

30 October 2018

News Release

2018 FARE REVIEW EXERCISE

*Card fare increase of 6 cents for adult commuters
Fare increase capped at 1 cent for concessionary commuters*

The Public Transport Council (PTC) has concluded the 2018 Fare Review Exercise (FRE). Its decision involved a delicate balance between fare affordability and rising operating and maintenance costs of public transport operators. In addition, targeted financial assistance will be provided to eligible low income families.

Summary of 2018 FRE changes

2. Following three consecutive years of fare reductions totalling 8.3%, the fare cap of 4.3% (announced by the PTC earlier on 3 Sep 2018) will be implemented as part of 2018 FRE. Card fares for adults travelling on buses and trains will increase by 6 cents. Single trip ticket for train and adult cash fares for bus will increase by 10 cents. Student and senior citizen card fare increases will be capped at 1 cent, while the cash fares for bus for these commuter groups will remain unchanged. The PTC notes that the Government has also decided to cap the fare increase at 1 cent for the Lower-Wage Workers and Persons with Disabilities concession schemes, which are Government-funded.

3. The fares for commuters on our public transport, with effect from 29 December 2018, are set out below:

Card Fares No additional boarding charge when making multiple rail transfers in one journey. These rail transfers have to be made between two different train stations within 15 minutes ¹ ; or by taking a bus trip(s) between two different train stations	Adult	6-cent increase
	Student Senior Citizen	1-cent increase
Single Trip Ticket (Train)	10-cent increase	
Cash Fares (Bus)	Adult	10-cent increase
	Student Senior Citizen	No change
Monthly Concession Passes and Adult Monthly Travel Passes	No change	
Up to 50-cent discount when tapping in at any rail station before 7.45am on weekdays (excluding public holidays)	No change	

Figure 1: Bus and Train Fare Adjustments at a glance

4. Frequent travellers using Monthly Concession Passes – students, senior citizens, full-time national servicemen, and adults – will see no increase, as the prices of these passes will remain unchanged. PTC notes that the Government has similarly decided to keep the price of the Monthly Concession Pass for Persons with Disabilities unchanged.

5. Commuters will also continue to enjoy the 50-cent savings when they travel during morning pre-peak hours by tapping-in before 7.45am at any rail station island-wide. More than 335,000 commuters have benefited daily from the morning pre-peak travel discounts since it was introduced in December 2017. The savings enjoyed by commuters in the first half of 2018 was around \$19 million.

Fare adjustment to cope with rising costs

¹ The time limit for valid transfers between bus and rail will remain at 45 minutes.

6. The 2018 FRE decision is necessary in a rising cost environment:
 - Energy prices rebounded by 26.2%, the highest since the Energy Index was introduced in 2013;
 - Wage Index went up by 3%;
 - Core Consumer Price Index rose by 1.5%; and
 - Additional costs to improve connectivity and network capacity by running more public transport services.

7. Both rail operators have also reported significant losses. These cost pressures have also been faced by other cities which have had to raise fares to keep pace with the operating cost increases.

Public transport fares will remain affordable

8. The PTC will continue to ensure that public transport fares remain affordable. The Public Transport Affordability Indicator (PTAI), which measures the percentage of household income spent on public transport, indicates that public transport fares have become more affordable over the last decade. Since 2007, the average commuter (second quintile income households) and lower income commuters (second decile income households) have seen their PTAI improve from 2.9% to 1.9% and 4.1% to 2.7% respectively (See Annex A). PTC will continue to monitor fare affordability trends through the PTAI and other benchmarking studies².

9. Findings from PTC's surveys of more than 10,400 commuters, conducted from July to August 2018, also showed that more than seven in 10 found public transport

² Besides the PTAI, a June 2018 report by consulting firm McKinsey also found that Singapore has one of the best and most affordable public transport systems compared with 24 major cities around the world, which include Hong Kong, Seoul and Beijing. Additionally, a 2018 Nanyang Technological University study showed that a typical Singapore family spend only 4.8% of their disposable income on public transport, the lowest among Asian cities.

fares in Singapore affordable. Six out of 10 commuters, when asked, said they were willing to pay higher fares if there was a fare increase, so that others like Persons with Disabilities, seniors and students, would be less affected.

