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**IPART** Independent  
Pricing and Regulatory  
Tribunal | NSW

Maximum Opal fares until July 2028

Fare package options

## Information Paper

August 2024

Transport >>

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## Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

## Tribunal Members

The Tribunal members for this review are:

Carmel Donnelly PSM, Chair  
Dr Darryl Biggar  
Jonathan Coppel  
Sharon Henrick

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## Invitation for submissions

IPART invites comment on this document and encourages all interested parties to provide submissions addressing the matters discussed.

## Submissions are due by Monday, 16 September 2024

We prefer to receive them electronically via our [online submission form](#).

You can also send comments by mail to:

### Review of maximum Opal fares until July 2028

Independent Pricing and Regulatory Tribunal  
PO Box K35  
Haymarket Post Shop, Sydney NSW 1240

If you require assistance to make a submission (for example, if you would like to make a verbal submission) please contact one of the staff members listed above.

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If you would like further information on making a submission, IPART's [submission policy](#) is available on our website.

## The Independent Pricing and Regulatory Tribunal

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from [IPART's website](#).

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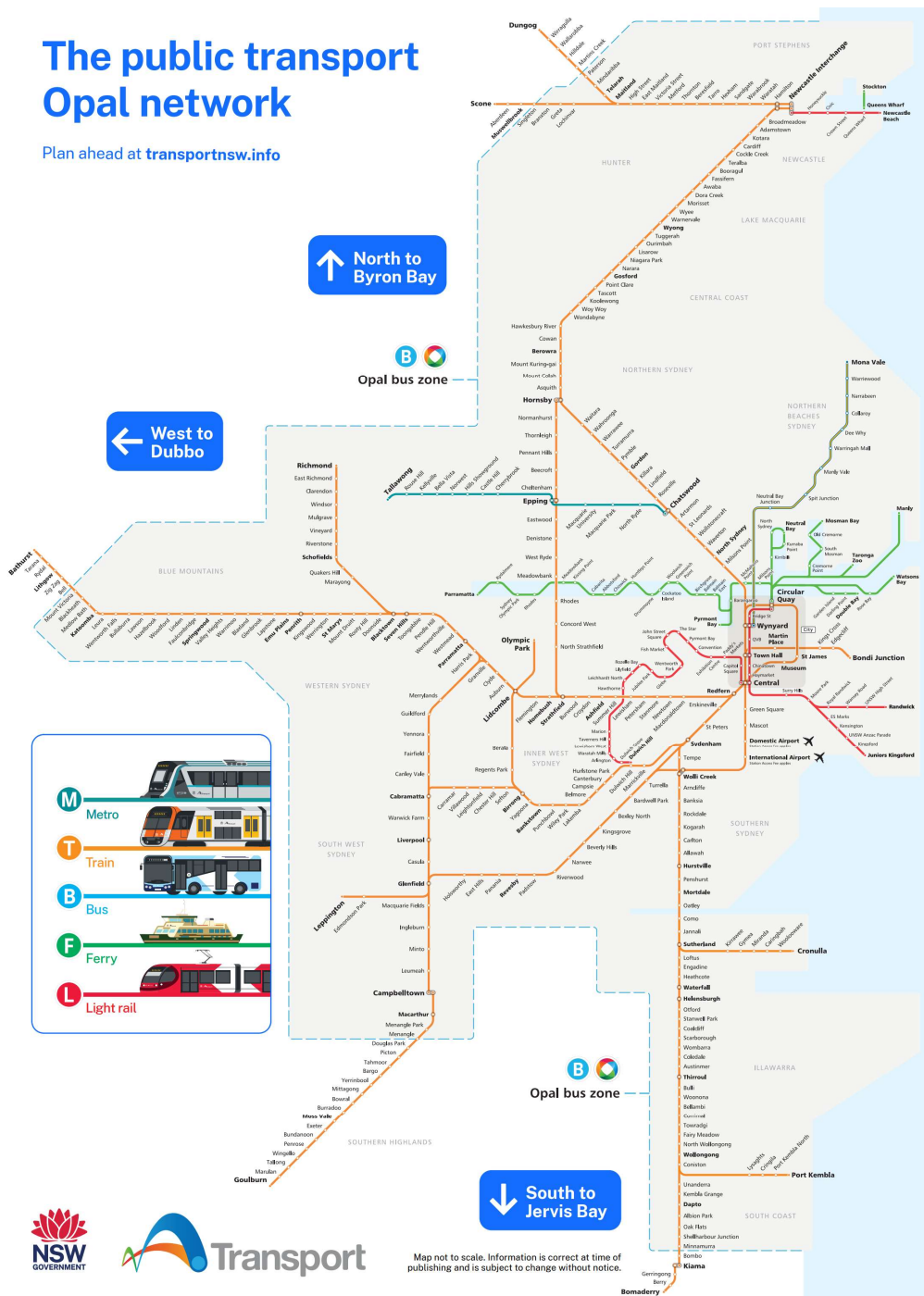
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# 1 Introduction

Transport for NSW operates the Opal network of passenger transport services across rail (train and metro), bus, light rail and ferries in Sydney, the Blue Mountains, Central Coast, Hunter and the Illawarra (Figure 1.1).

Figure 1.1 Opal network map



Source: Transport for NSW Opal network map ([transportnsw.info](https://transportnsw.info)) accessed 1 July 2024

This paper discusses the fare package rules for determining a passenger's fares on an Opal service. Our Determination sets appropriate maximum fares for Opal Services paid for through Regulated Fares.

This paper presents our analysis supporting our recommendations for the NSW Government on how to improve other aspects of public transport pricing. This includes fare rules, discounts and Opal travel benefits described as a 'fare package'.

## 1.1 We are seeking feedback to inform our final report

We are seeking feedback from stakeholders on the following to inform our final recommendations on the fare package. In section 4.4 we discuss the option of integrating the Newcastle and Sydney ferry fare schedules by applying a single shorter distance fare band in Sydney and Newcastle.

### Seek Comment

1. Should the Newcastle ferry and Sydney ferry modes be integrated into a single Ferry mode with three distance bands? If so, how should the lower distance band be split?

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## 2 Current fare package

The Opal smartcard ticketing system is used to pay for travel on most public transport services in the Opal network. Fares on the Opal network are paid for using a reloadable physical card or contactless payments using a credit or debit card or linked device.

IPART's determination sets a methodology for determining the maximum fares for Opal services. The methodology allows Transport for NSW to calculate fares for single trips on Opal services, by mode and distance. (See our [Information Paper - Form of determination](#) for more information about how the determination works). The NSW Government may set fares below this level but not above.

The Opal system has a series of fare rules to calculate the exact fare paid for by a traveller for a trip or series of trips. These fare rules work together to discount the price of trips or journeys<sup>a</sup> in certain circumstances. The fare package rules provide flexible, pay as you go options which are automatically capped at the daily and weekly caps.

Opal passengers enjoy a great degree of flexibility while maintaining limits on their travel expenditure, without the need to prepurchase a subscription. The introduction of the electronic ticketing for Opal fares reduced friction and simplified the process of fare payment. In most cases trips and journeys became cheaper and simpler, for example catching more than one bus within 60 minutes was treated as a single trip, removing the expense associated with purchasing two bus tickets as was previously the case.

Daily and weekly caps also have the effect of reducing the maximum expenditure on public transport for high frequency and long-distance passengers. Finally, As the system was rolled out across the modes and regions, the same ticketing system used across all modes of public transport greatly simplified multi modal journeys and reduced waiting times for purchasing tickets. Studies have concluded that the introduction of the opal card "*coincided with significant changes in the use of most modes of transport. There is a strong and significant effect of people switching from cars (and motorcycles) to public transport, in particular to train travel.*"<sup>1</sup>

Further improvements to the system, such as the ability to use credit, debit cards and linked devices have further improved the ease of ticketing, for example, avoiding the need to top up and maintain multiple payment cards or devices, instead, providing passengers the option to pay for fares using the same device as their other purchases. Future upgrades of the system may enable further improvements to ticketing payment options. The fare rules that are currently in place on the Opal network are described in Figure 2.1 and Figure 2.2 below.

Our Determination sets appropriate maximum fares for Opal Services paid for through **Regulated Fares**. Our Draft Report include recommendations for the NSW Government on how to improve other aspects of public transport pricing.







In this paper we describe the set of fare rules, discounts and Opal travel benefits as a 'fare package'.

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<sup>a</sup> A trip involves travel on one route and one service, while a journey includes multiple trips and transfers within 60 minutes [of tap off] see [How Opal fares work | transportnsw.info](#)

The Minister and Transport for NSW are also responsible for determining parts of the Opal fare structure such as the timing and level of actual fare changes, the eligibility and rate of concession fares and other discounts.<sup>2</sup> Our [Information Paper – Form of determination](#) includes more information on the roles and responsibilities of IPART, the Minister and Transport for NSW and other organisations in the provision of Opal services.

Figure 2.1 Current fare rules

	<p>Fares for single mode journeys.</p> <p>Fares are based on <b>mode of transport</b> and the <b>distance</b> between where you tap on and tap off.</p>
	<p>Time of day and day of week discounts</p> <p><b>Peak and off-peak travel times apply</b> for train, bus, light rail and metro services.</p> <p>Travel outside of peak times is at a <b>30% discount</b>.</p>
	<p>Transfer discount</p> <p>Passengers receive a discount when they switch between modes within 60 minutes of the last tap-off as part of one journey.</p>
	<p>Opal trip advantage</p> <p>Several trips made using the same mode of transport, and transfer within 60 minutes of the previous tap off, are counted as one journey with one fare.</p>
	<p>Daily and weekly caps apply</p> <p>Daily and weekly caps apply for Adult, Child/Youth and Concession and Gold Senior/Pensioner Opal cards.</p>
	<p>Concession fares apply</p> <p>Concession, Child and senior Opal cards are available for eligible school and tertiary students, Centrelink customers, apprentices, trainees, seniors, veterans, war widows/ers and some others.</p>

Source: Transport for NSW, [How Opal fares work](#) | [transportnsw.info](#), accessed 23 May 2024

