

OUR PUBLIC TRANSPORT



A Community View



An initiative of
Labor Council of NSW
Rail, Tram and Bus Union
Australian Services Union
NSW Transport Unions

Prepared by
Sally Campbell
Stuart White
UTS Institute for Sustainable Futures

November 2003



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Foreword

The quality of a public transport system is fundamental to the health of a society. It affects our ability to get around, it affects the air we breathe, it even affects our physical fitness. The health of the public transport system is of particular importance to workers in NSW, both those involved in the transport sector, and the hundreds of thousands who rely on the system to get to and from work every day.

With this in mind, the Labor Council of NSW decided to invite contributions from stakeholders to broaden the terms of this vital public debate. This report is the product of that dialogue, setting out the common ground among a variety of stakeholders.

The overwhelming response is that public transport is an essential community asset, an asset that needs to be enhanced, rather than a problem to be solved. The common view articulated by the community is that, based on the interim report of the Ministerial Inquiry into public transport, NSW is currently heading along the wrong track.

Their message to Government is that we need an integrated system that reduces reliance on the private motor vehicle; in our cities and our regions. To achieve this goal takes political will and a range of integrated strategies: from reviewing the way we account for public transport in our budgets, to actively encouraging commuters to use the system.

The need for action is urgent if we are not to become another California—a disconnected state with a dysfunctional city. The Labor Council stands ready to lead this debate and calls on everyone who cares about the future of our State to join us in this dialogue.

John Robertson
Secretary

Unions NSW

The following unions were involved in this initiative:

AMWU – Australian Manufacturing Workers Union

ASU NSW & ACT Services – Australian Services Union

RTBU – Rail, Tram and Bus Union

TWU – Transport Workers Union

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Acknowledgements

The authors and the unions would like to thank all the organisations that replied to our invitation to contribute at such short notice. We were not able to use all the material provided to us but have attempted to capture the key messages from the more than forty responses we received.

The authors would like to thank Dr. Chloë Mason, Visiting Fellow at ISF, for her comments and suggestions.

Peter Moore, Executive Director of UITP and Gary Moore, CEO of NCOSS, contributed their time and effort to review the document and make suggestions in a very short time frame. NCOSS broadly endorses the principles and approach of this document.

Other key contributors to this document and the process of inviting contributions and launching the document were Tom Berry, Chris Riedy and Ann Hobson (ISF), Mary Yaager and Mark Morey (Labor Council of NSW).

For support with design and layout we would like to thank Peter O'Connor and Mohamad Khaled.

Acronyms and Abbreviations

BTRE	Bureau of Transport and Regional Economics
Camwest	Cyclists Action Movement West
CCROC	Central Coast Regional Organisation of Councils
CCT	Cross City Tunnel
CDEP	Community Development Employment Project
DIPNR	Department of Infrastructure, Planning and Natural Resources
EDO	Environmental Defenders Office
ESD	Ecologically Sustainable Development
EST	Environmentally Sustainable Transport
HCC	Hurstville City Council
ISF	Institute for Sustainable Futures, UTS
IT	Information Technology
LCP	Least Cost Planning
LGSA	Local Government and Shires Association
NCOSS	NSW Council of Social Service
OECD	Organisation for Economic Co-operation and Development
PET	Pensioner Excursion Ticket
POEA Act	Protection of the Environment Administration Act
PRL	Parramatta Rail Link
RMAF	Results-based Management and Accountability Framework
RTBU	Rail, Tram and Bus Union
SSROC	Southern Sydney Regional Organisation of Councils
SSTS	School Student Transport Scheme
TDM	Travel Demand Management
TEC	Total Environment Centre
TWU	Transport Workers Union
UITP	International Association of Public Transport

UTS	University of Technology, Sydney
WATS	Wheelchair Accessible Taxi Scheme
WSROC	Western Sydney Regional Organisation of Councils

Overview

Our Public Transport: A community view calls for the continued development of a vision for our transport future in NSW, by and for its citizens; a vision that satisfies the needs of the community and can “meet the challenges ahead and grasp the opportunities,¹” as promised in *Action for Transport 2010*.

The authors and contributors propose a range of ways to prioritise the transport issue in public policy. Only by investing money, ideas and effort can we ensure that people have access to public transport and good conditions for walking and cycling where they live, play and work. Only by investing can we optimise the future economic prosperity, social equity, environmental quality and thereby sustainability, of NSW.

The current Ministerial Inquiry into Public Passenger Transport (the Ministerial Inquiry), established by the Hon. Michael Costa, Minister for Transport Services, under the chairmanship of Professor Tom Parry, invited submissions from the public on its terms of reference and responses to its Interim Report.

At the beginning of October 2003, the NSW Rail, Tram and Bus Union (RTBU) released the brochure *Our Public Transport: Invest in it now*² in response to the Ministerial Inquiry’s Interim Report.³ While agreeing with some aspects of the Interim Report, the RTBU found that it lacked vision and imaginative responses to the major issues facing public transport in New South Wales:

Instead the Inquiry has cast its net narrowly, defined a set of questions centred on funding the existing system and failed to adequately address the real issue—that the current transport system in Sydney and NSW does not entice people out of cars and onto mass public transport.

RTBU, Response to the Interim Report, p1

At the end of October, the Labor Council of NSW, in conjunction with transport unions,⁴ invited organisations that had made submissions to the Ministerial Inquiry to contribute to a broader community response to what many stakeholders identified as an unsatisfactory Interim Report. The number, timeliness and nature of contributions received was very encouraging. Contributors included representatives of unions, councils and their regional organisations, peak environmental and social advocacy groups⁵.

Sustainable transport: more than cost-benefit analysis

Governments spend community resources on services deemed essential to society, including policing, hospitals and education facilities, with the understanding that those services have a value to the community over and above that received by direct users. Transportation supports and facilitates

¹ *Action for Transport 2010*, p2

² See Appendix A: *Our Public Transport: Invest in it now*

³ See Appendix B: Ministerial Inquiry Terms of Reference

⁴ See Appendix C: Unions NSW

⁵ See Appendix D: List of Organisations contributing to the community response initiated by NSW RTBU, Labor Council of NSW and its transport unions

the essential economic and social interactions that create and develop communities and as such it is a service for which we are willing to pay.⁶ Moreover, *public transport* is an essential service because it enables all people to actively participate in society. What is absent from the Interim Report is an understanding that sustainable transport goes beyond cost-benefits.

This fundamental social and economic role of transport means its focus must be on people. People need *access* both to services and to each other to conduct the transactions and interactions that produce communities. Only an integrated transport system can successfully provide this access.

From the perspective of passengers, access is about being able to easily get from their home to the services or opportunities they need. The mode of transport people use is only an issue when a journey is inconvenient because it is awkward or difficult to use more than one mode. This could, for example, be the result of timetabling, in which services do not link well with each other thereby causing significant delays for users. It could be poorly designed or inadequately maintained pedestrian facilities that make it difficult to walk to a railway station and harder to push a pram there or to use a wheelchair.

The role of an operator is to deliver a high quality transport service with an appropriately trained and remunerated workforce.

Operators with relatively good work practices, safety conditions, high levels of union membership and who are beginning to implement mandatory work place induction programs are the better operators in the industry in terms of service standards and commitment to improved delivery.

Transport Workers Union, Submission to the Ministerial Inquiry, p9

Passengers are mainly concerned with the quality of service rather than ownership or regulations. They will become concerned when an unfair disadvantage arises from having a particular or sole operator in an area, for example concession prices only being available from certain operators or hours of operation or quality of service varying significantly.

Nevertheless, while the mode of transport is not usually important to an individual passenger, it can have significant consequences for the community as a whole. A transport *system* must be inter-modal, that is, have the capacity to include varied and interfacing modes, because reliance primarily on private cars disadvantages members of the community who cannot drive or cannot afford to own a car, and further, has damaging social and environmental consequences for the whole community. In common with a number of stakeholders, the University of Western Sydney⁷ was clear that:

In Sydney there is an increasing divide between the public transport 'haves', who do not have to buy cars, or reduce the number of cars that they run as a result of their central location, and the public transport 'have nots' of Greater Western Sydney, who are faced with such poor public transport choices that they are forced to invest in not only one car, but possibly more in order to achieve comparable mobility. Or, because

⁶ Glazebrook, G. (2001) Community Values in Transport, *Technology Business Review* April/May 2001, pp.19–21.

⁷ From invited contribution to this report

they cannot afford a car, their education and employment options are reduced.

These divisions and their social and economic consequences are felt across the community. The public pays for community damage both directly through health effects and indirectly through taxes to fix them as they reach critical status.

On the other hand, a system based on more sustainable modes of transport such as walking, cycling and public transport provides tangible benefits.

Community-wide detrimental effects of car-based transport system	Benefits to community of public transport-based system
Increasing accident costs	Decreasing accident costs
Increasing health costs	Decreasing health costs
Increasing use of land for roads	Decreasing use of land for roads
Decreasing accessibility especially for the young, old, disabled and non-drivers	Increasing accessibility especially for the young, old, disabled and non-drivers
Increasing urban air pollution	Decreasing urban air pollution
Increasing greenhouse gas emissions.	Decreasing greenhouse gas emissions

Clearly, the sustainability of communities depends on the future of transport. Which of these alternatives will the NSW Government choose?

On behalf of the community, the NSW Government should pay for the more sustainable alternative because all members of the community will benefit, not only public transport users. A sustainable transport system, with efficient, reliable public transport connecting vibrant centres, easily accessible on foot or by bicycle, will enhance our community and protect our environment. When all these benefits are taken into account, a public transport-based future will cost us all less than a car-based future and is therefore the better allocation of community resources.

A little less conversation and a little more action

Contributors to this report recognise that there are specific challenges to achieving sustainable transport in NSW and that the journey may be longer than we hope. The Total Environment Centre (TEC) summed up the existing situation:

Public Transport in New South Wales is in a state of crisis, with services struggling to cope with demand and many areas deprived of essential services and infrastructure. The Sydney air shed is plagued by chronic air pollution, while traffic congestion is a severe, and worsening, problem in urban areas.

Total Environment Centre, Submission to the Ministerial Inquiry, p2

Currently, the community is not getting the most benefit from our investment and resources because increasing travel in private motor

vehicles is undermining concurrent efforts being made by governments, industry and community members toward a sustainable future.

The State lacks an overall vision. With so many stakeholders and so many inter-dependent components of sustainable transport, that vision must be clear, far-sighted and developed from an agreed social context. Decisions about investment in transport can then be made readily.

Although cos-benefit is not the key fundamental issue for sustainable transport, economic efficiency is important. Current public transport funding structures present barriers to effectiveness. Taxation, concessions and mechanisms to capture private sector contributions all warrant investigation and in some instances specific reforms. For example, fringe benefits tax (FBT) offers a perverse incentive for people to drive more frequently⁸. Mechanisms like this, that contradict stated goals, need to be reversed.

There is no self-evident logic that road funding should be prioritised over the alternatives. Every investment proposal in NSW should pass a rigorous test in terms of efficiency, policy relevance, benefit-cost ratio, best value and environmental impact

Labor Council of NSW, Submission to the Ministerial Inquiry.

A lack of funding for sustainable transport and an imbalance in allocation of funds over many years means too much has been spent on roads and related infrastructure and too little on public transport and related infrastructure.

This skewed spending has changed the shape of our city. Sydney has sprawled outwards faster than infrastructure has been provided. Motorways have sliced through communities and the resulting urban form in western Sydney for example, does not offer citizens maximum access to services and contributes to worsening air pollution, diminishing the benefits and values that people seek by moving to these parts of the city.

Transportation issues are not confined to the more densely populated parts of Sydney, just as sustainability is not confined to environmental issues. Inequities in services exist among geographic and demographic areas of Sydney. Neglecting outer suburbs, regions surrounding Sydney and rural NSW has created those inequities. For instance, on the Central Coast and in the Illawarra, population growth continues without the basic infrastructure to move people and despite the world seeming to shrink on a global scale, NSW is yet to be well-connected by an effective transport system. People from rural areas travel long distances in slow trains, often preceded by coach trips, to access medical, specialist and educational services in the city and even this current, minimalist approach is now under threat.

The Government must provide more services in these areas, both as a strategy to manage overall population growth and to create a more socially and environmentally sustainable Sydney and a more economically prosperous State of NSW.

⁸ Environmental Defenders Office, Submission to the Ministerial Inquiry

Changing direction by delivering outcomes, not cutting costs

Diverse and numerous stakeholders want to see sustainable transport *outcomes* for NSW, not just plans and rhetoric. The outcomes delivered to the people of NSW must be part of a cohesive effort to improve our social, economic and environmental well-being. Those outcomes will provide access for all through an integrated, sustainable transport system.

A vision and a plan for sustainable transport requires the involvement of the community in the decision making process. Decisions about investment and the management of the system must demonstrate progress toward on-the-ground results to the community that is making the investment—it is after all their investment.

Research in NSW has shown that citizens support greater investment in public transport and further, that traditional decision makers are not aware of the views and preferences of citizens.⁹ The scale of investment in transport by the community, both private and public, is huge and potentially can reap benefits across the community proportional to its size, but the impact of different choices is significant. The responsibility for determining these matters should not lie only with elected representatives and government officials. For a plan to have credibility and to deliver tangible outcomes, people must have a voice in establishing a vision and developing the plan to implement the vision, by means they have not had a chance to in the past.

Various participatory process techniques are available to engage the community and determine its vision for a transport future and to provide guidance on the development of implementation steps to realise the vision and to assess progress along the path. The transport issue is at a critical point for many reasons and this is an opportune time for implementing such processes.

Planning for transport is not new—the NSW Government produced *Action for Transport 2010* in 1998—but it has failed to deliver outcomes. Changing this trajectory requires action and investment. By developing a vision first and working backwards from our goals, we can decide what steps to take now to implement our plans. This will involve investment by government on infrastructure and on processes, but with an agreed goal in mind, investment decisions can be based on clear objectives and consider all the impacts on the community.

We need to compare all the means to achieving the community's objectives and take into account both long and short-term effects. A road project might seem to be an efficient solution and yet induce new growth in traffic. NSW can boost tourism in rural areas by linking key centres around the State with convenient, fast, reliable public transport. Further development can then occur in these centres, for example around industries, universities and recreational facilities located there. Extending the transport system and managing its operation must go hand in hand. It is essential to maintain this longer perspective in managing operations and not be dominated by short-term cost-benefit approaches. Changes will need to be made in consultation with all those affected, including unions and others with local knowledge.

⁹ Glazebrook, G. (2001) *ibid*

Elsewhere in Australia and other parts of the world, although methods differ, concerted efforts are being made to change the shape of cities and transport patterns. Elsewhere, action is being taken by governments that have realised that without change, roads will take up the land we want to live on, smog will choke our cities and warm the planet, accidents will continue to kill and injure citizens and that soon we will face a fossil fuel resource crisis.

Decisions made now will shape the future not only of transport in NSW but also how our community works, relaxes, relates and grows. Other governments have chosen to implement long-term strategies with legislation and spending priorities that will provide public transport services far better than we have seen to date. Their transport networks will be the foundation of world-class cities of tomorrow.

Will NSW be left behind?

Recommendations

The following recommendations are based on strong views held by a range of key community stakeholders:

- Recommendation 1** That the NSW Government increase the level of investment in sustainable transport, in recognition of the multiple economic, social and environmental benefits that it provides. This will require reversing the historic over-investment in roads that is increasing the overall costs of the transport system. Instead funding should be directed to:
- 1.1 Increasing access to public transport services to people in NSW, including those living in outer suburbs of Sydney and in rural and regional areas,
 - 1.2 Augmentation, electrification and sectorisation of the rail network and provision of more frequent buses to improve services to passengers in outer areas of Sydney such as western Sydney and including electrification to Goulburn,
 - 1.3 Upgrades to public transport in the CBD, to make additional capacity available at inner city train stations for passengers travelling from outer suburbs, and
 - 1.4 Incentives for people to use public transport through discounts for regular use. This means not withdrawing periodical tickets such as Weeklies or providing equivalent discounts under integrated or smartcard ticketing.
- Recommendation 2** That the NSW Government take action to increase funding for public transport. Changes should not be funded by passengers through fares without an increase in levels of service. Funding should come from:
- 2.1 Reducing the NSW budget allocation to roads and increasing allocations to public transport,
 - 2.2 Lobbying the Commonwealth Government to direct more revenue towards public transport,
 - 2.3 Increasing the use of Section 94 Developer Contributions to support sustainable transport outcomes, for example to operate feeder buses in newly developed areas,
 - 2.4 Developing mechanisms to recoup the increased value received by property developers and owners of commercial premises when rezoning or construction of public transport infrastructure increases land value (betterment tax), and
 - 2.5 Increasing specific charging on car users such as parking levies.
- Recommendation 3** That the NSW Government address the continually increasing growth in vehicle kilometres travelled, as promised by the Government in *Action for Air* and *Action for Transport* by:
- 3.1 Not funding road projects which add capacity to the road network but focus instead on maintenance of roads, and upgrading of footpaths and cycleways to increase access to public transport,
 - 3.2 Providing salary packaging of public transport tickets to all its employees,

- 3.3 Transferring road space to dedicated public transport space, such as bus-only lanes in all areas of Sydney, and
- 3.4 Diverting some of the road budget to investment in public transport.

Recommendation 4 That the NSW Government address the current lack of integration for transport by:

- 4.1 Ensuring effective strategic planning for **all** modes of transport in the Department of Infrastructure Planning and Natural Resources,
- 4.2 Providing improved transport information which is focussed on passengers (not separated by who operates the system),
- 4.3 Facilitating better linking of public transport timetables across all modes and all operators for the convenience of passengers, and
- 4.4 Extending concessions for pensioners (pensioner excursion tickets) to all areas of NSW (including those served by private bus operators).

Recommendation 5 That the NSW Government take steps towards maximising the integration of land use and transport in NSW. This would include:

- 5.1 Finalising and implementing a revised State Environmental Planning Policy 66 (SEPP 66) to require integrated consideration of transport and land use planning in all new developments, and
- 5.2 Providing public transport services at the outset for all new land releases

Recommendation 6 That the NSW Government ensure an adequate public transport service is provided across the State, in rural and outer urban areas, as a means of improving access, addressing equity and fostering regional development needs by:

- 6.1 Maintaining and improving existing CountryLink services, including retaining the Armidale/Tamworth/Sydney connection and implementing a planned acquisition program of new rolling stock without delay,
- 6.2 Restoring the Murwillumbah XPT service and building the missing rail link to the Gold Coast in the fastest growing area in the State,
- 6.3 Investigate strategies to improve the coordination of transport services at a regional level, including integrating Community Transport services with existing government and private services, and
- 6.4 Increase funding for Community Transport to provide better services to the elderly and less mobile.

Recommendation 7 That the NSW Government learn from the experience of other countries in terms of: examples of legislation which aim to reduce the funding imbalance between different transport modes and deliberately seeking to interrupt trends towards a car dominated future by:

- 7.1 Developing legislation based on the principles included in the Intermodal Surface Transportation Efficiency Act in the US, and
- 7.2 Using a ‘backcasting’ process to implement an agreed vision for sustainable transport in NSW.

Recommendation 8 That the NSW Government develop transparent processes for planning and operating all transport services, based on long term outcomes. This would include comparing new transport options on sustainability criteria and ongoing evaluation and reporting against these outcomes. This requires:

- 8.1 Development of a management and reporting framework which, manages by **outcome** and reports to the community—drawing on the Canadian Results-based Management and Accountability Framework, and
- 8.2 Funding the School Student Transport Scheme on the basis of trips taken.

Recommendation 9 That the NSW Government commit to maximising the participation of citizens in decision making on transport services, including the development of a comprehensive vision for transport in NSW. This requires methods that go beyond the usual submission processes and engages citizens other than the traditional decision makers and non-government stakeholders. This requires:

- 9.1 The use of processes over time in which randomly selected groups of citizens deliberate NSW transport futures with input and support from stakeholders including unions, non-government organisations, and government agencies.

Recommendation 10 That the NSW Government take leadership to ensure that the Commonwealth Government make a similar commitment to sustainable transport, including:

- 10.1 Recognising its responsibilities to invest in public transport by finalising AusLink and including funding for public transport in that policy, and
- 10.2 Reducing subsidies to car based transportation including reforming fringe benefits taxation (FBT) to remove the current variable rates that decreases tax for those who maintain high vehicle usage.

Introduction

Our Public Transport: A community view calls for the continued development of a vision for our transport future in NSW, by and for its citizens; a vision that satisfies the needs of the community and can “meet the challenges ahead and grasp the opportunities,¹⁰” as promised in *Action for Transport 2010*.

The authors and contributors propose a range of means by which more can be done to prioritise the transport issue in public policy. Only by investing money, ideas and effort can we ensure that people have access to public transport and good conditions for walking and cycling where they live, play and work. Only by investing can we optimise the future economic prosperity, social equity, environmental quality and thereby sustainability, of NSW.

The current Ministerial Inquiry into Public Passenger Transport (the Ministerial Inquiry), established by the Hon. Michael Costa, Minister for Transport Services and under the chairmanship of Professor Tom Parry, invited submissions from the public, both on the terms of reference and on an interim report. Nearly 300 individuals and organisations initially made submissions and further responses have since been made to the Interim Report, titled *Ministerial Inquiry into Sustainable Transport in NSW: Options for the future* (the Interim Report).

At the beginning of October 2003, the NSW Rail, Tram and Bus Union (RTBU) released the brochure *Our Public Transport: Invest in it now*¹¹ in response to the Ministerial Inquiry¹² following its response to the Interim Report and earlier submission.

At the end of October, the Labor Council of NSW, in conjunction with the transport unions¹³ invited organisations, which had made submissions to the Ministerial Inquiry to contribute to a broader *Community Response* to the Ministerial Inquiry. The number, timeliness and nature of contributions received was strongly encouraging. Contributors included representatives of unions, councils and their regional organisations, peak environmental and social advocacy groups¹⁴.

Generally, contributors acknowledged that they would not all agree on everything contained in a broader document. They described instead a sense of sufficient common ground, not reflected in the *Interim Report*, which needed emphasising. We have sought to represent that common ground in this document and to note where specific ideas and comments originated.