Targeted assistance for needy commuters

10. As part of the 2018 FRE, SBS Transit and SMRT will be required to contribute 5% of their expected increase in fare revenue (\$0.55 million and \$1.2 million, respectively) to the Public Transport Fund. The PTC notes that the Government will utilise the Public Transport Fund to make available 300,000 Public Transport Vouchers (PTVs), worth \$30 each, to help lower income families cope with the fare adjustment.

More efficient travel for commuters

11. The expansion of our public transport network, such as with the opening of new train lines, has allowed commuters to take more efficient travel routes, saving time and money. On average, the distance travelled by adults, students, and senior citizens has shortened by 5%, 10% and 5%. Correspondingly, the average journey fare for adults, students and senior citizens has reduced by 7%, 10% and 5%³.

12. To further facilitate more efficient and seamless public transport journeys, the PTC had announced in March this year that the additional boarding charge for commuters who make multiple rail transfers will be removed. These enhanced transfer rules will take effect together with the fare adjustments for the 2018 FRE on 29 December 2018.

³ The statistics in Paragraph 11 were based on data collected from 2015 to 2018.

13. With the enhanced transfer rules, commuters will have more flexibility to optimise their public transport travel to save cost and/or time. At least 6,000 daily journeys will benefit from the changes. PTC expects more commuters to benefit from the enhanced transfer rules as they adjust their travel patterns to capitalise on the improved connectivity of our expanding public transport network.

Annex A: Factsheet for 2018 Fare Review Exercise

Annex B: Approved Bus and Train Fares

For enquiries, please contact:

Mardiana Rahmad
Manager, Corporate Communications
Public Transport Council
Email: mardiana_rahmad@ptc.gov.sg
Tel: 6354 9028

Benita Choo
Assistant Manager, Corporate Communications
Public Transport Council
Email: benita_choo@ptc.gov.sg
Tel: 6354 9033

FACTSHEET

Fare Adjustment Formula

(Announced in Press Release dated 22 March 2018)

$$0.5cCPI + 0.4WI + 0.1EI - 0.1\% + NCF$$

Quantum carried-over from the 2017 Exercise = -3.2%

2018 maximum allowable fare adjustment quantum = 4.3%

Core Consumer Price Index (cCPI): the change in core Consumer Price Index over preceding year; 1.5% in 2017.

Wage Index (WI): the change in Average Monthly Earnings (Annual National Average) over the preceding year, adjusted to account for any change in the employer's CPF contribution rate; 3.0% in 2017.

Energy Index (EI): the change in Energy Index which is a composite of cost changes in electricity and diesel; 26.2% in 2017.

0.1% - Productivity Extraction factor set for 2018 to 2022.

Network Capacity Factor (NCF): the change in NCF over preceding year, which means capacity provision relative to passenger demand for the entire public transport system; 3.0% in 2017

1. The Public Transport Council (PTC), in deciding the fare adjustment this year, was guided by the new fare formula applicable from 2018 to 2022. Taking into account the carry-over quantum of -3.2% from the 2017 FRE, the maximum allowable fare adjustment quantum to be considered for this year's exercise is 4.3%. PTC has decided to grant the fare formula output of 4.3% in full.

2. The fare adjustment formula protects the interests of commuters by capping the adjustment, rather than leaving it to the operators to pass all costs through to commuters to bear. The fare formula output is contingent on the movement of its component indices.

Public Transport Fare Affordability

3. Affordability of public transport fares is tracked by the PTC to ensure that fares remain affordable. Fare affordability is tracked for second quintile income group households representing the average public transport user, as well as the second decile income group households representing the lower-income public transport user⁴.

4. Public transport fares continue to stay affordable on the back of consecutive fare reductions as well as increases in wages. The indicators for second quintile households and second decile households show similar downtrends from 2007 to 2017 (Fig.1). These households have been spending proportionately less of their monthly income on public transport fares in recent years, i.e. public transport has become more affordable for these groups.

⁴ Statistically, deciles are groups of data that divide a sample of data into ten groups (or ten deciles) based on a particular variable. The first decile refers to the lowest 10th percentile group; the second decile refers to the 11th – 20th percentile group, and so on. The bottom 60% of households by income make up the majority of public transport users. As such, the second quintile households (21st – 40th percentile) are taken to represent the average or typical public transport commuter, and second decile households (11th – 20th percentile) are taken to represent the lower-income public transport user.

