MOVING PEOPLE

› *Victoria*

12 Policy Directions for Victoria

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This Moving People policy for Victoria outlines BusVic's vision for the development of Victoria's transport system, which encompasses urban, outer-urban, rural and regional bus services. In developing this publication, BusVic has considered the unique nature of passenger transport in Victoria with a focus on solutions for Victorians living in regional areas and on the fringes of our major towns.

BusVic has developed this Moving People policy to reflect the Victorian perspective of the Bus Industry Confederation's (BIC's) broader policy message. This policy statement targets bus services in Victoria and how they relate to other modes of transport and the people that use them.

BIC's Moving People policy and research agenda offers a vision for how Australian governments can deliver improved transport across Australia and the benefits associated with such improvement. The Moving People policy is strongly focused on how governments achieve reform in transport pricing, strategic land use and planning, and attract more commuters to both public and active transport modes.

BusVic - Who We Are

BusVic's role is to form, spread and embody the adoption of guiding operating and business values as a specific type of governance practice. Since 1944, BusVic has played a central role as a carrier and promoter of safety, technical, policy and operational practices, values and organising principles.

BusVic directly and indirectly (by virtue of its partnership with BIC), extensively and strategically invests in research to unearth new knowledge on public-transport procurement and the social, economic, environmental and governance spillovers that positively affect its productivity and liveability. This is achieved on behalf of a 'community of interest', a collective of like-minded small, medium and large businesses that form the Victorian bus and coach industry.

In 2014, BusVic celebrates 70 years as the representative of Victoria's bus and coach operators, and industry suppliers. Since 1944, BusVic has worked hand-in-hand with government to improve the level of professional and ethical behaviour of the bus and coach industry and improve the effectiveness of Victoria's public-transport network.

BusVic's members are mostly second, third, fourth, and indeed, some fifth generation local family businesses, most of which are embedded in their neighbourhoods and have come to understand intimately their communities'

transit needs, and adapt to these. In the past five years, several large, corporations have acquired some of the local operators, which is an acknowledgement of the sustainable reinvestment opportunities that Victoria's bus and coach operating environment represents.

Our Vision

BusVic's vision is to enable the perpetual resilience and relevance of Victoria's bus and coach operators so that these operators can play their role in delivering sustainable, effective and efficient mobility services to Victorians and visitors.

Our Mission

> To represent to government our members' interests in forging the world's best public-transport culture.

> To work in partnership with government and related stakeholders for the increased use of buses and public transport as part of the development of more sustainable transport systems.

> To advocate the cost effectiveness and demand-responsive capability of buses, and how this capability reduces urban congestion and reliance on oil, and benefits social inclusion, public health, energy conservation, and community and regional development.

What's the Problem?

Victoria in 2050: Transport's Role in Enhancing Productivity and Liveability

Cities around the world with high liveability rankings all have one thing in common – great public transport.

The Mercer Quality of Living Survey 2009 demonstrated that Australian capital cities were slipping down the liveability ranking, being replaced by cities that had made substantial investment in transport infrastructure.

Melbourne, which will have 7.7 million people (in 2051), represents a major challenge for Victoria in understanding the scale of development required to accommodate an additional two million. The makeup of the future metropolitan population will drive demand for a vastly different method of transportation from what we have been able to rely on in the past.

Easy access to public transport has long been a problem in the outer areas of Melbourne, with infrequent services, long travel times and indirect access to employment activities being major impediments to improving the productivity of our city, and the employment opportunities for residents, including young people. Without significant policy intervention aimed at developing transport infrastructure and services to meet existing service backlogs and match the strong population growth, existing issues will compound in years to come.

Population forecasts suggest a 47% increase in the Interface Councils'[1] population by 2026, with transport-dependent young people a significant proportion of the total population. The interface group of Local Government Areas (LGAs) are highly dependent on car travel for employment access and mobility. It is likely that fuel prices will increase in the future as the supply of oil reduces and the cost of production increases in conjunction with increased global demand associated with an improving global economy.

This will put pressure on the affordability of daily travel, putting household budgets under increased stress.

The proportion of the population aged over 65 in the Interface Councils will almost double by 2026 and constitute over 22% of the population by 2051. This age cohort tends to rely more on public transport services.

