

Blue Mountains Commuter & Transport Users Assoc.Inc  
Ref. IPART Bus Fares June 09

DR. Michael Keating AC  
Chairman  
Independent Pricing & Regulatory Tribunal NSW  
P.O Box Q290  
QVB Post Office NSW

Dear Dr. Keating

Thank you for the opportunity of allowing the Association to comment on the Bus Fare Review 2009-06-24

The Association reply to the List of Issues for Comment

- 1. For the purpose of setting bus fares in the metropolitan regions is it reasonable for IPART to focus on the four largest contract regions as the foundation for Estimating the costs and benefits of bus services? **Answer No** Reason is as follows.

*The Blue Mountains Bus Services serve the area from Penrith to Mt Victoria, the Topography governs the development approx 26 villages spread across the Mountains with villagers on the Spurs e.g Mt Riverview, Yellow Rock Winmalee There is limited ability to allow for Loop Services this reduces the ability to maximise efficiency of service. Thus a different approach is required.*

- 2. Should IPART consider a broader set of contract regions in its review of the costs and benefits of bus services? If so, which additional contract regions should IPART include

*The Association would agree to include the Blue Mountains Region with another region of similar challengers.*

- 3 What is the appropriate length for fare determination.

*There is an opportunity to combine rail, bus and ferry fares with the proposed Introduction of the Integrated Ticketing at this time IPART should set the fares on all Modes on the introduction of the Integrated Ticket The Super Agency should be informed of this when established.*

4. Is it better to align end of the bus fare with determination with the end of the CityRail determination both modes considered together.

*Yes but with the previous answer in mind.*

5. Are IPART's proposed assessment criteria for the review reasonable? Should IPART prioritise them differently?

*Under the current Review of bus services the Ministry is negotiating with the bus Bus companies to concentrate on direct services this should be part of the review*

(2).

6. What is the most appropriate approach for setting the value of the initial capital base? for the four largest contract areas

*I believe this question is one for the Commonwealth Taxation Office.*

7. The appropriate rate of return etc.

*As most of the services in the West are independent companies there must be a rate of return that attracts investment unless the Government wants to allow State Transit to tender a difficult one actually.*

8. What is the appropriate average remaining life for regulatory assets in the four largest contract regions?

*The propensity for the new bus fleet but once we have the fleet replaced with Low floor and the current facilities are we looking at extending the years with proper maintenance and refurbishment. A survey of Users would be useful.*

9. Is it appropriate to determine the share of costs to be borne by the taxpayers? based on the external benefits approach? What are the advantages and disadvantages?

*The bus service has to compete with the car and this has to be competitive as the Legg Report states on page 69 The bus fares are close to the optimal level. Hence the bus services have to meet the community needs, show the services have an advantage e.g No parking problems, less stress and more economical. Market forces will set the fare scale and the Government has less demands on the roads etc.*

10. Are there other external benefits of bus services that IPART should take into account?

*In the late 1930s and 1940s I lived in Hurlstone Park we did not have car there were frequent bus rail and tram services no registration parking etc ect more freedom and in addition, very low costs of travel. Can IPART quantify that I am not sure.?*

11. How should IPART take into account the external benefits of bus services that cannot be quantified?

*I believe we are dealing with market forces the transport providers have to address the issue from the point of matching community needs and providing services to meet the needs The Ministry of Transport must recognise this as well*

12. Is it appropriate to share the cost to be borne by the taxpayer etc. etc.

*The tax payer pays for many services that he or she does not directly use some He or she will never use the efficiency of the providers providing the service*

*is important*

**Over 3**

**(3)**

- 13 How should IPART take account on of the likely implications for affordability and patronage in its fare decisions.

*The providers have to assess the patronage and affordability of the Customers in their contracts areas and react accordingly to customer needs*

- 14 . Harmonised Newcastle Fares? Answer yes.

15. The increase in demand for the next five years?

*The Association has not have to information to answer this it will depend on many changes in the our area.*

- 16 What are factors likely to effect impact on bus use?

Economic, i.e income of family, cultural changes, in the immediate future we cannot see any major changes.

A In the questions, regarding flag fall, there should be no flag fall. This Question will be important with the introduction of the Smart Card.

B. The last three questions are difficult as the Blue Mountains Contract Area is to be reviewed we believe that all aspects of the services will be discussed.

Ministry of Transport informed us extra services have to be introduced from a Cost Neutral basis this does not allow increase in services without a sacrifice of other services

Here in lies the dilemma if are increased with the changes in routes that ask Customers to walk greater distances to catch the bus it may not go done well

I thank you for the opportunity to take part in the Review I would appreciate if I am able to be on the Table for the discussion on this issue

Yours faithfully  
Paul Trevaskis Hon.Sect