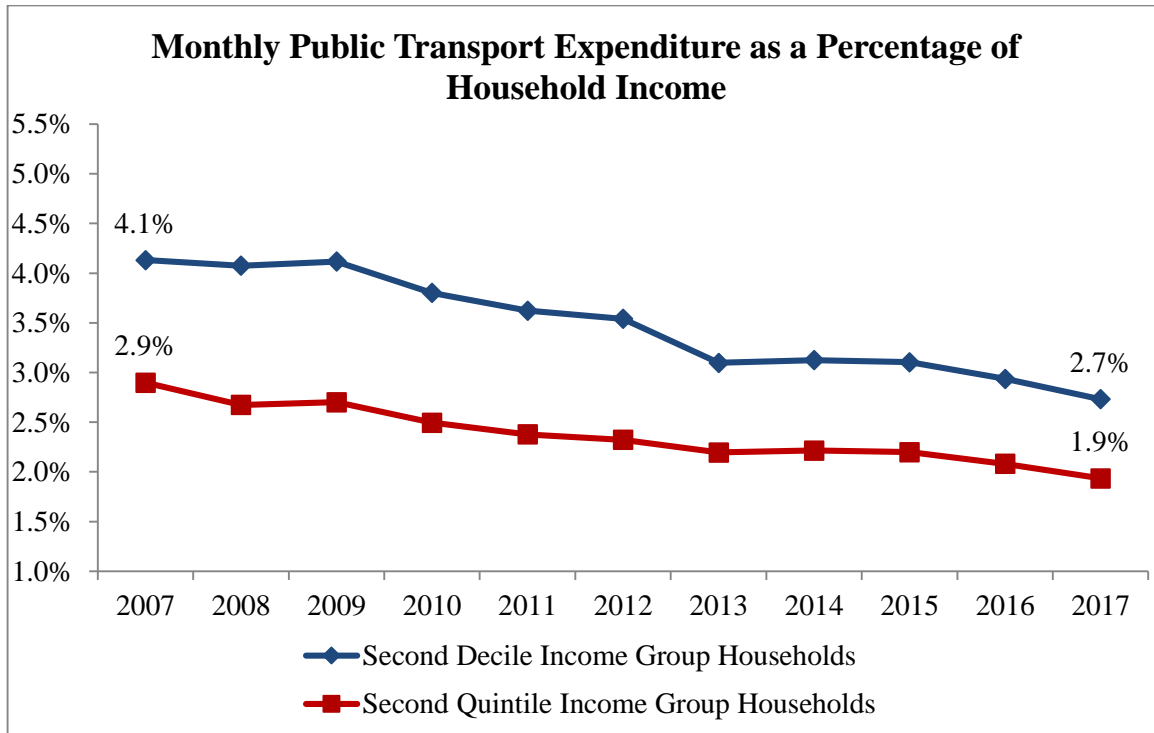


Fig.1 Public Transport Affordability Indicator

Impact on Commuters

5. For adult commuters using fare cards, fares will increase by 6 cents per journey. Senior citizen and student concession card fares will increase by 1 cent per journey.
6. Single trip ticket for train and adult bus cash fares will increase by 10 cents, while senior citizen and student bus cash fares will remain unchanged.

Monthly Concession Passes

7. The prices of all Monthly Concession Passes and Monthly Travel Passes will remain unchanged.

Public Transport Fund

8. To ensure that resources are available for those who need help coping with the fare increases, the PTC, since 2013, had recommended mandatory contributions by the public transport operators to the Public Transport Fund in years with fare increases. In doing so, the public transport operators share their gains with commuters. Taking into account the rail operators' poor financial position this year, the PTC has decided that SBS Transit and SMRT should contribute 5% of the additional fare revenue from the fare increase, or \$0.55 million and \$1.20 million respectively to the Public Transport Fund.

9. The Government will draw \$9 million from the Public Transport Fund to fund 300,000 Public Transport Vouchers (PTVs) worth \$30 each, to help needy families cope with the fare adjustment.

Impact on Public Transport Operators

10. The overall fare adjustment of 4.3% translates to an increase in fare revenue of about \$78.2 million a year. The increase in annual revenue for SBS Transit Rail and SMRT Trains is \$10.9 million and \$24.1 million, respectively. Bus fare revenues will increase by \$43.2 million, which will go toward reducing bus operating subsidies.

