

Independent Pricing and Regulatory Tribunal
New South Wales

Maximum Fares for Rural and Regional Bus Services

1 January 2021 to 31 December 2025

Draft Determination

October 2020

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Tribunal Members

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Preliminary

1 Application of this determination

1.1 Appropriate maximum fares for Rural and Regional Bus Services

This determination fixes appropriate maximum fares for Rural and Regional Bus Services.

1.2 Term of this determination

- (a) This determination commences on 1 January 2021 (**Commencement Date**).
- (b) This determination applies from the Commencement Date until the earlier of:
 - (1) 31 December 2025; and
 - (2) the date on which this determination is replaced.

2 Replacement of 2017 Determination

This determination replaces the 2017 Determination from the Commencement Date.

3 Pricing schedules

- (a) If an Operator calculates a fare on a Number of Sections Basis, the appropriate maximum fares for Rural and Regional Bus Services are as set out in Schedule 1.
- (b) If an Operator calculates a fare on a Kilometres Basis, the appropriate maximum fares for Rural and Regional Bus Services are as set out in Schedule 2.

4 Legislative background

- (a) Section 123(1) of the Passenger Transport Act provides that the Minister may refer to IPART, with the approval of the Minister administering the IPART Act, all or any of the services provided by one or more Public Passenger Services for determination of, or a recommendation as to:
 - (1) appropriate maximum fares for the services;
 - (2) appropriate maximum fares for specified fares or classes of fares for the service or services.
- (b) Under section 124(1) of the Passenger Transport Act, IPART is to conduct investigations and report to the Minister on the appropriate maximum fares if a referral is made under section 123(1).
- (c) By letter dated April 2020, IPART received a referral from the Minister, with the approval of the Minister administering the IPART Act, to investigate and report

on the determination of appropriate maximum fares for Rural and Regional Bus Services.

- (d) In making this determination, IPART considered matters including those provided for in section 124(3) of the Passenger Transport Act and the matters that were specified by the Minister pursuant to section 123(2)(b).

Schedule 1 Maximum fares where Number of Sections Basis used

1 Maximum fares for Single Journey Tickets

- (a) The appropriate maximum fare for Rural and Regional Bus Services (other than On-Demand Bus Services and Peak Services) supplied under a Single Journey Ticket is the fare specified in Table 1.1 for the applicable Number of Sections Traversed.
- (b) The appropriate maximum fare for On-Demand Bus Services supplied under a Single Journey Ticket is the fare specified in Table 1.1 for the applicable Number of Sections Traversed, plus a surcharge of \$5 per Journey.
- (c) The appropriate maximum fare for Peak Services supplied under a Single Journey Ticket is the fare specified in Table 1.2 for the applicable Number of Sections Traversed.

Table 1.1 Maximum Fares for Single Journey Tickets for Rural and Regional Bus Services (except Peak Services)

Number of Sections Traversed	Maximum fare (\$)
1-2	2.30
3-6	3.30
7-15	4.20
16-25	4.50
26-37	5.90
38-56	7.50
57-75	10.00
76-100	15.00
101-125	20.00
126+	25.00

Table 1.2 Maximum Fares for Single Journey Tickets for Peak Services

Number of Sections Traversed	Maximum fare (\$)
1-2	3.20
3-6	4.60
7-15	6.00
16-25	6.40
26-37	8.30
38-56	10.70

2 Maximum fares for Daily Tickets, On-Demand Daily Tickets and Peak Daily Tickets

- (a) The appropriate maximum fare for a Daily Ticket is the fare specified in Table 1.3 for the applicable Maximum Number of Sections Traversed.
- (b) The appropriate maximum fare for an On-Demand Daily Ticket is the fare specified in Table 1.3 for the applicable Maximum Number of Sections Traversed, plus a surcharge of \$10 per Day.
- (c) The appropriate maximum fare for a Peak Daily Ticket is the fare specified in Table 1.4 for the applicable Maximum Number of Sections Traversed.

Table 1.3 Maximum fares for Daily Tickets for Rural and Regional Bus Services (except Peak Services)

Maximum Number of Sections Traversed	Maximum fare (\$)
1-6	5.00
7-37	10.00
38-75	20.00
76+	30.00

Table 1.4 Maximum fares for Peak Daily Tickets

Maximum Number of Sections Traversed	Maximum fare (\$)
1-6	8.00
7-37	13.00
38-56	23.00

Schedule 2 Maximum fares where Kilometres Basis used

1 Maximum fares for Single Journey Tickets

- (a) The appropriate maximum fare for Rural and Regional Bus Services (other than On-Demand Bus Services and Peak Services) supplied under a Single Journey Ticket is the fare set out in Table 2.1 for the applicable Number of Kilometres Traversed.
- (b) The appropriate maximum fare for On-Demand Bus Services supplied under a Single Journey Ticket is the fare set out in Table 2.1 for the applicable Number of Kilometres Traversed, plus a surcharge of \$5 per Journey.
- (c) The appropriate maximum fare for Peak Services supplied under a Single Journey Ticket is the fare set out in Table 2.2 for the applicable Number of Kilometres Traversed.

