



2019 MTR Fare Adjustment

Legislative Council Panel on Transport
April 2019



40 years of safe, reliable and efficient railway service



2018 - total no. of passengers
(Heavy rail + light rail + MTR
Bus)

Over **2 billion**

about
2%



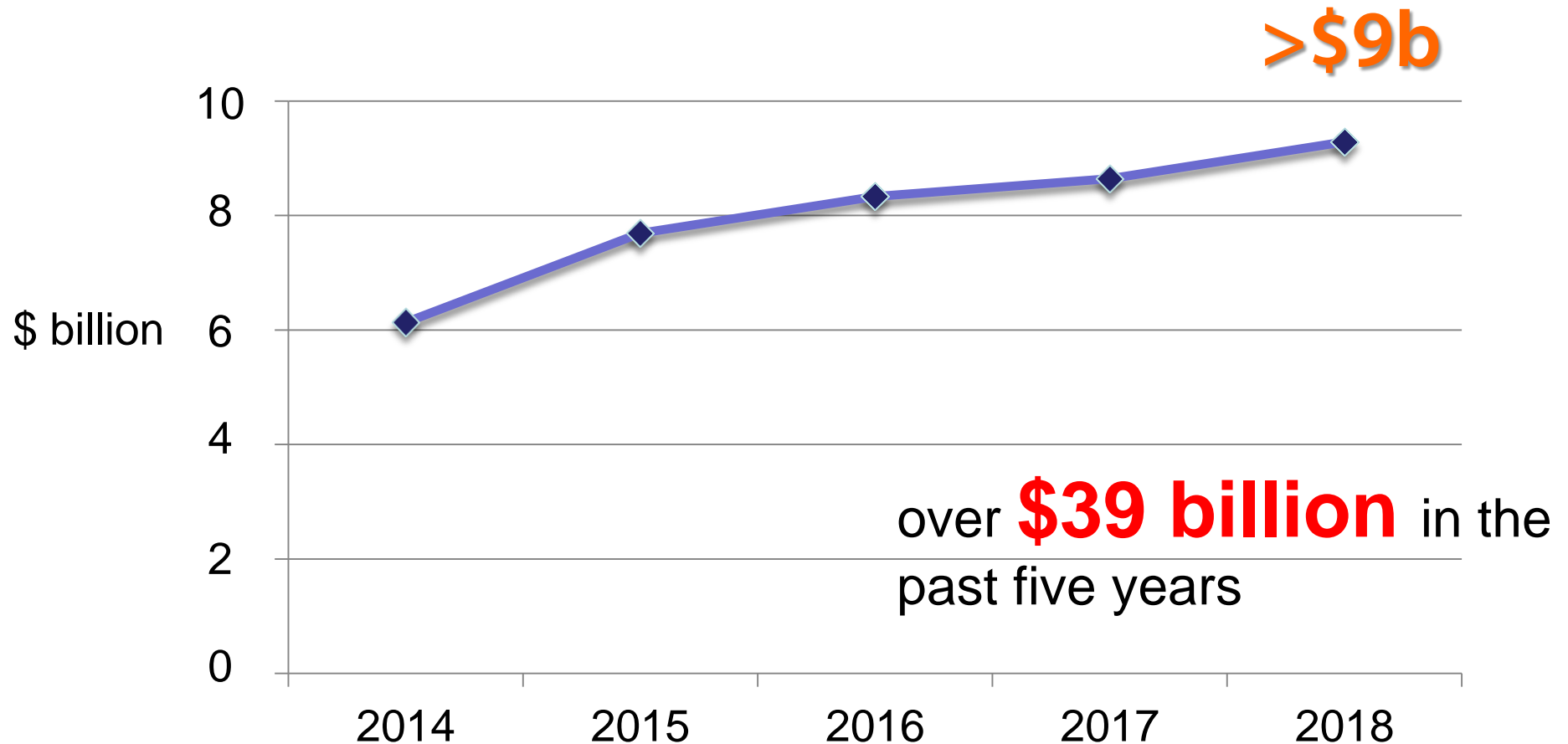
2018 - total no. of trips operated
(Heavy rail + light rail + MTR
Bus)

