

Review of CityRail Fares 2009-2012
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

Dear Sir,

Re: Review of City Rail Fares

Please find enclosed a copy of my letter to the
Hon D. Campbell MP Minister for Transport on
your two recent publications

This would form my submission to IPART as
well.

The Hon D Campbell MP
Minister for Transport
State Office Block
Crown Street

Wollongong 2500

Dear Mr Campbell

Re: "Review of City Rail Fees, 2009-2010 Draft Report"
"Improving City Rail's Accountability and Incentives
Through Stronger Governance Arrangements"

Thank you for sending these 2 reports to me - they
arrived at 8.30 am Wednesday 8 October

I have read them and have a number of points to
make, but I note from newspaper reports that State
Rail will no longer be a Statutory State Owned
Corporation (SSOC) able to develop its own corporate
aims and objectives, somewhat remote from the NSW
Government and you as a Minister and become much
more like a Government department. This will give you
increased opportunity to determine its policy and
practice but will also increase your accountability
and political responsibility should problems or
service standards fall

Having said that I would comment

1) I very strongly support almost all of
the recommendations and methodology
adopted by IPART (although I recognise
there is a level of debate on their methodologies
and debate as to whether all their costings
are appropriate.

1) I very strongly support their method of determining

1) farebox recovery

2) government support of the total efficient costs of providing City Rail services

30% from customers and 70% from government recognising the external benefits from City Rail Services seems appropriate and now the community will know how fares are set and the percentage paid by customers.

2) I believe minimum service standards should always be met and so

1) overcrowding needs to be addressed - more carriages need to be ordered as IPART suggests overcrowding will continue for 5 years despite current orders for more carriages

2) on time running is second in importance

3) speed of trains as measured by journey time is important. I note that the fastest trains between Central and Wollongong are now 13% longer in travelling time than the timetable released in 1985 with electrification of the line. However trains now should be faster than those 20 years ago

4) safety on trains and at stations is equally important

5) frequency of services is next in importance

3) I believe statistics need to be done by each rail line and those with poor performance needs to be addressed first with increased funding, services

4) I believe discounts for weekly tickets should

be constant say 30% even if it means increased weekly fares for Wollongong commuters

- 1) I believe all documents like Statement of Corporate Intent should be publicly available as well as reports on performance of City Rail. This is referred to in Recommendation 25 on page 47 of "Improving City Rail's Accountability".
- 2) I thought the Purchaser Provider Model as per 1.1 on page 3 of "Improving City Rail's Accountability" was the correct approach.
- 3) I support record of "total delay minutes in peak and off peak periods" in section 9.5 on page 9 of "Improving City Rail's Accountability" and the total cost of these delays at \$20 per hour per customer should be included in any costings and reports [I note figure of \$15.80 was used on page 9 of the Review on basis that people value their time at only 50% when not at work].
- 4) Recognition that services of over 1hr should have better fittings including toilet in each carriage and wider seats with increased leg space (say 4 seats wide and not 5 seats wide).
- 5) I support fares being based on distance (maybe less than 20 on page 7 Table 1.5 in Draft Determination No 4 2008).
- 6) A lower Flag Pull component as the fare for up to 5 kilometres at \$3 appears too much (Table 1-5).
- 7) Absolutely essential for a T card electronic ticket for more than 1 mode of travel.
- The delay of over 8 years seems ridiculous.

- 3) Need to look at both peak and off peak performance
- 4) If guards are not to be on trains and stations not manned, reasons are to be clearly stated and figures, savings need to be clearly given.
- 5) Recognition that finance from Federal Government for transport infrastructure is appropriate
- 6) Recognition that increased number of train travellers will continue - in part recognition of likely fuel price increases, traffic congestion but possibly a more "greener" approach by people. I believe growth figures (projections) should be 5% for period 2007 to 2012 and not reduced growth of 2.5% for 2009-2012 (Table 10.1 page 85 of Review of City Rail Fares)
- 7) I support inclusion of capital costs and depreciation in working out annual revenue requirements - all costs should be included

These are my preliminary views and express my thanks for being able to make these to you and IPART.