

Response to:

Towards an integrated and sustainable transport future

Discussion paper on transport legislation objectives

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PUBLIC TRANSPORT USERS ASSOCIATION

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1 Introduction

The Public Transport Users Association (PTUA) welcomes the review of transport legislation and the opportunity to contribute to it. The PTUA is the recognised consumer organisation representing passengers of all forms of public transport. We are a non-profit, voluntary organisation, with no political affiliations.

The PTUA is committed to:

- a sustainable economy;
- a healthy ecology; and
- an equitable society

... where Victorians can go anywhere, anytime, using a community controlled public transport system that is convenient, efficient and safe.

The PTUA believes that many of the current problems with Victoria's transport system can be tied back to lack of clarity, accountability and consistency in the current framework, and that the review can contribute to greater efficiency and accountability in transport policy.

While we support the introduction of shared objectives, we do wish to ensure that these shared objectives do not lose visibility within individual agencies who may refer more frequently and closely to subsidiary legislation or regulations that is specific to their operations.

We are also concerned by the statement in the discussion paper that "[t]he review ... will have no implications for future revenue or expenditure" (p.6). Taken to its logical conclusion, this can only mean that the review is mere window dressing and will not ensure transport programs respond appropriately to the objectives that emerge from the review. We therefore seek an assurance that the objectives emerging from the review will indeed shape future revenue and expenditure in composition, even if they do not have any implications for the aggregate level of transport expenditure.

2 Integrated and coordinated

The PTUA strongly supports the objectives of integration and coordination being included in the legislation. As noted in the discussion paper, there are a number of facets to integration, including integration between transport and land use planning and integration between transport providers.

It is clearly impractical to provide a public transport system that enables people to travel from any part of Melbourne to any other part of Melbourne without at least one change of service in between. An effective public transport system therefore relies on routes intersecting with each other, thus offering passengers the opportunity to transfer and travel to diverse destinations all over the city. Underlining the importance of good integration between services, the draft report from the Northern Central City Corridor Study (NCCCS) in 2003 noted that a lack of integration between services was one of the key impediments to increased modeshare for public transport in the area.

To be successful, the transport system should make such transfers as easy as possible by ensuring a comprehensive and interconnected route structure (creating a 'network effect'), physical integration at interchanges, full multi-modal ticketing and harmonised timetables. Such requirements are most efficiently and effectively achieved by full integration at the institutional level by those planning and managing the transport system, and should institutionalise the involvement of external stakeholders to ensure the system meets the needs of its users. Institutional arrangements should also ensure that those undertaking strategic and tactical planning have adequate authority over service providers to strengthen the network effect and protect against 'cherry picking' by operators.

Greater integration should also be sought between traditional public transport and other forms of government-provided transport services such as community transport and school buses (especially in rural areas) in order to best utilise the resources available and seek superior outcomes through synergies (e.g. higher service levels than possible when operating in isolation; school bus fleets to run other duties outside school travelling hours).

Greater integration between transport and landuse planning is also essential to ensure that car dependence is minimised. Legislation should reflect the need to restrict significant trip generators to the Principal Public Transport Network (PPTN), and expand the PPTN in coverage and quality where significant trip generators are not adequately served by the PPTN at present. High quality public transport should also be 'built in' during the development of new suburbs to ensure that car dependent landuse and transport practices do not become entrenched.

Greater integration should also be sought between transport and social and environmental policy.

Since the impacts of transport and land use planning are so long-lived, the PTUA believes it is appropriate for inter-generational equity to be considered, however this

arguably relates more to equity and sustainability than integration and coordination. There are a number of elements to this that should be reflected in the legislation:

- minimising use of finite fossil fuels;
- minimising greenhouse gas (GHG) emissions;
- avoiding the establishment of car-dependent landuse patterns that may not be viable in the future due to the carbon constraints of climate change and peak oil.

