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Another court blow to City Link

Appeal against tax concessions to proceed

On Friday 27 February, the full bench of the Federal Court ordered the Administrative Appeals Tribunal to hear an appeal against tax concessions granted to City Link, holding that Brunswick resident Peter Allan has 'standing' to challenge the tax breaks.

Readers of PTUA News will recall that Peter's court challenge was held up for some time on the issue of 'standing', an arcane legal technicality by which cash-strapped individuals and community groups may be denied a hearing in cases of public concern. Peter appealed unsuccessfully to a single judge of the Federal Court in 1997, but now the original decision has been overturned on appeal to the full bench (three judges) of the Federal Court.

The appeal will now return to the tribunal for a full hearing, which is anticipated within the next two to three months. Peter argues, with the support of the PTUA, that City Link is ineligible for the tax concessions because of restrictions on competition in the Melbourne City Link Act 1995.

If successful, the appeal would strip Transurban City Link 'parcels', which are trading on the Stock Exchange, of their tax-free status. It would also trigger an 'event of default' under the agreements between Transurban and its financiers.

Investors in Transurban City Link were told in the project's Prospectus (at

\$800m at stake in City Link tax challenge

MOST Melbourneans think road when they think City Link. For investors, City Link is not so much a road, as an assured cash cow with a life expectancy of 14 years.



City Link challenge approved

Link protester wins tax plea

page 40) that any appeal against the project's tax breaks should be unsuccessful because no prospective appellant would be able to establish standing.

PTUA President Paul Mees, who represented Peter before the tribunal and the court, said: "This is the beginning of the end of City Link, and a vindication of all those who have struggled to prevent Melbourne becoming the Los Angeles of the Southern Hemisphere. Transurban's prospectus promised investors that nobody would be able to establish standing to challenge the tax breaks. The court's decision shows that investors have been misled."

The PTUA has called on the Austral-

ian Securities Commission and the Australian Competition and Consumer Commission to launch a full investigation into the City Link project. The PTUA also requested the Australian Stock Exchange to suspend trading in Transurban parcels until the tax question is resolved. In the meantime, all construction work on City Link should be halted immediately.

This court win follows the previous blow to Transurban in July last year, when we reported on the success of an appeal for a retrial of allegations by PTUA member Phil Morey that the City Link prospectus contains misleading and deceptive information about the project's likely revenue.

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Keeping in touch...

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John McPherson—Vice President
Les Chandra—Secretary
Tim Hoffman—Treasurer
Peter Dann Anthony Morton
Wendy Everingham Patrick O'Connor
Alan Hardie Demitri Pimenides
Mary Jamieson Christina Sindt
Phil Morey Gerry Warren

EES claims questioned

In a clear sign of desperation, the road engineering consultants preparing the Scoresby Environmental Effects Statement have claimed that a rail extension to Rowville would cost \$326 million. In 1996, the figure was \$85 million and only last year the Chairman of the EES Management Committee quoted a figure of \$100 million. The inflated costing is clearly nothing more than an attempt to reduce public support for the rail extension, which is proving much more popular than the Freeway.

Nillumbik & Manningham

Two items of good news from the Yarra Valley. Firstly, the Shire of Nillumbik has voted to oppose a ring road through the "green wedge" (phase 2 of the Scoresby Freeway) and intends to commission an expert report to support this decision. Secondly, the City of Manningham has withdrawn from the Eastern Ring Road Steering Committee, the pro-Scoresby Freeway lobby set up in 1996 by unelected Council commissioners.

PTUA members living in the outer east are urged to contact their local councillors. If you live in Nillumbik, let the council know how pleased you are with its decision; if you live elsewhere, you could ask why your council is not following Nillumbik's and Manningham's example.

Scoresby campaign update

The PTUA ran a successful information stall at the two-day Stringybark Festival held near the Stud Park shopping centre in Rowville in late October, supplementing a number of street stalls run earlier in the year.

The PTUA proposal for public transport improvement in the City of Knox would see a rail extension from Glen Waverley to Rowville and possibly Lysterfield, combined with dramatically improved local bus services. The flood of interested local people convinced PTUA members staffing the stall that the demand for high-quality public transport in outer suburban Knox is as great as in any other part of Melbourne. Help from other Outer East pro-public transport groups greatly assisted running the stall over two days.

