



Attachment 8:

Draft Questions and Answers in response to matters raised in "Fare go!" submissions:

Why are train fares increasing when the trains are so "old and unreliable"?

We acknowledge that there are significant problems with the reliability and capacity of the rail network and the age and condition of some of the rolling stock. We are working hard to address these problems. Significant extra Government funding has been earmarked for a major upgrade of Greater Wellington's passenger train fleet, starting with new Wairarapa trains to be delivered in 2007. We hope to introduce the first of a new fleet of electric multiple unit trains in 2010. However, the Government funding is being provided on the condition that Greater Wellington Regional Council increases the "local share", for which there are only two sources – fares and rates. The decision to put train fares up by 15% now was taken to cover a funding shortfall for the 2006/07 financial year which would otherwise have been funded from an increase in regional transport rates over and above the 6.89% which was finally adopted.

I thought train fares were increasing by 15%. My fare will increase by more than 15%. Why is that?

The fare increases vary for two reasons - one is the placement of fare zone boundaries, and the other is rounding up to the next multiple of 50 cents, for simplicity of cash handling. For small fares, rounding a fare up by 10 or 20 cents makes a significant difference to the percentage increase.

I appreciate that fares need to increase but in my case the increase isn't "fair".

Questions about fairness assume that in making changes to the current fare structure we are moving from something which is absolutely fair to something which is no longer fair. However, there is no perfect fare structure which seems fair to every user. All fare structures which have boundaries between fare zones will seem unfair to some people who live on the wrong side of a particular boundary, and flat fare structures with no boundaries tend to be seen as unfair to short distance passengers, unless they are set at unrealistically low levels.

Why should train fares be the same as bus fares, and vice versa? They have different cost structures and shouldn't this be reflected in their fares?

The new Metlink fare structure is primarily about a single set of fare boundaries for almost all scheduled public transport services in Greater Wellington. As a general rule, bus fares are 1, 2 or 3 zones in length and train journeys are 4 or more zones. Therefore it will be possible in the future to adjust bus and train fares independently of

each other if necessary.

Won't Tranz Metro make windfall profits when fares are increased?

No. Under the new contract arrangement with Toll for Tranz Metro services, any increased revenue from fares will reduce the amount of the Council's contract payment. Toll's profit will remain largely unchanged.

What about the bus companies?

A large proportion of the Council's contracts with bus companies come up for re-tendering in 2007. We expect the additional fare revenue to be reflected in lower increases in tender prices than would otherwise be expected to cover increased operating costs.

When will Wellington have integrated fares and tickets that enable people to make through journeys (requiring more than one bus or train) on a single ticket?

Greater Wellington is working towards integrated ticketing for buses and trains. A combined monthly pass for bus and train travel was introduced into the Hutt Valley in 2003 called "Hutt Plus" and next year we plan to introduce combined bus and train monthly passes for the Wairarapa.

The absence of an electronic ticketing system on trains however limits the ability to look at closer integration between bus and train fare systems. We envisage a common smart card for travel on both at some time in future. However this will depend on costly upgrades to train ticketing systems. Bus and train companies are also likely to demand increased contract payments to compensate for lost revenue from integrated fares.

In the meantime our priority is funding sufficient bus capacity at the all important peak times to and from work, replacing 50 year old trains and life expired trolley buses.

Why will there be offpeak fares on trains, but not on buses?

There are currently offpeak fares on trains, but not on buses. It will be possible to introduce offpeak bus fares as well within the new fare structure, provided the necessary funding arrangements can be negotiated.

Will there still be a monthly Gold Pass?

Yes, Stagecoach Wellington will still offer the Gold Pass for unlimited monthly bus travel on its services, but the price will increase from \$80.00 to \$90.00.

Will the Daytripper and StarPass tickets still be available?

Yes, Stagecoach Wellington will still offer the Daytripper for daily travel after 9.00am in Wellington or the Hutt Valley, and the StarPass for unlimited daily travel

throughout Wellington and the Hutt Valley. The Daytripper price will be \$6.00 and the StarPass price will be \$10.00.

There should be fewer than 14 zones. Other cities manage with fewer zones.

If we were starting with a clean state we would probably have had fewer zones. However, this would have required much greater changes in fares. For example, having just one zone for Wellington City would have meant a flat fare for bus travel of perhaps \$3.00, which would have meant much more significant fare increases for many more people than those now being implemented.

It should be borne in mind that in Wellington City (except Tawa) there will be only three zones. Wellington, Porirua and the Hutt Valley will be covered by only seven zones. The full range of 14 zones only covers journeys as far as Masterton (91 kilometres, 6.5 kilometres per zone).

It may be desirable to further simplify the zonal fare structure at some time in the future.

I live in Crofton Downs. Why should I pay the same fare as someone who lives in Churton Park?

In contrast to the question and answer above, this is effectively a request for a more finely graded zonal system. Fares are a compromise between the cost of carrying a passenger a certain distance and what is perceived to be a fair fare. In reality there is very little difference in the cost of carrying a peak period passenger from Crofton Downs to Wellington or from Churton Park to Wellington. The train fare from Crofton Downs to Wellington is \$3.00 now, and the bus fare from Churton Park is \$3.00 to Wellington Station and \$3.50 to Courtenay Place. The new zonal fares will standardise all these fares at \$3.50.

