

# **MINISTERIAL INQUIRY INTO SUSTAINABLE TRANSPORT IN NEW SOUTH WALES**

## **Submission from the Transport Panel of the Sydney Division of Engineers Australia (formerly the Institution of Engineers Australia)**

**October 2003**

### **1. Introduction**

The Transport Panel of the Sydney Division of Engineers Australia is a committee of practicing transport engineers who serve the body of professional transport engineers in Sydney by, among other things :

- promoting excellence in transport systems, analysis techniques in education;
- providing expert guidance on transport issues to Institution members and others; and
- encouraging informed debate on transport issues.

The Committee members are not employed by Engineers Australia and this submission represents the view of the Transport Panel Committee, not that of Engineers Australia.

### **2. Overview**

The Panel welcomes a comprehensive inquiry into transport. However it feels that the Interim Report should more properly be titled “A Ministerial Inquiry into the Communal Affordability of Public Transport”, since it has little to say on the issue of sustainability and concentrates on identification of funding mechanisms to reduce the subsidy required to support the provision of current public transport services.

We note that the Interim Report is referred to on the Government web site as being that of the “Ministerial Inquiry into public passenger transport” but the terms of reference and indeed the title of the Interim Report “Ministerial Inquiry into sustainable transport in New South Wales” go far beyond this.

We would recommend to the Inquiry, in finalising its proposals, that it:

- adopt a more rigorous approach to sustainability
- recognise the relationship between public transport and other forms of transport more strongly, and develop principles for all transport rather than public transport only
- clarify what the purpose of public transport support is
- consider not just pricing but also charging mechanisms for all forms of transport

- recognise the rapidly changing nature of Sydney and its transport demand, and plan for future growth rather than retrospective subsidy reduction
- recognise the key relationship between transport and land use and the need for the integration of the two
- recognise the potential role of technology in managing the future transport mix
- consider the impact of its options for public transport on other modes
- take advantage of work on sustainability already carried out by Engineers Australia and other professional bodies

Elaboration of each of these points now follows. After raising these general issues, we offer a number of specific comments on the Interim Report, most of them on issues where comment was specifically requested.

### 3. Sustainability

The word “sustainable” features in the title of the report, and appears many times in the text. It is a word that means different things to different people, and should always be defined before it is used. This is perhaps more an observation on the vagueness of the Terms of Reference than on the Inquiry.

The nearest to a definition comes on page 137, which considers that the public transport system is sustainable if it becomes “capable of operating with existing traffic levels without further deterioration of service levels”. This is not what most people understand by sustainability, nor the sense in which it is implied throughout much of the report which seems to think sustainability of public transport is equivalent to receiving value for money for subsidy kept within community comfort levels.

We would draw the Inquiry’s attention to a 1999 Report (“Sustainable Transport: Responding to the Challenges”) published by Engineers Australia, which among other things noted that:

*We can focus on specific determinants of change and identify solutions to parts of the problem, but we need to view these actions within a broader framework, taking into account the following.*

- *Sustainable transport is not an end in itself - our urban systems and modes of work and economic exchange must themselves become more sustainable.*
- *Sustainable transport - understood as functional systems delivered with reduced impacts - will not of itself deliver sustainable cities.*
- *Transport responds to, and in part generates, its context - it is both a derived demand and an agent of demand growth. Innovation within the sector needs to focus on encouraging change in the nature of demand by developing material and financial structures that encourage a community preference for sustainable transport options.*

In other words, transport cannot be considered in isolation from the land use pattern it serves – be it urban or rural – and the Panel considers that to attempt to apply the concept of sustainability to an individual mode within transport misunderstands and abuses the concept.

The Panel asks the Inquiry to articulate what it understands by the word “sustainable”.

#### **4. Transport sectors**

The Transport Panel suggests that, in concentrating on public transport, the Inquiry is somewhat overlooking the functioning of the three broad land transport sectors with which we are endowed.

The Panel partly agrees with the point stressed in the Overview of the Interim Report:

*This is at the heart of the dilemma: there is a general payment for private transport use but there is relatively little specific pricing of road use.*

However this is not a dilemma in itself: it is a result of the more basic dilemma that different sectors of transport are treated differently. Proposals to slug one sector with additional charges in order to raise revenue to fund another sector are unlikely to be acceptable to the public without an overall policy framework to connect them. To a degree this has been recognised by Federal Government, which has moved towards such a framework in its Green Paper proposals for reform of national land transport infrastructure (*AusLink: Towards a National Land Transport Plan, 2002*). However even these proposals have failed to distinguish the functional sectors, relying instead on a fairly simple classification of infrastructure into “road” and “rail”.

