

March 7, 2005

Bus and train fares may rise... or not

By Jane Ng

IT IS too early to tell if bus and train fares will go up this year under the new formula for fare changes the government approved last week, said Transport Minister Yeo Cheow Tong yesterday.

This is because transport operators have until next month to apply to the [Public Transport Council](#), which needs to give approval, if they want to raise their fares.

In any case, said Mr Yeo, the PTC also has to wait until data on average changes in the Consumer Price Index and wages for last year are available, as these are needed in calculating the new fares.

The new formula, unlike the old one which pegged fares only to the Consumer Price Index, allows for fares to go down during an economic downturn. It was proposed by the Parliamentary Committee for Transport headed by MP Ong Kian Min and accepted by the Government last week.

Speaking to reporters after a community function in Yew Tee, Mr Yeo also rebutted cab companies' complaints that the driving safety standards imposed on them were too harsh.

All the taxi companies, except for Trans-Cab, were recently fined for the first time for not meeting the standards.

But Mr Yeo said the standard - no more than two accidents per 10 million kilometres - was based on what the companies themselves achieved from 1999 to 2001.

He said that taxi operators played a big part in shaping the behaviour of their drivers, and called on them to use a 'carrot and stick' approach with cabbies.

'The company has to have a system of incentivising taxi drivers to be safe.

'For those who are reckless, there must also be a system for penalising them,' he said.

The [Land Transport Authority](#) had been fair to the companies, taking into account only accidents caused by the driver or 'when the taxi driver himself played a part in the accident', he said.

'The LTA does differentiate,' he said.