

立法會
Legislative Council

LC Paper No. CB(4)467/19-20(04)

Ref : CB4/PL/TP

Panel on Transport
Meeting on 24 April 2020

Updated background brief on fare adjustments by
the MTR Corporation Limited

Purpose

This paper provides updated background information on the Fare Adjustment Mechanism ("FAM") of the MTR Corporation Limited ("MTRCL") and summarizes the major views and concerns expressed by the Panel on Transport ("the Panel") about FAM and fare adjustments by MTRCL in recent discussions.

The Fare Adjustment Mechanism of the MTR Corporation Limited

2. The existing FAM has been put in place since the rail merger in 2007 to replace the fare autonomy MTRCL until then enjoyed.¹ According to the Administration, FAM is an open, objective and transparent mechanism. Under FAM, fare adjustments of MTRCL are made through a direct-drive formula that takes into account economic figures released by the Government. The formula is as follows:

¹ FAM forms part of the rail merger agreement between the Government and MTRCL, and is included in the Operating Agreement signed between the two parties. It is legally binding.

Overall fare adjustment rate =

$$\begin{aligned} &0.5 \times \text{change in Composite Consumer Price Index ("CCPI")} \\ &\quad (\text{in December of the previous year}) + \\ &0.5 \times \text{change in Nominal Wage Index (Transportation Section)} \\ &\quad \text{"(NWI(TS))"} (\text{in December of the previous year}) - \\ &\text{Productivity Factor ("PF")} \text{ the value of which is set at 0\%} \\ &\quad \text{from 2017-2018 to 2022-2023}^2 \end{aligned}$$

Further, MTRCL has agreed to, based on the fare adjustment outcome as per the FAM formula for the six years from 2017-2018 to 2022-2023, lower its fare increase by 0.6 percentage point each year.

3. Pursuant to the Operating Agreement signed between the Government and MTRCL in August 2007, the FAM of MTRCL is to be reviewed every five years. The first review was conducted in 2013.³ The second review is originally planned for completion in 2018, but upon the Government's request in 2016, MTRCL agreed to advance the FAM review one year earlier. The 2017 review outcome is applicable to the fare adjustment of the six-year period from 2017-2018 to 2022-2023.⁴

Outcome of the review on the FAM in 2017

4. Salient points of the FAM review outcome in 2017 include:
- (a) retain the existing direct-drive FAM formula and reduce the fare adjustment rate by 0.6 percentage point;
 - (b) increase the provision for fare concessions under the "Profit Sharing Mechanism" ("PSM") in response to public concern about the correlation between MTRCL's profitability and the implementation of FAM. Details are set out in **Appendix I**.

² Productivity is measured as a ratio between income and cost in MTRCL's transport operation and shared between MTRCL and the passengers. According to the Operation Agreement and the above methodology, in the event that PF value is negative, it should be reset at zero to avoid the situation where fare increase rate according to the FAM formula would be increased as a result of a negative PF value. MTRCL has agreed to, based on the fare adjustment outcome as per the FAM formula for the six years from 2017-2018 to 2022-2023, lower its fare increase by 0.6 percentage point each year to ensure that passengers can still benefit from a moderated fare adjustment to an extent which is consistent with the prevailing PF value of 0.6 percentage point.

³ See THB(T)CR33/1017/99.

⁴ See THB(T)CR19/5591/00.

- (c) increase the provision for fare concessions under "Service Performance Arrangement" ("SPA"). The maximum amount to be given back to passengers for each serious service disruption, as defined as disruptions of 31 minutes or above caused by factors within MTRCL's control, has been increased from \$15 million to \$25 million;⁵
- (d) 3% Rebate – the total amount set aside under PSM and SPA will be used to fund a 3% fare discount per trip for passengers who travel on MTR journeys using Octopus. The scheme will last for at least six months every year to benefit more passengers, without any condition. If the proceeds are insufficient to cover the full period, MTRCL will top up the balance;
- (e) interchange discounts for Green Minibuses – a new discount of \$0.3 for interchange between MTR and Green Minibus routes (over 500 routes in total) will be offered to Octopus users. The new interchange concession is expected to be implemented until June 2023;
- (f) extend monthly pass schemes and related fare promotions – Monthly Pass Extras and MTR City Saver have been extended to June 2023, and the validity of the MTR City Saver was extended from 30 to 40 days to enable more flexible use for passengers;
- (g) retain the affordability cap under FAM – this would ensure that the fare increase pursuant to the FAM formula outcome should not be higher than the change in the Median Monthly Household Income ("MMHI") for the corresponding period; and

⁵ The amount to be set aside for fare concession for each serious service disruption under the Service Performance Arrangement:

Equal to or more than 31 minutes but less than or equal to one hour	\$1 million
More than one hour but less than or equal to two hours	\$2 million
More than two hours but less than or equal to three hours	\$3 million
More than three hours but less than or equal to four hours	\$5 million
Each additional hour (or part thereof) exceeding four hours	\$2.5 million
Maximum amount per incident, i.e. covering a disruption of twelve hours or more	\$25 million

- (h) continue to offer other fare concessions, including the "Early Bird Discount Promotion" Programmes.

