

PUBLIC TRANSPORT FARES

One big cut, or a few staggered ones ...

MPs hope for 3-to-10 cent cuts;
analyst expects phased reduction

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ONE Parliamentarian thinks the cut in EZ Link card fares could be as large as 10 cents; another is hoping for a three- to five-cent reduction.

In the days running up to formal bus and train fare adjustments by the Public Transport Council, likely by the end of this week, it's anyone's guess how dramatic the fare cuts will be.

But there's another option commuters might want to be prepared for: Just minute tweaks in fares for now, with greater cuts to come should the economic downturn worsen.

With SMRT and SBS Transit having both announced the good news that they would pass on savings from the road tax rebates and other grants dished out by the Government, transport analyst Terence Fan reckons that a stage-by-stage reduction in fares, rather than an initial big bang, might be in the works.

"I would expect to have reductions, but I would expect also that (the authorities) would monitor the situation and perhaps (over time) increase the amount of reduction or some compensatory measure, because nobody knows exactly how deep this downturn will be," said the Singapore Management University assistant professor.

Members of Parliament Cynthia Phua and Lim Biow Chuan – both members of the Government Parliamentary Committee for Transport – are expecting outright reductions.

Mr Lim hopes a three- to five-cent cut will apply "across the board, so everyone gets to benefit from it".

Mdm Phua is hoping for a bigger reduction. "The last increase was four cents, so I'm hoping it can go down beyond four cents, maybe five to 10 cents."

The fare reduction could also take the form of rebates – as was the case in 1999, when for a year the public transport operators chipped in 50 additional cents for every \$10 topped up in commuters' adult farecards.

Fare cuts may be staggered: Analyst

'THROUGHFARES ASAP, PLEASE'

Under the fare review formula, public transport operators could have asked for a maximum five-per-cent fare hike this year. Last year, though adult EZ Link fares increased by four cents, four in 10 commuters actually ended up paying the same, or less, due to increased transfer rebates.

Last week, Transport Minister Raymond Lim had said the PTC would decide whether to

fully implement throughfares this year, or to phase it in to "minimise the burden of adjustment on both commuters and the PTOs".

Both MPs and Asst Prof Fan urged for throughfares to be rolled out as soon as possible — and not just because commuters making transfers would benefit.

In a year when PTOs must both raise standards and cut fares, the commentators felt distance-based fares would spur competition.

From August, for instance, 90 per cent of feeder services must not entail a wait of more than 10 minutes during weekday peak periods. With throughfares fully in place, Asst Prof Fan believes operators will compete "head-to-head" on certain route segments covered by more than one service — it will ensure they maintain service frequencies as "people are going to jump on the first bus to take them where they want to go".

Throughfares would also give the "impetus" for integrated season passes that

adult commuters can seamlessly use on both operators' rail lines and buses, said Mdm Phua. Current rates for students' season passes — at \$97 for a bus-train tertiary student pass — were too high. "As long as you don't have throughfares, the season pass will not materialise."

Mdm Phua also hopes that polytechnic students be given the same concessions as their junior college counterparts, while MP Lim is asking for senior citizens' fare concessions to apply throughout the day.