In the Panel’s view, three sectors should be distinguished and a transport policy developed which applies to all three. These are:

- Private, or individual, transport: the State (generally) provides the infrastructure and the private user provides the vehicle and hence the transport service. In most cases the preferred vehicle is a car, but could be a van, truck, motorcycle or bicycle (or even, in the case of pedestrians, no vehicle at all). Rail infrastructure, with its complex centralised control, is incompatible with individual use.
- Public transport: the State (generally) provides both the infrastructure and the pre-determined transport service (which it may or may not operate itself) – eg buses, trains, ferries.
- Commercial transport: the State (generally) provides the infrastructure and a third party provides a transport service, available to potential users on a commercial basis (eg road or rail freight carriers, taxis).

The Transport Panel does not believe that the community has accepted that public transport and commercial transport should be treated similarly, nor that private transport should be used to cross-subsidise public transport. However the Interim Report reads as if the assumption has been made that it will accept this.

Further, we note that the Terms of Reference call for investigation of the “optimum use of public passenger transport relative to private transport modes”. This is only equivalent to increased public transport use if car drivers can be induced to change mode. A switch of car passengers, walkers or cyclists (all private transport users) to public transport could compound its difficulties without any corresponding benefit for the community.

## **5. Purpose of public transport**

Public transport could be considered as:

- a service providing accessibility to those without access to private transport, especially the young, the old and those with disabilities – needed 24 hours a day, seven days a week – the main issue is accessibility; and/or
- a service to make sure children can access educational opportunities, needed at peak periods during school terms – the main issue is efficiency of the school bus sector; and/or
- a service to make sure workers can access work opportunities in relatively dense centres where private transport cannot be employed, needed at peak periods on weekdays – the main issue is efficiency of commuter transport multi-modally; and/or
- a service to provide a feasible alternative to private transport at some times (at least) for some people (at least), needed in some areas (at least) – the main issue is the competitiveness of public transport relative to the car.

As the activity level in the area it serves increases, more of these functions become applicable to public transport. Failure to distinguish which of these apply in particular areas may lead to inappropriate decisions – leading, for instance, to the lack of community services in rural areas because of the dominance of school transport, or the universal underpricing of public transport in order to compete with the car in central areas of a city.

The Panel would welcome a clear statement of what the Inquiry has found public transport is for. This would help to determine the relative importance of economic, environmental and social objectives.

## **6. Pricing and charging**

The Interim Report alludes in passing to but does not specifically discuss one of the greatest anomalies between public and private transport costs – namely, that private transport charging is based largely on access rather than

use, while public transport charging is based largely on use rather than access.

In a paper (“Public Transport – Motherhood or Myth?”, October 1992) presented to a Planning Better Cities conference, David Kilsby showed that the effect of this is to cause public transport to be perceived as much worse than it actually is, when mode choice decisions are being made. See <http://www.kilsby.com.au/brain4.htm> for a summary.

Fitzroy & Smith, writing in the journal “Transport Policy” in July 1998, addressed the question of why public transport in Freiburg (Germany) had doubled in a decade. Their findings included the following:

*The remarkable doubling in the number of trips by public transport in Freiburg over the decade since 1984 can be chiefly accounted for by the introduction of a cheap travel pass with the essential characteristics of unlimited use at zero marginal financial cost, interpersonal transferability and wide regional validity. Pedestrianisation of the old city from 1973, extensive traffic calming and parking restrictions were undoubtedly important prior complementary measures, without which the environmental travel pass might have had less impact.*

The proposals in the Interim Report, which suggest using the peak-period single-trip fare as the basic ticket product, seem more likely to exacerbate the adverse perceptible distortion than to encourage public transport use. The Transport Panel believes that this is an unproductive avenue, in which any short-term financial improvement to Government will be more than offset by falling public transport patronage, financial pressures increasing on the road system and a general decline in transport quality and choice.

The difference between pricing and charging is not always appreciated. Pricing is about the total cost to the user, while charging is about the mechanics of paying that cost.