Adjustments to MTR fares

5. MTRCL adjusts its fares in accordance with FAM in June every year. Since the rail merger in 2007, MTR fares have been adjusted nine times. Details are as follows:

<u>Year</u>	<u>Overall fare adjustment rate</u>
2008	0%
2009	0%
June 2010	+2.05%
June 2011	+2.2%
June 2012	+5.4%
June 2013	+2.7%
June 2014	+3.6%
June 2015	+4.3%
June 2016	+2.65%
2017	0%
2018	+3.14%
2019	+3.3% ⁶

6. According to FAM, MTRCL shall offer 3% fare rebate from the funds set aside under PSM and SPA to passengers for at least six months every year (i.e. paragraph 4d above). MTRCL announced in April 2019 that to commemorate the 40 years of commissioning of MTR services, it would set aside further additional resources in addition to \$225 million under PSM and \$20 million under SPA for 2019, to offer a "3.3% rebate" promotion to passengers for a total of 40 weeks starting from June 2019. With the 3.3% rebate, Octopus passengers would experience no MTR fare increase from June 2019 to early April 2020. The existing prices of "MTR City Saver", "Monthly Pass Extras" and "Tuen Mun – Nam Cheong Day Pass" would also remain unchanged until early April 2020.

⁶ Calculation of 2019 fare adjustment rate is as follows:
(0.5 x Change in CCPI for December 2018 which was 2.5%) + (0.5 x Change in NWI(TS) for December 2018 which was 5.9%) – PF which was 0% - Special annual adjustment of 0.6% = +3.6%.

However, as +3.6% was higher than the year-on-year percentage change in MMHI in the fourth quarter of 2018 at =+3.3%, overall fare adjustment rate for 2019/2020 will be capped at +3.3% in accordance with "Affordability Cap". The difference of +0.3% fare adjustment will be recoupled in the year 2021/2022.

MTR Fare Adjustment for 2020

7. On 26 March 2020, MTRCL announced that the overall adjustment rate of MTR fares in 2020-2021 according to FAM should be +2.55%.⁷ In view of the "Affordability Cap", there would be no actual fare increase for 2020.⁸ In view of the impact of the novel coronavirus epidemic on local community, the "3.3% rebate" would be further extended from end of June 2020 until January 2021, therefore no actual adjustment to MTR fares paid by all passengers in 2020. Press release of MTRCL on fare adjustment for 2020 is in **Appendix II**.

Recent developments on MTR fare concessions

8. In response to the challenges arising from the novel coronavirus epidemic, the Chief Executive announced on 8 April 2020 a series of relief measures to relieve the financial burden of individuals and businesses and assist the economy to recover. One of the measures was that MTRCL would provide a 20% fare reduction for a time-limited period of six months between 1 July 2020 and 1 January 2021. It was estimated that more than 5 million passenger trips would benefit from this measure. The Administration would provide financial assistance to MTRCL on a 50:50 matching basis. Estimated additional expenditure for the Administration would be around \$800 million. In addition, MTRCL would offer all monthly pass passengers a flat rate reduction of \$100 off their purchase of monthly passes from July 2020 to December 2020.

Major views and concerns expressed by Panel members

⁷ Calculation of 2020 fare adjustment rate is as follows:
(0.5 x Change in CCPI for December 2019 which was 2.9%) + (0.5 x Change in NWI(TS) for December 2019 which was 3.4%) – PF which was 0% - Special annual adjustment of 0.6% = +2.55%.

⁸ According to "Affordability Cap", effective fare increase pursuant to FAM shall not be higher than the year-on-year change in MMHI for the fourth quarter of the previous year (i.e. paragraph 4g above). The relevant figure was -2.48% as published by the Census and Statistics Department earlier and it will be deemed as 0% according to the mechanism. Since the fare adjustment rate calculated in 2020 (+2.55%) is greater than 0%, the "Affordability Cap" will be triggered. After discussion with the Administration, MTRCL will recouple the fare adjustment (+2.55%) in the subsequent two years (+1.28% to be recouped in 2021/2022 and +1.27% to be recouped in 2022/2023).

Increases in MTR fares

9. Members discussed the 2019 MTR fare adjustment at the Panel meeting on 26 April 2019. Members were dissatisfied that despite hefty profits earned by MTRCL in 2018, it still sought a fare adjustment of 3.3% in accordance with FAM. They further opined that the "3.3% rebate" promotion could not meet passengers' expectations and called on MTRCL to immediately freeze or even lower the fare. Some members enquired whether MTRCL could exercise discretion not to follow the direct-drive formula under FAM.

10. In reply to members' concern above, MTRCL explained that fare revenue was an important source of income for maintaining its existing railway network and enabling MTRCL to continue to provide efficient railway services. The Administration also added that under FAM, fares would be adjusted according to the economic figures released by the Government. It was legally binding and included in the Operating Agreement between the Administration and MTRCL. That said, the Administration shared the concern of the public of the impact of fare increase on passengers and would continue to impress upon MTRCL to offer more fare concessions to meet passengers' expectations and to lessen their fare burden.

11. There was a view expressing that the Administration was using public money to subsidize MTRCL through the Public Transport Fare Subsidy Scheme ("PTFSS"), as a majority of the public used railway as their major mode of transport. The Administration clarified that the objective of PTFSS was to relieve the burden of transport-related expenses on the public and the scope of PTFSS was not confined to railway service only.