Table 2.1 Maximum Fares for Single Journey Tickets for Rural and Regional Bus Services (except Peak Services)

Number of Kilometres Traversed	Maximum fare (\$)
0 to ≤3	2.30
>3 to ≤8	3.30
>8 to ≤20	4.20
>20 to ≤35	4.50
>35 to ≤65	5.90
>65 to ≤90	7.50
>90 to ≤120	10.00
>120 to ≤160	15.00
>160 to ≤200	20.00
>200	25.00

Table 2.2 Maximum Fares for Single Journey Tickets for Peak Services

Number of Kilometres Traversed	Maximum fare (\$)
0 to ≤3	3.20
>3 to ≤8	4.60
>8 to ≤20	6.00
>20 to ≤35	6.40
>35 to ≤65	8.30
>65 to ≤90	10.70

2 Maximum fares for Daily Tickets, On-Demand Daily Tickets and Peak Daily Tickets

- (a) The appropriate maximum fare for a Daily Ticket is the fare set out in Table 2.3 for the applicable Maximum Number of Kilometres Traversed.
- (b) The appropriate maximum fare for an On-Demand Daily Ticket is the fare set out in Table 2.3 for the applicable Maximum Number of Kilometres Traversed, plus a surcharge of \$10 per Day.
- (c) The appropriate maximum fare for a Peak Daily Ticket is the fare set out in Table 2.4 for the applicable Maximum Number of Kilometres Traversed.

Table 2.3 Maximum fares for Daily Tickets for Rural and Regional Bus Services (except Peak Services)

Maximum Number of Kilometres Traversed	Maximum fare (\$)
0 to ≤8	5.00
>8 to ≤65	10.00
>65 to ≤120	20.00
>120	30.00

Table 2.4 Maximum Fares for Peak Daily Tickets

Maximum Number of Kilometres Traversed	Maximum fare (\$)
0 to ≤8	8.00
>8 to ≤65	13.00
>65 to ≤90	23.00

Schedule 3 Definitions and interpretation

1 Definitions

2017 Determination means IPART's determination No. 6 of 2017 titled '*Maximum fares for Rural and Regional Bus Services 5 March 2018 to 31 December 2020*'.

Bus Service has the meaning given to that term in section 4(1) of the Passenger Transport Act.

Commencement Date has the meaning set out in clause 1.2(a) of the Preliminary section of this determination.

Daily Ticket means a Ticket which entitles a passenger to make an unlimited number of Journeys on Rural and Regional Bus Services (excluding On-Demand Bus Services and Peak Services) during a single Day, regardless of whether the Journeys are made with a single Operator or multiple different Operators.

Day means a period of 24 hours beginning at 4.00am.

IPART means the Independent Pricing and Regulatory Tribunal of New South Wales established under the IPART Act.

IPART Act means the *Independent Pricing and Regulatory Tribunal Act 1992* (NSW).

Journey means either of the following:

- (a) a single Trip, other than a Trip which is part of a succession of Trips of the kind described in paragraph (b) below; or
- (b) a succession of Trips, provided that:
 - (i) each Trip in the succession is taken on the same Day;
 - (ii) each Trip in the succession is taken by the same passenger;
 - (iii) each Trip in the succession is taken on a Rural and Regional Bus Service provided by the same Operator;
 - (iv) each Trip in the succession begins no later than 60 minutes after the end of the previous Trip in the succession; and
 - (v) no Trip in the succession traverses the same route, or a substantial part of the same route, as any other Trip in the succession, whether in the same or the opposite direction.

Note: The intention behind sub-paragraph (v) in paragraph (b) of the definition of Journey is to exclude return travel.

Kilometres Basis means calculating the fare for a Rural and Regional Bus Service by reference to the number of kilometres (of parts of kilometres) traversed while on a bus.

[Note: For example, if a Journey is 1.1km long, the passenger has traversed two kilometres or parts of kilometres.]

Maximum Number of Kilometres Traversed means the largest number of kilometres (or parts of kilometres) that a passenger traverses on a Journey under a Daily Ticket during a single Day.

[Note: For example, if a passenger's longest Journey in a day is 15.1km, the Maximum Number of Kilometres Traversed is 16.]

