

Independent Pricing and Regulation Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Dear Ipart

RE: SUBMISSION – DRAFT REPORT ON OPAL FARES DECEMBER 2015

In response to your proposal regarding public transport fare increases, I outline my comments below.

Firstly, the economy is flat/below par; wage restraint has reached an art form, and there is the looming threat of an increase to GST and a possible land tax. Over the last few years IPART have personally supervised the doubling of electricity, gas and super-sized council increases at the expense of their constituents. The Governor-General's office is busy increasing land values, rather phenomenally, impacting further on the hefty cost of rates. Sanity needs to prevail at some point in time.

I am, what you term, a "long-journey" commuter with a round trip of 2.5 hours each way using bus and train. Let me assure you, I do not do this for the rainbow-filled fun of it. It is a means to keep a roof above my head in an economy that forces people to work in the city to compensate for their ever-increasing bill expenditure.

To contemplate rewarding casual public transport users at the expense of full-time employed is a folly of thinking.

In Clause 1.2 you propose to increase the cost of providing long distance journeys. How do you judge the true cost of long journeys? Do you account for the constant freight train breakdowns, signal failures and an inability to have an eight (8) car set available when required? If CityRail wishes to be compensated for these costs, where does the high cost of my regular loss of time receive compensation?

Clause 1.3 goes on to outline your methodology to remove all forms of discounting and replace it with a user-pays system. Now that you have a captive constituency, with no other options available, you wish to fatten the prodigal calf? Not unexpected since you've already fattened the electricity calf, the gas calf and most of the Council herd at the taxpayers' expense.

You state that user-pays is a fairer system; I disagree. Caps were in place to provide incentive for full-time workers to use public transport rather than roads. To remove this cap will reverse the trend.

For me, personally, a user-pays system would mean an increase in value to \$90 for my ten (10) longest trips, or the equivalent of 38% above current charge rates. This

is quite a hefty increase and certainly, in my books, unjustifiable. Frequent travellers should be rewarded for their daily travel as we make up the majority of your income.

You also believe that user-pays will encourage more discretionary journeys. What a foolish notion! I can assure you that far from encouraging me to spend more money on public transport on the weekend I will actively source other ways to travel or stay at home. Pensioners, likewise, if you increase their daily cap from \$2.50 will not travel as frequently.

In Clause 2.6 you have benevolently offered to give people refunds to a cap. This is akin to Australia Post in 2014 giving their staff a \$500 Christmas bonus which was only usable in their shop, of course the CEO got his in "CASH". This was both a kick in the nether regions for the staff and relatively useless to the economy. I do not want a CityRail "credit", I want cash I can spend at the shops. Your current system that charges up to the cap and then ceases is far more equitable and doesn't tie up precious dollars that can be spent on the mortgage, the eye-watering electricity or gas, the gigantic council rates, or just plain old food.

In effect, I am not sure why the Opal scheme was even implemented. The MyMulti system did exactly the same job; had options for discounts and without the ignominy of watching the balance go down every day. Most of us can visit our bank accounts if we want to watch that!

In Clause 2.3, you actively go on to cause offense with the use of the term "willing" ie long journey commuters are willing to pay more. How presumptuous! Let's just clarify the Oxford Dictionary Definition of "*willing*" before I enlighten you as to what we are willing to pay for.

Oxford dictionary definition of Willing - "Ready, eager, or prepared to do something"

Captive City Rail customers are *willing* to pay for on-time all-the-time service.

We are "*not willing*" to pay for:

- Delays due to freight train breakdowns;
- To wait for the second half of our eight (8) car set to be delivered;
- To miss our bus connections, increasing our journeys by another 30 minutes;
- Time lost with our families; and
- Pending deep-vein thrombosis caused by never-ending delays to our torturous journeys.

Does IPART have any concept of what it's like to commute 5 hours a day and have it regularly extend to 5.5 or 6 hours and then do it all again the next day? Do you have any idea the toll it takes on our backs, hips, family time and mental health?

My personal conclusion is that long distance commuters should not bear the brunt of these changes without a significant increase in efficiency. We are *not willing* to pay for ever increasing commute times unless the State Government is "*willing*" to pay

for pending health issues from being forced to sit immobile for excessive timeframes. This goes back to my point above about the sham “credit” scheme. We will need the “cash” not CityRail “credit” to make spurious trips to the doctors to get our backs fixed. It is also unlikely that it “would encourage efficient housing decisions as well as efficient transport” (Appendix B.1.2) since “efficient housing decisions” are why we live so far from our current jobs! We are mid-range wage earners who cannot afford a \$1 million plus house so no amount of public transport increases will change that fact.

Should you insist on the “user-pays” option I am already in discussions with my employer to become one of your coveted part-time users and work from home, leaving money in my pocket for my own discretionary use. I will, by no means, be the only long-distance commuter looking to minimise these payments as you've proposed. We are even entertaining options of car-pooling to lessen our cost exposure to CityRail. Far from increasing your revenue and trip capacity, it will decline if we have our way.

In conclusion, your price increase “user-pays” system is illogical, ill-thought out and of little benefit to the economy overall. It is detrimental to the elderly, quite a few of which do not have any internet, smart phones or computers; both in cost terms and for ease of access to the system.

Since it is apparent that we WILL HAVE A PRICE INCREASE REGARDLESS, I suggest you charge for trips up to the cap of the \$65 proposed for 2016, increasing by \$5 yearly for the next three (3) years, and all other trips thereafter remain “free”.

Yours faithfully