This report describes three issues: the function of transport in society and imperatives for investing in public transport (Part A), a number of existing barriers to sustainable transport in NSW (Part B) and a summary of what is currently happening around the world as governments attempt to implement sustainable transport (Part C). The document is intended to

¹⁰ *Action for Transport 2010*, p2

¹¹ See Appendix A: *Our Public Transport: Invest in it now*

¹² See Appendix B: Ministerial Inquiry Terms of Reference

¹³ See Appendix C: List of Sponsor Unions

¹⁴ See Appendix D: List of Organisations Contributing the community response initiated by NSW RTBU, Labor Council of NSW and transport unions

promote debate in the community about our priorities for transport by providing some context for the barriers and international experiences. *Our Public Transport: A community view* does not contain all the answers, rather it challenges decision makers to question current processes. It asks, **'Are we doing enough to secure sustainable transport in NSW?'**

PART A



**Sustainable Transport:
More than
cost-benefit analysis**



Part A: Sustainable transport: more than cost–benefit analysis

Transport is rarely an end in itself—rather transport serves the needs of people by providing the means for people to move about and for movement of freight.

We travel for many purposes including accessing recreational facilities, jobs, education, health and other services and visiting family and friends. In towns and cities in NSW, transport for people includes public transport that is generally more efficient in the use of road space and fuel and roads for motor vehicles, both private and public. Transport also covers not only the provision of infrastructure, but also traffic management such as setting priority road space for buses, taxis and bicycles. In serving the needs of people to move about, transport is part of urban management that provides and maintains conditions for walking, cycling and accessing public transport.

Our economy relies on transport because “goods and services must move to enable trade and exchange to take place,” but paradoxically, one of the most flexible modes of transport has “generated some of the biggest barriers to efficient exchange”.¹⁵ Sustainable transport includes both movement of people and goods. Whilst the focus of this report is on people, freight transport also requires an optimum mix of shipping, rail and road use for reasons of safety, health and efficiency and urban amenity. As it does for people, the share or balance between these modes for the movement of freight needs shifting: more freight needs to be moved by rail or on ships and less freight needs to be moved on roads.

The provision of sustainable transport for people is now a challenge. For reasons of ‘sustainability’, greater use needs to be made of public transport, as well as walking and cycling and less use of private motor vehicles. The focus, previously on pollution, is now a broader question of the total effect of the transport system on the community. The impacts are not just in the atmosphere but are “wider ranging on the environment and for human health and neighbourhoods”.¹⁶

To reduce private motor vehicle travel, people need services that they can use to travel and environments in which it is easy to move independently, for example by walking or cycling. For shorter trips and for accessing public transport, footpaths and cycleways are important components of the transport system. This is illustrated by maps of ‘catchment areas’ such as those produced for Melbourne railway stations showing the area of land (and therefore the number of residences) within 7.5 minutes non-motorised travel of each railway station. That is, 0.8km walking and 2.5km by bicycle¹⁷.

Such maps could be produced for bus and rail networks in NSW. They would show how far you could travel during a ten-minute brisk walk or cycle, which conforms to the recommendations of the NSW Chief Health Officer, and the maps could be produced with the support of Councils, the RTA and the Active Living Council.

¹⁵ Hazel, G. 1999, *Transport, Sustainability and Engineering*, Transport Engineering in Australia, 5:2, p84

¹⁶ Mason, C (2003) Submission to the Ministerial Inquiry, p5

¹⁷ AUSTRROADS (1999), Guide to Traffic Engineering Practice – Bicycles Part 14, Sydney AUSTRROADS, Standards Australia. pp. 11–12

The movement of large numbers of people in common directions over longer distances requires *public transport*. Taxis offer publicly available transport services and play a critical role in our existing public transport system. In this sense, (and throughout this report) public transport means transport available to all members of the public. The term does not distinguish between public and private ownership.

Public transport is “a vital and central aspect of community life in New South Wales”.¹⁸ It follows that public transport cannot be assessed as an isolated economic activity. Instead, it is a necessary, supporting service, enabling our participation in the activities we undertake.

A service of that importance must be invested in by governments. The alternative is that we threaten the viability of transport-dependent activities. Without access to recreational facilities, the recreation we undertake will be limited. If access to jobs is reduced, our capacity to contribute to economic activity is limited and if we are unable to access educational facilities, we reduce our capacity to learn. Social isolation is a result of undermining our ability to stay in contact with each other.

Greater budgetary attention needs to be given to increasing community mobility to offset the negative affects of social isolation.

CCROC Submission to the Ministerial Inquiry p4

We can provide opportunities for access in many ways and we can also act to deliberately reduce the need to travel by motorised modes of transport, particularly inefficient forms of transport like single-occupancy vehicles. These actions to reduce the need for travel (by motorised transport) are referred to collectively as travel demand management (TDM). The way we organise land use is a fundamental influence on the frequency and distance we need to travel to access services.

Tele-working and the role of information technology (IT) in reducing the need to travel has been heavily promoted and forms an important component of flexible solutions to meet changing demographics and working patterns. However, the basic human need for contact with each other cannot be ignored¹⁹ and is crucial to social sustainability. Broader TDM initiatives must accompany the provision of public transport.²⁰ They include for example, decentralising services to centres well served by public transport, charging for vehicle insurance by the kilometre or fuel used and providing location travel information for access by sustainable transport or by large trip generators that is, providing transport access guides

The need for access to services and activities can be satisfied by travel using many different *modes* of transport, (including walking, cycling, public transport²¹ and private motor vehicles), but the consequences of

¹⁸ NSW Labor Council Submission to *the Ministerial Inquiry*, p2

¹⁹ Kooymans and Flehr (2000) argue that the likely continuing dominance of cities, at least over the next 30 years, (as noted by Winger, 1997), is highly correlated to our need for human interaction and face-to-face contact, despite improvements in IT. See also Kenyon's (2002) research into virtual mobility in which participants strongly defended their basic need for human interaction.

²⁰ As recognised by the Government in *Action for Transport 2010*

²¹ Taxis, buses, and light and heavy rail are the most common forms of passenger transport in Australia but there are many important variations including multi-hire taxis and demand responsive transport.

each vary. Walking and cycling are highly efficient and healthy and because of the physical activity involved, these forms of travel—described as ‘active transport’—are promoted to protect heart health and to achieve a healthy weight. Growing dependence on private motor vehicles on the other hand, causes traffic congestion, deteriorating air quality, sedentary lifestyles and social isolation in many cities around the world including cities and regions in NSW.

The Central Coast is already burdened with higher than average social inequities, and a total unsustainable dependence on the motor car. What is needed is incentives to alter the travel behaviour of Central Coast car users mixed with disincentives applied to car usage.

CCROC submission to the Ministerial Inquiry p1

The benefits of sustainable transport, including environmental benefits, health benefits and invigorated communities, span the responsibilities of many government departments and interest groups. The consequent duplication of effort is compromising the quality of public transport in NSW.

Since many of the trips people make involve more than one mode of transport, the *integration* of all modes of transport is fundamental. This includes walking, cycling and public transport. Genuine integration provides seamless transfers for passengers because timetables link services with each other and ticketing is common. Sustainable modes of transport need to work co-operatively to decrease car dependence.

Part A of this report describes what sustainable transport is, the function it has in society and the need for integration and seeks to answer the question, is the Government spending enough on sustainable transport?

1. Moving people

The function of transport, to satisfy people's needs, requires that sustainable transport systems have people as their focus. People, and their lives, are intricately linked with places—where they live, where they work, where they relax and where they meet with friends. Public transport needs to respond to both people and the places they use by connecting them conveniently and efficiently.

Our economy relies on transport because “goods and services must move to enable trade and exchange to take place,” but paradoxically, one of the most flexible modes of transport has “generated some of the biggest barriers to efficient exchange”.²² This is partly because cars take up a lot of space in the very areas we want to be vibrant and lively. The role of transport in supporting us to undertake activities like earning an income, gaining an education, visiting someone in hospital and interacting with family and friends is described as providing *opportunities for exchange* and maximising “possibilities for face-to-face meeting, social co-operation and transactions of every kind.”²³

Since not all modes of transport are available to all people (for example the private car which is inaccessible to people who either do not drive or do not have a car), public transport is a “key factor in bringing people together in order to achieve exchanges”²⁴ and “a core contributor to healthy community life”²⁵. It follows that public transport is an essential service and a crucial government investment”²⁶.

Unfortunately, in many instances, people are not always the focus of the transport system when types of transport (modes) or organisational boundaries are the basis for accounting. The following section describes the aspects of integration crucial for sustainable transport.

2. The need to integrate

People generally need *access*, both to services and to each other. Only an integrated transport system can successfully provide this access. From the perspective of passengers, access is about being able to easily get from their home to the services or opportunities they need or to other locations.

The *mode* of transport people use is only an issue when a journey is inconvenient because of difficulties using more than one mode of transport. This could be the result of timetabling where services do not link well with each other thereby causing passengers significant delays. As well, poorly designed or inadequately maintained pedestrian facilities can make it difficult to walk to a railway station and even harder to push a pram there or use a wheelchair.

The role of the operator is to deliver a high quality transport service. Passengers are mainly concerned with the quality of the service, rather than ownership or regulations. They will become concerned when an unfair

²² Hazel, G. (1999), Transport, Sustainability and Engineering, *Transport Engineering in Australia*, 5:2, p84

²³ Mumford, L., (1963), *The Highway and the City: [essays]*, Harcourt, Brace and World, New York.

²⁴ Hazel, G. (1999), *ibid* p83

²⁵ NCOSS, Response to *the Ministerial Inquiry*, p1

²⁶ As noted by NCOSS and others.

disadvantage arising from having one particular operator in an area, for example concession prices only being available from certain operators or highly varying quality of service.

Whilst the mode of transport is not usually important to an individual passenger, it can have significant consequences for the whole community. A transport system must be inter-modal, that is, have the capacity to include varied and interfacing modes, to provide efficient and effective service for users.

The UK Government embraces the need for integration through the British transport policy document *A New Deal for Transport, Better for Everyone*.

The following aspects of integration are components of sustainable transport:²⁷

- Integration within and between different types of transport
- Integration with the environment
- Integration with land use planning
- Integration with policies for education, health and wealth creation and the departments and levels of government with responsibility for them.

2.1. Land use planning and transport

The Government's recent integration within the new Department of Infrastructure, Planning and Natural Resources (DIPNR) acknowledges the need for integrated transport and land use planning. It is also demonstrated in part by the document *Draft SEPP 66 – Integrating Transport and Land Use* in 2001, which, despite developing some useful steps, remains a draft.

People's needs for travel are directly dependant on how the space we live in is organised. If the nearest shops are just around the corner, we might walk there but if the nearest university is in the centre of the city then we need to travel there regularly from wherever we live. This is the inherent link between transport and patterns of land use which requires that planning for both is integrated.

In its submission to the Ministerial Inquiry, the City of Newcastle emphasised that integration of transport and land use planning has been one of its key mechanisms to reduce travel demand²⁸. Integration now needs to be widely implemented in NSW to ensure that all new urban development facilitates reduced travel requirements. This is particularly relevant for new land releases where early planning and provision of transport infrastructure is essential.

In 1997, the NSW Council on the Cost of Government reported an improvement in the local accessibility of railway stations. For the cities of Newcastle, Sydney and Wollongong, it was found that an increased proportion of the population lived within one kilometre of a railway

²⁷ The compilation of these four aspects comes from the British policy documentation associated with sustainable transport, "A New Deal for Transport, Better for Everyone" (UK Government, 2000).

²⁸ City of Newcastle, Submission to *the Ministerial Inquiry*, p2

station.

The Council also observed:

...accessibility is a function of land-use patterns and densities as much as it is a function of transport systems. The lack of public transport to some centres has arisen from land-use planning decisions (in relation to residential areas as well as to jobs) and not necessarily from inadequacies in the distribution and scheduling of public transport services.

NSW Council on the Cost of Government p15

2.1.1. Location-based planning

The fundamental link between transport and land use necessitates planning for transport on the basis of location. Effective management and co-ordination of services is as necessary in non-metropolitan areas as major urban centres in NSW.

The complexity of transport services makes it difficult for outsiders to know which organisation is responsible for what, and most importantly, how to get an issue addressed.

A lead authority—or at least a co-ordinating panel—is needed to co-ordinate services and assist in the development of local and regional transport planning, development and management in NSW.

Many stakeholders²⁹ call for “whole of location transport arrangements,”³⁰ suggesting that Transport Development Officers (TDOs), are well placed to ensure the most effective use is made of limited resources. This is likely to require further TDOs and additionally, they could be employed on a regional basis. If local and regional transport servicing were to occur, then it would be opportune to consider the functions and skills required to work in transport development, community transport and road safety, especially if the State policy adopts TDM and local and regional transport plans.

Pooling funding would help to avoid the heavy administrative burden placed on community transport operators at present³¹ and streamlining the planning process is needed to avoid gaps in this service.

Another example of the locality-based nature of transport needs pertains to the Wheelchair Accessible Taxi Scheme (WATS). Concerns were raised regarding the availability of this service across the city to Western Sydney and other outer areas with calls for consistent benchmarking of service levels.³²

NCOSS provided a detailed discussion in its submission about the nature of disparate community transport services and the consequences for the community. This discussion has been included here, with permission, in Appendix E.

NCOSS draws attention to three models, which could inform a whole-of-

²⁹ E.g. NCOSS, Central Coast Community Environment Network, Bathurst City Council, City of Newcastle

³⁰ NCOSS Response to the Interim Report, p3

³¹ NCOSS Submission to the Ministerial Inquiry, p14

³² Penrith City Council, Response to the Interim Report, p2, Blue Mountains Commuter and Transport User Association, p13

government approach to planning and co-ordinating transport on a locality basis:

- (i) Non-emergency health related transport model (NSW Health)
- (ii) The transport development workers network model
- (iii) Mobility management model

In the absence of a more co-ordinated approach, NCOSS notes that models similar to the first initiative within a government department may arise from other departments, leading to increased fragmentation. Instead, they suggest some variation or combination of the latter two models and identify the following characteristics of effective co-ordination:

- *Focus on the clients' needs in terms of mobility and access*
- *Capacity to work across public, private and community providers and agencies*
- *Clear leadership from government to require a whole of government/community approach*³³
- *Maximum use of available resources, including vehicles, at the local and regional levels*
- *Consistent mechanisms of data collection to assess overall transport needs*
- *Regional needs based planning and evaluation that also informs state-wide policy*
- *Substantial resources from government to enable its effective implementation.*

NCOSS, Submission to the Ministerial Inquiry, p23

NCOSS further notes that it is essential that these services “operate across human services agencies rather than within individual agencies”³⁴ and suggest the involvement and leadership of “one key Department, preferably the Transport Co-ordination Authority or Premier’s Department”³⁵.

In the UK, the Departments of Transport and of the Environment have issued Local Authority Circulars to assist local, regional and specialised authorities (like British Rail) to prepare funding bids in line with annual statements of policies and programs. This part of the ‘new approach’ is intended to achieve specified objectives, by:

- Funds being allocated to the authority and mode that will best achieve outcomes
- Authorities being required to show how road and public transport expenditures (including a five-year forward estimate) fit with economic, environmental and road safety criteria
- Emphasising public transport, walking and cycling
- Emphasising public transport and road pricing type measures

³³ The Country Labor Party Parliamentary Group also noted in its submission to the Ministerial Inquiry (p3) that “Only by taking a whole of government approach, across all relevant portfolios, can the full costs and benefits of an effective public transport system be ascertained”

³⁴ NCOSS, Submission to the Ministerial Inquiry, p23

³⁵ *ibid*

before a road construction option will be approved.

2.2. Integrating all types of transport

For operators of transport services, integration means they need to dovetail well with each other to best satisfy passengers' access needs. Currently, even within the control of one transport operator there can be a lack of integration.

All modes of transport must interact with each other to form one transport network. Essentially, this means considering walking, cycling, public transport and the private motor vehicle together. The first two modes (walking and cycling) are often ignored despite being the most sustainable.

Urban planning has in the past focussed on one mode of transport—the private motor vehicle. What is needed now is a move toward deliberate provision for trips incorporating more than one transport mode (known as inter-modal trips). Integration makes it easier for people to walk a short distance and change modes to a bus or take a bike on a train and complete the trip by bike.

There are a number of key aspects to integrating transport modes. The International Association for Public Transport (UITP) has described the importance of consistent numbering, both to make it easier for the public to recognise and use mass transit, particularly in large cities and to reduce the cost of providing mass transit information³⁶.

Recent initiatives in NSW such as street-front kiosks, regional maps, consistent numbering of bus stops and the use of computer-based public transport information systems, the Public Transport Info Line and automatic dial-in inquiries, are applauded, however, good transport information is still uncommon in terms of timetables and location specific information rather than information that is limited to one mode of transport.

TWU suggests that a “sizeable financial commitment”³⁷ is needed to advertise the whole of the NSW public transport network, for example using a hotline or web service which links all available timetable and services by regional or contract areas. The provision of transport information to passengers must focus on the needs of passengers not on who operates the services. They continue:

Dedicated resources should also be provided by the Government to regular state wide education and service publicity campaigns, advertising all public transport services across NSW, regardless of public or private ownership or regional, metropolitan, outer-metropolitan location.

TWU, Submission to the Ministerial Inquiry p10

Ferry services are an essential component of public transport and an example of the need for integration. Submissions challenged proposals from the Ministerial Inquiry to separate ferry services from the STA³⁸. This proposal was described as “inconsistent with the proposals for greater

³⁶ Pers. Comm., Peter Moore, Executive Director of UITP in Australia, 4.11.03

³⁷ Transport Workers Union, Submission to *the Ministerial Inquiry*, p10

³⁸ Interim Report, p.xviii

integration of the transport system”³⁹. Others describe the importance of bus and ferry timetables relating well to each other to provide reliable transfers for passengers and questioned whether this would be possible if the operations were separated.

2.2.1. Ticketing

Integrated ticketing has been much talked about but little action has been taken, despite it being an essential component of a genuinely integrated network. The TWU supports integrated ticketing proposals and is keen for consultation to include “all relevant industry participants, including the TWU.”⁴⁰

The primary focus of integrating ticketing must be on providing a system that makes it easy for people to make trips when trips are likely to include more than one mode of transport. TEC has concerns regarding the “slow process” and the limiting of trials to smartcard technologies:

A truly effective and equitable integrated ticketing system must provide for integrated fares to ensure better value for money, particularly where several transfers are required.

TEC Submission to the Ministerial Inquiry, p8

The issue of fares reform is a focus of the Ministerial Inquiry and several stakeholders⁴¹ emphasise the need to provide similar transport ticket products (i.e. TravelTen and periodical tickets) in areas served by private buses. The TWU has recommended that the Government:

...increase the availability and access of pensioner fare discount schemes and subsidies across the private operator network in line with schemes currently made available to passengers...in the inner city, CBD, eastern suburbs and northern beaches.

TWU, Submission to the Ministerial Inquiry, p9

Proposed withdrawal of periodical tickets would potentially cost passengers significant amounts each week, subject to how proposed ‘time of day’ charging was implemented. Table 1 illustrates the costs to passengers from within the greater metropolitan region if periodical tickets were removed and replaced by fares equivalent to current peak day return prices. If passengers currently use annual or monthly passes, the price rise is even higher.

Table 1: Impact of withdrawing periodical tickets on passenger fares (All fares in \$)

Travelling by train to Central from	Weekly ticket	Day Return (Peak)	Cost for 5 days	Cost for 7 days	Additional cost over 5 days (without periodical tickets)	Additional cost over 7 days (without periodical tickets)
Gosford	47.00	16.00	80.00	112.00	33.00	65.00
Wollongong	50.00	17.60	88.00	123.20	38.00	73.20
Penrith	44.00	13.20	66.00	92.40	22.00	48.40

Source: CityRail Fare Calculator, Available at: http://www.cityrail.info/fares/fare_2.jsp [Accessed 11.1103]

³⁹ WSROC, Response to the Interim Report, p10

⁴⁰ Transport Workers Union, Submission to the Ministerial Inquiry, p10

⁴¹ Penrith City Council, Bus and Coach Association, Action for Public Transport (NSW)

Innovative solutions are always needed and an alternative to individual fare collection has been suggested:

Access to public transport should be treated in much the same way as access to the road system and many other public utilities. A lump sum is paid on a periodical basis, and individual usage is not charged (as applies to roads), except perhaps for premium services (similar to road tolls). Given the difficulties and disincentives associated with charging for each 'use' of public transport (current fare systems), this should be replaced by a single access fee.

Transit Planners Pty Ltd Submission to the Ministerial Inquiry, p2

Some of the implications of this proposal are that everyone pays the public transport access fee, whether they use public transport or not, reflecting the community-wide benefits of reduced congestion on the road and less pollution in the air. Whilst not proposed as the total funding source for the system, the proposal has some similarities to the Perth 'free' inner-city public transport and integrated transport operations, where property owners pay through parking space levies to finance the free inner city buses. The Perth system is a demonstrated recognition of the economic benefits of people being able to move easily around the Central Business District.⁴²

2.3. Public and private operators

Integration must be achieved in the interests of passengers—the rightful focus of the transport system. They must have confidence that the system is consistently well managed and reliable. NSW needs a management framework that can overcome the problems of the current array of service providers and managing agencies.

The TWU points out that privately operated bus services provide an essential component of the transport system. One example of the need to integrate operators for the benefit of passengers is that “access to dedicated [bus] lanes must be made equally available to all appropriate operators”⁴³ The TWU described the pressures on private operators of bus services:

Service levels are under pressure to be reduced and attempts are being made to let working arrangements and conditions deteriorate.

TWU, Submission to the Ministerial Inquiry, p4

Declining working conditions in the industry include “no more than 5% of bus drivers in the private bus industry [being] provided with appropriate workplace safety inductions or personal violence protection safety training”⁴⁴ despite 40% of drivers stating they had been assaulted or robbed in a recent survey. Further deterioration of these conditions could threaten the viability of those operators who “provide a critical service to the people of NSW, particularly in regional and outer metropolitan areas

⁴² Transit Planners Pty Ltd Submission to the Ministerial Inquiry, p3

⁴³ Transport Workers Union, Submission to the Ministerial Inquiry, p9

⁴⁴ *ibid*, pp5–6

like Western Sydney”⁴⁵. The TWU’s submission is that there is an “urgent need to increase the resources made available to the private bus industry”⁴⁶ but not at the expense of current service levels and standards provided by the Government sector, nor with any substantial increase in passenger contributions without a correspondingly substantial increase in service levels and delivery⁴⁷.