Maximum Number of Sections Traversed means the largest number of Sections (or parts of Sections) that a passenger traverses on a Journey under a Daily Ticket during a single Day.

Minister means the Minister administering the Passenger Transport Act.

Number of Kilometres Traversed means the number of kilometres (or parts of kilometres) that a passenger traverses on a Journey under a Single Journey Ticket.

Number of Sections Basis means calculating the fare for a Rural and Regional Bus Service by reference to the number of Sections (or parts of Sections) the passenger traverses while on a bus.

Number of Sections Traversed means the number of Sections (or parts of Sections) that a passenger traverses on a Journey under a Single Journey Ticket.

On-Demand Bus Services means those Rural and Regional Bus Services (excluding Peak Services) which:

- (a) are provided only if requested by one or more customers; and
- (b) lack either or both of a regular:
 - (i) route; and
 - (ii) timetable.

On-Demand Daily Ticket means a Ticket which entitles a passenger to make an unlimited number of Journeys on all Rural and Regional Bus Services during a single Day, regardless of whether the Journeys are made with a single Operator or multiple different Operators.

[Note: An On-Demand Daily Ticket entitles a passenger to take unlimited Journeys on all Rural and Regional Bus Services whether or not they are On-Demand Bus Services.]

Operator means a person who provides a Bus Service under a Passenger Service Contract.

Passenger Service Contract has the meaning given to that term in section 4(1) of the Passenger Transport Act.

Passenger Transport Act means the *Passenger Transport Act 2014* (NSW).

Peak Daily Ticket means a Ticket which entitles a passenger to make an unlimited number of Journeys on Rural and Regional Bus Services (excluding On-Demand Bus Services) during a single Day, regardless of whether the Journeys are made with a single Operator or multiple different Operators.

[Note: A Peak Daily Ticket entitles a passenger to take unlimited Journeys on all Rural and Regional Bus Services whether or not they are Peak Services (except On-Demand Bus Services).]

Peak Services means the Rural and Regional Bus Services:

- (a) specified by Transport for NSW by notice published on its website for the purposes of this definition from time to time; and
- (b) on which a passenger:
 - (1) traverses a maximum of 56 Sections where an Operator calculates a fare on a Number of Sections Basis; or
 - (2) traverses a maximum of 90 kilometres (or parts of kilometres) where an Operator calculates a fare on a Kilometres Basis.

Public Passenger Service has the meaning given to that term in section 5 of the Passenger Transport Act.

Rural and Regional Bus Services:

- (a) means all Bus Services to which Division 2 of Part 7 of the Passenger Transport Act applies which are supplied:
 - (i) under a Passenger Service Contract; and
 - (ii) in, or partly in, a Rural and Regional Contract Region; and
- (b) excludes, for the avoidance of doubt, any NSW TrainLink bus or coach service.

Rural and Regional Contract Region means all areas of New South Wales other than the regions:

- (a) numbered 1-12 on the map in Appendix A to this determination; and
- (b) the regions numbered 1-10 and 12-15 on the map in Appendix B to this determination.

Sections means portions of a bus route, each approximately 1.6 kilometres long, into which the route is divided by an Operator for the purposes of calculating fares.

Single Journey Ticket means a Ticket which entitles a passenger to make one Journey.

Ticket means the proof of entitlement to travel on a Rural and Regional Bus Service.

Transport for NSW means Transport for NSW as constituted under the *Transport Administration Act 1988* (NSW).

Trip means a single instance of travel using a Rural and Regional Bus Service in which a passenger boards a bus at one location, travels on that bus, and disembarks that bus at a second location.

2 Interpretation

2.1 General provisions

In this determination:

- (a) headings are for convenience only and do not affect the interpretation of this determination;
- (b) a reference to a schedule, clause, paragraph or table is a reference to a schedule to, clause of, paragraph in, or table in, this determination unless otherwise indicated;
- (c) a construction that would promote a purpose or object expressly or impliedly underlying the IPART Act or the Passenger Transport Act is to be preferred to a construction that would not promote that purpose or object;
- (d) words or expressions importing the singular include the plural and vice versa;
- (e) a reference to a law or statute includes regulations, ordinances, by-laws, rules, codes and other instruments (including licences) under it and consolidations, amendments, re-enactments or replacements of them or of the law or statute itself;
- (f) where a word or expression is defined, other grammatical forms of that word or expression have a corresponding meaning;
- (g) a reference to a person includes a reference to the person's executors, administrators, successors, replacements (including, but not limited to, persons taking by novation), agents and assigns;
- (h) a reference to a body, whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body;is a reference to the body which replaces it or which substantially succeeds to its powers or functions; and
- (i) a reference to a business name which is replaced by a different business name is taken to be a reference to the replacement business name.

