

John Ready
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I wish to object strongly to any fare increase by CityRail.

My grounds are basically:

1. CityRail have not lifted their game sufficiently to justify a reward
- 2 CityRail do not use revenues cost-effectively and so do not deserve extra fare revenue except through increased patronage
- 2 CityRail should be encouraged to provide an efficient, clean and reliable service and through that build extra business (and accompanying fare revenue) rather than continually expecting handouts for little or no return.
- 2 The rapidly rising fuel price is already bringing many extra passengers to the CityRail service according to their latest public pronouncements and this extra business should provide the necessary revenue without a fare increase, especially since services have been cut drastically over recent time.
- 2 With inelastic demand due to lack of alternate means of transport it is unfair to expect the poorer members of the community to fund CityRail's bad business sense.
- 2 CityRail seem intent on slashing services and should not be rewarded for providing less service. By the same token, providing less service in off-peak times should not result in a fare increase, if anything a fare decrease would be more appropriate.

Details follow (with Page references to RailCorp's Public Submission).

Service reliability:

RailCorp claim throughout their Submission that reliability has increased. On Page 4 they claim this increase is by twenty percentage points, by Page 5 this is increased to thirty percentage points!

Considering their definition of 'on time running' was altered in 2005, in fact enlarged by twenty-five percent, then a twenty percent improvement is in fact less than their enlarged definition, and a thirty percent improvement is negligible to say the least.

We need to bear in mind with regard to On Time Running figures that the Auditor-General has previously stated that RailCorp's figures are baseless. I would tend to agree with this. As a seven-day per week commuter up until last October I can tell you that despite RailCorp's claims, I would be lucky to have been on one train per week that arrived on time (even allowing for their recently expanded definition of 'on time' and even allowing for the extra eight minutes that they added to the official running time for many of my trains). In the past four months I have only averaged one return trip per week but I have still yet to have caught a train that ran on time.

I don't believe that CityRail is alone with questionable figures as I saw an article in the 'Age' out of Melbourne on 20 March where reference was made to Connex's claimed 93% on-time running but the gentleman in question had only had 17% of his trains run within six minutes of timetable (their latitude). Compared with Sydney performance he was lucky in my view!

When considering RailCorp's figures we should also be aware that they seem to be measured only at Central Station, so a train heading to (in my case) Cronulla can arrive twenty minutes late, but because it passed through Central within five minutes of timetable it gets counted as 'on time'. Similarly the high number of trains allegedly heading to Cronulla that get abruptly terminated at Hurstville or Sutherland. Heading in the other direction RailCorp have a bad habit of letting the train leave from Cronulla five minutes early in order to try and get it to Central within five minutes of timetable (not exactly considerate of their passengers nor making much allowance for buses and ferries bringing passengers for those trains). Now, under the new timetable the same train that RailCorp in 2002 claimed to run 92.6% on time, is now allowed an extra eight to ten minutes to do the same journey, plus the extra lee-way (now up to five minutes), plus the extra five minutes when it sometimes leaves early, and it still cannot often get to Central within five minutes of timetable! In addition, RailCorp loses interest in the train after it has passed Central so we often spent five to ten minutes waiting in the tunnels and arriving at Kings Cross (my destination) even later, presuming that they didn't terminate us at Martin Place as regularly happens. The commuter newspaper 'MX' carried a quote on 15 March from a number of passengers who were stuck near Central for more than 25 minutes 'as usual' so I know I am not alone in my experience.

Considering RailCorp has slashed services by about thirty percent (or up to 67% in off-peak times) you would expect a much more reliable service yet CityRail seems unable to provide this. You must wonder at their claims from say 2002 when they claimed 91% on time running under the old timetable.

