

November 2014 Fare Compliance Survey Results



Key highlights

Transport for NSW has delivered a **significant improvement** in fare compliance since 2012, with the 2014

\$ survey estimating savings of \$24 million.

Results from the 2012 survey were used over the last two years to inform and target problem areas across the network and this has **proven very successful**.

Rail fare compliance is estimated to be 93.8%, from 91.7% in 2012:

↑ an improvement of 2.1 percentage points.

Rail concession misuse approximately halved:

↓ from 4.2% in 2012 to 1.9% in 2014.

Ferry concession misuse is down by more than two-thirds:

↓ from 2.1% in 2012 to 0.7% in 2014.

Early indications reveal a **positive impact on fare compliance** since introducing Opal.

Survey background

- In November 2012, The Bureau of Transport Statistics (BTS) commissioned the first ever fare compliance survey since the establishment of Transport for NSW (TfNSW). The second survey took place in November 2014, with ongoing surveys planned every May and November.
- The surveys are designed to measure the incidence of non compliance and associated revenue loss across the public transport network. This work identifies problem areas and helps the NSW Government develop strategies to improve both fare compliance and revenue.
- The 2012 survey included bus, train and ferry. TfNSW began its contract with the Light Rail operator in July 2013; consequently light rail was not included in the 2012 survey.
- The 2014 survey was held in November and involved checking more than 61,000 tickets across train, ferry and light rail modes. Bus was excluded as customers were travelling under a grace period due to the Opal rollout and an accurate baseline for fare compliance could not be determined.
- The data collected includes both Opal and Magnetic Stripe Ticket (paper ticket) customers.
- Customers identified as not complying included those not having a ticket, concession misuse, and overriding. Customers identified as having no ticket at all were allocated to the Magnetic Stripe Ticket category.
- The latest survey showed an improvement in fare compliance from 2012, saving the NSW government \$24 million.

Survey snapshot

Fare compliance by mode

Mode	2012	2014	Change
Rail	91.7%	93.8%	+2.1%
Sydney Ferries	95.1%	97.1%	+2.0%
Buses	84.7%	-	-
Sydney Light Rail	-	93.5%	-

Non compliance (%) by time of day (weekday)

Mode 2014	AM peak	PM peak	OFF peak
Rail (total)	5.8%	6.1%	5.9%
Sydney Trains	5.6%	5.7%	5.7%
NSW Trains	9.0%	11.9%	9.4%
Sydney Ferries	6.0%	2.6%	3.1%
Sydney Light Rail	1.8%	7.1%	7.1%

Non compliance (%) by day type

Mode 2014	Weekday	Weekend
Rail (total)	5.9%	7.9%
Sydney Trains	5.6%	7.6%
NSW Trains	10.2%	12.3%
Sydney Ferries	3.5%	1.7%
Sydney Light Rail	5.9%	8.6%

Non compliance type (%) by mode

Mode 2014	Not having a ticket	Concession misuse	Overriding
Rail (total)	4.2%	1.9%	0.2%
Sydney Trains	4.0%	1.8%	0.2%
NSW Trains	7.5%	2.9%	0.1%
Sydney Ferries	2.1%	0.7%	0.1%
Sydney Light Rail	4.8%	1.6%	0.0%

Non compliance lost revenue by mode

Mode 2014	Not having a ticket (\$ '000)	Concession misuse (\$ '000)	Overriding (\$ '000)
Rail (total)	42,300	17,000	400
Sydney Trains	35,500	14,300	300
NSW Trains	6,800	2,700	50
Sydney Ferries	1,000	500	5
Sydney Light Rail	800	90	2

Estimated revenue loss

Mode	2012* (\$ '000)	2014 (\$ '000)	Revenue saving (\$ '000)
Rail	81,200	59,700	21,500
Sydney Ferries	4,100	1,500	2,600
Total train & ferry	85,300	61,200	24,100

