

Media Release

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Greater choice for Opal passengers

The Independent Pricing and Regulatory Tribunal (IPART) is proposing a range of new options for passengers to tailor public transport fares to better meet their travel patterns and budgets.

Draft recommendations released today for public comment recommend passengers be offered a greater range of fare packages via Opal Connect – the latest platform being rolled out by the NSW Government.

IPART's Acting Chair Deborah Cope said the proposed changes recognise that passengers use public transport in different ways.

"We are recommending a move away from 'a one size fits all' approach to offering different passes that cater for regular and occasional users, and those travelling in peak and off peak times," Ms Cope said.

"Passengers would be able to continue to pay fares as they do today, with the same discounts and caps in place, or opt for discounted fare packages that might include unlimited travel or guaranteed parking near a transport hub."

The draft recommendations are part of IPART's review of Opal fares undertaken every four years. As well as new travel packages, IPART is recommending:

- Harmonising fares as more metro and light rail services become available, so passengers are charged the same for the distance they travel, regardless of whether they catch a bus, train, metro or light rail service. This means passengers would no longer pay more to switch modes and the cost would be the same regardless of which service was the most convenient.
- ▼ Introducing 30% off peak fares for buses and light rail services rather than just rail and metro services. It means that those who can travel outside of peak hours reap the benefits no matter where they live, and help reduce public transport congestion.
- ▼ Ensuring more of those who are <u>disadvantaged</u> can access cheaper travel by extending the existing concessions program to Commonwealth Health Care Card holders (including students and carers).

"Ensuring consistency of fares across different types of transport makes it easier for the NSW Government to design and operate Sydney's transport as a network," Ms Cope said.

"And while only some users can respond to peak and off-peak prices, extending the off peak to bus and light rail should help the NSW Government manage peak loads."

Ms Cope said IPART's recommendations are designed to keep fares affordable for all users as Sydney's public transport network expands.

"The options we are putting forward for the NSW Government to consider could exist alongside the existing discounts, weekly and daily caps and \$2.50 all day travel for Gold Opal card holders," Ms Cope.

"Under our recommendations, the average price change would be 60 cents a week, with 75% of customers paying less than \$1 a week extra. Passengers able to shift some of their travel to off-peak times would save money."

"This proposal to increase single journey fares by an average of up to 30 cents a year would mean that the average fare paid for single journeys is around the same as it was 10 years ago."

Ms Cope said both the demand for, and cost of providing, public transport is rising.

"Funding public transport through a mix of taxation and passenger fares is the norm in most cities across the world. It recognises the significant benefits of public transport for the community," Ms Cope said.

"As costs rise, our draft recommendations aim to maintain the contribution passengers make through fares at roughly the same level to ensure that the public transport network is sustainable over the long term."

Currently passenger fares pay for around a quarter of the cost of providing public transport. The remainder is funded by taxpayers – equivalent to \$4,900 per household in 2018-19 (the third highest expense after health and education).

IPART's draft report is available at ipart.nsw.gov.au. Submissions on the draft proposals will be received until 31 January 2020. A public hearing will be held on 11 February 2020. A final report will be provided to the Minister for Transport by the end of February 2020.