

LEGCO PANELS ON TRANSPORT AND FINANCIAL AFFAIRS

HOW PUBLIC VIEWS COLLECTED IN RELATION TO FARES ARE TAKEN INTO ACCOUNT BY THE MTR CORPORATION

Background

1. On 4 October 1999 at the meeting of the LegCo Joint Panels on Transport and Financial Affairs, Members asked how public views collected in relation to fares are taken into account by the MTR Corporation. This paper set out the process of fare consultation and the corresponding actions taken over the years.

Fare Consultation

2. Before any fare increase, the Corporation will first undertake surveys to directly gauge views from members of the public. Over the years, the Corporation has consistently commissioned at least two independent surveys every year. Each of these surveys covered over 1, 000 respondents to better gauge public views on MTR fares. The Corporation will then consult the LegCo Transport Panel and the Transport Advisory Committee.
3. All these views are taken into account by the Board in deciding on a fare revision. A submission will then be made to the Executive Council. The rationale for fare adjustment is fully explained to the Executive Council, LegCo Transport Panel, Transport Advisory Committee as well as the general public before implementation.

Actions

4. The Corporation fully appreciates public concern for fares to be maintained at a reasonable level. Over the last 20 years, the MTR fare rises have averaged below inflation.

5. Table I summarizes corresponding actions taken over the years in response to concerns expressed by the public. In addition to Concession Fares for Children and Students, Early Bird Passes, Concession Fares for the Elderly, etc were offered to meet public wishes. The Peak Hour Surcharge was eliminated immediately after the enhancement of the peak hours train frequency in 1993.

November 1999
MTR Corporation

**Table I A Summary of the Actions Taken by the
MTR Corporation In Response to Public
Concerns on Fares**

Concerns and Views from the Public	Implementation
<p>EARLY BIRD PASS Morning peak congestion on Tsuen Wan Line was experienced before train frequency could be further enhanced. There were suggestions for measures to encourage more non peak travel. Among those, 'Early Bird Pass' was suggested by Dr. Ho Lok Sang of the Chinese University of Hong Kong.</p>	<p>Early Bird Passes were implemented from June 1988 to April 1990.</p>
<p>CONCESSION FOR THE ELDERLY The Hon Edward S. T. Ho suggested extending concession fares to the elderly at the OMELCO Panel of Welfare Service on 31 Jan 1992.</p>	<p>Elderly Concession Fares implemented from May 1992.</p>
<p>STAGGERED HOURS DISCOUNTS To further relieve congestion along the Nathan Road corridor during peak hours, LegCo Members suggested providing 'carrot as well as stick'.</p>	<p>Staggered Hours Discounts were introduced in May 1990. The discounts were withdrawn in June 1999 when the peak hour congestion problem was solved with the</p>

	introduction of Tung Chung Line service.
<p>WITHDRAWAL OF PEAK SURCHARGE</p> <p>The Peak Surcharge, as an interim measure to alleviate the peak hour congestion problem, was heavily criticized by Legco and the public.</p>	<p>With train frequency enhanced in 1993, peak surcharge was withdrawn from May 1993.</p>
<p>AIRPORT EXPRESS FARE</p> <p>Before the Airport Express Lines commenced service, extensive consultation and surveys were conducted in 1998. The LegCo Transport Panel, Transport Advisory Committee and the Airport Consultative Committee were consulted.</p>	<p>Following consultation, the Airport Express fare was brought down from \$150 to \$100. 30% promotional discount has been offered upon its opening up till today.</p>