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Submission: Dear IPART,

I have read your draft recommendations for Opal public transport fares.

Your recommendation to no longer provide discounts for frequent travellers, and eliminate the free travel after 8 trips is a public transport policy disaster.

Airlines, movie theatres, hotels, and many other types of businesses have frequent customer programs where people that use their product more often are rewarded. Your policy is counter to standard business practice in the majority of businesses. It is well established in pricing theory that casual/infrequent customers pay more than regular/frequent customers. It is not UNFAIR that someone that only sues public transport when they absolutely MUST pay more than someone that uses public transport regularly, usually as they do not have private transport options (with the benefits that has in terms of funding for roads etc)

I fully agree with the decision to close the loop hole of taking shorter trips, but this does NOT have to be linked to removing the 8 trip cap discount as your report erroneously states. You could easily close the loop hole by implementing the same credit/rebate system, but taking the 8 most expensive trips as the cost people have to pay. That way, they are still rewarded for their frequent use of public transport, and not encouraged to game the system with small trips at the start of the week.

Your assumption is that use of public transport has no other benefits to the government. You state an aim is to encourage use of Public Transport. Use of public transport by regular users is typically linked to not having a private vehicle (or a second car) in the home, which benefits the government as it reduces the amount they need to spend on roads. Removing this benefit for frequent users will unfairly penalise people that use transport regularly - go against standard pricing practice in almost all other businesses, and reward people that own and use cars, and only take public transport once in a while when they must. Your lower fares by a few cents will not make these people use Public transport more.

Shame you got this recommendation so wrong - everything else is sound.

Regards,

Luke