*Applying 2012 fare evasion rate with 2014 fare prices and patronage

Opal card vs. magnetic stripe ticket (paper) non compliance

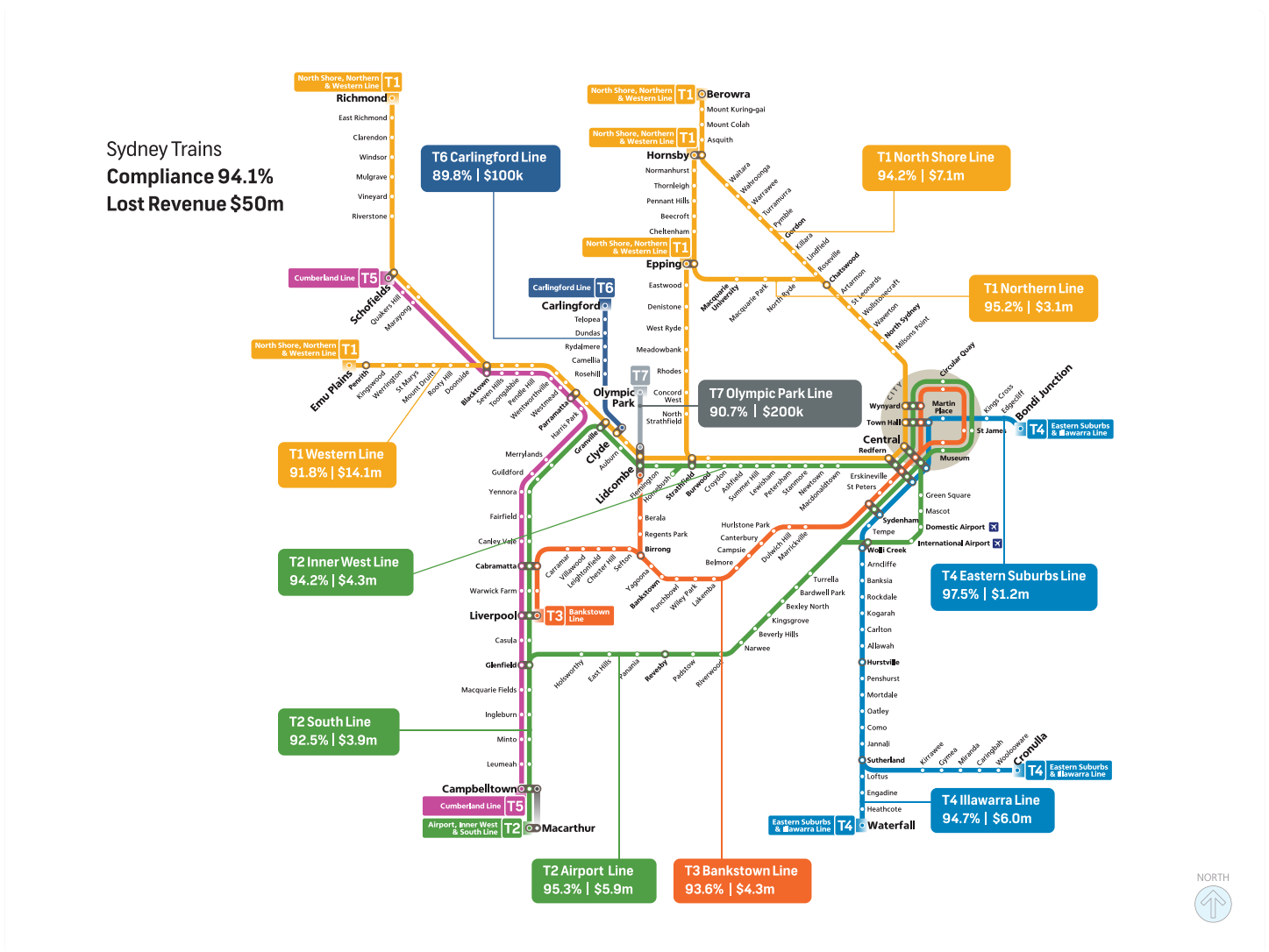
Mode	Opal	Paper	Non compliance rate (Total)
Rail (total)	1.5%	4.7%	6.2%
Sydney Trains	1.5%	4.5%	5.9%
NSW Trains	1.5%	9.0%	10.5%
Sydney Ferries	1.2%	1.7%	2.9%
Sydney Light rail	-	6.5%	6.5%

Note: The survey was undertaken in November 2014 when the roll out of Opal was still underway. Not all customers were able to obtain an Opal card at this time.