On Page 20 RailCorp attempt to show their on time running in a good light by comparing their figures (presuming the Tribunal is going to accept them) to selected others. Notice that Melbourne (with a similar population base) scores better, as does New York (with nineteen million people last time I checked). To show Sydney in a good light they throw in London (about twice the population of Sydney), yet leave out many of the other cities that they manage to quote when it comes to fare comparisons on page 41! Why one wonders? Is it because many of these would show just how poorly Sydney performs? Certainly Singapore with a similar population, and Toronto (four and a half million people) have much better on time running figures but they don't tell us about those do they? [In fact the Minister trumpeting last month about an extra million rail journeys in Sydney fades in comparison with Toronto persuading their citizens to undertake an extra twelve million journeys between 2003 and 2004 - it's a wonder how easy it is to attract extra paying passengers when you truly do offer a reliable service.] Zurich gets quoted world-wide as a largish city that can make public transport run on time, but despite most international public transport experts quoting their figures RailCorp doesn't! Okay they've only got about a million people, but differences in population doesn't seem to have prevented RailCorp from using other cities as a comparison when it suited them. Even San Francisco does better at on time running than Sydney.

The other thing to bear in mind with regard to service reliability is that RailCorp only seems to improve this when they come cap in hand to the Tribunal looking for a fare increase. You'll notice that that happened last time, just after they got their fare increase they let things

go and their own on time running figures shrunk to 61%, with the reality even worse. You won't find that in their Submission but the figure is publicly available on the CityRail website.

Security:

RailCorp quotes BOSCAR figures to say that recorded offences against the person on railway premises have fallen by 30.5%. I cannot find any such figures on the BOSCAR website so do wonder about the veracity of these figures. Page 24 gives slightly more informative figures but 'this year last year' comparisons make more horrific reading. Comparing the year ended September 2005 (the last year for which full figures seem to be provided) and the previous year we see that Robbery has increased on trains (despite a 44% decrease in the Sydney metropolitan area average reported on the BOSCAR website); Steal from person decreases 23% on trains yet 19% Sydney-wide so is just reflecting a city-wide trend rather than any extra work by RailCorp Security. According to these figures Assault and Sexual Assault seem to have decreased over and above the Sydney-average but I have a problem as the figures don't quite match the crime figures reported on the CityRail website, but what is obvious is that overall the crimes against a person only decreased by 9% over the previous full year. Their trend is similar, but then you wonder why RailCorp's Submission doesn't mention 'Crimes Against Property'.? Maybe it's because they don't reflect so well, and perusing the figures on CityRail's website we find that between last year and the year before Crimes Against Property increased by 17% - that doesn't say much for their Security does it?

BOSCAR figures are reliant on crimes being reported as they clearly state in their material. Many people don't report crimes on trains as they know it is a waste of time, and in many cases the crime is perpetrated by a Transit Officer whose word will normally be taken by the Police rather than the passenger's word. It is interesting to note though in Court hearings where Transit Officers give evidence the amount of times that Magistrates dismiss allegations by Transit Officers as 'preposterous' or the like. The problem seems to be that RailCorp's recruitment procedures leave a lot to be desired as they concentrated on getting people (anybody) into uniforms to be able to pose with the Minister or Premier rather than getting the appropriate people and giving them proper training. I would be interested in how many, for instance, of the first batch of Transit Officers are still in employment, as I suspect that many would have quit or been forced to quit after being lambasted by various Magistrates (and I have heard similar comments in Courts in Sutherland, Downing Centre, Parramatta, and Waverley).

RailCorp is offering less night-time security with the new Transit Officers than was previously the case. In the old days we used to have two security guards for every train after 7pm, whereas now Transit Officers patrol only about ten percent of the night-time trains at any one time. That is vastly less security and the savings made from this move should be reflected in the fare structure. The comment on page 24 that 'Transit Officer resources provide the greatest impact in addressing crime and anti-social behaviour ... by being in the right place at the right time' is absolute codswaddle. With less Transit Officers on duty at any one time in the evening in comparison to the old security guard system the Transit Officers are rarely in the right place at the right time. In addition, as I've reported to the Minister on numerous occasions, Transit Officers generally run from problems unless they outnumber the perpetrators by at least three to one and so rarely provide much of a crime-fighting impact.

The recruitment process for Transit Officers also seems to be lacking as does their training regime. I have kept records for my last 164 ticket checks plus 65 other encounters, and only on 51 of those occasions was the Transit Officer polite and well-mannered, that is only 22%! The rest are rude and obnoxious and should never have been recruited for any position involving customer contact in my opinion.

Also on page 24 RailCorp mention that the ITSRR survey found that 39% of respondents thought Transit Officers gave a greater sense of security - ONLY 39%! Nowhere near a majority of commuters at all. Obviously the majority don't think much of the Transit Officer system.