Objectives to Achieve

This policy-direction paper aims to achieve economic, social, environmental and governance (quadruple bottom line) goals by contributing towards the achievement of the following eight objectives:

1. Improved productivity of our cities

2. Improved wellbeing

3. Foster community and regional development

4. Realise the 20-minute city

5. Improved public safety

6. Generate employment

7. Reduced social inequity

8. Improved environmental sustainability

1   The Interface Council group comprises the following (LGAs) that form metropolitan Melbourne's outer urban ring. Cardinia Shire Council, City of Casey, City of Whittlesea, Hume City Council, Melton Shire Council, Mornington Peninsula Shire Council, Nillumbik Shire Council, Shire of Yarra Ranges and Wyndham City Council.

What Can We Do About It?

1   Improve Local Bus Services in Outer Metropolitan and Regional Areas

Between 2006 and mid-2008, 102 existing bus routes were upgraded to the safety net Minimum Service Level (MSL) and a further 15 new routes were introduced to achieve minimum service levels that reflected the following frequency needs: weekdays at least one hour from 6am to 9pm; Saturdays at least hourly from 8am to 9pm; Sundays at least hourly from 9am to 9pm. These service improvements, combined with the introduction of SmartBus and orbital (mass-transit) services, have contributed greatly to significant patronage growth on buses during the past eight years.

Real growth in scheduled bus kilometres stalled in 2010, while population has continued to grow by approximately 2% per annum, meaning that on a per-capita basis the number of bus services per person has declined, as demonstrated in Figure 1 below. There are still too many routes with no Sunday service, inconsistent scheduling on public holidays, as well as a failure to provide easy and equitable access for sections of the community who are vulnerable to social isolation.

What's more, 50% of the state's growth has occurred in the Interface Councils over the past five years, but independent analysis demostrates these communities only received 7% of the allocated capital funding of the budget.[2]

The mechanism to achieve service improvements as part of any review process is to harness the knowledge and experience of incumbent local operators who, because of their embeddedness in their operating environment, have developed an intimate understanding of the nuances and travel-demand patterns of those who reside within their communities. This local leadership will add significant value to the service-review process, contribute towards a more productive use of existing resources and generate positive outcomes for government, operators and public-transport users.

Local-Route Bus Services Differ from Trunk Services

Local-route bus services serve a social-transit task, conveying people to major community activity centres such as schools, medical facilities, shopping centres, other modal interchanges and sporting venues. The nature of these services is quite different to the mass-transit SmartBus services, which operate mainly on trunk/arterial roads: the trunk services are about speed, local services are about coverage.

Over the past few years, there have been several metropolitan and regional reviews undertaken of local-route bus services, which have yielded changes to the route and operating times. In some cases, this has had a detrimental effect on customer satisfaction. Adjustments made to local bus routes with the exclusive purpose of assisting rail passengers will affect all bus passengers, not just those using rail, and therefore, may displease patrons. As such, it is important that policy be adopted to ensure adjustments to local-route bus services do not negatively affect the majority of bus users who are not using rail. Research confirms that only one-third of bus users connect with rail services, which implies that bus–rail interface is not a majority issue for bus users.
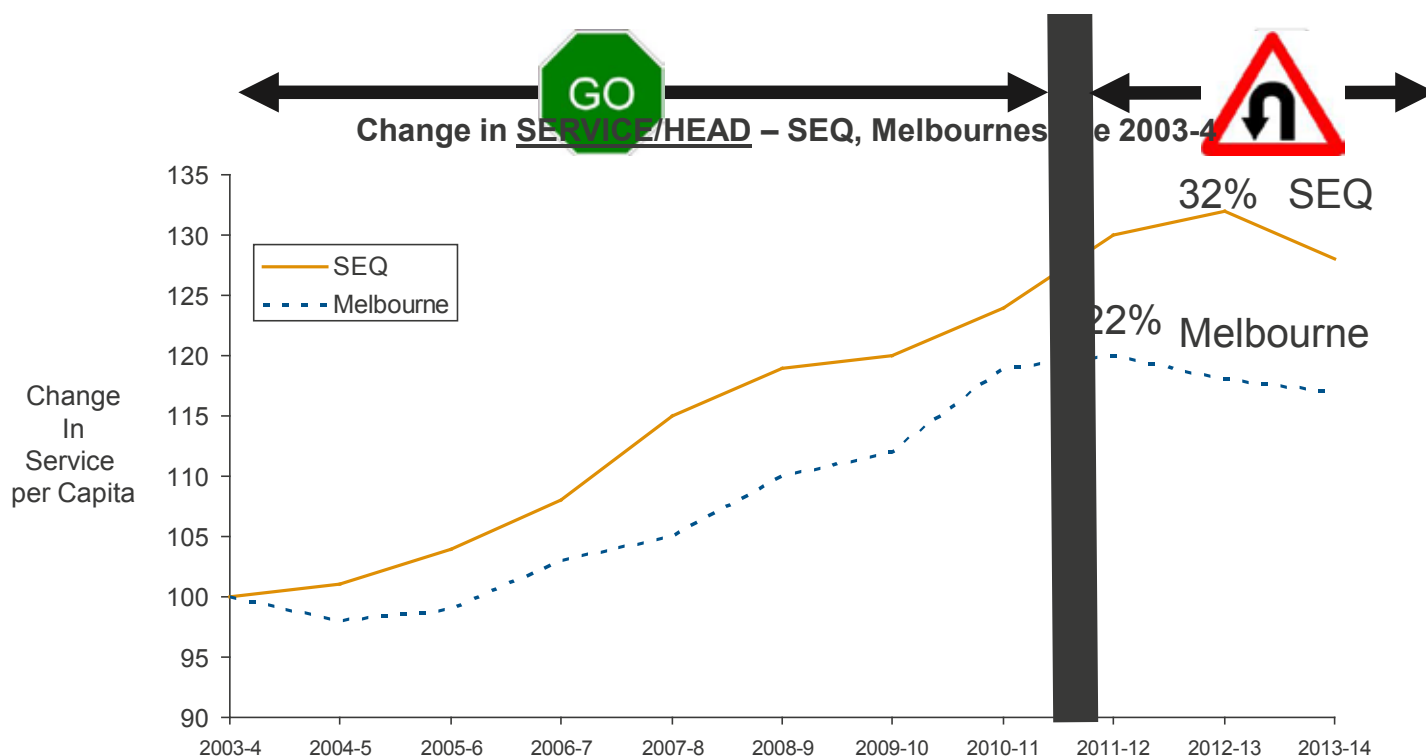

