

## IPART RAISES CITYRAIL FARES

**Embargoed until Thursday 25 October 2007 12 Midday**

**Sydney: Thursday, October 25, 2007:** The Independent Pricing and Regulatory Tribunal (IPART) today announced CityRail fares would increase on average by 5.9 per cent from November 11, 2007:

- ▼ Single fares for journeys up to 35 km will increase by 20 cents, for journeys from 35 km to 75 km by 40 cents, by 60 cents for journeys up to 175 km and for longer journeys by \$1.00
- ▼ Off peak fares for journeys up to 35 km will increase by 20 cents, for journeys from 35 km to 75 km by 40 cents, by 60 cents for journeys up to 135 km and for longer journeys by \$1.00
- ▼ Adult weekly tickets will increase by \$2.00 for journeys up to 35 km and by \$3.00 for longer journeys
- ▼ All TravelPasses will increase by \$2.00

In making its decision to increase fares, IPART took into account :

- ▼ CityRail's costs are increasing, in particular capital expenditure on new trains, maintenance and station upgrades should provide benefits to users – it is appropriate for users to pay for a part of these cost increases
- ▼ cost recovery levels are at historic lows with users currently paying around a quarter of the costs of providing CityRail's services
- ▼ improvements in the standards of service and customer satisfaction as reported by ITSRR
- ▼ CityRail's passengers have benefited from low fare increases in recent years - since 2001/02 average train fares have increased by 1.4 per cent less than the rate of inflation.

Dr Keating said in taking the decision to raise fares, IPART noted that cost recovery is at a historic low with NSW taxpayers subsidising CityRail to the amount of \$1.9 billion dollars a year or around \$15 per household per week.

IPART is also releasing its issues paper for its major review of CityRail to find ways to improve the regulatory framework.

IPART Chairman Dr. Michael Keating said that IPART intends to develop a new regulatory framework that will encourage CityRail to improve its efficiency and service standards by

- ▼ Ensuring that CityRail has sufficient revenue (including government contributions) to meet the cost of providing its services

- ▼ Establishing CityRail's efficient level of costs and encouraging CityRail to improve its efficiency.
- ▼ Estimating the appropriate allocation of costs between the government and passengers

The review will take up to 12 months to complete and is expected to deliver a draft report to the NSW Government in June 2008, with the final report by September, 2008.

For further information, contact:

James Cox, Chief Executive Officer and Full Time Member  
T (02) 9290 8411