

12 September 2017

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Dear Greg

Better Metlink Fares

1. Thank you for the opportunity to submit on the *Better Metlink Fares* consultation document.
2. Overall, Kāpiti Coast District Council supports GWRC's vision to get more people using public transport and to ensure Wellington's public transport network remains the best in New Zealand. Council also acknowledges the need for a simplified, integrated, and more efficient fares and ticketing system.
3. Council supports most of the proposed changes, but maintains reservations about those that are likely to result in fare increases for low income residents and/or appear to be missed opportunities for improving services for other disadvantaged groups.

Demographics of note in Kāpiti

4. The *Guidelines for preparing regional public transport plans* recommends that regional councils (i) identify who may be transport-disadvantaged, (ii) understand their transport needs and (iii) consider possible interventions.¹
5. In the initial stages of this project, GWRC completed a review of public transportation concessions in Australia and New Zealand and determined that the following groups needed to be considered for ongoing, improved or new concessions because they were deemed to be at risk of transport disadvantage:
 - a) school children;
 - b) tertiary students;
 - c) visually impaired;
 - d) permanently disabled;
 - e) seniors/pensioners;

¹ NZ Transport Agency. *2013 guidelines for preparing regional public transport plans*. p22-24.

- f) war veterans; and
 - g) low income earners.²
6. While the proposed changes provide new and/or improved concessions for the first four categories, the review appears to have missed the opportunity to improve concessions for seniors/pensioners, war veterans, and low income earners.
7. These concessions are particularly important to our Council because Kāpiti District has the largest percentage of SuperGold Card eligible residents, and the 2nd highest percentage of low income households, in the Wellington Region (Table 1).

Table 1: Low income households and SuperGold card holders by TA

	Low income households (less than \$30k per annum)	SuperGold Card eligible (aged 65 and over)
Kāpiti Coast	23%	25.3%
Carterton	22%	18.7%
Hutt	17%	12.9%
Masterton	26%	19.1%
Porirua	14%	10.3%
South Wairarapa	21%	19.5%
Wellington City	12%	9.5%
Upper Hutt	18%	14.5%
Wellington Region	16%	11.4%
New Zealand	19%	12.3%

Source: Statistics New Zealand, Census of Population and Dwellings 2013. Compiled by .id, the population experts.

8. Because these two population groups are particularly vulnerable to transport disadvantages, Council maintains concerns about the impacts of the proposed Metlink fare changes on these two groups.

Proposed Metlink fare changes

9. Council supports the following proposed changes:
- a) a 3% fare increase (recognising that this is the first increase since 2013);
 - b) a 25% discount for full-time tertiary students;
 - c) a 25% discount for blind or disabled customers; and
 - d) a 50% discount for all school children (5 to 18 years).
10. On the other hand, Council maintains some concerns about the following proposed changes, because they could lead to unintentionally negative consequences for some passengers:
- a) a 25% off-peak discount;
 - b) a 25% premium for all cash fares;
 - c) free bus connections to trains when using a rail monthly pass;
 - d) the Metlink Explorer day pass, which will replace other day passes; and

² GWRC. *Fare Review 2016 – Policy areas and the PT Plan*. November 2016. p2.

- e) the discontinuance of the return rail events ticket.
11. Council acknowledges that the proposed 25% off-peak discount is designed to reduce peak demand and improve affordability for those travelling outside peak periods. Council also acknowledges that SuperGold Card holders (i.e. over 65 or on a Veteran's pension) already receive concessions at off-peak hours.
 12. Our concerns with off-peak concessions, however, are the assumptions that passengers:
 - a) can choose to travel during off-peak hours;
 - b) can choose to purchase a Snapper or a 10-trip rail pass in order to take advantage of the discount; and
 - c) have access to public transportation during off-peak hours in their communities.
 13. In some communities, transportation options during off-peak hours – particularly for buses – are limited. This means that these passengers (particularly those in Ōtaki and semi-rural areas, as an example) cannot benefit from off-peak concessions unless more bus runs are offered in their communities. Without increased off-peak availability, these residents will suffer increased peak fares in order to support off-peak discounts for others.
 14. Moreover, many that are traveling for work or appointments do not have the option to travel during off-peak hours. While some passengers will easily weather increased peak fares, those that are on low or fixed incomes will not. It appears as if this vulnerable passenger group has been overlooked in the allocation of new and/or improved concessions (unless they qualify under another category).
 15. For similar reasons, Council is concerned over the proposals to charge a 25% premium for all cash fares. To take advantage of this discount, passengers must make an upfront investment of a 10-trip ticket, a monthly pass, or a Snapper card. While these costs (even the \$10 Snapper card) might appear inconsequential to some, they can be significant for a household living on less than \$30,000 per annum. The same argument could also be made in regards to free bus connections to trains for those with a monthly pass. While this concession already exists in Kāpiti, we note that it is only an option for those that are able to purchase a monthly pass.
 16. Finally, Council understands GWRC's desire to simplify day passes by offering one Metlink Explorer day pass. We note, however, that this pass will cost \$20 to \$25 for Kāpiti residents (traveling between zones 1 to 10 or 13). With the discontinuance of the Day Rover (\$14), the Weekend Rover (\$21) and the Return Rail Event tickets (\$12), this new day pass will be considerably more expensive for Kāpiti residents that are not regular users. While the consultation document suggests that passengers could travel return-trip between Waikanae and Wellington for \$15.40 off-peak, as an example, this assumes that the passenger is entitled to off-peak discounts because they own a 10-trip ticket, a Snapper card or a monthly pass. While we would like to see more residents traveling by rail into Wellington, particularly for occasional trips, we are concerned that this new

fare structure could discourage further uptake from Kāpiti residents, particularly for occasional rail users.

17. Council recognises that new and improved concessions for children and young people, tertiary students and accessibility challenged passengers will come at a cost, but maintains some concerns that those costs will fall too heavily on residents who are on a low or fixed income, SuperGold Card holders or occasional users.
18. To remedy these concerns, Council encourages consideration of the following:
 - a) provide concessions for low or fixed income passengers so they could ride at more affordable rates during peak times;
 - b) work with other agencies, such as Work and Income New Zealand, to assist low or fixed income passengers to purchase 10-trip tickets, monthly passes or Snapper cards so they can take advantage of reduced fares;
 - c) provide concessions for SuperGold Card holders who must occasionally ride during peak hours (e.g. a special 10-trip ticket for SuperGold Card holders that could be used during peak hours);
 - d) ensure adequate public transportation during off-peak hours;
 - e) consider potential reductions to the proposed concessions to tertiary students, school students, and blind or disabled passengers (e.g. 20% rather than 25% discounts) so that other vulnerable groups can be offered concessions as well; and
 - f) explore whether the proposed cost of the new Metlink Explorer day pass might be too high, resulting in reduced uptake of public transportation for some Kāpiti users.
19. Kāpiti Coast District Council appreciates the opportunity to comment on these Metlink fare proposals. We thank you for considering our feedback.

Yours sincerely



Pat Dougherty
Chief Executive