Customer Information:

Page 5 mentions the installation of liquid crystal display screens at CBD stations to advise customers of service status. The problem is that these screens often carry erroneous information! Central Station is notorious when giving the expected time until the next service comes from Redfern (just two minutes away) heading towards Bondi Junction. It will say that the next train is in 8 minutes, and that message will stick on the screen for about ten minutes, then it will decide that suddenly the next train will be in 2 minutes, but we'll still have to wait another ten before it turns up. I have reported these type of things to the Minister on myriad occasions to no avail, and can report that the system was still playing up just two weeks ago when I caught a train from Central to Kings Cross.

The other big thing that these screens get wrong is how many carriages are on the next train. Passengers use this information so as to know how far they can spread along the station platform but if they are wrong then trains will have loading delays as we either all rush towards the centre as a four-car train turned up instead of the listed eight-cars, or we cram onto the central cars as a four-car train was listed but an eight-car train turns up. How can a train from Bondi Junction to Kings Cross lose or gain carriages? It is physically impossible, and one can only presume that CityRail employs no staff at Bondi Junction who can count.

Screens by themselves are no good, they need to have accurate information, and as long as CityRail keeps putting erroneous information on these screens then RailCorp cannot claim that these are improvements to the system.

Nowhere in the 44 pages of RailCorp's submission do they mention improving communications with passengers via their internal train PA systems, and this is because they have not done a thing about them despite many complaints over the years. How are they going to inform passengers in real emergencies if they cannot manage to inform them of simple delays? The 'Daily Telegraph' of March 16 featured a Letter from a frustrated commuter who had rung the advertised 131500 number to find out they didn't know about extensive delays through Strathfield. A second Letter writer was on a delayed train with no announcements. A third Letter writer sat at Newtown watching trains skip her station without a word of explanation. On March 20 'MX' newspaper reported a lady stuck on a train at Wollie Creek for 35 minutes with no announcements able to be heard and a fellow commuter told to 'change carriages' if he wanted to hear announcements despite the train being jam-packed. On March 21 there were reports of more periods of no announcements as CityRail abandoned their timetable during the morning rush. Recognise a pattern here? How will CityRail cope in an emergency? How can they say that this is 'customer service'?

Roving Cleaners:

These are very few and far between except when the Minister wants a photo opportunity. Whilst RailCorp claim that 'the improved cleaning regime has reduced complaints by 4% since 2003/4' (p5) I would suggest that this negligible reduction in complaints could just as easily be explained by passengers giving up on contacting CityRail as: (1) they make it too hard to speak to a live human being to register a complaint, and (2) complaints never seem to get acted on. I know from a personal point of view I used to file complaints regularly until I just got too tired as nothing seemed to change, and I'd get letters from the Minister virtually saying that nobody else was complaining so why should I, or that I'd obviously got the 'one bad train that day' - yeah right, for 700 days in a row!.

Customer complaints:

The Submission claims on page 5 that CityRail complaints have decreased by 15%. RailCorp's Annual Report (p.21 2004-5) says that they've only fallen by point four of a percent (ie, less than one-half of a percent). I am not sure which is correct, but reiterate my suggestion that much of this decrease could easily be people giving up. Comparisons with 2003-4 should be looked at in the light that complaints increased by 38% over 2002-3.

Staff:

RailCorp's mystery shopper supposedly found 84% of staff making a good impression. That is vastly insufficient! It may be an improvement on before but it is certainly nothing to crow about.

I should also point out that many Stations seem to be lacking in staff. The number of times that some stations down in the Shire are unmanned is increasing, or it is manned by only one person and so many customer service duties are being neglected. For instance, the ticket windows often get closed whilst the rubbish bins are emptied. With this decrease in staffing levels a fare increase becomes increasing harder to justify.

Management also seem to be well behind the eight-ball in many respects. Just this month we found that their record-keeping with regard to asbestos in railway stations was incompetent to say the least, and this was publicly admitted by the RailCorp CEO.

