

Dr Thomas ~~Parry~~
Chairman
Independent Pricing & Regulatory Tribunal of NSW
Level 2, 44 Market Street
Sydney NSW 2000

Dear Dr Parry

REVIEW OF FARES FOR TAXIS, PRIVATE BUSES AND PRIVATE FERRIES IN NSW

The Chairman of the Commuter Council has requested Western Sydney representatives prepare this submission which deals only with private bus fares.

The BCA submission has been examined and the following comments are offered:

1. (1) EXECUTIVE SUMMARY

The Executive summary detailing growing inequity between private and STA fares and industry priorities for reliable, regular, comfortable, safe and affordable bus services, will not be achieved under current Act and government policies.

Profits to sustain the current fully private operation are achieved by minimum operating costs, capital costs, service levels and maximum fares to achieve maximum returns to encourage investment.

Western Sydney, including the Northern and Southern urban areas are the only major urban area in Australia served by a fully private bus system. Eastern Sydney and all other capital city bus systems receive some form of public funding to increase service levels, provide discounted intermodal ticketing and low pollution, low floor, air conditioned CNG powered buses.

Eastern Sydney (STA) buses received a total of \$169M taxpayer subsidy in 2001 to meet these standards. (DOT 2001 Annual Report, page 45)

Melbourne, Adelaide and Perth government bus services have contracted out the operation only, with government subsidized fares to maintain discount intermodal ticketing and service levels with the buses still the responsibility of the state.

Ownership of light rails and buses by the city and contracted out the operation with fares and service levels set by the city is also the norm in USA and Canada.

The DOT and RTA are currently promoting the merits of the Ottawa Transpo busway as a model for the proposed 95km of private busways for Western Sydney. Both the DOT and RTA have omitted to divulge the fact that it is city owned with contract operation only.

2. (4.2) PARTNERSHIP WITH GOVERNMENT

The 1990 Passenger Transport Act was introduced as a "self regulating act" without any penalties for non performance. At the time of introduction, the DOT widely publicized the five year contracts as ensuring performance but omitted to divulge that the 5 years is simply a renewal process as the contracts are perpetual and cannot be cancelled.

The contract conditions and minimum performance standards were all prepared by the same consultant that also acted at that time as spokesman for the BCA.

Service levels were based on existing inadequate service levels and were set as minimum service levels without provision to increase levels.

The Act created non competitive, monopoly area perpetual contracts, which allowed operators to tailor services to suit their own maximum capital and operational capabilities.

The Act also required customer complaints to be made direct to the relevant bus company which was required to record their account which could be viewed by the DOT from time to time.

Taxi complaints are required to be made direct to the DOT and are reviewed annually, with similar monitoring of STA services.

The DOT should also annually monitor all private bus complaints to obtain a true picture of performance satisfaction and areas where review maybe required.

3. (4.3) INDUSTRY ACHIEVEMENTS

With regard to the BCA reference to 6% daily bus use. This relates to total private and STA.

The DOT Transport Data Centre issues paper 97/2 shows that average weekday private bus share of the 6% is 33% and STA share 52%. Also, 40% of private bus trips were made using school passes compared to 10% with STA buses.

According to Alex Sanchez, Chairman of the NSW Public Transport Advisory Council, over the last 10 years, STA bus use has increased by 9% and private bus use has decreased by 7%. (Tele. 22.08.01)

Over the same period, car use has increased by 18% and now accounts for 70% of all trips made in Sydney. (SMH 16.07.01)

The 1990 Passenger Transport Act has been in operation during this continued decline in public transport use.

The stated improved fleet conditions is difficult to comment on given the extreme secrecy surrounding the DOT inspection documentation. See attached Advertiser report dated 5.6.96 "Old buses endanger kids" and Tele/Mirror dated 30.6.92 "Double deck disaster".

With regard to improved safety conditions, The Westbus Castle Hill to Sydney CBD express bus via the M2 tollroad regularly reaches the 100kph speed limit for this road. Passengers are forced to stand in crowded aisles on these buses due to insufficient service levels. There is clearly great potential for serious injury to many passengers, in the event of even a minor mishap, travelling in buses not designed to carry seated passengers at such speeds, let alone standing passengers. See attached Hills Shire Times report dated 8.5.01 "Bus drama Freeway crash"

Complaints to the DOT regarding standing on speeding buses have not been acted on and should be subject to "safety" concerns under IPART terms of reference.

In Victoria, standing on buses travelling over 60kph is prohibited.

Taking over issuing school travel passes also appears to be in the interests of bus companies. The DOT 2001 Annual Report states that private bus companies received \$311.8M from the DOT in 2001 for transporting school children.