Chapter 6, “Fair Fares”, discusses public transport pricing and funding but not charging. The Panel would like to see consideration of something on the lines outlined above for Freiburg.

## **7. Planning for the future not the past**

On page 137 it is stated explicitly that a “sustainable” public transport system is one which is capable of handling existing traffic levels without further deterioration of service levels.

If, for the sake of argument, we accept this statement, it leads to the obvious point that existing traffic levels cannot be frozen. A recent seminar on Planning Sydney’s Transport (jointly mounted by the Transport Panel and the University of NSW) heard how trends in demography, immigration, household structure, licence holding etc are inexorably changing Sydney’s demand volumes and patterns. Sydney will continue to grow at the rate of 40,000 to

50,000 people per year for the foreseeable future, and even if population were static falling household sizes would increase demand for new dwellings. This results in the need to release greenfield areas at the fringe for urban development, and hence provide appropriate new transport infrastructure and services, and to manage existing infrastructure in established areas in ways that will cope with the higher demands made on it.

Stabilising system usage at today's level is not an option. If this were actually done for public transport, the burden of growth would then fall on private transport which would become highly unsustainable, using the same definition as for public transport. It is preferable on many grounds for this not to happen.

The Interim Report does not appear to recognise the growth-induced urban challenges in Greater Sydney for which public transport enhancement is a key strategic element (and not the only one).

## **8. Land Use**

This leads to another point, that transport and land use are inextricably linked. The only comment that can be made about the Interim Report's views on this relationship is that it does not appear to have any.

The integration of transport and land use is such a key issue that the Australian Institute of Traffic Planning and Management made it the central theme of their National Conference, held in Sydney in late September 2003. The conclusion of an observer at that Conference was that there was little disagreement amongst the 200-odd transport professionals about what needed to be done, but frustration that the urgency of action is not recognised by decision-makers.

The transport system in Sydney at present is clearly unsustainable, however it is defined. We do not believe that decreasing the cost and/or increasing the cost recovery of present public transport contributes anything significant to reducing that unsustainability, and may be making it worse. An integrated approach is called for, not just between different modes of transport but between all transport and land use.

There may be fewer options outside the metropolitan area, which is why it is so important to be clear about the role expected of public transport in different places.

## **9. Technology**

The Interim Report is sceptical of the value for money provided by further investment in maintenance of the rail system, especially on lines only served by Countrylink passenger services.

The Panel believes that this questioning of the continuing relevance of nineteenth-century technology in the twenty-first century is appropriate, but wonders why consideration of the potential of twenty-first century technology

seems limited to information technology (especially in the context of public transport ticketing and road user charging).

Ultimately transport is about moving people and goods, and the options are not limited to cars or public transport, or within public transport to trains and buses/coaches. Other options include:

- High speed trains (as an alternative to domestic aviation)
- Car clubs (as an alternative to individual car ownership)
- Automated people-movers, eg the Sydney-developed Austrans (as an alternative to medium-volume rail or bus lines)
- Low-energy vehicles (as an alternative to conventional car for short-distance dispersed movements)
- Dispersed televillages (as an alternative to concentrated employment centres generating concentrated peaks of physical movement)

Forecasts of growth in domestic freight outside urban areas are truly frightening and the rural rail network may be an asset more valuable for freight applications than passenger. The Interim Report does not consider this.

## **10. Intermodal impacts**

Public transport does not exist in a vacuum. There are other alternatives for mobility – principally private use of the road system, for both passengers and goods.

Moves to reduce the subsidy requirements of the public transport system are also likely to reduce its travel demand (for those who have a choice) and to correspondingly increase the travel demand for alternatives – especially for purposes for which the demand is relatively inelastic such as travel to/from work or to/from school.

The cost savings of public transport “rationalisation” should be considered together with the increase in costs – including the costs of environmental externalities – affecting other modes and perhaps non-transport sectors.

The travel market in which public transport does not significantly compete at present is the largest one of all – that for short distance dispersed movement, dominated by the car. Any inquiry into sustainable transport should ask itself what alternatives to conventional car use may be available for such travel. It may well find that the development of facilities for local short-distance transport for the whole community is a grossly neglected issue, calling for greater public expenditure (either additional or re-allocated). Bicycle planning is the main current contender for such expenditure.