12. Members also suggested ways to mitigate the impact of MTR fare increase, such as deploying the dividends received by the Government from MTRCL to subsidize/offset MTR fare increase or set up a fare stabilization fund. Some members considered that the Administration should buy back the shares of MTRCL so as to gain full control of MTR fares.

13. The Administration responded that it had been proactive in reflecting the community concerns to the Board of MTRCL from time to time and closely monitoring MTRCL's service performance. As regards the dividends received from MTRCL, they formed part of the public coffers and the Administration was obliged to ensure the prudent use of the dividends in appropriate areas. It also stressed that there had been

thorough discussions and general consensus in the community towards the listing of MTRCL in 2000 and the rail merger in 2007. Public interests had been protected through the introduction of FAM under the Operating Agreement. As such, the Administration had no plan to buy back MTRCL.

Views on FAM

14. Some members were disappointed with the outcome of the second FAM review conducted in 2017 which made no change to the FAM formula but only minor patch-ups introduced, such as a reduction in the fare adjustment rate by 0.6 percentage point from 2017-2018 to 2022-2023. They considered that the FAM formula should be linked to profits and service performance of MTRCL and suggested conducting a review on FAM afresh. In this connection, the Panel passed several motions at the meetings on 28 April 2017 and 15 May 2019⁹ respectively, urging the Administration and MTRCL to incorporate profit and service performance factors into the FAM formula. There was also a view on the appropriateness of including CCPI and NWI(TS) in the formula, as the two factors would normally go up every year and leading to fare increase as a result. A member also suggested replacing the change in NWI(TS) by the change on growth in real wages for all employees in Hong Kong in the formula to more accurately reflect wage changes.

15. The Administration explained that pursuant to the Operating Agreement between the Administration and MTRCL, the latter was required to review FAM every five years. The last review on FAM taken in 2017 was applicable to the period between 2017-2018 and 2022-2023, and might be subject to an earlier review if situation warranted.

Profit Sharing Mechanism and Service Performance Arrangement

16. At the Panel meeting on 18 May 2018, members noted that the maximum amount per incident of serious service disruption to be set aside for fare concession had been increased from \$15 million to \$25 million, but as service disruption lasting for more than eight hours was rather rare, it was unlikely that MTRCL would be penalized the maximum amount. Members suggested increasing the penalty level per incident of train service disruption for various durations in order to achieve the intended deterrent effect. Other members opined that SPA

⁹ Due to insufficient time, handling of the motions raised at the meeting on 26 April 2019 was carried over to the meeting of 17 May 2019.

was only a short-term palliative to reduce railway service disruptions, and MTRCL should attach importance to improving its maintenance of railway systems by applying advanced technology in the long term, such as drawing reference to the Mainland's experience in installing detectors to enable timely detection of irregularities in the railway network for taking prompt actions.

17. The Administration considered that the existing level of penalty per incident of train service disruption under SPA appropriate. Heavier penalties might put undue pressure on MTRCL's frontline staff. Notwithstanding this, the Administration noted members' suggestion and would consider this in future FAM reviews. As regards the issue of railway safety, MTRCL responded that the company had spent a significant amount of resources on maintaining, upgrading and renewing railway assets, and had been making use of advanced technology in railway maintenance.

18. During discussions at previous meetings, there was a particular concern that in case MTRCL manipulated to credit its huge profits derived from property developments under one single year, the underlying business profits in that year might far exceed the profit sharing limit and the profits to be shared through PSM would be disproportionate. In response, MTRCL assured members that the booking of profits was subject to vigorous accounting procedures, and there was no cause for MTRCL to credit the profits from property developments in one single year.

19. On members' concern over the remuneration of the senior management of MTRCL, the Administration has advised that the remuneration of MTRCL's staff at directorate level and above was already linked with the service performance of MTRCL.

Fare concessions

20. At the Panel meeting on 26 April 2019, members opined that the "Early Bird Discount Promotion Programme" should be further enhanced for better management of passenger flow to alleviate crowdedness in trains during peak hours. Considerations could be made to adopting a more flexible fare structure with fare differential of over 50% between peak and non-peak hours so as to bring about change in travelling habit. The Panel has passed two motions suggesting MTRCL to offer greater discount during non-peak hours and to encourage private enterprises to promote flexitime for their employees to dovetail with the initiative.

21. In response to the above suggestions, MTRCL explained that the effectiveness of fare concessions in alleviating crowdedness during peak hours was not apparent. In addressing the issue of train compartment congestion, MTRCL has taken a number of measures, such as increasing train frequency and providing real-time information on train service to passengers through mobile applications.

22. Members also pointed out that the single journey fares for the West Rail Line and Tung Chung Line were more than doubled than that of East Rail Line, and enquired if Day Pass would be introduced for the two railway lines. They considered that fare differential among the three railway lines should be addressed in the long-run. A motion was passed at the meeting on 17 May 2019 in this regard.

23. MTRCL replied that the company had comprehensively enhanced the monthly passes to address the need and affordability of frequent medium- and long-distance MTR passengers. MTRCL would review the effectiveness of the fare promotions from time to time and introduce suitable schemes as far as possible.

24. Several suggestions were noted during previous discussions of the Panel regarding fare concessions, including sharing a specified proportion, say 30%, of profits earned by MTRCL with the passengers and offering more concessions for a longer period. Some members were of the view that instead of spending resources to manage the various fare promotional schemes to benefit selected groups of passengers, MTRCL could simply lower the rate of fare increase so as to benefit all passengers.