Enthusiastic local people have joined

the campaign, and have continued to collect signatures for our petition to the Knox Council during the summer. The first instalment of the petition—1000 signatures—was presented to councillors at a recent public transport workshop run by Knox Council at Boronia. Thousands more signatures are to come.

The issue of improved public transport is well and truly on the agenda. People understand the point we are making, that the main travel corridors are east-west not north-south and that the \$700 or \$800 million north-south motorway will not meet their travel needs. Locals also ask why they are not entitled to good public transport, like those in older parts of Melbourne. We feel local politicians are starting to see this as a serious issue that will need to be addressed in a serious fashion.

Reclaim the streets

Saturday 28 March

Meet 1pm, North-east corner, Carlton Gardens

for march to **Massive Street Party** to protest against
the theft of our streets by automobiles

Doof, Bands, Crazy Entertainment, Food and Lots More! Call 9419 8700 for info

From the President

Back in Melbourne after a year in Canberra, I have been struck by the sense that big things are going to happen on the transport front this year. The Scoresby campaign is reaching its climax, with the release of the Environmental Effects Statement and subsequent independent panel hearing expected around mid-year. The PTUA has also been buoyed by the recent Federal Court victory in the case against the City Link tax breaks. And of course the twin disasters of privatisation and Metcard are looming.

With this much happening, there is a risk that the PTUA, with its very limited finances and reliance on the voluntary efforts of a smallish team of very dedicated people, could be overwhelmed. In an attempt to avoid this happening, the PTUA committee held a retreat over the weekend of February 7 and 8 to plan the year's campaigns and set priorities. One option was to drop our other campaigns and concentrate all our energies on privatisation and ticketing. But if we did this, we would be throwing away years of work – and an

excellent chance of winning – in the Scoresby and City Link campaigns. On the other hand, by keeping all the campaigns going, we run the risk of spreading our resources too thinly.

What we decided was to continue the Scoresby and City Link campaigns, and to work with other groups, such as COPT (the Coalition on Public Transport) on privatisation. We also decided to request ordinary PTUA members to help us with the privatisation and ticketing campaigns by contacting their local State members of Parliament. We would like people to write to MPs, to ring them and if possible to visit them to protest about Metcard and privatisation. Even people living in Labor-held electorates are encouraged to do this, because the opposition also needs to know how concerned people are.

1998 is going to be a critical year for public transport in Victoria and the PTUA will have to work very hard. Hopefully by this time next year, we will be able to see the light at the end of the tunnel.

Paul Mees, President.

Upfield line re-opens at last

The contractors for the western by-pass section of City Link, Baulderstone Hornibrook, have finally completed their section of elevated tollway sufficiently to allow the Upfield rail line to reopen, months later than promised. Litigation between Transurban and the contractors regarding the delay is expected in the Supreme Court soon.

Upfield passengers will receive free travel for another month as compensation for the extra delay. Reports of the first few days of its opening speak of numerous delays, some connected to the City Link works near and over the line. Upfield patronage can be expected to remain low for some time while the service remains limited and below standard.

Fortunately the upgrading works are already under way: new signalling, boom gates and extra track. If Alan Brown's promise is kept, full service should return to the Upfield line within a year. We can only hope.

Patrick O'Connor comments...

Flinders Street re-development work causes chaos

Concerns expressed in the June 1997 edition of PTUA News over possible disruption to services with the construction of Federation Square were realised in the last week of November and early December when, with combined works of Flinders Street renovations, the rail system was thrown into chaos.

The carrying out of these works on a massive scale during the busy Christmas trading period in the CBD, and the extent of the disruption, caused the PTUA to carry out inspections, draw media attention and lay formal complaints with the Minister for Transport and PTC chief Mr Ian Dobbs.

During the works, two platforms at Flinders Street were put out of action. Six lines were rerouted and weekend services were taken away from the City Loop.

Platform 14 at Princes Bridge, which was closed without notice six months ago,

was used for Hurstbridge and Epping line services despite the fact that normal entrances and exits were closed and no destination boards were operating. In one instance during the weekday peak, people destined for the City Loop were taken to North Melbourne. Safety provisions and requirements were breached in many instances.

Cosmetic renovations to Flinders Street Station must in no way impinge on speed or reliability of services, and construction works must be planned accordingly.

The Federation Square development raises greater concerns because of the sheer size of the project. If enormous inconvenience to passengers occurs at the outset, the whole project needs to be looked at.

automatic ticketing

The chaos continues ...