New timetable:

RailCorp claim on page 5 that their on-time running has improved by nearly thirty percentage points, a point they'd already claimed earlier when using 'on time running' as a separate issue. Considering this new Timetable decreased the number of services by about thirty percent overall we would certainly expect there to have been an improvement in on time running, but note that this is still far from 'world's best practice'. We must wonder how come RailCorp managed to get over ninety percent on time running in 2002 with the old timetable? That figure in 2002 was also achieved using the old definition of 'on time' of 3 minutes and fifty-nine seconds, rather than their new expanded definition of 'on time' which allows for twenty-five percent more latitude. To now need drastic cuts in service in order to

be able to achieve the same result suggest gross inefficiency, an inefficiency that does not deserve to be rewarded in any way shape or form.

On page 21 they say that the new timetable 'adequately services off-peak demand'. They may consider that is so but many commuters who can no longer catch convenient trains or make convenient connections may say otherwise.

Off-peak fare structure:

RailCorp on page 7 claim that reducing the off-peak discount will 'improve the equity of the current off-peak arrangements compared with full fares', yet make no mention of the fact that in many cases passengers have to put up with 67% less services at off-peak times and less carriages (meaning often more crowded carriages). Considering the vast difference in services quite frankly the off-peak discount should be increased, not reduced.

RailCorp should be encouraging people to use these light-loading services so that they don't take up valuable capacity when it is required by other people who have no option but to travel in the peaks. If off-peak fares are too high people simply will not use the train, as often they have other options (for instance, private cars which don't get held up in traffic jams off-peak). Outside of commuter territory RailCorp should be encouraging people to travel - let's face it, if you are providing the train then your marginal cost of an additional passenger is zero, and you often need to reposition these trains for the commuter rush anyway, plus keep staff employed for their minimum hours. An awful lot of money has spent to provide the additional infrastructure (staff and stock) to cope with peak-hours and it is only fair that peak-time users pay for the majority of it. Once the staff and stock is in place to provide the peak service then the marginal cost of every off-peak passenger is simply the cost of running the service, not providing the wherewithal to run it in the first place, as is the case for commuters, and so this lower cost should be passed on to the passenger. Phone calls work the same, it costs you much extra to call during the day than at night; similarly electricity which can be got cheaper late at night when there is less demand.

RailCorp claims their off-peak and multi-trip ticket discounts currently compare well with others but as usual they have been very select in their comparison, only comparing with other Australian capital cities. Amtrack in the USA offers discounts up to 80% for off-peak travel (admittedly a tighter definition of 'off-peak'). Chiltern Rail in the UK offers 62.5% off a single fare or 77% a return fare for off-peak travel. CityRail seems to average about a 23-24% discount for monthly tickets (for up to 20km journey), but Miami's Tri-Rail manages 64%, Long Island Rail 49%, the Metro in Southern California 29%, Caltrans in Northern California 31%, and several other American cities all manage better discounts than CityRail (San Jose, San Diego, Chicago, Trenton NJ, and Washington DC to name a few).

International Fare Comparisons:

On page 7 of their Submission RailCorp claim that their current fares are at the lower end of comparative international rates. They give a table to supposedly back this up on page 41, but Sydney's short distance fare only looks good when compared with Tokyo and in Tokyo they measure 'on time running' by the second not multiple minutes. When Sydney gets all their trains in to the minute then maybe they can compare their fares to Tokyo. If we take Tokyo out of the equation then that only leaves two overseas cities charging more, and quite frankly Toronto should be excluded as well as Toronto charges a flat-fare no matter how far you go

on their network. Singapore is a similar sized city to Sydney yet it manages to charge a quarter of Sydney's price and gets better on time running and cleaner carriages and smarter and more informative staff! RailCorp's selective use of which cities to put in their basket is notable for its absentees, and also one must wonder why it has included 14 cities here (possibly the only way in order to be shown as being around the average) yet only 3 cities in its on-time running comparison on page 20, yet 6 cities (2 of which are not used anywhere else) on its page 15 comparison of network sizes. You should also note that this is a 2002 table that RailCorp has produced presuming using 2001 figures, so it does not take into account the 5% fare increase in 2003, nor possibly the fare increase before that, yet RailCorp are expecting us to take this as a current situation - shame on them. A quick search of the internet enabled me to draw up the following alternate chart of comparisons. As mentioned above I left out Tokyo - when CityRail sack drivers and Managers for being more than a few seconds late then I will add it in, but whilst CityRail offer a lot less than world's best practice then we shall try to compare with more relaxed international cities. The centre of Sydney population-wise is Homebush so I have compared wherever possible a similar 13km journey for which CityRail charges \$3 one-way.