25. In response, the Administration advised that MTRCL had been introducing different concession schemes from time to time in response to different market situations. Passengers might choose the most suitable fare concessions having considered their individual travel patterns. MTRCL supplemented that it had considered a basket of factors and made the best endeavours to strike a reasonable balance amongst interests of all stakeholders.

26. Regarding interchange concessions, the Administration advised that apart from offering interchange discounts in its own railway network, MTRCL also launched interchange discount schemes in collaboration with different public transport operators from time to time, having regard to the needs of the public. At the Panel meeting on 28 April 2017, members urged MTRCL to put more efforts into studying and considering the extension of the interchange discounts to bus routes operated by franchised bus companies such as Citybus Limited and New

World First Bus Services Limited. A motion was passed in this regard.

Relevant motions/questions moved/raised at Council meetings

27. The hyperlinks to relevant motions and questions moved/raised at Council meetings and other relevant papers are in **Appendix III**.

Latest development

28. The Administration plans to brief the Panel on MTR fare adjustment for 2020 at the Panel meeting to be held on 24 April 2020.

Council Business Division 4
Legislative Council Secretariat
21 April 2020

Appendix I

Existing arrangement of “Profit Sharing Mechanism”

The MTRCL will set aside the amount to be shared with passengers each year under different profit levels according to a pre-determined tiered table. Details of the pre-determined tiered table are as follows:

<u>Underlying Business Profit in previous Year</u>	<u>Amount for Fare Concessions</u>
Below \$5 billion	0
\$5 billion to <\$6 billion	\$75 million
\$6 billion to <\$7 billion	\$100 million
\$7 billion to <\$8 billion	\$125 million
\$8 billion to <\$9 billion	\$150 million
\$9 billion to <\$10 billion	\$175 million
\$10 billion to <\$11 billion	\$200 million
\$11 billion to <\$12 billion	\$225 million
\$12 billion to <\$13 billion	\$250 million
\$13 billion to <\$14 billion	\$275 million
\$14 billion to <\$15 billion	\$300 million
>=\$15 billion	\$325 million

Note: The underlying business profits include profits from all MTRCL businesses, i.e. profits from Hong Kong transport operations, Hong Kong station commercial business, Hong Kong property rental and management businesses, property developments, as well as profit from the Corporation’s overseas ventures. Profit arising from investment property revaluation is excluded.

PR023/20
26 March 2020

**Over \$700-million Fare Promotions Package for 2020/21
No Actual Fare Increase for All Passengers until end of 2020
Special Arrangement for MTR City Saver**

Following the announcement of the Government of the year-on-year change in the Nominal Wage Index (Transportation Section) for December 2019, the overall adjustment rate of MTR fares in 2020/21 under the Fare Adjustment Mechanism (FAM), should be +2.55% (See Appendix 1 for details). In view of the "Affordability Cap*", there will be no actual fare increase for 2020. Considering the overall impact of the COVID-19 epidemic on the local community, MTR Corporation announced earlier that the existing "3.3% Rebate for Every Octopus Trip" will be further extended, and therefore there will be no actual adjustment to MTR fares paid by all passengers in 2020 through implementing a series of promotions arrangements. Details are as follows:

- By giving out additional resources, the committed rebate for every trip under FAM ("Profitability-Linked Arrangement" and "Service Performance-Linked Arrangement") will be topped-up again from 3% to 3.3% for Octopus passengers from the end of June 2020 until 1 Jan 2021. Under such arrangement, the actual Octopus fares paid by passengers will have remained unchanged for two consecutive years since January 2019.
- No price adjustment for "MTR City Saver" and "Tuen Mun – Nam Cheong Day Pass" until 1 January 2021.
- No price adjustment for "Monthly Pass Extras" until December 2020. The new price will take effect from January 2021.
- The "Early Bird Discount Promotion" will be extended for one year to 31 May 2021.

These series of promotions worth over \$800 million in total, including over \$700 million-worth fare promotions package in 2020/21 and the extension of the "3.3% Rebate for Every Octopus Trip" to the end of June 2020 which was announced earlier.

The MTR Corporation will also continue to offer over \$2.6 billion-worth of on-going fare concessions to customers of different walks of life including the elderly, children, eligible students as well as persons with disabilities every year.

Furthermore, due to various factors, including the work-from-home arrangements of the Government and the private sector since late January 2020, holders of the MTR City Saver may have reduced their travel frequency. Noting that the Corporation will offer a one-off special ticketing arrangement for these passengers to extend the validity period of the remaining trips on their expired City Saver for 40 days (See Appendix 2 for details).

“MTR is rooted in Hong Kong and has been walking together with Hong Kong people for over 40 years. Both MTR and Hong Kong people are hard hit by the pandemic but inspite of our difficulties, we are rolling out different measures and arrangements to alleviate the situation as much as we can,” said Ms Jeny Yeung, Commercial Director of MTR Corporation.

The Census and Statistics Department (C&SD) of the Government published the year-on-year change in the Composite Consumer Price Index for December 2019 (+2.9%) on 21 January 2020 and the year-on-year change in the Nominal Wage Index (Transportation Section) for December 2019 (+3.4%) today (26 March 2020). According to the FAM Formula, after the special annual adjustment of -0.6% offered by the Corporation, the fare adjustment rate for the year 2020/21 should be +2.55% (Ref. Steps 1 & 2 in Appendix 1).