3 Safe and secure

The PTUA does see merit in this objective being part of the transport legislation, however with some important caveats:

- In line with the National Road Safety Strategy, alternatives to the use of private motor vehicles should be encouraged and prioritised in order to reduce exposure to the risk of road trauma.
- Road safety infrastructure measures should be exclusively targeted at safety measures and not more general infrastructure works such as road duplications that have ambiguous safety implications after considering the effect of induced traffic (Noland 2002) and that contribute to urban sprawl and higher exposure to risk of road trauma (Ewing, Schieber & Zegeer 2003; Litman & Fitzroy 2005).
- Since concerns about personal safety continue to be a major deterrent to greater use of public transport outside peak times, greater attention should be given to improving both actual and perceived security on and around public transport, especially after hours. Such concerns about personal safety would also exacerbate social exclusion among people who depend upon public transport for mobility.
- Broader issues around the safety of the urban environment should also be addressed by applying 'design out crime' principles to encourage use of active transport.
- There is often 'safety in numbers' for pedestrians and cyclists (Jacobsen 2003; Leden 2002), so measures should seek to encourage greater use of walking and cycling rather than adopt measures that inconvenience or deter pedestrians and cyclists.

4 Efficient and reliable

The PTUA supports this objective provided that it is not thought of in simplistic terms such as maximising vehicle volumes or traffic speeds.

In an economic sense, an efficient system clearly requires that we "get the prices right" by internalising the negative externalities of motor vehicle use. While many motorists, perhaps understandably, feel that they are already overburdened by taxes and charges, it is in the nature of private motor vehicle use that a large proportion of the cost (e.g. congestion, pollution, road trauma) is externalised onto society as a whole¹. Catering for higher traffic volumes while road use and other externalities are under-priced would be an inefficient use of scarce resources and is not to be encouraged. Rather than trying to keep the cost of motor vehicle use artificially low (which would have negative impacts on congestion and emissions), greater transport choice should be provided so that the effective monopoly of the motor car on mobility can be ended.

In an operational sense, more suitable indicators of efficiency and reliability would include:

- passenger or freight tonnes (as opposed to vehicle) volumes through a corridor;
- land area required for transport facilities per capita (including roads and parking);
- average vehicle occupancy;
- transport energy consumption per capita;
- vehicle emissions (GHG and other pollutants) per capita;
- variability of public transport running times;
- public transport vehicle dead-time at traffic lights and timing points;
- waiting times between connecting services;
- public transport speed as a percentage of general traffic speed;
- public transport vehicle operating hours between maintenance;
- percentage of public transport vehicles undergoing maintenance at a time;
- percentage of public transport services that run (prior to the scheduled time of the next service);
- percentage of public transport services that run on time (i.e. less than 3 minutes late).

¹ <http://www.ptua.org.au/myths/petroltax.shtml>

5 Value-for-money

The PTUA does see merit in this objective, however we note that this principle should apply across all areas of government expenditure (not just transport) and that assessment of value-for-money should be based upon comprehensive and rigorous triple bottom line assessment and recognise longer term objectives such as desired land use patterns under Melbourne 2030. We believe that robust appraisal has often been lacking in transport planning, with alternative proposals not receiving full and equal consideration (Wilmot 2006).

The principle of 'least cost planning' (VTPI 2007) provides a good basis for applying this objective, however it should also be noted that the longer term impacts of transport investment may not be apparent in traditional approaches to appraisal. For example, we note the discussion paper's recognition that "freeways have assisted and ... facilitated this outward movement [from central Melbourne to outer suburban areas]" and that "it is difficult to serve a large share of travel effectively and efficiently" on account of this land use pattern (p.15). It should be clear therefore that measures that encourage, assist or facilitate urban sprawl or dispersed land use practices result in higher costs to government to provide transport and other services and should not be pursued. Instead, an integrated approach to transport and land use planning should be adopted that is suited to walking, cycling and the efficient provision of public transport services and that minimises dependence on private motor vehicles. This may not be adequately captured in existing appraisal methodologies.

