

Not Quite Dead, Despite Auditor’s Verdict: Zombie Projects, Sunk Costs, and the Fight for Community- Based Transport Planning in Victoria

The Victorian Opposition’s attempt to revive the East West Link appears undeterred by the Auditor General’s report slamming both sides of politics for poor decision making, and the Public Service for the quality of its advice.

“I think if you are going to have an integrated transport agenda you can’t ignore the need for the East West Link and whether it is a longer tunnel,” Opposition Leader Matthew Guy told *The Age* on the anniversary of the 2014 election (that his party fought on the issue and lost). “The point is you need that link between the Western Ring Road, the Tullamarine Freeway and the Eastern Freeway.”

To state what should be obvious after more than two years debating the issue in detail: no, this is *not* what Victoria needs, to ‘fix’ inner-city congestion or for any other purpose. Documents released after the election confirmed what the Comprehensive Impact Statement implied: ‘congestion busting’ benefits would be largely illusory, indeed nonexistent after a few years, yet the drain on public funds would persist for years after any benefits have evaporated.

The Auditor General’s office has now pronounced on its investigation. Consistent with earlier evidence, it found the project would have cost nearly \$23 billion yet risked having far smaller economic benefits; that the Napthine Government proceeded with undue haste; and that the quality of advice from Treasury and other government departments was poor and inappropriately politically motivated. The Auditor General also assessed the overall cost of cancelling the road as up to \$800 million, net of resale proceeds for properties that were needlessly acquired.

Although the Andrews Government stands criticised for not properly assessing the risks of cancellation, it is disappointing that media commentators and editorials have uncritically joined the Opposition’s invocation of the sunk-cost fallacy to say Andrews should never have cancelled at all. This is far from what the Auditor concluded. Rather, it is the exact kind of fallacious reasoning every critical-thinking textbook warns against: you cannot justify continuing to lose money on a bad investment on the mere fact you’ve lost some money already.



Regrettably, editorials in both *The Age* and the *Herald Sun* have compounded the error, making the misleading suggestion that the funds could somehow have been used for some other purpose. “The cancellation has cost about \$650 million so far—funds that could have been used to hire more teachers,

rebuild run-down schools, or expand hospitals,” thundered *The Age* on 28 November.

Again: the only way these funds could possibly have been used for schools and hospitals is if the Napthine Government had *not* recklessly signed the East West Link contracts—and the notorious side letter—before the 2014 election. The incoming government had only two choices: to cancel the project and wear the sunk costs; or to proceed, and leave taxpayers on the hook for \$340 million every year for most of the next half century. The latter would have by far the more crippling effect on health and education, let alone worthwhile transport investment. That leaves aside the damage to Royal Park and the inner north, and the congestion impact on most eastern suburbs roads.

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Keeping in touch...

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PTUA members can obtain cheap yearly Myki passes – see
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Not Quite Dead...

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Unfortunately, many are still persuaded by road lobby spin that the Link would somehow give them a faster car trip from the eastern suburbs to the city or Airport, despite all evidence to the contrary. The propaganda tries to cast the road as 'inevitable', as if it's likewise only a matter of time before Tasmania is forced to build the Franklin Dam or London its 1960s Ringways. Mr Guy apparently hopes to win the next election on the back of this fairy tale, even after Mr Napthine lost one with the same sales pitch.

Mr Guy should think again. Any party wanting to go to the next election with a genuine policy 'game-changer' could do worse than with what actually won in 2010. Unlike the East West Link, a train to Doncaster and extension of tram 48 would give thousands an alternative to driving on the Eastern Freeway. We are already laying the groundwork for a future Rowville line by upgrading signalling and removing level crossings on the Dandenong line.

We cautiously welcome Infrastructure Victoria as an independent evaluation body. Suggestions it will "take the politics out of infrastructure decisions" are misplaced: all such major decisions are inherently political. The real imperative is for there to be a proper process ensuring decisions reflect the public interest, as distinct from the commercial vested interests that—we have little doubt—are the reason why the East West Link zombie remains alive even after comprehensively failing the public benefit test.

The PTUA wishes all our members a happy festive season and 2016.

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2015 AGM report

Our 2015 Annual General Meeting took place at Ross House on Wednesday 2 December. The presence of Minister for Transport Jacinta Allan ensured a very healthy turnout, with members filling the Raysmith Room.

The Minister spoke at some length about the government's programme for transport improvements, focussing particularly on its 2014 election promises. She then volunteered to take questions, which attendees were invited to write on cards in advance and provide to PTUA's Daniel Bowen who acted as moderator. This process was handled capably by all, with the Minister answering some two dozen questions in just over half an hour.

