

COMPARISON OF REGIONAL BUS FARES WITH SIMILAR SERVICES



This Information Paper discusses how the current rural and regional bus fares compare to similar services including metropolitan fares (Opal), TrainLink coaches and fares in other states and territories. It also discusses findings from Orima’s survey of bus users and non-users across rural and regional NSW. This includes awareness of the level of bus fares and views on electronic payments.

Current rural and regional bus fares are higher than off-peak Opal fares

Table 1 compares rural and regional bus fares with Opal fares, which apply to bus services in the Sydney metropolitan and outer metropolitan regions. Rural and regional bus fares are higher than the current off-peak Opal fares at every distance. With the exception of fares in bands 1 and 2, they are also higher than the current Opal peak fares.

Table 1 Comparison of current rural and regional (R&R) bus fares with Opal fares

Fare band	No. sections	Distance (km)	R&R current maximum	Opal maximum for buses (to mid-2024)	Current Opal off-peak (actual)	Current Opal peak (actual)
1	1-2	0-3	\$2.40	\$3.20	\$2.24 off peak	\$3.20 peak
2	3-6	3-10	\$3.60	\$4.60	\$2.61 off-peak	\$3.73 peak
3	7-15	10-25	\$5.10	\$6.00	\$3.36 off-peak	\$4.80 peak
4	16-25	25-40	\$7.60	\$6.40		
5	26-37	40-65	\$10.10			
6	38-56	60-90	\$15.10			
7	57-75	90-120	\$21.90			
8	76-100	120-160	\$30.70			
9	101-125	160-200	\$40.70			
10	126+	200+	\$50.60			

Note: Distance bands do not match exactly so we have used some judgment in identifying comparable fares. The current off-peak actual is the rate that applies from October 2020 and not the special rate that applied from July to September 2020.

Source: IPART maximum fare determination for regional bus fares, 2018, IPAR maximum fare determination for opal fares 2020 and current actual opal fares

Rural and regional bus users do not get many of the travel incentives available for metropolitan and outer metropolitan bus users. These reduce costs for frequent users and provide discounts for multi-modal travel. They include weekly caps, weekly travel rewards and transfer discounts.

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The maximum daily cap to travel by any Opal connected transport service is \$16.10 for a full fare paying adult, \$8 for children/youth and concession card holders. For rural and regional buses, daily tickets range from \$7.20 for unlimited travel for trips up to two sections (around 3 km) to \$103.60 for unlimited travel for an unlimited distance. While daily tickets are available for rural and regional buses, we note that the services included differ quite substantially to those that apply under the Opal daily cap (Table 2).

Table 2 What's included in a daily ticket –rural and regional buses vs Opal

	R&R buses (daily ticket)	Opal (daily cap)
Area covered	All rural and regional buses, though in practice this is not an interconnected network across the State	Interconnected network spanning from Newcastle/Hunter in the north, Blue Mountains/Lithgow in the west and Shoalhaven/Nowra in the south
Services included	Unlimited R&R buses	Unlimited use of metro/train, bus, ferry and light rail services within the Opal network (excluding the Sydney Airport access fee, on-demand public transport and private services that accept Opal card)
Possible journey length	Highly dependent on services available in the area. While the number of trips is unlimited, if two areas are not linked by a rural and regional bus service then will need to purchase a ticket for the intervening service separately	Unlimited distance within the interconnected Opal service area (excluding public on-demand services and private services that accept Opal Pay)
Transfers included	In practice likely to be fairly limited as most services are local In some areas inter-operator travel is common and daily tickets were designed to facilitate easy transfer between operators	Flexible for transfers between different services and different transport modes within the Opal area.

Source: TfNSW, [Adult fares](#), viewed 3 September 2020; IPART maximum fare determination for regional bus fares, 2018 and IPART analysis.

The Opal daily price is a cap that is applied automatically so it does not require passengers to predict their travel patterns with precision before they travel. Transfer discounts on the Opal network make it less likely that a bus-only passenger will actually reach the daily cap. While routes tend to be longer in rural and regional areas, services are less frequent and other modes of transport are not included, meaning the potential for these tickets to be good value is much less.

On the Opal network, a second trip undertaken within 60 minutes of the earlier tap-off is considered as one journey within the same network.¹ This means that multiple bus trips may be made for the price of a single bus trip (for which the highest fare is currently \$4.80). For many bus-only users this transfer arrangement would mean the cost of travel is likely to be less than the daily cap. For rural and regional bus users on full or concession fares there is no equivalent transfer arrangement so the price of bus travel reaches the daily cap faster.

Table 3 provides a hypothetical example of the cost of a 100 km journey for a full fare paying passenger using the Opal network and the rural and regional bus network.