Figure 1: Source: Currie, G. 2014. Public transport progress and failure – Keeping up with growth in Australian cities. Institute of Transport Studies (Monash).

2   *Fairer Funding Report, August 2014, Interface Councils*

Service Improvements Deliver Economic and Social Benefits

Public transport is a critical enabler to the productivity of our cities and a key contributor to our quality of life. Good central area accessibility by public transport promotes economic benefits from agglomeration, and high-quality public transport in middle and outer-suburban areas enables people across the city to share the benefits of city living. However, investment in public transport in Melbourne has not kept pace with the city's rapid population growth, evidenced by peak overcrowding on some routes and major shortfalls in service availability in many growth areas.

In response to a growing demand for sustainable transport solutions, and in line with the objectives articulated at the beginning of this document, BusVic (2014) has devised a suite of bus-service improvements consisting of enhancements to existing services and new service concepts for outer, middle and inner Melbourne. To obtain an independent assessment of the economic merit of these proposals, BusVic commissioned the National Institute of Economic and Industry Research (NIEIR) to evaluate the effect of additional bus services on the economic indicators of productivity for each metropolitan LGA, and then calculate an average cost–benefit ratio.

NIEIR concluded that there are three key economic effects of additional bus services:

1. *expanding the employee/employer catchment*

2. *reducing household fixed costs of car ownership (particularly second and third car costs)*

3. *reducing congestion costs (e.g. the cost of traffic delays on the business).*

NIEIR concluded that expanding the scale of the workforce (as in point 1) will affect economic activity in two ways:

1. *increasing hours of work available per capita of the available workforce*

2. *increasing productivity or dollars per hour paid to the employed available workforce.*

The estimated annual recurrent cost for the BusVic service improvements is approximately $25 million. NIEIR estimated that the total annual economic benefit from these improvements would be $210 million across all metropolitan LGA's: a very strong economic benefit-cost ratio of 8.4 to 1. The benefit estimates are based on increased household income. The $210 million in benefits comprise:

• $72.6 million in additional household income from net increased household hours of work

• $29.6 million in additional household income from the net increase in labour productivity

• $73.7 million in additional net household income from a reduction in the fixed cost of motoring and

• $33.7 million in savings from reducing peak hour congestion cost (a very conservative estimation).

The results of this analysis highlight the substantial wider economic benefits attributable to bus-service improvements. (Benefits in reduced social exclusion are additional, and are estimated by BusVic to add approximately $70–80 million of annual value, underscoring the need for increased capital and recurrent investment on better bus services in Melbourne.)

