



19 June 2003

Independent Pricing & Regulatory Tribunal
P O Box Q290
QVB Post Office NSW 1230

Dear Sir

Public Transport Costs and Servicing

I refer to the above matter and advise that Council has resolved to make a submission on a number of public transport issues particularly affecting local bus services.

Council's concerns are as follows:

- **Equity of Fares**

There is currently a fare inequity between areas serviced by Government operated STA services, and those serviced by private bus operators. Passengers who live in STA areas benefit from generous fare subsidies paid to the Government operator. These subsidies are not available to private bus operators, and therefore there are separate fare schedules operating across the metropolitan area, with STA fares lower than private fares.

There should be fare equity across the metropolitan area, particularly in considering public housing areas such as Claymore and Airds, where the higher fares act as a barrier to employment and access to essential services.

In this regard it is important to consider similar fare subsidies in such areas.

- **Concession Fares**

The STA offers attractive government backed concession fares, such as the Pensioner Excursion Ticket and periodical and multi trip tickets, which are subsidised by the government. These fares are not commercially viable for private bus operators without similar subsidies. There is also a lack of common concession recognition system between private bus companies and STA buses, especially for high school and tertiary students.

- **Taxation Equity**

The presence of the STA subsidies indicates that public transport users are paying through their tax contributions for the cheap fares of those who live in the inner city and eastern suburbs.

- **Benefits of Public Transport**

Sydney is facing many difficult issues, including poor air quality in western Sydney, in large part due to emissions from private cars. This is exacerbated by traffic congestion across the Sydney basin. The effective pricing and promotion of public transport options such as bus and train services should form an integral part in addressing air quality and traffic congestion issues. These "external" benefits are areas that should be shared between passengers and the general community, through suitable subsidisation of fares on an equitable basis across the whole of Sydney.

Additional community benefits, which impact on the whole of Government, include individual health benefits through increased walking (with potential reductions in the Health budget) and the reduction in road trauma and economic loss through reduced traffic accidents.

If the cost of services was to be carried wholly by the user, the system would suffer patronage losses and consequent environmental, social and economic impacts. Government policy must take into account the broader benefits of public transport use, and make funding decisions consistent with these goals.

- **Future Urban Expansion**

Campbelltown Council, along with most urban fringe Councils is facing ongoing population pressures. In particular, recent discussions about an additional population of up to 300,000 in the Bringelly to Narellan area, should be focussing the Government's attention on the provision of attractive and well priced public transport options, particularly if the culture is to be changed from car dependency to greater use of bus and rail.

In summary, Council is seeking the redress of fare inequities between those areas with subsidised public transport and western Sydney, in conjunction with an overall sustainable solution that addresses the social, environmental and economic needs of Sydney as a whole.

If you require any further information, please do not hesitate to contact me on 4645 4633.

Yours sincerely



Dick Webb
Manager Technical Services

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G: CW/EAI/Secretary/Julies Data/June2003/16