Fare compliance by mode

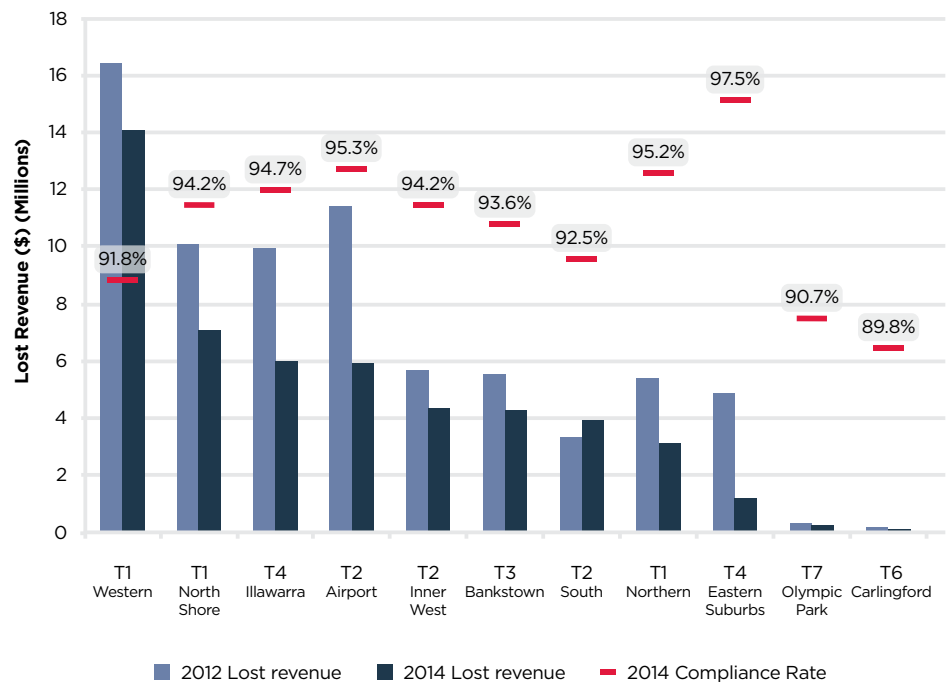
Sydney Trains

Sydney Trains Network Map – Fare compliance survey results



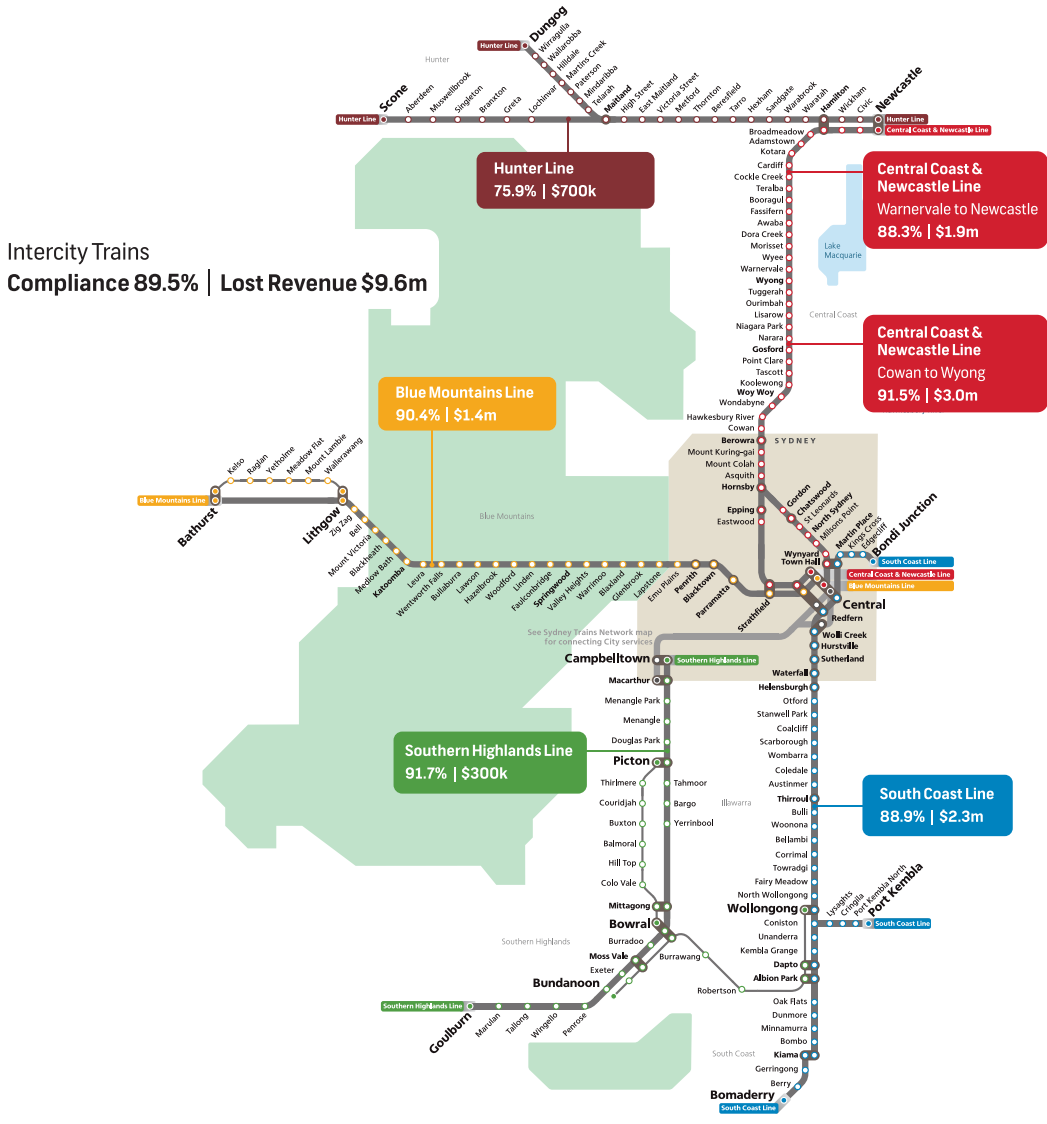
- Sydney Trains fare compliance rate is estimated to be 94.1%, with annual revenue lost estimated at \$50 million.
- Compared with 2012, fare compliance has improved on 10 of the 11 lines, saving \$23 million.
- The Eastern Suburbs line had the largest improvement in compliance (89.0% to 97.5%). Other notable improvements were on the Airport line (91.5% to 95.3%), and the Illawarra line (91.6% to 94.7%).
- Fare compliance improved on the Western line, but this line still accounts for 24.0% of all lost rail revenue at \$14.1 million.

