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**MINISTERIAL SPEECH ON LAND TRANSPORT  
BY MR MAH BOW TAN, MINISTER FOR COMMUNICATIONS,  
FOR THE INAUGURATION CEREMONY OF  
THE LAND TRANSPORT AUTHORITY  
AT THE STAMFORD BALLROOM, LEVEL 4  
WESTIN STAMFORD AND WESTIN PLAZA  
ON FRIDAY, 15 SEPTEMBER 1995 AT 10.30 AM**

**Introduction**

Singapore started its industrialisation programme about 35 years ago. Our most urgent task then was to create jobs to help our people earn a living in this modern world. One of the key priorities was to build good infrastructure to support a modern economy, attract investments to industrialise and provide employment for the growing number of job seekers.

Our industrialisation programme has succeeded. We now have excellent infrastructure. Our airport and port are world-class. So are our telecommunications facilities. Our road network has grown ten-fold, but the problems of finding a lasting solution to providing high mobility and accessibility still remain.

In the early years after independence, our policy of building as many roads as possible to satisfy the transportation demands of Singaporeans made sense. But such a policy is not sustainable. As land becomes more scarce, we will need to spend much more to get less return. Costly investments in the form of viaducts, spaghetti junctions and underground tunnels can increase traffic carrying capacity only marginally. Traffic management and demand management measures will increasingly become more necessary and more cost effective options. Someone with the right expertise will have to weigh the pros and cons of

these options. While road pricing and the Certificates of Entitlement (COEs) can help moderate demand for road usage, we must concurrently provide alternatives like good and affordable public transport.

Today, we have 7,700 lane-km of roads and a vehicle population of 650,000. In addition, we have 67 km of MRT rail and another 16 km when the Woodlands Line is completed in February 1996. This infrastructure may be able to meet the transport needs of today's generation, but it will not be sufficient to meet the growing aspirations of Singaporeans, not to mention the growth in transport demand in time to come.

Singaporeans want to travel faster, more comfortably and more conveniently. We now make about 6.5 mn trips per day. By the year 2010, we will make 10 mn trips each day, assuming modest growth in travel demand. There are thus many questions that the Government will need to address, for example:

- a Can land scarce Singapore provide the road infrastructure to accommodate exponential transport demand to avoid chronic road congestion?
- b Can public transport services be improved to meet the needs and expectations of Singaporeans?
- c Can we aim for a transport system that is world class, like our port and airport?

### **An Overall Strategy**

In order to address these and other related transportation issues, the Government has set up the Land Transport Authority (LTA) as the agency to co-ordinate and spearhead all land transport functions. LTA is not just an aggregation of the former Road Transport Division of the Public Works Department (PWD), Registry of Vehicles (ROV), Mass Rapid Transit Corporation (MRTC) and Land Transport Division of the Ministry of Communications (MINCOM). As an integrated agency,

the Authority will have to adopt a holistic perspective when formulating and implementing land transport strategies. LTA's strategies must encompass the entire spectrum of planning, development, integration, implementation and management of the various components of our land transport system.

LTA will have to evaluate the trade-offs between alternative transport infrastructure and policy options, and recommend what is best for the nation. It will for example, have to decide whether investing in a viaduct, or a light rail system, or implementing road pricing to ease congestion along particular corridors makes the most sense.

The approach in the past was to add transport improvements to existing building developments. This will be changed. LTA will work more closely with the town planners to integrate transport infrastructure with building developments. This way, we can maximise and reap the benefits from merging the various separate components previously responsible for our transport system. Our transport planners will work closely with the Urban Redevelopment Authority (URA) and the Housing and Development Board (HDB) to incorporate public transport infrastructure as part of the design and construction of new HDB towns.

### **Challenges**

LTA will face many exciting challenges as it spearheads efforts to give Singaporeans a better transport network and to better meet their transport needs. Two trends compound the challenge.

First, our explosive growth in transport demand. Between 1981 and 1991, vehicular trips increased annually by 9.3 per cent. Singaporeans made 2.7 mn trips per day in 1981, 6.6 mn trips per day 10 years later. There are many reasons why demand has risen -- population growth, high household formation rate, a geographically more dispersed society, and greater need to

travel as a result of changing lifestyles and social habits. Over the same period, our road capacity increased by four per cent per year. Our roads now occupy 11 per cent of our island, about the same percentage as housing. If current trends continue, by 2010, we could end up with 10 mn trips per day and nearly 50 per cent more land area for roads which will occupy 16 per cent of our total land. This increase must be at the expense of housing and schools, offices and factories, and parks and gardens. I do not think Singaporeans are prepared to accept that.

