

Independent Pricing and Regulatory Tribunal Review of Public Transport Fares

June 2018



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Independent Pricing and Regulatory Tribunal Review of Public Transport Fares PO Box K35 Haymarket Post Shop NSW 1240

Review of maximum Opal fares

Thank you for the opportunity to make a submission to the Independent Pricing and Regulatory Tribunal on the Review maximum Opal fares.

Access to transport enables participation across all aspects of life including education, employment, access to goods and services, and recreational activities. Western Sydney Community Forum supports equality in the re- distribution of transport fares to ensure that the cost burden of public transport is not unnecessarily shifted onto vulnerable groups in the community who use public transport to get to work and access essential services.

We advocate for stronger social inclusion to ensure that all residents in Western Sydney are able to take full advantage of the public transport system in NSW.

If you would like to discuss this submission further please contact Tim Cahill, Senior Policy and Projects Officer, on the second secon

Yours Sincerely,



Western Sydney Community Forum

Introduction

Western Sydney Community Forum (WSCF) welcomes the opportunity to comment on IPART's review of the fare structure of public transport in NSW.

Since 1993 WSCF has been actively involved in addressing transport disadvantage in Western Sydney. In recent years WSCF have:

- Partnered with Western Sydney University to undertake a research project 'Estimating Transport Disadvantage and Unmet Transport Need' on behalf of Transport for NSW;
- Launched 'What a Difference a Ride Makes,' a collection of stories that illustrate the value of providing mobility options to people at risk of social exclusion;
- Worked in partnership with the Rural Transport Access Service;
- Regularly contributed to the MetWest Community Transport Network;
- Regularly contributed to the Macarthur Transport Working Group.
- Published compelling transport stories from people in Western Sydney in "What a difference a ride makes"
- Lodged submission and recommendations in response to the More Efficient, More Integrated Opal Fares Draft Report February 2016
- Published Build Beyond Bricks: A Reasonable Journey which outlined transport policy framework for Western Sydney

This submission is informed by our research and ongoing work with our membership and partners.

Executive Summary

The provision of an efficient, effective and affordable public transport network is a core government function. The NSW government has asked the Independent Pricing and Regulatory Tribunal (IPART) to conduct a major review of public transport fares in Sydney and surrounding areas. Consequently, IPART are seeking comment on a range of issues associated with the setting of maximum Opal fares to December 2024.

The April 2019 Issues Paper identifies three broad areas of concern relating to the proposed objectives of the review, fare changes and pricing for on-demand services. These are articulated through 13 specific questions calling for community comment.

As the regional peak for greater Western Sydney, WSCF is the regional social development council representing and supporting communities and community groups and agencies in the region. Greater Western Sydney has a population of 2.4 million people and a community services industry that annually invests 2.7 billion into the Western Sydney economy, according to the Australian Charities and Not-for-Profits Commission.

Our submission calls for equity in the structure of transport fares to ensure that:

- Public transport users in Western Sydney are not economically disadvantaged by the mode of transport options available to them.
- Public transport is affordable to enable participation by socially and economically disadvantaged groups in the community

Summary of Recommendations -

Recommendation 1

Sydney Metro fares continue to be set in parity with the Sydney metropolitan train fare pricing structure.

Recommendation 2

Newstart recipient's concession fares be brought into line with the Pensioner/Senior rate of \$2.50 per day.

Rationale for Recommendations

Should light rail and metro services have their own mode-specific fares? Or should light rail continue to be set in line with bus fares, and metro fares set in line with rail fares?

Public transport infrastructure in NSW consists of a range of train, bus, ferry, light rail, and Metro transport options. These modes of transport have unique characteristics, providing varying degrees of convenience, location coverage and operating costs.

Nearly half of the Greater Sydney population currently reside in Western Sydney and over 50% of the Sydney network train journeys are undertaken on lines servicing Western Sydney¹.

Over 297,000 or almost 34 per cent of people living in Western Sydney currently travel outside the region for work. Furthermore, 69 percent of residents travel outside of their respective local government areas for work². It is therefore essential that a range of transport options be provided to enable access to employment both within and beyond Western Sydney.

The current Opal fare structure aligns light rail with bus fares and Sydney Metro fares with rail. While the decision to set light rail with bus fares has benefitted a relatively small number of customers who live or work in areas where light rail is available, the Sydney Metro will service a substantial number of Western Sydney commuters and provide external benefits through a reduction in road congestion and carbon dioxide emissions. However, for the purposes of fare setting, it must be recognised that the Northwest Metro has been constructed in lieu of an extension to the existing rail network and hence the Metro functions as a substitute mode of transport for Northwest commuters rather than an alternative. Western Sydney Community Forum argues that in the interests of equity the rail and Metro fare structures remain aligned.

Recommendation 1

Sydney Metro fares continue to be set in parity with the Sydney metropolitan train fare pricing structure.

¹Transport for NSW Open Data Hub and Developer Portal, "Opal Train trips by month, operator, line and card type", https://opendata.transport.nsw.gov.au/dataset/opal-trips-train/resource/a7ca1e62-a4b9-432e-8a60-6aca1a6311eb#{}, Retrieved 7/6/2019

²Western Sydney Community Forum 2018, Build Beyond Bricks: A Reasonable Journey

Are there any issues regarding fare discounts or concessions that we should consider?

Social inclusion remains an important goal for all levels of government. The capacity for individuals and groups to actively participate in all aspects of social and economic life is the underlying principle of all anti-discrimination legislation. This point is highlighted in section 1.4 of IPART's Discussion Paper, where both physical accessibility and affordability are acknowledged as fundamental NSW Government priorities . Concession fares play a major role in enabling many financially disadvantaged people access to education, employment and services.

A range of discounted fares are currently available to select public transport users . While access to free travel is available on a limited basis, the majority of concessional commuters are required to pay amounts ranging from a capped \$2.50 per day for seniors/pensioners, to half price fare journeys available to a range of Centrelink customers including Newstart, Youth Allowance, Austudy and ABSTUDY recipients.

While the Aged Pension is usually seen as a life-long entitlement once pension age is reached and provided economic circumstances remain unchanged, unemployment is seen as a short-term, transitory condition. This, along with a determination to avoid normalising long-term reliance on Newstart benefits, has been used to justify the quantum of the entitlement. This approach fails to recognise that Newstart recipients face similar day to day financial demands as aged pensioners while receiving considerably less compensation through welfare payments . As a consequence, Newstart recipients may spend a greater proportion of their income on non-discretionary expenses like food and housing than aged pensioners. The current concession fare structure particularly disadvantages Newstart recipients who are expected to undertake travel when searching for employment, and, as unemployment in Western Sydney continues to remain higher than the Greater Sydney average, the current concession fare structure impacts disproportionately on Western Sydney jobseekers. Western Sydney Community Forum argues that, as a matter of equity, Newstart recipients, should have access to genuinely affordable public transport that supports opportunities for social inclusion and provides the least costly means of attending job interviews.

Recommendation 2

Newstart recipient's concession fares be brought into line with the Pensioner/Senior rate of \$2.50 per day.

³IPART 2019, Maximum Opal Fares 2020-24Issues Paper

⁴Transport for NSW, https://transportnsw.info/tickets-opal/opal/fares-payments, Retrieved 7/6/2019 ⁵Australian Government Department of Human Services, https://www.humanservices.gov.au/individuals/services/ centrelink/newstart-allowance/how-much-you-can-get, https://www.humanservices.gov.au/individuals/services/centrelink/age-pension/how-much-you-can-get