At the same time, the “Affordability Cap*” has been introduced into FAM since 2013, whereby the effective fare increase pursuant to the FAM outcome should not be higher than the year-on-year change in the Median Monthly Household Income for the fourth quarter of the previous year. The relevant figure was -2.48% as published by C&SD earlier and it will be deemed as 0% according to the mechanism. Since the fare adjustment rate calculated this year (+2.55%) is greater than 0%, the “Affordability Cap” will be triggered. After discussion with the Government, like last year, we will simplify the arrangement by recouping the fare adjustments (+2.55%) in the subsequent two years (+1.28% to be recouped in 2021/22 and +1.27% to be recouped in 2022/23), rather than making an adjustment now and giving out different rebates in the two years.

-END-

About MTR Corporation

Every day, MTR connects people and communities. As a recognised world-class operator of sustainable rail transport services, we are a leader in safety, reliability, customer service and efficiency.

MTR has extensive end-to-end railway expertise with more than 40 years of railway projects experience from design to planning and construction through to commissioning, maintenance and operations. Going beyond railway delivery and operation, MTR also creates and manages dynamic communities around its network through seamless integration of rail, commercial and property development.

With more than 40,000 dedicated staff*, MTR carries over 13 million passenger journeys worldwide every weekday in Hong Kong, the United Kingdom, Sweden, Australia and the Mainland of China. MTR strives to grow and connect communities for a better future.

For more information about MTR Corporation, please visit www.mtr.com.hk.

*includes our subsidiaries and associates in Hong Kong and worldwide

Calculation of 2020/21 Fare Adjustment Rate

Step 1: Applying the FAM formula

Year-on-year % change in Composite Consumer Price Index for December 2019	Year-on-year % change in Nominal Wage Index (Transportation Section) for December 2019	Productivity Factor #	Fare Adjustment Rate based on FAM Formula
+2.9%	+3.4%	0%	
$(+2.9\% \times 0.5)$	$(+3.4\% \times 0.5)$	0%	+3.15%

#A productivity factor of 0% will be used in the FAM formula for 2017/18 to 2022/23.

Step 2: After counting the Special Annual Adjustment

Fare Adjustment Rate based on FAM Formula	Special Annual Adjustment	Fare Adjustment Rate Calculated for 2020/21
+3.15%	- 0.6%	+2.55%

*The "Affordability Cap" has been introduced into FAM since the review in 2013. When FAM results in a fare increase and such increase rate is higher than the change in the Median Monthly Household Income (MMHI) for the corresponding period, the fare table will be adjusted by using the FAM increase rate, but effective fares will be capped at the change in the MMHI rate by offering discounts to Octopus fares. When the rate of change in MMHI is negative, the MMHI change will be deemed as 0%. After discussion with the Government, like last year, we will simplify the arrangement by recouping the fare adjustments (+2.55%) in the subsequent two years (+1.28% to be recouped in 2021/22 and +1.27% to be recouped in 2022/23).

Special Arrangement for MTR City Saver

Passengers holding an MTR City Saver expiring between 29 January and 31 March 2020 may present the expired MTR City Saver at the Customer Service Centre at designated stations[^] from 3 to 23 April 2020 for verification. Eligible holders will be provided with a new City Saver carrying the remaining trips for the extended validity period. The new City Saver must be activated within 14 days of replacement. If passengers are unable to present their expired MTR City Saver, they are advised to provide receipt of purchase, the City Saver number or other relevant proof, and MTR staff members will do their best to offer assistance.

Covering 64 urban stations, the MTR City Saver is valid for 40 single journeys in 40 days and offers concessionary fares for passengers who frequently take medium or long-distance journeys within the urban area. The ticket must be activated within 14 days after purchase. The Corporation would like to remind passengers who plan to purchase MTR City Saver or other MTR passes to pay attention to the latest situation regarding the COVID-19 epidemic which may have impact on commuting needs.

[^]Designated stations:

West Rail Line: Tsuen Wan West, Mei Foo, Nam Cheong, Austin, East Tsim Sha Tsui, Hung Hom

Tsuen Wan Line: Tsuen Wan, Tai Wo Hau, Kwai Hing, Kwai Fong, Lai King, Mei Foo, Lai Chi Kok, Cheung Sha Wan, Sham Shui Po, Prince Edward, Mong Kok, Yau Ma Tei, Jordan, Tsim Sha Tsui, Admiralty, Central

Tung Chung Line: Tsing Yi, Lai King, Nam Cheong, Olympic, Kowloon, Hong Kong

Kwun Tong Line: Tiu Keng Leng, Yau Tong, Lam Tin, Kwun Tong, Ngau Tau Kok, Kowloon Bay, Choi Hung, Diamond Hill, Wong Tai Sin, Lok Fu, Kowloon Tong, Shek Kip Mei, Prince Edward, Mong Kok, Yau Ma Tei, Ho Man Tin, Whampoa

East Rail Line: Kowloon Tong, Mong Kok East, Hung Hom

Tuen Ma Line Phase 1: Diamond Hill

Tseung Kwan O Line: LOHAS Park, Po Lam, Hang Hau, Tseung Kwan O, Tiu Keng Leng, Yau Tong, Quarry Bay, North Point