The PTUA has remained opposed to the concept of an automatic ticketing system since the State Government said in March 1993 that it was to be installed on Melbourne's public transport to replace large numbers of frontline staff. The original timetable for introduction was 18 months; this has ballooned to five years and we're still counting.

PTUA Anti-ticket machine campaign

As the PTUA expected, the roll-out of machines on rail stations and tram lines has led to a gradual rise in discontent by public transport users, particularly after the Christmas–New Year break when many workers and students first discovered the new 'system'.

Print media and talkback radio have become interested. Both 3LO and 3AW have run multiple phone-ins on the issue with overwhelming critical comment of the system. The Age columnists Virginia Trioli and Terry Lane have written penetrating and witty pieces and the Herald Sun has run a consistent series of articles including a very critical editorial to lend support to the PTUA view (see below).

PTUA committee members have talked to a large number of journalists,



Courtesy of M. Golding & *The Melbourne Times*

while TV news has featured comments from the PTUA. TV current affairs shows seem keen to run segments in the near future.

Loss of frontline staff

Behind the introduction of an automatic ticketing system lies the State Government's expectation that large savings in operating costs can be made by shedding staff, including tram conductors, train guards and station staff. Premium stations alone are planned to retain staff from first to last train.

With the shedding of staff has come a large rise in fare evasion, vandalism, loss of choice and reduced passenger revenue through a rise in security problems. The

PTUA believes this is likely to offset any reductions in operating costs achieved by the virtual banishment of visible staff from the system.

It is long-standing PTUA policy that adequate staffing levels, including conductors on trams and staff at all railway stations, are essential to assure passenger safety and to combat 'passive' fare evasion. We reject the belief held by many in the transport bureaucracy that an adequately staffed system is an expensive luxury, and believe instead that the present policy of shedding staff will lead to an unsustainable loss in revenue.

WHAT PTUA MEMBERS CAN DO

- Visit or write to your local MP, or to the Transport Minister, explaining the user problems.
- Write to metropolitan and local newspapers.
- Ring talkback radio.
- Members might consider a special **donation** to the PTUA for this campaign.

The sad progress of automated ticketing

(With thanks to the Herald Sun and reporter Claire Heaney.)

■ March 1, 1993: Government says the "proven, reliable automated fare collection system" should be fully operational by July 1995.

■ September 1993: Transport Minister Alan Brown announces awarding of the tender for automated ticketing to OneLink. Phase 1 of the system is to be operating by May 1994 and completed by August 1995.

■ February 1995: OneLink misses the

deadline for Phase 1 testing.

■ March 1995: Premier Kennett warns the OneLink contract could be scrapped.

■ August 1995: The Premier announces a new timetable, with Phase 1 to be introduced by mid-1996 and the full system operating by late 1997.

■ March 1997: Revised deadline for the formal handover of Phase 1 passed.

■ August 1997: Phase 2 of the project begins, with the installation of machines at 70 railway stations and on the 75 (East Burwood) tram route. Phase 1 still not

formally handed over.

■ September 1997: Current Transport Minister Robin Cooper threatens the government will terminate the contract within months unless Phase 1 is handed over—only to later renege on the ultimatum.

■ November 1997: Mr Kennett announces Phase 1 has been handed over and the system should be fully installed by mid-1998.

■ Roll-out of complete system now expected by end July 1998.

18 MAR 1998

Fix the jam - Run More Trains

Road versus Rail Investment in the Geelong corridor

In the past few months, local councils in the Geelong area and the RACV have begun a high-profile 'Fix the Jam' campaign highlighting the supposed deficiencies of the Geelong freeway. According to them the road is overloaded with freight and commuters, and design standards are below modern requirements resulting in unsafe driving conditions. The most extreme demand from the councils seems to be for a new, parallel highway to Geelong (with no doubt a toll for every car and truck).

It is generally conceded that the problems on the Geelong road boil down to congestion; there are simply too many cars and trucks trying to share the road. Addition of extra road capacity will not solve this problem, instead it will simply add more traffic as more industries move to cheap real estate in Geelong, and Melbourne residents take more frequent weekend trips to the Surf Coast.

Sadly, the possibility that the parallel Melbourne to Geelong double track rail line could feature in overcoming the congestion problems of the corridor does not seem to register with any of the current protagonists. This existing piece of infrastructure offers a wide range of possibilities:

- A fast inter-urban train making lim-

DRIVE TO WORK / WORK TO DRIVE



ited stops, running every half an hour all day with a 40-minute trip time, would be a strong alternative to the car.

