

In general, the State Transit Authority (STA) and the State Rail Authority (SRA) have provided submissions detailing significant improvements to operations. On the basis of these submissions a fare increase would appear quite reasonable. However both submissions are misleading in certain parts, particularly the SRA submission. The Tribunal should be cautious in accepting such data from the public transport operators.

FLEET AGE

The STA and the SRA have highlighted large procurement contracts to demonstrate that service is improving. This ignores the fact a large proportion of both fleets are old and already require replacement.

The STA fleet can be broken down into two large groups: the Mercedes Fleet and the Scania fleet. The former fleet consists of buses purchased from approximately 1978 to 1990. At the time, the STA operated one of the largest fleets of Mercedes-Benz buses in the world. This fleet is becoming old and obsolete. In the period from 1997 to 2001 the average fleet age for the STA has increased from 11.3 to 12.2 years in Sydney and from 11.8 to 13.7 years in Newcastle¹. In the past the average fleet age has been as low as 7 years.

The SRA does not provide data in regards to average fleet age. It has been suggested that up to 40 percent of the Cityrail fleet will require replacement in the coming years². The Millennium train will remove only 24 out of 56 elderly Tulloch cars dating from 1964³. The hunter cars will replace rolling stock dating back to a similar time period. This rolling stock should already be replaced. The new Outer Suburban Cars (Intercity Cars), will augment exist double deck trains (the “V” sets) some of which date back to 1969. Most of the “Capital Works Improvements” section of the SRA submission is essentially progressive replacement of elderly cars.

The new intercity cars will actually see a decrease in comfort for passengers. The current “V” sets feature four-abreast seating and four toilets in a four-car set. The new intercity cars will feature five-abreast seating and one toilet in a four-car set⁴.

¹ *State Transit Annual Report 2000 – 2001*, Appendix 41 – Key Performance Indicators, State Transit Authority, Pages 132, 133

² *Exposed: Fast Track to Rail Chaos*, D Goodsir, J Kerr, Sydney Morning Herald, February 25, 2002, Page 1

³ *Some New Carriages But, Old Stock Will Keep Rolling On*, J Kerr, Sydney Morning Herald, February 25, 2002, Page 6

⁴ *Design and Build New Outer Suburban Cars*, Specification No: 2001/0113, State Rail Authority, 2001 Sections 3.6.1.7.2.5 and 3.6.15

A larger problem looms on the horizon for Cityrail. By 2006, the first set of stainless steel double deck carriages will become obsolete⁵. Approximately a third of the Cityrail fleet is of this type, over 500 individual carriages. Without adequate planning now, Cityrail will face a major problem. The Tribunal should act now to demand Cityrail provide plans to deal with the situation otherwise Cityrail will have no hope in meeting performance targets in the future.

It can be easily seen that both operators have ordered, or are in the process of ordering, large new fleets only out of absolute necessity. These moves are simply returning the fleet to the former status quo, these are not real improvements and it would be false to assert to otherwise. The Tribunal must require both operators to provide accurate fleet-age data to ensure the current determination and future determinations are not based on misleading assertions.

SERVICE RELIABILITY

From the data provided by the SRA, it would appear the performance target for service reliability has been met. A closer inspection of these figures reveals that the SRA have provided figures from only a small period of time. While the SRA have provided data from January 2002, data from February 2002 is already available showing on time running has dipped below the performance benchmark again (90.8% compared to 92% target)⁶. Cityrail has met reliability targets in only 7 out of the past 12 months, only 58% of the year.

SUMMARY

In general, the performance of both public transport providers State Transit and the State Rail Authority has continued to improve. These improvements are very much welcome, however, any improvements should be weighed against previous poor performance. Any improvements may not actually exist in real terms, merely returning to the previous status quo.

To properly determine the improvements to the public transport system the Tribunal should take into account both the operator's Key Performance Indicators (KPIs). These are already published in the State Transit Annual Report⁷. The reporting of average fleet age and reliability statistics for the year to date and the past four years will allow the Tribunal to gauge real improvements to the public transport system. The two criteria of fleet age and reliability are the most visible aspects of the operators to the public. Improvements to these two criteria will lead to public satisfaction in the price of public transport.

Both organisations face considerable challenges ahead with ageing fleet and reliability problems caused by future congestion. It is imperative that both organisations show that adequate planning is in place to deal with these issues so that the increased revenues from price rises are not wasted.

⁵J Kerr, Op. Cit.

⁶<http://www.cityrail.nsw.gov.au/Performance/Statistics/Measures.htm>

⁷ State Transit Authority, Op. Cit.

CONCLUSION

The price rises requested by the operators are justified and I support such rises. However, large challenges lie ahead and the Tribunal must act to ensure both organisations have sufficient planning to deal with such problems. This may be achieved through reporting of KPIs (fleet age and reliability) to the Tribunal and the demonstration of adequate planning to the Tribunal.

While the SRA claim that “One State Rail” will deliver increased customer focus, the submission made by the SRA is focused on so-called improvements. It does not focus on the customer impression of these improvements and that is these improvements are long overdue and no price rises are justified on these improvements.

The Tribunal should grant rises on the basis of inflation until both operators, but particularly the SRA, can demonstrate REAL improvements.