Island Line: Chai Wan, Heng Fa Chuen, Shau Kei Wan, Sai Wan Ho, Tai Koo, Quarry Bay, North Point, Fortress Hill, Tin Hau, Causeway Bay, Wan Chai, Admiralty, Central, Sheung Wan, Sai Ying Pun, HKU, Kennedy Town

South Island Line: Admiralty, Ocean Park

Fare adjustments by the MTR Corporation Limited

List of relevant papers

Date	Meeting	Paper
23.4.2010 (Item VI)	Panel on Transport	Agenda http://www.legco.gov.hk/yr09-10/english/panels/tp/agenda/tp20100423.htm Minutes (LC Paper No. CB(1)2320/09-10) http://www.legco.gov.hk/yr09-10/english/panels/tp/minutes/tp20100423.pdf
9.6.2010	Council Meeting	Question No. 6 – MTR fares and station facilities http://www.info.gov.hk/gia/general/201006/09/P201006090142.htm
29.6.2010 (Item I)	Panel on Transport	Agenda http://www.legco.gov.hk/yr09-10/english/panels/tp/agenda/tp20100629.htm Minutes (LC Paper No. CB(1)442/10-11) http://www.legco.gov.hk/yr09-10/english/panels/tp/minutes/tp20100629.pdf
16.3.2011	Council Meeting	Question No. 6 – MTR fare structure and fare concessions http://www.info.gov.hk/gia/general/201103/16/P201103160128.htm
15.4.2011 (Item IV)	Panel on Transport	Agenda http://www.legco.gov.hk/yr10-11/english/panels/tp/agenda/tp20110415.htm Minutes (LC Paper No. CB(1)2544/10-11) http://www.legco.gov.hk/yr10-11/english/panels/tp/minutes/tp20110415.pdf

Date	Meeting	Paper
11.5.2011	Council Meeting	Question No. 14 – Fare concessions offered by MTR for cross-boundary students http://www.info.gov.hk/gia/general/201105/11/P201105110106.htm
16.5.2011 (Item I)	Panel on Transport	Agenda http://www.legco.gov.hk/yr10-11/english/panels/tp/agenda/tp20110516.htm Minutes (LC Paper No. CB(1)340/11-12) http://www.legco.gov.hk/yr10-11/english/panels/tp/minutes/tp20110516.pdf
8.6.2011	Council Meeting	Question No. 3 – MTR services and fares http://www.info.gov.hk/gia/general/201106/08/P201106080147.htm
2.11.2011	Council Meeting	Question No. 2 – Measures to alleviate the burden of travelling expenses on the public http://www.info.gov.hk/gia/general/201111/02/P201111020220.htm
12.4.2012 (Item III)	Panel on Transport	Agenda http://www.legco.gov.hk/yr11-12/english/panels/tp/agenda/tp20120412.htm Minutes (LC Paper No. CB(1)2491/11-12) http://www.legco.gov.hk/yr11-12/english/panels/tp/minutes/tp20120412.pdf
25.4.2012	Council Meeting	Question No. 3 – Fare Adjustment Mechanism of the MTR Corporation Limited http://www.info.gov.hk/gia/general/201204/25/P201204250277.htm

Date	Meeting	Paper
7.5.2012 (Item I)	Panel on Transport	<p>Agenda http://www.legco.gov.hk/yr11-12/english/panels/tp/agenda/tp20120507.htm</p> <p>Minutes (LC Paper No. CB(1)2629/11-12) http://www.legco.gov.hk/yr11-12/english/panels/tp/minutes/tp20120507.pdf</p>
30.5.2012	Council Meeting	<p>Question No. 19 – Fare Adjustment Mechanism and fare concession schemes of the MTR Corporation Limited http://www.info.gov.hk/gia/general/201205/30/P201205300231.htm</p>
20.6.2012	Council Meeting	<p>Question No. 12 – Increase in MTR fares http://www.info.gov.hk/gia/general/201206/20/P201206200247.htm</p>
27.6.2012 (Item III)	Panel on Transport	<p>Agenda http://www.legco.gov.hk/yr11-12/english/panels/tp/agenda/tp20120627.htm</p> <p>Minutes (LC Paper No. CB(1)2544/11-12) http://www.legco.gov.hk/yr11-12/english/panels/tp/minutes/tp20120627.pdf</p>
17.9.2012	--	<p>Consultation paper on Review of the Fare Adjustment Mechanism of the MTR Corporation Limited http://www.td.gov.hk/filemanager/en/utilityarticle_cp/consultation%20paper%20(eng)%20(17.9.2012)%20final.pdf</p>
24.10.2012	Council Meeting	<p>Question No. 12 – MTR "Tung Chung – Hong Kong Monthly Pass" http://www.info.gov.hk/gia/general/201210/24/P201210240240.htm</p>