Questions ranged over a wide selection of topics from Doncaster rail to PTV's bus network plans.

The Paul Mees Award — established in 2013 in memory of the late academic, transport activist and former PTUA President Paul Mees OAM

— is awarded at each AGM for outstanding contributions by a person or group to community-led public transport activism in Victoria. It was awarded this year to the community members of the Doncaster Rail Advocacy Committee. Local resident Stuart Mackenzie accepted the award on their behalf, and gave thanks to the Committee as well as to the

Manningham City Council who for many years has been the main institutional supporter of the Doncaster rail campaign. The Doncaster Rail Committee is now to be absorbed into Council's wider transport advocacy functions, but Manningham remains a supporter of the project and the Association considered it of importance to recognise the Committee's work to date.

The Association also gratefully acknowledges the support given to the Paul Mees Award by Paul's wife Erica, who was unable to attend the AGM, but provided a formal citation that was read to the AGM by President Tony Morton.



President Tony Morton addressing the 2015 AGM

The regular business of the AGM included reports on the Association's activities by President Tony Morton, Secretary Tim Long, and Treasurer Phil Bourke. Our financial reports have noted a substantial drawdown on members' funds to support our extensive campaign activities over 2014-15, following a period of several years prior to 2013 when

campaign spending was relatively light by contrast. While the Association retains the capability to cope with cyclical variations in expenditure, members are very much encouraged to keep their membership up to date, donate to our campaigns when able, and sign up friends and acquaintances as it is ultimately the size of our member base that keeps the PTUA healthy as an organisation.

Community campaigners Eleisha Mullane and Berish Bilander gave a brief presentation on our ongoing Public Transport Not Traffic campaign (jointly run with Friends of the Earth), focussing on our 'Race For PT' and 'SmartBus Mk II' initiatives.

The meeting concluded with the election of the 2016 Committee. The Association welcomes new Committee members Michael Bell, Berish Bilander (who joins the Committee after serving a year as PTNT campaigner) and Anna Morton (our PTUA News editor

and former Vice President, who returns to the Committee after several years' absence). We also express gratitude to our departing Committee members Alison Clarke, Matt Ferrantino and Tony Mohr for their outstanding contributions.

The Andrews Government, one year on

Having now passed the one-year anniversary of the Andrews Government's election in November 2014, we are in a position to take stock of its performance, achievements and missteps.

The good

Premier Daniel Andrews positioned his government as one that keeps its promises, and on this score the government deserves praise. We will continue to defend the government for keeping the biggest and most controversial promise of all, to abandon the destructive and wasteful East West Link. As we have explained, the costs involved are not trivial but are benign in comparison with the alternative.

Most other actions in support of election promises have been praiseworthy. We discuss elsewhere the government's level crossing elimination and Night Network initiatives.

The government is also acting to procure more rolling stock, including on the tram network (which was largely neglected under Napthine). A trial of high-capacity signalling on the Sandringham Line is set to proceed, although we would like to see this happening faster given its strategic importance.

Last but not least is the commitment to early works on the Melbourne Metro rail tunnel. While we see other, less costly works on the rail system as more urgent, the PTUA supports the Metro tunnel proceeding in the long term. Given the time it will take to move the project to 'shovel ready' status and obtain the necessary Federal funding, it is

prudent that the government now makes some serious progress.

The bad

Overall, the positive initiatives of this government still far outweigh the negative. But it is unfortunate that the government is still far from being convinced of the desirability of rail extensions to Doncaster, Rowville and Melbourne Airport that have been on the community's agenda for decades. In this regard there is little change from the Bracks/Brumby era.

Progress has also stalled on important rail freight initiatives. This is particularly alarming given there is no lack of funds or plans. The Port Rail Shuttle project has earmarked State and Federal funds waiting to be spent, yet this and other initiatives appear to have been caught up in the political battle over privatising the Port, with the usual rail-hostile interests operating behind the scenes.

We are also yet to see the promised massive improvement in suburban rail service that was meant to follow from the \$5 billion Regional Rail Link. A draft timetable has been indefinitely deferred. We believe there is sufficient flexibility in the system to ensure suburban passengers actually get to enjoy the capacity benefits of the RRL with minimal downside to existing passengers.

The ugly

It appears no government in Victoria can avoid its own road-building folly. Just as Kennett had CityLink and Bracks had EastLink, so Andrews has the Western Distributor. The

government now says it will build this road and cites a benefit-cost ratio of 1.3 on 'conservative' methodology (largely the same old time saving arguments now discredited elsewhere).