Fare compliance rate and lost revenue for Sydney Trains



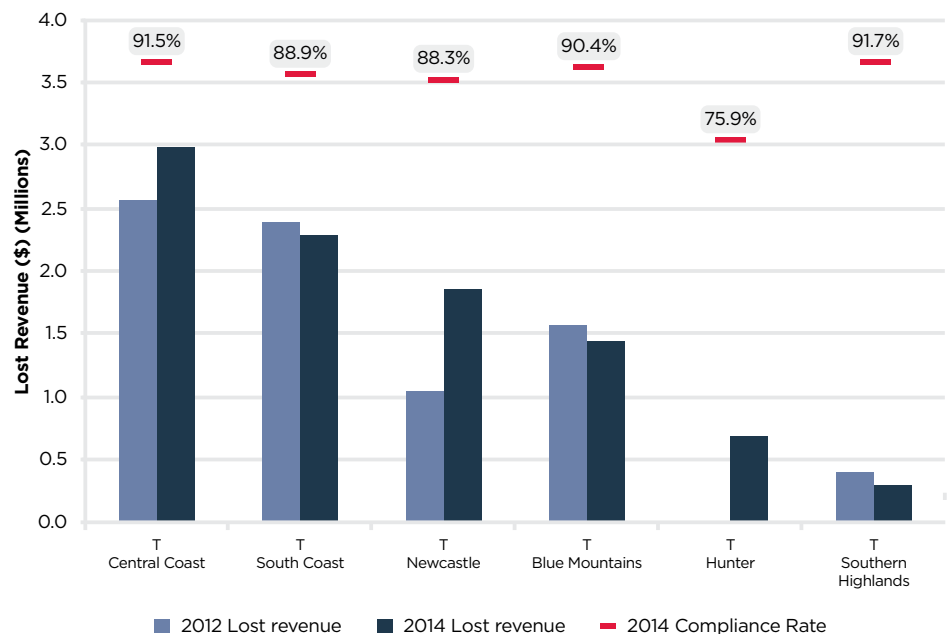
NSW Trains

NSW Trains Network Map – Fare compliance survey results



- NSW Trains fare compliance is estimated to be 89.5%, with annual revenue lost estimated at \$9.6 million.
- Fare compliance worsened from 2012, costing \$9.6 million in 2014, increasing \$1.6 million, from \$8 million in 2012.
- Fare compliance decreased across the majority of NSW Trains lines – only the Southern Highlands line had an improvement.
- Central Coast & Newcastle (Cowan to Wyong) and South Coast lines accounted for the majority of revenue lost because of higher patronage on these lines.

Fare compliance rate and lost revenue for NSW Trains¹



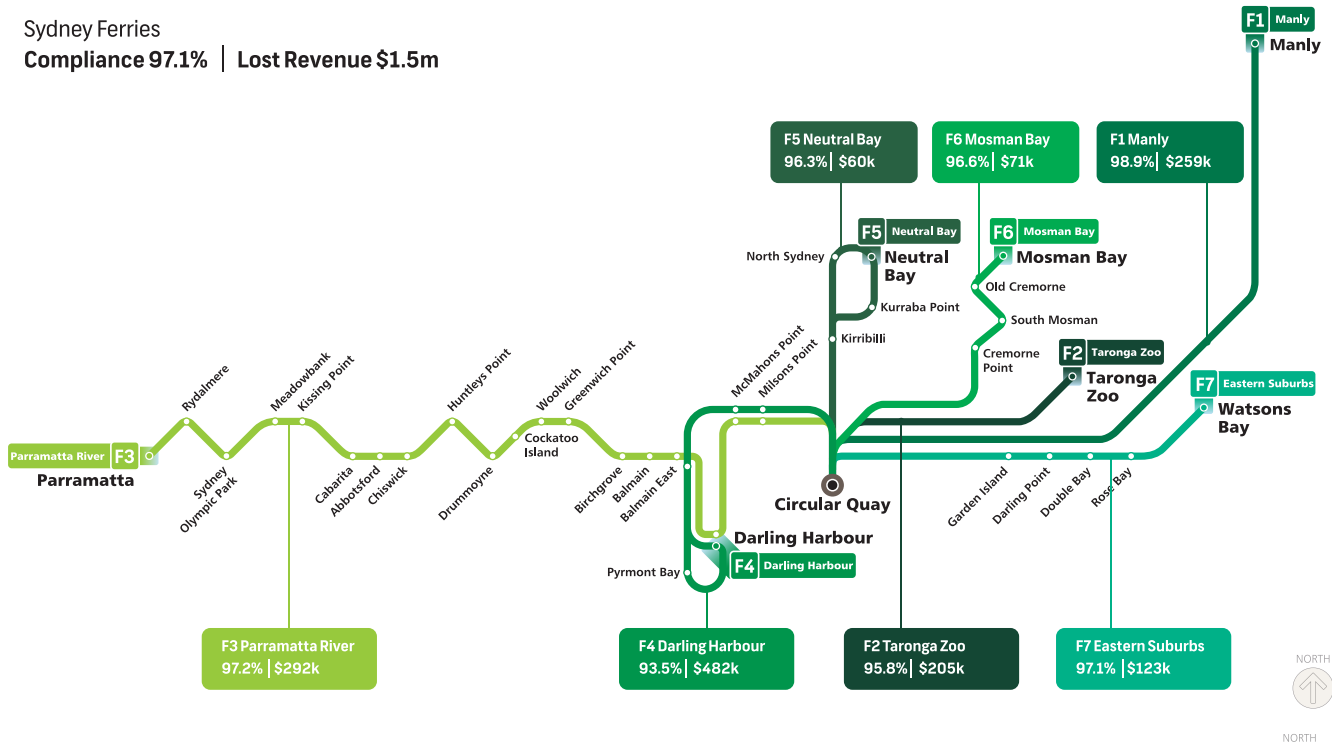
¹ The Hunter line was not surveyed in 2012.

