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Re: CityRail Fare Determination 2009/2012

Dear Chairperson,

Please find the submission from Western Sydney Community Forum, regarding the CityRail Fare Determination 2009-12.

Yours Sincerely,

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Western Sydney Community Forum

Executive Summary:

Western Sydney Community Forum welcomes the opportunity to participate in the 2009/12 CityRail Fares Determination. Western Sydney Community Forum is the Western Sydney regional peak organisation providing regional leadership, facilitates collaborative action and develops resources to enable community organisations to effectively address issues relating to social justice and social inclusion.

We believe that there are several key issues in responding to the 2008/09 CityRail Fare Inquiry, which are based on the role of valuing the external benefits of CityRail, increasing access to the network and providing a affordable and socially just fare determination.

We believe that the income profiles, used to make IPART's argument of the affordability of the new fare regime of CityRail passengers used is incorrect and recommend that no fare increases be implemented. We believe that there is a weak negative correlation between passengers income of all permutations for suburbs with stations across the CityRail Network¹.

We further believe that it is difficult and unreliable in comparing household incomes in the Sydney region to determine affordability of fare determinations, due to the different survey methodologies used and differing family sizes.

Nearly two thirds of passengers are unhappy with the level of service delivered by CityRail. We believe that the comparison of the price of public transport and the automotive fuel index shows a biased view of the CPI, and this should support a reduction in the price of CityRail services, as they have risen more than the Automotive Fuel Index in the last 10 years. In the current economic climate, we are facing a downturn, and fare increases should be frozen in the least, for 12 months.

We believe that individual passenger income, combined with other costs of living such as home loan / rent payments, should be used to determine affordability, as it is easier to interpret and make accurate fare determinations. Passengers who are part time employees, job seekers, and students are often not in a position to vary their travel times, so our recommendation is to not penalize trips made in the peak periods.

With the increased complexity of initiating an integrated ticketing system, and coordinating all forms of public transport it is imperative

that a single Transport Coordination body be setup to organise transport planning and implementation for projects that affect Sydney.

We believe that a zone-based ticketing system is superior in providing flexibility and also encouraging the use of public transport through increased connectivity between bus, trains and also ferries.

This coordination body would support better cross-regional transport. A current problem with the CityRail network is that all passenger travel is oriented towards the city, even though 30% of people in Western Sydney travel in Western Sydney. There is lack of infrastructure to provide for cross-regional transport, which leaves people little alternative to drive. We recommend that these cross-regional links be further utilized more fully where possible, planned for and implemented to reduce congestion on the CityRail network to direct passengers to destinations other than through the city.

It is particularly concerning to us about IPART's views of the needs and issues of people with mobility issues and disabilities. We strongly recommend against the removal of guards and station staff, as we believe it will make travelling for people with mobility issues, more difficult. We propose an alternative transport system to look at this issue more holistically and provide some existing examples the tribunal may make reference to.

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1. Fares, patronage & service quality

1.1 Affordability of proposed fare increases

It is misleading to compare the Auto Fuel Index with the weekly fare index to make a case for increasing public transport fares. The CPI tables state that the base year is equal to 100, which occurs in 1989/90. In the CPI table below, transportation costs have only increased 1 - 9% from June to September 2008 and September 2007 to September 2008.

IPART has made reference to the automotive index and compared it to the weekly fare index. In doing this, it has not provided a fair comparison with all components of car usage, only the highest component, Automotive Fuel Index. The comparison should be made with the private motoring index which captures increases in all motoring components.

It is interesting to note that it is now cheaper to purchase a car today, than 10 years ago, car affordability is at an all time high. This is not the case for public transportⁱⁱ. Public transport fares have increased by 130% in the last 10 yearsⁱⁱⁱ

Private motoring costs have increased only 69%. There is a clear case to be put that passengers are paying already too high urban transport costs, and a reduction in public transport fares should be made in order to make the transport more affordable for people in Western Sydney and NSW.

Group, sub-group and expenditure class	INDEX NUMBERS (a)			PERCENTAGE CHANGE		CONTRIBUTION TO TOTAL CPI (ALL GROUPS INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Sep Qtr 2007	Jun Qtr 2008	Sep Qtr 2008	Jun Qtr 2008 to Sep Qtr 2008	Sep Qtr 2007 to Sep Qtr 2008	Jun Qtr 2008	Sep Qtr 2008	Jun Qtr 2008 to Sep Qtr 2008
Transportation	159.4	171.6	173.3	1.0	8.7	22.42	22.64	0.22
Private motoring	155.8	168.1	169.8	1.0	9.0	21.21	21.42	0.21
Motor vehicles	99.6	98.4	97.7	-0.7	-1.9	7.22	7.16	-0.06
Automotive fuel	210.0	258.2	263.3	2.0	25.4	7.94	8.10	0.16
Motor vehicle repair and servicing	154.3	158.0	160.0	1.3	3.7	3.20	3.24	0.04
Motor vehicle parts and accessories	126.4	130.4	133.3	2.2	5.5	1.14	1.17	0.03
Other motoring charges	220.4	226.3	232.4	2.7	5.4	1.71	1.76	0.05
Urban transport fares	223.6	230.7	233.5	1.2	4.4	1.21	1.22	0.01

It would be useful for IPART to conduct further analysis of levels of patronage if the fares are increased. We suspect that more passengers will car pool to get to their destination. This does not support the state plan goals of reduced vehicle kilometers travelled, which is already significantly higher in Western Sydney than in other parts of Sydney.