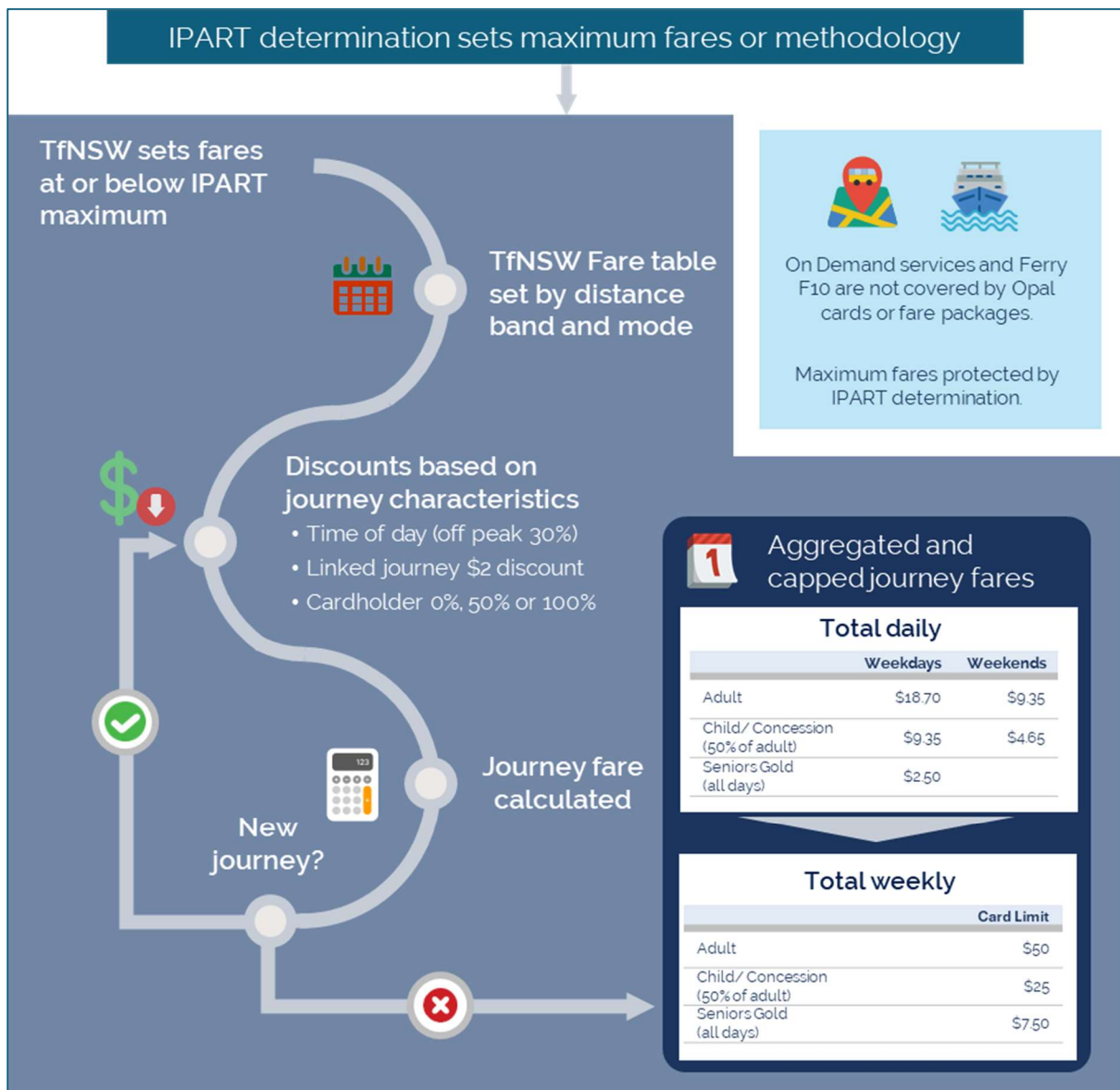
All Opal services are subject to our determination, meaning fares must be charged at or below the maximum appropriate fare we determine (See our [Information Paper - Form of determination](#) for the services covered by our determination).

Most Opal services subject to the Opal determination receive all the benefits of the Opal fare package rules. However, some exceptions apply. These include on demand services, and other services such as the F10 Ferry.

Sometimes an Opal card may be used on a non-Opal service (such as some private ferries). These are also not eligible for the Opal travel benefits and are subject to a different determination.

This paper summarises the key benefits and fare rules of the current Opal fare package. It summarises the ideas, submissions and feedback we heard from stakeholders about fare package options and presents analysis and recommendations for Transport for NSW and the Minister to consider in relation to the Opal fare package.

Figure 2.2 How Opal fares are calculated



Note: Figure 2.2 presents a simplified calculation of fares based on the fare package rules as at July 2024. Other conditions such as time limits between tap on/off apply to calculate the correct fares. Full Information about how Opal fares are calculated can be found on Transport for NSW websites; [How Opal fares are calculated](#), [Opal terms of use and eligibility for benefits discounts and concessions](#), [Opal fares and payments](#) and [Opal Fares Business rules and information](#).

Source: IPART analysis and TfNSW, [OpalPay | transportnsw.info](#), [How Opal fares work | transportnsw.info](#).



## 3 What we heard from stakeholders

In January 2024 we released an [Issues Paper](#) setting out key issues and considerations for our review of maximum Opal fares until July 2028.

We sought feedback on the content and questions in our Issues Paper through submissions.

We also consulted using the NSW Have Your Say website through a survey, a quick poll, and a 'share your ideas' tool where stakeholders could leave suggestions and 'upvote' suggestions from other stakeholders. We heard from frequent and non-frequent users of public transport, organisations and other interested stakeholders.

This section sets out feedback we identified from stakeholders related to Opal fare packages and fare options. We note that the feedback sometimes spans across subjects, and there are some overlaps between fare package options and other subject areas such as affordability and the form of determination. Feedback not addressed in this information paper may be found in our [Information Paper – Affordability](#), [Information Paper – Form of determination](#) or one of our other Draft Report papers.

### Survey responses

We asked our survey respondents which features of the current Opal fares and payment system are most important to them. The three most popular options for high frequency users were:

1. Daily travel caps.
2. Weekly travel caps.
3. Opal transfer discount.

Among low frequency users the most popular three options were:

1. Daily travel caps.
2. Lower concession or Gold Senior/Pensioner fares.
3. Off-peak discounts.

We also asked a free text question about what type of fare or payment options would improve participants experience with public transport on the Opal network. We received a large number of responses and ideas which we have categorised in Figure 3.1. Many of these views were also provided in submissions and the other feedback channels.

In order of frequency, commonly suggested improvements with payments or fare options included:

1. **Lower fares** – these suggestions relate to lower single fares, daily or weekly caps.

We have used cost information from Transport for NSW to determine the maximum fare levels. We discuss our considerations when we determined fare levels in this paper the [Draft Report](#), the [affordability information paper](#), and our [Technical Paper – Modelling socially optimal fares](#).

2. **Different peak and off-peak arrangements** – many responses sought reverting to the previous off-peak hours or otherwise shortening the peak window.

Other ideas included variations of sliding scale of off-peak fares with the highest fares coinciding with the highest patronage and a gradual scale towards off-peak fares to align with lowest patronage. Off-peak fares determined by direction of travel or business of services (e.g. if travelling away from CBDs in morning or towards the CBD in the evening). One stakeholder suggested removing peak and off-peak pricing to create a single average fare. We discuss our analysis behind our recommendations for peak and off-peak fares in this paper (see section 4.2 below) and the [Information Paper - Patronage](#).

3. **Integrated mode pricing** - These ideas generally considered that fare price should be consistent based only on distance regardless of the mode travelled or the number of transfers between modes. Many of these passengers mentioned having no choice but to change modes and services to complete their usual journeys.

We discuss our approach to mode-based pricing in our form of determination information paper. In this paper we also discuss and make recommendations about the transfer discount, which is a feature of the current fare package, used to recognise the integrated nature of the Opal network within the pricing. (see section 4.3 below)

4. **Distance band changes** – Many suggested creating shorter fare bands for travelling small distances (1-2 stops on train or bus or ferry). We have calculated fares at the default distance bands using the methodology for determining maximum fares. We have not recommended different distance bands. However, the methodology we have used to determine maximum fares does not preclude Transport for NSW from creating different fare bands for more information about the distance bands selected (see our paper on the form of determination and modelling socially optimal fares.)

5. **Subscription options** – Many of these included suggestions for discounts or unlimited travel on yearly, monthly or weekly passes with some interjurisdictional comparisons offered as models. Some suggested bringing back passes that existed under the old paper system. Others were participants of the Opal+ trial and sought a general roll out of the trial system. We have discussed subscription options below and presented some comparisons of subscription options in other jurisdictions (see sections 4.6 and 4.7).

6. **Free fares** – These suggestions included removing fares generally or targeted suggestions for free fares such as fare free zones or services, fare free days or weekends, free travel for categories of traveller. We have not recommended introducing free fares in the network. We discuss the idea of free fares and the possible impacts of free fares in the patronage, affordability and financial and operational performance information papers.

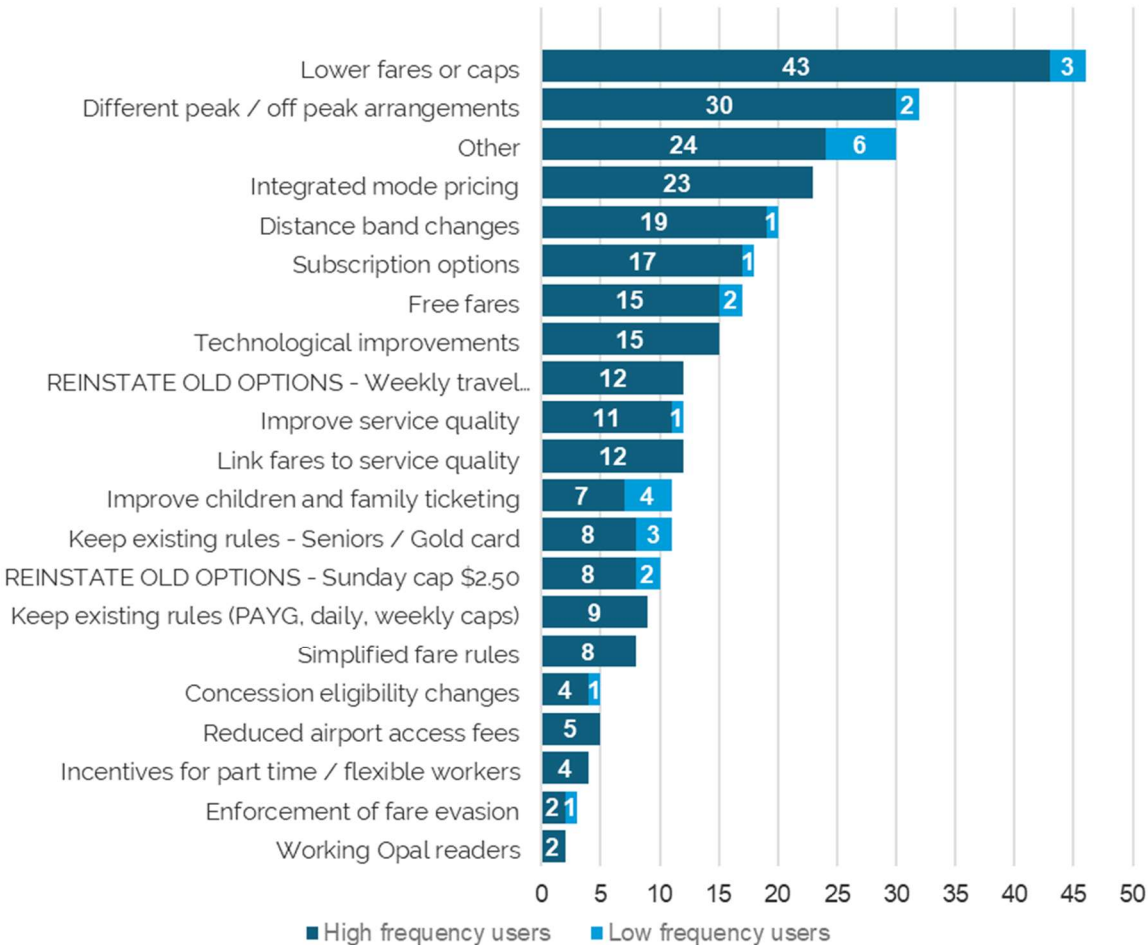
7. **Technological improvements** – these suggestions included options for digital Opal cards on phones (particularly for gold or concession holders), better fare information displayed when using travel apps or contactless devices, improving the Opal app and better bus tracking. Technological improvements to the Opal system have the potential to achieve more sophisticated package options and are discussed further in section 4.6.2 below.

