

DEPUTY PREMIER



**MINISTER FOR TRANSPORT
MINISTER FOR STATE DEVELOPMENT
JOHN WATKINS MP**

NEWS RELEASE

\$32M COUNTRYLINK REFORM PACKAGE SECURES FUTURE RAIL SERVICES

Tuesday 27th September 2005

Deputy Premier and Minister for Transport John Watkins today announced a multi-million dollar reform package to secure CountryLink's future, improve services and boost patronage.

Mr Watkins said the reforms included a \$32 million refurbishment of CountryLink's rolling stock and the continuation of all existing CountryLink train and coach services.

Mr Watkins said the package included:

- A \$32 million refurbishment of CountryLink's XPT carriages, including interior renovations, with the first of the 'new-look' trains expected to be in service by the end of 2005;
- New, competitive discount fares from 1 November 2005 to replace existing advance purchase discounting arrangements;
- A restructure of CountryLink sales and booking offices, including the relocation of some metropolitan booking facilities from travel centres to designated CityRail ticket windows and changes to staffing arrangements;
- New options for booking and paying on line through www.countrylink.info, or paying for CountryLink tickets at Australia Post outlets;
- An eight per cent increase in CountryLink fares from 1 November 2005 to meet increased fuel costs (5.2%) and to bring fares in line with the Consumer Price Index incurred since the last fare increase in August 2003 (2.8%). Recent fuel-related increases on airline ticket prices have been between 10 and 16 per cent;
- The introduction from 1 March 2006 of a minimum \$10 or 15% booking fee for pensioners using one of their four annual travel vouchers; and
- An increase from \$2.20 to \$2.50 for all Country Pension Excursion Tickets from 1 March 2006, which will now apply to a continuous single journey, rather than a return ticket. This brings it into line with PETs issued for metropolitan transport.

Mr Watkins said the reform measures were being delivered in response to the Ministerial Inquiry into Sustainable Public Transport conducted by Dr Tom Parry in late 2003.

The Inquiry had recommended the replacement of many CountryLink train services with coaches – an option which was rejected by the community and the Government.

“The Parry Report found it would be difficult for CountryLink to sustain rail services while it experienced significant falls in patronage and was losing around \$150 million a year,” Mr Watkins said.

“The discount airline industry and high fuel prices have exacerbated the problems CountryLink faced.

“To protect commuters who want a continued rail option, the Government has made a number of changes in an effort to secure CountryLink’s future and boost patronage.

“The measures concentrate on the retention and improvement of CountryLink’s existing rail and coach services to improve customer service and satisfaction.”

RailCorp CEO Vince Graham said the Parry Report led to the establishment of a number of CountryLink Solutions Teams, which consulted with local communities on options for reforming services.

“Community representatives overwhelmingly indicated they were prepared to accept modest fare increases and booking changes in order to keep the existing services,” he said.

“And customers now have more options for booking and paying for CountryLink tickets.

“In many metropolitan areas, including Newcastle and Gosford, passengers can book and pay for their tickets through CityRail ticket windows outside of commuter peak periods, or take advantage of the new online booking option or pay-at-post arrangements.

“CountryLink will retain its NSW booking offices in regional and rural areas, though they may operate at different hours and with changed staffing arrangements.

“Some booking offices will close at stations on the CityRail network but the facilities at Central, Strathfield, Parramatta and Broadmeadow Stations will remain.”

The reforms will not result in forced redundancies at CountryLink.

“Staff who are affected by these changes will be offered the opportunity for redeployment within RailCorp, or voluntary redundancy packages, after an extensive consultation process. Negotiations with the relevant rail unions are already underway,” Mr Graham said.

In December 2004, CountryLink relocated its main reservations call centre from Sydney to Newcastle, generating 92 jobs for the region. Another 64 CountryLink jobs are being transferred to Dubbo, Grafton, Albury and Junee as part of the reforms.

Mr Watkins also revealed RailCorp had awarded a contract to Sunstate Charters Pty Ltd to provide CountryLink services between Casino and Murwillumbah. He said Sunstate had been providing the service on an interim basis since the XPT ceased operating on the Casino-Murwillumbah Line in April 2004.

“The Government focus on improved safety and convenience has resulted in a contract with Sunstate which requires the company to provide fully-accessible coaches within six months - well ahead of the 12-month timeframe usually granted under such contracts”.

Contact: Michelle Stone 0400 280467