The TWU proposes that additional Government funding to private operators should be provided in conjunction with contracts that require operators to meet “specified and appropriate industry and service delivery standards and working to have these constantly improved.”⁴⁸ In this way, the Government could use contracts with private operators to provide incentives to improve working conditions in the industry and this is likely to increase service quality to passengers and increase transparency in funding. Contracts could contain elements of the TWU’s proposed Charter of Industry Rights and Obligations to legally bind operators to those conditions⁴⁹.

Professor David Hensher, Director of the Institute of Transport Studies at the University of Sydney, describes the need for a “performance-based quality contract regime”⁵⁰ characterised by “partnership and trust”⁵¹. Professor Hensher deems it necessary to have minimum service levels and to connect payments to service provided, rather than to patronage. He explains how to separately make incentive payments to encourage growth in patronage but is clear that this cannot be the basis for all payments to service operators.

The Total Environment Centre’s response to this issue centres on the Performance Assessment Regime (PAR), urging that this initiative be finalised.

The Labor Council of NSW provided results of a US Transport Research Board survey of employees in State departments of transportation, regional financing bodies and local transit authorities⁵². The research concluded that it is unclear whether linking funding to performance is the most desirable strategy. Questions arise, for example, about whether to spend on poor performers to bring them up to a minimum level or whether to reward high achievers, and asks how would performance be measured? The US has typically measured ‘ridership’ and cost efficiency without including any reflection on the contribution of the transport service to quality of life. With this research in mind, The Labor Council of NSW, cautions against allocating funding based on performance without further investigating this approach.

The Labor Council instead suggests a Results-based Management and Accountability Framework (RMAF), developed in Canada and adopted by the Treasury Board of Canada as its preferred methodology to monitor public enterprise efficiency and effectiveness⁵³. RMAF is not a replacement for managing and monitoring the needs of the workforce. Instead, under

⁴⁵ Transport Workers Union, *Submission to the Ministerial Inquiry* p6

⁴⁶ *ibid*, p7

⁴⁷ Transport Workers Union, *Submission to the Ministerial Inquiry*, p7

⁴⁸ *ibid*, p14

⁴⁹ *ibid*

⁵⁰ Institute of Transport Studies, *Submission to the Ministerial Inquiry*

⁵¹ *ibid*

⁵² NSW Labor Council, *Submission to the Ministerial Inquiry*, 2003

⁵³ *ibid*, p25

this framework both operational issues such as occupational health and safety, rates of pay and compliance with other State laws are monitored as well as long-term progress toward stated goals.

The common characteristics of a desirable management system, of all the many possible systems identified by contributors are transparency and accountability. Above all, the system would be integrated so that passengers know they have one *transport network* (not many transport operators).

2.4. Departmental integration

Co-ordinating transport-related portfolios is a key issue. The separation of traffic and transport authorities is described as “the biggest stumbling block to co-ordinated and integrated planning and sustainability”.⁵⁴ NSW appears to be lagging behind other States, for example compared with the system used in Western Australia to integrate Departments. Changes need to be implemented in consultation with industry, council and community groups.

Contributors seem to agree that further departmental integration is necessary, including locating strategic planning for all modes, (including road and rail based transport), within the Department of Infrastructure, Planning and Natural Resources (DIPNR).

Several submissions suggest NSW look to the Perth model to ensure that as structures change, public transport is properly compared with road infrastructure⁵⁵.

It could be based on the Perth model, which has the Western Australian Department for Planning and Infrastructure backed by a Sustainability Policy Unit with the power to establish traffic and transport priorities and expenditure. I understand this coordinating body can also ensure that public transport opportunities and alternatives are considered in the assessment of all proposed new road projects.

The Hon. Clover Moore (MP), Submission to the Ministerial Inquiry.

Comparison with other States was raised by NCOSS, which noted the reform of bus contracting in Adelaide, Perth and as proposed in Brisbane; reforms that centralise planning and service standards with a regulator. NCOSS notes the planned introduction in NSW of the Transport Regulator in January 2004 and caution against the role being purely about safety. Instead, developing and measuring standards, and receiving and monitoring the resolution of consumer complaints were identified as necessary roles.⁵⁶

2.5. Integrated evaluation

The need to integrate all modes of transport in determining investment priorities is supported by stakeholders. The Labor Council of NSW is explicit:

There is no self-evident logic that road funding should be prioritised over

⁵⁴ NSW Labor Council, Submission to the Ministerial Inquiry

⁵⁵ Including NCOSS, WSROC and Transit Planners Pty Ltd

⁵⁶ NCOSS, Submission to the Ministerial Inquiry, p6

the alternatives. Every investment proposal in NSW should pass a rigorous test in terms of efficiency, policy relevance, benefit-cost ratio, best value and environmental impact

Labor Council of NSW, Submission to the Ministerial Inquiry.

Integrated evaluation is supported by many submission writers⁵⁷, especially for comparing road projects with other alternatives. The UK *New Approach to Transport Appraisal* provides a useful framework because it succeeds in requiring the comparison of road projects with other transport options at all levels of government.

Least cost planning warrants further investigation as it can help to 'level the playing field'. This approach, historically used in energy policy, helps determine how a range of options each contributes to the agreed objectives and which of them achieves the most at the lowest total cost to the community. Least cost planning can also be used to include the negative and positive impacts (externalities) of different transport options in evaluation frameworks. In the absence of certainty, these impacts are often given a very low or even zero value.

Integrated evaluation requires that travel demand management mechanisms be compared with traditional projects to increase the capacity of the network. The measures include for example, cycling facilities, flexible work hours, car sharing, multi-hire taxis, road pricing and fuel taxes⁵⁸.

⁵⁷ NCOSS, ARTC, Bishop Austrans and EDO

⁵⁸ See the Online Transportation Demand Management Encyclopaedia at <http://www.vtpi.org/tdm/>

3. Sustainability

Ecologically Sustainable Development (ESD), since its first use in an international context in the Brundtland Report, *Our Common Future* in 1987, has become a commonly used term. Now terms such as 'sustainable development' or 'sustainability' are a shorthand and often the principles on which ESD is based are summarised to 'inter-generational equity'. Confusion arises from the pre-existing definition of sustainability as 'enduring' and more recent terminology, including 'triple bottom line accounting'.

The title of the Interim Report from the Ministerial Inquiry into Public Passenger Transport: *Ministerial Inquiry into Sustainable Transport in New South Wales: Options for the future*, created expectations of a thorough consideration of the issues for sustainable transport. The Interim Report, however, is principally concerned with the ongoing financing of public transport services, largely to the exclusion of other elements of sustainability. Submission writers and contributors to this report on the other hand, have consistently pointed out that several criteria are required to assess the success of public transport initiatives and projects.

Essentially, sustainability means something quite different from cost-benefit analysis and therefore it is insufficient to assess public transport on narrow cost recovery criteria. The basis for understanding sustainability must derive from internationally accepted definitions, including the Organisation for Economic Co-operation and Development (OECD) and interpretation in local legislation.

There are four principles of ESD arising from the Brundtland Report. They are:⁵⁹

- 1) Eliminating poverty is necessary on both human and environmental grounds
- 2) The developed world must reduce consumption of resources and production of waste
- 3) Global co-operation is required on environmental issues
- 4) Community based approaches are essential
- 5) Further, the World Health Organisation (WHO) Ottawa Charter for Health Promotion⁶⁰ provides a framework for community action and advocacy to improve health and equity, and its highly relevant to these transport issues.

The OECD has adopted the term Environmentally Sustainable Transport (EST) to transfer these principles into a transport context. The *Guidelines Towards Environmentally Sustainable Transport*⁶¹ are based on the results of the OECD EST project and seek to provide ways to make transport policy more sustainable and to enhance quality of life.

⁵⁹ These are as summarised in Newman and Kenworthy (1999)

⁶⁰ Described online at http://www.who.dk/aboutwho/policy/20010827_2 [last accessed 10.11.03]

⁶¹ Described on-line at http://www.oecd.org/document/30/0,2340,en_2649_34363_2410014_1_1_1_1.00.html [Last accessed 05.11.03]

The EST objectives are described as enabling “economic development and individual welfare without causing undue health and environmental impacts and depletion of finite resources”⁶². This interpretation demonstrates further the role of transport in ‘enabling’ other activities. The Guidelines recommend a new approach to planning which involves choosing a desired future then planning and implementing steps to achieve it. This approach, referred to as a ‘backcasting’ methodology, is new in the sense that planning has traditionally involved looking at the current situation and developing steps from there to move forward. Backcasting has a number of advantages related to creating innovative solutions unrestrained by the recent past and is described in detail in Section 10.

The scope of EST is very broad, addressing all modes of transport and land-use integration and having capacity for interventions that promote more energy efficient motor vehicles, such as hybrids, ‘cleaner’ fuels, internalising costs and fleet management including promoting ‘eco-driving’. In this report, ‘sustainable transport’ carries with it the sense of the principles of EST.

ESD, and its principles, have been incorporated into legislation in Australia and in NSW, specifically through: the *Transport Administration Act (1988)*; the *State Owned Corporations Act (1989)*; the *Environmental Planning and Assessment Act*; the *Protection of the Environment Administration Act (1991)*; the *Local Government Act (1993)*; and the *Protection of the Environment Operations Act (1997)*.

In the Protection of the Environment Administration Act (POEA Act) the following four principles are set out:

- i. Precautionary principle
- ii. Inter-generational equity
- iii. Conservation of biological diversity and
- iv. Improved valuation incorporating environmental costs.

These are the key concepts to be considered in defining sustainable transport in NSW. Unfortunately, as noted above, the Interim Report from the Ministerial Inquiry has to date kept quite a narrow focus, mainly on financing public transport. Given the nature of the terms of reference to the Ministerial Inquiry (See Appendix B), this was to some extent expected. However, the first term of reference—estimating the future revenue needs of state owned transport entities—implies a vision of the future development and operation of transport services, including public transport, in NSW. Without an accompanying discussion paper, contributions to this aspect of the Ministerial Inquiry are limited. The third term of reference—enhancing the optimum use of public transport relative to private transport—implies recognition of the need to increase the use of sustainable modes of transport and decrease reliance on private motor vehicles.

Action for Transport 2010 has a broad interpretation of sustainable transport and focuses on the imbalance between private motor vehicles and public transport. In part, NSW transport policy in 1998 was influenced by research into the effect of urban development and transport on air pollution and the subsequent 25-year Air Quality Management Plan,

⁶² Described on-line at http://www.oecd.org/document/30/0,2340,en_2649_34363_2410014_1_1_1_1.00.html
[Last accessed 05.11.03]

Action for Air. *Action for Air* highlights the need to increase public transport in the interests of “encouraging people to take fewer and shorter trips by individual motor vehicles”⁶³, an objective reflected in the RTA’s strategic policy, *The Journey Ahead*.

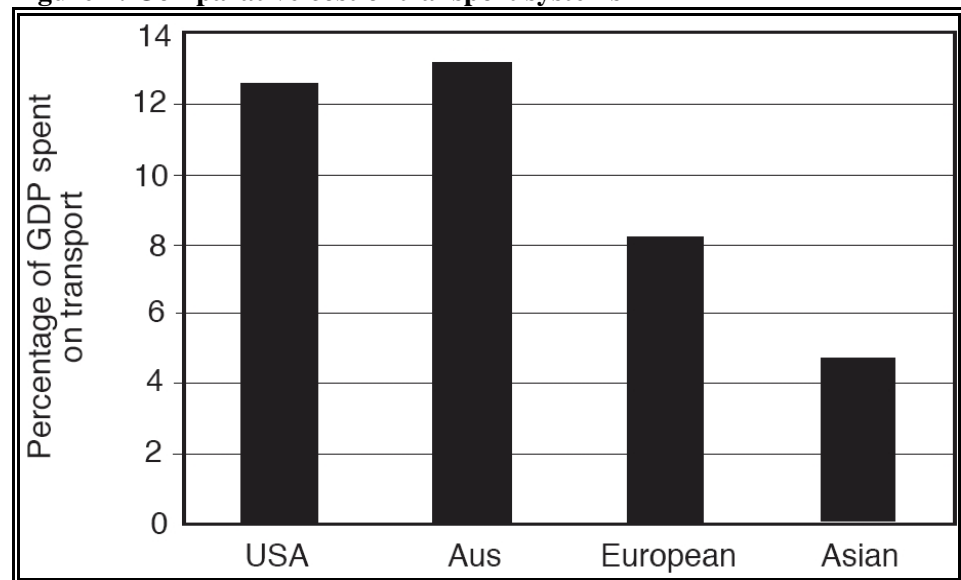
3.1. **Economic imperatives for more government spending**

3.1.1. **Costs of road congestion**

Space on roads and space for parking is a sacrifice of valuable land.⁶⁴ This is part of the economic argument for investing in more sustainable transport by increasing public transport.

Recent studies have shown that road construction does not enhance economic activity as once thought. A study of UK motorways, (the M58 and M62) found no evidence of a link between the roads and employment or economic prosperity.⁶⁵ However, a clear relationship exists between the predominant mode of transport and the total cost of the system. As illustrated in Figure 1, US and Australia need to spend a much higher percentage of GDP on transport, whereas in Europe and Asia, with more public transport, the cost of the whole transport system is lower in total. In the long term, investment in public transport places lower overall costs on society.

Figure 1: Comparative cost of transport systems



Source: Kenworthy, J. R. and Laube, F. B. et al 1999, *An international sourcebook of automobile dependence in cities 1960–1990*. University Press of Colorado, Boulder.

Other reasons to invest include the function of transport, the cost of congested roads and the direct costs of the private motor vehicle including increasing use of fossil fuels.

⁶³ NSW Government (1998) *Action for Air*, p6.

⁶⁴ Vuchic, V. 1999, *Transportation for Livable Cities*, Center for Urban Policy Research, New Jersey

⁶⁵ Whitelegg, J. 1993 in Newman and Kenworthy, 1999, *Sustainability and Cities: Overcoming Automobile Dependence*, Island Press, Washington

Many groups have argued that investment in public transport is in the long-term interests of all citizens in NSW.

The benefits of a good public transport system extend not only to the users but also to society and the environment as a whole.

CCROC Submission to the Ministerial Inquiry p2

A number of stakeholders declared that the long-term benefits are more important than short-term concerns over up-front capital, calling upon the Government to prioritise transport, even if this means extending debt. At present, congestion costs billions each year and is projected to increase. The Bureau of Transport and Regional Economics estimates the 1995 cost of \$6 billion could rise to some \$8.8 billion by 2015⁶⁶.

3.1.2. Cost of private motor vehicle travel

Despite the common misconception that private car travel is paid for by users, significant costs are borne by the wider community, including:⁶⁷

- Road construction and maintenance
- Road accident costs
- Increasing detrimental affects from hard surface run-off and associated salinity problems
- Noise and air pollution.

Stakeholders provided estimates for the cost of these impacts at around \$30 billion annually across Australia⁶⁸.

3.1.3. Unsustainable dependence on fossil fuels

The current best estimate of the peak of global oil production is between five and ten years from now⁶⁹. Debate continues as to when production will peak then decline,⁷⁰ but there remains little doubt that prices will rise significantly. This will affect Australians since we currently import 37% of our domestic oil supplies, and this reliance on imported oil is projected to rise to 51% by 2020⁷¹.

Understanding that our oil supplies are not infinitely secure or stable at current prices puts a new light on investment in public transport. What some describe as a subsidy, is in fact a strategy to manage risk. Australia's increasing dependence on imported oil can be reduced by investing in energy efficient public transport, more efficient land use patterns and high quality pedestrian and cycling facilities to increase the use of non-motorised modes of transport.

3.1.4. Economic development in regional centres

As the Western Sydney Regional Organisation of Councils (WSROC) noted recently, the State Government has made a commitment to decentralisation,

⁶⁶ Bureau of Transport and Regional Economics, *Urban Transport – Looking Ahead*, Information Sheet 14, 1999

⁶⁷ Noted by stakeholders including NCOSS (*Submission to the Ministerial Inquiry*, p2) and SSROC among others

⁶⁸ Bus and Coach Association of NSW, pers comm. 06.11.03

⁶⁹ Bentley, R., 2002, Global oil & gas depletion: an overview, *Energy Policy* 30(2002): 189-205

⁷⁰ See for example International Energy Agency (2001), *Oil Information 2001*, OECD, Paris

⁷¹ Dickson, A., et al, 2001, *Australian Energy Projections to 2019–20*, ABARE Research Report 01.11, Canberra

which can be implemented by connecting locations outside the metropolitan area with effective public transport. Emphasising the flow-on effects of regional development which high speed, high frequency transport can bring by enticing people out of cities and into regional areas, WSROC notes that “the development of a high-speed CountryLink network linking Sydney and Newcastle to major centres would support State Government decentralisation policies, reducing population pressures in Western Sydney”⁷².

3.2. Maintaining our environment

3.2.1. A sprawling city of expanding roads

Sydney now covers a vast land area in excess of 1,500 square kilometres. This is the same as London, where 7.4 million people lived in 2002⁷³. It is more than double New York's 780 square kilometres and comparatively large relative to Amsterdam (167 km²) and Paris (105 km²).

Cars take up an extraordinary amount of this space. Up to 40% of Australian urban areas are occupied by infrastructure for cars including roads, car parking, service stations and manufacturing facilities⁷⁴. Ironically, more space is required the faster traffic moves. Faster traffic requires a greater buffer in front, behind and on either side. For storage, the car requires on average, three times more space than the family home⁷⁵. This is mainly parking space in multiple locations such as home, workplace, shopping centre, pre-school, church and at recreational facilities.

Most of this space for parking is empty for long periods and tends to be heavily subsidised by the whole community, including those who walk, cycle and use public transport, rather than operating on a user-pays basis. Free car parking does not offer any incentive to use more sustainable transport.

3.2.2. Achieving air quality targets by reducing private motor vehicle use

The NSW State Government recognises the increasing use of private motor vehicles as “the most significant and growing air quality issue”⁷⁶. The pollutants emitted include carbon dioxide, nitrous oxides, unburnt hydrocarbons and sulphur dioxides as well as methane.

In 2001, The Total Environment Centre (TEC) carried out an independent review of the Government's 25-year plan for air quality, *Action for Air*. This found that in Sydney, both National Environmental Protection Measures (NEPM) and World Health Organisation (WHO) goals relating to ozone (and therefore smog) were exceeded. Summer levels were “alarming” and in winter, fine particles remained a problem. Together, these pollution levels cause a range of respiratory problems and increased

⁷² Western Sydney Regional Organisation of Councils (Press Release) *Western Sydney Supports CountryLink*, November 3, 2003.

⁷³ Greater London Authority, 2002, *Welcome to the Greater London Authority*, [Online] Available <http://www.london.gov.uk/approot/index.jsp> [Accessed 20.06.02]

⁷⁴ James, B., 2001, *Potential for Increasing Walking Trips, Walking in the 21st Century*. Perth: International Walking Conference, 20-22 February cited in AGO (2003) *Cities for Climate Protection – travel demand management module*

⁷⁵ Engwicht, D., 1992, *Towards an Eco-City: calming the traffic*, Environbook, Sydney, p45

⁷⁶ NSW State Government, 1998, *Action for Air*, p3

mortality⁷⁷ amongst those at risk.

This review exposed the contradiction of “continuing rapid growth in car use” that is “undermining the benefits of cleaner vehicle and fuels”⁷⁸. Government and industry commitment at one level is defeating itself at another. The inter-related issues of growth in vehicle kilometres travelled (VKT) and poor progress in improving public transport can be addressed in tandem by government commitment to and action on public transport.

3.2.3. Greenhouse gas emissions

The *National Greenhouse Strategy*⁷⁹ in which all Australian Governments undertook to “actively contribute” to stabilising greenhouse gas emissions, includes several relevant land use and transport policies.

Since transport contributed almost 15% of the net national greenhouse gas (GHG) emissions in 2000 and since emissions from trucks and light commercial vehicles increased by more than 32% over the last decade,⁸⁰ the transport sector is vital to strategies to reduce GHG emissions. It is essential that the NSW Government prioritise the challenge of reducing greenhouse gas emissions, along with other impacts of road-based transport, such as congestion and urban sprawl.

Based on recent investment priorities, which have expanded and improved the road network, road transport is generally projected to continue to increase. Some projections of *exponential* growth are unlikely, given the expected changes in fuel prices, but steps need to be taken to prevent any significant growth in both passenger and freight travel on roads. Continuation of current growth trends is contrary to the Government’s undertaking to actively contribute to the global effort toward reducing GHG emissions. A strong target to reduce trips by car achieved by investment in public transport would demonstrate a genuine contribution. An equally strong stance on sustainable transport must accompany the NSW Government’s other strong commitments to reducing emissions from power stations and to reducing the rate of land clearing or the effect of these vital steps will be undermined.

⁷⁷ TEC, 2001, *Review of Action for Air*, available online at www.tec.nccnsw.org.au/member/tec/projects/upload/review.pdf [Last accessed 06.11.03]

⁷⁸ *ibid*

⁷⁹ Commonwealth of Australia, 1998, *The National Greenhouse Strategy: Strategic Framework for Advancing Australia’s Greenhouse Response*, Canberra. This strategy is the enabling document for Australia’s ratification of the UNFCCC. See also <http://unfccc.int/>. This was noted by the RTBU in their Response to the interim report

⁸⁰ Australian Greenhouse Office (AGO), 2000, *National Greenhouse Gas Inventory 2000*, Available on line at <http://www.greenhouse.gov.au/inventory/2000/facts/index.htm> [Accessed 22.01.03]

3.3. **Providing an equitable, safe and healthy society**

3.3.1. **Quality of life**

Enhancing liveability and social capital in communities improves both quality of life and reduces the incidence of social problems⁸¹. This includes planning cities to reduce journey times to work and services, to increase available recreation time and ideally so that access can be by walking, cycling or public transport. These are key components of a more liveable city.

Liveability is a broad concept and many of its elements depend on the type or quality of a city's transportation system. It is generally agreed that quality of life in cities increases with accessibility for all citizens, efficient transportation and protection of the environment⁸². These objectives have resulted in most developed countries investing in inter-modal transportation systems, which reduce car dependence.

Creating a more compact city reduces distances between people. Using public transport can increase unplanned contact with neighbours and people on the street, on the bus or on the train. Research has shown that street life increases as the number of motor vehicles decreases⁸³. This in turn can reduce social isolation, increase perceptions of safety and decrease crime rates⁸⁴. The International Association for Public Transport (UITP) describes transport as a key means to combating social exclusion.

