

# Fares Review

## PT Committee Workshop 19 May 2003

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# Agenda

- Why are we reviewing fares?
- Current fares
- What we're proposing
- Market Research
- Operators
- Where to from here?

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## Why Review Fares?

- Has long been policy to standardise fares as well as to integrate ticketing
- Hutt Review highlighted issues relating to fares - that they are complicated and confusing to many people
- Fares research just completed reinforces need for simplicity and consistency

## Existing Bus Fares

- All operators have section-based cash fares for single journeys - sections are historically 1.6 km on average
- All have a 20% multi-ride discount
  - 10-trip clip tickets on Stagecoach and Tranz Metro
  - smartcards on Mana, Newlands and Cityline
- All have half fare equivalents for 5 -15 year olds, and 16 -19 year olds still at school
- Capital Explorer bus-train daily pass (\$15.00)

## Bus Fares Comparison - Adult Cash

Operator	Stagecoach Wellington	Newlands Coach Services	Mana Coach Services	Eastbourne (Cityline)	Hutt Valley (Cityline)
No. Sections					
1	\$1.00	\$1.50	\$1.40	\$1.30	\$1.30
2	\$2.00	\$2.00	\$1.60	\$1.70	\$1.70
3	\$2.50	\$2.50	\$1.70	\$2.10	\$2.10
4	\$3.00	\$3.00	\$1.90	\$2.40	\$2.40
5	\$3.50	\$3.50	\$2.00	\$3.00	\$2.60
6	\$3.50			\$3.60	\$2.80
7				\$4.20	\$3.00
8				\$4.60	\$3.30
9					\$3.60
City	\$1.00	\$1.00	N/A	\$1.00	N/A

City Section applies to journeys between Courtenay Place and Wellington Station only

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## Other Stagecoach Fares

- 10-trip clip tickets (20% discount)
- Gold Pass (adult monthly - \$75.00)
- Bus King (child monthly - \$60.00)
- StarPass (unlimited daily - \$8.00)
  - also valid on Cityline Hutt Valley
- Daytripper (daily ex. am peak \$5.00)
- Beneficiary Fare (80 cents for 1 section, \$1.20 for 2+)

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## Other Cityline Fares

- “Go Rider” smartcard (20% discount)
- “Go Rider” monthly
- “Go Rider” child term pass
- StarPass (unlimited daily - \$8.00)
  - also valid on Stagecoach Wellington
- Daytripper (daily except AM peak \$5.00)
- Senior Citizen 10-trip “Go Rider”

## Other Fares Mana/Newlands

- Smartcard (20% discount)
- Term Passes for school students (Mana)

## Other Fares

- Stagecoach Flyer has premium fares starting at \$2.00 with 50 cent increments
- After Midnight has premium flat fares
- Wairarapa has 3 bus fare schedules
- Otaki, Camborne Shopper, Wai-iti Shopper and Haywards Connection services all have own fare schedules
- Runciman Motors has own fares for commuter and school services

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## Rail Fares

- Tranz Metro currently uses \$1.50, \$2.00, \$2.50, \$3.00 fare structure (up to \$13.00 for Wellington to Masterton) but without reference to buses
- Off Peak cash fares valid interpeak on main lines and all times except peak on Johnsonville line
- 10-trip clip tickets (20% discount)
- Monthly passes (station to station) for adults and children

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## Rail Fares cont'd

- Term passes for school travel (priced very low - eg, Paraparaumu to Wellington is \$96.00 per term which equates to \$1.10 per one-way journey. Adult monthly for same period would be \$380.00)
- Excursion tickets
  - Day Rover (daily ex. AM peak \$10.00) and 3 Day Weekend Rover (Fri - Sun \$15.00)
  - Family Ticket (daily ex. AM peak \$15.00)
  - Wairarapa Day Excursion (\$15) and Family Ticket (\$30)
  - Stadium Event tickets

## Market Research

NFO has completed market research aimed at:

- understanding perceptions of existing fares and tickets
- identifying the ideal fare structure
- testing reactions to a proposed zonal fare structure

## Fares For Seniors

- Research shows strong support for a 50% discount for people receiving New Zealand Superannuation (ie, 65 years +)

## Fares for Older Teenagers

- Market research shows support for continued half fares for students at secondary school (currently 16-19 year olds)
- Opinion divided on discounts for tertiary students
- Administratively easiest would be universal discount available until a certain age (eg, 18 or 20)

## Fares For Other “Beneficiaries”

- Virtually no support for concessions to other groups on the grounds that they already receive Government support (this logic is not applied to the elderly)

## Where Are The Bus Companies At?

- Managers observed some/all fares focus groups
- Acknowledge need for greater simplicity and consistency
- Offering integrated daily bus ticket and (with Tranz Metro) a Capital Explorer for groups
- Comfortable with \$1.50 base fare with 50 cent increments
  - not comfortable at this stage with \$2.00 base fare with \$1.00 increments
- Yet to agree to all details about fare boundaries - some concerns about revenue implications



## Where Are The Bus Companies At?

- Happy with 50% senior fare, subject to more generous GW reimbursement and GW issuing photo ID
- Preference for universal 50% youth fare to age 18 or 20, subject to more generous GW reimbursement and GW issuing photo ID (rather than proof of attendance at school/uni/poly)

## What About Rail?

- \$1.50 + 50 cents is already used by Tranz Metro
- Some adjustments would be needed to achieve compatibility between bus and train “zones”
- Suggest new contract specifies agreed fare structure
- October assumed to be not achievable

## What About Train/Bus?

- Tranz Metro has agreed to sell train + bus monthlies in Hutt Valley (TM will keep rail portion of price in full)
- No further progress as yet

## Why New Fares In October?

- Hutt Valley new bus services will be implemented then - gross contracts mean no revenue risk for Cityline
- Nearly half of all remaining bus contracts will be re-tendered for October, meaning revenue impact of new fares can be taken into account

## What Needs To Happen Before October?

- Agree with operators on details of fares and zone boundaries
- Seek feedback from users/community
- PT Committee to ratify new fare structure and decide whether it's prepared for GW to fund fares for seniors and youth