8. **Reinstating old fare options** – Features of previous Opal fare rules were also requested to be reinstated. The most requested fare rules were the weekly travel reward (free or discounted travel after 10 or 8 journeys) and the Sunday daily cap of \$2.50. While we acknowledge these fare options were popular features of the fare package, our previous reviews have also found some of these options had negative consequences for the Opal network.

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9. **Service quality** – Many responses sought improvements to service quality to improve public transport experience, such as more frequent, more direct, better connections, less cancellations. Others sought fares that are more directly linked to service quality. These include fare increases linked to service quality increases, rebates for late running or poor service quality. Others suggested off-peak/reduced fares over holiday periods which typically run lower frequency timetables. Our determination does not link service quality to the fares. Service quality is regulated through other instruments such as contracts and the passenger transport regulation. For more information about service quality and service standards see the [Information Paper - Financial and operational performance](#). We also make some recommendations about lower fares in some circumstances below. See section 4.5.
  10. **Children/family ticketing options** – We heard from passengers who sought improvements in ticketing options for children or families. These included parents who are responsible for maintaining and keeping multiple children's green Child Opal cards topped up as well as managing a school travel Opal card for eligible children's school travel. Suggestions included combining child and school Opal cards rather than requiring each eligible child to maintain two cards for different travel purposes. We heard many suggestions for linking family or household cards to share a higher (but slightly discounted) household weekly cap. Other suggestions related to family travel discounts when travelling together or children travel free options.
  11. **Support for existing fare rules** – We heard from passengers who expressed support for existing fare options, particularly daily and weekly caps and pay as you go options. We also heard from holders of Opal Gold cards who were happy with the current fare structure of the system.
  12. **Simplified fare options** – some passengers told us that fare rules were confusing or complicated and sought simpler easier to understand fare structures.

Other issues raised in consultation included suggested groups for expanded concession eligibility, reduced airport access fees, incentives for less frequent travellers (e.g. parttime or flexible workers), greater enforcement of fare evasion and ensuring Opal readers are working and always turned on for accurate fare collection.

Figure 3.1 Suggested improvements in fare or payment options



Note: This excludes responses which skipped the question, responded 'nothing' or expressed support for the current system. The category labelled 'Other' includes a variety of responses which could not be easily categorised. They included views on Transport staff, the CBD increment, access to credit cards, benefits when using contactless devices, lost or misplaced Opal cards, consistency of fares, inclusion of specific services, rail replacement busses, quiet carriages and discounts for specific journey combinations. Some of the ideas expressed appear to be features of the existing system which may indicate opportunities for Transport for NSW to improve awareness of the features of the current Opal system and fare rules (which have changed over the years).

Source: IPART Analysis of Have Your Say Survey responses, 3 March 2024.

## 4 Analysis

This section presents our analysis on fare package options that we have considered in determining our draft fares and making our draft recommendations on fare options to the NSW Government.

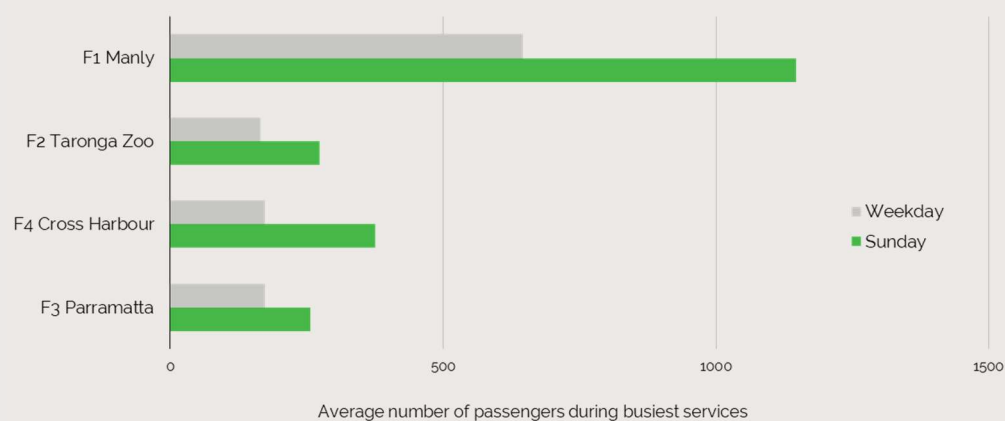
### 4.1 The effect of reducing fares

Some stakeholders suggested reducing fares to increase patronage. Ensuring fares are set at an affordable level is an important consideration in fare setting.

As reduced fares mean a larger share of operating costs covered by the taxpayer, reducing fares further can have external costs such as crowding or costly capacity expansions. An example of this was the increased demand on ferry services on Sundays in response to the \$2.50 Sunday travel cap.

#### Box 4.1 Case study ferry demand on Sundays

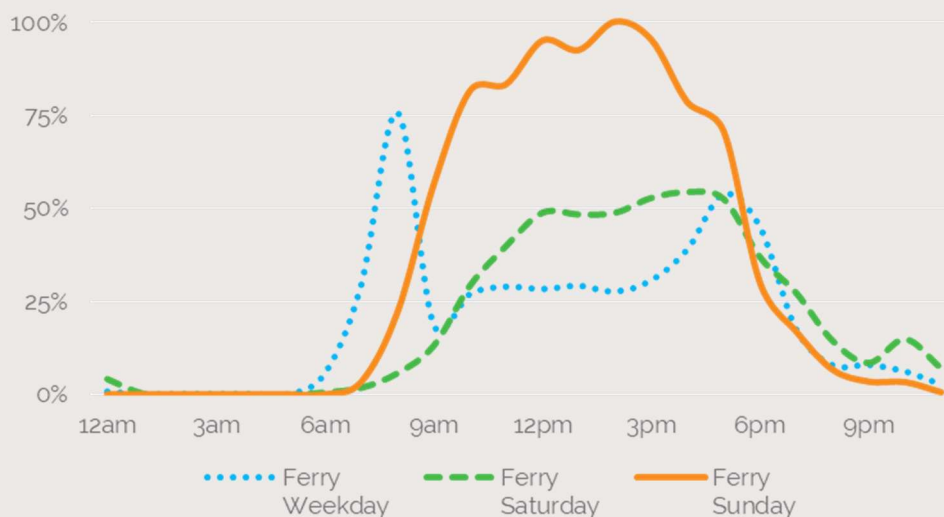
In our 2016 and 2020 reviews, we found that the then Sunday cap of \$2.50 (often called the Sunday Funday ticket) was too low. It significantly changed the pattern of demand for many Sunday ferry services and resulted in overcrowding.



Data based on patronage patterns in 2019  
Source: IPART, Maximum Opal Fares to 2024, final report, February 2020, p16.

This high demand drove up the costs of providing ferry services. At least 6 additional ferries were purchased, and additional services commenced to deal with Sunday demand.

### Box 4.1 Case study ferry demand on Sundays



This level of capacity was not needed on Saturdays or weekdays.

Introducing a higher weekend cap, rather than a low Sunday cap, resulted in more even demand across both days of the weekend.

For more information about our findings see our 2016 Information paper [Price of travel on weekends](#).

We found that based on budget estimates for 2023-24, the estimated Government spending per household on public transport is \$6,800<sup>3</sup>. Reducing fares while maintain existing service levels would mean higher taxes or reduced spending on other services.

## 4.2 Changing the peak and off-peak arrangements

In July 2020 the NSW Government extended peak times by 3 hours per day (1.5 hours for each peak period) to help manage social distancing measures and encourage staggering of essential travel times during the COVID-19 pandemic.<sup>b</sup>

As described above we received stakeholder feedback and ideas about the peak and off-peak arrangements (hours and discounts). The design of peak hours should encourage passenger behaviour that aligns with the objectives of Transport for NSW. These objectives may change in response to patterns of demand and network constraints. Well-designed peak hours will achieve an appropriate balance between peak and off-peak patronage.

<sup>b</sup> Peak times for Sydney Trains, Sydney Metro, light rail and bus services changed from 7-9am to 6:30-10am in the morning, and peak times for Intercity Trains services changed from 6-8am to 6-10am in the morning. Peak times for Sydney Trains, Intercity Trains, Sydney Metro, light rail and bus services changed from 4-6:30pm to 3-7pm in the evening.

Peak and off-peak hours can be designed to achieve different types of passenger behaviour. These could include:

- Reducing usage of heavily congested services to avoid costly capacity augmentations.**

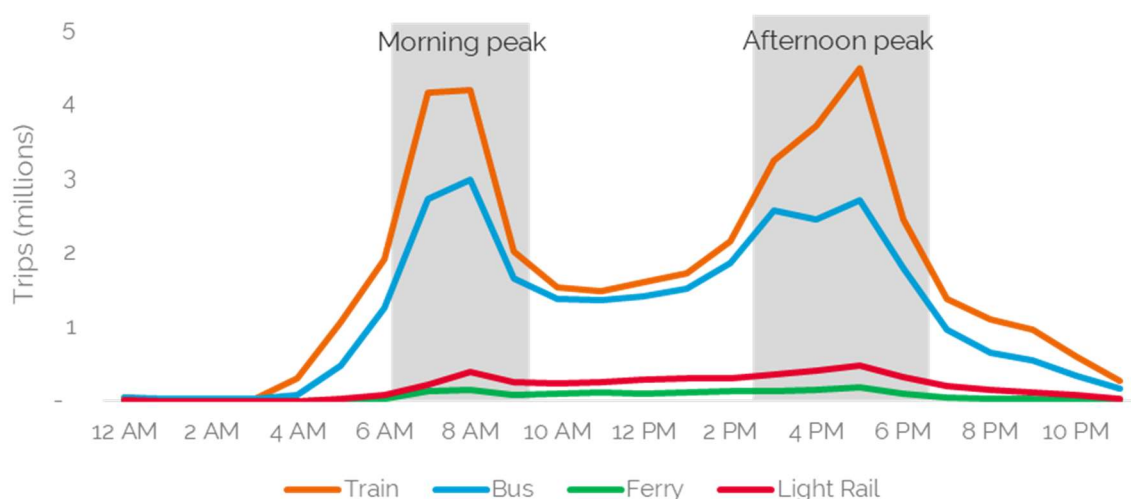
These policies are most critical when the usage of peak hour services is approaching the capacity of the network. Smoothing the usage pattern away from a sharp peak over a longer period can be influenced by shorter peak hours with a corresponding higher or premium price for travelling at this time, providing disincentives for all except those who must travel at the busiest times.