Similarly, the health system costs that result from car-dominated transport policy will be a major drain on governments in future as the population ages (see also section 8 below), however these are seldom considered during project appraisal.

To gain a complete picture of value-for-money for Victorians, it is also important to include the costs to users, not just the immediate fiscal impacts on Government, including the costs of forced car ownership and operation (e.g. fuel, tolls, vehicle finance and depreciation).

This objective also demands greater transparency around Public Private Partnerships and elimination of commercial confidentiality so that value-for-money can be properly scrutinised and assessed.

6 Economic growth

Transport legislation should recognise that the transport of people or goods is a derived demand resulting from a desire to access employment, education, goods, services and recreational activities. As such, the movement of vehicles has little or no intrinsic merit and should not necessarily be facilitated where the combined private and social costs exceed the marginal benefit. In some ways, the physical act of transport (as distinct from the financial cost of transport) could be regarded as a transaction cost that should be eliminated or minimised where possible through better land use planning or innovations in supply chain management or service delivery. Where transport is of net benefit, adequate transport choice should be available to enable the most appropriate mode to be selected, taking into consideration externalities such as GHG emissions and congestion. Public transport has an important role to play here that belies its currently modest share of journeys as a whole (PTUA 2007, pp.3-6). Such an objective would be supported by 'getting the prices right', as discussed above.

The PTUA therefore would support an objective that seeks to decouple economic growth from transport activity (Tight, Delle Site & Meyer-Rühle 2004) and that supports improvement in the quality of life as measured in terms broader than simply economic growth².

We also note that expenditure on motor vehicles and petroleum products makes a relatively low contribution to local economic activity compared to other expenditure (see Table 1), therefore measures that reduce car dependency can be expected to have a positive effect on economic performance. For example, a study in Texas found that each 1% of regional travel that was shifted from car to public transport increased regional income by \$2.9 million and created an extra 226 local jobs (Miller et al 1999 cited in Litman & Laube 2002, p.10).

Table 1: Impact of \$1 million expenditure

| Expenditure category | Regional income* | Regional jobs* | Full-time jobs# |
|--------------------------------|-------------------------|-----------------------|------------------------|
| Petroleum | | | 4.5 |
| General automobile expenditure | \$307,000 | 8.4 | 7.5 |
| Non-auto consumer expenditure | \$526,000 | 17.0 | |
| Public transport | \$1,200,000 | 62.2 | 21.4 |

* Analysis performed in Texas, USA (Miller et al 1999)

Analysis performed in British Columbia, Canada (BC Treasury Board 1996 in Litman & Laube 2002)

² For example, more comprehensive measures include the Index of Sustainable Economic Welfare, Genuine Progress Indicator, Green GDP, and the Sustainable Development Index.

7 Equitable, accessible and inclusive

In some ways this is arguably the most fundamental objective. As discussed above, transport has little or no intrinsic merit but is a derived demand. The focus should therefore be on 'access' rather than 'travel', with the movement of motor vehicles not necessarily the optimal means of delivering 'access' given developments in ICT and concerns about sustainability and energy prices.

7.1 *Equitable and inclusive*

International studies have demonstrated that the financial burden of car dependence on households rivals or exceeds that of housing, especially in cities where alternatives to car use are limited (Lipman 2006). This is also borne out in research on mortgage and oil vulnerability in Australian cities (Dodson & Sipe 2006) and demonstrates that lack of transport choice is a major barrier to participation in society (Senbergs & Currie 2007). It should be noted however that the financial burden of motor vehicle ownership and use exists despite, not because of, the level of motor vehicle taxation. Australia lags much of the world in the imposition of road use and congestion charges and has among the lowest fuel excise in the developed world. Efforts to reduce motor vehicle taxation would exacerbate congestion and road transport emissions and disproportionately benefit high income households³.

