

News Release

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Expiry of 3% Fare Rebate & Launch of Distance Fares on 3 July 2010

1. Singapore's public transport will switch to a system of distance-based charging from 3 July 2010. Bus and train fares will be calculated based on distance-travelled and the type of service¹ taken to get to a destination.
2. Under Distance Fares, commuters will no longer pay transfer penalties. With the removal of this transfer penalty, commuters will have greater flexibility to decide on the best route to reach their destination. If these choices involve transfers, they will no longer have to pay a fare penalty for the transfers.
3. Senior citizens, students and children will also benefit with Distance Fares as they also no longer have to pay transfer penalties. In addition, they will enjoy 25% and 50% discount off adult fares respectively, and will only pay a flat fare for distances above 7.2km. This means that they do not have to pay additional fare for distances beyond that. **Senior citizens will continue to enjoy concession fare for journeys all day on weekends and public holidays and after 9am on weekdays.**
5. To ensure that commuters only pay for the distance travelled, they must remember to **tap in on entry and tap out on exit** when travelling on public transport. Otherwise, maximum fare will be charged.

Transfer Rules

6. Under Distance Fares, the transfer rules will remain largely the same as today with one key improvement - number of allowable transfers will increase from 3 to 5. The transfer rules are as follows:
 - a) Transfer time limit of 45 minutes
 - b) All journeys must be within 2 hours of the first boarding on the same journey

¹ Type of service, i.e. aircon bus, non-aircon bus, express bus, North-South-East-West Line, North East Line, Circle Line, LRT.

- c) Single entry and exit allowed for rail
- d) Current bus service must not be of the same number as the preceding bus service
- e) Maximum of 5 transfers (from the current 3) can be made within a journey

Calculating Distance Fares

7. Commuters can log on to www.publictransport.sg to use the online Distance Fares Calculator to check the fares and distance travelled for their journeys based on their preferred combination of bus and train services. A step-by-step instructional video to guide commuters on how to check their fares using the Calculator is available on the website.

8. From 3 July, commuters will also be able to check their Distance Fares using the Public Transport Journey Planner available on www.transitlink.com.sg.

9. In calculating Distance Fares, some commuters may find that they have to pay more for some of their journeys. When comparing Distance Fares with their current fares, commuters need to take into account that the 3% temporary fare rebate offered by the public transport operators (PTOs) last year will expire on 3 July 2010. Many have made fares comparison without factoring in the expiry of the 3% fare rebate.

Mr Gerard Ee, Public Transport Council Chairman, explains:

"We need to remember that the fare rebate offered by the PTOs last year was only temporary, and this should be factored when considering the impact of the fare revisions. The 3% temporary rebate will expire come 3 July 2010 even without the introduction of Distance Fares. To minimise the impact on commuters with the cessation of this 3% increase on fares, the PTC decided to implement the full 2.5% fare reduction allowed by the fare formula this year. As a result, commuters as a whole will pay 2.5% less than they would have had to."

10. Distance Fares is a major change to the existing fare structure as all commuters will henceforth pay the same fare for the same distance travelled on the same mode of travel, regardless of whether transfers were made. This will help correct the current inequity by redistributing the costs between different commuters based on distance.

11. As this is a different system, distance fares on a trip basis cannot be compared with current fares. The proper comparison should be against public transport expenditure based on weekly travel patterns, instead of single trips. Weekly travel patterns are more representative as commuters make a mixture of transfer and direct journeys in a week.

Mr Gerard Ee, Chairman of the PTC, explains:

“The implementation of Distance Fares being a complete overhaul of the fare structure, would inevitably result in an overall redistribution of costs between different commuters. Distance Fares does away with the transfer penalty and transfer rebates that are features of the current system. As such, the current fares cannot be compared with the new Distance Fares on a trip basis. Although some commuters travelling along certain routes may have to pay more for these routes, what PTC has done is to ensure overall the majority of commuters (or 63%) will see weekly fare savings based on restored fares.”

12. With Distance Fares, many will benefit from having greater flexibility to decide on the best route to reach their destination and the ability to make transfers without incurring a penalty. They could also benefit from lower fares in future when planned public transport improvements like the expansion of the rail network are phased in.

Distance Fares Roadshows

13. To help commuters familiarise themselves with how Distance Fares work, the Land Transport Authority (LTA) has organised a series of roadshows² at selected bus interchanges and MRT stations in addition to putting up posters and brochures in buses and trains, at bus stops and interchanges, MRT stations and other locations. To-date, about 9,000 commuters have visited the roadshows. The final two roadshows will be held this weekend on 3 July and 4 July at Toa Payoh Interchange and Jurong East MRT station.

14. Public who would like assistance on calculating their fares or more information on how Distance Fares work can call the following:

- a) LTA 1800 – CALL LTA (1800 225 5582) (24-hour hotline)
- b) TransitLink at 1800 225 5663 (8am–6pm, Mon–Sun except Public Holidays)
- c) SBS Transit at 1800 287 2727 (8am–6pm, Mon–Fri except Public Holidays)
- d) SMRT at 1800 336 8900 (7.30am–6.30pm, Mon–Fri except Public Holidays)

² The roadshows were held at Hougang Central Bus Interchange and Woodlands MRT station (19 and 20 June 2010); and at Boon Lay Bus Interchange and Ang Mo Kio MRT station (26 and 27 June 2010). Another two roadshows will be held this weekend on 3 and 4 July 2010 at Toa Payoh Bus Interchange and Jurong East MRT station.