Date	Meeting	Paper
30.10.2012 (Item II)	Panel on Transport	<p>Agenda http://www.legco.gov.hk/yr12-13/english/panels/tp/agenda/tp20121030.htm</p> <p>Administration's follow-up paper (LC Paper No. CB(1)161/12-13(01)) http://www.legco.gov.hk/yr12-13/english/panels/tp/papers/tp1030cb1-161-1-e.pdf</p> <p>Minutes (LC Paper No. CB(1)407/12-13) http://www.legco.gov.hk/yr12-13/english/panels/tp/minutes/tp20121030.pdf</p>
31.10.2012	Council Meeting	<p>Question No. 10 – MTR fare adjustment mechanism and fare concessions http://www.info.gov.hk/gia/general/201210/31/P201210310243.htm</p>
5.12.2012	Council Meeting	<p>Motion on "Executive Council as gate-keeper for MTR fares" http://www.legco.gov.hk/yr12-13/english/counmtg/motion/cm1205-m2-wordings-e.pdf</p> <p>Progress Report on Motion on "Executive Council as gate-keeper for MTR fares" http://www.legco.gov.hk/yr12-13/english/counmtg/motion/cm1205-m2-prpt-e.pdf</p>
18.1.2013 (Item IV)	Panel on Transport	<p>Agenda http://www.legco.gov.hk/yr12-13/english/panels/tp/agenda/tp20130118.htm</p> <p>Minutes (LC Paper No. CB(1)839/12-13) http://www.legco.gov.hk/yr12-13/english/panels/tp/minutes/tp20130118.pdf</p>

Date	Meeting	Paper
17.4.2013	--	Legislative Council brief on review of the fare adjustment mechanism of the MTR Corporation Limited http://www.legco.gov.hk/yr12-13/english/panels/tp/papers/tp0419-thbtr33101799-e.pdf
19.4.2013 (Item III)	Panel on Transport	Agenda http://www.legco.gov.hk/yr12-13/english/panels/tp/agenda/tp20130419.htm Administration's follow-up paper (LC Paper No. CB(1)1804/12-13(01)) http://www.legco.gov.hk/yr12-13/english/panels/tp/papers/tp0419cb1-1804-1-e.pdf Minutes (LC Paper No. CB(1)1813/12-13) http://www.legco.gov.hk/yr12-13/english/panels/tp/minutes/tp20130419.pdf
6.2013	--	Information paper on adjustment to MTR fares in 2013 provided by MTR Corporation Limited http://www.legco.gov.hk/yr12-13/english/panels/tp/papers/tpcb1-1253-1-e.pdf
6.11.2013	Council Meeting	Question No. 21 – MTR fares http://www.info.gov.hk/gia/general/201311/06/P201311060269.htm
11.12.2013	Council Meeting	Motion on "Enhancing the railway service in the Northwest New Territories" http://www.legco.gov.hk/yr13-14/english/counmtg/motion/cm1211-m2-wordings-e.pdf Progress Report on Motion on "Enhancing the railway service in the Northwest New Territories" http://www.legco.gov.hk/yr13-14/english

Date	Meeting	Paper
		h/counmtg/motion/cm1211-m2-prpt-e.pdf
14.5.2014	Council Meeting	Question No. 15 – MTR railway services http://www.info.gov.hk/gia/general/201405/14/P201405140494.htm
5.2014	--	Information paper on adjustment to MTR fares in 2014 provided by MTR Corporation Limited http://www.legco.gov.hk/yr13-14/english/panels/tp/papers/tpcb1-1523-1-e.pdf
--	Panel on Transport	Letter dated 13 May 2013 from Hon TANG Ka-piu on the monthly pass scheme introduced by the MTR Corporation Limited http://www.legco.gov.hk/yr12-13/chinese/panels/tp/papers/tpcb1-1270-1-c.pdf Administration's response http://www.legco.gov.hk/yr12-13/chinese/panels/tp/papers/tpcb1-1270-2-c.pdf
18.6.2014	Council Meeting	Question No. 9 – MTR profits and fare concessions http://www.info.gov.hk/gia/general/201406/18/P201406180408.htm
23.6.2014 (Item IV)	Panel on Transport	Agenda http://www.legco.gov.hk/yr13-14/english/panels/tp/agenda/tp20140623.htm Minutes (LC Paper No. CB(1)79/14-15) http://www.legco.gov.hk/yr13-14/english/panels/tp/minutes/tp20140623.pdf
28.1.2015	Council Meeting	Question No. 2 – Light Rail service http://www.info.gov.hk/gia/general/201501/28/P201501280459.htm

Date	Meeting	Paper
12.5.2015 (Item VI)	Panel on Transport	<p>Agenda http://www.legco.gov.hk/yr14-15/english/panels/tp/agenda/tp20150512.htm</p> <p>Minutes (LC Paper No. CB (4)85/15-16) http://www.legco.gov.hk/yr14-15/english/panels/tp/minutes/tp20150512.pdf</p>
16.6.2015 (Item IV)	Panel on Transport	<p>Agenda http://www.legco.gov.hk/yr14-15/english/panels/tp/agenda/tp20150616.htm</p> <p>Minutes (LC Paper No. CB(4)165/15-16) http://www.legco.gov.hk/yr14-15/english/panels/tp/minutes/tp20150616.pdf</p>
11.11.2015	Council Meeting	<p>Question No. 16 – MTR student concessionary fares http://www.info.gov.hk/gia/general/201511/11/P201511110475.htm</p>
24.2.2016	Council Meeting	<p>Question No. 9 – Interchange discount for public transport http://www.info.gov.hk/gia/general/201602/24/P201602240438.htm</p>
20.4.2016	--	<p>Press release published by MTR Corporation Limited on "MTR Corporation Agrees to Joint Review of Fare Adjustment Mechanism" http://www.mtr.com.hk/archive/corporate/en/press release/PR-16-035-E.pdf</p>
20.4.2016	--	<p>Press release published by the Government on Early review of the MTR Fare Adjustment Mechanism http://www.info.gov.hk/gia/general/201604/20/P201604200437.htm</p>

