

SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

Senate
Office of the Secretary

15 FEB -4 P4 59

SENATE

P. S. Resolution No. 1154

OFFICE OF THE SECRETARY
J.

Introduced by SENATOR LOREN LEGARDA

RESOLUTION

DIRECTING THE SENATE COMMITTEES ON PUBLIC SERVICES AND ECONOMIC AFFAIRS TO LOOK INTO THE IMPLEMENTATION OF THE INCREASE IN FARES FOR THE METRO RAIL TRANSIT AND LIGHT RAIL TRANSIT SYSTEM WITH THE END VIEW OF ENSURING THE PROVISION OF A COST-EFFECTIVE AND EFFICIENT RAIL TRANSIT SYSTEM IN METRO MANILA

WHEREAS, on 4 January 2015, the Department of Transportation and Communications (DOTC) raised the fares for the Light Rail Transit Lines 1 and 2 (LRT-1 and LRT-2) and the Metro Rail Transit (MRT-3), setting the base fare at PhP 11 and PhP 1 per kilometer for both rail transit systems;

WHEREAS, with the implementation of this fare adjustment, the maximum fare for the LRT will now be PhP 30 for single journey tickets from a previous PhP 20 rate while the maximum fare for MRT-3 now stands at PhP 28 from last year's PhP 15 rate;

WHEREAS, apart from the high cost of maintenance and the long-delayed adjustment for both rail lines, the DOTC cited the adoption of the "user-pays" principle in the pricing of transportation services as outlined in the 2011-2016 Philippine Development Plan;

WHEREAS, under this principle, passengers are expected to shoulder the bigger burden for the operation of these services with riders being charged based on the distance they travel. From the estimated PhP 12 billion subsidy provided by the national government for both rail lines every year, this is expected to decline to only PhP 10 billion;

WHEREAS, despite the recent adjustment, the prices charged by these urban transport system are still below those charged by other modes of transportation. In the case of the MRT-3 which runs from Quezon Avenue to Pasay Rotonda which costs PhP 28, an airconditioned and an ordinary bus plying the same route would charge PhP 37 and PhP 32, respectively;

WHEREAS, given the large amount of subsidy provided by the national government for the operations of both rail transit systems, there is a further need to determine who benefits from the use of both;

WHEREAS, considering the plans to further extend these lines to the provinces of Bulacan and Cavite in the coming years, it behooves policymakers to enact a policy that will encourage the entry of private sector investors in these infrastructure but also balance the interests of its users and the national population;

NOW, THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED, to direct the Senate Committees on Public Services and Economic Affairs to look into the implementation of the increase in fares for the Metro Rail Transit and Light Rail Transit Systems with the end view of ensuring the provision of a cost-effective and efficient rail transit system in Metro Manila;

Adopted,



LOREN LEGARDA
Senator