Second, besides grappling with higher demand for travel, the other challenge is how best to manage the aspirations of Singaporeans. Commuters today do not just want to get from point A to point B. They want travel to be fast, comfortable and convenient. If possible, they want to make the trip by car, for added convenience and prestige. Unfortunately, we cannot provide every Singaporean with a car. But we can try to meet growing aspirations for increased mobility, by providing a comprehensive spectrum of public transport modes, some of which must begin to approximate the level of comfort and convenience of private cars.

#### **LTA's Mission**

To meet its challenges, LTA must be bold. Its mission must be to provide a world class land transport system, one that will stand alongside our world-class port and airport. A world class transport system should have the following features: convenience, reliability, comfort, safety and fast travel times. It must be integrated, efficient, sustainable and meet the aspirations of Singaporeans. Only then can it support economic and environmental goals, besides providing value for money.

LTA must aim to provide a web of public transport services through a sensible hierarchy of transport modes:

- a MRT to serve heavy traffic corridors;
- b LRT to serve as feeders to the MRT network; and

- c Buses to complement MRT and LRT for the less heavy corridors.

The network's coverage should eventually be as comprehensive as the London Underground or the Paris Metro. Nobody should need to walk more than 400 metres to have access to public transport. We should integrate commercial with residential development above or adjacent to every MRT station. Every Singaporean, including the car owners, should have easy access to a wide selection of public transport choices to suit each individual's preference and pocket.

While we want to grow our rail network, the timing for any rail project must be carefully considered in view of the huge capital investment and high operating cost. The Government's current position is that it is prepared to pay for the upfront capital cost of the entire system if there are enough commuters and fares can cover at least operating cost, including the cost of replacing assets. This is a prudent approach.

The question is whether such an approach can support our vision of a world class public transport system, and whether it will allow us to grow our rail network judiciously yet comprehensively, offering quality service at reasonable fares, and maintaining viability for operators. If we can achieve this, then we will have an attractive public transport alternative to cars. This will in turn help reduce the pressure to own cars and at the same time make our vehicle ownership and usage restraint measures more acceptable.

I have therefore asked LTA to review the current financing policy so that we can have a world class transport system. In so doing, we must strike a balance between the need to expand the rail network and the need for financial prudence. We must not under-estimate the need for prudence. The Government must have an arrangement that is sustainable and which will not burden future generations. The new financing formula must

therefore be based on sound principles. In other words, it must promote financial prudence and a sense of individual discipline through the established principle of co-sharing.

### **White Paper**

I have also asked the LTA to prepare a White Paper to be published in two months' time. The White Paper should spell out how we can develop and sustain a world class land transport system under the new financing framework, how commuters can co-share responsibility for public transport improvements, as well as the extent that we as a nation, and as individuals, want to invest in and spend on transport infrastructure and services.

A world class public transport system will not come cheap. But this Government is committed to investing in transport infrastructure. We will be able to finance our commitments if we continue to accumulate reserves. This we will do if our policies remain sound, our people continue to work hard and the economy continues to grow.

The White Paper will serve as a starting point for establishing an understanding, a kind of a social contract among the Government, the people and the operators on the kind of land transport system we want. I encourage every Singaporean to play his part and give us your views and feedback. We can then discuss and debate how we can improve our transport system and the way we will travel in future.

### **Conclusion - A new era**

The formation of the LTA marks the beginning of a new era in land transport in Singapore. The challenges confronting the Authority are tremendous. LTA may be the formal organisation to spearhead efforts at improving our transport network, but it will need the support of other government agencies, the operators and most important, the people of Singapore. LTA's staff must be customer-oriented in order to produce the best integrated transport network that yields the greatest benefit to the nation

and our commuting public. I wish them well as they grapple with the many challenges ahead.

The launch of LTA is a historic occasion. It signifies Government's commitment to provide Singaporeans with a world class transportation system, one that not only meets our needs, but also one that we can all be proud of.

It is now my pleasure to officially launch the Land Transport Authority.

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