

Thank you for your clear and methodologically coherent discussion paper.

My submission relates to a material omission in your definition of what a “fare” is (Section 2.1).

In my view, your determination should take into account the pricing of the regulatory aspects of the public transport fare structure, which have recently been outsourced and have become a significantly heightened impost on individual transport users.

It's the elephant in the room, and IPART are trying to whitewash it. It's a textbook case of abject regulatory failure. Regulators, in all areas of civic life, do this **every** time. Your tactic is very transparent, and very annoying. Impotent to rein in the malicious dishonesty of hoodied bilkers who hop blithely over turnstiles and who sidestep the whole entire transport pricing system, IPART neither tries harder to enforce its structure, nor admits defeat. Instead, you do what you always do. You gesture portentously towards \$120 million in annual losses to fare evasion; you introduce into the fare structure compliance processes of mind-numbing, Byzantine complexity – processes which impact **only** well-intentioned customers; and then you personalise, penalise and stigmatize the inevitable honest mistakes.

The ticketing service standards have just increased a hundred-fold, now that the customers are unpaid-conscript amateur ticket-collectors, compared to the previous system when the paid professional State Rail ticket collectors were the ticket collectors. At my station, they used to remember to check the tickets, one way, about 2 days out of every 365, and they forgot about it 363 days out of 365. State Rail had an error/omission rate of about a huge 99% and got **paid** for it. Now, suddenly, the requirement is to remember 8 times out of 8, or about 400 times out of 365 days (compared to a previous 2), for a specific set of 8 times at the beginning of every week. The populace at large now has an error rate of a tiny 3%, according to Wikipedia, and is somehow not only not getting paid for that sensationally effective effort, but is getting **charged extra** for that – via penalty fares, via foregone free trips, and via infringement fines. They're getting charged a **lot** extra.

So – my point is –

1. **Customers should get a compensatory reduction in the boiler-plate monetary component of the fare, within the total fare structure.** Your report needs to explain how the savings arising from firing ticket collectors are allocated between the vendor and the purchaser. If it were an unregulated market, and if the changes were “back office” and invisible to the purchaser well, then there would be no requirement to share the savings. The vendor could keep them all! - in that case. However in this case it is a **regulated price** and the changes are impactful on the customer (who now has to do the work that ticket collectors used to get paid to do). So – that significant new additional cost to the customer needs to be considered in the mix, when you determine fair fare prices.
2. **Customers should not be charged a penalty fare (and lose free trips) for industry-standard error and omission rates.** They should only be charged penalty fares and lose free trips if their error and omission rates are *out-of-range*. To be clear – the “industry standard error and omission rates” which I believe should be the benchmark means “professional” standards (i.e.

very low standards) not “unpaid passenger standards” (i.e. very high standards). It is unreasonable to expect people to remember to tap off at the end of a journey, in the absence of a barrier or a ticket collector or any physical reminder, 100% of the time. I get it that there is sporadic reminder signage and intermittent reminder announcements. But still - we do not go through life thinking – remember to tap off remember to tap off remember to tap off. We have, like, other stuff on our minds besides, like, train tickets. When we are walking to the station our minds are on, like, Planet Xerxes. There should be a requirement on State Rail to install barriers, if customers are required to remember, and if there is a penalty for not remembering.

3. **Customers should not be criminalised for industry-standard error and omission rates.** Under the paper system, as long as you had bought a quarterly ticket, and had remembered to wear the suit that it was in the pocket of, you were legal. Under the Opal system in contrast, if you have an Opal card in your pocket, and it has money on it, but you forgot to tap on as you walked past some pole, thinking about other stuff, well, that is now somehow explicitly a serious offence with significant penalties attached (i.e. a major fine not just a punitive fare). My view is, that that should not be a punishable offence over and above the already penalty “no tap on” fare impost, under the new Opal system, until you have forgotten to tap on, at least the same number of times per year, that paid ticket inspectors used to forget to check your ticket, under the old paper system.

Thank you for considering my submission about the Opal fare structure.

Even more thanks if you are able to remedy this serious omission and to fix the associated problems.