Table 3 Travel cost for a 100 km journey with transfers for a full fare paying passenger

Journey detail	Cost – Opal network - peak	Cost – rural and regional bus
A single 100km bus trip with no transfers	\$4.80	\$21.90
Two trips – change to another bus after 60 km (within 60 minutes)	\$4.80	\$20.20
Three trips – first 40km by bus, 20 km by train and the next 40 km by bus (each trip within 60 minutes)	\$10.08	\$27.12

Note: We have assumed that each journey is made within four hours – the maximum time allowed for one Opal journey. A time limit does not apply for rural and regional single fare trips.

Source: Opal and regional bus fare information, Transport for NSW

Rural and regional bus fares are higher than NSW TrainLink coach fares

Opal bus fares reach their maximum values at a relatively short distance (reflecting the fact that Opal bus journeys do not tend to be long distance) and so are not really comparable for long distance trips. As required by the referral for the review, we have also compared rural and regional bus fares with those of NSW TrainLink coach fares. Rural and regional bus fares are higher than these coach fares, particularly for the longer distances (ie, fare bands 8 and 9).

¹ The time limit for a single bus journey (including several trips or transfers within the same mode) is four hours within the Opal network and would cost only \$4.80 if the journey time limit and the time between each tap-on and tap-off is less than sixty minutes irrespective of the number of bus trips made.

Table 4 Comparison of current rural and regional (R&R) bus fares with coach fares

Fare band	No. sections	Distance (km)	R&R current max	Current coach fares standard season	Current coach fares peak season
1	1-2	0 to 3	\$2.40		
2	3-6	3 to 8	\$3.60		
3	7-15	8 to 20	\$5.10		
4	16-25	20 to 35	\$7.60		
5	26-37	35 to 65	\$10.10	\$5.54-9.22	\$6.92-11.53
6	38-56	65 to 90	\$15.10	\$9.22-12.91	\$11.53-16.14
7	57-75	90 to 120	\$21.90	\$12.91-17.52	\$16.14-21.90
8	76-100	120-160	\$30.70	\$17.52-23.98	\$21.90-29.98
9	101-125	160-200	\$40.70	\$23.98-28.59	\$29.98-35.74
10	126+	200+	\$50.60	\$28.59-35.97	\$35.74-44.96

Note: Distance bands do not match exactly so we have used some judgment in identifying comparable fares.

Source: IPART analysis

NSW rural and regional bus fares are higher than in Queensland and Victoria

We compared rural and regional bus fares with those in Queensland and Victoria for bus routes where the distance was similar. NSW fares were consistently higher than Queensland fares although the percentage difference varies.

Table 5 Comparison with rural and regional bus fares in Queensland (Cairns and Toowoomba)

Zones crossed	Adult single (Qld)	Approximate distance (km)	R&R equivalent fare	Percentage difference
1	\$2.40	5	\$3.60	50%
2	\$3.00	10	\$5.10	70%
3	\$3.50	15	\$5.10	46%
4	\$4.00	20	\$5.10	28%
5	\$4.70	25	\$7.60	62%
6	\$5.30	30	\$7.60	43%
7	\$6.20	35	\$7.60	23%
8	\$6.60	40	\$10.10	53%
9	\$7.10	45	\$10.10	42%
10	\$8.20	50	\$10.10	23%
11	\$9.10	55	\$10.10	11%

Source: Translink Fares for regional buses Queensland, IPART analysis

Similarly, NSW fares were higher than fares for comparable distances in Victoria.

Table 6 Comparison with rural and regional bus fares in Victoria (Colac to Geelong)

	Fare (Vic)	Approximate distance (km)	R&R equivalent fare	Percentage difference
Colac to Birregurra	\$3.60	22.8	\$7.60	111%
Colac to Winchelsea	\$5.60	38.5	\$10.10	80%
Colac to Deakin University – Warun Ponds	\$9.60	67.8	\$15.10	57%
Colac to Geelong	\$9.60	75.4	\$15.10	57%

Source: Victorian Regional Bus Fares Supplement, Effective 1 January 2020, IPART analysis

Cross-border issues remain a problem for bus users and operators. At our 2017 review of rural and regional bus fares, we were asked to consider cross-border issues and make recommendations on improvements. In our Final Report, we noted:

- ▼ Substantially different fare levels were a significant part of the problem – we considered that the fare changes we made would help to address this
- ▼ Operators QCity (Queanbeyan/ACT) and Surfside (Tweed/Qld) had implemented measures to help address cross border issues, particularly for regular users, including ticketing systems and weekly tickets. Notably, these operators both operate across both states
- ▼ There were more significant cross border issues in Albury/Wodonga where the two operators had no means of sharing tickets and required passengers to purchase separate tickets on each service
- ▼ There were problems with the availability of concession fares across different states. As an example, the student concession in NSW is only available to people enrolled in a NSW university and the Queensland student concession is only available to Queensland residents so any students from northern NSW who study in southern Queensland are required to pay full fare.²

We made a number of recommendations aimed at addressing cross-border issues. To date most of these recommendations have not been implemented. Cross-border issues were again raised by stakeholders in the Northern Rivers region of NSW, particularly given the travel of residents living near Queensland to access health services across the border.³

² IPART, Maximum fares for rural and regional bus services, From 5 March 2018 – Final Report, December 2017, pp 107-109.