NIEIR estimated that the economic benefits associated with bus-service improvements would also be associated with additional net employment of approximately 1,800 jobs, which underpins for the $73 million increase in household income from employment.

For more information on this study, go to www.busvic.asn.au/public/publications/reports-articles and look for 'The Economic Impact of Proposed New Bus Service in Metropolitan Melbourne' NIEIR, August 2014.

Objectives Achieved

1. Improved productivity of our cities ✓
2. Improved wellbeing ✓
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8. Improved environmental sustainability ✓

2 SmartBus Network Expansion

Since the mid-2000s, the introduction of high-frequency and broad-span bus services that circumferentially cross Melbourne has helped to change the public's perception of Melbourne's metropolitan buses. SmartBus services typically operate a direct line of route (mainly along primary and secondary arterial roads), linking population centres to activity centres. They operate a 15-minute average service, but in some cases, such as Route 601 SmartBus (Huntingdale Station to Monash University), there is a service 'headway' in peak periods of 6 minutes.

The SmartBus network must be expanded to create a web of interconnected routes that enable commuters to move across Melbourne using fast and direct services that link population centres to employment centres and augment the heavy and light rail services.

BusVic has modelled the expansion of the SmartBus network of orbital and non-circumferential routes presented on the following page. The routes are categorised into short/medium-term and long-term projects.

Bus Rapid Transit (BRT)is based on reducing road congestion but more properly it is based on fast, frequent bus service to attract users, promote growth of suburban activity nodes and growth along transport corridors.

The options outlined in the concept plan can be implemented quickly through a combination of dedicated lane, on-road priority and segregated busways in some locations such as Mernda, Aurora and Thompsons Road. As such, these options warrant serious and urgent feasibility evaluation.

Objectives Achieved

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6. Generate employment ✓
7. Reduced social inequity ✓
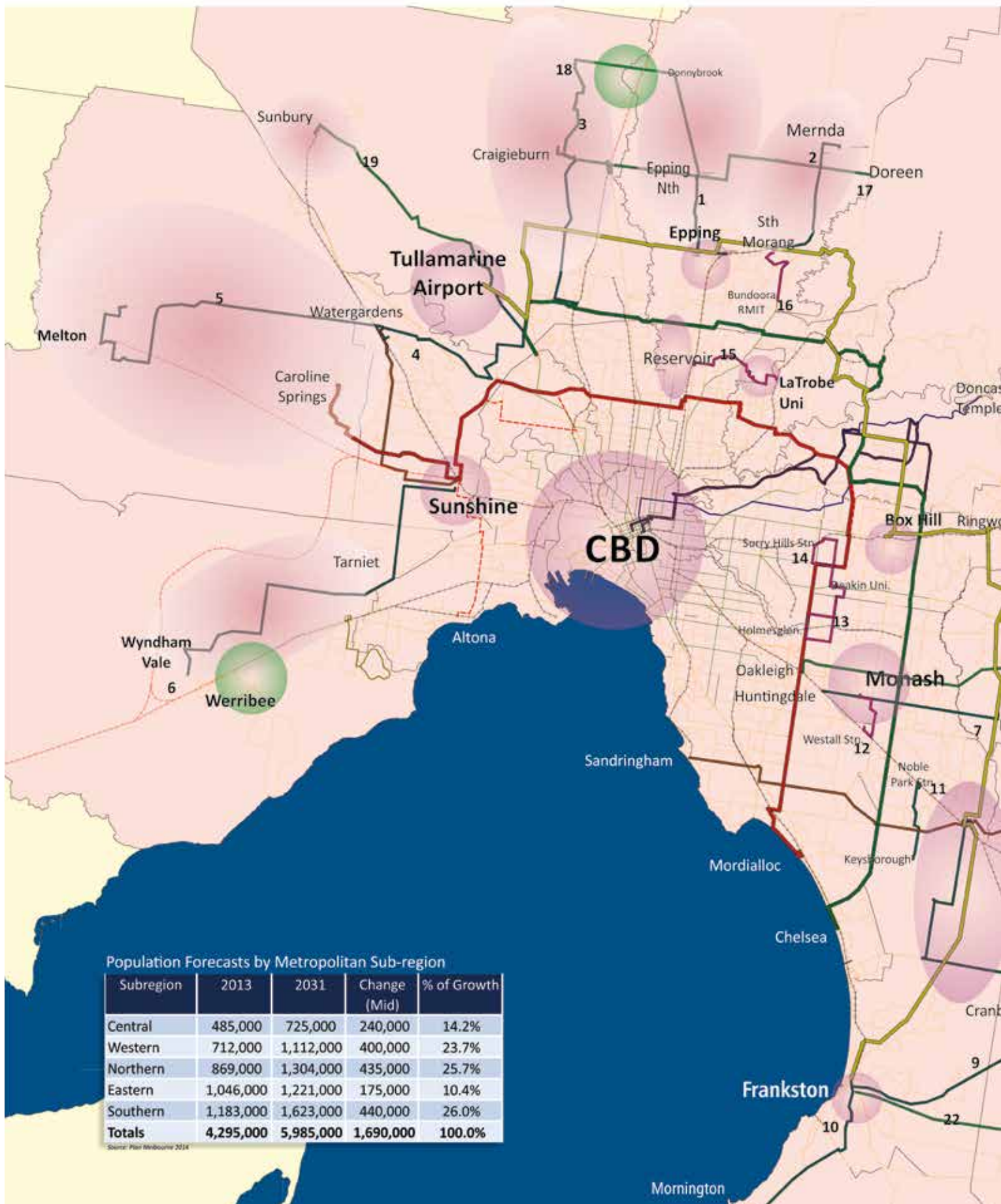8. Improved environmental sustainability ✓