<i>Network</i>	<i>Cost/km</i>
Singapore - MRT	0.08
Miami - Tri-Rail	0.13
Atlanta - MARTA	0.13
Beijing	0.14
Detroit	0.15
Hong Kong - MTR	0.16
San Francisco - Caltrans	0.16
Seattle - Sounder	0.16
Chicago - Metro	0.18
San Francisco - BART	0.19
San Jose - Ace	0.19
Boston - MBTA	0.19
Toronto - TTC	0.2
San Diego - Coaster	0.21
LA - Metro	0.21
New York - MTA	0.21
Brisbane - CityTrain	0.22
Shanghai - Subway	0.23
Sydney - CityRail	0.23
Melbourne - Connex	0.23
Perth - Transperth	0.24
Washington DC - VRE	0.24
Tel Aviv - israrail	0.25
Trenton NJ - NJT	0.26
Brussels	0.27
Berlin	0.29
London - Underground	0.3
AVERAGE	0.2
Notes: Mileage converted at 1.61km/mile Journey distance may vary between 12-14km	Some cities have flat-rate so a fair comparison very much depends on the point at which you do your sums, eg

<i>Network</i>	<i>Cost/km</i>
Using current prices as per websites	Toronto, Detroit, New York, LA, Atlanta
Foreign currency conversion as at 17/03/06	
Standard Single One-Way ticket used	

Inelastic response to fare changes:

On page 7 RailCorp mentions that past fare rises have shown that patronage is relatively inelastic. This would indicate that the bulk of people using the CityRail system have no choice but to use it, so one must ask why RailCorp is basically setting out to screw them? They are trying to take advantage of the poorest and most disadvantaged sectors of the community. RailCorp does not set out to make their service attractive and encourage extra patronage, no, they know that no matter what they do (and their last few years of absolutely diabolical service has certainly proven that) the people will mainly keep patronising them. They should not be able to force these long-suffering people to pay more money until the service levels are lifted a lot more. Many of these people will not have had a pay rise for some years and under new Federal legislation may in fact be suffering from a reduction in pay at the moment and so be ill able to afford fare increases.

RailCorp try to hide the below-average income of most of these people by describing them as 'managers, professionals, semi-professionals and other clerical staff' (page 10), but those first two categories are fairly small (and let's face it, it is possible for a 16 year old to be a Manager at MacDonaldis) and it is the 'associated professional and clerical' categories that are comprising over fifty percent of CityRail's passengers. We have no information as to how this percentage break-down came about apart from the fact that only 600 passengers were interviewed in order to get this break-down (probably just done at Wynyard Station in order to get the 'desired' result!) as I note that students are presumably lost in the 16% 'other' category!

Patronage:

On page 14 RailCorp says that patronage is expected to grow. This growth will by definition bring in extra rail fare revenue and so there should be no necessity for an extra fare increase, especially since RailCorp really aren't providing any extra services to justify that fare increase (they have in fact drastically cut their level of service).

They further say that fuel pricing has not been factored in, but I would suggest that since the price of fuel has risen thirty percent recently and is expected to rise another fifty percent within the next two years, then a lot of people will be driven onto the rail system, once again producing more revenue for which RailCorp are not providing extra services and so more of their expenses will be covered without the necessity for a fare increase.

In addition extensive road closures in inner suburbs and major roading alterations in the CBD are making private car usage constantly less attractive which should put more people onto the train system as a matter of course.

Customer Satisfaction:

RailCorp quotes from an ITSRR survey on page 16 but gives no details. I presume this is the one where only 40% of patrons said the service met their expectations (that could be the case even if the service was bad yet they expected a bad service). Recent news media reports about what we presume is the latest survey of this kind which involved 1006 people only and the only criteria seems to be that they have used the rail system once within the past four months! They may have fluked the one on-time train! These surveys should canvass regular commuters. I know one person who was rung who lives in Haymarket (living there is unlikely to require train services on a regular basis as can walk to much of the CBD) and he was rung at 2pm (not exactly the sort of time you would find a regular commuter sitting at home), so to say I am skeptical about the results is the understatement of the year. Certainly the regular stream of complaints published in 'MX' daily commuter newspaper suggests that there are still a lot of dissatisfied commuters out there.