Over **3.91million**

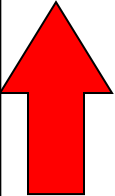


about
13,000

(compared
with 2017)

Continuous investment in maintenance and asset renewal



Increasing manpower

	2008	2018	
Total number of full time and part-time railway staff	Over 8,500	Over 12,700	 about 50%
Maintenance staff	Over 3,700	Over 5,300	 about 43%
Contractors' maintenance staff	Over 1,180 [#]	Over 1,840	 about 56%

2010 figure

Service and facility enhancement



Providing drinking water-dispenser



MTR mobile App *Waiting Time Indicator*



Increasing train trips



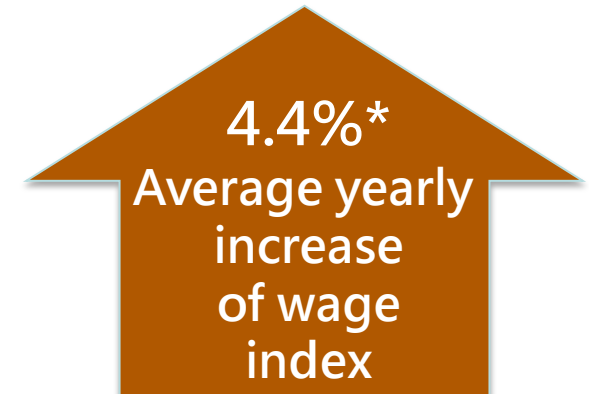
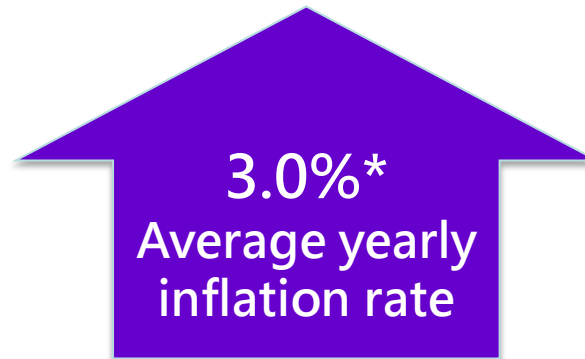
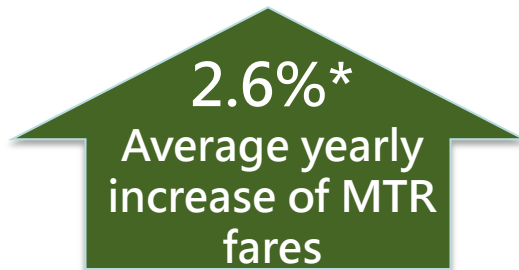
Public toilets and baby care rooms will be available in 7 interchange stations



Providing new escalators and lifts (photomontage)

Comparison of MTR fares with HK economic data and fares of other metros

2008-2018



Home Background Benchmarking CoMET and Nova Members Contacts News Publications Home

MTR fares on a passenger-kilometre basis as a percent of income is **at a relatively lower level**

A benchmarking study in 2017 by Community of Metros on 36 metro fares in major cities

* The figure refers to the compound annual growth rate for the period of 2008-2018

Customer satisfaction survey

- Regular surveys conducted to collect passengers' feedback on MTR services and railway facilities
- More than 57,000 passengers surveyed in 2018
- Around 80% of respondents are satisfied or very satisfied with the safe railway service
- Over 70% of respondents are satisfied or very satisfied with passenger information, station environment and hygiene, station staff service, train service and reliability of station facilities