Highlights of Public Transport Operators' Applications

11. SBS Transit cited that their rail operations have been facing significant cost pressures since 2013 as a result of the Downtown Line operation. Manpower cost has been rising due to the increase in headcount and salary adjustment to attract and retain staff. SBS Transit had applied for a fare adjustment of 4.3%.

12. Similarly, SMRT applied for a fare adjustment of 4.3% citing increasing operating costs for their rail operations. Repair and maintenance costs, in particular, have increased by more than 87% from FY2015 to FY2018; mainly attributed to maintaining and improving the performance of an aging network.

Annex B

- Adult card fares will increase by 6 cents per journey.
- Senior citizen and student concession card fares will increase by 1 cent per journey.
- Single trip ticket for train and adult bus cash fares will increase by 10 cents, while senior citizen and student bus cash fares will remain unchanged.

BUS FARES (w.e.f. 29 December 2018)

a) Adult Fare Structure (Trunk Services)

Distance	Fare Per Ride (cent)					
	Card			Cash		
	Current	Approved	Change	Current	Approved	Change
Up to 3.2 km	77	83		140	150	
3.3 km – 4.2 km	87	93		160	170	
4.3 km – 5.2 km	97	103		160	170	
5.3 km – 6.2 km	107	113		160	170	
6.3 km – 7.2 km	116	122		180	190	
7.3 km – 8.2 km	123	129		180	190	
8.3 km – 9.2 km	129	135		180	190	
9.3 km – 10.2 km	133	139		200	210	
10.3 km – 11.2 km	137	143		200	210	
11.3 km – 12.2 km	141	147		220	230	
12.3 km – 13.2 km	145	151		220	230	
13.3 km – 14.2 km	149	155		220	230	
14.3 km – 15.2 km	153	159		220	230	
15.3 km – 16.2 km	157	163		230	240	
16.3 km – 17.2 km	161	167		230	240	
17.3 km – 18.2 km	165	171		230	240	
18.3 km – 19.2 km	169	175		230	240	
19.3 km – 20.2 km	172	178		240	250	
20.3 km – 21.2 km	175	181		240	250	
21.3 km – 22.2 km	178	184	6	240	250	10
22.3 km – 23.2 km	181	187		240	250	
23.3 km – 24.2 km	183	189		250	260	
24.3 km – 25.2 km	185	191		250	260	
25.3 km – 26.2 km	187	193		250	260	
26.3 km – 27.2 km	188	194		250	260	
27.3 km – 28.2 km	189	195		250	260	
28.3 km – 29.2 km	190	196		250	260	
29.3 km – 30.2 km	191	197		250	260	
30.3 km – 31.2 km	192	198		250	260	
31.3 km – 32.2 km	193	199		250	260	
32.3 km – 33.2 km	194	200		250	260	
33.3 km – 34.2 km	195	201		250	260	
34.3 km – 35.2 km	196	202		250	260	
35.3 km – 36.2 km	197	203		250	260	
36.3 km – 37.2 km	198	204		250	260	
37.3 km – 38.2 km	199	205		250	260	
38.3 km – 39.2 km	200	206		250	260	
39.3 km – 40.2 km	201	207		250	260	
Over 40.2 km	202	208		250	260	

b) Adult Fare Structure (Feeder Services)

Description	Card			Cash		
	Current	Approved	Change	Current	Approved	Change
Fare Per Ride (cent)	77	83	6	140	150	10

c) Senior Citizen Fare Structure (Trunk Services)

Distance	Fare Per Ride (cent)					
	Card			Cash		
	Current	Approved	Change			
Up to 3.2 km	54	55	1	100	No change	
3.3 km – 4.2 km	61	62		100		
4.3 km – 5.2 km	68	69		100		
5.3 km – 6.2 km	75	76		100		
6.3 km – 7.2 km	81	82		130		
Over 7.2 km	87	88		130		

d) Senior Citizen Fare Structure (Feeder Services)

Description	Card			Cash	
	Current	Approved	Change		
Fare Per Ride (cent)	54	55	1	100	No change

e) Student Fare Structure (Trunk Services)

Distance	Fare Per Ride (cent)					
	Card			Cash		
	Current	Approved	Change			
Up to 3.2 km	37	38	1	65	No change	
3.3 km – 4.2 km	42	43		65		
4.3 km – 5.2 km	47	48		65		
5.3 km – 6.2 km	52	53		65		
6.3 km – 7.2 km	55	56		85		
Over 7.2 km	58	59		85		

f) Student Fare Structure (Feeder Services)