3.3.2. **Transport disadvantage and non-drivers**

What is known as the intra-generational equity aspect of sustainability, focuses on reducing the disadvantage of age for community members. Car dependent suburbs have major consequences for those people who do not drive. This includes those who are not old enough to drive, who rely on parents or other drivers to reach the services and activities they need. Other groups include job seekers, most of whom do not have access to a motor vehicle and people who have to forfeit their driving licence.

Lack of good public transport affects many young people's ability to find work, gain further education and access recreational opportunities.

CCROC submission to the Ministerial Inquiry p1

The elderly are commonly at a disadvantage when sight deterioration or other factors mean they no longer choose to, or are no longer allowed to drive. If this happens after years of driving, it can be very difficult to then learn how to use public transport.

Low mobility options also affect residents' ability to access health and welfare services.

CCROC submission to the Ministerial Inquiry p1

Those without access to a car suffer further when dispersed residential suburbs threaten the basic critical mass required to make a local centre

⁸¹ NCOSS, *Submission to the Ministerial Inquiry*, p3

⁸² Vuchic, V. 1999, *Transportation for Livable Cities*, Center for Urban Policy Research, New Jersey, p321

⁸³ Engwicht, D. (1992), *Towards an Eco-City: calming the traffic*, Environbook. Sydney p48

⁸⁴ Catford, R. 2003, *Transport as a Determinant of Health: What Role for the Health Sector?* VICFIT, Melbourne, [On-line] Available: <http://www.vicfit.com.au/walk/DocLib/Pub/DocLibDetail.asp?lngDocLibID=166> [Accessed 06.11.03]

viable. The movement of retail trade out of local centres and into suburban shopping complexes means people need to travel greater distances to meet their basic needs⁸⁵.

The level of poverty in some parts of cities often relates to available transport. A low level of investment in public transport reduces the level of service provided, directly affecting those who depend upon that service. The time-cost of travel means that people without access to cars rely solely upon public transport. An inefficient service demands more of their time each day, thereby reducing their potential income earning time.

The less affluent often bear many of the external costs of transport like noise and pollution, as they are unable to afford to live in other areas. Land resumption for new transport corridors and the associated relocation of citizens is another burden borne by the less affluent often living in those areas in public housing or cheaper private housing.

3.3.3. Lack of physical activity

Health consequences from private motor vehicle use and increasing dependence upon these vehicles is increasingly documented⁸⁶. Motor vehicle use increases have corresponded with declines in walking, cycling and public transport use⁸⁷. Ten years ago, school aged children walked for many of their journeys but concerns over safety and lifestyle changes have shifted mobility and transport patterns. The impacts of these changes are being felt in the health sector.

The adverse health affects relate to physical inactivity, the second leading cause of years lost to life in Australia⁸⁸. Moderate-intensity physical activity to counter this danger, as advised by the NSW Chief Health Officer⁸⁹ need only be obtained for 30 minutes per day on most days of the week. This can consist of incidental activity like walking or riding to work, the train or the bus stop—know as ‘active transport’. The health sector, other State agencies (Department of Tourism, Sport and Recreation for example) and non-government organisations (like PCYC) are working on education campaigns to convey to the public the benefits of being active everyday, such as getting about by ‘active transport’

Physical activity also contributes to preventing illnesses and premature mortality. For example by halving the risk of both coronary heart disease and colon cancer, reducing the risk of diabetes mellitus and osteoporosis, lowering blood pressure and improving mental health and weight control⁹⁰. The resulting savings contribute further to offsetting the cost of investment in public transport⁹¹.

The transport sector needs to support more health-promoting transport and less health-damaging transport. Their role is to invest in public transport

⁸⁵ Hazel, G. 1999, Transport, Sustainability and Engineering, *Transport Engineering in Australia*, 5:2, p83

⁸⁶ Including Catford, R. 2003, *Transport as a Determinant of Health: What Role for the Health Sector?* VICFIT, Melbourne, [On-line] Available: <http://www.vicfit.com.au/walk/DocLib/Pub/DocLibDetail.asp?lngDocLibID=166> [Accessed 06.11.03]

⁸⁷ Mason, C (2000) Healthy People, Places and Transport, *Health Promotion Journal of Australia* 2000:10 (3)

⁸⁸ Bauman A, Bellew B, Vita P, Brown W, Owen N (2002) *Getting Australia Active* National Public Health Partnership Melbourne, March

⁸⁹ NSW Department of Health, 2002, Health Promotion – Physical Activity [Online]. Available: http://www.health.nsw.gov.au/public-health/health-promotion/improve/physicalactivity/pa_new/pa_gen/pa_ben.htm [Accessed 06.11.2003]

⁹⁰ *ibid*

⁹¹ Medical Consumers Association Inc. *Submission to the Ministerial Inquiry*, 19 June 2003

and walking and cycling.

3.3.4. Accidents and injury

Each fatal road crash has been estimated to cost \$2 million, meaning that Australia-wide fatal accidents cost \$15 billion per annum.⁹² Pedestrians and cyclists are the most vulnerable road users, making up 18% and 3% of fatalities respectively— highly disproportionate figures when compared with their modal shares. More recently, awareness has increased of the cost in dollar terms of the human disabilities from motor vehicle crashes.

A primary prevention strategy, used in Occupation Health and Safety for example, is to reduce the hazard at the source. Therefore, public transport services are essential for reducing the reliance on cars (particularly by people who have forfeited their licence or are over the blood-alcohol limit or are tired). This strategy was part of the National Road Safety Action Plan 2000–2001.

The cost of accidents involving these road users can be significantly reduced by creating safer environments for walking and cycling, including lower speed limits in urban areas (where most of these fatalities occur) and providing designated facilities for cycling. Providing well-designed environments for walking and cycling, as well as secure bicycle storage at stations and on trains, will assist in increasing patronage for public transport.⁹³

⁹² Austroads, *Roadfacts 2000: an overview of the Australian and the New Zealand road systems*, Sydney

⁹³ As noted by Camwest in its *Submission to the Ministerial Inquiry*

4. Two choices

In essence, there are two choices for transport in NSW. One is to continue our current pattern of committing more and more road space to that purpose. This will increase trips by private motor vehicles and the public will pay for the problems caused both directly through their health and indirectly through taxes to pay to fix those problems as they reach critical status.

Which of these alternatives will the NSW Government choose?

Accident Costs UP

Accident Costs DOWN

Health Costs UP

Health Costs DOWN

Accessibility Especially For The Young, Old, Disabled And Non-Drivers DOWN

Accessibility Especially For The Young, Old, Disabled And Non-Drivers UP

Urban Air Pollution UP

Urban Air Pollution DOWN

Greenhouse Gas Emissions UP

Greenhouse Gas Emissions DOWN

Governments spend community resources on essential services, including policing, hospitals, providing clean drinking water and wastewater services, with the understanding that those services have a value to the community over and above contributions paid by direct users. Equally, public transport is an essential service because it enables all people to actively participate in society. Clearly, the sustainability of communities depends on the future of transport.

On behalf of the community, the NSW Government should invest in the more sustainable alternative because all members of the community will benefit, not just public transport users. An integrated, sustainable transport system with efficient, reliable public transport connecting vibrant pedestrian centres, easily accessible on foot or by bicycle, will enhance our community and protect our environment. When all these benefits are taken into account, a public transport-based future will cost us all less than a car-based future and is therefore the better allocation of community resources.

PART C



**Changing direction by
delivering outcomes,
not cutting costs**



Part B – A little less conversation and a little more action

Public Transport in New South Wales is in a state of crisis with services struggling to cope with demand and many areas deprived of essential services and infrastructure. The Sydney air shed is plagued by chronic air pollution, while traffic congestion is a severe, and worsening, problem in urban areas.

Total Environment Centre, Submission to the Ministerial Inquiry, p2

Having established in Part A, that public transport is an essential service to the NSW community and that there are numerous incentives for and benefits from investment, Part B explores why the existing system is not delivering sustainable transport outcomes.

The Government's objectives in relation to the transport system are not clear and the current cost cutting, short-term approaches do not clarify the aims. Since *Action for Transport 2010*, there has been no attempt to engage the community in developing a shared vision for the future of transport in NSW leading to fragmented and disparate approaches. Without a long-term vision or 'blueprint' for transport, this is likely to continue and NSW will suffer the continual upheavals of election cycles and reversed promises.

Although financial viability is not the fundamental issue for sustainable transport, economic efficiency is important. Current structures for funding public transport present barriers to its effectiveness. Taxation, concessions and mechanisms to capture private sector contributions all warrant investigation and in some instances specific reforms. For example, fringe benefits tax (FBT) currently offers a perverse incentive for people to drive more⁹⁴. Mechanisms like this, which contradict stated goals, need to be reversed.

Increased Government investment cannot be avoided. Prioritising is urgently needed as there has long been an imbalance in spending on transport with insufficient investment in public transport. Infrastructure requirements can be an endless list and sufficient funds for all the desired projects are unlikely. This necessitates rigorous overall processes by which investment priorities are established. The method used must incorporate the objectives of sustainable transport and how each project, regardless of mode, will contribute to those aims.

This process will require transportation needs to be identified and projects selected for funding which best provide for those needs. The community expects that its money will be spent wisely, requiring detailed analysis of a range of options. That analysis must include the project's impact on the environment and on quality of life.

The current Ministerial Inquiry presents this Government with an opportunity to engage with the community to understand their priorities. There are concerns, however, over the process used to date. Engaging the community in this issue is fundamental and addressing their concerns must be a priority for the Government. The final report from the Ministerial Inquiry, constrained as it is by the terms of reference, may not be enough

⁹⁴ Environmental Defenders Office, *Submission to the Ministerial Inquiry*

to answer to the many individuals and organisations that have participated thus far. In any case, the current process is not the only one the Government will need to change the direction of transport in NSW.

Part B of this document covers many of the issues raised by stakeholders as needing attention or reform in NSW. Many have been already provided to the Ministerial Inquiry. We have focused on the need to reform the processes of planning and managing transport in NSW.

5. A short term perspective

The OECD argues that sustainable transport planning is impossible without a vision.⁹⁵ An agreed vision provides the framework in which long-term objectives, goals and plans can be established and it is because of this lack of vision that all sides of government can be accused of “ad hoc, piecemeal and incomplete”⁹⁶ interventions.

Action for Transport 2010 presented a vision for transport in NSW and attempted to address what the Government described as an “imbalance in the road and public transport system”.⁹⁷ Unfortunately, most initiatives in that plan remain ideas without action. Not all the ideas in the plan were forgotten though—at the same time that public transport initiatives are grinding to a halt because of lack of funding, of the five major road projects in *Action for Transport 2010*, two are open and in use and construction has commenced on a third.

The diverse and broad range of stakeholders contributing to this report agree that public transport is important to them, summed up by one with the comment that “public transport should not be a stopgap solution but a realistic plan for the future growth of NSW, especially both its regional and rural areas”.⁹⁸

The short-term nature of contemporary transport planning in NSW is highlighted by those who suggest a need to “change our focus from short-term outputs to long-term outcomes.”⁹⁹ Others declare that “failed government planning policies and not funding are the more serious threats to Sydney’s transport system”¹⁰⁰, “the current vision for public transport is unclear and out of date,”¹⁰¹ and further:

...whilst the system obviously needs fixing, it also needs to be given a practical blueprint for growth and improvement – and it is important to realise that this cannot be done without significantly increased expenditure on infrastructure.

If this is not done, Sydney will end up with a transport system which is static and therefore more and more marginal. It would serve only an increasingly narrow band of users in the most densely populated areas, becoming largely irrelevant to the growing number of residents in Western Sydney whose taxes would still subsidise public transport but who would be increasingly unable to access it.

WSROC Response to the Interim Report

The strategic planning required is “relatively low cost”¹⁰² and much work has already been done locally. The current Ministerial Inquiry is criticised for ignoring work already done in NSW, including the Government’s own document, *Action for Transport 2010* which was “not mentioned once”¹⁰³, despite including lists of projects apparently from that document.

⁹⁵ OECD (2002), *Policy Instruments for Achieving Environmentally Sustainable Transport* as noted in the initial *Submission to the Ministerial Inquiry* from the RTBU

⁹⁶ RTBU, *Submission to the Ministerial Inquiry*, p3

⁹⁷ *Action for Transport 2010*, p44

⁹⁸ Youloë-Ta Indigenous Development Association Incorporated *Response to the Interim Report*, 2003

⁹⁹ NSW Labor Council, p4

¹⁰⁰ Action for Public Transport, *Response to the Interim Report*, p 3

¹⁰¹ Bus and Coach Association of NSW, pers. comm. 06.11.03

¹⁰² Clover Moore, MP. *Submission to the Ministerial Inquiry*

¹⁰³ WSROC Response to the Interim Report, p1

6. Insufficient funding for public transport

Public transport needs taxpayer funding¹⁰⁴ to attract current car drivers to more sustainable transport. Fare revenue will not be sufficient to fund the level of service required and nor should it be. Because the whole community benefits from sustainable transport, the whole community, via government investment, should pay. Options for additional funds include an important role for the Federal Government. It is noted that:

At the Federal level, the Government collects \$12 billion annually in fuel excises and only invests \$2 billion of this in transport infrastructure (mostly roads). Australia's rail network sorely requires injections of public capital.

Country Labor Party Parliamentary Group Response to Interim Report p9

Further, TEC supports range of funding options:

...congestion charging/road pricing, developer levies in new release areas and major urban redevelopment projects, beneficiary levies to link property value increases with sale of air space and commercial activity at stations, increasing the metropolitan parking levy, increased direct investment from the State Budget, redirection of funds from the roads budget to public transport, and substantial contributions from the Federal Government.

TEC, Submission to the Ministerial Inquiry, p4

NCOSS cautions against cost reflective pricing to avoid penalising growth communities, communities in decline and low-income people¹⁰⁵ instead suggesting a mix of user pays and public and private sector contributions:

- **developer bonuses**, such as floor space incentives, provided that both public transport and affordable housing are treated in a balanced manner in relation to any levies raised
- the introduction of a **betterment tax**, where the tax is levied in recognition of the situation where a rezoning of land permits the private property owner to reap a significant capital gain. Once again, the dual priorities of gaining a reasonable level of affordable housing and adequate public transport services in each major development would have to be balanced
- **reallocation of transport spending** from the NSW Roads Budget to the NSW Public Transport Budget, in line with Government policy decisions to enhance its investment in upgraded and new public transport services
- **increases in specific taxes on car users** such as parking levies and differential tolls
- **increases in taxes on businesses benefiting from improved public transport**. The availability of effective public transport generally enhances the value of land and the businesses which operate within relevant transport corridors.

NCOSS, Response to Interim Report, p2

Contributions from the private sector to public transport have often been facilitated using Build, Own, Operate, Transfer (BOOT) schemes. This has been criticised by stakeholders. For instance, in papers provided to the authors of this community response the AMWU notes that it could find

¹⁰⁴ Vuchic, V. 1999, *Transportation for Livable Cities*, Center for Urban Policy Research, New Jersey, p194

¹⁰⁵ NCOSS *Submission to the Ministerial Inquiry*, p3

“no examples where the private operator assumed financial responsibility for a failed project. This means that it will ultimately and apparently inevitably, be the State Government and the state taxpayers who will be paying for BOOT failures.”

Further, the Union submits that:

Governments are essentially ‘privatising’ government activities for the benefit of private developers. In the case of government developed infrastructure, such as public transport, these benefits would accrue to taxpayers. Furthermore, without this level of government involvement, the private BOOT developer would find it almost impossible to obtain the land corridors etc. for the tollways, tunnels, railways and other infrastructure they then charge the public for using. All of the elements of construction of infrastructure could be directly purchased by governments, through traditional tendering processes. The ‘coercive’ powers of government could then be used to advantage the public purse rather than the private developer.

AMWU Submission to the Ministerial Inquiry

Whilst car-disincentive policies are urgently needed, these must be implemented in concert with public transport infrastructure. As the Interim Report notes, “meaningful changes to road charges require...a coordinated approach to providing public transport”.¹⁰⁶ Areas in western Sydney, for example, not currently served by public transport would be inequitably affected by a levy for example on motor vehicle registration¹⁰⁷ and the potential for economic damage in the absence of effective public transport was also highlighted.

Reallocating road funding was nominated by many submission writers as a key move to reduce car dependence. This is further explored in Section 7.1.

From an investment perspective, it is appropriate to consider the need for ‘start-up funding’. In business, such seed funding allows progress to a more commercial level. In public transport terms, the investment would need to be sufficient for a high quality service to secure patronage in newly developing areas and could be provided by developer contributions.

Developer contributions (under Section 94 of the EP&A Act) need to be set at a level to fund high quality services from sprinter buses into new developments from the outset. This will provide a transition service linking the development with the rest of the transport network until the area is sufficiently developed for longer-term transport solutions. Such a service is essential from the outset of the development to prevent investment by new residents in additional motor vehicles.

RTBU Response to the Interim Report, P6

Since a lot of the direct costs of private motor vehicle travel are borne up-front, it is often difficult to change the travel patterns of car owners once established so timing is crucial.

In regional areas, as Tweed Council notes, transport is often “nobody’s responsibility”¹⁰⁸ and funding as an incentive to provide higher service

¹⁰⁶ Ministerial Inquiry into Sustainable Transport in NSW: Options for the future, p(xx)

¹⁰⁷ WSROC, Response to the Interim Report, p14

¹⁰⁸ Tweed Shire Council, Submission to the Ministerial Inquiry, 2003

levels above stipulated basic levels is necessary. Tweed Council acknowledges the progress made by some local governments on local transport plans but notes the absence of regulatory powers associated with these plans¹⁰⁹.

6.1. Possibilities for funding reform

A number of options exist for funding reform. Shifting funding away from road-based transport towards investment in public transport and increasing charges for road use had widespread support¹¹⁰ and is essential if the dominance of private motor vehicle use is to be reduced. Other possibilities are described below.

6.1.1. School Student Transport Scheme (SSTS)

Support is widespread¹¹¹, for the view expressed in the Interim report that School Student Transport Scheme (SSTS) funding should be based on actual trips taken rather than estimates. TEC, among others, describes reform of the SSTS and concession arrangements as “essential and long overdue in order to ensure that funding is better targeted”¹¹².

A number of contributors¹¹³ support capping the level of subsidies available for each student. This would mean that those who travel longer distances to the school of their choice might need to contribute to the total cost of travel if it exceeds the cap. In the interests of equity, the size of these zones would need to vary between metropolitan and rural/regional areas to ensure free travel to local schools would be assured.

School student transport subsidies (SSTS) for example, are an outdated funding model¹¹⁴ and need to change. At present about 25% of the subsidy goes in contracts for services to only 13% of students and in some cases the subsidy is 45% of the revenue for private operators¹¹⁵. Obesity in children is on the increase¹¹⁶ and creative solutions are needed.

RTBU Response to the Interim Report p8

Changes to the SSTS will impact on the revenue of private operators. The funding gap cannot be filled through fare increase alone and additional government subsidies may need to be considered. If the Government was to pursue further subsidies, these would need to be transparent to allow for comparison between public and private services.

6.1.2. Tax reform

Reform of taxation at both Federal and State levels, is needed to reverse the subsidisation of private motor vehicle travel and to better support sustainable alternatives. Fringe benefits tax is one example and reforms need to ensure that either:

¹⁰⁹ *ibid*

¹¹⁰ Penrith City Council, Transit Planners Pty Ltd, the Australian Rail Track Corporation, Bishop Austrans

¹¹¹ Including from TEC and NCOSS

¹¹² TEC, *Response the Interim report*, p8

¹¹³ Including TEC and SSROC

¹¹⁴ See IPART (1996) *Inquiry into Public Transport* and NSW Parliamentary Accounts Committee (2002) *Inquiry into the School Student Transport Scheme*

¹¹⁵ Interim Report, *Ministerial Inquiry into sustainable transport in NSW*, p17

¹¹⁶ Goodman, S. et al, (2002) Childhood obesity: of growing urgency, *The Medical Journal of Australia* 15 April 2002 176 (8): 400-401

- (i) public transport to work can be treated equivalent to owning and using an employer packaged vehicle or
- (ii) removal of this subsidy that encourages motor vehicle use.

Many stakeholders supported FBT reform¹¹⁷ and WSROC further noted strong support for the Ministerial Inquiry recommending that the Federal Government “address the problems and inefficiencies of the fuel excise” (Interim Report, p.xx). NSW needs to take leadership on lobbying the Federal Government on this issue as there has been little progress to date despite many attempts by individuals and groups.

UITP provides the following analysis of the issues in Australia:

There is a widespread perception that the taxation system acts as a disincentive to employers providing financial incentives to the use of modes other than the private motor car. While an employee is unable to claim, as a tax deduction, for travel to and from work, nonetheless economic benefits for cars are available for employees offered a salary package.

Under certain circumstances, employees are able to improve their financial position by leasing a vehicle and reducing their taxable income. The FBT subsequently paid is based on a concessional rate depending upon kilometres travelled per year. No additional cost is imposed on users as distance travelled increases – indeed the taxable value and FBT payable actually falls the longer the distance travelled.

It is suggested that not only do FBT concessions on business vehicles cost the Commonwealth much-needed revenue (estimated \$740 million in 1996/97) but the concessions cut directly across the Commonwealth’s declared policy on greenhouse gas reduction. It is also argued that such FBT concessions lead to a growth in cars used to travel to work, with up to 50% of cars to the Sydney central business district... receiving some form of FBT concession, causing an increase in the number of cars per household.

UITP, pers. comm. Peter Moore, Executive Director

6.1.3. Concessions

An appropriate and reasonable increase to the price of the pensioner excursion ticket (PET) had widespread support¹¹⁸ providing it was extended to private operations. This is essential to remove the current inequity between pensioners living in areas served by Government operated transport where the concession applies, and those living elsewhere in Sydney and the State¹¹⁹.

Specific issues for participants in the Commonwealth Community Development Employment Project (CDEP) were identified:

¹¹⁷ WSROC and Central Coast Environment Network

¹¹⁸ Including from NCOSS, Bus and Coach Association (NSW), Blue Mountains Commuter & Transport Users Association and Penrith City Council, TWU but not from ARPA Over 50s Association (NSW)

¹¹⁹ TWU Submission to the Ministerial Inquiry p9

When indigenous Australians elect to come onto CDEP they forgo their entitlement to a Centrelink Benefit therefore (in NSW only) forego their right to Transport Concession Cards. NSW is the only state in Australia that disadvantages CDEP Participants in this way. It is a handicap that CDEP Participants find hard to cope with...