Population Forecasts by Metropolitan Sub-region				
Subregion	2013	2031	Change (Mid)	% of Growth
Central	485,000	725,000	240,000	14.2%
Western	712,000	1,112,000	400,000	23.7%
Northern	869,000	1,304,000	435,000	25.7%
Eastern	1,046,000	1,221,000	175,000	10.4%
Southern	1,183,000	1,623,000	440,000	26.0%
Totals	4,295,000	5,985,000	1,690,000	100.0%

Source: Plan Melbourne 2014
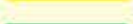
Figure 2: Future SmartBus priorities. Source: BusVic.

	High Frequency Mass Transit (Short term projects 2015-2020)	Approx Trip Length Km (1 way)	Annual Service Kilometre (Million)	Estimated Recurrent Cost ($m)	Region
1	Epping - Craigieburn East Rd (Aurora BRT)	7.23	0.50	$ 2,237,562	North
2	South Morang - Mernda/Doreen (BRT)	10.12	0.70	$ 3,131,968	North
3	Craigieburn - B'meadows via Aitken Blvd	10.96	0.50	$ 2,237,562	North
4	Watergardens-Melbourne Airport	16.67	1.83	$ 8,224,345	West
5	Melton - Watergardens	28.51	1.34	$ 6,039,615	West
6	Wyndham Vale to Sunshine via Hoppers Crossing	29.01	1.37	$ 6,145,536	West
7	Huntingdale-Rowville via Monash University	12.01	0.83	$ 3,716,891	South East
8	Cranbourne - Dandenong via Thompsons Road	22.99	1.08	$ 4,870,248	South East
9	Frankston-Narre Warren via Cranbourne	29.53	1.12	$ 5,058,533	South East
10	Morington-Frankston	14.73	0.56	$ 2,523,271	South East
11	Greens Road Keysborough - Noble Park via Parkmore SC	5.86	0.22	$ 1,003,827	South East
	Estimated Short Term Total	187.62	10.04	$ 45,189,358	
	High Frequency Uni Link Shuttles (Tertiary Education/Employment Clusters) 2015-2020				
12	Westall Station - Monash University	4.54	0.13	$ 588,384	South East
13	Homesglen Tafe - Deakin University	12.96	0.19	$ 839,808	East
14	Surry Hills Station - Deakin University	7.84	0.11	$ 508,032	East
15	Reservior Stn - Macleod Stn via Latrobe University	7.97	0.11	$ 516,456	North
16	South Morang Stn - RMIT University (Bundoora)	5.29	0.15	$ 685,584	North
	Estimated Uni Link Total	38.6	0.70	$ 3,138,264	
	High Frequency Mass Transit (Medium - long term projects 2020 - 2030)				
17	Doreen/Mernda-Craigieburn TC via Craigieburn Stn	24.82	0.94	$ 4,251,703	North
18	Craigieburn-Epping North via Donnybrook	18.16	0.69	$ 3,110,835	North
19	Sunbury-Melbourne Airport	17.37	0.66	$ 2,975,507	North/West
20	Oakleigh-Lilydale via Scoresby	38.01	1.45	$ 6,511,170	South East
21	Pakenham-Dandenong South and Dandenong via Thompsons Rd	34.34	2.24	$ 10,058,976	South East
22	Frankston-Berwick via Cranbourne East (Clyde Road)	32.69	1.24	$ 5,599,846	South East
23	Cranbourne-Clyde BRT Rail Extension	4.7	0.31	$ 1,376,738	South East
	Estimated Long Term Total	170.09	7.53	$ 33,884,775	
	Agregated Total Recurrent	396.31	18.27	$ 82,212,398	

