

# **Public Transport Council (Amendment) Bill**

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**Bill No. 14/2008.**

*Read the first time on 21st July 2008.*

A BILL

*intituled*

An Act to amend the Public Transport Council Act (Chapter 259B of the 2000 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

### Short title and commencement

1. This Act may be cited as the Public Transport Council (Amendment) Act 2008 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

### 5 Amendment of section 4

2. Section 4 of the Public Transport Council Act (referred to in this Act as the principal Act) is amended by deleting the word “and” at the end of paragraph (c), and by inserting immediately thereafter the following paragraph:

10 “(ca) to promote and facilitate the integration of bus and rapid transit system fares to ensure the provision of efficient public passenger transport services and facilities; and”.

### Amendment of section 23

3. Section 23 of the principal Act is amended —

15 (a) by deleting subsection (1) and substituting the following subsection:

20 “(1) Subject to subsection (2), no person shall be entitled to demand and take any bus, taxi or rapid transit system fare that is not approved by the Council under section 24(3) or 24AA(2)(a).”;

(b) by inserting, immediately after the words “the Council” in subsection (2), the words “in circumstances not proscribed by the Council”;

25 (c) by deleting the words “in excess of such approved fare” in subsection (4) and substituting the words “in contravention of subsection (1)”; and

(d) by inserting, immediately after subsection (4), the following subsection:

30 “(5) Where the Council has suspended any approval for any bus fare, taxi fare or rapid transit system fare under section 24(5), the bus fare, taxi fare or rapid transit system fare shall, for the duration of the suspension, be deemed not to be an approved fare for the purposes of this section.”.

#### **Amendment of section 24**

#### **4. Section 24 of the principal Act is amended —**

(a) by deleting the word “and” at the end of paragraph (a) of subsection (2), and by inserting immediately thereafter the following paragraph:

“(aa) the need to promote or facilitate the integration of bus and rapid transit system fares or services for the through carriage of passengers provided by licensed bus service operators and licensed rapid transit system operators and other measures designed to facilitate the making by passengers of any journey which involves the use of —

(i) the services of more than one such operator;

(ii) more than one bus service or train service (whether or not operated by the same person); or

(iii) both bus and train services (whether or not operated by the same person); and”;

(b) by inserting, immediately after the words “as the Council thinks fit” in subsection (3)(b), the words “, including but not limited to any condition described in section 24AA(2)(b)”;

(c) by deleting subsection (4) and substituting the following subsections:

“(4) Subject to subsection (6), the Council may, by order and without compensation, revoke any approval granted under subsection (3)(b) if the Council is satisfied that —

(a) the applicant has failed to comply with any condition imposed by the Council under subsection (3)(b) or section 24AA(2) on that approval;

(b) the approval had been obtained by fraud or misrepresentation;

(c) the applicant has been convicted of an offence under this Act;

(d) it is in the public interest to do so; or

(e) the applicant has refused or failed to comply with an order of the Council made under subsection (5)(b).

5 (5) Subject to subsection (6), the Council may, in any case in which it considers that no cause of sufficient gravity exists for revoking any approval granted under subsection (3)(b) to an applicant for such approval, by order —

(a) suspend the approval for a period not exceeding 6 months;

10 (b) impose on the applicant concerned a financial penalty of an amount not exceeding \$100,000; or

(c) publicly censure the applicant concerned.

(6) Before exercising any of its powers under subsection (4) or (5), the Council shall —

15 (a) give to the applicant concerned notice in writing of its intention to do so; and

(b) in such notice, call upon the applicant to show cause within such period as may be specified in the notice as to why the Council should not make any order under subsection (4) or (5), being a period of at least 7 days after the Council informs the applicant concerned of such intention.

(7) If the applicant —

25 (a) fails to show cause within the period of time given or such extended period of time as the Council may allow; or

(b) fails to show sufficient cause,

30 as to why the order under subsection (4) or (5), as the case may be, should not be made, the Council shall give notice in writing to the applicant concerned of the Council's order made under the respective subsection.

(8) In any proceedings under subsection (4) or (5) in relation to the conviction of an applicant for a criminal offence, the Council shall accept the applicant's conviction as final and conclusive.”.

**New sections 24AA and 24AB**

5. The principal Act is amended by inserting, immediately after section 24 in Part V, the following sections:

**“Review of bus and rail fares**

5       **24AA.**—(1) The Council may, at any time on its own initiative, review any bus fares and rapid transit system fares approved under section 24 with a view to promoting or facilitating —

- (a) the integration of bus and rapid transit system fares;
- 10       (b) arrangements for the through carriage of passengers provided by licensed bus service operators and licensed rapid transit system operators; or
- (c) the making by passengers of any journey which involves the use of —
  - (i) the services of more than one such operator;
  - 15       (ii) more than one bus service or train service (whether or not operated by the same person); or
  - (iii) both bus and train services (whether or not operated by the same person).

