

28th August 2015

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Re: Submission to IPART on public transport fares

Background

The sustainability aspect of my recent doctoral research centred on the concept of **travel competence**. A person's level of travel competence is an indication of their ability (in terms of knowledge, skills and possessions) to use all the modes available in the local transport system. By extension it is an indication of the ease of use of a transport system. Maximum travel competence enhances the sustainability of a transport system by empowering travellers to use the most appropriate mode for their journeys. That allows for a better balance among the modes, instead of being biased towards the only (non-walk) mode the traveller knows (which in Australia, is usually the private motor car).

In my thesis I give an example from the *St George and Sutherland Shire Leader* which described the way in which a traveller gave up on trying to catch the train from Sutherland to Central because he could only see trains going to Bondi Junction¹. He eventually caught a taxi instead. That a train going to Bondi Junction *would* go through Central station is immediately obvious to an experienced user of Sydney trains. That Bondi Junction *may* be the terminus of a line going through Central station is the thought that might be expected to occur to an experienced user of any train system. This traveller was not competent in the use of public transport and stopped trying at the first hurdle. The use of (stage) public transport was clearly too hard.

IPART is charged with considering, *inter alia*, the need to increase the proportion of travel undertaken by sustainable modes such as public transport. Public transport (and in Sydney, the Opal card) has to be made simpler.

This submission is primarily concerned with simplifying travel, but also comments on some of the social impacts (equity, privacy) of the Opal card system.

Yours faithfully,

Rosemary Sharples, PhD

¹ 'Lost in rail network'. *St George and Sutherland Shire Leader*, 26/4/2012, p.6.

Submission - Part 1

The issues paper: *Finding the best fare structure for Opal; Public transport fares in Sydney and surrounds*, states that IPART, *inter alia*, has been asked to consider:

d) the social impact of the determination or recommendation;

Misuse of the system

The Opal card system, as it is set up currently, with the series of caps and rewards as well as pricing by time of day (for trains), is more complicated than the system used with paper tickets, which used season tickets and time of day pricing (for trains). New possibilities for rorting the system have been introduced, one of which has been described in s.7.3.3 of the issues paper. Previous methods of misusing the system, such as transferring tickets to share the cost of travel and evading the checking of tickets, are still possible with Opal cards. Hence, it would appear that the new system has increased the number of ways to cheat the system. This decreases the amount of money accrued by means of the fare box, increases the need for subsidy from the taxpayer and instills the cheating mindset in passengers. Thus one social impact of the current structure of Opal cards has been to increase the misuse of the transport system – that is, some passengers are contributing less to the running of the transport system than their (genuine) use of the system might suggest.

When the Opal card system was introduced into Sydney, season tickets were phased out. The use of season tickets is in widespread use around the world, and is well accepted and understood. As season tickets are available on other electronic card systems (e.g. London's Oyster card) it is clearly feasible to include this feature in electronic systems. The omission suggests that a conscious decision was made not to make season tickets part of the Opal system. It is assumed for the purposes of this submission that it was considered that the system of rewards and caps would replace the benefits to users that season tickets represented. However, these rewards and caps requires calculations and keeping track of journeys undertaken and, as described above, the system is open to abuse. A season ticket purchase requires only one transaction during the period in which the season ticket is valid and reduces stress in the travellers by not requiring them to be constantly alert to the amount stored on the card (it cannot be assumed that all travellers wish to avail themselves of the automatic top-up feature). It provides the reward that the government wishes to give to frequent travellers, without the traveller making the unnecessary trips that are described in s.7.3.3 of the issues paper (which distort the demand for travel). It does not preclude individual rewards such as the \$2.50 cap on Sunday travel.

Therefore, this submission calls for the reintroduction of season tickets, both for ease of use and to reduce the opportunities for travellers to rort the system.

Privacy

A major difference in ticketing introduced with Opal card is the loss of privacy associated with the electronic nature of the card. An individual's travel can be tracked by following the appearance of their card in the electronic record, since every card has a unique number (although clearly, transferring cards, or using multiple cards, are ways to confuse the system). If the card has been registered, it is possible to associate a name with the card number. This loss of privacy is not explained in the publicity materials associated with the Opal card. It cannot be assumed that every traveller is happy to surrender their privacy this way.

Therefore, this submission calls for enhanced privacy to be a consideration when making a determination about changes to the Opal card system.

