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Submission: 1. Totally agree that an integrated fare structure is the way forward. Instead of setting up a new system for multi-mode journeys, mode hierarchy would be a useful alternative tool that applies priority single mode fares to multi-mode journeys. This would avoid the confusion caused for customers.

2. The proposed fare structure for single mode journeys would increase around 24% fares for weekly public transport commuting users. Please refer to the attached calculation. This would affect about 500,000 public transport commuting journeys on an average weekday. About 43,000 of the public transport users per weekday would change to other modes due to the fare hike, mostly to the private car.

3. The proposed fare increases for single mode journeys and weekly caps over the future years are much higher than the CPI increase in the past.

4. A public transport fare structure has wider implications than revenue collection and cost recovery. It has implications on land use planning and accessibility measures. With the proposed fares which increase the fares over long distant journeys, people would choose more the private car, and the accessibility by public transport would decrease. This would add pressure on road network infrastructure and discourage to develop and expand public transport network.

	Current fare		Proposed 2016-17		Weekly Increase %
	Average fare (\$2015-16)		Average fare per		
	per trip	weekly (8 trips)	trip	weekly (10 trips)	
<b>Rail</b>	3.07	24.56	3.04	30.39	24%
<b>Bus</b>	2.30	18.40	2.25	22.54	23%
<b>Ferry</b>	4.30	34.40	4.34	43.43	26%
<b>Light rail</b>	1.83	14.64	1.63	16.29	11%
<b>Total</b>	2.79	22.32	2.73	27.34	23%

Source: Average fare (\$2015-16) is from Table 1.5 of this draft report.

commute trips average weekday	train	bus	Total	Elasticity	Shift away to other modes
2012_13 HTS	357,000	165,000	522,000	-0.35	- 43,391

Source: train and bus numbers are from the 2012-13 Household Travel Surveys report, elasticity is from this draft report.