2019/20 MTR Fare Adjustment

Step 1 – Basic calculation applying the FAM formula

Year-on-year % change in Composite Consumer Price Index (CCPI) for Dec 2018	Year-on-year % change in Nominal Wage Index (Transportation) for Dec 2018	Productivity Factor
2.5%	5.9%	

$$(0.5 \times 2.5\%) + (0.5 \times 5.9\%) - 0\% = +4.2\%$$

Step 2 – Taking into account the special adjustment

less 0.6%

$$= +3.6\%$$

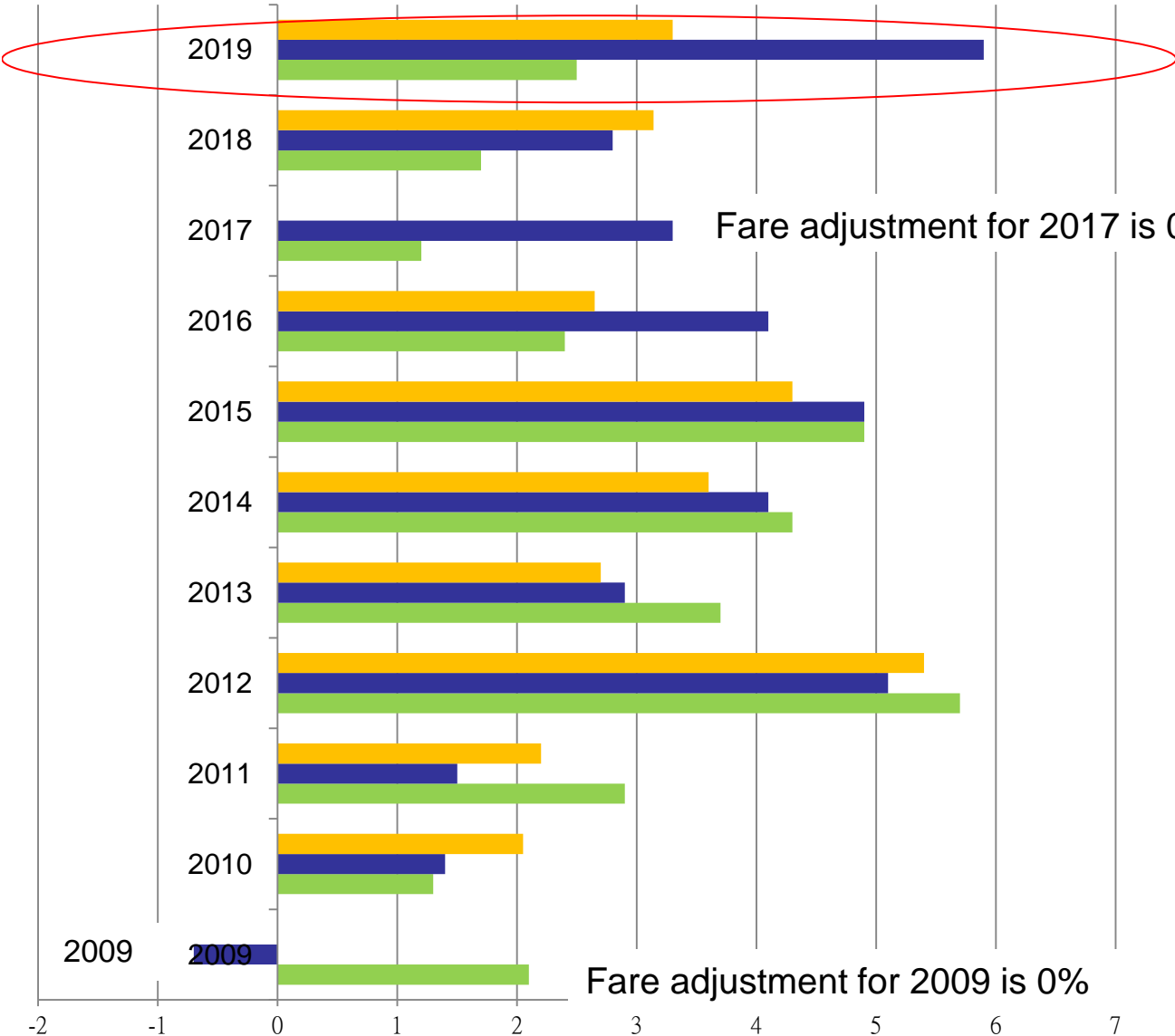
Step 3 – Taking into account the Affordability Cap

comparing with the Year-on-year change in MMHI in the fourth quarter of 2018 +3.3%

$$= +3.3\%$$

Changes in Nominal Wage Index (Transportation), CCPI and MTR fare adjustment rates from 2009-2019 (%)