Sydney Ferries

Sydney Ferries Network Map – Fare compliance survey results

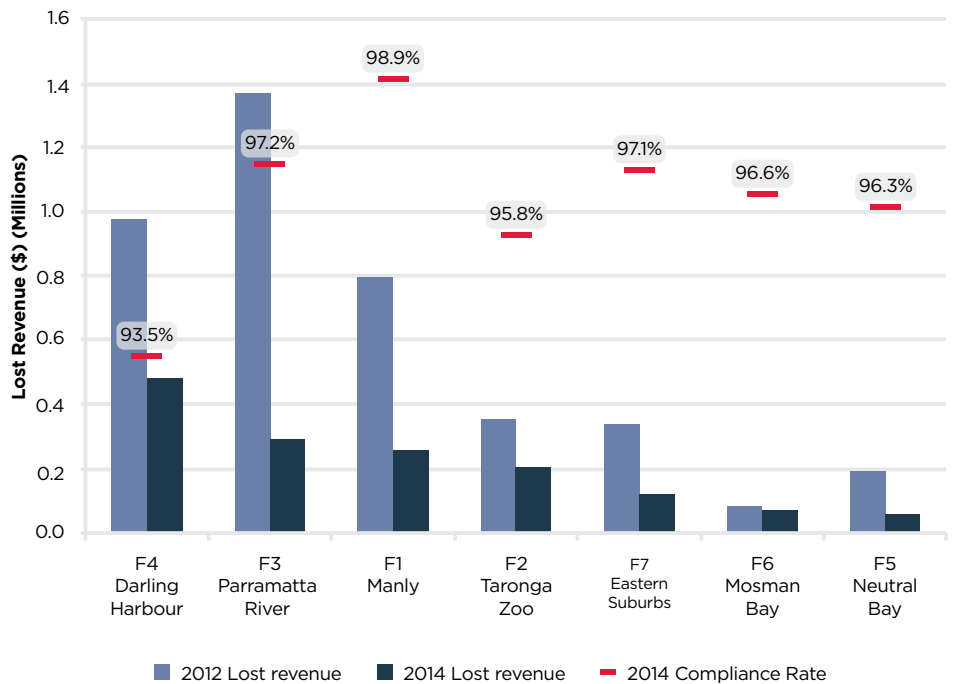
Sydney Ferries

Compliance 97.1% | Lost Revenue \$1.5m



- Ferry fare compliance is estimated to be 97.1%, up from 95.1% in 2012: **an improvement of 2 percentage points, with non compliance estimated to cost \$1.5 million.**
- Approximately 60% of those evading fares (1.7%) were using paper tickets and 40% (1.2%) were using Opal cards.
- Compliance was lowest on the Darling Harbour service, at 93.5% with an estimated loss of \$482,000.