Those who must travel at this time contribute to the highest levels of congestion which are the drivers for costly capacity augmentations. Accordingly, these passengers are charged a higher fare to reflect the higher costs they impose on the public transport system.
- Encouraging increased usage of excess capacity in intra peak and off-peak services.**

These policies are most useful if off-peak services are underutilised in comparison to the peak hours, but peak hour services are not at capacity. The design of these peak hour arrangements could be used to improve financial performance of the network overall by encouraging increased patronage. They are not designed to shift passengers away from the peak hours, rather they are designed to incentivise higher usage overall by increasing usage in the off-peak periods. In this case longer peak hour services are more appropriate to achieve this type of objective.

Our analysis of Patronage levels identified that highest demand broadly corresponded with the current peak hours; however, some anomalies appear within the patterns of usage. For example, train, bus and light rail usage between 9-10am within the peak hours appears lower than patronage between 2-3pm in the off-peak (intra peak) period (see Figure 4.1). We consider there is some merit in aligning peak periods of peak usage.

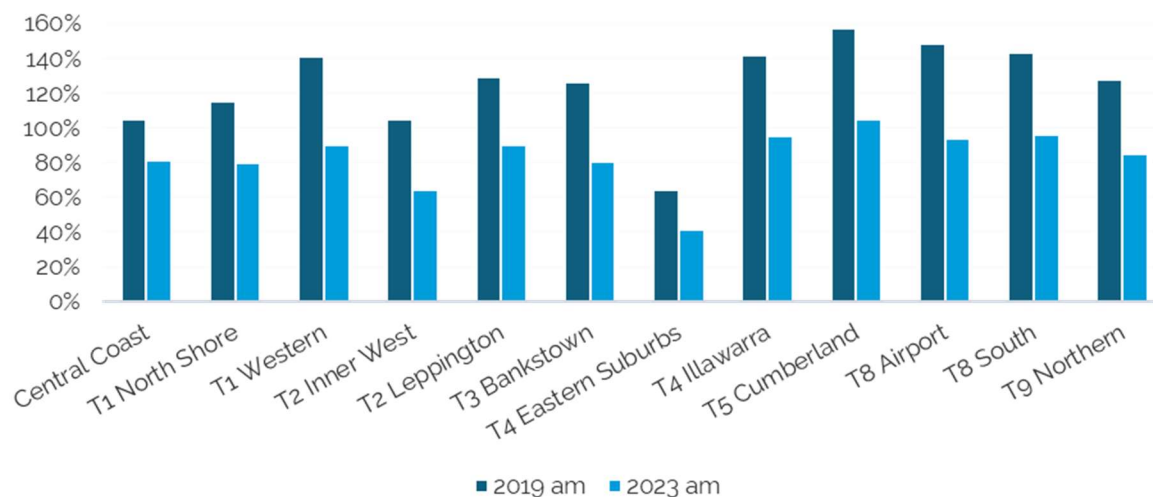
Figure 4.1 Hourly Opal trips week days (October 2023)



Note Based on October 2023 data. Excludes weekends, Fridays from 20 October 2023 and public holidays.  
Source: Transport for NSW, Opal Patronage, accessed November 2023.

Patterns of weekday demand show distinct spikes during the morning and afternoon peak hours as they did prior to the COVID impacted years, however the overall level of demand has reduced. In our patronage paper we showed that train loads as a percentage of seats in the AM peak have reduced (see Figure 4.2).

Figure 4.2 Proportion of train seats full (AM peak) (September 2019 and September 2023)



Note: Percentages greater than 100% mean all seats are full and passengers are standing.  
Source: Transport for NSW, Information request provided to IPART.

As post-COVID impacts of working from home, together with new major projects have shifted travel patterns and increased peak hour capacity, the objectives of the off-peak discount may have changed. Its main benefit now may be to incentivise greater use of the Opal network during the intra peak and off-peak periods rather than to discourage usage during the peak periods.

Peak and off-peak arrangements are also related to the timetabling arrangements which may also be linked to levels of service such as minimum frequency requirements. Peak hour services typically run to a higher frequency timetable, and together with the greater passenger numbers requiring greater staffing, utilisation of vehicles, plant, infrastructure and equipment. These increased operating costs during peak hour are reflected in the higher peak hour fares.

We heard from BusNSW that split shift arrangements, required to ensure there are sufficient drivers to cover the peak services, are a significant impediment to attracting more drivers. It supported consideration of peak and off-peak arrangements that could help smooth the demand across the day to require less reliance on split shift arrangements. This could result in additional demand and increased cost efficiency of running the public transport network.

While IPART could set maximum peak and off-peak fares to apply for select times of the day through our determination, we have not made a draft decision to do so at this stage. This is because travel patterns continue to shift post-COVID and in response to changes in working-from-home arrangements (see our Information Paper on patronage for more information).



We consider that TfNSW is best placed to monitor changes in demand and determine when peak and off-peak pricing should apply to help manage demand across the day and incentivise off-peak travel. As travel patterns continue to shift, and new capacity continues to come online in the form of new metro and light rail projects we consider a determination that provides TfNSW the operational flexibility to respond to demand with pricing incentives and complementary operational activities such as timetabling is important.

As a result, we have decided not to set peak and off-peak fares in our draft determination but made a draft recommendation for TfNSW to consider reviewing current peak and off-peak arrangements (times and fares) to determine if they remain appropriate in the post-COVID environment. Any review of peak arrangements should clarify the objectives of peak and off-peak pricing in relation to demand patterns observed.

This should assist passengers understand the rationale and implementation of peak and off-peak arrangements. During our consultation on the Issues Paper, we heard views that current peak times are too broad. Stakeholders also identified that the rationale for longer peak times introduced in July 2020 was to prevent the spread of COVID, however, peak times have never been adjusted back to pre-COVID times.

## 4.3 A more integrated fare structure

In our review of the fare package we identified that some elements of the fare structure are not linked to the other fare package rules. This means that over time, the fare structure does not change uniformly, meaning that elements of the fare structure change in value and effectiveness relative to the rest of the fare package rules.

To remedy this, we are recommending Transport for NSW recalibrate and link all elements of the fare package together so that annual escalations apply uniformly to all elements of the fare package and the relativities between fares remain consistent. Below we discuss elements of the fare package that have been impacted over time.

### 4.3.1 Integrated mode pricing and the transfer discount

In our form of determination paper, we explained our decision to retain mode based fares under the calculation of maximum fares using the default distance band presented under part 2 of the determination.

This recognises that efficient service costs and external benefits and willingness to pay differ by mode, and that reflecting this in mode based fares provides signals to customers who choose between modes. However, the methodology for calculating maximum fares presented in part 3 of the determination does not preclude Transport for NSW integrating fares for some or all of the modes.

However, in the absence of an integrated or multi-mode fare structure<sup>c</sup>, the transfer discount is a simple mechanism to improve fairness and avoid penalties for customers who use two or more modes to complete a journey. When first introduced, the rebate was set at \$2.00 for adult journeys, equal to the lowest recommended adult fare for a single mode journey (off-peak) or about 90% of the lowest adult bus fare (peak).

Since the initial introduction of the transfer rebate single fares have increased, but the transfer discount has not. The \$2 transfer discount is now about 65% of the lowest adult peak bus fare. This loss of value relative to fare structure means that the transfer discount is losing its effectiveness over time as single fares and daily caps are inflated. In order for the fare package to retain its relativities, we are recommending that TfNSW recalibrate the fare package rules by outlining the components of the fares and their relationship to one another in percentage terms. This is already done for some elements of the fare package (such as the relationship between adult and concession fares and discounts which are set to 50% of the adult rate). When fares are annually inflated, all elements of the fare package would be inflated together, (including the transfer discount).

We are recommending that the transfer discount be linked to the lowest bus fares at a rate of approximately 80-90%. This is approximately equals the calculated fixed component of a train fare. When this amount is refunded it means passengers are not penalised for switching modes, instead paying approximately the distance components and one fixed component per journey.

### 4.3.2 Daily and weekly caps

Over time most of the single fares and daily caps have been escalated each year. The exceptions are weekly caps for all users and the Opal Gold daily cap.

The Opal gold daily cap has remained at \$2.50 since 2005 when it was known as the Pensioner Excursion Ticket, an unlimited flat rate travel. At that time the fare packages were very different to those in place under the Opal fare package rules.

In 2014 the Opal card was introduced with new fare structures including a daily and weekly cap for adult and concession fares<sup>d</sup>.

At that time the daily concession/child Opal card cap was \$7.50 per day, half the rate of the adult Opal card cap of \$15 per day. Weekly caps were first introduced in 2016 and were inflated each year until 2019<sup>e</sup>.

Table 4.1 presents the daily and weekly caps.

<sup>c</sup> We recommended the transfer discount in 2016 after Transport for NSW indicated that a multimode fare schedule could not be implemented at the time due to technical constraints of the Opal system. (See [IPART, More efficient, more integrated Opal fares, Transport - Final report, May 2016, p6](#))

<sup>d</sup> During the introduction of the Opal card the fare rules effectively capped weekly travel to \$60 for adults and \$30 for children and concession fares for the longest/most frequent travellers. Weekly travel for most passengers would have been less based on the price of the first 8 trips taken in a week.

<sup>e</sup> Weekly adult caps were introduced in 2016 at \$60 per week. These were inflated to \$61.60 in 2017 and \$63.20 in 2018. By July 2019 weekly adult caps were reduced to \$50.

