

**COMMUTER COUNCIL COMMENTS ON**

**Submission to the  
Independent Pricing and Regulatory  
Tribunal of New South Wales**

**CityRail Fare Review**

**BY**

**StateRail Authority of NSW**

**May 2003**

SUMMARY OF COMMENTS BY COMMUTER COUNCIL

**GENERAL. Commuters seek faster, more frequent, reliable, more comfortable services, at low cost. To claim that services have improved it must be possible to prove that passengers have actually received these improvements. Many commuters claim that the trip times have slowed, and that upgraded facilities are actually less convenient. Cityrail should be required to produce detailed figures comparing present and previous service delivery.** 4

**1] If fares are to be related to service and facilities, then consumers should have a major say in those services and facilities** 6

**2] Different commuters have different abilities to pay. This varies enormously**

**3] Different commuters have different sensitivities to fare levels.**

**4] The decision to use public transport or not varies considerably between different commuters**

**5] Short distance commuters are generally more concerned about service frequencies and cleanliness**

**6] Longer distance commuters are more concerned about trip duration, seating comfort, fare levels etc.**

**7] Night time, off peak passengers are more concerned about security.**

**8] The costs of many facilities should not be met by passengers e.g. Trackside fencing.**

**9] Weekly and periodical ticket holders should not contribute towards the cost of security as they rarely need it, and it is rarely provided for them.**

**10] The access charges from RIC need clarification.**

**11] What has happened to cost of overhead electric power since freight trains stopped using electric locos. Commuter groups were assured the Lithgow, Wollongong and Lithgow line electrification would be met fully by freight trains.**

**12] It would seem that since the media campaign about rail issues started some years ago, the railways have been trying to improve at huge cost, but the money does not seem to have produced sufficient improvements to justify the expenditure.**

## **Comments on Executive summary by Cityrail**

1] StateRail is committed to:

- Safe and secure, clean and reliable movement for our customers
- Friendly, accessible and informative service, in a financially responsible manner.

**Comment. Generally agree.**

2] StateRail is investing in a range of initiatives to improve customer service and provide a safer, more reliable and comfortable rail experience.

**COMMENT. More consultation with users needed.**

3] It costs \$5.9 million a day to run the suburban rail network, including buying, maintaining and cleaning rail carriages.

Revenue from fares raise less than \$1.3 million a day.

**COMMENT. More details needed.**

4] The Government pays for most of the balance. This cost \$1.3 billion in 2001-02 and is forecast to grow to \$1.5 billion in 2002-03.

**COMMENT. More details needed. Staff have been reduced substantially so costs should actually be down**

5] In 1999-00 fares paid for 26.7 per cent of the costs of running the suburban rail system. Last year that had fallen to 24.0% and is forecast to fall further this year to 21.7%.

**COMMENT. Again, costs should actually be decreasing.**

6] In the past year service quality throughout StateRail has improved. Nearly 92 per cent of peak services ran on time in the year to March 2003.

**COMMENT. The actual means of measurement does not actually give an accurate indication of actual service level. E.g A half minute late running train at a junction station can cause a passenger to be very late for work.**

7] In the same period only 0.5 per cent of scheduled services were cancelled.

**COMMENT Again, the measurement needs improvement. E.g. The cancellation of an empty train is quite different to the cancellation of a full train in its impact of users.**

8] Major improvements in the last year include – 300 transit officers, shorter cleaning cycles, rolling stock refurbishment, new rail carriages, canopies, station upgrades, and enhanced passenger security systems.

**COMMENT. Some improvement noted but not all that significant.**

9] This involved spending more than \$418 million on capital projects.

**COMMENT. Cityrail doesn't seem to have got value for its investment**

10] The cost of running the rail network has risen by \$440 million in the past three years as a result of improvements in reliability, rail safety and passenger comfort.

**COMMENT improvements not enough to justify the increased expenditure. Passenger comfort has decreased**

12] In the same three-year period rail fares fell by 3.2 per cent in real terms.

**COMMENT. In relation to CPI fares seem to have actually increased in real terms.**

13] City Rail did not seek real fare increases because of acknowledged service problems, including a significant drop in on-time running in 99/00 before the Olympics.

**COMMENT. There are still many problems.**

#### Cityrail Submission

14] Clearly service can be further improved.

15] In the coming year the SRA will be further improving the service and quality of rail travel by spending

- \$182 million on purchasing new train carriages;
- \$36 million on extending the rail infrastructure;
- \$36 million on upgrading existing train carriages;
- \$24 million on station upgrades;
- \$65 million in security services and
- \$47 million in rolling stock and station cleaning.

16] CityRail seeks a fare rise for 2003-04 that would see increased contribution of the farebox to the cost of running the suburban rail network.

**COMMENT. More details sought. Benefits need clarification.**

17] In light of the Ministerial Inquiry being conducted into public transport fares, it would be appropriate to consider CityRail's proposed fare increase for the next twelve months in respect of CPI and should take into account service improvements, with longer term pricing paths to be considered by the Inquiry.

**COMMENT. What does this mean?**

## **FINAL COMMENT BY COMMUTER COUNCIL**

**To justify any increase in fares, Cityrail must clearly identify what the needs and wishes of commuters are and what they are prepared to pay for, and demonstrate in detail, what they have achieved ..**

**Cityrail must strive to produce different services that meet the needs that different commuters want and are prepared to pay for.**