The Western Distributor may not be folly on the horrific scale of the East West Link, but it is still bad for Melbourne and Victoria. The number of off-ramps pointing directly at the north-west corner of the CBD suggests it is now deliberate policy to encourage more private car travel to a city centre without the capacity to absorb it. There is not even the previous pretence of creating a 'bypass' road around the city.

And while earlier plans made the claim that no residential areas would be affected thanks to a tunnel under Yarraville, it now appears that homes and parkland in the vicinity of Stony Creek could be lost so that trucks will have a direct route from the new road to the port (since the government is not providing rail access).

The Western Distributor originated as an 'unsolicited proposal' by CityLink operator Transurban, and will be paid for in part by extending tolls for the whole of CityLink by another 10 to 15 years. This de facto elevation of Transurban to the role of Victorian transport planner is contrary to good government. The 'unsolicited proposal' mechanism, another creation of the Napthine Government, should not be used by its successor to undermine public control over infrastructure decision making.

Night network

Labor's "Homesafe" policy has morphed into PTV's "Night Network", with details announced of services for the one year trial of all-night weekend public transport starting in January.

Regional

V/Line coach services will depart from Southern Cross at around 2am on Saturday and Sunday mornings, for Ballarat, Bendigo, Traralgon and Geelong. No inbound services will operate. This will supplement the current last out bound trains, which currently depart between 11:30pm and 1:15am.

Suburban

As expected, all suburban trains (except Stony Point) will run hourly, stopping all stations in both directions.

Some services are staggered to provide a half-hourly service between the City and junction stations at Caulfield, Footscray and Clifton Hill. The Williamstown and Alamein lines will run as shuttles.

One of the benefits will be an end to the antiquated practice of the first Sunday morning trains reaching the CBD around 8am - the latest starting trains in

Australia. The all night service will assist shift workers, early risers, and those heading to morning events such as fun runs.

The downside is that with only hourly frequencies, it remains to be seen how many people will use the service, particularly in winter when waiting up to an hour in a cold dark station may not be everybody's idea of fun.

Another quirk is that overnight, the only City station that will open is Flinders Street. Those wanting City Loop stations or Southern

been largely unaltered since the early 1990s.

Some routes will depart from the CBD, mostly half-hourly. Other routes will depart hourly from suburban railway stations, with times co-ordinated with train times.

There seems to have been a reasonable effort to fill gaps in the tram and train networks with the buses, though some duplication remains.

Overall the Night Network is a vast improvement over the old Nightrider services, providing a lot more route coverage, and faster trips in many cases.

But hourly rail services may not be attractive to people. Half-hourly would stand a much better chance of gaining significant patronage - many will

recall that Nightrider patronage only really grew once the service was upgraded from hourly to half-hourly.

As it stands, it remains to be seen how many passengers jump on board, and which parts of the network will continue past the one year trial. We'll be watching carefully.



Cross (including those wishing to interchange with regional Night Coach services) will need to use buses or trams, or walk to get there.

Trams will run half-hourly on six routes: 19, 67, 75, 86, 96 and 109, in both directions.

Buses will supplement train and tram services, with a new network of 21 routes re-designed from the old Nightrider network, which had

Geelong branch report

The fallout from the extensive changes in June to Geelong bus system continues, although it has tailed off. It seems that, despite pressure from local state MPs to advance the process, PTV is determined to stick to its 12-month schedule for a general review of the new system.

Despite that, there have been three more local consultation sessions, at Portarlington, Newcomb and East Belmont, to assess the results of the changes in those areas. They were organised by the relevant local state MP and convened by PTV. PTV has followed up the two latter consultation sessions with online surveys, asking people to choose between two alternatives, in each case, to what was introduced in June.

One of the East Belmont options is for a special "shopper bus", running only a few times a day, to reconnect people in that area to their local activity centre in High Street. The Branch far prefers that option to the alternative, which would see certain services diverting along the old indirect route. We are pleased that people the consultation session apparently preferred the "shopper bus" as well.

There has been some cynicism about how genuine PTV's review of the new bus system will be.

Although the system is supposedly on trial for a year, work is being done to remove some currently redundant bus stop infrastructure, and install DDA-compliant facilities at some stops on new routes. The head of the council engineering department says she doesn't know why that's happening, but others claim that the council is doing it! We will check with PTV.

Our other ongoing concern is with the so-called "Central Geelong Action Plan". A number of those on the "special committee" overseeing its implementation, which has been delegated considerable powers by the council, are determined to remove bus routes from the city's main streets. They are clearly blind to the fundamental contradiction inherent in their expressed aims. They say they want to reduce car access to the central city, but they also want to banish bus public transport from central city streets.