Table 4.1 Daily and weekly opal caps (\$ nominal)

Year <sup>a</sup>	Daily cap			Weekly cap		
	Adult	Concession	Gold	Adult	Concession	Gold
2014	\$15.00 <sup>b</sup>	\$7.50 <sup>b</sup>	\$2.50	\$60.00 <sup>c</sup>	\$30.00 <sup>c</sup>	\$17.50
2015	\$15.00 <sup>b</sup>	\$7.50 <sup>b</sup>	\$2.50	\$60.00 <sup>c</sup>	\$30.00 <sup>c</sup>	\$17.50
2016	\$15.00 <sup>b</sup>	\$7.50 <sup>b</sup>	\$2.50	\$60.00	\$30.00	\$17.50
2017	\$15.40 <sup>b</sup>	\$7.70 <sup>b</sup>	\$2.50	\$61.60	\$30.80	\$17.50
2018	\$15.80 <sup>b</sup>	\$7.90 <sup>b</sup>	\$2.50	\$63.20	\$31.60	\$17.50
2019	\$16.10 <sup>b</sup>	\$8.00 <sup>b</sup>	\$2.50	\$50.00	\$25.00	\$17.50
2020	\$16.10	\$8.00	\$2.50	\$50.00	\$25.00	\$17.50
2021	\$16.30	\$8.10	\$2.50	\$50.00	\$25.00	\$17.50
2022	\$16.80	\$8.40	\$2.50	\$50.00	\$25.00	\$17.50
2023	\$17.80	\$8.90	\$2.50	\$50.00	\$25.00	\$17.50
2024	\$18.70	\$9.35	\$2.50	\$50.00	\$25.00	\$17.50

a. Prices rises generally took effect around July of each year but deviated from this timing for some years.

b. Sunday daily caps applied until 2020. In these years the Sunday rates increased from \$2.50 to \$2.80 for all customers (except Opal Gold). From July 2020 weekend daily caps were applied on Saturday and Sunday at a rate of between \$8.05 - \$8.40 for adults and approximately half this rate for children/concession card holders. From October 2023 weekend daily caps were extended to Fridays.

c. During the introduction the of the Opal card the fare rules in place at that time effectively capped weekly travel to these rates for passengers travelling the longest distances more than 8 times per week. Weekly travel for most passengers would have been less based on the price of the first 8 trips taken in a week.

Source: Opal Fares | IPART (nsw.gov.au) for 2014 to 2019 fare changes: [Opal Fares - Dataset - TfNSW Open Data Hub and Developer Portal](#) for 2021 – 2024 fare changes.

We note that some services such as on-demand buses and the F10 ferry are subject to the maximum fares of our determination but do not receive the other fare package rules such as transfer discounts or count towards daily or weekly caps. When new services are integrated into the Opal network there may be an initial trial period where patronage is uncertain or does not justify the expense associated with Opal readers. Over time as patronage increases services may change from an on-demand to a scheduled service or increased frequency may justify the installation of Opal readers or full integration into the Opal network. As full integration results in fares applied below the maximum appropriate determined fares, Transport for NSW can determine if and when these services can be fully integrated. Until this time customers are protected by the maximum fares set by our determination.

### 4.3.3 Relationship between fare types

Concession single fares, daily and weekly caps have always been 50% of adult levels.

For the first five years of the Opal card (2014 to 2018) the daily caps were 25% of the weekly caps for adult and child/concession cards.

In 2019 the weekly caps dropped to \$50 for adults and \$25 for child/concession cards. This resulted in a daily cap that is equivalent to 32% of the weekly cap. As the weekly cap has remained at the same level for five years while the daily cap has consistently been inflated the daily cap is has risen to over 37% of the weekly cap for adults and children.

Similarly, when the Opal system commenced, Gold Opal cards had a daily cap approximately 33% of child/concession daily caps and a weekly cap 58% of the weekly child/concession cap. This has fallen to 27% of the child/concession daily cap and 70% of the child/concession weekly cap. We are recommending the government link the Gold Opal daily and weekly caps to 50% of the child/concession rates. Concession rates would continue to apply until the caps. At current levels this would mean that the Gold Opal daily cap Monday to Thursday would increase to \$4.68 but the Friday, Saturday and Sunday caps would decrease to around \$2.34. Weekly caps would also decrease from \$17.50 to \$12.50.

We heard that daily and weekly caps are important to many passengers, particularly frequent passengers. The help passengers predict their maximum daily or weekly transport expenditure simplifying travel planning and removing barriers to public transport use. However, the fare package elements such as transfer discounts and daily and weekly caps were designed to promote a more efficient fare structure avoiding penalties for mode switching or providing incentives to increase proportion of travel taken by public transport. We consider that when some elements of the fare package lose value relative to other parts their effectiveness in promoting efficient travel behaviour diminishes.

We also recommend that weekly caps are again inflated in line with inflation or other fare changes, but that Transport for NSW should consider when it may be appropriate to recommence escalations of weekly caps, taking into account the context of rebates and prices for private passenger transport such as toll relief caps. This is because if the public transport weekly cap approaches the toll cap, the public transport cap may be perceived as poor value<sup>f</sup>.

We consider that the relativities between fare types, discounts and caps should remain consistent and fare change events should be applied to all fare types. We are recommending a recalibration of the fare relativities to ensure fare changes do not create skewed fare structures over time. This would include:

- setting the transfer discount to 70-90% of the lowest bus fare
- linking the Gold Opal card daily and weekly caps to a percentage of the adult or concession caps
- resetting the relationship between daily caps and weekly caps considering the reduced patronage and appropriate incentives to increase travel
- recommencing escalations of weekly caps (once the toll relief \$60 cap trial period ends).

Recalibrating the fare package to link together all elements of the fare rules together would not mean that Transport for NSW would be locked into these components, but changes would be intentional in response to customer preferences or operational requirements. For example, during the COVID restrictions of 2020 short distance fares and other fare rules were intentionally changed to incentivise shifts in travel behaviour to assist with social distancing on services.

Simple relativities between fare elements could also aid understanding of the fare package rules and help passengers better predict their fares.

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<sup>f</sup> As explained in our analysis of affordability the price of driving private vehicles generally far outpaces the price of Opal fares, and tolls are only one component of the price of driving. However, we think there is a risk of people mistakenly perceiving them to be equal, especially if they feel public transport is not good value for money. This is because the two types of caps may be inaccurately perceived as providing the same or equivalent service.

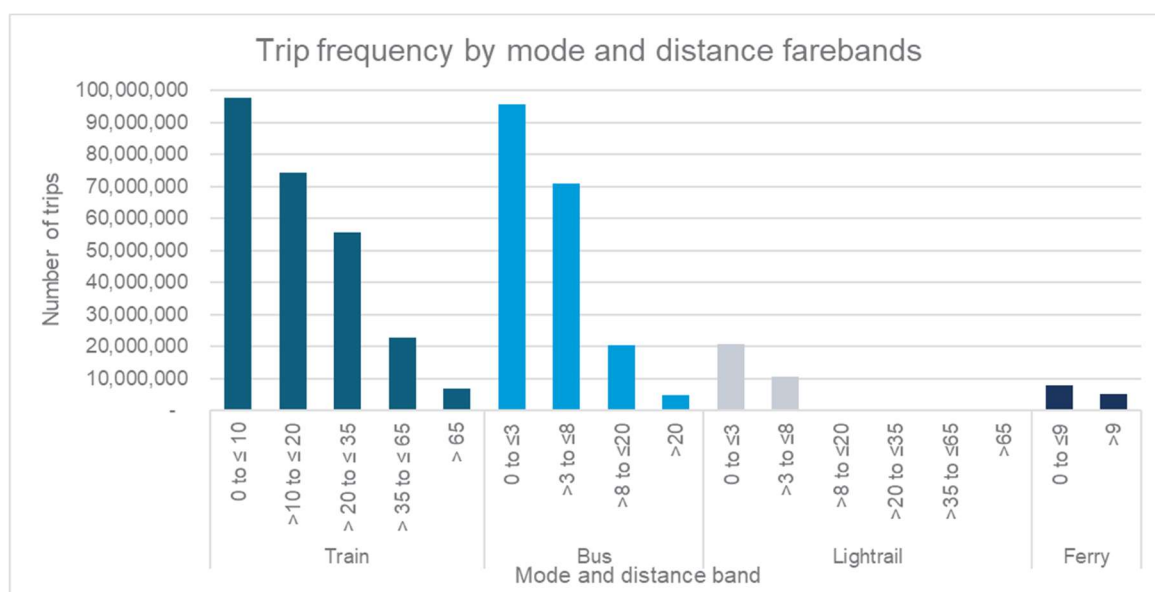
We acknowledge that the relativities within the fare package may also need to be recalibrated to consider the post-COVID-19 reductions in travel frequencies of Opal network passengers. Since 2020 fewer passengers have been reaching the weekly caps. This means that the cap may no longer be incentivising as many passengers to convert more of their travel from less sustainable modes such as private vehicles to more sustainable modes such as public transport. This may mean that the daily caps need not necessarily return to their original levels of 25% of the weekly rate but would consider what incentives are appropriate to the current travel patterns.

#### 4.4 The effect of travel distance on fares

Some stakeholders consider that under the current fare bands, shorter distance travel is subsidising longer distance travel. Our modelling of optimal fare prices finds all modes and all distance bands are subsidised. Some suggested creating shorter distance bands to account for very short trips of 1-2 stops or stations.

While it is true that the Opal network does allow for very long distance travel that would be limited to the cost of a 65km journey<sup>9</sup>, very few of these journeys take place on the network each year and the default fare bands generally correspond to the distribution of journeys that are most commonly taken across the various modes (see below).

Figure 4.3 Number of trips by mode and distance band



Note This chart presents all of the distance bands in the IPART determination. All determination distance bands are used for train and ferry modes. For bus and light rail Transport for NSW only uses the three shortest distance bands.

Source IPART Information request from transport for NSW, 15 March 2024

<sup>9</sup> For example 522km is the longest possible train journey on the Opal network, while the longest fare band is calculated the price for 65km of train travel. A journey of this length would be heavily subsidised, however very few journeys on the network are greater than 65km (2.6% of rail journeys, or less than 1.5% of all public transport journeys).

Our optimal fare modelling did indicate that a stronger relationship between distance and fares was optimal in comparison to how the fares for distance bands are currently set. In setting maximum fares, we have balanced this finding with our considerations of affordability to moderate the impact of high fares at the long distance. We have nevertheless increased maximum fares in a way that allows a slightly higher increase in maximum fares for longer distance trips than the shorter distance.

Our determination methodology allows Transport for NSW to create different distance bands than the ones already in place. However, our calculation of fares using the methodology has applied the default distance bands and we have not recommended a change to the current distance bands.

This is because our analysis has shown that the distance bands do generally correspond to the patterns of travel and adding distance bands adds to the complexity of the fare structure without significant additional value. Creating shorter distance bands (e.g. splitting the current shortest distance band of 0-3km for bus and light rail) is likely to replace more active transport journeys such as walking or cycling.

Finally, the current Opal system is limited in the maximum number of fare distance bands it can accommodate<sup>h</sup>.

Fares for Newcastle and Sydney ferry services are not integrated into a single fare schedule (unlike fares for Newcastle and Sydney bus services).