The Inquiry rightly notes (in section 9.4.1) that the scenario planning techniques pioneered recently by DIPNR offer the potential for an analytical examination of such multi-modal issues. However much remains to be done

and will not happen without an increase in resources devoted to such planning activity.

## 11. Work by others

We would draw the Inquiry's attention to three recent pieces of work, which in their different ways offer valuable ideas in relation to sustainable transport.

Engineers Australia published a report in 1999 entitled "Sustainable Transport: Responding to the Challenges". This is available from the Engineers Australia website,

[http://www.ieaust.org.au/library/institution\\_pubs.html](http://www.ieaust.org.au/library/institution_pubs.html).

Like the current Inquiry, it balked at defining sustainability, but opened by stating that:

*Sustainability requires us to understand how our social, economic, cultural and biophysical systems interact with one another to the detriment or advantage of preserving all life on the planet, now and into the future.*

While it tended to deal more with energy issues than financial ones, it contains much that should interest the Inquiry, especially its recommendations to Government which can be summarised as:

- Taxation and fiscal policy instruments should encourage sustainable transport
- There is a strong case for increased investment in transport infrastructure that offers the opportunity to develop a transport system that is integrated, more sustainable and less greenhouse gas intensive.
- The market is the appropriate mechanism to allocate resources between individual transport modes, but where market forces fail to deliver environmental and social objectives governments should intervene.
- More holistic approaches that integrate environmental considerations into transport policy, planning and investment decisions are needed. They should go beyond current Commonwealth and State and Territory environmental impact evaluations in order to examine wider impacts on health, sustainability and greenhouse gas emissions.
- There is a need for industry, innovation, and research and development policies and commitments to support the development of cleaner transport fuels and technologies.
- Additionally, there is a need for research into transport pricing, economics and demand-management technologies.

The federal Department of Transport and Regional Services (DOTARS) issued a Green Paper in 2002 presenting ideas for reform of investment in national land transport infrastructure. Engineers Australia supports these ideas in principle, and developed a submission to Canberra suggesting ways

of refining the proposals. One of the points made was that there is a national interest in the state of urban public transport in Australia, and that the refusal of Commonwealth Government to accept this was inappropriate. Others have made the same point, as noted in Section 2.3 of the Interim Report, but the response from Canberra has so far been unyielding.

The Warren Centre for Advanced Engineering at Sydney University has recently finished a three-year inquiry into "Sustainable Transport in Sustainable Cities". The Warren Centre has made its own submission to the Inquiry. We would state that we find the Warren Centre's work in their project has been conducted to the highest intellectual and professional standards, and in particular that Dr David Thorp's work on the sustainability of future public transport in Sydney is worthy of consideration by the Inquiry. We note that the Warren Centre project not only won the Excellence Award in its category but also took out the Bradfield Award for Excellence, the most prestigious award of the night, at the NSW Engineering Excellence function mounted by Engineers Australia in September 2003.

Finally, the National Committee for Transport (NCTR) of Engineers Australia is in the process of developing best-practice guidelines for engineers in a number of policy areas. These have not yet been published, but the draft guidelines on "Transport, Environment and Health" are particularly relevant for an Inquiry into Sustainable Transport. The draft NCTR document makes the point that the word "sustainable" is largely meaningless until the sense in which it is used has been defined by its user. It concludes with ten provisional recommendations (they have yet to be endorsed by the full NCTR which, as with the Transport Panel of the Sydney Division, speaks for itself and not Engineers Australia), which are:

- Vehicles that are bigger than necessary for the task in hand are wasteful of energy.
- Current pricing and charging settings for transport are not immutable
- Movement of goods and services is an important part of the transport task.
- Public transport cannot be designed to meet the needs of its users until there is clarity about what it is for.
- Usage and ownership of private vehicles do not necessarily have to go together
- The community should be aware of environmental and health issues associated with transport and individuals should accept personal responsibility for their actions.
- The road system should not be expected to be all things to all people all the time.
- Regional self-sufficiency can reduce growth in the transport task and hence its environmental impacts.
- A holistic systems view when planning would need to consider energy requirements as well as financial requirements.

- It is not necessary to re-invent the wheel – Australia should adopt “world’s best practice” where appropriate as a short-term way to raise performance.