• Freight between Ford factories at Geelong and Broadmeadows used to be on rail. Special trains ran like a conveyor belt. Now 10,500 round trips by B-double trucks are planned each year instead. Both factories are still rail connected.

At the PTUA we were pleased to

see a letter in the press from the Australasian Railway Association putting the case for rail in the Geelong corridor. As reported in this edition of PTUA News, our PTUA submission to the House of Representatives Committee called for careful consideration of future rail investment as offering a potentially higher return than the almost automatic investment in more and more road infrastructure in intercity corridors in Australia.

Taxi Association calls for better public transport

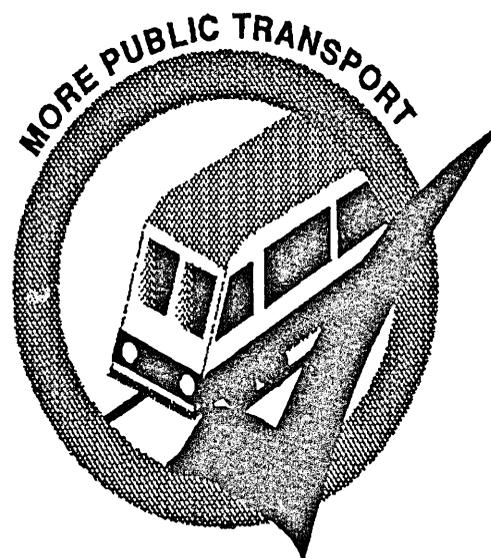
Victorian Taxi Association CEO Neil Sach has identified the serious lack of after-midnight public transport, particularly on Friday and Saturday nights and during festival periods, as a serious transport problem in Melbourne for which the taxi industry is frequently blamed.

Mr Sach makes the point that taxis "cannot and were never intended to move tens of thousands of people in a short period of time." In other words, taxis have an important role to play but are no substitute for a decent public transport service—a position with which the PTUA entirely agrees.

Mr Sach concluded his editorial by suggesting one way the Premier could pass on to the public the benefits of good economic performance:

"Provide full public transport services till 4a.m. on all Saturdays and Sundays and all through the night when any major event is on. The public will benefit and the taxis will get their job done calmly, efficiently and professionally without the threat of community resentment and false accusation."

(From Taxi Talk—Voice of the Taxi Industry, November 1997)



Letters to the PTUA...

• **Jane Keedle** of Moonee Ponds questions the ability of four separate rail and tram companies to coordinate services. This "will spell the worst possible doom for an already 'out of sync' system," she says.

• **Mr J. Cohen** of East St Kilda, who is a War Disability Pensioner, points out the random way in which seats and shelters are or are not in place at transit bus stops where he travels. This is a big problem all over Melbourne and Victoria. "We are asked to use public transport but no facilities are supplied," says Mr Cohen.

• **Mark Learmonth** and **David Smith** support the PTUA position that the Melbourne-to-Adelaide mainline upgrade has been badly botched. David Smith writes: "Anyone with any sense and/or ambition to build infrastructure for the next century would have built a new fast track..." Mark Learmonth is annoyed at the slow entrance to Melbourne of the standard gauge Overland, "through the back blocks of various railyards from Newport to Spencer St." Mark is shocked by the use of turn-of-the-century 'staff and ticket' safeworking in the 1990s.

• **Mr M.D. Rose** writes to suggest free public transport. Funds could be raised by a special household tax levy and usage would increase greatly, he believes. (Current PTUA policy is for affordable, but not free, public transport.)

Latrobe's transport problems

PTUA member **Michael Ozer** writes in response to John King's article *The La Trobe Student's Lament* (PTUA News, Oct 97):

"John King covers transport by train, bus and walking, with all the attendant

complications of conflicting timetables and lack of integrated PT services. Of course he is not going to include motor cars but why totally ignore the really flexible mode of travel by bicycle? Or at least add it to his equation in the context of a 'dual mode' option? I find the lack of inclusion of bicycle use in stories about PT quite amazing, and very short sighted."

Tony Morton, editor of PTUA News and an avid cyclist, believes that Michael has a point: after all, the bicycle is the most energy-efficient and environmentally friendly of all transport modes. One of the more common reasons people cite for not joining the PTUA is that they ride a bike and hence rarely have a need for public transport. The PTUA has a policy of encouraging the sort of 'dual-mode' options Michael alludes to, including bikes on trains and bike parking at all stations.

