

Action for Public Transport (NSW)

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Mr James Cox
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Dear Mr Cox,

Review of CityRail Fares for 2013 Second Submission on Issues Paper

The Transport Minister on 15th May announced a review of RailCorp, whereby the organisation would be split into two – Sydney Trains and NSW Trains.

As the media has pointed out, the statement was strong on ideals, but rather short on details. Amongst other missing items, there was no mention of how costs and revenue might be split.

There was also no mention of where the business known as "CityRail" sits between the two.

The announcement said that NSW Trains will operate or deliver (the precise verb was rather hard to pin down) the services "from Newcastle, the central coast, the Illawarra, Blue Mountains and southern highlands".

It was stated in a report a few years ago that the revenue/cost ratio of those outer portions of CityRail services falls substantially below the revenue/cost ratio of the suburban services. That fact would be obvious to even the most casual observer. Infrequent, almost empty trains covering long distances populated mainly by gum trees must manifestly drag down the ratio of the revenue to the total operating and capital costs of the whole system.

If these sections were no longer within CityRail, then many of the figures on which IPART has based its reviews in recent years may no longer be valid. That, of course, depends on whether "CityRail" will still exist as a business entity. We recommend that IPART make enquiries about this.

The details of the split may also affect fares and tickets in the future. Will the City-Penrith fare be different depending whose train you travel on? If someone buys a ticket from Stanmore to Katoomba, and must travel on a Sydney Train and a NSW Train, how will the fares be calculated?

We realise that these changes may be a long time coming, but questions need to be asked now.

Yours faithfully,

Allan Miles
Secretary
Action for Public Transport (NSW)