## **12. Further specific points**

### *Impact of CBD on public transport usage (p6)*

We believe that Table 2.2 is not representing the whole story of the transport supply and demand task in Sydney. Commuting journeys in Sydney have a much higher usage of public transport when the destination is the CBD compared with other areas. Also, higher proportions of the workforce from the inner areas of Sydney are employed in the CBD compared with the outer areas. Therefore tabulations comparing public transport usage between areas should distinguish the impact of the CBD. The Journey to Work tabulations from the 2001 Census of Population and Housing is a source of data that would enable you to separate the CBD and non-CBD effects across Sydney.

### *Future demand for CountryLink services (p12)*

With a rapidly ageing population we would expect that there could be reasonable levels of growth in the demand for CountryLink services and are surprised that CountryLink appears not to be considering this as part of their business planning.

### *Sectorisation of rail (p27)*

We agree that a greater degree of sectorisation of the rail system in Sydney would make for greater safety, reliability and service quality, but observe that overseas operators appear to be able to cope with a higher degree of complexity than CityRail. We would like to see quantitative evidence that proposals to simplify operation are in the interests of the user as well as the operator.

### *Productivity of the rail system (p47)*

Whilst there are differences between the public transport modes, we are surprised that the inquiry has not collated fundamental data on the current practices for the different modes. We would have expected data including spare vehicle percentage, average daily utilisation in revenue service, proportion of driver hours in revenue service etc to have been included in the report.

### *New bus specification (p48)*

Depot-based vehicles under public control are always going to offer the most attractive options for testing out technological innovation, with buses an obvious candidate.

The Panel believes that it is the role of Government rather than the private sector to demonstrate the feasibility of new technology, including low floors, air conditioning, alternative fuels and advanced engine management systems. However, it should also be the role of Government to set standards once technology is accepted as feasible.

The position of STA is ambiguous. As a government operator it is arguably expected to take a leading role in the introduction of various innovations, which when demonstrated to be feasible can then be imposed as standard for all operators.

The Panel does not believe that running public transport as a minimum-cost system will be effective in securing long-term community support for the system. Indeed, if the system is not something to be proud of, the ambition of every user will be to free himself or herself from it as soon as possible.

We note that WA has now adopted a Sustainability Strategy, and that this includes the current trial of three hydrogen-powered buses in Perth. (NSW has no such strategy).

#### *Funding levies (p64)*

It is impossible to assess the value of funding levies, except in a purely financial sense, without clarification of the purpose of public transport and hence appropriate assessment measures. The Interim Report rightly criticises (in Chapter 8) freeway tolling in NSW for such simplistic and policy-free application.

#### *CBD Employee Tax (p78)*

It is surely Government policy to increase the number of jobs in CBD's which can be served by public transport. A CBD employee tax to fund public transport would seem to be counter-productive in that it would encourage the flight of employers to non-CBD locations, and hence encourage car use by employees. To be effective, such a tax would probably need to apply to all metropolitan employees whether they worked in CBDs or not. The political feasibility of such an approach does not seem high.

#### *Scope for different funding options in public transport (p81)*

The Panel believes that the observations offered on P81 miss the key point that there is an alternative to public transport use (the private car), which is already highly favoured by current pricing and charging methods. Without addressing this point, any options to improve public transport cost recovery in isolation are likely to amplify the degree of favour enjoyed by car use.

*Discretionary travel in off-peak periods (p85)*

We are surprised that the report fails to mention that much discretionary travel occurs in non-peak periods when the cost of service provision is lower than in peak periods.

*Perceptions are an important aspect of choice of mode (p87)*

We are surprised that the report concentrates only on the physical service characteristics and fails to mention that perception of these characteristics can be just as important in influencing whether people will use public transport.

*Discounts for off-board bus purchases (p89)*

Travel time is an important aspect of the service characteristics that influences people's choice to travel by bus. A number of bus operators offer discounts to purchase tickets off-board to decrease the time that passengers take to board a bus and hence speed up the overall journey. We support the concept of off-board ticket purchases to facilitate improved travel times. We would ask the inquiry to consider off-board tickets such as TravelTens as the "benchmark" fare and that a premium is charged for passengers who wish to purchase tickets on-board and incur delays for the other passengers. This premium for on-board ticket purchases applies in a number of cities around the world and even extends to some private bus operators in Sydney.

