

Submission on the Wellington Regional Public Transport Plan Discussion Document on behalf of the Victoria University of Wellington Students' Association.

To the Greater Wellington Regional Council,

## 1. Victoria University of Wellington Students' Association (VUWSA)

- 1.1. VUWSA is the official representative body for the students of Victoria University and represents around 22,000 students. Occasionally VUWSA makes submissions on policy issues that affect students, based on student-mandated policy.
- 1.2. The Victoria University of Wellington Students' Association (VUWSA) welcomes the opportunity to submit on the Plan, which will have a significant impact on students in the Wellington region.

### 2. Summary

- 2.1. Concession fares should be available for tertiary students.
- 2.2. Currently public transport costs are a significant part of the weekly expenditure of many students. They present a significant barrier to students in accessing education and wider community activities and services, as well as affecting their ability to meet other expenses such as food and rent.
- 2.3. Tertiary students should be recognised as "transport disadvantaged". This is because students:
  - a) have significantly lower incomes than the general population and most must borrow to live;
  - b) are less likely to be able to drive;
  - c) are less likely to be able to afford a car, running costs and car parking;
  - d) are often living in locations not close to their educational institution;
  - e) are more likely to rely on public transport to get to their educational institution:
  - f) are much less likely to be dependent on parental income support than high school students.
- 2.4. Providing concession fares to tertiary students will reduce the barriers to education in the Wellington community.
- 2.5. Concession fares will reduce the barriers to accessing the wider community activities and services, by reducing the cost of traveling to and from town and other areas in Wellington.

2.6. Concession fares will be a small step to promoting Wellington as a destination for students, both domestically and internationally and promoting their involvement with the wider community and cultural activities on offer.

# 3. Tertiary Context

- 3.1. For the majority of students, current living expenses outweigh their income and they are forced to borrow to live. When you are a student, every cent counts. Students are the only group in society forced to borrow to live. Therefore it is important to appreciate the situation of tertiary students in order to fully understand why considerably more attention needs to be paid to them in the Greater Wellington Regional Transport Plan and why access to concession travel for students is important.
- 3.2. The following information is sourced from the 2007 Student Income and Expenditure Survey. This comprehensive study is produced triennially to learn more about the financial situation of students and is the only study of its kind in the country. It is noted that the trends felt in 2007 have continued and the situation is most likely to be worse.

# **Student Expenditure**

- 3.3. The most common items paid for on a weekly basis were food (88%), local transport (76%, with a mean spend of \$38 and a median spend of \$30) and accommodation (72%).
- 3.4. Food costs increased from \$61 per week in 2004 to \$73 per week in 2007.
- 3.5. Expenditure increased by 6% since 2004 to an average weekly living expense of \$273. On average expenditure on food, transport, accommodation, general bills and miscellaneous all increased significantly since 2004.
- 3.6. Similarly, the average annual living expenses increased significantly textbooks and course costs, travel outside of town and medical/dental/optical expenses.

Example situation: The average New Zealand tertiary student has a weekly income of \$223. An average of \$142 per week is spent on accommodation, \$73 on food and \$38 on public transport. Before anything is spent on medical, dental, clothing, or entertainment students already have a weekly deficit of \$30 per week.<sup>1</sup>

# **Student Living Situations**

3.7. Fewer students were either partially or totally supported by another adult (e.g. by family or partner) in 2007 than in 2004.

<sup>&</sup>lt;sup>1</sup> New Zealand Union of Students' Associations, *Student Income and Expenditure Survey Report of Findings*, 2007, pg.53.

- 3.8. Almost 1 in 5 students now have dependent children.
- 3.9. The most common form of accommodation was a rental home/flat, with 41% of students living in a rental home/flat over summer, while 50% did so during the year.

# **Decrease in Student Earnings**

- 3.10. Income earned by students in 2007 decreased by \$3,110 on average since 2004. This suggests that students are more dependent on debt to sustain the increases in their expenditure and tuition fees.
- 3.11. Significantly more students earned under \$5000 in 2007 (56%) than in 2004. Significantly fewer students earned between \$10000 and \$20000 than in 2004.
- 3.12. 90% of fulltime students undertook some form of paid work during the academic year, an increase from 81% in 2004.<sup>2</sup>