The burden of forced car ownership can be mitigated by ensuring households are given a genuine option of using a combination of walking, cycling and public transport for some or all of their transport needs rather than relying on car ownership and use. For this option to be genuine, public transport must offer journey times that are 'family-friendly' and competitive with car use, including from growth areas and other outer suburbs where employment density is lower but a high proportion of low and middle income households are located.

Focus on park-and-ride does not address this problem as it still relies upon car ownership and use which may preclude some people due to cost and/or disability. Therefore the focus should be on multi-modal (excluding car, but including active and community transport), integrated, door-to-door transport needs rather than only addressing railway-station-car-park-to-destination needs. This entails:

- safe, walkable (and wheelchair/mobility-scooter-friendly) streets;
- a network of safe, connected cycle routes;
- safe and secure bicycle parking at stations (including major bus and tram stops);
- a system that caters for mobility aids such as scooters;
- accessible public transport vehicles and interchanges;
- frequent and direct feeder buses and trams; and
- integration between trains, trams and buses and community transport.

³ <http://www.ptua.org.au/myths/highfuel.shtml>

Inter-generational equity should also be considered and implies reducing use of non-renewable resources, cutting emissions of greenhouse gases (GHG) and not imposing oil-dependent transport and landuse patterns upon future generations. There is now a growing body of opinion that conventional oil production will peak and begin to decline within the next decade, if it is not already doing so (Hirsch 2007). This will lead to higher and more volatile fuel prices and severely harm mobility for car-dependent households, as well as place greater pressure on public transport services. The transport legislation should therefore seek to limit vulnerability to oil supply disruptions and high fuel prices (see also section 10.5.5 below).

7.2 Accessible

Accessibility is also an important consideration, however it needs to be thought of more broadly than wheelchairs (and prams). The system should also be accessible for people with other mobility impairments (that may be unable to walk long distances) or intellectual or visual impairments, as well as people with low levels of literacy in written English or who are from culturally and linguistically diverse backgrounds. In many cases, there is no substitute for human assistance to ensure the transport system can be accessed.

8 Healthy

The PTUA supports this objective and notes that the sedentary lifestyles, social isolation and localised pollution associated with car dependent transport patterns are major risk factors in many of the most pressing health issues facing Victoria (PTUA 2007, pp.9-12). Failure to address these risk factors will impose greater health care costs on Victoria in the future and limit participation and productivity in the workplace.

The legislation should recognise that the priority that has been traditionally given to increasing the ease and convenience of motor vehicle use is a major barrier to increased walking and cycling, manifesting itself in:

- safety concerns related to high traffic levels and speeds;
- inadequate connectivity of cycling networks;
- barriers formed by roads and car parks; and
- inadequate or inconvenient pedestrian crossing facilities.

To support the objective of a healthy system, the legislation must:

- prioritise forms of transport that encourage physical activity over motorised modes;
- prioritise forms of transport with low or zero vehicle emissions per passenger kilometre (e.g. particulate matter, oxides of nitrogen and other pollutants that are harmful to health);
- prioritise active transport in urban design and planning;
- support 'design out crime' principles in urban design to increase public confidence in using active transport;
- facilitate the use of active transport in conjunction with public transport (e.g. connecting railway stations to safe pedestrian and cycle routes, provision of secure bicycle parking, etc).

Underscoring the inter-relationships between many of the proposed objectives, the Intergovernmental Panel on Climate Change (2007, p.16) has noted that the cost of reducing GHG emissions may be offset by reduced health system costs related to air pollution. Reducing use of motor vehicles could thus reduce both GHG emissions and costs associated with respiratory diseases.

9 Environmentally sensitive

The PTUA strongly supports the inclusion of sustainability objectives in the legislation, however we are concerned that the discussion paper frames this objective in very weak terms.

