

Author name: D. Levinson

Date of submission: Thursday, 5 September 2024

Your submission for this review:

Submission, based on: <https://www.transportist.net/p/rethinking-sydneys-public-transport> A goal of public transport fare structuring should be to encourage the use of public transport by making it an obvious choice over cars where possible. This can be approached by ensuring fare consistency across different modes trains, trams, buses, and ferries for given distances, allowing passengers to select the best option without fare bias. IPART, the main regulator of maximum public transport fares and other public utilities in New South Wales, periodically reviews maximum fares. Government sets fares subject to those limits, current fares are below the maximum IPART sets. Those fares should be better. Fare Consistency and Simplification: There is a compelling argument for setting public transport fares on a per-kilometer basis to maintain consistency across different modes. This approach not only simplifies the user experience but also encourages the viewing of public transit as a cohesive network rather than fragmented options. For instance, current fare structures show anomalies where buses and trams are cheaper than trains for short distances (0-3 km) but become more expensive in medium-range distances (3-20 km), only to become cheaper again for longer trips (20 km). Similarly short distance ferries may be more expensive than long distance train rides: The off-peak train fare from Central to Newcastle is only 10 cents more than a 1 km ferry ride from Balmain East to Barangaroo. Simplifying fares to rounded figures, like the nearest 10 or 25 cents, could avoid confusion and make the system more user-friendly. All of this is technically possible because of the centralised fare management due to Opal. Economic Foundations of Fare Setting: 'Value Capture', which leverages the increased land values that public transit generates, presents a strategic method to fund long-term infrastructural costs without burdening current users with past debts. Instead of cost-recovery, fares should ideally reflect short-run pricing strategies that optimise system use and account for immediate, operating costs like labor and energy. This is especially pertinent when looking at the Airport Fare. Airport Fare: Unfortunately, Sydney Trains airport fares are set not by the government but by a public private partnership created to get the Airport Link built in the first place. It is owned by superannuation funds. This has deleterious effects. Imposing high surcharges (\$17.34 for an adult, one way) for train travel to Sydney Airport is counterproductive to broader social goals aimed at promoting public transport use. These surcharges significantly raise the cost of accessing the airport via rail, deterring travelers from choosing this more sustainable transport option. For instance, the additional fees can make the train fare notably more expensive compared to short or middle-distance taxi or ridehailing, or even driving and parking, especially for groups or families. This pricing strategy not only conflicts with environmental objectives of reducing car traffic and emissions but also undermines efforts to ease congestion on the roads leading to and from the airport. Ideally, pricing should incentivise train use, aligning with wider social goals of enhancing public transport utility and reducing urban congestion. Peak Periods: Fares are higher in the peak than the off-peak, in part because peak users impose additional costs on the system (more capacity is required, more drivers, etc.) that a load-balanced system wouldnt. So by signalling to users to travel in the off-peak, higher peak fares are both efficient and equitable. However, what is the peak. Presumably, that is when both demand AND service are greater. However, peak service does not align with peak fares. The peak period for fares should be tighter and align with higher service levels (i.e. higher frequencies).