Fare compliance rate and lost revenue for Sydney Ferries²



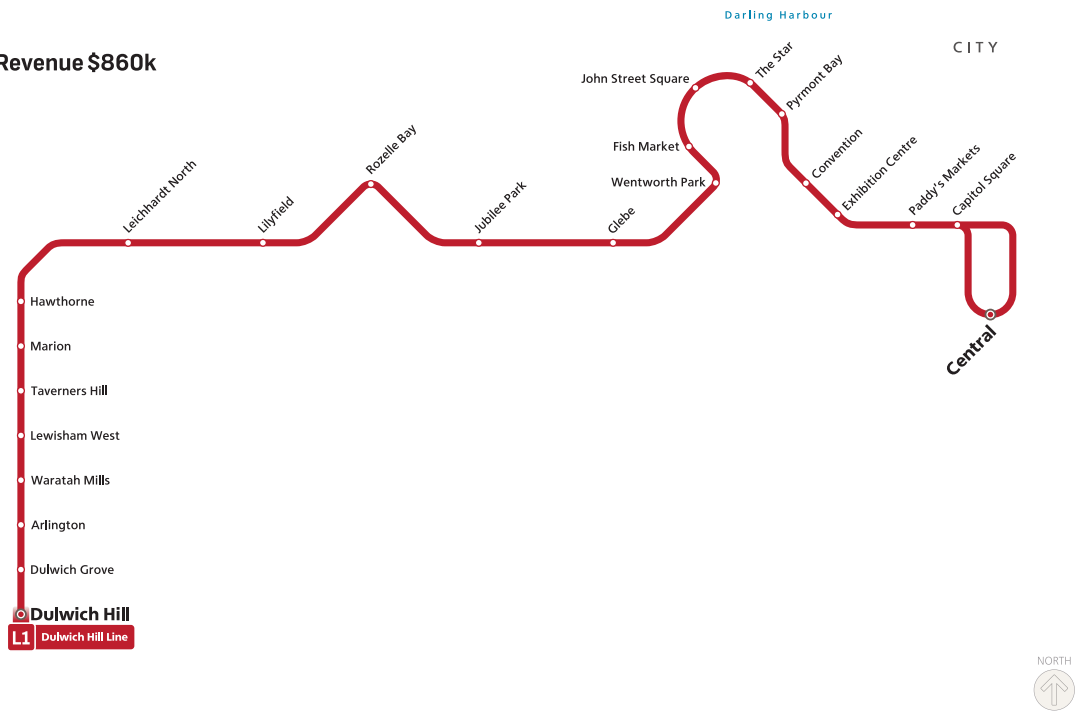
² In 2012, the number of non compliant trips and associated lost revenue from Parramatta and Darling Harbour ferry services were estimated from one combined non compliance rate. Lost revenue and number of non compliant trips for these two services were proportioned based on the patronage.

Light Rail

Light Rail Network Map – Fare compliance survey results

L1 Dulwich Hill Line

Compliance 93.5% | Lost Revenue \$860k



- Light Rail fare compliance is estimated to be 93.5%. Light Rail was not surveyed in 2012.
- Opal was not operational on light rail until December 2014.
- Fare compliance was significantly lower in the PM peak and weekday Off peak (both at 92.9%) compared to AM peak at 98.2%.



Summary of non compliant trips for all modes

Mode	2012 Number of non compliant trips (‘000)	2012 Compliance (%)	2014 Number of non compliant trips (‘000)	2014 Compliance (%)
Sydney Trains				
T1 - North Shore	3,555	92.1	2,613	94.2
T1 - Northern	1,897	92.1	1,161	95.2
T1 - Western	5,023	91.1	4,630	91.8
T2 - Airport	3,001	91.5	1,665	95.3
T2 - Inner West	2,171	92.9	1,777	94.2
T2 - South	1,159	93.8	1,390	92.5
T3 - Bankstown	2,277	91.2	1,655	93.6
T4 - Eastern Suburbs	1,916	89.0	444	97.5
T4 - Illawarra	3,432	91.6	2,187	94.7
T6 - Carlingford	59	84.7	39	89.8
T7 - Olympic Park	105	96.8	74	90.7
Sydney Trains Total	24,594	-	17,635	94.1
NSW Trains				
T - Blue Mountains	323	90.6	329	90.4
T - Central Coast	510	93.4	641	91.5
T - Newcastle	205	93.7	413	88.3
T - Southern Highlands	79	89.0	60	91.7
T - South Coast	488	89.2	503	88.9
T - Hunter	-	-	215	75.9
NSW Trains Total	1,604	-	2,160	89.5
TOTAL TRAIN	26,198	91.7	19,795	93.8
Ferry				
F1 - Manly	145	97.6	68	98.9
F2 - Taronga Zoo	69	94.8	55	95.8
F3 - Parramatta River ²	241	92.0	85	97.2
F4 - Darling Harbour ²	173	92.0	142	93.5
F5 - Neutral Bay	45	92.5	22	96.3
F6 - Mosman Bay	18	97.0	21	96.6
F7 - Eastern Suburbs	77	95.3	48	97.1
TOTAL FERRY	769	95.1	442	97.1
Light Rail				
TOTAL LIGHT RAIL	-	-	283	93.5

² In 2012, the number of non compliant trips and associated lost revenue from Parramatta and Darling Harbour ferry services were estimated from one combined non compliance rate. Lost revenue and number of non compliant trips for these two services were proportioned based on the patronage.