Transport has a massive impact on the environment both directly (e.g. road transport emissions which are one of the largest and fastest growing sources of greenhouse gases) and indirectly (e.g. encouraging or facilitating land use changes), so it is crucial that the legislation include an objective that the system **must** be environmentally sustainable and actively seek to reduce and eliminate negative environmental impacts. Such an objective must commit the transport sector to emissions reductions targets adopted under the Kyoto Protocol or successor agreements, recognise the negative impact of vehicle emissions on the uptake of carbon dioxide by carbon sinks (Hopkin 2007), and ensure that the sector does not contribute to undesirable land use changes either directly through road construction on open land or indirectly through the facilitation of urban sprawl.

The objectives should also recognise opportunities to reduce travel as well as shift journeys to more sustainable modes, by reducing the need for chauffeuring of people who are unable to drive (which can require two round trips for a single outing) and by taking advantage of 'transit leverage'.

The objectives should also recognise the negative impact of traffic on amenity, neighbourhood interaction (PTUA 2007, p.12) and retail vitality (Sustrans 2003) and therefore seek to restrain motor vehicle traffic.

10 Other considerations

10.1 Long term issues

Insufficient importance appears to be given to sustainability (particularly greenhouse) and energy access and affordability. The seriousness and urgency of these two issues dictate that the objectives should prioritise the reduction of oil consumption and car dependence.

10.2 Community support

The best way to ensure community support, public participation and more accountable government (as promised under *Growing Victoria Together*) on an ongoing basis is to institutionalise community participation into transport planning. The objectives should therefore clearly and explicitly recognise a role for community participation in transport planning that enables all transport options to be considered.

10.3 Constraints

The value-for-money objective could potentially undermine other objectives if option appraisal fails to fully value social and environmental impacts and the longer term objectives around land use that could enhance transport choice.

10.4 Consistent

The crucially important objective of sustainability is incompatible with an assumption of continuing growth in motor vehicle use for passenger or freight transport. The objectives of transport legislation must move away from outdated mentalities based upon the 'predict and provide' approach to transport planning and embrace efficient management of demand for road space, prioritising existing capacity for high value uses such as high occupancy vehicles and freight.

10.5 Who should the objectives apply to?

In addition to agencies identified within the discussion paper, the following entities influence transport policy direction and outcomes and should be bound by the objectives to the extent they wish to participate in transport planning and provision:

- Department of Planning & Community Development;
- Growth Area Authority;
- ports' corporations;
- airport corporations;

- private sector contractors, financiers and service providers (e.g. PPP proponents).

The discussion paper lists a range of interface legislation which may be impacted by the review. A number of other Acts and documents should also be considered:

10.5.1 Duties Act 2000

Section 52(d) of the Duties Act provides an exemption from duty for the Roads Corporation (VicRoads) but not the equivalent entity with responsibility for railways (VicTrack), thus introducing a potential distortion and bias in road and rail investment.

10.5.2 Budget & Financial Management Guide

BFMG12 levies a Capital Assets Charge on all government economic infrastructure with the exception of roads, thus introducing a potential distortion and bias in road and rail investment.

10.5.3 Melbourne City Link Act 1995

Section 96 of the CityLink Act exempts the corporation from a range of taxes and charges, including Land Tax. The granting of tax exemptions and concessions to road infrastructure and service providers introduces a potential distortion and bias in road and rail investment.

10.5.4 Congestion Levy Act 2005

The Congestion Levy Act is intended "to reduce traffic congestion" and is therefore relevant to consideration of transport legislation.

10.5.5 Fuel Emergency Act 1977

Fuel supply is fundamental to transport, with around 90% of transport being oil-dependent. Private motor vehicle use is the least efficient use of transport fuel, hence priority access to fuel supplies should be given to public transport services and employees (as well as other providers of essential services) ahead of private motorists. Rationing schemes should also recognise need ahead of the number of vehicles held by a household. For example, odds-and-evens schemes tend to reward households with a higher number of vehicles per person and do not recognise the availability of alternative transport. The 'cap and trade' approach being adopted for GHG emissions pricing provides a useful model, and offers an incentive to reduce fuel consumption where possible and redistribute allocations to higher value uses.

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