2.2 Explanatory notes and clarification notice

- (a) Explanatory notes and examples do not form part of this determination, but in the case of uncertainty may be relied on for interpretation purposes.
- (b) IPART may publish a clarification notice in the NSW Government Gazette to correct any manifest error in this determination. Such a clarification notice is taken to form part of this determination.

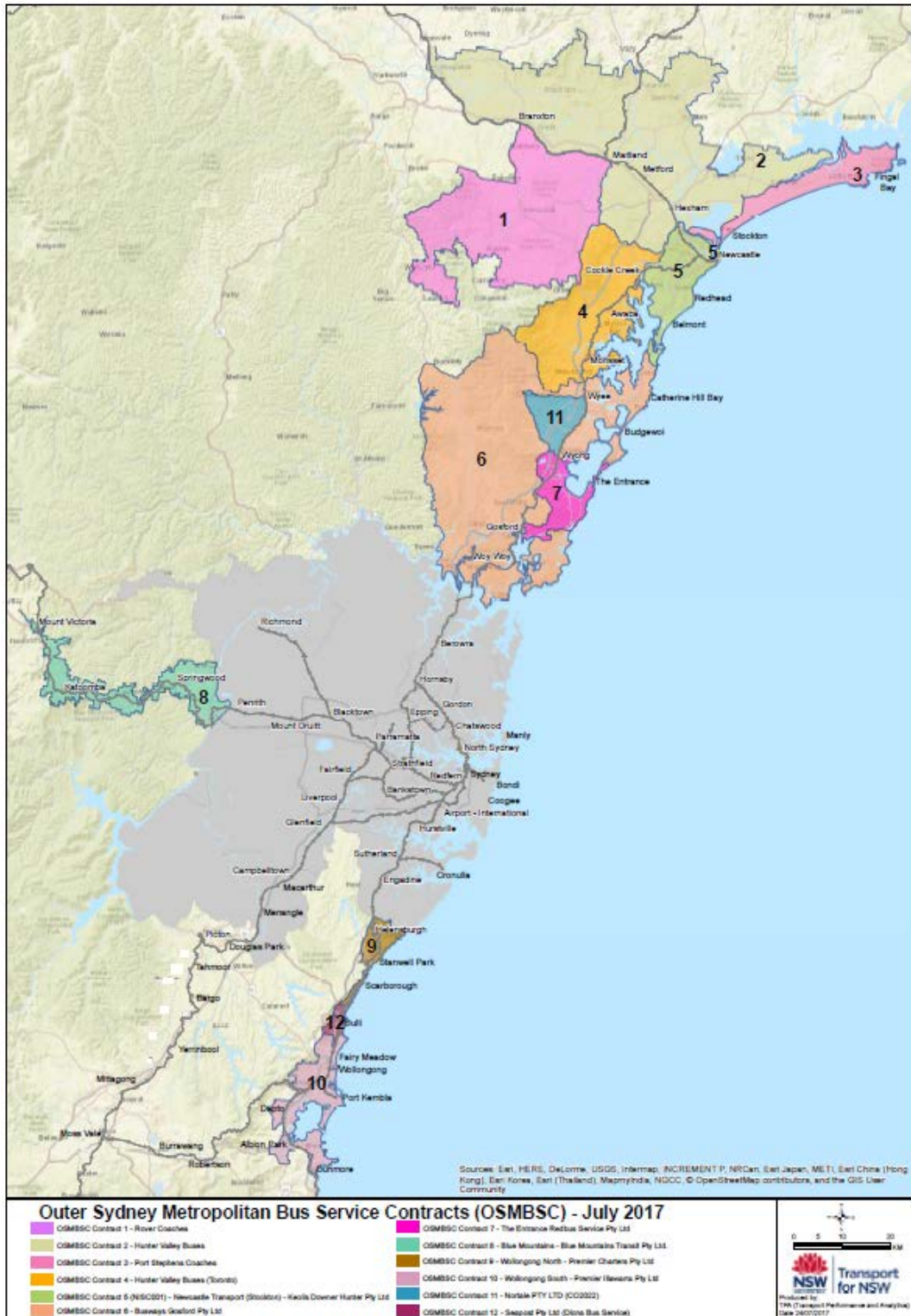
2.3 Maximum fares inclusive of GST

- (a) Maximum prices specified in this determination include GST.



Appendices

A Outer Sydney Metropolitan Bus Service Contracts map



B Sydney Metropolitan Bus Service Contracts map

