

**Combined Pensioners
& Superannuants Association**

OF NEW SOUTH WALES INC



**Submission to IPART:
Fares for Rural and Regional Buses**



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Combined Pensioners & Superannuants Association of NSW Inc (CPSA)

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CPSA was founded in 1931 in response to pension cuts. CPSA is a non-profit, non-party-political membership association which serves pensioners of all ages, superannuants and low-income retirees. The aim of CPSA is to improve the standard of living and well-being of its members and constituents. CPSA has approximately 140 Branches and affiliated organisations with a combined membership of over 29,000 people living in all parts of NSW.

In light of the fact that current fare rates in rural and regional areas exceed those in metropolitan areas any increases to maximum fares for the coming year should be kept to a minimum. Substantial fare increases have a detrimental effect on the affordability of transport, particularly for pensioners, allowance recipients and other low income households.

CPSA welcomed the determination by IPART to bring in a single maximum fare scale to all regulated rural and regional bus services from January 2012 thereby removing the discrepancy between the previously higher priced rural bus routes versus country town routes of the same distance. Bringing down the price of rural bus fares makes travelling between towns more accessible and provides low income people with the opportunity to access services, visit friends and family in neighbouring towns as well as take up work or look for work in neighbouring areas with more ease.

CPSA acknowledges concessions are beyond the scope of the review. Yet aside from the Regional Excursion Daily (RED) ticket that is set at a specified rate, others on low incomes may be entitled to concessional fares which are generally half of the full fare amount. As a result increases in full fares have a direct proportional impact on the price of concessional fares and therefore any substantial increase is felt by those on low incomes who cannot access the RED ticket. Consideration must also be given to the fact that concessional fares are not available to all low income earners and income support recipients, particularly those who are not on a full-rate Centrelink payment. As a result, many low income earners must pay full rate fares, which are often higher in rural and regional areas, on minimal incomes.

CPSA recommends that IPART be responsible for the setting of concessions and fares and calls for IPART to recommend to the NSW Government that eligibility for the \$2.50 Regional

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Excursion Daily Ticket be extended to holders of the Low Income Health Care Card to lessen the impact of price rises on low income earners.

The review of fares should also take into consideration the greater level of transport disadvantage felt by rural and regional communities in comparison to those in metropolitan areas. Rural and regional areas usually only have a few public transport options available, with many required to be reliant on private vehicles. Public transport needs to be encouraged and its affordability is not only crucial in doing so, for many people public transport is the only option available to them. The individual and community costs of private car use and the correlative social benefits of increased public transport patronage should be considered in fare determinations.

Regarding simplifying the current regulated maximum fares based on distance travelled, CPSA supports such a move so long as it results in fairer outcomes for bus users. Similarly, aligning a multi-year fare determination with the length of bus contracts does not appear to be problematic as long as it is in line with assisting reducing the prohibitive effect that high fares can have on bus users.