Description	Card			Cash	
	Current	Approved	Change		
Fare Per Ride (cent)	37	38	1	65	No change

g) Adult Fare Structure (Express Services)

Distance	Fare Per Ride (cent)					
	Card			Cash		
	Current	Approved	Change	Current	Approved	Change
Up to 3.2 km	137	143	6	220	230	10
3.3 km – 4.2 km	147	153		220	230	
4.3 km – 5.2 km	157	163		220	230	
5.3 km – 6.2 km	167	173		220	230	
6.3 km – 7.2 km	176	182		220	230	
7.3 km – 8.2 km	183	189		220	230	
8.3 km – 9.2 km	189	195		235	245	
9.3 km – 10.2 km	193	199		235	245	
10.3 km – 11.2 km	197	203		235	245	
11.3 km – 12.2 km	201	207		250	260	
12.3 km – 13.2 km	205	211		250	260	
13.3 km – 14.2 km	209	215		250	260	
14.3 km – 15.2 km	213	219		250	260	
15.3 km – 16.2 km	217	223		265	275	
16.3 km – 17.2 km	221	227		265	275	
17.3 km – 18.2 km	225	231		265	275	
18.3 km – 19.2 km	229	235		265	275	
19.3 km – 20.2 km	232	238		280	290	
20.3 km – 21.2 km	235	241		280	290	
21.3 km – 22.2 km	238	244		280	290	
22.3 km – 23.2 km	241	247		280	290	
23.3 km – 24.2 km	243	249		300	310	
24.3 km – 25.2 km	245	251		300	310	
25.3 km – 26.2 km	247	253		300	310	
26.3 km – 27.2 km	248	254		300	310	
27.3 km – 28.2 km	249	255		300	310	
28.3 km – 29.2 km	250	256		300	310	
29.3 km – 30.2 km	251	257		300	310	
30.3 km – 31.2 km	252	258		300	310	
31.3 km – 32.2 km	253	259		300	310	
32.3 km – 33.2 km	254	260		300	310	
33.3 km – 34.2 km	255	261		300	310	
34.3 km – 35.2 km	256	262		300	310	
35.3 km – 36.2 km	257	263	300	310		
36.3 km – 37.2 km	258	264	300	310		
37.3 km – 38.2 km	259	265	300	310		
38.3 km – 39.2 km	260	266	300	310		
39.3 km – 40.2 km	261	267	300	310		
Over 40.2 km	262	268	300	310		

h) Senior Citizen Fare Structure (Express Services)

Distance	Card Fare Per Ride (cent)		
	Current	Approved	Change
Up to 3.2 km	99	100	1
3.3 km – 4.2 km	106	107	
4.3 km – 5.2 km	113	114	
5.3 km – 6.2 km	120	121	
6.3 km – 7.2 km	126	127	
Over 7.2 km	132	133	

i) Student Fare Structure (Express Services)

Distance	Card Fare Per Ride (cent)		
	Current	Approved	Change
Up to 3.2 km	67	68	1
3.3 km – 4.2 km	72	73	
4.3 km – 5.2 km	77	78	
5.3 km – 6.2 km	82	83	
6.3 km – 7.2 km	85	86	
Over 7.2 km	88	89	

TRAIN FARES (w.e.f. 29 December 2018)

a) Adult Fare Structure (MRT and LRT)