Youlloe-Ta Indigenous Development Association Inc, Submission to the Ministerial Inquiry, p2

The importance of public transport in supporting job seekers has been demonstrated through research, including by Mason and Lake¹²⁰. That research demonstrated that familiarity with and access to public transport could increase the confidence of research participants to seek employment outside their local areas. This is further evidence of the role that public transport serves in supporting the daily activities of citizens.

Extending concessions to the private bus system was strongly supported¹²¹ and suggestions included extending the concessions for university students to include international students. This extension is argued on equity and international profile grounds and supported by statistics such as international students comprising 25% of the total tertiary student population and contributing \$1.5 billion to the state economy every year¹²².

Concerns were raised about the ineligibility of Low Care Residential Care Facility (Hostel) residents for Home and Community Care subsidised transport.¹²³

6.1.4. Developer contributions

Contributions can be collected under Section 94 of the NSW EP&A Act to enhance services to cater with the increased load on services which new developments create. Stakeholders highlighted this is a prime opportunity to source additional funds for public transport, including where density is increased, for example by demolishing a single detached dwelling and in-fill construction of townhouses as this increases the load on the public transport system. There was recognition of the need to focus on employment-generating projects as well as residential developments as these are major trip generators.¹²⁴ The possibility of pooling funds for the area and administering them on a locality basis (rather than close ties to specific developments) was suggested.

One potential issue arising regarding the contributions was developers passing increased costs on to purchasers and decreasing housing affordability. NCOSS recommends a mixed package, requiring an increase in the existing three per cent affordable housing benchmark and requiring funds for transport, as a solution to this issue.

In its submission to the current Productivity Commission Ministerial Inquiry into Housing Affordability¹²⁵, the Institute for Sustainable Futures (ISF) argued that housing affordability, in terms of the upfront capital cost of the house, is only one part of affordability. The nature of the home, its

¹²⁰ Mason, C. and Lake, R (2001) *Transport Access for Job Seeking: a pilot program*, GROW Employment Council, Commonwealth Department of Employment, Workplace Relations and Small Business

¹²¹ Including from the Central Coast Community Environment Network, *Submission to the Ministerial Inquiry*, p1

¹²² National Liaison Committee for International Students in Australia, pers. comm. 06.11.03

¹²³ Mountains Community Transport, pers comm. 03.11.03

¹²⁴ WSROC and Penrith City Council

¹²⁵ The full submission will be available on-line at <http://www.pc.gov.au/inquiry/housing/subs/sublist.html>

location and nearby services are key determinants of on-going life affordability and transport is one of the key costs that new home-owners will bear for the duration of their life in that home.

6.2. **Infrastructure needs**

In NSW, a public transport system that is efficient and convenient enough to attract car drivers to using more sustainable transport is needed. This is not the case currently and we have seen the results—increasing use of the private motor vehicle. A more sustainable transport system will need investment in new public transport services, including light rail and upgrades to other city services so that links from centres further from the CBD can be more readily accommodated. Town Hall station is an example of the current stretched capacity. Walking and cycling need to be encouraged with footpath maintenance and increased provision of cycleways. These two assets work with public transport as part of a sustainable transport system.

Despite one focus of this document being on process, there is a need to translate planning and goals into longer-term investment in infrastructure. WSROC is only one group which noted support for the Ministerial Inquiry suggestion¹²⁶ of increased funding to meet higher standards for CityRail and further agreed that newer equipment is likely to “spend less time out of service.”¹²⁷

Overall, infrastructure needs to be maintained and extended. These are two separate functions and the International Association for Public Transport (UITP) describes best practice as separating these responsibilities (and their funding). This is supported by a range of submission writers.

Transport investment choices, choices regularly made by government, impact not only on citizens living in the specific location affected but also passengers on the wider transport network. The decisions to invest in the Cross City Tunnel (CCT) and to halt progress on the Parramatta Rail Link (PRL), for example, are two related investment choices. These decisions will shape not only the way Sydney residents access key centres like the CBD, Parramatta and Chatswood, but also the travel patterns of residents all over Sydney as the road network is again enhanced at the expense of the public transport network. This approach reduces the appeal of public transport and further entrenches the dominance of the private motor vehicle in Sydney and NSW.

These are key decisions shaping the future of the city and the State and they do not always reflect community preferences. Research by the Warren Centre¹²⁸ demonstrates how decision makers have underestimated the community’s desire to shift funds from roads to public transport infrastructure. This research demonstrates both the community’s commitment on this issue and the need for better participatory process (as described in Section 12).

Further, it is argued that improvements in infrastructure¹²⁹ will require people to design, build and operate the infrastructure. Training of staff and provision of manufacturing infrastructure can thus form part of the

¹²⁶ Interim Report, Ministerial Inquiry, p 48

¹²⁷ WSROC Response, p8

¹²⁸ Glazebrook, G (2001) Community Values in Transport, *Technology Business Review*, April/May 2001 p19-21

¹²⁹ As called for by most contributors including Bathurst City Council, WSROC TWU and RTBU

investment of the community in its long-term, well-being and prosperity. Seeing investment in public transport from all angles is foresighted, as it recognises not only the usage of public transport for health, equity, environmental and economic reasons but also as a major investment in the future of the State and its people. This was a view supported by the Australian Manufacturing Workers Union in particular.

The range of infrastructure based suggestions was wide and included upgrades to stations for safety and accessibility, extensions, augmentations and new rail lines, electrification, interchanges, further bus priority measures in all areas of Sydney, shuttle services and overall increased services in poorly serviced areas like Western Sydney, the Central Coast and outside the metropolitan area.

In particular, the RTBU recommended “expanding the electrified line for passenger services in the Illawarra and to Goulburn” and described the benefits as including:

- *Providing commuters with more convenient services by reducing the need to interchange from electrified city services to diesel regional services*
- *Decreasing journey times for passengers*
- *Reducing particulate emissions and noise pollution affecting nearby residential areas. This pollution reduces the quality of the surrounding environment for other travellers (on bikes and walking for example) as well as quality of life and liveability in those areas.*

RTBU Response to the Interim Report p5

The fact is not lost on stakeholders that the existing system will not cope with future growth. One example is Hurstville Council’s note in its submission that express trains to the city in the am peak are at “crush capacity” by the time they reach Hurstville from the south.

Generally sectorisation, including of freight services was supported, but not as an excuse to defer upgrades for ten years, nor as a means to down-skill staff.¹³⁰ Instead, the process of increasing the efficiency of the network was welcomed as part of the major investment required and the five-year timeframe was considered almost too long.

Expansion of the light rail network in Sydney is supported as a means to provide a high quality public transport service at lower cost than heavy rail. Many submission writers argue that the possibly of a CBD loop would increase the viability of the light rail network making expansion to other areas more likely and note that this loop would “free up STA buses and other resources” for use in other locations. Generally, there is a call for considering further the future role of light rail in Sydney. TEC notes that even before the extension, the existing service had out-performed initial patronage projections¹³¹.

¹³⁰ WSROC and RTBU respectively

¹³¹ Support from WSROC, and TEC Submission to the Ministerial Inquiry, p3 cited in *Sydney Morning Herald*, 23/5/01

6.3. CountryLink services

One of the most common responses to the Interim Report from the Inquiry was a defence of CountryLink services. Stakeholders suggest that the main problem is too few services (not too many) and that the service fails either to compete with the private car, reduce traffic on country roads or to promote regular use.¹³²

Other key points raised were:

- The role of buses and coaches is as feeder services (otherwise capacity for growth and seasonal peak loads is limited)
- Reducing rail in regional areas is inconsistent with other States, which are investing heavily in rail services
- Efficient train services can provide a viable alternative to a second airport or support one outside the Sydney basin and current speeds should not be the maximum attainable
- There are strong and genuine preferences by passengers for rail based transport, including comfort, existence of station facilities, safety and disabled access
- Reducing passenger services must not be a precursor to reducing rail freight.

In three other States, recent commitments have been made to state of the art, high-speed services for regional networks. These include:

- “Australia’s fastest trains”¹³³ in WA – due in service between Perth and Kalgoorlie and between Northam and Perth, later in 2003. Nine 200km/h rail cars will be operated by Transwa, reducing journey times by up to 21 minutes – or nearly 40% faster – than comparable car trips¹³⁴
- \$550m for rail investment under Linking Victoria¹³⁵ – Announced February 2002, the Victorian Government’s 3-year project to upgrade more than 500km of rail line to support fast rail operations, will provide travel speeds of 160km/hr between Melbourne and the centres of Geelong, Ballarat, Bendigo and the Latrobe Valley as part of ‘Bringing Trains Back to Victorians’
- Queensland Rail’s Brisbane to Cairns Tilt Train¹³⁶ – Service launched June 15 this year providing innovative ticketing options, including stopovers, while providing a land transport alternative for passengers. The initiative builds on upgrades done for the purpose of freight transport to Rockhampton and Cairns and allows for travelling speeds of 160 km/hr.

¹³² Transit Planners Pty Ltd, Blue Mountains Consumer & Transport Users Association

¹³³ *International Rail Journal*, September 2003, p8

¹³⁴ WSROC *Submission to the Ministerial Inquiry*

¹³⁵ Information Victoria (2002) *Fast Rail Links to Regional Centres: A new era for regional rail travel*, Victorian Department of Infrastructure, Melbourne

¹³⁶ John Hoyle (2003), QR’s Diesel Tilt Train – a technical ‘snapshot’, *Railway Digest*, August, pp.17–20

WSROC provided an extended response to the Interim Report, particularly highlighting issues related to CountryLink services and their role in development outside the greater metropolitan region to reduce the pressures of urban sprawl on western Sydney. Many submission writers noted the specific impacts in regional areas that can result from decreased train services. The Country Labor Parliamentary Group for example, described a number of regional economic impacts of the withdrawal of rail services in their submission to the Inquiry. These included: the loss of country based rail worker's jobs, decreases in regional tourism (impacting on an already struggling industry) and a demonstrated lack of support for essential tertiary education facilities in regional areas.

TEC notes¹³⁷ that the concept of introducing buses to replace trains on CountryLink services may warrant investigation but only if "changes to country services [are] not...simply downgrading country services in order to boost funding for metropolitan services." Others question the CountryLink cost estimates in the Interim Report and suggest an "examination of the true costs (both social and economic) of running rail passenger services as opposed to bus services".¹³⁸

¹³⁷ TEC, *Response to the Interim Report* Page 3

¹³⁸ Bathurst City Council, pers comm. 03.11.03

7. Funding imbalances support private motor vehicles

7.1. Subsidies to private motor vehicle travel

Investing in the road network and in parking and related infrastructure encourages increased private motor vehicle use. Vuchic¹³⁹ describes the full range of subsidies to private motor vehicle travel and explicates the common misconception that public transport is subsidised while car users pay the cost of private car travel. To the contrary, he notes that the road system is mostly a public asset, constructed and maintained from public funds. Expensive land used for parking (outlined in Section 3.2) is another example of the subsidy.

Many researchers in Australia¹⁴⁰ also describe the subsidies currently serving to 'prop up' road-based transport. Recent estimates put road transport subsidies in Australia at more than \$6.2 billion annually.¹⁴¹ Only by removing such subsidies as a first step, and including externalities in the price of road based transport as a second step, will a more 'level playing field' for transport modes be achieved. This will in turn make the required modal shift more likely.

WSROC describes the need to understand how the transport system shapes patterns of urban development and travel. Responding to the Interim Report, WSROC cites western Sydney as an example:

... the absence of any significant expansion of the rail network in Western Sydney combined with the development of an extensive motorway network has exacerbated the trend towards private car use.

WSROC Response to the Interim Report, p1

Many stakeholders suggest continually increasing VKT can be attributed "largely to inadequate public transport and an emphasis on road building,"¹⁴² "public transport patronage cannot increase without improvements in service and infrastructure,"¹⁴³ and the Environmental Defenders Office is explicit:

Once pollution, congestion [and] road accident costs are taken into account, the road deficit in Australia is around \$22.8 billion. Viewed this way, it will become apparent that current revenue allocated to public transport is grossly inadequate, and dwarfed when juxtaposed by the monies allocated to the public subsidisation of private transport.

Environmental Defenders Office, Submission to the Ministerial Inquiry p5

A shift from public transport to other modes is evident in data provided to the Ministerial Inquiry by Professor David Hensher. Professor Hensher's published research includes data on trends showing that bus and train linked trips are being lost to other modes at a rate of two per cent

¹³⁹ Vuchic, V. 1999, *Transportation for Livable Cities*, Center for Urban Policy Research, New Jersey

¹⁴⁰ Riedy, C. (2003) *Subsidies that Encourage Fossil Fuel Use in Australia* Institute for Sustainable Futures working paper CR2003/01. Available online at <http://www.isf.uts.edu.au/publications/Riedy.html> [Accessed 06.11.03], as well as Banfield, K, Hutabarat, R & Diesendorf, M. (1999) Sydney's passenger transport: accounting for different modes, *ATRF99* 23 pp.269–285 and Catford, M (2003) *Transport as a Determinant of Health: What role the Health Sector?* as noted by Camwest in its *Submission to the Ministerial Inquiry*

¹⁴¹ Riedy, C. (2003) *ibid*

¹⁴² TEC, *Submission to the Ministerial Inquiry*, p1

¹⁴³ Bathurst City Council, *Submission to the Ministerial Inquiry*, p1

annually.¹⁴⁴ The research notes this is mostly lost to private motor vehicles. Only by making investment choices which take into account all the effects on the community will it be possible to reduce spending on road infrastructure, increase spending on public transport and move toward more sustainable transport.

7.2. 'Community Transport' and transport responsive to community needs

In rural areas, public transport is a rarity. Instead, an ad hoc collection of community and private resources, often in the form of individual diesel buses run by collective organisations and enterprising individuals, are attempting to fill the gap. This means the services tend to be unco-ordinated in terms of needs of the community in each location and instead target specific groups, like school children or club members. Without a fleet at this level, there is no provision of a service equivalent to public transport that is, a service accessible to everyone.

Other, specialised transport services have developed over the years. They are described comprehensively in the NCOSS Submission to the Ministerial Inquiry.

As noted by a regional Council, the following array of different services is an example of fragmentation¹⁴⁵:

- State funded student transport
- Community transport organisations with other State funding
- Home and Community Care (HACC) services funded by the Department of Ageing, Disability and Home Care
- Subsidised taxi schemes for clients of the Department of Veterans Affairs
- Licensed commercial contractors
- Local service organisations with their own vehicles.

The Central Coast Regional Organisation of Councils pinpoints a number of anomalies in the current structure:

On-going operator contracts minimise market discipline and blunt entrepreneurial incentives, e.g. community transport brokerage initiatives. Also, there is no scope within the current contracts for buses using a route (not in their contract area), to a particular destination, to pick up passengers.

CCROC Submission to the Ministerial Inquiry p2

At the local level, transport services are provided through a patchwork of programs, partially funded by Federal, State and local governments and directly through some community organisations. Three programs are

¹⁴⁴ Hensher, D. (2003) Urban Public Transport Delivery in Australia: Issues and Challenges in Retaining and Growing Patronage, *Road and Transport Research*, 12:2, pp. 1-12

¹⁴⁵ Tweed Shire Council, *Submission to the Ministerial Inquiry*

overseen by the Ministry of Transport and a new program for 'non-emergency health-related transport' is administered by HealthNSW and intended to be run by volunteers. In addition, community organisations, such as RSL clubs, PCYCs and special schools run transport services.

Access to program-funded services is confined to people meeting certain criteria and operators are not permitted to offer transport services to people in the locality who do not meet the criteria but who otherwise have no alternative because a public transport service is not available and they have no access to drive a motor vehicle. The NCOSS submission explains:

Community transport providers have expressed great dissatisfaction with existing planning processes. They have expressed concern about the lack of transparency in planning processes. They have expressed frustration with funds, which are linked to specific target groups rather than locally identified need. They have expressed concern about Departments determining services rather than allowing the planning processes to be community driven.

NCOSS Submission to the Ministerial Inquiry p11

The Local Government and Shires Association (LGSA) Submission described the vital role played by Councils in transport assistance to Community Transport services and more broadly in their communities.¹⁴⁶ From an audit in 1998, it appeared that about 30 councils were direct providers of transport services for older people and people with disabilities and 10 councils were providing general transport services for their communities, excluding aged and disabled services. A fifth of councils reported providing a building, office space and other support including advice, financial subsidies or donations.

The LGSA Submission describes the heavy demand for transport access to health and medical services, particularly since services have been centralised. In many places, there is no public transport service from local towns to a regional hospital and health centre. Aboriginal communities, located outside townships have major difficulties accessing not only essential health services but also all other services. Six regional Aboriginal Health Plans in NSW raise this problem.

The LGSA welcomed the new program for health related transport initiated by NSWHealth. This program has been welcomed too by some Community Transport Workers because some of the people travelling to health facilities need personal attention because of their medical condition.

The health sector generates trips not only for outpatient treatment but also for employees, who in Sydney make ten per cent of the journey-to-work trips. Therefore, it would be appropriate to establish the broader question of what public transport services are available for accessing each health facility rather than an approach targeted to narrow demographics.

However, it is abundantly clear that the pressures on Community Transport and on community organisations that provide transport services, arise mainly because of the inadequacy of local public transport services and their integration into urban management.

¹⁴⁶ Local Government and Shires Association, (2003) *Submission to the Ministerial Inquiry*

Local government social plans report that mobility issues—the condition of the footpath, the lack of safe cycling routes, the lack (or infrequency) of public transport services or difficulty in accessing public transport—are leading issues¹⁴⁷. Public transport services are for all people and need to be accepted not as a residual service but as an essential service.

The former Department of Aging and Disability ran a successful program in many regions in NSW to improve public transport services so that people could transfer from the highly pressured community–specialist services and make a public transport service more widely available to the general community. In Queensland, Brisbane City Council has been designing bus services with the local community to facilitate access to services (shops, health facilities etc), using frequent, small buses on the route.

Many localities have growing populations, or populations that are aging or very young. People become temporarily disabled, need support for a time, and can then return to using general services. For people formerly reliant on driving a car, little assistance is available to demonstrate how to get about affordably using whatever transport services are available.

As some residents, particularly those in organised groups, do have their transport needs satisfied by targeted services, demand for public transport may be hidden. While the latest program for health-related transport is likely to relieve the heavy pressure on Community Transport services, is it satisfactory to continue with an inefficient patchwork of services at the local level when there is latent (un-met) demand for more general and responsive services?

It would seem opportune to view the spectrum of people’s needs in a geographical area that public transport should be servicing. A bottom-up, fine-grained approach to meeting service needs spatially should complement the traditional approach by the NSW transport sector that looks at existing networks from a centralised, top-down perspective.

Only a co-ordinated approach, planned and managed at the local or regional level will improve public transport for areas outside the greater metropolitan area. Managing these resources as a fleet, rather than individual vehicles, would allow for greater service coverage and extended operation hours at minimal additional cost. This, accompanied by improved pedestrian and cycling facilities, will facilitate more sustainable transport in rural areas and reduce the use of private motor vehicles. Without improvements, rural residents will remain inadequately and inequitably served by public transport.

A bottom-up approach has consequences for the way in which data about transport services is presented and used in planning. In taking forward the points about funding and planning expressed in the NCOSS submission, it is apparent that more efficient arrangements could and should be made at the regional level in managing transport services—both what is being offered to the local community and how the fleet is being managed.

Latent demand for a responsive public transport service has profound implications for estimating the future revenue needs of NSW Government public transport organisations, as raised in the first term of reference for

¹⁴⁷ LGSA (2003), *Submission to the Ministerial Inquiry*

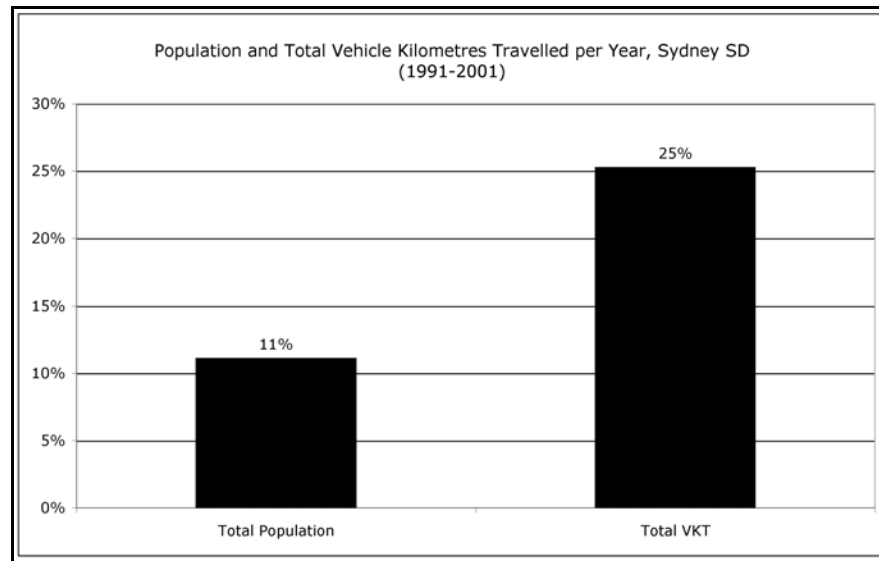
the Ministerial Inquiry. It is thus highly relevant to the current Ministerial Inquiry.

Links to bigger towns and cities in the State are very limited for rural residents and tourists wishing to access these areas. Other States are making significant investments in rail in regional and rural areas but in NSW, even the existing minimal service offered by CountryLink is under threat.

8. Much needed action

Many stakeholders, as noted in Part B, recognise that NSW has invested too much for too long in a mainly car-based transport system. As a result, total vehicle kilometres travelled each year have continued to increase faster than population, as shown in figure 2.

Figure 2: Population and Total Vehicle Kilometres Travelled per Year, Sydney Statistical District (SD), 1991–2001



Source: Transport Data Centre (2003), HTS Summary Report (TDC Report 2003/4)

An objective of sustainable transport requires that we shift away from car reliance to an inter-modal transport system. To achieve such significant changes requires a longer-term perspective than we typically see inside the election cycle. An investment that takes into account the benefits for the whole community of reducing travel by private motor vehicle is required. This investment must be on public transport and walking and cycling facilities.

Improved public transport infrastructure is needed both in the city and in the country. We will need to enhance the system, its capacity and its level of service. We need to make the most of all the transport resources scattered around the State and ensure that they are available to all members of the community and that they are integrated to provide effective access. Further incentives are required to encourage public transport use through making concessions and discounts that are currently in place available across the whole State.