Sydney Ferry fares have two distance bands, 0-9 km and over 9 km. The Newcastle Ferry Service has only one route, Newcastle-Stockton, a distance of less than 1 km.

When Opal was introduced in 2014, the Newcastle Ferry Service (Newcastle-Stockton) maximum fare was set to equal the shortest distance band maximum bus fare, due to technological limitations of the Opal card that prevailed at the time.

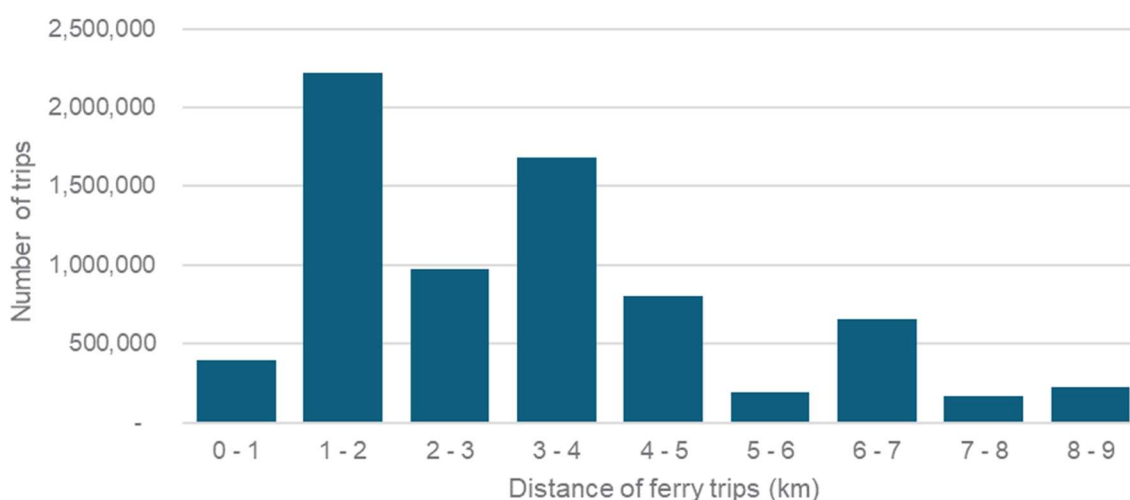
In our 2016 and 2020 Opal fare reviews, we maintained this equivalence. However, for the current review, we have looked again at the Newcastle Ferry Service maximum fare and made the draft decision to set it independently of the bus maximum fares, as the two modes have different cost structures, and in Sydney quite different resulting fares. Transport for NSW continues to have discretion to set the actual fare for the Newcastle Ferry Service equal to the shortest distance band bus fare, if technological constraints still apply.

We considered integrating the two ferry schedules into one schedule with three fare bands. This would mean an additional shorter distance band would apply to Sydney Ferries as well as incorporate the Newcastle Ferry Service. This would result in a split to the shortest Sydney Ferry band (0-9km), with some passengers in this band paying less but others in this band paying more. In Figure 4.4 we have presented the distribution of ferry journeys (including the Newcastle Ferry) in 1 km increments for Ferry trips of less and 9 km.

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<sup>h</sup> We understand that the creation of one additional fare band requires the allocation of multiple fare calculation rules, e.g. to calculate adult peak and off-peak rates, concession peak and off-peak rates as well as the many different operational rules that support the fare calculation.

Figure 4.4 Distribution of Newcastle and Sydney ferry trips by 1km increments



Source IPART Information request from transport for NSW, 15 March 2024

Creating a shorter ferry distance band could be beneficial where the short ferry trip would replace a longer road, rail or light rail journey (for example trips crossing to the other side of the Parramatta River or the Balmain East to Barangaroo trip). However, there is currently a large differential between the Newcastle Ferry Service maximum fare (\$3.02) and the shortest distance band Sydney Ferries fare (\$6.97), so integrating the schedules would result in either a large increase for the Newcastle Ferry Service fare or a large decrease and reduction in revenue for the shortest Sydney Ferries routes.

We have not modelled these scenarios or integrated the ferry fare schedules in the draft determination, but we are seeking views on whether the fare schedules should be integrated and if so, what the upper limit of a short ferry band should be set at in the final determination?

### Seek Comment



1. Should the Newcastle ferry and Sydney ferry modes be integrated into a single Ferry mode with three distance bands? If so, how should the lower distance band be split?

## 4.5 Service quality rebates

Many responses sought improvements to service quality to improve public transport experience, such as more frequent services, more direct, better connections, and less cancellations. Others sought fares that are more directly linked to service quality. These include fare increases linked to service quality increases, rebates for late running or poor service quality. Others suggested off-peak/reduced fares over holiday periods which typically run lower frequency timetables.

Our determination does not link service quality to the fares. Service quality is regulated through other instruments such as contracts and the passenger transport regulation. Where service quality has been significantly impacted, such as during storm events or industrial action<sup>4</sup>, Governments have responded by providing fare free days or similar initiatives to compensate impacted passengers. These initiatives result in fares applied at a rate lower than our maximum appropriate fares determination, and the Government and Transport for NSW can determine the circumstances in which they should apply.

Where a service is known to be impacted, we consider the Government should evaluate whether it is appropriate to reduce fares in response. For example, where buses will replace trains for a significant period, and the rail replacement service results in a longer commute or waiting time, the Minister and Transport for NSW could consider temporarily applying a lower fare to compensate for the inconvenience.

For clarity, our determination makes clear that the replacement service can be charged at the rate of the mode it replaces. This is to ensure that the replacement bus is considered the same mode and therefore the same trip as the intended journey to ensure customers are at least no worse off as a result of taking or switching to or from a replacement bus service.

For more information about service quality and service standards see our [Information Paper – Financial and operational performance](#).

## 4.6 Subscriptions and other fare package options

We heard feedback and suggestions for discounts or unlimited travel on yearly, monthly or weekly passes with some interjurisdictional comparisons offered as models. Some suggested bringing back passes that existed under the old paper system. Others were participants of the Opal+ trial and considered the packages worthwhile and were seeking a general roll out of the trial system. We have discussed subscription options below and presented some comparisons of subscription and fare package options in other jurisdictions.

In our 2020 report we recommended that Transport for NSW offer additional upfront passes to encourage greater use of the system through the Opal connect platform<sup>i</sup> which could offer more tailored products to different types of passengers who would value them while maintaining the simplicity of the existing Opal fare package (pay-as-you-go/\$50 weekly cap).<sup>5</sup>

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<sup>i</sup> Now called Transport connect.



### 4.6.1 Opal+ trial

From July 2022 to June 2023 Transport for NSW offered a 12-month trial of the Opal+ subscription packages. The packages offered a digital Opal card through an Android or iPhone mobile app for trial participants to use instead of their Opal card or contactless payment device. Different levels of weekly multi-mode journey packs were offered at discounted prices compared to the pay as you go offerings for weekend packs, 2, 4, 6 or unlimited journeys a week. Additional perks and add-ons were offered within the trial. These were both transport and non-transport related. Transport related add-ons included discounted taxi, rideshare, e-bike and paid parking options which could assist connecting with their public transport journeys. Other perks included discounts on food and attractions.

Two pricing options were trialled with pricing options simplified and generally slightly reduced for most options part way through the trial.

As the Opal card represented a significant innovation over paper tickets and increased usage of the public transport network, future innovations to improve convenience and match passenger preferences using 'mobility as a service' models will be important to further increase the proportion of travel undertaken by sustainable modes such as public transport. Just as other transport providers such as rideshares and e-bike providers are constantly innovating to meet customer preferences for transport and mobility needs.

### Results of the Opal+ trial

These trials were an opportunity for Transport for NSW to understand and test passenger preferences, understand what can incentivise greater use of public transport and how 'mobility as a service' options can be implemented within the Opal environment. The data and lessons from the trial could be used to support broader trials, scope procurement needs of future technology and improve implementation of future options.

2151 trial participants subscribed at least once over the trial period. Survey participants scored the trial highly. The unlimited and weekend options were the most popular. However, the trial also identified that subscription products were more attractive when there was certainty about an individual's travel needs. We have observed that in the post-COVID environment and particularly during the trial period which took place over the 2022 to 2023 financial year, travel needs are less certain than they previously have been. As discussed in our paper on patronage, travel patterns, which experienced significant volatility in recent years following COVID-19 travel restrictions and shifts in working from home, are starting to recover towards pre-COVID levels. With this may come greater certainty over travel needs, which may ensure the right environment for subscription options in the near future.

## 4.6.2 Technology improvements will enable subscriptions and other fare options

While our review has identified that some stakeholders are keen for subscription package options, the right timing will require both enabling account-based technology to be rolled out at scale, and an environment where a larger proportion of travellers have greater certainty about their travel needs. Transport for NSW has commenced its tendering activities for the procurement of a new account-based ticketing system known as 'Opal Next Gen'.

Other options and ideas we heard could also be enabled through the roll out of account-based technologies. These include digital Opal cards, better linkage or management of household and family cards, including ideas for sharing of household (particularly for parents of school aged children who must currently manage and maintain and two cards one for school travel and another for other travel). Other options such as family travel packs which could be purchased through an app-based system could also be offered.

Account based technology could also be used to provide targeted rebates to passengers impacted by major service disruptions. In recent years governments have responded to service failures by providing fare free days across the network. Mobility as a service technology could also be used to notify passengers of disruptions to their usual services and provide incentives to redirect impacted passengers onto alternative routes. It also has potential to improve greater use of sustainable modes of transport by improving connectivity to public transport hubs such as stops or stations using other modes such as e-bikes or rideshares.

Some stakeholders also indicated a desire for improved transport information through apps such as better bus tracking or display of fare information. We note that the Opal app and trip planner do provide fare information but not all the apps that partner with Transport for NSW do. We also understand that the Government has allocated funding for improved bus tracking across the network.

We consider Transport for NSW is best placed to assess the timing of introduction of these options but encourage Transport for NSW to work with passengers to identify preferences and opportunities for implementation.

## 4.7 Public transport fare options in other cities

One stakeholder stated that Australia's other capital cities have cheaper daily transport caps and suggested that we consider whether the fare packages available in other capital cities could be introduced in Sydney.

A few stakeholders suggested introducing a monthly price, similar to the monthly train pass available in Germany which covers all forms of public transportation throughout the country for €49 per month.<sup>6</sup>

In Table 4.2 and Table 4.3 below we present fare options provided in other Australian capital cities and international cities. In the tables we present the daily fares and other fare options offered in these cities.

We note that comparisons between fare packages and public transport networks are not straightforward. The network size, density, modes, technology and other operational features influence the price and structure of fares.

