

COMPLIANCE STATEMENT

Fares for Sydney Trains and NSW TrainLink Intercity services, Sydney Ferries and Metropolitan and Outer Metropolitan Bus services from 1 September 2014

Based on *Review of fares for CityRail services from January 2013*, *Review of fares for Sydney Ferries services from January 2013*, *Review of fares for metropolitan and outer metropolitan bus services from January 2014* and *the Stockton Ferry Service - Determination, December 2013*.


IPART has found that Transport for NSW's proposed fares for Sydney Trains and NSW TrainLink Intercity services, Sydney Ferries and metropolitan and outer metropolitan bus services from 1 September 2014 comply with our determinations.

IPART is responsible for determining maximum fares for Sydney Trains and NSW TrainLink Intercity services, Sydney Ferries and metropolitan and outer metropolitan bus services.¹ Whenever Transport for NSW introduces or discontinues one or more new ticket types, it is required to submit a pricing proposal to IPART demonstrating compliance with our determinations. This compliance statement outlines the changes that will apply from 1 September 2014.

IPART regulates maximum fares for Sydney Trains and NSW TrainLink Intercity services, Sydney Ferries and metropolitan and outer metropolitan bus services using a 'price cap approach'. Under this approach, Transport for NSW can increase some fares by more and others by less than the maximum average amount provided it ensures the average increase does not exceed the maximum we determined.

Government has announced that 14 paper ticket types are being retired from 1 September 2014. It has also advised IPART that Opal is now operating on all Sydney Ferries, Sydney Trains and NSW Trainlink Intercity services and is being progressively rolled out on buses across the greater Sydney metropolitan area. Transport for NSW has submitted a pricing proposal for the 2014 period

¹ Our fare determination applies to fares for regular bus services provided by State Transit Authority and private operators in metropolitan and outer metropolitan bus contract regions.



incorporating the discontinuation of 14 paper tickets. The pricing proposal also incorporates Opal tickets from 1 September 2014, because previously Opal tickets were treated as trial products for the purposes of our fare determination.² We have assessed this proposal and confirmed that the average increase in fares complies with our determinations for Sydney Trains and NSW TrainLink Intercity services, Sydney Ferries and metropolitan and outer metropolitan bus services.

The Government's decision on fares means that passengers that previously used single, return and weekly paper tickets typically pay less under Opal. Passengers that previously used quarterly and annual paper tickets tend to pay more under Opal. Passengers that previously used other paper tickets may pay more or less under Opal depending on their travel patterns.

IPART does not determine fares for the Pensioner Excursion Tickets (PET) and the other concession fares that can be used on rail, ferry and bus services. These are set by the NSW Government. Transport for NSW has advised that Government will maintain the PET fare at \$2.50. Concession fares are generally set by Government at half of the full fare.

For the 2014 period:

- ▼ Sydney Trains and NSW TrainLink Intercity services fares will increase by an average of 3.3%³.
- ▼ Sydney Ferries fares will increase by an average of 2.9%. Metropolitan and outer metropolitan bus fares (except for Newcastle fares⁴) will increase by an average of 2.4%.
- ▼ Newcastle bus fares will increase by an average of 1.6%.

Fares for individual tickets can be found at <http://www.transportnsw.info/>.


Over the 2014 period, Transport for NSW will have increased Sydney Trains and NSW TrainLink Intercity services, Sydney Ferries and metropolitan and outer metropolitan bus fares by less than the maximum allowed under our determinations. As a result, in 2015 we estimate Transport for NSW will be able to increase:

- ▼ Sydney Trains and NSW TrainLink Intercity services fares by 0.3% on top of the annual increase of 1.3% above inflation.
- ▼ Sydney Ferry fares by 3.1% on top of the annual increase of 2.4% above inflation.

² Under our determination, trial products are not included in the calculation of the weighted average price cap.

³ Last year, Transport for NSW increased Sydney Trains and NSW TrainLink Intercity services fares by less than the amount allowed under our determination. As a result, this year Transport for NSW is able to increase average Sydney Trains and NSW TrainLink Intercity services fares by 0.2% on top of the allowed maximum annual increase.

⁴ Newcastle has its own fare schedule and its own price cap for Newcastle ticket types.

- 
- ▼ Metropolitan and outer metropolitan bus fares (except Newcastle bus fares) by 0.1% on top of the annual increase of 0.5% above inflation.
 - ▼ Newcastle bus fares by 1.0% on top of the annual increase of 0.5% above inflation.