### 4. Specific Comments

- 4.1. It is of great concern that tertiary students are not mentioned in Greater Wellington Regional Transport Plan. The plan fails to take into account that there are students beyond those at secondary schools who are often in a considerably worse financial position and lack the supportive environment than those currently targeted with concession fares.
- 4.2. VUWSA strongly contends that tertiary students qualify as those who are "transport disadvantaged" and should be considered with a fare schedule that recognises their dependence on public transport, their unique financial and living situations and their frequent use.
- 4.3. Students are a captive market because many have no transport choices other then public transport. 45% of students use passenger transport, 35% walk, while only 15% use private cars to travel to Victoria.<sup>3</sup>
- 4.4. Regional public transport is crucial to many students who study at Victoria University. This had become even more important with the move to a Multicampus University spread between Te Aro, Thorndon, Karori, Mt Cook and Kelburn.
- 4.5. VUWSA currently provides students traveling between campuses with free 10 trip clip tickets. Although this is beneficial for students, the requirements to

<sup>&</sup>lt;sup>2</sup> New Zealand Union of Students' Associations, Student Income & Expenditure Survey Summary of Findings, 2007.

<sup>&</sup>lt;sup>3</sup> Victoria University of Wellington, *Victoria University: Travel Plan Scope Statement*, June 2007, pg.4.

- receive a 10-trip ticket are strict and only apply to bus routes between campuses and for students having classes at two campuses on the same day.
- 4.6. The citywide roll out of the Snapper system will require rethink of how VUWSA provides this 10-trip ticket service. This rethink will present a great opportunity to address the issues of concession fares for tertiary students in a similar way as high school students have a combined student I.D card and Snapper Card giving them cheaper fares.
- 4.7. Cheaper and more flexible public transport, including a tertiary student concessions and the need for an increased frequency, capacity and hours of operate are recurring pieces of feedback received from students.<sup>4</sup>
- 4.8. Students opting for or being forced to live in areas of cheaper accommodation that are significantly further away from University in places like Newtown, Island Bay, Karori, Lyall Bay and Miramar should have access to affordable and equitable access to public transport to travel to study. Any savings in accommodation is eliminated in extra spending on transport.
- 4.9. Any introduction of concession fares for tertiary students is likely to increase public transport usage given how expensive it is currently as those who previously walked or used other methods of transport and avoided paying high fares start to use affordable public transport.

# 5. Other Case Studies

5.1. Many modern cities, with far more complex transport networks than that of the Wellington region have concession fares for tertiary students. This is something the Wellington Greater Regional Council should aspire to emulate.

### **Auckland**

- 5.2. Full-time tertiary students enrolled and attending an accredited, approved full time tertiary course at a registered institute or private training company within the Auckland region are eligible for a discount of 40% off selected off selected bus, train and ferry fares. The discount is off the adult cash fare and applies to purchases of tertiary 10-ride ticket and 7-Day Northern Passes.<sup>5</sup>
- 5.3. In addition to these tertiary students have access to a regular and free city centre circuit bus that takes in the main city centre campuses of Auckland University and Auckland and smaller tertiary providers in the central business district.

#### **Australia**

\_

<sup>4</sup> ihid ng 8

<sup>&</sup>lt;sup>5</sup> Max Auckland Regional Transport, *Tertiary Student Discounts*, http://www.maxx.co.nz/pricing-passes/tertiary-student-discounts-.html, accessed Monday 26<sup>th</sup> April 2010.

- 5.4. Access to tertiary concession travel varies for each state and territory in Australia. For example the Northern Territory has the most equitable approach to tertiary concessions in the nation, closely followed by South Australia and Tasmania. However in New South Wales and Victoria postgraduate and international students are denied similar level of access to concession travel enjoyed by other students.<sup>6</sup>
- 5.5. The importance of concession fares for tertiary students especially international fee-paying students and was highlighted by a report from Universities Australia when they:

[recommended] that Council of Australian Governments (COAG) officials endorse, and the Ministerial Council for Tertiary Education and Employment (MCTEE) move to adopt a nationally consistent policy of extending common transport concessions to all full-time tertiary students in Australia.<sup>7</sup>

#### 6. Conclusion

- 6.1. VUWSA thanks the Great Wellington Regional Council for the opportunity to submit on this important document.
- 6.2. For further comment please contact VUWSA President Max Hardy, 463 6986 or via president@vuwsa.org.nz.

<sup>&</sup>lt;sup>6</sup> Council of Australian Postgraduate Associations Incorporated, *Concession travel on Public Transport in Australia*, http://www.capa.edu.au/transportconcessions, accessed Monday 26<sup>th</sup> April 2010.

<sup>&</sup>lt;sup>7</sup> Universities Australia, *Transport Concessions for International Students: A Position Paper*, February 2010, pg.5.