

CITY STRATEGY. N MCCABE
Phone: (02) 4974 2885
E-mail: mail@ncc.nsw.gov.au

28 September 2004

Mr James Cox
Acting Chairman
Independent Pricing and Regulatory Tribunal of NSW
PO Box Q290
QVB POST OFFICE NSW 1230



PO Box 489, Newcastle
NSW 2300 Australia
Phone 02 4974 2000
Facsimile 02 4974 2222
Email mail@ncc.nsw.gov.au

Dear Mr Cox

SUBMISSION - REVIEWS OF PRIVATE AND PUBLIC FERRY FARES 2004

I am writing to you on behalf of the Lower Hunter Councils Transport Group. The Group was formed in late 2001 and has been active in promoting public transport in the Lower Hunter Region. Members include officers and Councillors from the five Lower Hunter Councils of Cessnock, Maitland, Lake Macquarie, Newcastle and Port Stephens.

The Lower Hunter Councils Transport Group supports integration of public transport services in the Lower Hunter Region. Regional transport integration involves:

- regional management of public transport coordination and integration;
- transport interchanges for changes between modes, and between various types of routes and services;
- a common ticketing and fare system for the region, with fares based on the total journey (rather than each individual trip);
- coordinated timetables and route rationalisation; and
- comprehensive information, promotion and marketing.

The State Government has undertaken to introduce integrated ticketing throughout Newcastle, Sydney and Wollongong. At this stage, integrated ticketing will not include integrated fares, and the full fare values will be deducted from the integrated ticket each time it is used. Usually, integrated ticketing provides a discount for travel throughout the network compared to the sum of the individual fares.

Travellers who have to catch more than one bus or different modes are treated differently depending on where they live and which mode or operator they travel with. Multi-trip and multi-modal tickets are limited to specific situations. What is missing is a ticket that allows travel throughout the Region irrespective of who operates the service.

In a sustainability context, the role of public transport is to provide a more acceptable alternative to car travel for some people for some of their trips. To be attractive it has to be competitive with car travel, particularly in the time spent travelling. The process of collecting individual fares is detrimental to public transport becoming more attractive and acceptable, for the following reasons:

- On buses, fare collection slows buses by up to 25% of the trip time, making the bus trip significantly longer than an equivalent car trip.
- On trains, fare collection involves massive expense and infrastructure, and despite this fare evasion is high and likely to remain so.
- The fare system is not easily understood by non-users, and lack of knowledge about fares is a major deterrent to people making the change to public transport.
- The change to smart cards is really only an automation of an existing system. It could make access to the system more difficult, and it may remove many of the multi-ride discount fares that make public transport attractive.

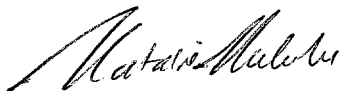
Access to public transport could be treated in much the same way as access to the road system and many other public utilities. A lump sum could be paid on a periodical basis, and individual usage not charged (as applies to roads), except perhaps for premium services (similar to road tolls). Given the difficulties and disincentives associated with charging for each 'use' of public transport in the current fare system, application of a single access fee could be beneficial.

This would mean that everyone pays the public transport access fee, whether they use it or not. People who do not use public transport would also benefit from less congestion on the road and less pollution in the air because of those who do use public transport.

In summary:

- The Lower Hunter Councils Transport Group supports investigation of alternative approaches to funding of public transport than revenue from fares.
- In the interim, it is recommended that integrated fares covering transport between the various transport modes be introduced.

Yours faithfully



Natalie McCabe
For **Lower Hunter Councils Transport Group**