Table 4.2 Interjurisdictional fare package comparison (Australian capital cities)

Capital city	Public transport network	Daily fares	Other fares
Melbourne	<p>myki for train, tram and bus services.</p> <p>Fares are determined by:</p> <ul style="list-style-type: none"> <li>Where you travel. There are three fare groups, based on metropolitan zones: <ul style="list-style-type: none"> <li>Free Tram Zone</li> <li>Zone 1+2</li> <li>Zone 2 only.</li> </ul> </li> <li>Whether you're eligible for a concession fare or free travel.</li> <li>Any other discounts.</li> </ul> <p>Fares are the same regardless of mode of travel.</p>	<p>2-hour ticket:</p> <ul style="list-style-type: none"> <li>Full fare (Zone 1+2) <b>\$5.30</b></li> <li>Full fare (Zone 2) <b>\$3.30</b></li> </ul> <p>Touch on and touch off within two hours and before 7:15am on a weekday to receive the free Early Bird fare.</p> <p>A daily cap is the maximum you'll pay for a day's unlimited travel – it's the same as two 2-hour fares, for the zones you travel in.</p> <ul style="list-style-type: none"> <li>Full fare (Zone 1+2) <b>\$10.60</b></li> <li>Full fare (Zone 2) <b>\$6.60</b></li> </ul> <p>Other daily fare caps apply on weekends and public holidays.</p>	<p>Weekly (7 day) myki Pass. Cost depends on where you'll be travelling.</p> <ul style="list-style-type: none"> <li>Full fare (Zone 1+2) <b>\$53.00</b></li> <li>Full fare (Zone 2) <b>\$33.00</b></li> </ul> <p>You can also buy a myki Pass for anywhere between 28 and 365 days. Daily rate for 28-365 day myki Pass:</p> <ul style="list-style-type: none"> <li>Full fare (Zone 1+2) <b>\$6.36</b></li> <li>Full fare (Zone 1+2) <b>\$3.96</b></li> </ul> <p>Multiply this daily rate by the number of days required to calculate the myki Pass cost. When you buy a myki Pass for 326-365 days you only pay for 325 days, receiving up to 40 days free.</p>
Brisbane	<p>go card for bus, train, ferry and tram services.</p> <p>Fares are based on the number of zones you travel in during your journey.</p>	<p>Adult fares range from <b>\$3.55</b> (for one zone) to <b>\$21.48</b> (for 8 zones).</p> <p>Peak times apply from 6-8:30am and from 3:30-7pm weekdays (excluding public holidays). Fares are 20% cheaper during off-peak times.</p> <p>When transferring between services, your go card will calculate one overall fare for your whole journey. Conditions apply:</p> <ul style="list-style-type: none"> <li>one-hour time limit between transfers</li> <li>maximum of 3 transfers per journey</li> <li>total journey length must be shorter than 6 hours</li> </ul> <p>final trip must start within 3.5 hours of first trip.</p>	<p>Public transport fares will temporarily be set at 50 cents for all trips (6-month period from August 2024)</p>
Adelaide	<p>Adelaide Metro fares are the same on buses, trains and trams and remain the same no matter the distance travelled.</p> <p>Your fare lasts for two hours from when you validate your ticket or metroCARD.</p>	<p>Regular fares:</p> <ul style="list-style-type: none"> <li>metroCARD, peak <b>\$4.25</b></li> <li>metroCARD off-peak <b>\$2.40</b></li> <li>Singletrip <b>\$6.20</b></li> <li>Daytrip <b>\$11.70</b></li> <li>Buy &amp; Go 3-day visitor pass <b>\$27.20</b></li> </ul> <p>Peak travel times apply:</p> <ul style="list-style-type: none"> <li>before 9.00 AM and after 3.00 PM Monday to Friday</li> <li>all day Saturday.</li> </ul>	<p>14- and 28-day passes</p> <ul style="list-style-type: none"> <li>Regular 14-day pass on a metroCARD <b>\$67.60</b></li> <li>Regular 28-day pass on a metroCARD <b>\$112.10</b></li> </ul>

Capital city	Public transport network	Daily fares	Other fares
Perth	<p>Transperth's public transport service area is divided into nine zones, which are defined by circles centred on Perth city.</p> <p><b>SmartRider</b> cards are the cheapest and most convenient way to ride on all Transperth services. Cardholders receive a 20% discount off fares with SmartRider Autoload.</p> <p>Your fare is calculated based on the number of zones you travel through. All journeys on the Transperth system are capped at a two-zone fare.</p> <p>Transperth fares are valid for a limited time and this time varies depending on how far you are travelling.</p> <p>The two-section fare is valid for a single one-way journey trip of 3.2 kilometres or less and cannot be used to transfer between services.</p>	<p>Standard Fares (with SmartRider 10% Discount):</p> <ul style="list-style-type: none"> <li>• 2 sections <b>\$2.07</b></li> <li>• 1 zone <b>\$3.06</b></li> <li>• 2 zones <b>\$4.59</b></li> <li>• Dayrider <b>\$10.30</b></li> </ul> <p>Every Sunday, travel is free for all SmartRider holders.</p>	<p>When you park at a Transperth train station passengers are charged \$2 on weekdays and is free on weekends and public holidays.</p>
Hobart	<p>Metro Tasmania's service for urban Hobart is divided into five zones. The Metro Greencard provides a 20% discount over cash payments.</p> <p>Fares are based on the number of Zones crossed in a journey. Fares are valid for 90 minutes.</p> <p>There are daily caps on fare, which vary between weekday and weekends, and whether the first journey of the day started before or after 9 am.</p>	<p>Regular fares with Greencard:</p> <ul style="list-style-type: none"> <li>• 1 zone <b>\$2.80</b></li> <li>• 2 zones <b>\$3.84</b></li> <li>• 3 zone <b>\$5.76</b></li> </ul>	<p>All public transport fares will be halved from June 2024 until June 2025 as part of a government initiative to reduce living costs.</p>
Darwin	<p>Darwinbus provides bus services in the Darwin metro area.</p> <p>The fare system uses flat fares that do not depend on distance, mode, or zones. A ticket entitles to 3-hour unlimited bus travel from the time of purchase. Daily, weekly, and multi-trip tickets and cards are available.</p>	<ul style="list-style-type: none"> <li>• Single <b>\$3</b></li> <li>• Daily <b>\$7</b></li> <li>• 10-trip <b>\$20</b></li> <li>• Weekly <b>\$20</b></li> </ul>	<p>All bus fares will be free from 1 July 2024 to 30 September 2024</p>

Capital city	Public transport network	Daily fares	Other fares
Canberra	<p>Transport Canberra operates bus and light-rail services. Users can pay via the MyWay card, where they can store credit.</p> <p>Fares entitle to a 90-minute journey including transfers. Fares are flat and not based on distance or zones, but off-peak discounts are available. Weekday and weekend/public holiday daily caps apply.</p> <p>A 40-trip monthly cap applies to MyWay fares.</p>	<p>MyWay Adult</p> <ul style="list-style-type: none"> <li>Peak <b>\$3.22</b></li> <li>Off-peak <b>\$2.55</b></li> <li>Weekday cap <b>\$9.60</b>/Weekend and Public Holiday cap <b>\$5.87</b></li> </ul>	<p>Pre-paid ticket: Adult single: <b>\$5.00</b>/daily: <b>9.60</b></p>

Note fares are presented without discounts or surcharges (such as for auto top ups or cash payments)

Sources:

Public transport Victoria, [Metropolitan fares](#), accessed May 2024.

Translink, [South East Queensland fares, zones and tickets](#), accessed May 2024.

Adelaide Metro, [Adelaide Metro fares and tickets](#), accessed May 2024.

Transperth, [Transperth Fares](#), accessed May 2024.

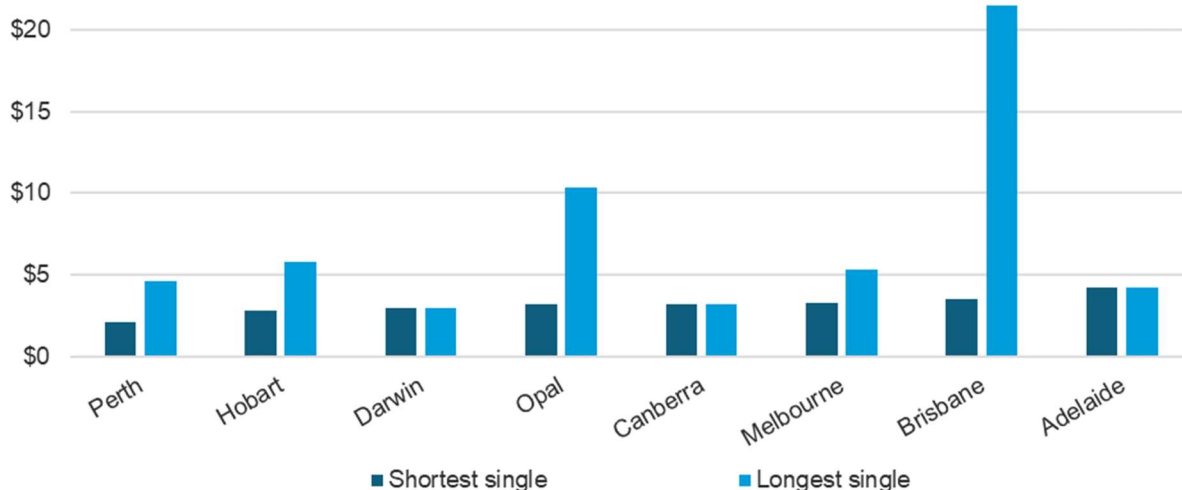
Metro Tasmania, [Tickets and fares](#), accessed July 2024

Northern Territory Government, [Bus tickets and fares](#), accessed July 2024

Transport Canberra, [Fares](#), accessed July 2024

We compared the shortest and longest adult public transport fares across the eight Australian capital cities (Figure 4.5) We found that the Opal network short distance (0-3km bus and light rail) fare was equal to the median for Australian capital cities. The longest distance fare (> 65km train) is the second highest of the Australian capital cities, reflecting the size of the Opal rail network which extends 100-200km from the Sydney CBD to the south, west and north.

Figure 4.5 Adult public transport single fares longest and shortest for Australian capital cities.



Note Fares are presented for the shortest and longest Adult peak single fare, across all modes of transport available without discounts, surcharges, concessions or caps for each capital city in Australia and the Opal network.

Source: Ibid

In our [Information Paper – Affordability](#) we compared the cost of the maximum monthly fares across Australian and international cities (See Table 4.3 and Figure 4.6).<sup>j</sup> We found that the cost of the monthly option is high in Sydney compared to most cities in our sample. While the Opal network does cover a larger area than many cities in the comparison sample, another important difference of the Opal maximum weekly fare is the significant flexibility provided by the Opal pay-as-you-go option.

This requires with no upfront commitment and cap that only applies once spending exceeds the \$50 (or \$25 for concession) threshold while most monthly options in other cities are subscription tickets with a fixed upfront price. This fare rule tends to work in the interest of the passenger, and shifts more risk to the public transport operator.

