

Tracking and ensuring fare play

Transport GPC chairs address their concerns

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WHEN it comes to public transport, everybody considers himself an expert, said Mr Chay Wai Chuen, 54, ex-chair for the Government Parliamentary Committee (GPC) for Transport and MP since 1988.

After two years of steering his committee towards improving the quality of parliamentary debate on transport issues, Mr Chay said: "Whether it is ERP fares, bus fares or taxi fares, everyone looks at the issue from his or her own perspective. Journalists have their own agenda (as do) second-hand car dealers, new car agents, finance companies, car owners and commuters.

"You need to find the balance, and it is difficult to satisfy all, but there is always a solution to the problem."

He cited fare costs as one of the main challenges his GPC has always faced. "The priority set by my GPC was on the quality of public transport service balanced by the cost of providing it.

"People tend to forget about the quality of our public transport. We have good-quality public transport, but, of course, it can also be improved," he said.

"Actually, the cost of public transport in Singapore is very reasonable compared to elsewhere. When the economy is down and people are asked to tighten their belts, the real challenge is to get public transport providers to also be sensitive to the public and the economic mood."

The six-year-old CPI+X formula for fare adjustment — which is pegged to the consumer price index (CPI) — is now undergoing review. This is a task Mr Chay has passed on to his successor, Mr Ong Kian Min, 44, who took over as the chair of the Transport GPC last month.

The value of X takes into account cost increases and discounts for productivity of the transport operator. The review should result in a framework that continues to achieve a good balance between affordable fares and sustainable transport operations.

Since the implementation of the CPI+X formula in 1998, public fares have increased by a total of 5 per cent — lower

than the cap of 15 per cent allowed by the mechanism and the 20-per-cent average increase in wages over the last six years.

Mr Ong, an MP since 1997, said the review report would be ready "early next year", before the mid-year period when transport operators usually apply for a revision in bus and rail fares. He is also collating feedback from taxi operators on the liberalised taxi market, before making any recommendations to the Government.

"On one side, the commuters are complaining of a lack of availability of taxis at certain times. On the other hand, drivers are concerned with the decrease in income and the increase in the number of taxis on the road," said Mr Ong.

Linked closely to the issue of fare increase is the current "wastage" created by competition between Singapore's two main transport operators, SMRT Corporation and ComfortDelGro.

"While it is up to the two companies to decide on a merger, from the point of view of the national economy, there is a lot of wastage. This translates into higher costs for commuters," said Mr Ong.

"If a more efficient transport system means that one operator should be running the show, then I think we should move towards that end."

He emphasised, however, that it was "ultimately up to the operators".

The North-east Line, run by ComfortDelGro's subsidiary SBS Transit, made a \$20-million loss over the past year.

However, while Mr Ong was in support of a rail merger because it is a "heavy industry with a lot of synergy", he thought there should be more players in the domain of buses and taxis.

Expressing confidence in his parliamentary colleague, Mr Chay said: "We should benchmark our transport system against the many metropolitan systems all over the world and learn from them all."