But, in John's defence it should be said that bikes aren't for everyone. Particularly in hilly outer suburbs where traffic is heavy, speed limits are higher, trips are lengthier and bicycle facilities are lacking, it takes a certain level of commitment to become a regular bike commuter. No doubt we should encourage more people to consider the bike option, but this is really a job for cycling and environment groups, not the PTUA. Rest assured that this job is being done by many worthy people, with more resources than we have.

At the PTUA we are concerned that people are offered a choice of transport modes, whether this be public transport, walking, cycling, or (in the last resort) the car. What John and Michael share is a common desire to question the dominance of the car culture in our lives; the alternatives are many, and each has its own pros and cons.

West Coast Rail debate

Member **Bill Kingsley** writes to criticise John McPherson's *West Coast Rail Revisited* article (PTUA News, Oct 97). Bill considers West Coast is doing an excellent job of operating and improving its "total service". "To say that 'nothing' is being done to improve rolling stock is just totally wrong."

John comments: I described the trip as I saw it. The government told us that privatisation would lead to huge benefits. I cannot see them on WCR yet.

New transport research

Well-known transport activist **Alan Parker** has produced a research paper, "Metropolitan Melbourne: Commuting to work 1976 to 1996; unsustainable trends in the census data."

Alan writes that the 2001 Census is going to show Victoria has greatly increased carbon dioxide emissions from the transport sector, totally ignoring the (already inadequate) Kyoto commitment.

Though unpalatable, Japanese-style demand management measures to control use and parking of cars, along with competent long-term planning, will be required.

For a copy of the paper contact Alan A. Parker, 50 Stirling Street, Footscray 3011.

Phone: (03) 9689 3693

Email: alanpar@ozemail.com.au



Mullum Mullum festival

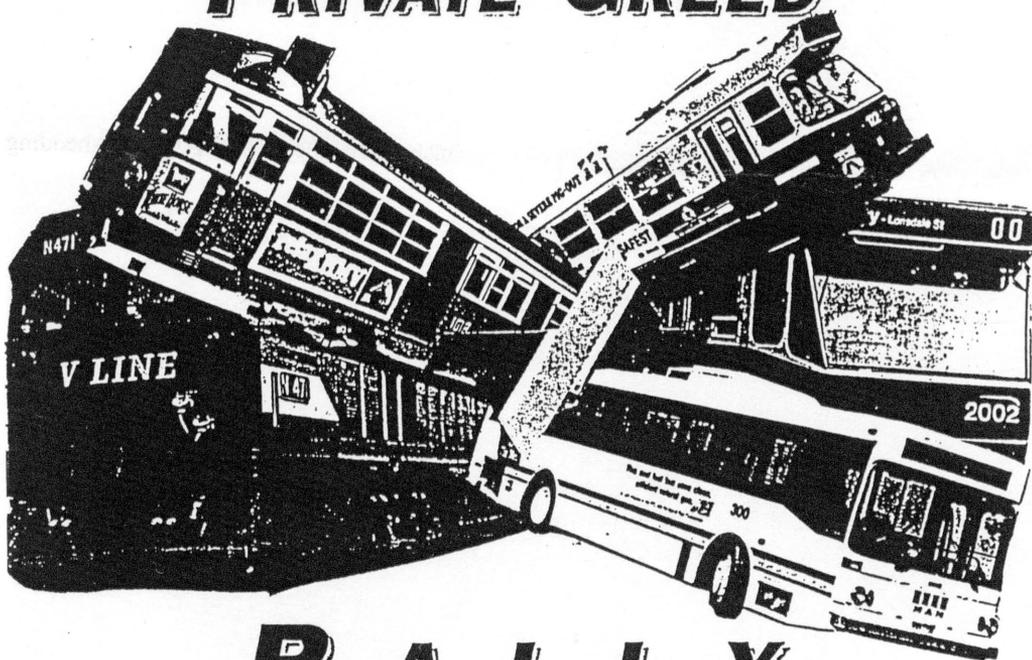
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PUBLIC TRANSPORT- PUBLIC NEED NOT PRIVATE GREED



R A L L Y **FRIDAY, MARCH 20, 5PM** **TRANSPORT HOUSE, 589 COLLINS ST, CITY**

Public Transport fulfils a vital need in the community. Over 240 million trips were made on public transport in Victoria last year. The Public Transport Corporation has dramatically slashed staff over the last 5 years, as it prepares for privatisation. Workers have been replaced by ticket vending machines, leading to lower levels of service, accessibility and security.