1.2 Service Quality Improvements Needed

Cutting staff, to reduce costs is a false economy. It will reduce service quality and lead to further reduction in amenity for CityRail passengers, particularly those who are using CityRail services in the evening and also in off-peak times. Service quality is particularly important to passengers who travel on the City rail network. We recommend that CityRail produce its Customer Service charter outlining what passengers are able to expect before any determination is passed onto passengers.

The 2007 ITSR Customer Satisfaction report demonstrates that 2/3 of passengers don't feel safe catching a train at night, so we do not understand the logic in this approach.

It is our view that the CityRail forecast patronage is realistic and patronage may decrease due to the prevailing economic downturn, as employment drops. However, we recommend that there is a decrease in patronage that there some flexibility in the fare determination period to reduce fare prices.

2. Valuing the External and other benefits of CityRail Services

IPART has decided not to value a person's health and wellbeing along with other benefits, such as the value captured by land which is situated near Public Transport. IPART's logic states that because the individual benefits from the use of train services, then that benefit should not be valued as an external benefit.

We disagree with the discounting of health and wellbeing not being included as an external benefit and think that there is merit in valuing the health benefits of public transport initiatives (to be used in all IPART public transport determinations).

This is supported by research that there are clear differences health impacts in people who cannot access public transport. These people, a significant amount of these live in Western Sydney, develop health problems, such as cardio-vascular disease, which the community must pay for through increased health expenses^{iv}.

2.1 Increased Land Value from CityRail infrastructure as an external benefit

The increased value added to land when rail infrastructure is built, was explored by IPART, and it is noted that the increase in value of the land in the CBD is also reliant upon the financial services sector.

It is also important to note that there are increased values of housing transport corridors, most particularly around rail. It is easy to calculate the difference in property prices within 500m of a train station, to note that housing and business which are located nearby attract a premium, and the further away from that infrastructure the lesser price paid (all things being equal).

The increase in land value is important to note, and maybe a possible way of financing future CityRail infrastructure e.g. increase of housing around rail infrastructure. Home owners / renters will pay a premium for housing that is connected by rail, this can be easily ascertained by, is this also an external benefit. For a more detailed analysis see the annotated Bibliography provided by the Victoria Policy Institute^v.

2.2 Valuing Community Health Benefits as an external benefit

We suggest that it is within IPART's terms of reference to include measures to measure and seek to reduce these externalities, as they have tended to be viewed in isolation rather than as part of an improved, integrated transport policy which values these external benefits.

The British Medical Association's report *Road transport and health* gives the composite picture of the health impacts of transport ("the movement of people and goods between places") and states that there are clearly recognized health benefits from increasing physical activity (i.e. walking to catch a train) for 30 minutes a day.

These benefits, which benefit the community through reduced health costs occur through reducing increased mortality (all causes); cancer prevention (particularly colon cancer); improved psychological health (relief of symptoms of anxiety and depression); reduced risk of obesity, adult-onset diabetes, and osteoporosis^{vi} and better retention of mobility and independence by older people.^{vii}

People who were fit in early adulthood and become sedentary later in life do not retain the lower risk profiles of their youth. However, it is never too late to become physically active; even people who have a history of being sedentary can obtain a significant health benefit.^{viii}

The National Health and Medical Research Council's report *Acting on Australia's weight*, participants supported the strategy of complementing the management of food intake with the promotion of "transport exercise" or "active transport" to prevent weight gain and obesity. Active transport is about walking and cycling, or other physically active ways of travelling, that can be done alone or combined with catching public transport, often involving the benefits of climbing stairs. Active transport modes can displace car travel, and promote better health, but only if it is accessible^{ix}.

3. Improving efficiency and service through public transport Coordination

Public transport academics, such as Paul Mees have argued that the failure of the public transport system in Sydney stems from a lack of a single coordinating body to coordinate public transport, such as in London's Transport for London.

We believe that zone based ticketing is preferential over flagfall plus distance based fares as it will increase flexibility for passengers. This is currently the experience in Brisbane which has 23 zones and also in Melbourne which has 2 zones. We ask that IPART spend considerable time determining that passengers need have for a ticketing system that promotes flexibility, good value and service levels and thereby increases public transport patronage (State Plan target) usage.

The key results of these coordinating bodies have resulted in greater connectivity from intermodal networks, such as buses arriving to meet train services to get people where they need to travel to.

Integrated ticketing is also integral to the success of people using CityRail and other forms of Public Transport, a simple to use and relatively affordable system is needed to encourage public transport usage. Since the failure of integrated ticketing cost \$60million, passengers should not be expected to pay for these inefficient expenditures.

