

Vagone Pty Ltd as Greens Northern Coaches

November 13, 2009

Independent Pricing and Regulatory Tribunal
Fax: (02) 9290 2061

Re: Draft Report - Review of fares for metro and outer metro bus services - 13 Oct 2009

To Whom It May Concern,

I forward the following bus patronage information from Helensburgh (Route 15) for your review.

1st January 2006 – 1st July 2006 – Our Adult patronage figures are 10,598
 1st January 2007 – 1st July 2007 – Our Adult patronage figures are 10,232
 1st January 2008 – 1st July 2008 – Our Adult patronage figures are 10,588
 1st January 2009 – 1st July 2009 – Our Adult patronage figures are 9,976

From January 2009 - Helensburgh CBD to / from Station - Adult Each Way Fare = \$ 3.20
 From January 2008 - Helensburgh CBD to / from Station - Adult Each Way Fare = \$ 3.00
 From second half 2007 - Helensburgh CBD to / from Station - Adult Each Way Fare = \$ 2.40
 From first 2007 - Helensburgh CBD to / from Station - Adult Each Way Fare = \$ 2.30

As you will see from these figures our Adult patronage over the first 6 month period for 2009 has dropped between 5% & 6% on the previous year, although despite between a 2.5% - 3% increase from the previous year and in the year prior to the that the patronage was the same prior to all the fare increases put in to place due to the outer metropolitan harmonized fare scale.

We would hope that hence the Consumer Price Index percentages for urban transport fares over the past four years has been well below the increase to bus fares brought about by the introduction the harmonized fare scale, which has seen the maximum 3rd section for commuter bus fares rise by some 12.5% already over the past three years now your proposing to set fares once again above the Consumer Price Index percentages over the next 4 years, when should you consider the 20,000 commuters in Helensburgh who by than can say for almost decade now our cost for bus rides has risen well above Consumer Price Index percentages every single year for almost 10 years.

This year the state government has spent some 2.2 million dollars with nil return for car parking spaces at Helensburgh Railway Station in free opposition to the local bus service, these 70 spaces one would say will have a 20 year lifespan being over generous which are unused weekends and at two thirds of capacity most weekdays, So at most there are 250 people/cars using this facility per week or 13,000 per year with no return to the state government just insurance and up keeping costs and land rate income losses which I will for go, So just over 260,000 cars/persons will see use of this free parking and on going cost facility for the next 20 years at the cost of \$ 8.00 per car / per day with not only no return but on going costs with nothing in return unlike cost plus bus services operating in direct opposition. This cost is currently more than the consumer cost of a return bus ride to town and back, however these tax costs would have been far better spent and reached far more local residents if reallocated to public transport in decreasing bus ticket prices in the local area. I do not believe the general public know or realize that more tax expenditure is spent on parking with no usage contribution, however bus fares kept rising to maximize rate of return for tax payers and yet they are in direct opposition/competition to each other. You at IPART have an obligation to the tax payers in addressing these issues as part of this bus fare determination.

So in all and based on your draft report, outer metropolitan bus fares will continue to rise well above the Consumer Price Index percentages for the next four years and patronage will drop on bus services as part of this decision, despite the introduction of no return and fully funded by tax payers with continued on going cost parking facilities being built in direct opposition to the cost plus bus model, it makes one ask if this was any other business and the government was offering competitive services at a loss to tax payers while setting your prices year after year well above the Consumer Price Index percentages would that business succeed or at all benefit.

Thanks for your time as always, I hope the information provided allows for a promising business case to be put forward on our behalf and from this our company may be able to reverse the current patronage trends by way of a fare adjustment outcome.

Many Thanks

Wayne Green
General Manager - Greens Northern Coaches