*Multi-modal tickets (p89)*

We support multi-modal tickets for public transport travel in Sydney and support their extension to include all services and not just those operated by government service providers (SRA and STA). The discounts that are reported in Table 6.4 are highly dependent on a large number of assumptions and we believe that it is essential that these assumptions are documented in the report. Unlike the discounts reported for TravelTen fares in Table 6.3 where each passenger has the same discount there is a considerable variation in the range of discounts which people receive for the multi-modal tickets reported in Table 6.4.

We are very surprised that the report makes no mention of the various single to weekly multipliers that apply to rail fares which can be derived from Table 6.5. For example, for a journey of up to 5 kms the single to weekly multiplier is 8.2 whereas for a journey of over 305 kms the multiplier is 3.9. We are also surprised that no attempt has been to present the fares for the different modes in a common table and/or graph.

*Smart card ticket structure (p93)*

We believe that not only the off-board ticket but also the off-peak journey should be the basis of the "benchmark" price, with a premium charged at peak times to represent the cost of the additional resources required at such times.

This would appear to be feasible given current electronic ticketing technology. It would have the merit of charging commuters something closer to the true cost of their journeys, while not overcharging (indeed, encouraging) off-peak use. We note that off-peak conditions apply for about 148 hours out of 168, in a typical week (overlooking the complication of afternoon school transport). While the end result might be the same, we believe that there would be a greater psychological impact in surcharging the expensive 20 hours rather than in discounting the inexpensive 148.

#### *Basis of fare calculation (p96)*

We recognise that there are both fixed and variable costs associated with the provision of public transport services. Therefore we believe that fares should include both a flag-fall component and a distance based component. Whilst the current fare systems in Sydney may not be defined explicitly in this manner, implicitly they do. Therefore we believe that Figure 6.9 is misleading as the flag-fall component is a key component of the differences between the distance bands. We believe that a simple graphical presentation of distance versus cost using the data in Table 6.5 is a more transparent manner to represent the existing rail fare structure.

#### *“Fair” fares (p100)*

Meaningful comment on the criteria for “fair fares” cannot be made without a prior concept of what public transport is for. If it were treated purely as a self-contained good and required to maximise its cost recovery, it would probably be priced too highly to be used much. This would be a matter of regret to most non-economists in the community.

#### *Allocation of road expenditure (p113)*

We do not believe that there should necessarily be a correlation between road length and road expenditure. Whilst the state roads may only account for 11% of the total system in NSW when measured by length, this percentage is considerably higher when the calculation is based on usage (ie vehicle kilometres travelled). We suspect that much of state road expenditure is on improvements to the system to meet higher levels of demand compared to non-state roads, where much of the expenditure is for basic maintenance.

#### *Considerable road travel occurs in off-peak periods (p118)*

We accept that Sydney drivers travel about 40kms per day. However we are very surprised that the report assumes that this all occurs in the morning and evening peak periods as there is considerable car travel at other times of the day.

#### *Road pricing (p132)*

A similar comment to that made on fare options applies to commenting on the road pricing options. To assess the options it would be necessary to have a

clearer concept of what the Inquiry means by “sustainable transport”. In general, the Panel believes that transport pricing is an important and hitherto under-used policy instrument and its more imaginative use is within the bounds of technological feasibility, but probably not yet of political feasibility. There is therefore a strong need for development of greater public awareness of the issues before any new pricing measures could be introduced.

#### *Institutional integration (p140)*

The Panel broadly supports the views of Richard Kirwan in this issue. We note that the current State Transit Authority is spectacularly misnamed – it only covers limited parts of the State, it only deals with two of the many forms of Transit and it has no more Authority than other public transport operators. An STA which lived up to its name would complement the RTA, but both would need direction from a broader and more strategic multi-modal body. Kirwan’s Metropolitan Transport Council would be one such option. The Panel notes that his proposed restructuring, at first glance, divides responsibility for rail infrastructure and operations between four separate agencies, which seems over-complex.

#### *Project evaluation (p144)*

The Panel strongly supports the application of a consistent framework being used to evaluate transport projects irrespective of the mode. We acknowledge that the airport rail link patronage is well below the projected levels and that there are a number of reasons which are believed to have contributed to these reduced patronage levels including the level of the premium fares and a slower than expected development of the Green Square and other precincts. However it is unclear to us whether the inquiry is querying the cost-benefit methodology undertaken, or the inputs which were used for this process, or both.

