30 October 2020



Dr Paul Paterson Chair Independent Pricing and Regulatory Tribunal Sydney NSW 2000

Dear Dr Paterson,

Re: Rural and Regional Bus Fares Review 2021-25

Thank you for this opportunity to submit to the Rural and Regional Bus Fares Review 2021-2025.

NCOSS welcomes the draft report and supports the proposed schedule of fares and recommendations which will improve affordability. In reducing overall fares and proposing the introduction of maximum daily fare caps, the draft report outlines a pathway to improving the affordability of essential services for the broader community, people living in poverty and people receiving income support. It also enhances the fairness and consistency of public transport fares across NSW.

The draft recommendations for Transport for NSW's (TfNSW) consideration are also supported. Expansion of concession fares to NSW Commonwealth Health Care Card holders will provide significant pricing relief to around 60,000 low income people living in the regions at a time when many households are facing increased financial pressure and uncertainty as a result of the COVID-19 economic downturn. The simplification of administrative processes will assist with providing people with timely access to concessional fares, and options to make family travel more affordable will help ease cost of living pressures and assist with engagement with services, supports and community activities. The draft recommendation for TfNSW to implement additional measures to assist vulnerable people could be enhanced by the development of program guidelines setting out eligibility criteria, administrative arrangements and other elements and developed in consultation with the community sector.

In addition to the proposed fare changes, there is scope for further fare relief through the extension of RED fares to people eligible for the Commonwealth Health Care Card. This will materially reduce the costs of accessing services for people on low incomes to \$2.50 per day and incentivise significantly greater bus usage in regional and rural areas. NCOSS believes that the benefits associated with greater access to RED ticket pricing significantly exceed the foregone revenue from fare reduction and that there is accordingly a sound economic basis for this measure. Consideration could be given to including a recommendation that TfNSW expands the availability of RED ticket fares to NSW residents holding a current Commonwealth Health Care Card.

We are also supportive of the recommendation that TfNSW undertake work to value the social inclusion benefits of on-demand transport and use this to target locations that would most benefit from this option. Flexible, place-based approaches are particularly important for those areas with very limited regular route services and populations more at risk of transport disadvantage, social isolation etc.

While the draft recommendations will do much to address the affordability challenges, the draft report is largely silent on the accessibility of services. The accessibility of bus services is critical for people with disability and the absence of frequent and reliable accessible services is an impediment to full participation in local communities and economies.

Thank you for the opportunity to provide further input into the review. Should you require any further information please contact Anna Bacik, Director of Policy and Research, on **anna@ncoss.org.au** or via email at <u>anna@ncoss.org.au</u>

Yours sincerely



Joanna Quilty Chief Executive Officer