Nominal Wage Index (Transportation) for 2018 is the highest in the last 10 years



- MTR Fare adjustment rate
- Year-on-year % change in Nominal Wage Index (Transportation) for Dec of the previous year
- Year-on-year % change in CCPI for Dec of the previous year

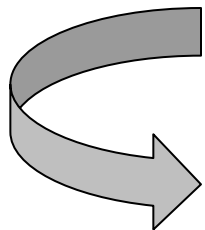
Affordability Cap

- Introduced in the 2013 review to take public affordability into account
- Making reference to the Median Monthly Household Income

Affordability cap (+3.3%)

Fare adjustment rate (+3.6%)

Not higher than



the remaining **+0.3%** fare adjustment → recouped
in **2021/22**

Octopus users experience **NO fare increase** in 2019

“Profit Sharing Mechanism”: **\$225m**

“Service Performance Arrangement”: **\$20m**

✓ Octopus users will enjoy ~~6 months~~ of ~~3%~~ rebate
40 weeks of **3.3%**

Topped-up



Expected to benefit approx.
5 million passenger trips per day

Octopus users experience **NO fare increase** in 2019

2019

- ✓ **No fare increase** for Octopus users
- ✓ Existing prices of all Monthly Pass Extras and Day Pass **remain unchanged**



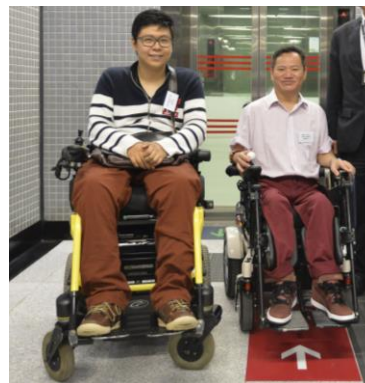
On-going fare promotions catering for needs of different segments of passenger



Approx. half-price



\$2 per journey*



\$2 per journey*



Approx. half-price



Other Interchange discounts



Passengers taking medium-to-long haul trips: Monthly passes

Amounting to **over \$2.7b** in 2018

Benefiting approx.
1.6 million
passenger trips

* partially funded by MTR

All rail lines covered

全月通 加強版
 5款覆蓋4條新界路線
 任搭無上限 連接車程兼享75折*

Monthly Pass Extra
 5 types of Monthly Pass Extra for you to get savings on unlimited rides, plus 25% off* on connecting journeys

東鐵綫(普通等)及馬鞍山綫 East Rail Line (Standard Class) and Ma On Shan Line	西鐵綫 West Rail Line	東涌綫 Tung Chung Line
上水/烏溪沙 — 尖東 Sheung Shui/Wat Tsui Sha — Tse Tung \$485	屯門 — 南昌 Tuen Mun — Nam Chung \$515	屯門 — 紅磡 Tuen Mun — Hung Koi \$600
	東涌 — 南昌 Tung Chung — Nam Chung \$405	東涌 — 香港 Tung Chung — Hong Kong \$635

MTR 港鐵
 心繫生活每一程

港鐵都會票
 覆蓋63個市區車站
 40日內搭40程只需\$435

MTR City Saver
 Valid for 40 single journeys in 40 days for just \$435, covering 63 urban stations.

Fare savings: **14 - 42%**

Continuous investment in system renewal to maintain high-quality service



Chiller replacement



New trains for heavy and light rail



AEL train saloon renovation



Enrich passenger information on Mobile Apps



Major escalator refurbishment works



Major ticket gate refurbishment works



Thank you