Submission - Part 2

The issues paper also asks for comments on particular questions. The questions that are relevant to the concept of travel competence are listed below.

Q. 2 Opal provides an integrated ticket but still charges different fares for different modes of transport. Do you see value in also making fares more integrated?

A2. Anything which simplifies travel is welcome.

Q. 3 There are many different options for increasing fare integration. They range from further integration for multi-leg journeys, which retains mode-specific fares but puts measures in place to remove penalties for switching modes, to full integration where fares do not differ by mode of transport, or by the number of trips made in each journey. Which of these options do you support and why?

A.3 The simplest is best. Full integration removes any disincentive to using the most sustainable mode for any trip.

Q. 5 Sydney currently has a fairly flat distance based structure, with fares not increasing substantially over distance travelled, and not at all beyond the first 65 km for rail trips and 8 km for bus trips. Increasing fares for longer distance journeys would allow fares for shorter distance journeys to be lower. Is this something you would support?

A5. Fares increasing with distance seems intuitive and anything intuitive is to be welcomed.

Q. 6 A distance based fare structure that is based on kilometres travelled, rather than grouping the distance travelled into bands would remove the fare advantages/ disadvantages that currently apply to people who live or work near fare boundaries. This has the potential to help alleviate problems with parking at some stations and would be more equitable. However, it would also be more difficult for passengers to estimate their fare in advance. Which of these is more important to you?

A6. This is a difficult question, trading off, as it does, ease of use with fairness. However, problems can be overcome by making information available by means of fare calculators. Simple distance based fare structures are intuitive and simplicity is to be preferred.

Q. 7 Most cities that have flat fares (that is, a fare that is the same no matter how far you travel) have these fares applying to an inner ring of the city only. Would you support a flat fare in the inner part of Sydney with distance based fares applying outside this zone?

A7. This creates two methods of pricing for ticketing and as such, is a recipe for confusion. Therefore, this cannot be supported.

Q. 8 We consider that there is value in discounting fares in off-peak periods. Currently this is done only on the rail network. Do you think that an off-peak discount should apply to other modes as well? Would you support this even if it means that peak fares for these modes need to rise?

A8. In the interests of ease of use, all modes should be treated the same: i.e. there should either be no off-peak on all modes or the off-peak discount should apply to all modes. Any deviation from this should have an obvious justification – i.e. if passengers can see that ferries are busier at the weekends than weekdays, differences in timing for peak and off-peak fares between modes may be acceptable.

9 Currently peak fares for trains apply between the hours of 7 am and 9 am (6 am to 8 am for NSW Train Link services) and between 4 pm and 6.30 pm, Monday to Friday with off-peak fares

applying for trips where tap on occurs outside these hours. Should the definition of 'peak' times be longer or shorter? Are these times also the peak times for buses, ferries and light rail services?

A9. The operators of the various modes have access to the data which would indicate when the peak demand is. It may be necessary to compromise to bring the various modes into line, but uniformity over all modes is desirable for ease of use of the transport system.

Q. 10 Do you see value in having peak fares apply only in one direction or being replaced with a peak surcharge for journeys that enter the CBD in the morning and exit the CBD in the evening?

A10. It seems absurd to charge passengers peak fares for travelling against the peak flow when trains are carrying only a minute fraction of their capacity. A fairer system would charge peak fares on the peak flow direction, not just according to the peak hours. This is not simple and may vary with location. It would be necessary to educate the travelling public, and publicize it well for visitors, if this was to be done. If an appropriate the travel culture can be created where this is done, I would support it. Has it been done elsewhere in the world, and if so, how difficult do the locals find it to understand?

Q. 12 Do you receive any benefit from the current weekly and daily caps? Do you receive any benefit from the weekly travel reward? How fair do you think the current discounts are? 78

A12. The current weekly and daily caps are not the simplest way to organize rewards and clearly are not being used in a way that is fair to the taxpayer who subsidizes the transport system. Season tickets are well accepted and involve less deviousness on the part of the traveller to take advantage of.

Q. 15 Around 200,000 public transport trips are made on pensioner concession tickets every day (eg, Opal Gold). Passengers who travel on these tickets currently have no incentive to travel outside the peak when services are not as crowded. Do you support a higher peak travel charge for these products? If so, should this be combined with cheaper fares in off-peak times? 85

A15. It is not obvious why Opal Gold tickets can be used differently to the standard Opal card. For ease of use, concession cards should follow similar principles to other tickets.

ENDS