4. Initiatives to Improve Cross - Regional Transport

A benefit of using Zone based ticketing would mean that people in Western Sydney would be served, by utilizing existing infrastructure such as the Cumberland line (Campbelltown - Parramatta - Blacktown) and also allocating further funding to invest in the rail network in Western Sydney as is in line with the principles of transit orientated development.

There is a need to spread the demand for CityRail's services from peak to off-peak is one of the main reasons IPART is recommending an increase in the off-peak discount to 50 per cent (see Chapter 13). But the deeper issue is that there needs to be more connections cross - regionally for people to be able to get to their destination and it would also free up the network.

It would also encourage passenger travel patterns to move regionally. It would enhance sustainability and encourage people to use rail and bus for discretionary travel. 75% of travel occurs for this reason (Household Travel Survey).

5. Accessibility and supporting people with limited Mobility

We are particularly concerned about the following quote from the 2008-09 Fare Determination and the effects of such a recommendation from people with limited mobility or a disability:

"...In IPART's view, the fact that so few stations are currently accessible for passengers with a disability is likely to be a far greater limitation on their use of CityRail services than whether a train guard is available to help them board or alight the train. In addition, IPART understands that while some disabled passengers need assistance to board and alight trains, most do not. IPART also understands that currently, most of those who do need assistance receive this help from station staff, not guards. IPART is not aware of any evidence that suggests that service levels provided in Melbourne, including for passengers with a disability, is inferior to that provided by CityRail..."^x

We recommend that a much more rigorous analysis on the cost/benefit of reducing CityRail staff and the impact upon people with limited mobility or disability. We recommend that IPART seek comment from organisations such as People With Disability and Combined Pensioner & Superannuants Association & NSW Council of Social Services to ascertain these recommendations will have on people with disabilities or limited mobility.

We ask IPART to carefully note the provisions of the Disability Standards, especially those applying to CityRail. Under the standards the railway infrastructure are to be 55% complaint by 2012^{xi}, and are already meeting current targets set out in the standards.

We thank IPART for recognizing the extent of the issues regarding access for people with a disability or mobility problems and recommend that if these target groups aren't serviced by the CityRail network and community transport is not funded to provide demand responsive trips, then funding should be allocated to setup parallel transport systems, for example the Smartlink project^{xii} called Passengers Choice, which will enable people who are transport disadvantaged to access transport.

This demand responsive transport could be achieved by investing funds into community transport or by simply amending the NSW *Passenger Transport Act* to allow community transport providers to charge a fee for their services.

Another example may include also community transport providers operating a "dial a service". Currently these licenses are restricted and enabling more licenses will allow current providers or future providers to service people with a disability or limited mobility. Similar services are available overseas and are known as "Para-transport" services which interact with mainstream transport services to assist those with limited mobility.

It is important to note that our population is aging population there will be 2 to3 times more people to use transport services. At present there are not the systems in place to cater for such demand^{xiii}.

Reference List

ⁱ See Tables comparing distance travelled from the CBD to stations with passenger income data (Westir, 2008), source Fares Handbook, CityRail and Median Income from ABS Census 2006, Table B02.

ⁱⁱ September 2008, Consumer Price Index, ABS,
[http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/7F6D88664CBB2935CA2574E90013478D/\\$File/64010_sep%202008.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/7F6D88664CBB2935CA2574E90013478D/$File/64010_sep%202008.pdf)

ⁱⁱⁱ See (ii)

^{iv} Handy SL, Boarnet MG, Ewing R, Killingsworth RE: *How the built environment affects physical activity: views from urban planning*. *Am J Prev Med* 2002, 23(2 Suppl):64-73.

^v J, Smith & Gihring T, November 2006, Financing Transit Systems Through Land Value Capture - an Annotated Bibliography
<http://www.vtpi.org/smith.pdf>

^{vi} Commonwealth Department of Health and Family Services. Developing an active Australia: a framework for action for physical activity and health. Canberra: The Department, 1998.

^{vii} NSW Health Department. Physical activity and health: a special communication from the Chief Health Officer, 2nd ed. Sydney: NSW Health, 1996.

^{viii} Commonwealth Department of Health and Family Services. Developing an active Australia: a framework for action for physical activity and health. Canberra: The Department, 1998.

^{ix} Commonwealth Department of Health and Aged Care and the Australasian Society for the Study of Obesity. Symposium on the NHMRC's report Acting on Australia's weight. Children and their families; 1999 Aug 23, Sydney.

^x P.54 IPART Review of CityRail Fares 2009/2012

^{xi} CityRail Compliance to June 2008, see Table 1, reporting against the Accessible Action Plan

<http://www.transport.nsw.gov.au/abouttrans/access-trans-action-plan.html#report>

^{xii} Passengers Choice, is a part of the Smartlink Transport Project. For more information visit <http://www.smartlinktransport.org.au/>

^{xiii} Conversation with Community Transport Organisation, August 2008.
www.cto.org.au