

**MINISTRY OF TRANSPORT**

Level 21, 227 Elizabeth Street Sydney 2000
GPO Box 1620 Sydney 2001

Telephone 9268 2800 Facsimile 9268 2900
Internet www.transport.nsw.gov.au

ABN 25 765 807 817

Mr James Cox
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB POST OFFICE NSW 1230

23 DEC 2008

Dear Mr Cox,

I refer to the Independent Pricing and Regulatory Tribunal's review of fares for rural and regional services for 2009.

I would like to thank the Tribunal for the work it has undertaken, and I note the resulting recommendation that maximum fares for rural and regional bus services be increased by 8.5 per cent.

Having regard to the matters considered by Tribunal, and the potential impacts that have been identified, I am of the view that the proposed 8.5 per cent increase to fares for rural and regional bus services is reasonable and appropriate.

I have accepted the Tribunal's recommendation and consequently contracts for rural and regional regular bus services are to be adjusted with effect from 4 January 2009 in order to make provision for the fare increase. The Ministry is currently making arrangements to notify rural and regional bus operators of the new fares.

Yours sincerely,

A handwritten signature in black ink, appearing to read "J. Glasson".

Jim Glasson
Director-General