25th July 2007

Dr M. Keating
Chairman
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

Dear Dr Keating

As a regular user of the City Rail train services, I wish to express in the strongest possible terms my opposition to the proposal to increase rail fares on the City Rail network.

I believe that any increase is completely unjustified for the following reasons

1. Reduced level of service offered to commuters

City Rail has significantly reduced the level of service offered to customer over the last few years

- there are significantly fewer trains running following the cuts in September 2005. In peak hour, this means that commuters are more likely now to have to stand. Off peak, the trains are less regular so commuters have to wait longer for services. Worse for me, late night services have been severely curtailed forcing me to catch a taxi instead at huge cost.
- The trains run more slowly which means that commuters now have to spend considerably more time on the train each day. I would spend an extra 15 - 20 minutes extra on the train a day under the new slower timetable.
- Service reliability has deteriorated. The two recent highly publicised breakdowns at Milsons Point are but extreme examples of the regular delays that commuters now routinely suffer.

The proposition that commuters should have to pay more to get the rail service levels back to where they were several years ago is a preposterous.

2. Rail commuters are subsidising road commuters

Rail commuters and users of public transport generally are confronted with an underlying economic/political argument that the principle of "user pays" should apply.

This means that rail commuters not only pay taxes that are used to provide an underlying subsidy for public transport but also have to pay significant fares to use the rail system to commute – rail commuters pay twice. If commuters want improved, safer or expanded services then, under this fare increase proposal, they must be prepared to pay even more in fares.

Car commuters also pay taxes but pay nothing to use public roads for commuting – they get to use the roads for free to commute. So car users are subsidised by rail commuters. The road user has an expectation that the taxpayer (as compared to the car user) should not only fund the maintenance of roads but also fund safety inspired road improvements and fund expansion in road capacity to handle the peak hour demand.

Clearly this cross-subsidy of road users by rail commuters (and public transport users generally) is unfair and inequitable.

Increasing the rail fares:
- makes this subsidisation more unfair; and
- increases the economic incentive to abandon rail and drive to work.