It is possible to increase funds available to public transport by capturing private sector contributions, for example developers building new developments in areas well-served by public transport obtain premium prices whilst adding passengers to existing services. Developers need to pay for the increased services that are required as population densities change.

The Federal Government must be involved in public transport, in recognition of the significance of public transport in maintaining quality of life. The NSW Government must actively seek an increased level of involvement (and funding) from its Federal counterparts.

Above all, it is time to allocate community resources in a way that optimally benefits the whole community and that means investment in public transport not further subsidisation of private motor vehicle travel.

PART C



**Changing direction by
delivering outcomes,
not cutting costs**



Part C – Changing direction by delivering outcomes not cutting costs

Most developed Western countries are addressing the global phenomenon of reliance on cars, with public transport being a key part of the solution,¹⁴⁸ but:

*...there is no strategic framework in which public transport is provided in Australia, nor in how the issue of Australia's reliance on the car is being addressed. This makes Australia unique in developed Western countries.*¹⁴⁹

As Australia falls behind in terms of managing transport, it is time to look for examples of more sustainable transport operation, planning and management, both within Australia and in the rest of the world. Although Sydney may have one of the more complex systems in operation, “its problems are certainly not unique”¹⁵⁰ and other States are demonstrating far more commitment in investment in more sustainable modes and integrated management.

The discussion in Part C of this document raises the bar to demonstrate that innovative solutions to the challenge of sustainable transport do exist and are being implemented elsewhere. In NSW, we need to seek the best of these solutions and implement them within a shared local vision. This will ensure that sustainable transport delivers a better quality of life for people in NSW.

Delivering outcomes is essential because the community has been disappointed by promising plans like *Action for Transport*. Failure to commit to change and to implement the changes will only give more of the same—increasing car use. The community is realising the effects this has on them and many stakeholders are suggesting it is time for significant reform.

This report provides a summary of the approaches to developing a vision, of appropriate legislation, methods for increasing citizen participation and planning techniques known as ‘backcasting’ and ‘least cost planning’. These methods can provide transparency in the process of decision-making, and in the management of transport services.

The focus of the proposed reform is on outcomes from rigorous processes rather than state of the art transport modes or technological projects. These can compete with each other and detract from broader goals. Instead, the suggestion here is that the way in which NSW *plans and manages* transport has a powerful influence on the outcome and needs to change.

We must not stop after the planning process. In a changed environment, with a clear vision for the future of transport, it will be possible to determine the best strategies to employ and the appropriate implementation steps to achieve more sustainable transport in NSW.

¹⁴⁸ Pers. Comm. Peter Moore, Executive Director, UITP, 4.11.03

¹⁴⁹ *ibid*

¹⁵⁰ WSROC Submission to the Ministerial Inquiry

9. Creating a vision of the desired transport future

The OECD recognised that whilst their traditional approach to managing transport based on observing and seeking to change the current situation had reduced environmental and pollution related health impacts of transport through efficiency gains, it had not and was unlikely to meet long-term objectives. For this reason, in 1994 the major Environmentally Sustainable Transport (EST) project began.

The project included developing both an EST vision and a business-as-usual scenario and determining the steps to ensure realisation of the more sustainable option and avoidance of the business as usual scenario. Two comprehensive documents have now been released, *OECD Guidelines toward Environmentally Sustainable Transport* and *Policy Instruments for Achieving Environmentally Sustainable Transport*.

These documents highlight the importance of working to create a desired future. Several submissions to the Ministerial Inquiry discussed the importance of developing a long-term vision to guide the development of transport policy in NSW. For example, the RTBU noted that:

In the UK transport planning is done with a ten-year perspective and Victoria is looking ahead to 2030

RTBU Submission to the Ministerial Inquiry, p1

Without a vision, policy development and infrastructure investment lack a coherent framework and direction. The OECD's first Guideline for EST describes the ideal characteristics of a long-term EST vision. It should:

- Guide policy
- Be long-term
- Inspire action
- Be positive
- Be ambitious, sound and realistic
- Be built from the ground up using aspirations collected from stakeholders
- Be tailored to a broad range of actors.

Such a vision usually describes a future at least 20 to 50 years away, as a longer time horizon provides the space required to shift thinking beyond existing trends. For example, the OECD EST project developed a vision for 2030. Such a vision should not be 'utopian' but should aspire to a better future for all people and the environment.

NSW is not without some vision within the transport sector. *Action for Transport 2010* presented an integrated transport plan that, while far from perfect, has many positive elements. However, as several submissions pointed out, implementation of the vision in *Action for Transport 2010* has been poor.

The OECD guidelines explain the use of a process called ‘backcasting’ to work backwards in time to determine the steps required to realise your vision. The participation of stakeholders and citizens right from the start of any policy development process improves the likelihood that a vision will be implemented. Implementation is smoother when the affected parties have had a chance to ‘buy in’ to the visioning process. The next section considers ‘backcasting’ and the following section explores the role of participation in transport planning.

10. Steps to make the vision a reality

As discussed in the previous section, the development of a guiding vision is an important part of ‘backcasting’. The EST approach developed by the OECD relies on backcasting as a central framework for strategic planning of a transport system. The OECD describes backcasting as “doing what is necessary to achieve a wanted future” rather than using forecasting approaches which are only “doing what is possible to avoid an unwanted future”¹⁵¹. Where traditional forecasting approaches plan the transport capacity to meet apparent trends, backcasting approaches work backwards from a desired future to identify the steps required to reach that future.

The main steps in a backcasting approach are:

- Develop a vision (or visions) of a desirable future
- Work backwards from that vision to identify a path between the desirable future and the present
- Develop policies to close the gap between existing trends and the desired path.

The OECD notes that the vision should set targets and that the outcome of backcasting should be a comprehensive plan to meet the targets.

Backcasting is particularly useful when the desirable future differs substantially from the future implied by existing trends. It is an approach that provides the space to step outside existing trends and think about the real objectives of society. In Dutch the term translates as ‘trend breach’ and such a breach of current trends is clearly needed in NSW transport:

It must be stressed that simply maintaining or slightly improving current service levels is not a viable option. It is clear that the current system is inadequate to cope with transport demands and is creating a cycle of increasing car dependency and ever worsening air pollution and traffic congestion...the leaked Christie report reveals that to achieve the Government's current air quality targets, public transport use will have to roughly double and CityRail patronage will need to increase by 45 per cent.

TEC, Submission to the Ministerial Inquiry, p1

Several stakeholders identified the need for such a method as a central framework for strategic planning of the transport system in their submissions¹⁵². Many other submissions call for a consistent set of objectives for transport policy development, something that a backcasting approach can readily provide¹⁵³. There is an excellent opportunity for NSW to build on the foundation provided by the OECD EST project and to apply backcasting to the development and implementation of the State’s transport policy.

¹⁵¹ OECD, (2002) *Guidelines, toward Environmentally Sustainable Transport*, France p11

¹⁵² RTBU *Submission to the Ministerial Inquiry*

¹⁵³ The OECD describes their EST approach as “objectives-based” in the *Guidelines, toward Environmentally Sustainable Transport*, p10

11. Participation by the community

Traditional decision making models rely heavily on experts and stakeholders, both to develop a vision and to fill in the details of a plan to meet that vision. Increasingly, participation not only by stakeholders, but more broadly citizens, is seen as an appropriate way to deal with uncertainty and risk, while easing implementation issues. By engaging with the public, participatory approaches can begin the difficult task of changing public attitudes towards transport, which the OECD identifies as the highest priority for an EST future. Several submissions¹⁵⁴ called for greater participation in the development of transport policy in NSW.

Until recently, backcasting approaches were similarly expert-driven. However, the emergence of 'second generation backcasting' takes a more participatory approach to visioning, so that the desired future is "an emergent property of the process of engaging with users and project partners"¹⁵⁵. This participatory approach is favoured by the OECD, which stresses the need for a "continuing process, beginning with the participatory development of a long-term vision"¹⁵⁶.

The emergence of second-generation backcasting, also known as participatory or interactive backcasting, is part of a wider global trend towards greater public participation in decision making.

While the Ministerial Inquiry invited submissions from the public, there are many more innovative ways to involve the public in the development of transport policy, all of which have been successfully used elsewhere. The Youlloe-Ta Indigenous Development Association Incorporated was one group disappointed with the Ministerial Inquiry process. The Association expressed concern that, despite many submissions regarding transport access for participants in Community Development Employment Projects (CDEP), very little was mentioned in the report regarding those issues¹⁵⁷.

They were not the only group that found the Ministerial Inquiry process unsatisfying. Others noted that pre-emptive announcements have been made despite the Ministerial Inquiry being incomplete and others suggested the terms of reference were not broad enough and that questions could include, rather than investigating how much government spends on public transport, "how much it has to pay because it has not put in place satisfactory alternative means of travel so as to reduce the dependence on car travel."¹⁵⁸

While the basic concept of the Ministerial Inquiry is considered worthwhile, some contributors suggested the hasty process may have impacted on the quality of submissions and of the Interim Report itself.¹⁵⁹ In addition, WSROC states:

Whilst the initiatives to release an interim report and to make key submissions available on the internet are supported, it is difficult to

¹⁵⁴ Including Bathurst City Council, Labor Council of NSW and others.

¹⁵⁵ Robinson J (2003) Future Subjunctive: backcasting as social learning, *Futures* 35, 839–856

¹⁵⁶ OECD (2002) *Policy Instruments for Achieving EST*, p98

¹⁵⁷ One of the key issues for this group is that, in NSW only, participants in the program are required to forgo access to transport concession cards. This issue is described further in Section 6.1.3.

¹⁵⁸ Transit Planners Pty. Ltd.

¹⁵⁹ Penrith City Council, and WSROC

establish the extent to which the report reflects or responds to the recommendations made in the nearly 300 submissions that were lodged. There also do not appear to be any plans to hold public hearings at which some of these recommendations could be discussed and some of the assumptions of the interim report examined in more detail.

In summary, there needs to be greater transparency in the inquiry process and this issue should be addressed in the preparation of the final report.
WSROC response to the Interim Report, p5.

A useful process already underway is outlined by Hurstville City Council in its submission to the Ministerial Inquiry. HCC described a process of stakeholder participation, technical evaluation, service and improvement plans (including those for pedestrians and public transport) and a recommendation for a performance assessment regime. It is essential that where new initiatives are undertaken efforts are not duplicated and that instead they build on existing work by numerous organisations on a locality basis.

Genuine community engagement has at least three requirements:

- Representativeness – the involvement of more than the usual decision makers and stakeholders and ways to reach out to those who are affected by the decisions but do not typically have a say on these matters
- Deliberation – creating circumstances where the issues can be discussed in detail and engaged with in a way that considers them and all the impacts and moves beyond self interest
- Influence – empowering citizens so that they have a meaningful influence over the decision making process.

Several countries have used innovative consultation processes to develop transport policy. For example, Denmark held consensus conferences on the future of private cars in 1993, information technology in transport in 1994, and tele-working in 1997; Israel held a consensus conference on the future of transportation in 2000.

Participatory approaches go well beyond traditional consultation models by engaging ‘ordinary’ citizens in deliberation on public policy. There is great potential to build on this experience to develop a truly participatory transport policy for NSW.

12. Transparent decision making and management

Community engagement can be secured more easily when the process is transparent. As argued in the previous section, engagement should not stop at the development of a vision, rather participation should be part of key investment decision making and monitoring progress towards outcomes. In this section, processes for both investment appraisal ('least cost planning') and on-going management (Results-based Management and Accountability Framework) are discussed. The role of legislation is also considered and the US Integrated Surface Transportation Efficiency Act is described.

12.1. Making decisions about investment

The imbalance typical of transport investment in NSW has resulted in major investment in and therefore expansion of the road network in NSW at the expense of public transport projects. Most recently, this was demonstrated by the choices made in implementation of *Action for Transport*. It is time to compare all options that satisfy access needs, consider their full effects and invest in the sustainable transport options. 'Least cost planning' is an analytical framework that can achieve a less biased appraisal. The key investments for NSW can be prioritised using this framework.

'Least cost planning' (LCP) evaluates all the options that can be used to provide the transport services people need, comparing road based options, with other modes, transport demand management and active transport options such as walking or cycling. It is a methodology that considers the full effect of planning alternatives on different interests, including consumers, the community, business and industry, the environment and government¹⁶⁰. It evaluates a range of options and determines which options most reduce total costs and maximise total benefits *across* those interests. LCP has been applied widely in various utility sectors such as energy and water. In a transport context, LCP is able to enhance the efficiency, equity, transparency and consistency of transport decision-making, providing relevant data that encourages the formulation of improved transport solutions.¹⁶¹

The steps required to apply LCP to transport are:

- Determine the objective/s of the transport system
- Define the transport boundaries and risks
- Identify options for addressing transport system objectives
- Evaluate costs and benefits of options, introduce 'intangible' criteria, and rank options
- Select preferred option
- Implement preferred option

¹⁶⁰ Victoria Transport Policy Institute, 2003

¹⁶¹ ISF has produced a discussion paper summarising this approach to transport appraisal and it is available by e-mailing isf@uts.edu.au.

- Evaluate and adapt strategies in response to outcomes.

12.2. Managing progress to deliver outcomes

An asset as valuable to the community as the transport system must be well managed with a long-term perspective. When the focus shifts to the short-term and hasty cost cutting measures are introduced, long-term objectives are compromised.

The Labor Council of NSW argues in its submission for an open and transparent process that includes public performance reporting. Participatory approaches contribute towards openness, however, there is a need for ongoing reporting and accountability structures. The Labor Council identifies the *Results-based Management and Accountability Framework*, developed in Canada and adopted by the Treasury Board of Canada, as its preferred methodology to monitor public enterprise efficiency and effectiveness. According to the Council, this framework contains the following components:

- 1. **Profile:** a concise description of the policy, program or initiative, including a discussion of the background, need, target population, delivery approach, resources, governance structure and planned results.*
- 2. **Logic Model:** an illustration of the results chain or how the activities of a policy, program or initiative are expected to lead to the achievement of the final outcomes.*
- 3. **Ongoing Performance Measurement Strategy:** a plan for the ongoing measurement of performance, including the identification of indicators for the outputs and outcomes in the logic model and a measurement strategy describing how these indicators will be collected, how often and at what cost.*
- 4. **Evaluation Strategy:** a plan for the evaluation of the policy, program or initiative, including the identification of formative and summative evaluation issues and questions, the identification of associated data requirements, and a data collection strategy which will serve as the foundation for subsequent evaluation activities.*
- 5. **Reporting Strategy:** a plan to ensure the systematic reporting on the results of ongoing performance measurement as well as evaluation, to ensure that all reporting requirements are met.*

Such a framework can ensure that the vision and action plan developed through a backcasting process is implemented effectively and transparently.

In addressing this and other issues raised in this report, consideration should be given to establishing a permanent consultative committee. This would include members of the community, unions, industry and government.

12.3. Legislation to formalise the changes

Legislation is a clear and firm demonstration of government commitment. It establishes processes and ensures their consistent application at all levels.

The Integrated Surface Transportation Efficiency Act (ISTEA), introduced in the US in 1991, increased transport funding for six years by 25% over past trends. Under the legislation, States and local authorities were *conditionally* funded where:

- a 20-year plan has been developed, revised every five years
- projects are included in a Transportation Improvement Plan consistent with the 20-year plan.

Many stakeholders¹⁶² cite this legislation and suggest it could:

- Enhance road, rail, air and maritime connectivity and better provide access to critical areas
- Align transport projects across the State
- Assist in congestion relief
- Require life cycle costing for public transport assets
- Seek consistency of planning with energy conservation measures
- Foster long-term planning for land use and transport.

¹⁶² TEC and NSW Labor Council

13. Taxation as a community resource

Much of this report describes the need for increased investment in public transport by the Government. The current Ministerial Inquiry focuses almost exclusively on financing options. Taxation is a key mechanism by which to fund essential services and more focus on transport is needed. When considering the need to reduce reliance on car use, government investment of community resources collected via taxation can work both as a disincentive for private motor vehicle use and, through investment in public transport, as an incentive to use more sustainable modes.

The International Association of Public Transport (UITP) provided the following summary of international examples where transport-related taxation inequities have been removed:

The UK 2002 Budget made changes to the effect that:

- Taxation of company cars rewards cleaner and more efficient cars, by linking the tax charge to the car's exhaust emissions, with the objective of helping tackle global warming and improving local air quality.
- Employer subsidy of bus public transport is no longer subject to tax as an employment-related benefit, provided that the benefit is reasonably constrained to commuting travel.

In the US, the taxation system allows employers to provide a range of tax-free non-car travel benefit options up to a value of \$US100 per month. The benefit can be additional to current salary; taken out of current salary or transferred from another benefit (e.g. cash-out of car parking entitlement) by agreement between the employer and employee.

Several US States provide employers with tax credits for offering commuter benefit programs. For example, Maryland has legislated to provide a 50% corporate income tax credit for employer-provided public transport benefits up to \$US30 per employee per month.

In a first for Canada, the provincial Government of Quebec adopted a measure to provide tax incentives to employers and employees for public transport commuter benefits, which went into effect in mid-2003.

The new tax initiative allows an employer who pays the cost of monthly public transport passes, or who reimburses employees for this cost, to deduct this amount from their pre-tax salary. Employees who receive the benefits pay no additional tax on the benefit.

An additional provision allows workers who purchase their monthly passes themselves, who are not reimbursed by their employer, to deduct the total cost of the passes from their salary, as long as they are purchased for travel to work.

There is no doubt that these deductions will encourage a greater number of people to use public transport for work-related trips.

14. Where to from here?

This report sets out the common ground among a diverse and numerous group of stakeholders. Their common ground can be summarised as:

An understanding that:

- Public transport is essential to satisfy the needs of people and to support our economy
- A commitment to sustainable transport, is essential, where sustainability takes into account the full effects of transport on the community and not just what it costs in financial terms
- Only an integrated transport system where sustainable modes of transport work together to provide people with access can achieve the necessary reduction in use of the private motor vehicle.

A recognition of problems in NSW including:

- Lack of a plan to implement more sustainable transport in NSW
- Historically imbalanced investment in infrastructure which supports private car use over public transport
- Not enough public transport generally, including in rural and outer urban areas.

A desire for:

- More outcomes on the ground in terms of public transport
- Transparent decision making and management of the transport system
- Community involvement in the processes.

The Transport Services Minister, the Hon. Michael Costa, has convened a Ministerial Inquiry with terms of reference that do not enable discussion of these issues and therefore the Interim Report from Professor Parry has not addressed many of these community views.

We need to recognise that public transport, as a part of sustainable transport, is vital to enhance quality of life for all people in NSW. This means passengers alone should not pay the whole cost for the system. Instead, the NSW Government must invest in the most sustainable transport system for its citizens.

15. Recommendations

The following recommendations are based on strong views held by a range of key community stakeholders:

- Recommendation 1** That the NSW Government increase the level of investment in sustainable transport, in recognition of the multiple economic, social and environmental benefits that it provides. This will require reversing the historic over-investment in roads that is increasing the overall costs of the transport system. Instead funding should be directed to:
- 1.1 Increasing access to public transport services to people in NSW, including those living in outer suburbs of Sydney and in rural and regional areas,
 - 1.2 Augmentation, electrification and sectorisation of the rail network and provision of more frequent buses to improve services to passengers in outer areas of Sydney such as western Sydney and including electrification to Goulburn,
 - 1.3 Upgrades to public transport in the CBD, to make additional capacity available at inner city train stations for passengers travelling from outer suburbs, and
 - 1.4 Incentives for people to use public transport through discounts for regular use. This means not withdrawing periodical tickets such as Weeklies or providing equivalent discounts under integrated or smartcard ticketing.
- Recommendation 2** That the NSW Government take action to increase funding for public transport. Changes should not be funded by passengers through fares without an increase in levels of service. Funding should come from:
- 2.1 Reducing the NSW budget allocation to roads and increasing allocations to public transport,
 - 2.2 Lobbying the Commonwealth Government to direct more revenue towards public transport,
 - 2.3 Increasing the use of Section 94 Developer Contributions to support sustainable transport outcomes, for example to operate feeder buses in newly developed areas,
 - 2.4 Developing mechanisms to recoup the increased value received by property developers and owners of commercial premises when rezoning or construction of public transport infrastructure increases land value (betterment tax), and
 - 2.5 Increasing specific charging on car users such as parking levies.
- Recommendation 3** That the NSW Government address the continually increasing growth in vehicle kilometres travelled, as promised by the Government in *Action for Air* and *Action for Transport* by:
- 3.1 Not funding road projects which add capacity to the road network but focus instead on maintenance of roads, and upgrading of footpaths and cycleways to increase access to public transport,

- 3.2 Providing salary packaging of public transport tickets to all its employees,
- 3.3 Transferring road space to dedicated public transport space, such as bus-only lanes in all areas of Sydney, and
- 3.4 Diverting some of the road budget to investment in public transport.

Recommendation 4 That the NSW Government address the current lack of integration for transport by:

- 4.1 Ensuring effective strategic planning for **all** modes of transport in the Department of Infrastructure Planning and Natural Resources,
- 4.2 Providing improved transport information which is focussed on passengers (not separated by who operates the system),
- 4.3 Facilitating better linking of public transport timetables across all modes and all operators for the convenience of passengers, and
- 4.4 Extending concessions for pensioners (pensioner excursion tickets) to all areas of NSW (including those served by private bus operators).

Recommendation 5 That the NSW Government take steps towards maximising the integration of land use and transport in NSW. This would include:

- 5.1 Finalising and implementing a revised State Environmental Planning Policy 66 (SEPP 66) to require integrated consideration of transport and land use planning in all new developments, and
- 5.2 Providing public transport services at the outset for all new land releases

Recommendation 6 That the NSW Government ensure an adequate public transport service is provided across the State, in rural and outer urban areas, as a means of improving access, addressing equity and fostering regional development needs by:

- 6.1 Maintaining and improving existing CountryLink services, including retaining the Armidale/Tamworth/Sydney connection and implementing a planned acquisition program of new rolling stock without delay,
- 6.2 Restoring the Murwillumbah XPT service and building the missing rail link to the Gold Coast in the fastest growing area in the State,
- 6.3 Investigate strategies to improve the coordination of transport services at a regional level, including integrating Community Transport services with existing government and private services, and
- 6.4 Increase funding for Community Transport to provide better services to the elderly and less mobile.

