
Sent: Wednesday, 5 November 2008 12:07 AM

Subject: Review of CityRail fares, 2009-2012 - Comment on

Chairman and Tribunal Members,

My perspective is as follows:

- a. The improvement in service **reliability** is a function of good management and foresight. Resources for management already exist – all that is needed is better foresight and sensitivity, and better support to operations and maintenance staff to make their task easier. Such management improvement is already funded, there being a large number of managers about.
Conclusion: Such improvement should be a given and should happen without the need to increase passenger price.
- b. The increase in service **capacity** requires increase in the number of trains, and proportionate increase in drivers, maintainers, traffic managers and equipment and other support staff. This obviously requires funding ahead of returns and therefore requires an acceptable “business case”. However, the broader economic and social implications should be taken into consideration.
Conclusion: The project should be approved only on the basis that:
 - (1) Demand for the increased capacity can be estimated to exist or will exist that will therefore pay for the service to provide the return on investment.
 - (2) The increased capacity can be accommodated into the existing schedule without danger and stress to passengers, rail staff and equipment.
 - (3) As in any business investment, existing customers cannot be expected to pay for future customers.
 - (4) The Government should see the increase in public transport capacity as an infrastructure improvement that supports the economic and social activity of the region served.
- c. An increase in passenger price should be based solely on the truthful realization that cost of providing the service has out-stripped the value of income. A proposal to increase the price should therefore NOT be linked to service reliability which should be a “given” as explained above. Instead, it should be linked to the cost of doing business, albeit considering also that a “tax payer” subsidy should be afforded as an “indirect” and “advance” price increase.
Conclusion: In the interest of supporting an infrastructure facility that affect the cost of going to work for a very large percentage of working people, and in the interest of encouraging/retaining more people to avoid individual transportation, it should be held that it is in the interest of the economic and social activity of the region that railway (and bus) travel prices should remain below an equivalent travel by car, as a policy requirement. If “taxpayer subsidy” is required, so be it; and should be managed by good management, not simply and naively by cost-cutting or worse, the reduction of support services that ensures reliability and provide for capacity.