

My overall view on the Opal fares charged at present is that, apart from the **glaring problem of double charging occurring when passengers transfer from one mode to another** (eg bus to train), the Opal system as implemented is working well and PLEASE LEAVE IT ALONE. It is simple to understand, has been implemented in a revenue neutral manner in transitioning from paper tickets and encourages use of public transport.

I note the comment in the Issues Paper in paragraph 2.3.4 where it is stated *We consider that we should aim to ensure that passengers are protected from very large changes in fares.*

However as will be highlighted below the Issues Paper sometimes seems to be looking for ways to identify where customers benefit from discounts and then seeks ways to reduce or take away these benefits.

I am a Gold Opal user and would like primarily to address some of the comments regarding Gold Opal use.

In para 8.1 it is stated *Gold Opal currently provides no incentive for users to travel outside peak periods, because the daily fare cap is so low.* This is not strictly correct. Gold Opal users of trains do pay more in the peak. However most passengers will hit the daily cap if they do a return trip and some even on a single journey.

The Issues Paper discusses ways of restricting or penalising Gold Opal users from using trains in the peak period, especially the morning peak. I am suggesting that the vast majority of Gold Opal journeys do not involve the morning peak. My personal preference is to use trains in the off peak wherever possible for the primary reason that the trains are so much more enjoyable to use when they are not crowded. I expect this is also the case with the vast majority of Gold Opal users.

I expect little would be gained by penalising Gold Opal users who use the morning peak and as the Issues paper points out some Gold Opal users eg parents with young children, would be adversely affected because they don't have the ability to shift their journeys outside the peak.

However another point that is missed by the Issues Paper is that many/most? of the relatively few Opal Gold journeys that do happen to occur in the peak periods **do not involve travel to the CBD.** In my case if I ever do travel in the peak period it is probably a journey that starts and/or ends well outside the CBD. Therefore I am leaving or joining a train that is carrying well below its CBD loading. Hence I am arguing that there should be no change in conditions of travel for Gold Opal users because it would gain little and adversely affect some genuinely needy people and in most cases penalise people who are not causing any overcrowding at all.

In terms of fairness the Issues Paper gives as an example an unemployed person looking for work would be subjected to a higher cap than say a relatively well off senior would could use public transport for a daily cap of \$2.50. I would address this issue by giving the unemployed job seeker access to the \$2.50 daily cap, not by penalising Gold Opal users. From time to time the issue is raised of seniors having access to the Gold Opal card and that some of these may be relatively well off. However I would argue that only a small minority of users are in this category but trying to identify them fairly would add unnecessary complexity and achieve little. I would suggest that only a minority of seniors are in this category and restricting access would be mostly a symbolic gesture. Also bear in mind that changes to the pension by the Abbott government will hit many retirees quite savagely at a time when returns on savings are at a record low. So where do you draw the line? Keep the system simple and don't change eligibility rules.

The **one change** I would concede should be looked at is an increase in the daily cap of \$2.50. The Issues paper raises the question of sustainability of the scheme and points out it has been a number of years since the fare was increased. However bearing in mind the comment in the Issues Paper in paragraph 2.3.4 where it is stated *we consider that we should aim to ensure that passengers are protected from very large changes in fares* I suggest that an increase to \$3 might be appropriate. The issues paper says 200,000 people per day use the Gold Opal or its PET equivalent. If an extra 50 cents per person per day was collected this would amount to \$100,000 per day or \$36.5 million pa. This is a significant figure. (May be a bit less if the weekly cap is factored in)

Regarding travel affordability my wife and I are retired and receive various concessions. For us the Gold Opal card is our most valued concession. We don't own a car and typically spend \$10 per week each on the Opal card. This totals \$260 per quarter and is more than we spend on electricity. Yes it is a good deal but the cost still adds up. **The daily and weekly caps are very important as they provide certainty about the maximum amount we are likely to spend.**

The Issues paper discusses at length two of the main incentives offered for frequent travel to Opal users viz the daily cap and provision of free travel after 8 paid journeys. I would argue for NO CHANGE to these conditions. The weekly cap of 8 paid journeys is similar to the benefit that has long existed for people with weekly train tickets where the price of a weekly ticket was about the price of 4 return journeys. The Opal benefit is better because the free journeys at the end of the week are not restricted to the one train line and can utilize any mode of transport. To me that is a great incentive to use public transport. Comments in the issues paper complaining that people can get free trips at the end of the week in peak hour and have proved extremely popular with ferry travel on weekends are disappointing. I think it is great that I may be able to take a trip to the Blue Mountains on the weekend (as long as you can avoid the trackwork!) or travel on our magnificent harbour. There doesn't seem to be any evidence that increased overcrowding is occurring on Friday peak services. And suggesting that putting a surcharge on weekend ferry rides is penny pinching.

The issues paper discusses the problem that some users may be able to artificially generate a number of paid journeys and save themselves quite a bit of money. An example is quoted in regards to light rail where passengers can walk between stops that are closely spaced and artificially increase their number of paid journeys. I would suggest that this is a problem unique to light rail and could be addressed in a couple of ways. One way would be to move the Opal readers off the street and onto the trams. Another way would be to designate the closely spaced stops as the one stop which would mean that someone walking a short distance and tapping on/off would be denied the ability to generate artificial trips. Generating artificial trips on other modes of transport would be much more difficult. (I read one newspaper article that suggested someone could run backwards and forwards between Erskineville and Macdonaldtown railway stations to generate extra trips. But seriously! It might have made a good newspaper article but I doubt whether anybody would go to that much trouble – unlike the light rail example which is much easier to implement.)

Several Additional comments

On page 59 the question is posed “Increasing fares for longer distance journeys would allow fares for shorter distance journeys to be lower. Is this something you would support”? Many people are forced to live a long way from employment due to the high cost of housing in Sydney. I think the longer distance pricing charged at present is appropriate. In any case the Central Coast and Blue Mountains for example are marginal seats and politically the government would be unwise to raise fares to outer areas significantly.

There is much discussion in the Issues Paper about fare integration to address the problem of passengers being double charged when they change modes eg bus to train etc. Originally I had thought that all public transport fares should be the same for a particular distance no matter which mode/modes were used. However after reading the Issues Paper there seems to be value in retaining mode specific fares but putting measures in place to remove penalties for switching modes.

In general however I would like to see as little change as possible from the present operation of the Opal card fares. Comparing Sydney fares to other cities in Australia and overseas I prefer the way things operate here.

Submitted by
Owen Heldon