Date	Meeting	Paper
29.4.2016	--	<p>Press release published by MTR Corporation Limited on overall MTR Fare Adjustment Rate in 2016 Lowered to +2.65% Consequential to Government's Revision of Composite Consumer Price Index</p> <p>http://www.mtr.com.hk/archive/corporate/en/press_release/PR-16-037-E.pdf</p>
20.5.2016	--	<p>Consultation paper on "Review of the MTR Fare Adjustment Mechanism" provided by the Administration</p> <p>http://www.legco.gov.hk/yr15-16/english/panels/tp/papers/tpcb4-1022-1-e.pdf</p>
23.5.2016 (Item III)	Panel on Transport	<p>Agenda</p> <p>http://www.legco.gov.hk/yr15-16/english/panels/tp/agenda/tp20160523.htm</p> <p>Administration's follow-up paper (LC Paper No. CB(4)54/16-17(01))</p> <p>http://www.legco.gov.hk/yr15-16/chinese/panels/tp/papers/tp20160523cb4-54-1-c.pdf</p> <p>Minutes (LC Paper No. CB(4)1319/15-16)</p> <p>http://www.legco.gov.hk/yr15-16/english/panels/tp/minutes/tp20160523.pdf</p>
30.5.2016	--	<p>Paper on adjustment to MTR fares in 2016 provided by MTR Corporation Limited</p> <p>http://www.legco.gov.hk/yr15-16/english/panels/tp/papers/tpcb4-1056-1-e.pdf</p>

1.6.2016	Council Meeting	Question No. 1 – Fare Adjustment Arrangement for franchised buses and MTR Fare Adjustment Mechanism http://www.info.gov.hk/gia/general/201606/01/P201606010457.htm
21.6.2016 (Item IV)	Panel on Transport	Agenda http://www.legco.gov.hk/yr15-16/english/panels/tp/agenda/tp20160621.htm Administration's follow-up paper (LC Paper No. CB(4)54/16-17(01)) http://www.legco.gov.hk/yr15-16/chinese/panels/tp/papers/tp20160523cb4-54-1-c.pdf Minutes (LC Paper No. CB(4)1315/15-16) http://www.legco.gov.hk/yr15-16/english/panels/tp/minutes/tp20160621.pdf
29.6.2016	Council Meeting	Question No. 8 – MTRCL financial position and fare concessions http://www.info.gov.hk/gia/general/201606/29/P201606290360.htm
1.3.2017	Council Meeting	Question No. 20 – Railway service http://www.info.gov.hk/gia/general/201703/01/P2017030100561.htm
3.2017	--	Legislative Council Brief on review outcome of the Fare Adjustment Mechanism of the MTR Corporation Limited http://library.legco.gov.hk:1080/articles/1195086.289931/1.PDF

27.3.2017	--	<p>Press release published by MTR Corporation Limited on "No adjustment of MTR fares in 2017/18 with 3% rebate for every octopus trip for six months" http://www.mtr.com.hk/archive/corporate/en/press_release/PR-17-032-E.pdf</p>
28.4.2017 (Item I)	Panel on Transport	<p>Agenda https://www.legco.gov.hk/yr16-17/english/panels/tp/agenda/tp20170428.htm</p> <p>Minutes (LC Paper No. CB(4)1617/16-17) https://www.legco.gov.hk/yr16-17/english/panels/tp/minutes/tp20170428.pdf</p>
31.1.2018	Council Meeting	<p>Question No. 4 – Railway service disruption http://www.info.gov.hk/gia/general/201801/31/P2018013100633.htm</p>
27.3.2018	--	<p>Press release published by MTR Corporation Limited on "Overall adjustment rate for MTR Fares in 2018/19 comes to +3.14% — Octopus passengers unlikely to pay extra fare this year" http://www.mtr.com.hk/archive/corporate/en/press_release/PR-16-037-E.pdf</p>
18.5.2018	Panel on Transport	<p>Agenda https://www.legco.gov.hk/yr17-18/english/panels/tp/agenda/tp20180518.htm</p> <p>Minutes (LC Paper No. CB(4)570/17-18) https://www.legco.gov.hk/yr17-18/english/panels/tp/minutes/tp20180518.pdf</p>

28.3.2019	--	<p>Press release published by MTR Corporation Limited on "3.3% Rebate for Every MTR Octopus Trip upon the Implementation of New Fares in June Resulting in No Actual MTR Fare Adjustment for the Remainder of 2019"</p> <p>https://www.mtr.com.hk/archive/corporate/en/press_release/PR-19-019-E.pdf</p>
26.4.2019	Panel on Transport	<p>Agenda https://www.legco.gov.hk/yr18-19/english/panels/tp/agenda/tp20190426.htm</p> <p>Minutes (LC Paper No. CB(4)1199/18-19) https://www.legco.gov.hk/yr18-19/english/panels/tp/minutes/tp20190426.pdf</p>
26 March 2020	--	<p>Press release published by MTR Corporation Limited on "Over \$700-million Fare Promotions Package for 2020/21/No Actual Fare Increase for All Passengers until end of 2020/Special Arrangement for MTR City Saver"</p>