In fact, as we know only too well, the only way to achieve significant mode shift from cars is to actively promote and enhance the only major alternative, which is public transport. Significant players on the special committee, particularly the bureaucrat who is manager of the process, have the naive belief that car users will either take to

their bikes in large numbers, and/or huge car parks can be established on the city's peripheries from which people might take a circle bus to their final destination.

Their vision of the city is dominated by the desire to create tree-lined boulevards flanked by al fresco dining facilities. The manager quoted St. Kilda Road in Melbourne as an exemplar. She didn't seem at all pleased (or convinced) when our Convenor noted that a number of major public transport routes ran down that very artery.

We are slightly reassured that one councillor and one state MP, who are both on the special committee (we call it the "central committee"), have told us they will not agree to the removal of buses from the central city. PTV has certainly not embraced the idea, but we are concerned that there has recently been a meeting between the Geelong Council City Services manager and the new CEO of PTV, Gary Liddle. Both of them know each other well, from their days at VicRoads.

Incidentally, despite the inadequacies of our bus system, PTV says that there were 1.2 million boardings at the main city bus stops in Moorabool Street in the last 12 months.

Fares up in 2016

Public transport fares will rise around 4% from January 1st. This is in line with plans initiated by the Napthine Government and carried

on by Labor for CPI plus 2.5% rises from 2015 to 2018.

While some Melbourne passengers making two zone trips saw price

cuts in January 2015, for most others, fares have continued to rise. The cost of a Zone 1, 2 hour fare using Myki has risen 29% since 2011.

Connecting Places Budget submission

As part of the Public Transport Not Traffic campaign we are frequently told that people would use public transport if the service were more connected to places they want to go and more reliable.

We have been working with academics to develop our Connecting Places budget submission that is all about seeing bus networks that join up with other modes of transport to take people to major activity hubs, for things like employment outside the CBD, education, retail and health.

The Budget submission is calling on the Victorian Government to introduce SmartBus Mk 2 to help fill the gaps and meet the public transport needs of the community.

Victoria's rapidly growing population is precipitating a transport crisis in Melbourne. In particular, a lack of high quality public transport, in both outer and inner suburbs, is forcing more people into cars, which is having increasingly adverse environmental consequences, reducing social connectedness and placing household budgets under stress as residents are compelled to maintain two or more motor vehicles. Congestion is also threatening our economy and liveability. There is an urgent need to modernise our transport network, get more value for money and attract additional patronage.

We recommend a bus plan designed to connect places as an ideal first step. Road infrastructure already exists and buses are the most effective mode of public transport for the provision of high frequency services, especially in outer Melbourne.

Supporting Evidence

Evidence clearly shows that well-planned bus services that connect places in a timely manner are rewarded with high levels of patronage on these services and the public transport network generally. The strong patronage growth on the orbital SmartBus routes 901, 902 and 903 are testimony to that fact as is the success of the DART services 905, 906, 907 and 908 from Manningham to Melbourne CBD.

Other success stories include the 401 bus service between North Melbourne station and the Carlton medical and university precinct, a 10% increase in patronage in Brimbank after recent reform, connecting bus routes to the newly opened Williams landing being well taken up, and improved patronage on the 508 route from Moonee Ponds to Alphington after a doubling of Sunday frequency lead to a tripling of patronage

So we know that when an improved service is provided then people look to it as a reliable option for travel.

So connecting places is about bus network reform that

1. Connects residential areas with key designations and activity centres including employment, shopping, hospitals and education.
2. Offers a speedy ride
3. Follows a more direct route
4. Has clear and easy to understand signage at the bus stop and on the bus to show route information
5. Has frequent services with a more accurate timetable

6. Is connected to other forms of transport in terms of proximity of stops to station and better linked to train timetables

7. Shows real time service information like Tram Tracker.

We know that the SmartBus initiative has been a success in the community and there are more opportunities to extend this and link people better to places they want to travel to. Buses provide lower cost alternatives by utilising existing fleet, reviewing inefficient routes and looking for service improvement opportunities, but most of all networking to existing services so people can get around efficiently. So we are calling for SmartBus Mk 2 because we want people to consider cross-town options and the bus network unless it can be made a competitive choice.

The budget submission will formally be presented to Minister Jacinta Allan in the new year and we will be working on identifying potential opportunities in communities and working with local organisations to progress this agenda, we have already been asked to present it to the Moreland Council after our recent Race to Coburg Night Market and will be speaking to other relevant MPs in areas where this proposal could be best utilised. If you have an interest in bus's and wanting to see the SmartBus network extended then please contact Eleisha.mullane@ptua.org.au to discuss how you can get involved in the campaign.

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