We also showed that weekly spending is usually much lower than the cap.

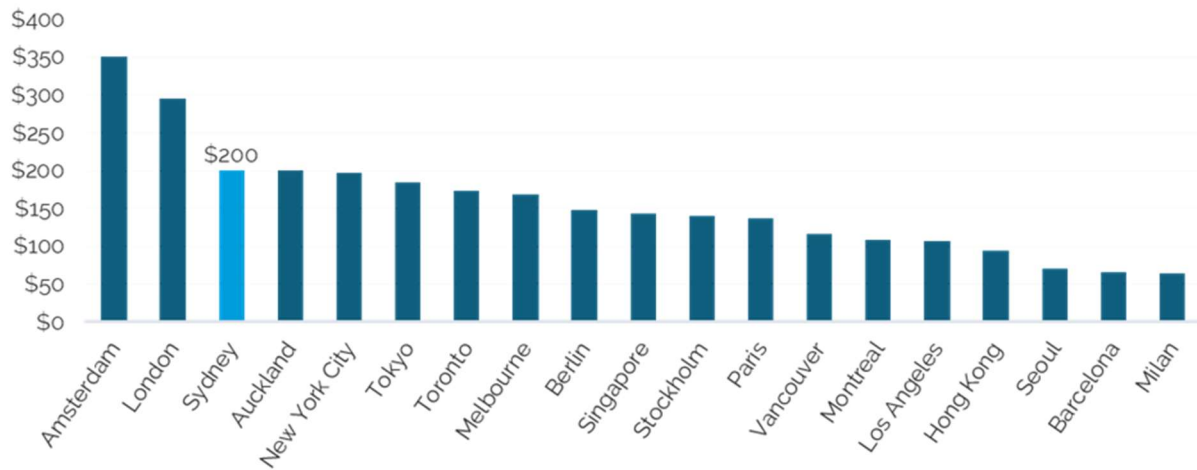
Table 4.3 Interjurisdictional fare package comparison (International comparisons)

City	Public transport system	Fares (AUD July 2024)
Auckland	<ul style="list-style-type: none"> <li>Auckland Transport operates bus, rail, and ferry services.</li> <li>Fares entitle to one journey across all modes with unlimited transfers within 4 hours. Fares are based on distance, with a system of 14 zones.</li> <li>Off-peak discounts are available.</li> </ul>	Single trip <b>\$0.64</b> to <b>\$11.54</b>  Weekly cap: <b>\$46</b>
Singapore	<ul style="list-style-type: none"> <li>The Land Transport Authority operates public transport services, including bus, light rail, rail, metro, and ferry services.</li> <li>Fares entitle to journeys of up to two hours, including transfers between modes or within the same mode.</li> <li>Fares are not differentiated by mode, and they are based on narrow distance bands of 1-2 km each.</li> <li>Pre-peak discounts apply for rail journeys starting before 7:45 am.</li> </ul>	From <b>\$1.20</b> (0-3.2 km) to <b>\$3.27</b> (>40.2 km).  Monthly pass: <b>\$140</b>
Hong Kong	<ul style="list-style-type: none"> <li>The Octopus network includes metro, bus, tram, and ferry services.</li> <li>Fares for MTR (metro) services are based on distance. A matrix of all starting and ending station combinations determines the fare charged for an MTR journey.</li> <li>Bus and light rail fares are based on distance. An inter-mode discount is available for transfers between bus/light rail and designated MTR stops.</li> </ul>	From <b>\$0.9</b> to <b>\$5.9</b>  Monthly pass: <b>\$100</b> to <b>\$132</b>
London	<ul style="list-style-type: none"> <li>Transport for London provides bus, metro, light rail, and rail services. Travellers can load credit on the Oyster card.</li> <li>Metro and rail fares depend on distance and are based on a zone system. The network is divided in 6 zones centred on the CBD and radiating outwards.</li> <li>Bus and light rail only have one flat fare.</li> <li>Off-peak discounts are available.</li> </ul>	Subway from <b>\$5.31</b> to <b>\$15</b> Bus and light rail: <b>\$3.32</b>  Daily cap: <b>\$16</b> to <b>\$29</b>  Weekly cap: <b>\$81</b> to <b>\$149</b>
Paris	<ul style="list-style-type: none"> <li>RATP operates metro, rail, and bus services across the Paris metro area. Travellers can load credit onto the Navigo card or buy single-use tickets.</li> <li>Fares entitle to a 90-min journey, including transfers across modes or within the same mode.</li> <li>Fares are the same across different modes. A single flat fare applies to most services within the urban area, with the exception of some rail and bus services that extend beyond the Paris municipality.</li> </ul>	<b>\$3.40</b> (all metro services; bus and rail within the Paris municipality) Up to <b>\$6.30</b> for some suburban services  Monthly pass <b>\$140</b>

<sup>j</sup> Note the Opal system does not have a monthly fare option, instead the adult weekly cap has been multiplied by four.

City	Public transport system	Fares (AUD July 2024)
Milan	<ul style="list-style-type: none"> <li>ATM operates metro, light rail, and bus services across the Milan metropolitan area.</li> <li>Fares entitle to unlimited travel across all modes within 90-minutes. Fares are the same for all modes.</li> <li>A flat fare applies to most services within the urban core of the city. Some suburban services require a surplus on the fare.</li> </ul>	<p><b>\$3.50</b> (all services within the Milan municipality)</p> <p>Urban monthly pass <b>\$63</b> Urban yearly pass <b>\$530</b></p> <p>Suburban monthly pass up to <b>\$150</b> Suburban monthly pass up to <b>\$1260</b></p>
Berlin	<ul style="list-style-type: none"> <li>BVG operates rail, metro, light rail and buses.</li> <li>Fares entitle to one journey in one direction (including transfers), within 120 minutes.</li> <li>Fares are based on distance through a zone system, with 3 zones centred on the CBD and radiating outwards.</li> <li>Short-distance discounted tickets are available for journeys of 3 stops.</li> </ul>	<p>Short-distance <b>\$3.86</b> Regular from <b>\$5.90</b> to <b>\$7.00</b></p> <p>Monthly pass from <b>\$159</b> to <b>\$191</b></p>
Amsterdam	<ul style="list-style-type: none"> <li>GVB operates rail, light rail, metro, ferry, and bus services.</li> <li>Fares are based on distance, with a starting fare and subsequent increments for each 50 metres travelled. This method is applied irrespective of mode (except for ferries, which are free for pedestrians and cyclists)</li> <li>There are discounts for off-peak and weekend journeys.</li> </ul>	<p><b>\$1.74 + \$0.3</b> per km</p> <p>Monthly pass <b>\$96</b> to <b>\$350</b></p>
Madrid	<ul style="list-style-type: none"> <li>Metro Madrid operates metro, rail, light rail, and bus services.</li> <li>Fares entitle to one journey across all modes, with no time limit. The same starting fare applies to all modes. For metro trips, each additional metro station travelled after the fifth incurs a small surcharge up until a maximum total fare.</li> <li>The Madrid metro area is divided in zone, with the first zone encompassing most of the urban area and its metro system. Suburban bus and train fares are based on zones.</li> </ul>	<p>Metro <b>\$2.40</b> to <b>\$3.22</b> Suburban services up to <b>\$9.80</b></p> <p>Monthly pass: <b>\$33</b> to <b>\$83</b></p>
New York City	<ul style="list-style-type: none"> <li>MTA provides metro, bus, and rail services. Travellers can use the OMNY system to pay via a dedicated card or an eligible credit or debit card or device.</li> <li>Fares entitle to a 120-minute journey across all modes, including one free transfer.</li> <li>A flat fare applies to most metro and bus services. Rail fares have a separate fare schedule. Each train line has a flat fare irrespective of journey distance.</li> </ul>	<p>Urban bus and subway: <b>\$4.31</b> Express buses: <b>\$10</b> Suburban rail: up to <b>\$23</b></p> <p>Weekly cap <b>\$50</b> Monthly cap <b>\$196</b></p> <p>Suburban rail monthly pass up to <b>\$712</b></p>
Toronto	<ul style="list-style-type: none"> <li>TTC operates metro, light rail, and bus services.</li> <li>Fares entitle to a 120-min journey including transfers across modes. Fares are the same across modes and are not based on distance.</li> <li>The GO Transit system operates bus and rail services. It is separate from the TTC network and charges different fares, based on distance zones crossed. GO operates suburban buses that reach areas further away from the Toronto CBD.</li> <li>The One Fare program provides transfer discounts on journeys that use both the GO and TTC networks.</li> </ul>	<p>TTC single fare <b>\$3.60</b></p> <p>Daily pass <b>\$13.50</b> Monthly pass <b>\$170</b></p> <p>GO suburban fares up to <b>\$12.70</b></p>
Montreal	<ul style="list-style-type: none"> <li>STM operates bus, metro, and train services.</li> <li>Fares entitle to one journey across all modes within 120 minutes.</li> <li>Fares are based on distance, with 3 zones centred on Montreal CBD.</li> </ul>	<p>Single ticket <b>\$4.09</b> to <b>\$7.74</b></p> <p>Monthly pass <b>\$109</b> to <b>\$213</b></p>

Figure 4.6 Price of monthly subscription/cap for rail systems around the world (AU\$ December 2023)



Subscription price, where available, was based on the standard, full price, Adult monthly pass, without concession discounts and without surcharges for long-distance routes. For cities without a monthly pass or monthly cap, the weekly or daily caps have been multiplied accordingly.

Source: Régie Autonome des Transports Parisiens, Transport for London, Metropolitan Transportation Authority, Translink (Queensland), Transports Metropolitans de Barcelona, Toronto Transit Commission, Auckland Transport, Public Transport Victoria, Transport for NSW, Société de transport de Montréal, Azienda Trasporti Milanese, Translink (British Columbia), Berliner Verkehrsbetriebe, Transperth, MTR Corporation Limited, Tokyo Metro, Land Transport Authority, Seoulmetro

- <sup>1</sup> Ellison, R, Ellison A, Greaves, S and Sampaio, B, Institute of Transport and Logistics Studies, The University of Sydney, Australia, Department of Economics, Universidade Federal de Pernambuco, Brazil, Electronic ticketing systems as a mechanism for travel behaviour change? Evidence from Sydney's Opal Card, August 2016, p 22.
- <sup>2</sup> *Passenger Transport Act 2014 s129* (Minister to determine subsidy scheme and concessions)
- <sup>3</sup> IPART, [Information Paper - Financial and operational performance](#), August 2024 p4
- <sup>4</sup> Transport for NSW, [Free travel on the NSW Opal train network from Monday to Friday](#)
- <sup>5</sup> IPART, Maximum Opal fares to 2024, Final report – May 2020, pp12-13
- <sup>6</sup> Deutsche Bahn (German rail), [Deutschland-Ticket](#), last accessed August 2024,