20       (2) On completing any review under subsection (1), the Council may make all or any of the following decisions, if it considers that the decision would be in the interest of the public, and would to any extent promote or facilitate the objectives referred to in subsection (1)(a) or (b) or both:

- (a) vary its approval of any bus fare or rapid transit system fare;
- 25       (b) modify the conditions for its approval of fares under section 24(3), including imposing any condition that may require —
  - 30       (i) any licensed bus service operator or licensed rapid transit system operator to enter into an agreement with each other, or with another licensed bus service operator or licensed rapid transit system operator, on such terms and conditions as the Council may specify for the re-allocation of revenues amongst the respective licensed operators for the provision of their services,

and to take such steps to ensure that the agreement is given effect to; or

- (ii) every licensed bus service operator and licensed rapid transit system operator who have agreed to provide services for the through carriage of passengers provided by them to publish or cause to be published the through fares for those services.

**Notice and consultation requirements, etc.**

**24AB.**—(1) No decision under section 24AA(2) may be made by the Council unless the Council has complied with the procedure and other notice and consultation requirements imposed by or under this section.

(2) The Council shall, in reviewing the bus fares and rapid transit system fares under section 24AA, comply with such procedures as the Minister may prescribe by regulations.

(3) If the Council proposes to review the bus fares and rapid transit system fares with a view to making a decision under section 24AA(2), the Council shall —

- (a) give notice of its proposed review and decision in the prescribed manner; and
- (b) after giving such notice, consult all licensed bus service operators and licensed rapid transit system operators who would, in the opinion of the Council, be affected by the decision.

(4) The Minister may make such regulations as are necessary or expedient to give effect to the provisions of this section.”.

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**EXPLANATORY STATEMENT**

This Bill seeks to amend the Public Transport Council Act (Cap. 259B) for the following main purposes:

- (a) to empower the Public Transport Council (PTC) to initiate and change the fares (including fare structures) for bus services and rapid transit system services and to re-allocate the revenue from the provision of bus and rail

services among the licensed bus service operators and licensed rapid transit system operators; and

- (b) to empower the PTC to enforce compliance with these changes to the fares (including fare structures) and the re-allocation of revenue earned from the provision of bus and rail services.

Clause 1 relates to the short title and commencement.

Clause 2 amends section 4 by expanding the function of the PTC to include promoting and facilitating the integration of bus and rapid transit system fares to ensure the provision of efficient public passenger transport services and facilities.

Clause 3 amends section 23 as a consequence of amendments to section 24. It first makes it an offence for a person to demand or take any bus, taxi or rapid transit system fare that is not approved by the Council under section 24(3)(b) or the new section 24AA(2)(a). However, persons will continue to be allowed to charge lower fares unless they fall within circumstances proscribed by the PTC. Next, the amendments also provide that where the PTC has suspended any approval for any bus fare, taxi fare or rapid transit system fare under section 24 as amended, the bus fare, taxi fare or rapid transit system fare will, for the duration of the suspension, be deemed not to be an approved fare.

Clause 4 amends section 24 to enable the PTC to take enforcement measures in more ways should there be a breach of any condition of its approval of any bus fare, taxi fare or rapid transit system fare. In lieu of revoking such approval, the PTC may suspend the approval for a period not exceeding 6 months, impose a financial penalty up to an amount not exceeding \$100,000, or publicly censure the operator concerned. The conditions of approval can include conditions imposed under the new section 24AA(2).

Clause 5 inserts new sections 24AA and 24AB which confer powers on the PTC to initiate and change the fares (including fare structures) for bus services and rapid transit system services and to re-allocate the revenue-sharing between the licensed bus service operators and rapid transit system operators.

The new section 24AA empowers the PTC to initiate at any time a review of the fares (including fare structures) for bus services and rapid transit system services and to re-allocate the revenue-sharing between the licensed bus service operators and licensed rapid transit system operators with a view to promoting or facilitating the integration of bus and rapid transit system fares, arrangements for the through carriage of passengers provided by licensed bus service operators and licensed rapid transit system operators, or the making by passengers of journeys which involve the use of the services of more than one such operator, more than one mode of travel or more than one bus or train service. The PTC can either vary its approval of the fares or impose new conditions for that approval. Such conditions may require any licensed bus service operator or licensed rapid transit system operator to enter into any agreement with each other or another licensed bus service operator or licensed rapid transit system operator on such terms and conditions as the Council may specify regarding the re-allocation of revenues from the provision of their services, or require the publication of through fares by every

licensed bus service operator and licensed rapid transit system operator who have agreed to provide services for the through carriage of passengers.

The new section 24AB sets out the notice and consultation requirements that the PTC must adhere to when carrying out a review and before making a decision under the new section 24AA. The Minister may make such regulations as are necessary or expedient for the purpose of these requirements.

### EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.

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