#### *Community transport (p150 onwards)*

The Panel is surprised to find the School Student Transport Scheme and the Pensioner Excursion scheme discussed under the heading of “Community Transport”. Both are the consequences of social policy decisions which are more the province of the Ministers of Education and Ageing and Disability respectively than the Minister of Transport Services. The latter should of course be responsible for satisfying those social policy requirements at minimum cost to the community, but should not be responsible for determining the requirements themselves.

The transport interpretation of “community transport” should be confined to those local paratransit services which fall between buses and taxis. These services are often under-provided in rural communities where neither buses nor taxis meet demand, except possibly for the frail aged eligible for Home And Community Care (HACC) support and the severely disabled qualifying for the Taxi Transport Subsidy Scheme (TTSS). The Panel believes that the

quantum of subsidy for such services is not a matter for the transport portfolio alone.

*Pensioner excursion tickets (p156)*

The report rightly comments on the equity-related criticisms that have been levelled against the pensioner excursion ticket. It does not, however, comment on the fact that “the cost of these tickets has remained constant, apart from the introduction of the GST, since 1988”. To us this is a clear case of institutional failure, which the Interim Report does not address in its proposals in 10.2.2. Who does the Inquiry think should be responsible for pricing these tickets, and when?

*Pensioner concessions (p161)*

The assertion from STA that pensioners make up 11 percent of travel at peak times seems an inadequate basis for proposing to withdraw this concession at such times. Pensioner travel would only limit the capacity of service providers to carry full-fare-paying passengers at peak times if it took place in the peak direction on parts of the network operating at full capacity. No evidence is offered to demonstrate this. In the absence of data, our observation suggests that this is not the case. It is just as likely that much peak-period pensioner travel takes place in outer parts of the network, in the contra-peak direction, because many older members of the community are pressed into service as family baby-sitters during the day and free adult wage-earners to travel to work. Making it more difficult for pensioners to travel at such times would have a social effect beyond the immediate and possibly unnecessary relief of bus capacity. The fact that this issue was raised by STA and not SRA tends to support this view.

In any case, the Panel believes that few pensioners would choose to travel in peak times if they had any choice in the matter, and such peak travel as does occur is mainly occasioned by factors outside the pensioner’s control (such as the timing of medical appointments, or responsibilities as a family carer). The future of this concession is therefore more a matter for determination by the Ageing and Disability portfolio rather than that of Transport Services.

*WAT - Wheelchair accessible taxis (p166)*

The Panel strongly questions the wisdom of the option of a fleet of special-purpose WATs, not available for general hire. We would much prefer to see a long-term solution whereby all taxis in use eventually meet requirements for wheelchair users (as in London). To do otherwise is to perpetuate the “them and us” distinction with which the wheelchair-bound constantly have to contend. Anecdotal evidence suggests that the able-bodied already tend to shun WATs on the grounds that they want a “proper” taxi, ie a saloon car. Non-accessible taxis could eventually be treated as the special-purpose vehicles. Maintenance of choice suggests that they should not be phased out but rather made available at a premium on the tariff.

### 13. Summary and Recommendations

The Transport Panel believes that there are some major issues with which the Inquiry has not yet grappled, and that as a consequence some of its proposals are limited and possibly counter-productive. We hope that these issues will be addressed in the final report.

Specifically, as stated in the Overview, we would expect to see:

- Adoption of a more rigorous approach to sustainability
- Stronger recognition of the relationship between public transport and other forms of transport, and development of principles for all transport
- Clarification of the purpose of public transport support
- Consideration of charging mechanisms for transport as well as pricing mechanisms
- Recognition of the rapidly changing nature of Sydney and its transport demand, and planning for future growth rather than retrospective subsidy reduction
- Recognition of the key relationship between transport and land use and the need for the integration of the two
- Recognition of the potential role of technology in managing the future transport mix
- Consideration of the impact of options for public transport on the use of other modes
- Advantage taken of work on sustainability already carried out by Engineers Australia and other professional bodies

The Panel believes that the logic and analysis behind the Inquiry's findings can too easily be countered by others at present, which would lead to the implementation of only the least controversial ideas.

We would be happy to discuss making our professional expertise available to the Inquiry on some basis. If you are interested in further involvement, please contact either the Panel Chairman, Richard West (02 9411 5660), or the Panel Secretary, David Kilsby (02 9415 4544). David also represents NSW on the National Committee for Transport (and is the current Chair of that Committee) of Engineers Australia.