Legend:

- Future Premium Routes (Short term 2015-20)
- Future Premium Route (Medium Term 2020 - 30)
- Uni Link Shuttle Services
- New Premium Routes (operational)
- Existing SmartBus Rt 901
- Existing SmartBus Rt 902
- Smart Bus Rt 903 (inc. proposed reroute to Caroline Springs)
- Existing 903 alignment between Altona & Essendon DFO
- Existing DART Service
- Metropolitan Route Bus Network
- Tram Network
- Metropolitan Rail Network
- Regional Rail Network
- **Major Economic and Employment Clusters**
- Strategic Economic and Employment Clusters
- Major Residential Growth Corridors

3 Increase On-Road Priority Measures

Supporting local bus-service and SmartBus service improvements with the capital investment in on-road priority measures will improve the productivity of the operation of public-transport services and expedite return on taxpayer-funded investment.

BusVic recommends a metropolitan-wide expansion of on-road priority measures for premium routes and intermodal connector services. By allowing buses to move freely in limited-access lanes and to queue jump at signalised intersections, the state would achieve a substantial increase in the productivity of its recurrent expenditure on public-transport resources and boost its productivity.

Creating bus priority is the most effective manner for realising a modal shift from private transport to public transport as bus travel times improve. This in turn improves patronage and demonstrates that more people are shifting from private to public transport, which has a positive effect on household income, freeing up funds previously spent on private-transport costs.

The following on-road capital-investment priorities for buses will improve the productivity of our cities and improve bus patronage:

> expanding the dedicated bus-lane network, particularly in the development of new arterial roads and duplication projects occurring in the interface and growth areas

> expansion of the 'Green "B" Go on Red' traffic-light system at controlled intersections

> coordinated expansion of the SmartRoads programme to allow buses and cyclists 'green-time' priority

> electronic information at on-road bus stops and improved shelters

> improved policing of bus lanes

> CCTV

> shelters at bus-rail interchanges

RECOMMENDATION:
Increase funding for on-road bus priority measures

Objectives Achieved

1. Improved productivity of our cities ✓
2. Improved wellbeing ✓
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4   Embrace BRT and Double-Articulated Buses

BRT has the capacity to deliver a cost-effective solution to mass-transport problems that require a time-critical response. This is particularly important in the context of forecast growth and budgetary constraints associated with the scale of rail projects currently being investigated.

BRT requires less capital and recurrent expenditure to deliver rapid commuter transit services than rail. For example, conservative estimates for at-grade electrified rail extensions are approximately $120 million and $160 million per kilometre (excluding acquisition of land reserve and rolling stock) and can take five to eight years (possibly longer) to be operational. Recent examples of BRT systems built in Australia have ranged from $14 million to $40 million per kilometre with the most expensive example being the Brisbane Busways (Currie G, 2006). In addition, these can be commissioned much sooner than rail.

The main benefits of BRT include the ability to be delivered well within a term of government, making it easier to achieve strategic objectives, and realising land-value uplift along busways and BRT stops. This is directly in line with Plan Melbourne's directions for liveable communities.

Despite a great deal of talk about building a rail line between Melbourne Airport and the central business district (CBD), at present, there is no indication about when this might begin or finish. In the meantime, upgrading the road network for the Skybus service to be more like a BRT service is very doable in the short term.

Improved on-road priority measures such as extended and policed dedicated bus lanes for peak periods along the route, and improved infrastructure at Melbourne Airport and Southern Cross Station will deliver increased benefit to passengers in a very short timeframe. What's more, taxpayer-funded infrastructure and on-road priority improvements will **enable Skybus to introduce service-frequency improvements that will not cost the tax payer one cent. Further, a trial of double-articulated buses will facilitate the movement of more people on any one trip.**

Combined, these measures will facilitate improved airport-travel times in a cost-effective and demand-responsive manner that will positively affect patronage and customer satisfaction.