The public is being ignored during the whole privatisation process. After privatisation profit will dictate how, when and where services are provided. In England, where the system was sold several years ago, public transport services have declined as private operators chase profit. Hundreds of services a day have disappeared.

We demand a cheap, accessible, high quality public transport system, that caters to the needs of the community not the pockets of big business.

FOR MORE INFO CONTACT: THE COALITION ON PUBLIC TRANSPORT ON 9662 9688 OR 0419 537 595

PTUA submission to House of Representatives Committee

The PTUA has argued that a moderately fast, fully coordinated rail system would serve Australia far better than the specialised track infrastructure that suits high-speed trains.

The association made the point in a submission to the House of Representatives Standing Committee on Communications, Transport and Micro-economic Reform in Melbourne on 24 and 25 February. The PTUA submission, to an inquiry on "The Role of Rail in the National Transport Network" was presented by our president Paul Mees.

The PTUA presentation concentrated on 'international best practice' in rail operations. Much attention in Australia focusses on possibilities for ultra-high speed trains, similar to French TGV or Japanese Bullet operations serving a small number of major destinations and bypassing smaller cities. This type of train acts as a substitute for air services, and is aimed at business travellers.

The PTUA argued that a moderately fast, fully coordinated, rail-based public transport system, modelled on the Swiss "Bahn 2000" national strategy, would comprehensively meet the transport needs of more people and be more financially viable than the stand-alone specialised track infrastructure needed for ultra-fast trains. As seen in Switzerland, the UK and the North East Corridor in the USA, 200kph passenger trains and heavy freight can share the same tracks.

The Swiss 'pulse' national timetable integrates mainline and branchline trains with buses and ferries at common transfer points providing connections in all directions. Hourly services cover all train and bus routes and has an integrated fare structure. In contrast, Australia has infrequent trains and minimal bus connections even in densely populated areas. Poor service levels and high standard fares result in most passengers being 'captive' and travelling on concession fares. Very few 'choice' users are attracted from their cars onto this sort of system.

Our submission identified the main barriers to international best practice in intercity train travel in Australia as being the low speeds achieved on poor quality track and a lack of professional expertise in the rail industry that leads to a hostility to the possibilities of passenger rail in national transport.

Paul Mees pointed out that between 1970 and 1990, 96% of Commonwealth government expenditure on land transport went to road, only 4% went to rail. Currently \$100 million is

being spent completing the Goulburn-Canberra road as a freeway for little economic or environmental benefit, while nearby, parts of the main Sydney-Melbourne rail line continue to use tortuous 19th-century alignments that greatly limit speed and carrying capacity, and increase fuel consumption for every 3000-tonne freight train that passes. Even so, between 30% and 40% of freight between the two cities still goes by rail, testifying to the underlying efficiency of rail.

The PTUA submission also questioned the value of the nearly \$200 million spent under the former Federal Govern-

ment's 'Working Nation' investment program on the standardisation of the Melbourne-Adelaide mainline. The supposed benefits to freight are hard to see, but a number of negative consequences are already clear:

- The Overland passenger train is slower and less reliable, and bypasses Ballarat while not stopping at Geelong.

- Standardisation has offered V/Line an excuse to refuse passenger services to Horsham and Dimboola.

- South Australian secondary lines (such as the Mount Gambier line), feeding into the Melbourne-Adelaide mainline, have been closed.

- The Victorian freight network is split in two, on different rail gauges: standard and broad.

- The Adelaide suburban broad gauge rail service to Belair (Adelaide Hills) now uses a single track, resulting in reduced reliability and necessitating the closure of

three stations.

The PTUA submission finished with a plea for an integrated approach to transport infrastructure planning and expenditure in Australia, and a plea for an acknowledgement that cost-effective and careful investment in high-standard intercity railways could radically boost the contribution of rail to both freight and passenger transport, without the overblown and questionable investment required by ultra-fast passenger trains only aimed at a limited business travel market.

"Australia has infrequent trains and minimal bus connections even in densely populated areas. Poor service levels and high standard fares result in most passengers being 'captive' and travelling on concession fares. Very few 'choice' users are attracted from their cars onto this sort of system."

Copy Deadline for the next PTUA News is 30 April 1998

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