

Thursday, 28 October 2010

Independent Pricing and Regulatory Tribunal
Level 8
1 Market Street
Sydney NSW 2000

PRIVATE FERRIES FARE SUBMISSION 2010

The Commercial Vessel Association of NSW (CVA) has campaigned for many years with Government to change the contract system which each operator has with the Department of Transport and Infrastructure (DTI), which was strongly recommended by an independent report that was prepared after consultation with the private ferry operators.

Late in 2009 the CVA requested that the Minister implement these contract reforms. Unfortunately the Minister decided not to implement these contract reforms and provide supplementary payments only to a selected number of private ferry operators.

These selected private ferry operators were only from the slow ferry sector that received School Student Transport Scheme (SSTS) payments, thus leaving the remainder still struggling with viability issues.

The private fast ferry operators currently have a submission to the Minister requesting assistance similar to that provided to five of the private slow ferry operators.

As from 1st January 2010 the private ferry industry wage awards come under the control of Fair Work Australia's, Ports, Harbours and Enclosed Water Vessels Award 2010 which facilitated a substantial increase on previous awards and therefore further effecting operators financial viability. Wages represent approximately 50% of all operators costs and these wage increases have now been in place for ten months. Any fare increase granted by the Independent Pricing and Regulatory Tribunal (IPART) in this review will have minimal effect and would not help the losses affecting operators due to this new award, unless it is a minimum of 8%.

In addition to wages, private ferry operators are still affected by increases in business interest rates, rents, insurances and maintenance costs.

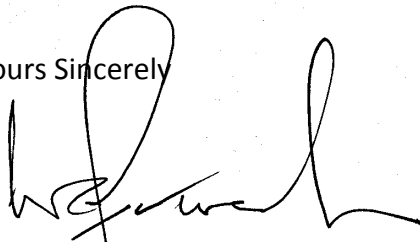
The private ferry operators are a forgotten part of the NSW transport system by being left out of the **Myzone** ticketing system. These operators provide an essential service. Substantial hardship would be caused to the commuters that presently use these services if they were unable to continue operating.

The CVA requests that IPART recommend that Government implement:-

- Fully integrated ticketing across the transport system
- Improvement in information to passengers
- Better marketing programmes to support the current services.

The CVA requests that IPART recommend a minimum of an 8% fare increase to all private ferry operators.

Yours Sincerely



Warwick Fairweather
Executive Officer
Commercial Vessel Association of NSW