A problem is now occurring where High School students have more flexible school hours and bus companies have refused to honour school pass travel home earlier than 3pm and drivers have demanded payment of an additional fare by students. See attached Sun-Herald report dated 12.7.98 "School classes run in shifts".

The attached Telegraph report dated 1.4.00 outlines an inquiry into school bus services by the DOT. Could the Tribunal seek advice on the inquiry and school travel pass use with more flexible school hours.

Contrary to the BCA claim that all improvements have been achieved without fare box increases, the attached Hills Shire Times report dated 28.9.99 states that fare increases included funding for installation of Video Cameras. There is also recollection of two fare increases within the same 12 months in recent years. Video cameras are still not installed in all buses and the DOT should be requested to undertake an audit on the program.

The DOT was also requested to supply the Commuter Council with details of private bus fares increases approved by the DOT over the last ten years. The DOT declined the request.

It is requested the Tribunal seek these details to determine extent of increases for service improvements and industry compliance.

4. (5) APPROACH TO PRICE REGULATION

The BCA statement that "the private bus industry is capital intensive and bus costs, wages and fuel make up the main component of the costs of providing services" is equally true for the STA and confirms the world wide acknowledged fact that high standards are not profitable. Encouraging continuing passenger growth in peak periods, requiring more frequent services, requires continued large capital outlay, including depot growth. Higher and higher fares are required to encourage such investment.

Europe, UK, Canada, USA and South America acknowledge this fact and cities and government are building light rail systems to obtain the longer term benefits of cheaper operation with larger capacity,

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lower maintenance costs, quieter operation and a real reduction in air pollution. The most economic operation for buses is short yo-yo services to higher capacity light and heavy rail systems.

The State Government already acknowledges the need to subsidize services for one half of Sydney's population to ensure capacity, standards, service levels, fare levels and convenient intermodal ticketing are in place to encourage maximum patronage.

It is requested that the Tribunal request the DOT advise why the same requirements do not apply to the other half of Sydney's population that resides in Western Sydney.

Could the Tribunal also request the DOT to advise details of the proposed service levels and fares that will apply in the contract for the first busway in Western Sydney that will operate from Liverpool to Parramatta and has been awarded to the STA.

5. (5.3) ALTERNATE APPROACHES

The Commuter Council supports the BCA position that two different funding regimes is not sustainable and promotes inequities. For example:

Westbus Castle Hill to Sydney CBD bus via the M2 costs \$55 weekly return ticket., distance is 35km.

STAPalm Beach to Sydney CBD costs \$46 for 7 day unlimited trips Travelpass plus ferry, distance 45km.

6. (6.1) EXISTING FARE STRUCTURES

It is of great concern that under the current Act, Westbus as one of the largest bus companies, only offers a weekly discount ticket on only one route across the major areas of Western Sydney that it controls. There is also no ticketing provision across the vast regions it controls that allows bus to bus transfer. When Westbus first commenced a separate yo-yo service between Parramatta CBD and Westmead Hospital, a ticket could be purchased from Baulkham Hills which allowed changing at Parramatta to the Hospital bus using the same ticket. This has been discontinued. Only single journey tickets are available for travel across the entire Westbus areas with the exception of the M2 express which provides a return ticket.

7. (7) SERVICE QUALITY

The DOT has unsuccessfully carried out two separate Performance Assessment Regimes. The sticking point with the BCA is improving the minimum service levels which is in fact, the maximum service levels.

It is understood that the BCA funds a chair for the Institute of Transport Studies which assists the BCA with research.

The BCA commissioned "Service Quality Index" does not include a bus facilities standard as an attribute to service quality. The following are STA bus standards that are not met by current private bus standards:

- (a) Interior lighting levels are poor compared to STA buses making it difficult to read during winter months and evening travel.
- (b) Single ceiling mounted stop pull cords and the latest stop press buttons cannot be reached by all seated passengers similar to STA buses, This is important for the elderly.
- (c) Most new private buses which have incorporated air conditioning no longer have rear exit doors. The rear door speeds up loading and unloading. ~~After~~ previous serious accidents, the DOT required safety devices be provided for all doors. The STA complied and the private bus industry directed that rear doors no longer be used and remain shut. Numerous complaints are ignored regarding the slow loading and unloading of single door buses.
- (d) All private buses only provide destination signs at the front whereas STA buses also provide side and rear destination information. At busy bus locations such as Parramatta, elderly passengers approaching from the rear have to hurry to the front to check the destination. Where a bus pulls out and frequency is limited, there is no way of knowing if you have just missed your bus or it is yet to arrive, or should a taxi be used due to the possible long wait for the next bus.