Double-articulated buses (termed 'light trams' in many parts of the world) increase passenger capacity significantly – some can carry 180 passengers. Many nations have embraced double-articulated vehicles because of their cost effectiveness and demand responsiveness. However, Australia is yet to embrace double-articulated buses. Industry is currently piecing together a possible trial of a double-articulated vehicle on the Skybus route. This trial should be supported by government because of the potential benefits to employment, technological innovation and operational productivity.

RECOMMENDATIONS:

Trial double-articulated buses on the Skybus route

Improve on-road priority for bus on CBD-airport route

Imrove infrastructure at both ends of the Skybus route

Objectives Achieved

1. Improved productivity of our cities   ✓

2. Improved wellbeing   ✓

3. Foster community and regional development   ✓

4. Realise the 20 minute city   ✓

5. Improved public safety   ✓

6. Generate employment   ✓

7. Reduced social inequity   ✓

8. Improved environmental sustainability   ✓

5 Depoliticise Infrastructure Spending

It is often said that one of the biggest impediments to progress in Australia is politics and the contested nature of getting things done. There are many examples throughout Australia where the timing and delivery of major infrastructure projects have been fought and won on the degree of marginality of a particular locality, region or electorate, and the importance of winning a seat to the success of the contesting parties. The populist nature of this process may make it the most difficult of all processes to change, as it has long been the preferred method for politicians to distinguish themselves from their political rivals.

In this context, we must ask ourselves what would happen if we decided, as a state, to depoliticise infrastructure decisions and move towards a merit-based assessment process that saw decisions made based on a particular project or group of projects achieving productivity gains or achieving the Council of Australian Government's (COAG's) National Objective.

The National Objective for Australian Capital Cities as set out by COAG in 2009 states the following objective: 'ensure Australian cities are globally competitive, productive, sustainable, liveable and socially inclusive and are well placed to meet future challenges and growth'.

BusVic argues that the following problems are being experienced in our capital cities right now:

> road congestion – at a cost of more than $10 billion and growing to an estimated $20 billion by 2020

> transport as an increasing proportion of the contribution to greenhouse-gas emissions

> road tolls in serious injury (30,000 annually) and loss of life (1,350 annually)

> social exclusion – Associated with transport disadvantage seems likely to be on the rise

> energy security – Australia is currently approximately 50% self-sufficient but this is forecast to fall as low as 20% by 2030

> obesity – with 52% of women, 67% of men and 25% of children classified as obese or overweight.

are the direct results of reduced investment in transport infrastructure, and that such investment could have reduced the severity of these problems.

BusVic suggests there is a need to depoliticise strategic planning relating to infrastructure and cities so that such planning is allowed to reflect the needs of the people, rather than a government's agenda to retain or regain power. BusVic believes there would be electoral support for a process that made our infrastructure spending independent, pursuant to rigorous and transparent cost–benefit evaluations that include the evaluation of externalities (spillovers).

RECOMMENDATION:
Depoliticise infrastructure spending by institutionalising an independent state-based infrastructure authority

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6   Governance: Give the Locals a Say

The route bus serves two very different purposes: mass transit and social transit. As the mass-transit arterial-trunk services such as SmartBus orbital services traverse the entire city on arterial roads, taking people in and out of their immediate communities, a centrally coordinated regime will continue to satisfy regulatory and planning needs.

However, local-route bus services typically provide a social service for those needing to get around their neighbourhood, as well as provide access to connecting trunk services. Local-route bus services mostly serve major community activity centres within neighbourhoods, for example, schools, shopping centres, medical facilities, other modal connection points and sporting venues.

These local-route bus services might be more effective if local input were sought and harnessed so the services were more adaptable to the needs and wants of the locals.

Under this approach, BusVic envisages the state government, the LGAs, the local bus operators and other local transport stakeholders (e.g. community-transport and taxi providers) forming a voluntary Local Accessibility Board to discuss and improve the effectiveness of the local public and community-transport services as they relate to each LGA, and the manner in which they interface with their neighbouring LGAs. Each stakeholder brings a unique skill set and interest to the table: government for funding and interconnectivity with other modes; operators for local knowledge and operational expertise; and local government for community-stakeholder views and patron sentiment to an extent.

This approach does not envisage the establishment of another agency or contemplate any new costs. This would simply be a voluntary forum for existing resources to meet periodically to ensure local services satisfy the continuing changing nature of user demand. We believe the Local Accessibility Board will improve the demand responsiveness of local service delivery by lessening the extent of 'ivory-tower' thinking that tends to come with centralised planning authorities.