Annex A: Example of impact on adult/ senior citizen fares under Distance Fares
Annex B: Common Questions on Distance Fares

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FARES UNDER DISTANCE FARES

The fare would depend on the distance travelled and preferred mode of travel.

Example (Adult commuter):

Ms Jocelyn Yap, 26, commutes from Ang Mo Kio to her office near Little India. Her preferred commute is to take bus service 265 from Ang Mo Kio Street 54 and transfer to the MRT train at Ang Mo Kio MRT station alighting at Novena MRT Station, where she can take bus service 166, 57 or 56 to her office. With Distance Fares, she will pay \$1.21, 26 cents less compared to the \$1.47** she would have otherwise paid. It takes 30 minutes for the 9.1km journey.

On Saturdays, she takes bus service 265 to Ang Mo Kio Bus Interchange and transfers to the MRT train to get to HarbourFront MRT Station. With Distance Fares, she will pay \$1.72, 8 cents less than the \$1.80** she would have otherwise paid. It takes 45 minutes for the 17.4km journey.

With Distance Fares, her weekly savings would be \$2.76 (includes return journey).

Example (Senior Citizen commuter):

Mr Safwan Bin Mijan, 82 who is retired makes thrice-weekly trip from his home in Jurong West to Old Chua Chu Kang Road, and visits his daughter once a week at Pandan Gardens. From Jurong West to Old Chua Chu Kang Road, he takes bus service number 192, 193 or 242 to Boon Lay Interchange and transfers to Bus 172, alighting opposite Keat Hong camp. Under Distance Fares, he will pay 86 cents, 8 cents less than the 94 cents** he would have otherwise paid for a 9.7km journey.

On weekends, when he visits his daughter at Pandan Gardens, he takes bus service number 192, 193 or 242 to Boon Lay Interchange and transfers to bus service number 30, alighting at West Coast Road. Under Distance Fares, he will pay 86 cents, compared to the 94 cents** he would have otherwise paid for the 10km journey.

Based on his current journey pattern and type of service taken, he will save 64 cents per week (includes return journeys) under Distance Fares.

Alternatively, during the weekends, if he takes the bus from his home and transfers to the MRT train at Boon Lay MRT to Jurong East MRT station before taking bus service number 51 to Pandan Gardens, he would pay 86 cents under Distance Fares, which would be a savings of 29 cents from \$1.15** he would have otherwise paid for the 9.2km journey. If his weekly frequency and travel pattern remains unchanged, he would see higher weekly savings of \$1.06 (includes returns journeys).

****Restored fares after the expiry of the temporary fare rebate on 3 July 2010**

FREQUENTLY ASKED QUESTIONS

Q: Why do some commuters find that they have to pay more under Distance Fares?

A: Firstly, the implementation of Distance Fares is a complete overhaul of the current fare structure. Today, commuters making transfers have to pay a transfer fare penalty. In effect, they have been cross-subsidising those who make direct journeys. Distance Fares will correct this inequity by redistributing costs between different commuters. This is a fairer approach as all commuters will pay the same fare for the same distance travelled on the same mode of travel regardless of whether transfers are made.

Secondly, commuters need to take into account the expiry of the temporary 3% fare rebate on 3 July which was offered by the PTOs last year.

Thirdly, in deciding on the fare revision, the PTC considered commuters' expenditure on their journeys per week and not on individual journeys as this better reflects their travel expenditure. While some commuters may have to pay more for certain routes, there could be other journeys during the week where they would pay less. Hence, in assessing the impact of Distance Fares, commuters should look at their overall weekly travel patterns, and not on an individual trip basis. Overall the majority of commuters (63%) will see savings in their weekly fare expenditure.

As Distance Fares is a major structural change to the fare system, the benefits should be seen over the long term. Some commuters may not see immediate benefits in terms of lower fares, but many will still benefit in other ways like having greater flexibility to decide on the best route to reach their destination.

Q: What is the impact of Distance Fares on Senior Citizens?

A: Senior citizens will also benefit under Distance Fares as they will no longer have to pay transfer penalties. In addition, they will enjoy 25% discount off adult fares, and will only pay a flat fare for distances above 7.2km. Although some senior citizens travelling along certain routes may have to pay more for those routes, what the PTC has done is to ensure that overall, 7 out of 10 senior citizen commuters will see lower weekly expenditure on fares when Distance Fares is implemented.

Q: Under the transfer rules, why is only one entry and exit allowed for rail?

A: Today, unlike our bus network, our rail network is designed and built as an integrated one, where any journey from an origin station to a destination station can be completed within the rail network without the need to exit from it. Therefore, unlike bus to train or bus to bus transfers, any re-entering of the rail network is considered a new journey, and not a valid transfer.