One of the things the ITSRR survey found that CityRail needed to improve was crowding in trains at peak commuter times. There is no mention of any attempt to look at this in their Submission. CityRail keep their overcapacity figures secret for some reason. Why cannot they publish congestion graphs like JREast in Japan which would show us whether CityRail is overcoming any of its problems or just ignoring them?

Another thing (as per their table on page 16) was frequency of service, so what has CityRail done? They've cut services by between 30% and 67%!

Clarity of announcements on trains have still not improved.

Punctuality of trains has not improved in my experience on the Illawarra Line.

An independent website (www.railmaps.com.au) described one rail network in Australia as 'frequent, fast, comfortable, safe.' Obviously it wasn't Sydney as we don't have frequency on most lines, it's slow, uncomfortable in the majority of carriages, and not that safe. It was Perth that was so-described, Sydney they simply described as 'unreliable'.

RailCorp's cost base:

The problem with giving more money to RailCorp is that they don't use it in a cost effective way, and by continuing to just throw money at them they have no incentive to operate more cost effectively. After the last fare increase for instance they rewarded their top management with a pay rise. There are nearly thirty managers earning hundreds of thousands of dollars per year but seemingly doing little to really earn their money. The RailCorp CEO is earning over one thousand seven hundred and ninety-two dollars per day (based on a five day week with four weeks annual leave) despite presiding over a slipshod system with poor customer service, poor maintenance practices, poor on time running figures, and which does very little to encourage patronage. His pay packet has increased 22% in the past two years - that is well above the average wage increase and does not compare well with the financial returns of the organisation that he runs.

Money is wasted on so-called professional services. When it came to writing the new timetable did they go to the experts? No, they imported people from the city that has the worst on-time running record of all the examples they provided on page 20.

Between 2003 and 2004 the cost per journey according to RailCorp figures rose by 2%, yet last year it rose by 17%. That doesn't sound like very good cost management at all, especially when you consider that there were three million less rail journeys undertaken in 2005 compared with 2003. Revenues have crept up by 26% since 2002 whilst expenses have increased by only 21% according to the RailCorp Annual Reports which would make for a profitable situation in any other business - what is RailCorp doing wrong? Maybe it's just pure incompetence, and if this is the case that is the last thing that we should be rewarding?

Encouraging patronage:

Nowhere in its Submission does RailCorp mention anything about encouraging people to come and use its service. They effectively sit back and say 'they will come because we are here!' Cinemas are facing tough times at the moment because of DVDs, etc, but you don't see them putting prices up. No, they have 'half price Tuesdays' and this month Greater Union is having '\$8 Mondays and Tuesdays'. A price break can encourage business, and certainly my local cinema had crowds queuing last Monday evening.

What other businesses do you see attempting to increase patronage by increasing prices? Telstra tried that with fixed line rentals and have now ended up in a situation where there are less fixed lines than in 1960. Most other businesses decrease prices to encourage patronage, airlines are a prime example in the transportation industry.

2003 IPART Determination:

2 CityRail should improve cost recovery

In my view CityRail has not improved cost recovery, in fact considering their increase in revenues accompanied by a decrease in services offered they are operating in a worse situation than they were in 2003.

4 Better performance reporting

In my view the reporting is not better as it seems to be at a marked difference from the situation experienced by regular commuters. Their use of comparisons is 'convenient' to say the least, and some of their claims are downright spurious.

1 Cost recovery outlook

Once again we have the figures that RailCorp claims and little evidence to back them up. Even using their figures the financial management seems to leave a lot to be desired.

1 Cost recovery estimates to enhance incentives for CityRail

CityRail themselves admit they have sat on their backsides and ignored this, presumably as they realise that any proper analysis will not make them look good.

1 Commitment from CityRail to improve business efficiency and quality.

CityRail have not improved either in my view. They are well behind world's best practice, and some of their dubious reporting of alleged comparative figures would give rise to questions of whether they are just inefficient or whether this points to something more serious?

22 March 2006