Recommendation 7 That the NSW Government learn from the experience of other countries in terms of: examples of legislation which aim to reduce the funding imbalance between different transport modes and deliberately seeking to interrupt trends towards a car dominated future by:

- 7.1 Developing legislation based on the principles included in the Intermodal Surface Transportation Efficiency Act in the US, and

- 7.2 Using a ‘backcasting’ process to implement an agreed vision for sustainable transport in NSW.

Recommendation 8 That the NSW Government develop transparent processes for planning and operating all transport services, based on long term outcomes. This would include comparing new transport options on sustainability criteria and ongoing evaluation and reporting against these outcomes. This requires:

- 8.1 Development of a management and reporting framework which, manages by **outcome** and reports to the community—drawing on the Canadian Results-based Management and Accountability Framework, and
- 8.2 Funding the School Student Transport Scheme on the basis of trips taken.

Recommendation 9 That the NSW Government commit to maximising the participation of citizens in decision making on transport services, including the development of a comprehensive vision for transport in NSW. This requires methods that go beyond the usual submission processes and engages citizens other than the traditional decision makers and non-government stakeholders. This requires:

- 9.1 The use of processes over time in which randomly selected groups of citizens deliberate NSW transport futures with input and support from stakeholders including unions, non-government organisations, and government agencies.

Recommendation 10 That the NSW Government take leadership to ensure that the Commonwealth Government make a similar commitment to sustainable transport, including:

- 10.1 Recognising its responsibilities to invest in public transport by finalising AusLink and including funding for public transport in that policy, and
- 10.2 Reducing subsidies to car based transportation including reforming fringe benefits taxation (FBT) to remove the current variable rates that decreases tax for those who maintain high vehicle usage.

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APPENDICES



Appendix A: The first brochure released by the RTBU, “Our Public Transport: invest in it now”

The following brochure was produced by the RTBU and released on October 4, 2003 at the NSW State ALP Conference.



OUR PUBLIC TRANSPORT

Invest in it now!



{ PARRY INQUIRY ON THE WRONG TRACK }

Ministerial Inquiry Disappointing



Nick Lowecki
NSW Branch Secretary
Rail, Tram and Bus Union



Nick Lowecki
NSW Branch President,
Secretary Locomotive Division
Rail, Tram and Bus Union

The Interim Report of the Ministerial Inquiry into Sustainable Transport in New South Wales, released in August lacks vision and imaginative responses to the major issues facing public transport in New South Wales. The Inquiry, chaired by Thomas Parry has missed an ideal opportunity to rigorously review public transport and to propose innovative reforms for improved investment in a range of passenger transport services. Unfortunately, Mr Parry and the Inquiry seem oblivious to the data and evidence relating to concerns about public passenger transport and some of the systemic failings and limitations of the current transport services and strategies. Parry and his Inquiry asked and answered the wrong questions and to this extent the Interim Report is flawed and extremely limited in its perspective and recommended reforms.

The Inquiry often lapses into an apologetic defence of some of the major weaknesses in the State Government's policy and funding of public transport. The emphasis and focus of the report seems preoccupied with transport as a government budget item, rather than how to identify failings and address future investment in viable and appropriate public transport services. Some of the proposed reforms, such as replacing some rural CountryLink services with private bus contracts just misses the point of the role of these services in rural communities and the economic and social flow-ons of this sort of proposal. The Inquiry also seems to have failed to understand the particular requirements for transport infrastructure services in new estates to overcome isolation and dependence on private car use in many areas. There is no adequate assessment of extending a range of services, based on supply of such services creating its own demand. The Inquiry doesn't adequately address issues such as the extension of rail electrification or government buses into regional centres such as Wollongong.

The Interim Parry Inquiry Report appears to be yet another attack on the people who work in the public transport system. Criticisms about "restricitive" work practices and "generous" payment for public sector employees may be popular in certain quarters, but they are a cheap shot in the middle of a serious policy argument. Our members are acutely aware of the long term issues facing transport in NSW and they have a long and honourable track record of cooperating with government to reform, restructure and improve the system.

We hope the Parry would have seen the need for a balanced, long-term strategy for transport. Our union represents thousands of public sector employees, but we also recognise that the private sector has a key role to play in formulating a transport strategy. Combined with the wider community, this mix of key stakeholders can come together to design, create and sustain an effective transport system.

The opportunity exists for the Parry Inquiry to facilitate a vision for public transport services that can inform a strategic response by the State Government. This Inquiry, however, is being conducted in the absence of long-term strategic planning on public transport. Such an Inquiry should be informed by developments in other States which have developed 20 and 30 year strategic plans for public transport. It should be first asking what role we want for public transport, what services are required or desirable, why do we want such services, who wants them and where. Once some of these key issues are addressed then the question of funding and maintaining the public transport system that we want or can imagine can be genuinely considered in the context of the overall strategy.

What Transport System for the Future?

The existing transport network is not sustainable. Sydney and NSW currently do not have a genuine Government transport plan for the future. In the UK, transport planning has a ten-year perspective and Victoria is looking ahead to 2030. The Carr Labor Government can use the Parry Inquiry to instigate an integrated transport planning process in NSW—a community-owned vision for the future of transport.

A public transport system stretched to its limit does not send the right signals to users of transport services nor help the Government achieve its own target to stop the growth in vehicle kilometres travelled (VKT) The Parry Inquiry is a necessary step but the Interim Report falls short of expectations.

The RTBU NSW Branch submission set out the expectations of a forward-looking inquiry laying out a plan for the State's public transport future. Our call for decision makers to plan for the long term has gone unanswered. Instead, the Inquiry cast its net narrowly, defined a set of questions centred on funding the existing system and failed to adequately address the real issue—that the current transport system in Sydney and NSW does not entice people out of cars and onto mass public transport or better still, onto their feet.

Inadequate funding of public transport?

The Inquiry's terms of reference focussed on funding the existing, ailing system and linking fares with levels of service. While the term of reference refer to passenger transport relative to private transport and to targeting services to meet needs, the Inquiry failed to grasp the key issue—summarised in the question, "what transport system is needed for the future?". To be sustainable public transport, the answer must involve an increase in public passenger transport infrastructure and services, with complementary steps to reduce private motor vehicle use. This objective has not been addressed.

The existing public transport system is constrained by:

- Severe overcrowding on public transport. According to the Inquiry, the metropolitan system is approaching capacity
- Road congestion, which continues to cost billions each year with estimates that the 1995 cost of \$6 billion will rise to \$8.8 billion by 2015

The history of transport funding in Sydney means there have been almost no track amplifications of the rail system in the last 50 years. This means:

- All types of services, passengers and freight, sharing overcrowded tracks
- Major congestion at numerous junctions
- Few overtaking opportunities.

The existing passenger transport system will not cope with future pressures of:

- **Population growth** – The Inquiry notes that population growth is likely to result in a 13% increase in rail travel
- **New land releases** – Without public transport investment, purchasers in land releases in Sydney's north-west and south-west will be car-dependent, creating new areas of transport disadvantage
- **Declining oil supplies** – Australia currently imports 37% of its domestic oil supplies, projected to rise to 51% by 2020. Reducing reliance on fossil fuels for transport, achieved by increasing the use of non-motorised modes and reducing vehicle kilometres travelled (VKT), reduces risks to our economy
- **Increased environmental pressures to reduce emissions** – Increasing commitment to reduce greenhouse gas emissions, with an estimated value of \$25/tonne or \$90/car each year, will reduce emissions from transport.



Whole of Government Approach

The Inquiry proposes to “develop a multimodal plan, integrated with a metropolitan planning strategy”. This plan needs to:

- ▶ **Embrace all modes of transport** – Prioritised to meet sustainability objectives, that is, walking, cycling, then public transport before private motor vehicles
- ▶ **Take planned land use change into account** – The interaction between transport and land use spans the whole planning system from the strategic planning level, down to the individual house scale
- ▶ **Engage departments of environment protection, health and social services** – The engagement of a range of departments is crucial for expertise and professional networks as well as their different links to the community. Benefits of access to sustainable transport do accrue to other government departments, for example through avoided costs of medical treatment.
- ▶ **Involve the community** – Research by the Warren Centre shows that decision makers tend to underestimate the commitment of the community to redirecting road funding towards more sustainable transport modes. Decision makers' *perceptions* of community views were not the same as the *actual* community views, in some cases differing by as much as 20%.

The operational benefits of the sectorisation could be achieved without the growth projects. On the other hand, failure to address this anticipated growth is likely to result in unacceptable levels of congestion on rail, road and bus networks with associated declines in Sydney's liveability and economic effectiveness.

Investing in the public transport network

Investing in the rail network to develop it in sectors, meeting passenger needs for on-time running and reliability is essential. At present, trains literally delay each other, compromising the efficient operation of the transport network and causing a domino effect where delays multiply across services and throughout parts of the network.

While integration within and between transport services is essential, State Rail recognises the need to address this issue in tandem with managing growth, saying:

The rail network infrastructure and rolling stock should be organised, through sectorisation, to provide passengers with the best service possible and to provide efficient movement of freight while considering:

- ▶ Providing additional, frequent, cross-city rather than radial services possibly by other modes like light rail and buses
- ▶ Managing growth in demand for rail and other passenger transport as population grows and new areas are developed.

Electrification

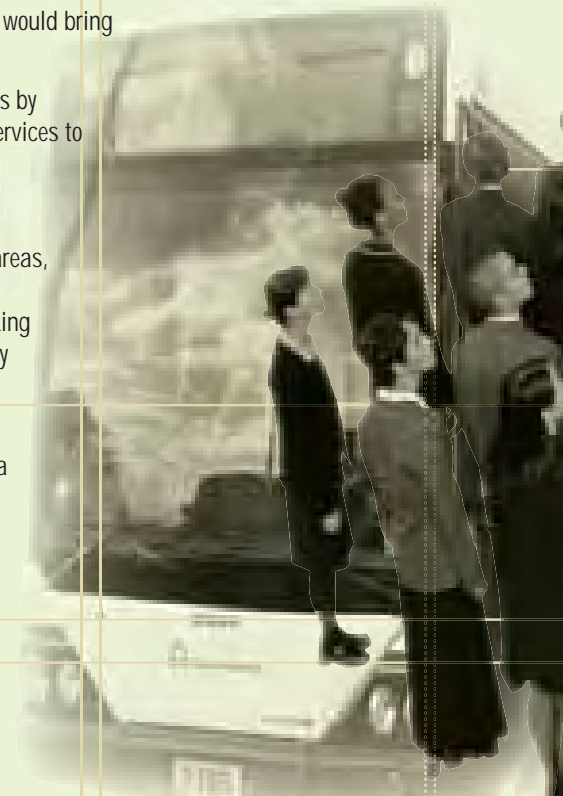
Investing in more sustainable public transport for passengers between regional centres could enable expanding the electrified network, for example to Goulburn. Anticipated growth on the South Coast means patronage levels will be likely to reach the numbers needed to justify the expenditure on that upgrade as well. This would bring benefits including:

- ▶ Providing commuters with more convenient services by reducing the need to change from electrified city services to diesel regional services
- ▶ Decreasing journey times for passengers
- ▶ Reducing particulate emissions falling on nearby areas, thereby increasing the quality of the surrounding environment for other travellers (on bikes and walking for example) as well as quality of life and liveability in those areas.

Re-instating the use of electrified freight trains on the Newcastle to Sydney line and on the Blue Mountains via Katoomba and to Wollongong line is also important. These lines have already handled freight using electrified lines and this will reduce the environmental impact of reverting to diesel vehicles.

Professor Stuart White, Director of the Institute for Sustainable Futures

Speaking at the State of the Environment Forum, “If there is one issue which threatens the very life of our urban areas, it is this one. The inter-connectedness, the smorgasboard of issues: traffic, noise, smog, disability and death, nutrient runoff from roads, greenhouse gas emissions. Stress. The community knows it.”



New Services

The Government's commitment to sustainable public transport would be best demonstrated through a commitment to expanding the passenger transport network. Estimating demand for potential services by asking people to imagine shifting from private motor vehicles when existing services are inadequate is unrealistic. Increasing the frequency of public passenger transport services or more convenient services will increase overall network patronage when accompanied by disincentives to the use of private motor vehicles.

Fundamental changes in travel patterns are essential if targets to stop the growth in vehicle kilometres travelled (VKT) are to be realised. Waiting for proven public passenger demand is not an appropriate strategy for a Government pursuing sustainable transport.

Developer Contributions

Developer contributions (under Section 94) need to be set at a level to fund high quality services from STA sprinter buses into new developments from the outset. This will provide a transition service linking the development with the rest of the transport network until the area is sufficiently developed for appropriate permanent public transport services. The service is essential from the outset to prevent investment by new residents in additional motor vehicles.

Doubts over patronage projections for transport routes often prove unfounded for both light and heavy rail lines. The Bondi Junction Rail Line, now one of the most popular in the system, was predicted to under-perform.

Evidence is clear from motorway construction that induced traffic growth is a reality – additional capacity is quickly filled and congestion returns. Government needs to combine all transport funding and invest in the most sustainable transport modes.

Expanding Regional Rail Services

At a time when other States are investing in rail infrastructure and services for their communities, why is this Government suggesting a move away from rail-based services for rural and regional areas of NSW? How does this send the message to communities that more sustainable modes of public transport will be prioritised?

Passengers commonly using regional rail services, including CountryLink, to access medical services in capital cities need to be prioritised. Often these passengers are unable to drive and cannot manage a journey with several transfers from local buses to regional services. Their valued rail service can be their only option. Passenger transport in regional areas is a commitment the Carr Government must maintain and enhance.

In three other States, commitments have been made to state of the art, high-speed services for regional networks. These include:

- **"Australia's fastest train" in WA** – due in service between Perth and Kalgoorlie, and Northam and Perth, later in 2003, nine 200km/hr rail cars will be operated by Transwa
- **\$550m for rail investment under Linking Victoria** – Announced in February 2002, the Victorian Government's 3-year project to upgrade more than 500km of rail line to support fast rail operations will provide travel speeds of 160km/hr between Melbourne and Geelong, Ballarat, Bendigo and the Latrobe Valley and
- **Queensland Rail's Brisbane to Cairns Tilt Train** – Launched June 15 this year, the service provides innovative ticketing options, including stopovers, while providing a land transport alternative.

Expanding STA Bus Services

The provision of high frequency passenger transport is best suited to dense areas including key centres like Parramatta and Newcastle.

In these locations the State Transit Authority has services in place. Government services need to operate in other centres in greater metropolitan Sydney including, for example, Wollongong.

Cooperation between different modes of sustainable transport will reduce car dependence. Operators, like STA, servicing high patronage areas are able to run services in areas with lower patronage. While individual units may not compare in terms of financial viability, there are patronage advantages to be gained across the network. Twenty five per cent of regular train passengers use a bus to access the rail service, which is evidence of interconnectedness and need for cooperation.

Dr Peter Greenwood, 2002 National President of the Institution of Engineers Australia said, "We need to plan for more than one election cycle. We need to plan for at least two generations ahead," when speaking at the National Urban Infrastructure Forum about the Transport Infrastructure Report Card.



Investing in the Future?

Transport is not an end in itself. People need access and interaction with each other to buy things, earn an income, visit friends and use services. Walking, riding a bike, catching a train or a bus or using a car might meet these needs. However, when selecting transport facilities and services for communities, social and environmental objectives must be considered with economic efficiency. All three aspects are fundamental to sustainability.

Sustainable public transport brings benefits to communities in all three areas—environmental, social and economic. Clearly, car-based transportation costs a lot in congestion, accidents, greenhouse gas emissions, road maintenance and the space cars take up for both roads and parking—as well as the vehicle and fuel cost. Nevertheless, cars are necessary in some locations and for some purposes and that is why we have invested so much in them. But cars alone are not sufficient.

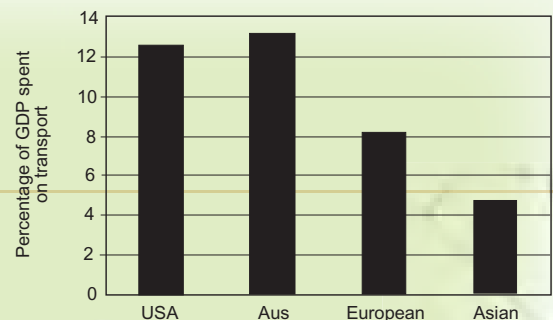
It is time to ensure our future by investing in passenger transport and active transport—two key components of sustainable transport. Active transport, like walking and cycling, makes the community healthier, reducing our risk of heart disease and providing cleaner air. An efficient, reliable public passenger transport system and more sustainable freight transport would significantly reduce the massive annual maintenance bill for roads. Greenhouse gas emissions would be minimised, reducing the need for more costly options. Transport disadvantage would be decreased by providing better access for those who do not drive, creating a more equitable society.

Mr Ron Christie – Coordinator
General of Rail *in a letter to the
Hon. Carl Scully MP in June 2001*

“There has not been a detailed and comprehensive examination of the needs of the greater metropolitan rail system since the former State Rail Authority was split up in 1996.”

“Probably the most important single aspect of the Long-Term Strategic Plan for Rail, however, is its clear identification of the seriousness of the looming problem of severe capacity constraints on the metropolitan rail network.”

This graph shows the amount of GDP from cities, which is spent on transport. The cities with more passenger transport and less car dependence, in Europe and Asia, need a much smaller proportion of GDP for their transport systems.



Kenworthy, J. R. and Laube, F. B. et al 1999, "An international sourcebook of automobile dependence in cities 1960-1990." University Press of Colorado, Boulder



Subsidies

Many hidden subsidies fund private motor vehicle travel. For example, local government makes significant contributions to providing parking. Removing subsidies as a first step and including the full cost of road transport in the price as a second step, will achieve a more 'level playing field' for all transport modes.

School Student Subsidies

A mix of public and private sector commitment will be needed to deliver sustainable transport to Sydney but all options need to be considered and compared transparently. School student transport subsidies (SSTS) for example, are an outdated funding model and need to change. At present about 25% of the subsidy goes in contracts for services to only 13% of students and in some cases the subsidy is 45% of the revenue for private operators. Obesity in children is on the increase and creative solutions are needed.

Inequities like the SSTS can only be redressed by consistently applying efficiency criteria. The full range of options must be considered, including land use changes to reduce the need to travel, providing information accessible to all travellers and investing in options to supply additional transport capacity.

Under-utilised Assets

The community's existing public transport assets must be put to good use. School buses lie idle during school hours and on weekends. Mechanisms are needed to encourage and ensure the most is made of valuable assets around the State, particularly in rural and regional areas where passenger transport is in short supply.

Effective use of infrastructure applies not only to private buses in local communities, but also to STA buses where timetabling and reliability of service cannot be allowed to cause inefficient use of valuable infrastructure.

Funding

When charges, taxes and price increases are linked directly back to investment in the system, passengers and users are 'willing to pay'. There are already some funds that should be available—the sale of FreightCorp in 2000 was supported by the RTBU because we genuinely believed the change would be better for industry and regional services. Now we want to know where the money went. More than \$1 billion changed hands and increased investment in rail was promised but we still have growing levels of freight transport by road.

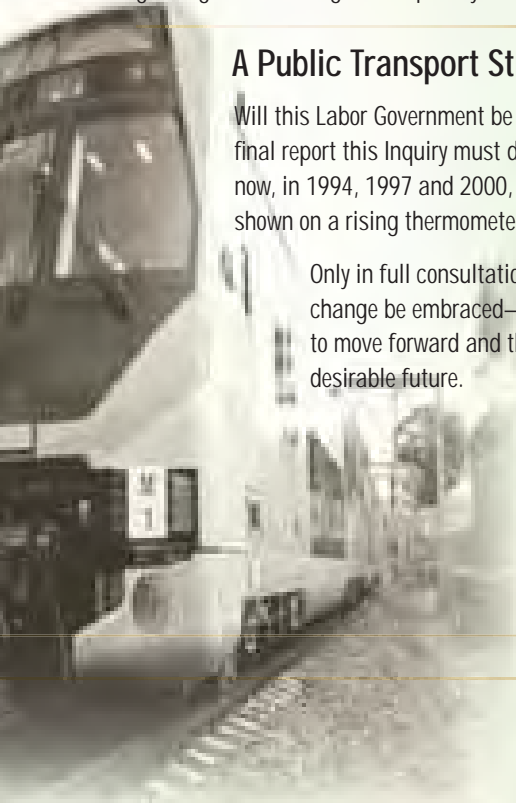
A Public Transport Strategy for the Community

Will this Labor Government be bold enough to timetable transport as their issue? In its final report this Inquiry must demonstrate a commitment to the people of NSW. Three times now, in 1994, 1997 and 2000, the NSW 'Who Cares About the Environment?' survey has shown on a rising thermometer of concern, that transport is the issue for NSW citizens.

Only in full consultation with the community can that mandate for much needed change be embraced—this Inquiry will not be sufficient on its own. It is time to move forward and this Inquiry can be the platform from which we step into a desirable future.

Ken Dobinson, Director of the Warren Centre's \$4 million project, Sustainable Transport in Sustainable Cities.

"The broad approach is vital to ensure we have an effective public transport outcome that truly serves our community." "The right public transport system for the locality, that is affordable, offers high frequency and is properly integrated with land use development, will bring untold benefits. These benefits include a reduction in the use of private cars, reductions in pollution, energy use and land-take, greater social and financial equity, increased walking and biking and hence better health, and so on."



Produced by

Rail Tram and Bus Union *NSW Branch*

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of the brochure please contact the RTBU**

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Appendix B: Terms of reference of the Ministerial Inquiry

The following are the terms of reference for the current Ministerial Inquiry into Public Passenger Transport, as quoted in the Ministerial Inquiry's Interim Report, p1.