8. ON TIME RUNNING

In spite of the BCA claimed "very high level of vehicle availability", major problems have occurred See attached newspaper reports:

Telegraph dated 31.3.00 - More Buses Roll

Telegraph dated 1.4.00 - A Regions inadequate services

Telegraph dated 1.4.00 - Letters

Telegraph dated 31.3.00 **Letters**
 Hills Shire Times dated 12.9.00 – Probe Buses
 Telegraph dated 29.11.00 – Hills Buses
 Telegraph dated 29.11.00 Far to many losers in the waiting game
 Hills Shire Times dated 12.12.00 - Letters
 Hills News dated 21.8.01 - Letters
 Telegraph dated 1.12.00 - Owners a world away from the problem
 Hills News dated 27.2.01 - Bus timetables still in a mess

9. SERVICE INNOVATIONS

The provision of the “Nepean Nipper” was not restricted to Penrith. Many were also put into service on long established busy routes in Parramatta.

The small buses are a low cost design built on a small truck chassis which delivers a truck like ride. Seats are only 840mm wide with 420mm aisle compared to large bus with 870mm wide seat with 560mm wide aisle. Two average adults cannot fit on the seats. The entry door is very narrow with high steps which are extremely difficult for the elderly.

The buses could be described as an innovative approach to replace an ageing fleet with minimum capital cost. It is difficult to understand how these vehicles met any standards when approved by the DOT.

With regard to the introduction of accessible buses, could the Tribunal obtain a timetable for the complete changeover to low floor accessible buses.

10. TICKETING PRODUCTS

The BCA has no control of operator’s ticketing policy which will remain un-coordinated under the existing ACT.

The 1996 PART interim report No. 4 - Fare Structures for Public Transport, recommended the expansion of the Mt Druitt Bus and Rail Brown Metropass operated by City Rail and Westbus. This was the only combined private bus to rail ticket available across the entire region and had been available for over 10 years and is now cancelled.

It is requested that the Tribunal request the DOT advise why the 1996 PART recommendation to expand the Brown Metropass was not carried out and why the Mt Druitt Metropass was cancelled.

The 1996 PART interim report No. 4 also examined Smart Cards and stated “Smart cards are not a substitute for ticket integration”

It would also be timely for the Tribunal to remind the DOT ~~that~~ the continued stating that the proposed introduction of a Smartcard will provide integrated ticketing is misleading.

11. (8.1) ENVIRONMENTAL

The EPA 1998 Action For Air Report clearly identified diesel exhaust as causing lung cancer, heart disease and a trigger for asthma. The Federal Government has initiated a subsidized program to assist converting heavy vehicles from diesel to CNG or LPG fuel. See attached notice SMH dated 25.3.00.

The EPA report notes that the STA is converting to all buses powered by CNG.

Tests carried out by the Queensland University of Technology found that one diesel bus expelled 600 times more pollutants than a car. The latest Euro 2 standards are believed to have reduced this pollution volume to 200 times more than a car.

The latest research from USA researchers is that inhaling tiny pollution particles pumped into the ~~air~~ from trucks, industry and fires may be more deadly than previously thought. See attached reports:

SMH dated 27.5.96 – Smog in Sydney

Courier Mail dated Sept. 97 – Buses cause 600 times the pollution cars do.

SMH dated 3.4.02 – ~~Air~~ pollution deadlier than we thought.

As the BCA submission does not respond to these issues, it is requested that the Tribunal request the DOT to consult with the EPA on these latest findings and ensure bus emission policy meets these concerns and will apply to all buses.

12. (8.2) SOCIAL IMPACTS

The Commuter Council supports the BCA submission on fare inequities.

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The Commuter Council is also concerned that the **full** external benefits of public transport are not being fully considered in the cost of fares and the provision of services.

The alternative to affordable and accessible public transport is more air pollution, more noise pollution, more traffic congestion, more road expansion, more hospital beds for accidents. All require considerably more funding and most of these problems will not go away without better access to public transport.

Should the Tribunal have any questions please contact the writer, phone 9639 7204 and fax 9639 7843

The Commuter Council also requests the opportunity to represent this submission at any public hearing and the writer would appreciate advice when a date is set.

Yours faithfully

A handwritten signature in black ink, appearing to read 'John Longton', written in a cursive style.

John Longton
Commuter Council (member)

**For hard copies of attachments to this submission
please contact Kylie Miller on (02) 9290 8472 or
kylie_miller@ipart.nsw.gov.au**