inform the drivers of their destinations before paying fares, and to tap their Octopus cards only after the drivers have adjusted to the correct section fares. In the meetings held with GMB operators in 2015 and 2016, TD also urged all operators to display the notices concerned.

11. Between August 2016 and January 2021, TD's site inspections revealed that the notices or posters about section fares were displayed at the GMB termini or inside vehicle compartments where two-way section fares were offered for the routes.

Handling of the Complainant's Complaints

12. Between April and June 2015, the complainant contacted TD by telephone, expressing her views that the authorities' insufficient publicity caused many elderly persons not to ask the drivers to adjust the fare payable by their Octopus cards when travelling on GMB routes with two-way section fares. Hence, the Government had to reimburse an overpayment to the GMB operators, resulting in a waste of public funds. In its reply, TD told the complainant that LWB was responsible for this issue, and the complainant then contacted LWB by telephone to express her views. LWB referred her views to TD, which then issued a letter to GMB operators in July 2015, advising them to display notices at minibus termini and inside vehicle compartments to remind passengers that they should inform the drivers of their destinations and tap their Octopus cards only after the drivers have adjusted to the correct section fares (see **para. 10**). Subsequently, LWB informed the complainant of the follow-up action taken by TD.

13. In March 2018, the complainant contacted LWB by telephone to express her views about the authorities' insufficient publicity based on the payment of fares by

elderly passengers travelling on four GMB routes. LWB replied that TD would periodically remind GMB operators to display notices at minibus termini and inside vehicle compartments. LWB thanked the complainant for her opinion, and with her consent, referred her opinion to TD and GMB operators for further action. On 22 March, TD issued letters to the GMB operators concerned, requiring them to display the posters and monitor their drivers to charge section fares properly by adjusting the Octopus readers.

14. On 11 March 2021, the complainant contacted LWB by telephone, requesting the Government to follow up two GMB routes in the New Territories which had not displayed any notices or posters, resulting in most elderly passengers not paying section fares. Upon referral by LWB, TD issued letters on 26 March and 8 April to the operators concerned, requiring them to display the posters at minibus termini and inside vehicle compartments. TD's site inspections on 6 and 9 July confirmed that posters were displayed at the termini of those two routes and inside vehicle compartments, and the drivers had adjusted to the section fares as requested by passengers.

Response from TD

15. The \$2 Scheme gradually extended its coverage among GMB services since 2015. The publicity at that time was focused on educating the public to identify the GMB routes participating in the Scheme. After all GMB routes were covered by the \$2 Scheme in 2018, TD gradually stepped up publicity on how to make use of the two-way section fares. According to surveys over recent years, beneficiaries under the \$2 Scheme had informed drivers to charge section fares. Overall, drivers had adjusted the Octopus readers as requested and charged the two-way section fares.

16. Currently, around 130 GMB routes offer two-way section fares, accounting for about 20% of the total number of routes. TD said that the consultant commissioned to review the \$2 Scheme pointed out in its report that no attempt was made to estimate the likely impact of the failure or omission to properly charge section fares on franchised buses or GMBs because no data was currently available on the number of passengers eligible for section fares. The consultant believed nevertheless that since section fares were only available on some of the routes, the impact of this problem would likely be small in overall terms.

17. The authorities expected that enhanced publicity and education would be effective in encouraging beneficiaries under the \$2 Scheme to make use of section fares

properly when travelling on public transport. To further help passengers understand the availability and proper application of section fares, TD planned to launch a series of publicity and education campaigns, including TV and radio announcements in the public interest, posters, etc in the second quarter of 2022. TD would take into account the complainant's opinion regarding the position for displaying and the content of posters in drawing up the details of the publicity campaigns.

18. Apart from stepping up publicity and education, TD has reviewed the arrangement for charging section fares jointly with Octopus Cards Limited to explore more convenient ways for beneficiaries to make use of section fares. Preliminary solutions included automatic adjustment to the section fares by means of scientific technology to substitute for manual adjustment of Octopus readers. Nevertheless, the proposal involved changes in a number of areas and adjustments of the charging system. TD needed to prudently consider such factors as the time required and cost effectiveness.

19. TD indicated that in the reply to the complainant in 2015, its staff failed to clearly inform her that TD was responsible for the publicity of the \$2 Scheme (see **para. 12**), causing the complainant to misunderstand that it was handled by LWB. TD apologised to the complainant for this.

Our Comments

20. TD is mainly responsible for the publicity of the \$2 Scheme (see **para. 4**). As detailed in **paragraphs 10 and 11**, TD issued letters to GMB operators advising them to display notices and posters at termini and inside vehicle compartments, as well as urged the operators and their drivers to help and remind passengers to make use of section fares properly in the meetings with GMB operators. TD also conducted site inspections on this issue. Regarding the complainant's views on the content of posters, TD undertook to take into account her opinion regarding the position for displaying and the text of posters in planning the publicity campaigns in 2022 (see **para. 17**). TD also explored using other methods, including charging section fares by means of technology (see **para. 18**).

21. As the eligible age under the \$2 Scheme will be lowered to 60 in late February 2022, the Government's reimbursement of fare differential to GMB operators will increase with the growing number of beneficiaries. We expect that the publicity and education campaigns launched by TD in the second quarter of 2022 (see **para. 17**) will

convey the message to more elderly and eligible persons with disabilities, such that they will pay section fares properly and minimise any overpayment of fare differential by the Government.

22. As for the handling of the complainant's complaints, after receiving her complaints in 2015, 2018 and 2021, LWB referred each complaint to TD for further action according to its purview. Subsequent to each referral, TD issued letters to GMB operators urging them to display notices or posters for publicity. In response to her complaint in 2021, TD inspected the GMB routes concerned in early July to ensure the posters were displayed at the termini and inside the vehicle compartments inspected (see **paras. 12–14**).

23. We consider LWB and TD to have handled this complaint properly. Moreover, TD has seriously considered the complainant's suggestion on the publicity of section fares. There were no improprieties from an administrative point of view.

Final Remarks

24. Based on the above analysis, this Office considers the complaint **unsubstantiated**.

**Office of The Ombudsman
December 2021**