³ Meeting with stakeholders from the Northern Rivers region, 5 August 2020.

Information about fares is not widely known and can be difficult to access

We engaged Orima to undertake a survey of bus users and non-users across rural and regional NSW. The survey found that there was a relatively low awareness of the level of bus fares. Of particular interest it found that:

- ▼ Non-users tended to anticipate higher bus fares than was reported for the last trip by actual users. This doesn't necessarily mean that fares are a barrier to choices, but does suggest that non-users may be over-estimating the costs that would be associated with bus usage.⁴
- ▼ Awareness of changes being made to bus fares in 2018 was very low. Even among the small group of recent bus users, less than half were even partially aware of changes being made (40%). For non-users, 89% reported not having been aware that there were changes made recently to maximum bus fares.⁵
- ▼ Most bus users (89%) felt that the fare they paid for their most recent trip represented good or very good value for money. About 16% of bus users reported using a RED ticket on their most recent journey. For those who did not use a RED ticket, 80% estimated their fare was less than \$5 (with 16% who indicated the trip was free).⁶
- ▼ Most non-users feel confident in their ability to get bus information despite only 20% having sought out any of that type of information in the last 12 months.⁷

A number of submissions commented on the information about fares and the expectations about fares.

Coffs Harbour City Council stated that information on fares is relatively difficult to access and should be made more available, both for those who cannot access or are not confident in accessing online data or who do not use English as a first language.⁸

Social Futures stated that the accessibility of information can be an issue for some groups. Information apps and pre-booking software may provide innovative solutions but should be inclusive of people with disabilities, eg, vision impaired. There is a need for technical support and training for communities.⁹

⁴ Orima Research, Survey of rural and regional buses and on-demand transport services, August 2020, p 21.

⁵ Orima Research, Survey of rural and regional buses and on-demand transport services, August 2020, p 40.

⁶ Orima Research, Survey of rural and regional buses and on-demand transport services, August 2020, p 16

⁷ Orima Research, Survey of rural and regional buses and on-demand transport services, August 2020, p 23.

⁸ Coffs Harbour City Council submission to IPART Issues Paper, August 2020, p 6.

⁹ IPART meeting with Social Futures, 5 August 2020.

Sapphire Coast Buslines commented on the number of 'sea changers' and retirees in their region who are used to metropolitan services and so have expectations about the level of service and fares. They are more aware of the relativity of fares between local bus services and other services like metropolitan buses, TrainLink trains and coaches and whether these make sense.¹⁰

The Regional Youth Taskforce stated that the route information available on operator websites is difficult to understand. Some operators do not display bus fare information on their websites and young people are unlikely to call an operator and find out the bus fare. Further, there is a discrepancy between regional bus fares for young people and Opal fares for young people.¹¹

NCOSS commented that the fares for longer distances are still expensive even though the affordability of shorter distances has improved.¹²

Stakeholders would like the option of using electronic payments

Action for Public Transport NSW¹³, NCOSS¹⁴, Coffs Harbour City Council¹⁵ and an individual submission¹⁶ supported integrated public transport systems and fares. Action for Public Transport NSW also asked that transfer penalties be removed and supported contactless payment because of the COVID-19 pandemic.¹⁷

The Advocate for Children and Young People stated electronic ticketing and other innovations¹⁸ were necessary to enable vulnerable young people to travel safely. These people often travelled without any money and so their ability to access bus travel was dependent on the discretion of the bus driver.¹⁹

Reynolds and Fogarty operates the Moree on-demand service and operated long distance coach services for TrainLink. There are a number of tourists who travel to Moree via train. These tourists would like to use their Opal cards to access local bus services but are unable to.²⁰

¹⁰ IPART meeting with Sapphire Coast Buslines, 21 August 2020.

¹¹ IPART meeting with the Regional Youth Taskforce, 9 June 2020.

¹² IPART meeting with NCOSS, 31 July 2020.

¹³ Action for Transport NSW submission to IPART Issues Paper, August 2020, p 2.

¹⁴ NCOSS submission to IPART Issues Paper, August 2020, p 10.

¹⁵ Coffs Harbour City Council submission to IPART Issues Paper, August 2020, p 6.

¹⁶ B. Stuart submission to IPART Issues Paper, July 2020.

¹⁷ Action for Transport NSW submission to IPART Issues Paper, August 2020, p 3 and 6.

¹⁸ Such as an on-demand service for vulnerable young people, particularly when travelling late at night.

¹⁹ Advocate for Children and Young People submission to IPART Issues Paper, August 2020, pp 3-5. The Advocate for Children and Young People also noted the accumulation of fines for vulnerable young people. However, we understand from TfNSW that these fines are only issued in metropolitan areas.

²⁰ Meeting with Reynolds and Fogarty, 8 July 2020.