The Minister of Transport Services requested an inquiry into sustainable transport in New South Wales in May 2003. The purpose of the inquiry is to examine various aspects of the sustainability of transport, and to review and report on:

- *the likely future revenue needs of the CityRail and STA bus and ferry operations, having regard to efficient operating and capital costs for the networks*
 - *funding options to meet these revenue needs, as well as funding options for any future expansion of the public passenger transport system*
 - *options for enhancing the optimum use of public passenger transport relative to private transport modes*
 - *possible arrangements for incentive mechanisms that better link fares and service standards, including safety*
 - *options for better targeting of funding and delivery of transport services to meet the needs of different groups in the greater metropolitan and non-metropolitan communities, including rural community and health transport needs.*
-

Appendix C: Unions NSW

The following unions were involved in this initiative:

AMWU – Australian Manufacturing Workers Union

ASU NSW & ACT Services – Australian Services Union

RTBU – Rail, Tram and Bus Union

TWU – Transport Workers Union

Appendix D: List of organisations and individuals contributing to this document

Action for Public Transport (NSW)

ARPA Over 50s Association (NSW)

Australian Manufacturing Workers Union

Australian Rail Track Corporation

Bathurst City Council

Bishop Austrans Pty Ltd

Blue Mountains Consumer and Transport Users Association

Bus and Coach Association (NSW)

Central Coast Community Environment Network Inc

Central Coast Regional Organisation of Councils (CCROC)

Chartered Institute of Logistics and Transport

City of Newcastle

Combined Pensioners Associations

Council of Social Service NSW (NCOSS)

Country Labor Parliamentary Group

Cyclists Action Movement West (Camwest)

Environmental Defenders Office

Hurtsville City Council (HCC)

Institute of Transport Studies, Sydney University

International Association of Public Transport (UITP)

Joseph Vnuk

Labor Council of NSW

Medical Consumers Association Inc

Metro Transport Sydney

Mountains Community Transport Inc.

National Liaison Committee for International Students in Australia

Penrith City Council

Rail, Tram and Bus Union (RTBU)

Shoalhaven City Council

Southern Sydney Regional Organisation of Councils (SSROC)

The Hon. Clover Moore (MP), Member for Bligh

The Rail Now Campaign

Total Environment Centre (TEC)

Transport Workers Union (TWU)

Transit Planners Pty Ltd

Tweed Shire Council

University of Western Sydney

Western Sydney Regional Organisation of Councils (WSROC)

Youloe-Ta Indigenous Development Association Inc.

In addition, a number of contributions were received from organisations not wishing to be named.

Appendix E: Further details about community transport

The following text is an extract from the original NCOSS submission to the Ministerial Inquiry (p6 to p17). It provides a detailed discussion on a number of issues arising from community transport services.

Community transport services

(i) Background

Community transport organisations aim to address transport needs at the local level to a broad range of people who experience transport disadvantage. Transport disadvantage is defined by a number of factors including mobility, isolation and age and directly compounds social exclusion.

There are 134 community transport organisations in NSW that can receive funding from a variety of sources. These include The Department of Aging and Disability (DADHC), which is administered by TransportNSW, the TransportNSW Community Transport Program, NSW Health, the Area Assistance Scheme, the federal Departments of Health and Aging and the federal Department of Veteran Affairs. These funding bodies have a range of target groups and reporting and data collection requirements.

Community transport services are poorly funded and manage multiple and complex financial and performance reporting. As a result of the complex funding arrangements, they face significant administration costs and inefficiencies in the delivery of services.

This section provides an overview of the various funding programs for community transport; including target groups and different requirements for data collection and reporting recommendations to address the issues identified.

(ii) Funding programs

The Department for Transport oversees three of the community transport funding programs: Community Transport Program, Home and Community Care and the Area Assistance Scheme. The funding for these programs comes from different sources and carries different requirements.

Community Transport Organisations also receive funding from the Commonwealth Department of Health and Ageing, Department of Veteran Affairs and NSW Health. Each of these has different funding agreements and carry different reporting requirements.

(iii) Department of Transport: Funding Agreement

The funding agreement provided by Transport NSW to the Community Transport Provider covers funding from DOT, DADHC (HACC) and the Area Assistance Scheme for a three-year period. The agreement lays out specific conditions for funding under each of those schemes.

(iv) Requirements of each program

(a) Home and Community Care - Allocation in 2001–2002, \$16.535m

Services are required to comply with the guidelines and requirements issued under HACC and by NSW Transport, however, if there are any inconsistencies between the guidelines and the funding agreement then the directions in the agreement are to prevail. Services must also ensure that all their public notices and publications regarding the services they provide from this funding source must refer to the HACC program and use the HACC logo.

They must also include the following information that the "HACC program is jointly funded

by the NSW and Commonwealth Governments." As well any vehicles purchased through this program are to be available for any group that provides services to the HACC target population when the vehicle is not required by the Community Transport Provider.

The target population is considered as:

- (a) Older or frail persons with moderate, severe or profound disabilities
- (b) Younger people with moderate, severe or profound disabilities
- (c) Such other classes of people as agreed between State and Commonwealth Ministers
- (d) Carers of the above people.

Community transport services may be provided to people outside of the HACC target population only if they are transport disadvantaged and as long as there is no impact on those who are within the target group. Services are required to collect data that will facilitate in the planning, evaluation and accountability of the program.

(b) Community Transport Program – Allocation 2000-02, \$2.3m

Funding provided under this program is to address the issues of transport disadvantage, which is defined in the funding agreement as "a circumstance or set of circumstances that leaves those who are affected by it in a situation where they have limited or no access to private transport and they have difficulty in gaining access to conventional transport systems." There are a number of criteria for this program, which fall under the headings of mobility, Isolation and age. These are:

- (a) Mobility Criteria – physical health status renders the person with a permanent or temporary mobility disability and leaves them unable to use conventional transport or a person is socially isolated due to a diagnosed mental illness, behaviour difficulties and/or delayed development.
- (b) Isolation Criteria – Those that live in villages of less than 500 people who do not have access to conventional transport and those that need access to community facilities and resources which are not available within the hours that public transport operates.
- (c) Aged Based Criteria – Pre-school children travelling with an adult who experiences problems accessing conventional transport and young people up to the age of 17 years who need to travel more than 1.6km to community facilities and resources which are not available within the hours that conventional public transport operates.

(c) Area Assistance Scheme

These are specific programs that provide transport to specific destinations or places, for example to and from Westmead Hospital.

(v) General requirements under the agreement

Requirements of Community Transport Providers Under the Agreement

Under the funding agreement it is stipulated that the Director General of Transport will nominate an Officer to liaise with the organisation in regards to the implementation and administration of the funding agreement. However the organisation is to provide opportunities for that Officer to attend Board or Committee meetings and to participate in discussion relating to all or part of the services delivered by the organisation. The officer should also be provided with an opportunity to observe all or part of the provision of services by the organisation.

The organisation is also required to obtain approval from the Director General prior to making any alteration to its constitution rules or constituent documents; one month's notice is required.

Monitoring and Evaluation of Services

There are two formats required by this agreement and these are

- (a) That within 14 days of the end of each quarter the service will provide the director General with a report on the performance of services funded under the CTP and AAS in a pre-determined format.
- (b) Transport provided under HACC funding will provide a report on the performance of that service in a format as required by the Minimum Data Set.

Financial Accountability

Community Transport Providers are required to provide an audited financial statement relating to the use of the funds and a statement from a party acceptable to the Department of Transport that the funding has been used in accordance with the terms of the funding agreement. These are required within three months of the end of the financial year.

What is Covered by the Funding Agreement

The funding provided can be used to cover:

- (a) Employment of staff
- (b) Insurance
- (c) Service subsidies
- (d) Travel and administration expenditure
- (e) Staff on-costs

The provider must use any interest earned from investment of the funding and all income earned from charges to users or from the sale of assets in accordance with the funding agreement.

What is not covered by the Funding Agreement

Replacement vehicles or the running expenses of these vehicles or any other costs associated with the operation of the organisation.

(vi) NSW Health Funding Agreement—Health Related Transport Allocation 2002–2003, \$2.5m

This agreement is a two-page document that broadly outlines the requirements of this agreement and it specifies that funding is only being provided for a specified time and will cease on the 30 June 2003.

Services are to provide individual and group health related transport to the aged, disabled and transport disadvantaged, those that fall outside of the HACC target group and those from Culturally and Linguistically Diverse backgrounds who are unable to drive themselves, do not have access to other transport or are unable to utilise public transport due to their health.

The service is required to recruit, train and support volunteers to provide this additional transport service. Services cannot charge a fee however a donation or a contribution can be sought from clients.

In terms of performance monitoring and evaluation providers are required to address Model Performance Indicators (not listed or described in this agreement) and will have informal ongoing reviews and a six monthly formal review. Providers are also expected to comply with policy and legislative requirements regarding the transport of equipment such as Oxygen cylinders, wheelchairs and walking frames and meet the policy requirements on the transport of children and infants.

Information submitted to NSW Health consists of a form that consists of a single page of data and 10 pages that outline the definitions, numerical codes and how things are to be reported on this form.

(vii) Identified Issues Across Funding Programs

The following discussion is based on NCOSS analysis of the funding and performance agreements for community transport organisations and from input from community transport providers. This input included a consultation at a regional meeting of community transport providers at Coffs Harbour, written feedback from participants at a regional meeting of community transport providers in South West Sydney and comments on a draft outline of issues from the board of the Community Transport Organisation.

Planning

The multiple sources of funding for community transport providers are accompanied by multiple planning processes within Government agencies. This approach is inefficient, it results in substantial gaps in services and has certainly contributed to the inadequate funding and support provided to community transport services across NSW.

Gaps in services identified by community transport providers included: people who had been breached by Centrelink or had exited the criminal justice system. These people did not have money, were not eligible for concession cards and yet still had to travel to and from Centrelink, or job interviews etc. This was not such a difficulty within a major town centre, however if the person had to travel long distances it became almost impossible.

Quite often these people needed to rely on Community Transport, however were not a priority due to the demands of other groups, yet not attending appointments could cause them to lose their Government allowances and place them in an even worse situation. As discussed below, there are also gaps in relation to residential aged care.

Community transport providers have expressed great dissatisfaction with existing planning processes. They have expressed concern about the lack of transparency in planning processes. They have expressed frustration with funds, which are linked to specific target groups rather than locally identified need. They have expressed concern about Departments determining services rather than allowing the planning processes to be community driven. There are also reports of input from community transport services being disregarded in the planning process.

Of particular concern to community transport services is the provision of funds to provide transport to community organisations, which do not have community transport as their primary role. In some cases, these organisations did not know the basic requirements that they had to meet in order to provide a transport service.

There is an urgent need for a single planning process for community transport within each region or locality. This can identify the transport needs of the community and plan appropriate service provision. For this to be effective, there would need to be changes in the way in which the various agencies provided funding. There are a range of options, which could be considered, ranging from more flexible program guidelines to pooling of funds.

NCOSS is strongly of the view that community needs rather than program guidelines should be the determining factor in what community transport services are provided.

Funding

Funding for community transport services is extremely poor. As a result, community transport services are able to meet only a small proportion of the transport needs of

disadvantaged communities across NSW.

The structure of funding is highly unsatisfactory. Services require core funding and funding which is sufficient to ensure service viability. If the current system of multiple funding programs is to continue, services require sufficient resources to cover the complex administration, which this creates.

All services consulted by NCOSS agreed that there is a need for core funding to ensure service viability and to cover ongoing administration costs, especially as community transport providers must meet the requirements of a number of funding agreements with a range of data collection and reporting methods.

Services reported that where growth funding has been received, it was only to be used for direct service delivery and did not cover increasing infrastructure costs. For example, the Commonwealth Department of Health and Aged Care only provided additional funding for outputs, however increasing outputs results in the need for increasing administration and infrastructure to ensure an effective and quality service.

Services also reported a lack of funding for replacement vehicles or for the purchase new vehicles as demands increase.

A number of issues arose in regards to the amount of funding received, however this was linked to a frustration in not being able to do what the service was designed to do, that is, to provide community transport that meets the needs of the community.

The Community Transport Program (CTP) was viewed as not having sufficient growth funding, which limited the services that could be provided in what is considered to be the most flexible of the funding programs. Two specific target groups were mentioned in relation to this issue. These were Aboriginal people, for whom there is an increasing need for transport however the funding for trips is limited and youth. There is a youth project being run in the North Coast area, funded under CTP, however the salary of the single employee in the project utilises most of the funding therefore restricting the hours for actual service delivery. The youth service is viewed as a particularly good program.

Another aspect of the funding issue for community transport providers is the dispersal of limited resources to other programs or a lack of access to potential resources from other programs. Other services may receive funding for a variety of programs and they may purchase a vehicle as a part of that program, however that vehicle becomes ear marked for use by that program only and cannot be utilised for community transport.

An example of this is the Street Beat program, which had a bus that was only used at night and then locked away in the daytime. This could have been used as a vehicle by a community transport provider to provide further community transport during the day, a far better utilisation of resources. A common concern was raised in relation to funding and resources being given to other Home and Community Care (HACC) services, which included transport grants. The community transport providers felt that HACC should fund them to do their jobs properly rather than spreading already thin resources thinner.

The above issue was of particular concern in relation to Neighbourhood Aid, auspiced by the Department of Aging, Disability and Home Care, who are being funded by HACC to provide transport and therefore are considered to be in direct competition with community transport providers for the same funding pool. Neighbourhood Aid organisations are viewed as having the capacity to do versatile community based programs rather than filling transport service gaps and they are perceived as moving further into transport provision.

In a number of areas Neighbourhood Aid services were replacing Community Transport providers. This is exacerbated by the large geographical area that Community Transport providers had to cover, compared to the smaller Neighbourhood Aid areas, resulting in a

greater representation of Neighbourhood Aid issues at meetings.

It was also mentioned that surplus HACC funds were utilised to open a new Neighbourhood Aid centre resulting in a reduced surplus within community transport. What was highlighted is that Neighbourhood Aid does a specific number of trips whereas Community Transport providers do numerous trips and are therefore better value for the funding dollar.

Flexibility and Funding Mix

Service flexibility is considered a key positive aspect of community transport but quite often this can be constrained by funding agreement requirements. Further work is required to address the barriers to flexible service delivery.

For services with multiple funding sources, the range of funding sources can provide some flexibility by allowing the service to have a range of transport options to offer to people within the community – if someone did not quite fit under one type of funding eligibility criteria then they may fit under another.

Multiple sources of funding also limit the services' flexibility. For example, in order to best utilise funding the community transport vehicle may be assigned to different programs on different days, so that on Monday transport is provided to people within specific age groups and needs and then on Tuesday to different age groups and different needs. This can result in the organisation being unable to assist people on certain days due to the bus being allocated to different funding sources.

Another impact of having a range of funding sources is how to allocate costs to funding sources. A vehicle can be used for a range of transport types in any single day, so in the morning it may pick up three people one for health related transport, one for a school trip and one person who is eligible under HACC. These trips have to be recorded and allocated separately and then the costs worked out and assigned across funding sources.

These costs also have to be determined for the paid driver who has done these trips or for reimbursement of costs for the Volunteer as well as allocation of administration time. This all impacts on resourcing and service flexibility. As a result, it is far easier to provide one type of transport a day rather than trying to meet the broad range of transport needs. Community Transport providers agree that this is not what they want to do but what they are required to do to limit infrastructure and administration costs.

Reporting Requirements and Accountability

Reporting requirements were another area where a lack of consistency across Departments that fund transport services was highlighted. It was noted that it is becoming more and more difficult to report on transport needs due to the variations within each funding agreement on what data should be collected and reported on.

NSW Health and Home and Community Care both want similar data however it has been coded differently so that one set of data has to be entered manually.

It is evident from talking with community transport providers that further consideration needs to be given by departments as to how appropriate and useful the data is that they are having collected and what is being done with this data. Concerns were also raised as to services having the same reporting requirements regardless of the actual funding that they were receiving.

Accountability forms a part of the reporting requirements and it was agreed that it would not be such an issue if client assessments could be carried out after the first trip had been provided. Quite often the service realised that the client would be better off being provided transport under another program. Once a person has been given a service it is easier to

determine the most suitable program for the person, however as a result of funding limits the person becomes locked into one program and then the service has to report why the service is being provided to someone who no longer meets the eligibility criteria for that program.

Accountability issues also arose in relation to staff, the majority of whom are paid from a variety of programs. This results in the need to divide up trips and jobs and making sure that the money is accounted for and paid against the right trip. For example if there are three people in the car and each person is travelling under a different program, then the costs have to be divided up against each program and this can be a complicated task. As one provider said *"If we were not tied up with accountability and administration then we could go out and do community development work – improving access and transport – if we could get away from the desk."*

It was indicated that time spent on accountability measures, such as assessment and the collection of data under the Minimum Data Set (MDS), would only get worse due to proposed changes within the Home and Community Care funded transport program. It has been flagged that new accountability measures will include the hours and kilometres for each trip for each person. Rather than having a trip from home and to the doctor recorded as a single medical trip, this will be broken down so that the trip to the doctor will be a medical trip and the trip home is a home journey and will therefore have to be recorded as two separate trips.

This move will have a significant impact on bus journeys. Buses are used by Community Transport Providers to provide transport for a number of people to a number of destinations and the bus can travel all around the local area to do this. As well, any additional space on the bus is used to provide transport to people who are transport disadvantaged. Providers felt that this move will be another disincentive to providing transport to additional people, as the increased administration will cause further burdens on the service.

NCOSS recommends immediate action to address the problem of multiple and inconsistent data collection and reporting requirements. At a minimum, this could consist of standard data collection, reporting framework and reporting timeframes for each program. It could also consist of moves towards pooling of funds under a single funding and performance agreement.

Gaps in Services

As discussed in the section on Government/Departmental planning above, the multiple planning processes contribute to gaps in service delivery. One clearly identified gap is transport to residential aged care facilities. This gap is reinforced by program guidelines.

Community transport providers have reported that people living within residential aged care facilities do not meet the criteria for any of the funding programs. This problem is exacerbated by a lack of infrastructure within residential aged care facilities, as while the facility may have a vehicle to take people shopping, very often they do not have the resources to take people to necessary medical appointments.

People within these facilities can be provided transport under the HACC program, through the option of spare capacity, however, the program guidelines state that the person then has to pay the full transport cost. This can be a significant expense and many residents of residential aged care facilities are unable to meet this cost.

(viii) Future directions

NCOSS is extremely concerned about the high levels of unmet need for transport services amongst disadvantaged people across NSW. NCOSS strongly recommends that the NSW Government invest in development and expansion of community transport services as a major strategy in meeting that need. Community transport providers able to provide a

flexible service, which is responsive to individual client needs and have the capacity (if not the resources) to identify and respond to emerging local needs.

Developing community transport services raises a number of challenges. As discussed above, there is an urgent need for planning processes to be reformed and replaced by a single planning process, which is driven, by local need rather than individual program guidelines.

Funding needs to be increased to support expansion of services. Services require the security of core funding, and resourcing for administration as well as direct service delivery, and need access to funding for new vehicles. The barriers to flexible service delivery created by multiple funding sources needs to be addressed, as does the complexity of reporting to several different Government agencies.

These challenges return to the problem of multiple sources of funding which are administered by different Government agencies. One option to address this is the development of a statewide framework, which clarifies the responsibilities of each agency and includes strategies to address current gaps and emerging needs.

Alternatives include pooling of funds under a single funding and performance agreement for each community transport service. NCOSS considers the development of a statewide framework as a minimum response and recommends investigation of and sector consultation on a range of other strategies.

A further challenge to the expansion of community transport services is the current approach to staffing of services. Volunteers form a major part of the community transport workforce. While this approach to service delivery is working well in many services, it cannot form the basis for substantial increase in services in all regions. In many communities, the service is already fully utilizing the volunteer workforce, which is available.

Demographic changes mean that there is decreasing availability of volunteers. Many services are also reporting that their volunteer workforce is ageing. For example, the average age of volunteers working in community transport organisations in the New England region in 2001 was between 60 and 80.¹⁶³ NCOSS recommends that the limits of the current model of service delivery be taken into account in strategies to expand community transport services.

To support the development of a stronger community transport sector, NCOSS also recommends investment in resourcing of community transport organisations. This resourcing would consist of support in relation to management and governance, training of staff and other support, which could be more efficiently provided on a collective basis at state or regional level. This support would be essential if substantial growth in the community transport sector was planned.

(ix) Recommendations

- That the NSW Government establishes a coordinated approach to funding of community transport services. This may consist of development of a statewide framework, which clarifies the responsibilities of each agency and includes strategies to address current gaps and emerging needs. Alternatives include pooling of funds under a single funding and performance agreement for each community transport service.
NCOSS considers the development of a statewide framework as a minimum response, and recommends investigation of a range of other strategies. Community involvement in these discussions is essential

¹⁶³ Ros Bragg and Liz Reedy, *Transport to access health services in rural and remote NSW*, NCOSS 2001

- That the NSW Government establishes a single coordinated planning process for community transport, which identifies transport needs in local communities and assigns resources to meet those needs.
 - That community transport services receive a substantial increase in funding to enable them to meet unmet need for transport amongst disadvantaged communities across NSW. Services should receive core funding, including funds to cover administrative costs funding for new vehicles. Increased funding should be focused on building existing services rather than expanding the number of providers.
 - That reporting requirements for community transport be simplified and standardized to reduce the administrative burden on services and to remove barriers to flexibility in service delivery.
 - That research is undertaken into the appropriateness and feasibility of expanding community transport services using the current ratios of volunteer and paid staff.
 - That growth in the community transport sector be supported through investment in infrastructure support for community transport organisations. This support would include management and governance, training of staff and other support, which could be more efficiently provided on a collective basis. This support could be provided on a state or regional level.
 - That State and Commonwealth agencies address barriers to transport for residents of residential aged care facilities.
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Appendix F: Additional details about participatory process

In a report for the then NSW Department of Urban Affairs and Planning, Carson and Gelber outline a four-step community consultation model that draws on international experience.

- *Step 1: Visioning. Selection of community participants who create a vision or goals and establish values and criteria for measuring success.*
- *Step 2: Operationalising. Collection of 'expert' and specialist knowledge from a small reference group which works with the information provided in the first step, for example by devising an action plan or creating a list of options and assessing their viability.*
- *Step 3: Testing. Randomly selected citizens meet to test the acceptability of the options presented against the values established earlier. The group offers recommendations. If at Step 3 it is decided that the options are unacceptable in light of the community values, the process returns to Step 1. If at Step 3 it is decided that recommendations can be made which reflect community values, the process moves on to Step 4.*
- *Step 4: Evaluation. Information is provided to the entire community affected by the decision. The consultation process is evaluated against the criteria earlier established. This ensures all are informed, and that those making the final decisions are accountable.*

The advantage of this model is that it involves both community knowledge and specialist knowledge, while being driven by the community. It fits well with backcasting, but provides additional guidance on how to manage participation. Carson and Gelber describe many specific participatory methods that fit this model, from citizens' juries to consensus conferences and to focus groups.

Australia has held one consensus conference, on gene technology in the food chain (1999), as well as deliberative polls on the idea of an Australian republic (1999) and on reconciliation (2001) and various citizens' juries and panels, including a citizens' jury on container deposit legislation in NSW (2001).



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