Distance	Fare Per Ride (cent)							
	Card				Change	Single Trip Ticket		
	Current		Approved			Current	Approved	Change
	Tap in Before 7.45 am	Tap in at All Other Timings	Tap in Before 7.45 am	Tap in at All Other Timings				
Up to 3.2 km	27	77	33	83	6	140	150	10
3.3 km – 4.2 km	37	87	43	93		160	170	
4.3 km – 5.2 km	47	97	53	103		160	170	
5.3 km – 6.2 km	57	107	63	113		160	170	
6.3 km – 7.2 km	66	116	72	122		180	190	
7.3 km – 8.2 km	73	123	79	129		180	190	
8.3 km – 9.2 km	79	129	85	135		180	190	
9.3 km – 10.2 km	83	133	89	139		200	210	
10.3 km – 11.2 km	87	137	93	143		200	210	
11.3 km – 12.2 km	91	141	97	147		220	230	
12.3 km – 13.2 km	95	145	101	151		220	230	
13.3 km – 14.2 km	99	149	105	155		220	230	
14.3 km – 15.2 km	103	153	109	159		220	230	
15.3 km – 16.2 km	107	157	113	163		230	240	
16.3 km – 17.2 km	111	161	117	167		230	240	
17.3 km – 18.2 km	115	165	121	171		230	240	
18.3 km – 19.2 km	119	169	125	175		230	240	
19.3 km – 20.2 km	122	172	128	178		240	250	
20.3 km – 21.2 km	125	175	131	181		240	250	
21.3 km – 22.2 km	128	178	134	184		240	250	
22.3 km – 23.2 km	131	181	137	187		240	250	
23.3 km – 24.2 km	133	183	139	189		250	260	
24.3 km – 25.2 km	135	185	141	191		250	260	
25.3 km – 26.2 km	137	187	143	193		250	260	
26.3 km – 27.2 km	138	188	144	194		250	260	
27.3 km – 28.2 km	139	189	145	195		250	260	
28.3 km – 29.2 km	140	190	146	196		250	260	
29.3 km – 30.2 km	141	191	147	197		250	260	
30.3 km – 31.2 km	142	192	148	198		250	260	
31.3 km – 32.2 km	143	193	149	199		250	260	
32.3 km – 33.2 km	144	194	150	200		250	260	
33.3 km – 34.2 km	145	195	151	201		250	260	
34.3 km – 35.2 km	146	196	152	202		250	260	
35.3 km – 36.2 km	147	197	153	203		250	260	
36.3 km – 37.2 km	148	198	154	204		250	260	
37.3 km – 38.2 km	149	199	155	205		250	260	
38.3 km – 39.2 km	150	200	156	206	250	260		
39.3 km – 40.2 km	151	201	157	207	250	260		
Over 40.2 km	152	202	158	208	250	260		

b) Senior Citizen Fare Structure (MRT and LRT)

Distance	Card Fare Per Ride (cent)
----------	---------------------------

	Current		Approved		Change
	Tap in Before 7.45 am on Weekdays (Excluding Public Holidays)	Tap in at All Other Timings	Tap in Before 7.45 am on Weekdays (Excluding Public Holidays)	Tap in at All Other Timings	
Up to 3.2 km	4	54	5	55	1
3.3 km – 4.2 km	11	61	12	62	
4.3 km – 5.2 km	18	68	19	69	
5.3 km – 6.2 km	25	75	26	76	
6.3 km – 7.2 km	31	81	32	82	
Over 7.2 km	37	87	38	88	

c) Student Fare Structure (MRT and LRT)

Distance	Card Fare Per Ride (cent)				Change
	Current		Approved		
	Tap in Before 7.45 am on Weekdays (Excluding Public Holidays)	Tap in at All Other Timings	Tap in Before 7.45 am on Weekdays (Excluding Public Holidays)	Tap in at All Other Timings	
Up to 3.2 km	0	37	0	38	1
3.3 km – 4.2 km	0	42	0	43	
4.3 km – 5.2 km	0	47	0	48	
5.3 km – 6.2 km	2	52	3	53	
6.3 km – 7.2 km	5	55	6	56	
Over 7.2 km	8	58	9	59	

MONTHLY CONCESSION PASSES (w.e.f. 29 December 2018)*

**No change*

a) Bus Monthly Concession Passes

Cardholders	Price
Primary Student	\$22.50
Secondary Student	\$27.50
Polytechnic Student	\$27.50
University Student	\$52.00
Full-time National Serviceman	\$52.00

b) Train Monthly Concession Passes

Cardholders	Price
Primary Student	\$20.00
Secondary Student	\$25.00
Polytechnic Student	\$25.00
University Student	\$45.00
Full-time National Serviceman	\$45.00

c) Hybrid Monthly Concession Passes and Adult Monthly Travel Pass

Cardholders	Price
Primary Student	\$41.00
Secondary Student	\$51.00
Polytechnic Student	\$51.00
University Student	\$85.00
Full-time National Serviceman	\$85.00
Adult (Monthly Travel Pass)	\$120.00
Senior Citizen	\$60.00

#####