Why is Paraparaumu Beach to Paraparaumu a 2 zone journey when Waikanae Beach to Waikanae is only 1 zone?

Although we believe that the new fares and fare boundaries are simpler and more rational than what they replace, we have had to make some compromises to ensure that bus companies will at least maintain their current fare revenue. In this case, making the Paraparaumu Beach to Paraparaumu Station a 1 zone journey would have meant a 25% fare reduction (from \$2.00 to \$1.50) for most passengers on 4 bus routes, which would not have been commercially viable for Mana Coach Services.

Why are you singling out Aro Valley for a fare increase by not including it in the \$1.00 City Section?

The Aro Street bus route has effectively had a special fare in recent years, in that it has had a flat 1-section fare (\$1.00) whereas other areas the same distance from the Railway Station such as Wallace Street and Pirie Street have been 2 sections (\$2.00) from the Railway Station. The fare from Aro Street to the central city will now be \$1.50 - the same as will be charged from other residential areas a similar distance from

the edges of the central city such as Thorndon, Mt Victoria and Oriental Bay.

I live in Hataitai and my bus fare is going up from \$1.00 to \$2.50.

We have been working with public transport operators for several years to rationalise fares and fare boundaries in other parts of the region, and have been waiting until a fare increase was inevitable before making changes to the structure of bus fares in Wellington City, where we are now moving from a system where there are up to 5 sections on a route to a system of 3 fare zones. On southern and eastern suburbs routes from the Railway Station, this means that the first 3 sections will be condensed into 2 zones. This means that two current section boundaries will be deleted and replaced with a new fare zone boundary halfway between them.

In the case of people travelling from Hataitai to the CBD, there are currently three fares - \$1.00, \$2.00 or \$2.50 - depending on whether a person gets on the bus before or at the Hataitai shops, and travels to or beyond Courtenay Place. Under the new regime there will be just one fare - \$2.50 - from anywhere in Hataitai to anywhere in the CBD.

We believe that \$2.50 is a reasonable fare for this journey. With a 10-trip ticket the fare reduces to \$2.00. The \$1.00 cash fare for a single section has been unrealistically low - by far the lowest short distance fare of any public transport system in New Zealand or Australia.

As with any change, there will be winners and losers in the short term. However, we believe that these new fares, once existing passengers and bus drivers become familiar with them, will be consistent throughout the region, will be much easier to explain to new users, will reduce the potential for "drama" between passengers and drivers, and will make it easier to achieve integrated ticketing solutions in the future, should funding allow.

The Johnsonville Line monthly fare is going up by 40%. How do you justify that?

The single cash fare from Wellington to any station on the Johnsonville Line is going up from \$3.00 to \$3.50 which is an increase of 17%. The current Johnsonville Line monthly fare has been priced at 20 times the single adult fare (\$60.00) whereas on the other lines the monthly fare is consistently priced at 24 times the single adult fare (which would be \$84.00 in the case of the Johnsonville Line).

We have agreed with Tranz Metro that the Johnsonville Line will, for the time being, retain a unique fare structure for 3-zone journeys (ie, journeys between Wellington and any other station on the line). The monthly fare will be \$75.00 which equates to 21.4 times the single adult fare, a 25% increase over the current monthly fare, and the Peace Train Monthly will be priced at \$55.00 (22% increase).

What about the Johnsonville Line Peace Train monthly fare?

The Peace Train monthly will be retained but will be priced at \$55.00 (22% increase).

The Peace Train monthly fare (for which there is no equivalent on other lines) is available for unlimited travel on the Johnsonville except for trains arriving in Wellington between 8.00 and 8.30 am Monday to Friday.

Why is the train fare to Manor Park increasing by 33%? Manor Park is in Hutt City, not Upper Hutt, so it should be in fare zone 5.

Manor Park is 24 kilometres from Wellington, and the fare will be \$6.00, the same as to Paremata which is 22 kilometres from Wellington.

Why is the boundary between fare zones 4 and 5 at Epuni for buses, but at Waterloo for trains.

The bus fare boundary at Epuni is consistent with the boundary at Hutt Hospital and Fairfield Shops which was introduced in 2003. However Tranz Metro is reluctant to alter its existing fare boundary at Waterloo.

Why is the Matarawa to Wellington train fare going up by 33%?

Matarawa is a small station with a waiting shelter but no platform, 7 kilometres south of Carterton and 12.5 kilometres north of Featherston. Under the new structure the Matarawa fare will be the same as the fare from Carterton, whereas currently it is the same as the Featherston fare. The adult single fare from Matarawa to Wellington will increase from \$10.00 currently to \$13.00. Because there is currently a \$2.00 fare differential between Carterton and Matarawa (\$48 in the case of a monthly pass) there is an incentive for passengers from the south end of Carterton to park and ride at Matarawa rather than Carterton. The new fare structure will remove this incentive, which will enable us to assess the true local usage of Matarawa before we commit to building a platform there to serve the new trains due to enter service in 2007.