A growing interest in the importance of neighbourhoods is also linked with a growing international trend for a shift from centralised systems to decentralised systems of service provision in sectors such as energy, water, health and welfare services and more recently, transport (where it includes a growing interest in active transport and local initiatives such as the successful ConnectU social enterprise in Warrnambool discussed below).[3]

Localism, an expression of the shift in focus to the neighbourhood, has become an important item on the political agenda in countries such as the United Kingdom and Canada. Localism is viewed as a means of better meeting needs by viewing people holistically, rather than as a transaction, and resolving real needs rather than offering a standardised service designed by people too far removed from the situation to hold the requisite knowledge to resolve the issue.[4]

Localism helps to ensure that a service provision is effective because it is designed to resolve issues and achieve outcomes at the same time as building capacities rather than dependency. Local cooperation and integration of services between government, business, the third sector and the community also offers efficiencies, while at the same time developing leadership, local ownership and the opportunity to ensure greater flexibility and innovation in approach.[5]

> **RECOMMENDATION:**
> **Implement a four year trial of the Local Accessibility Board in at least two LGAs**

Figure 3: Local Accessibility Board. Source BusVic.

Objectives Achieved

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3   Selth, C. 2014. Paying our way on infrastructure, in J. Stanley & A. Rouch (eds). Infrastructure for 21st century Australian cities. Melbourne: ADC Forum.

4   Vanguard. 2014. Locality: Why 'local by default' must replace 'diseconomies of scale', March, UK.

5   Blond, P. 2010. Red Tory: How left and right have broken Britain and how we can fix it. London: Faber & Faber.

7 Rethink Community Transport

A trial of the ConnectU social enterprise (offered as a new way to meet travel needs) commenced in Warrnambool in October 2012. Research demonstrated that there existed substantial unmet demands for travel from people who were largely unable to use public transport and had no other means of transport. At the same time, there was a range of underutilised transport assets in the community, particularly community buses and cars.

ConnectU has provided a means of transport for isolated people by familiarising them with public transport or utilising vehicles owned by local agencies and a pool of volunteers. Through ConnectU, passengers are assessed for need and book the service at least 24 hours ahead to receive a door-to-door service, with additional support if required. The ConnectU model arose from a Regional Accessibility Committee (or Local Accessibility Board) in which transport stakeholders collaborate to improve local transport options.

The trial is demonstrating significant success, offering 466 one-way trips in July, with some of these trips carrying multiple passengers. Passenger growth is averaging 17.5% per month, limited only by available resources. If additional vehicles were available, a target of 1,000 trips per month is in reach over the next year, dependent on the availability of secure sustainable funding. The net cost of a trip is $23.80 (one way), comparable with external-cost benchmarks. These costs could be lowered to between $12 and $16, with an expansion of passenger numbers and greater use of downtime in existing vehicle resources within the existing community-transport system.

Government should agree to trial this scheme in two urban settings with a view to expanding the model throughout Victoria. Funding to existing community transport should be based on a requirement that capital assets be shared with the social enterprise when they are not being utilised by the agency, which has been found to amount to many hours and sometimes many days of the week.

> **RECOMMENDATION:**
> **Formally adopt the social-enterprise community-transport model and transition existing operations and funding to this to realise improved mobility options and a more productive community-transport network**

Figure 4: Victorian rural and regional school-bus services.

8 Maximise the Value of the School Bus

Relax the Distance Criteria for Rural Students

The criteria of a 4.8 kilometre distance from school should be relaxed for students attending non-regional-city rural schools. The conditions that isolated non-regional-city school buses work under are starkly different to metropolitan and regional city school-bus services. Many of them operate on rough roads; many have no formal bus stops; many drive down farm driveways for student safety and security reasons; many of the roads have no shoulders, which makes driving difficult when negotiating the road with log trucks, mining trucks and farm machinery. As many of these roads are not designed for safe walking, students who travel further than a reasonable walking distance should be entitled to access a rural dedicated free school-bus service, even if they reside within 4.8 kilometres of their school. This assistance will recognise the local availability of appropriate educational opportunities and ensure the service is at least as safe as private transport.

> **RECOMMENDATION:**
> **Relax the criteria of 4.8 kilometre distance for school students attending non-regional-city rural schools**

Carriage of Non-Students

For too long, many rural and regional school buses have lain idle outside of school travel times and some social and economic activity is foregone because of eligibility requirements of non-student use of school buses. The 'opening up' of the school bus to non-students would see more efficient use of scarce resources and improved mobility options provided to many isolated residents, and continue the tradition of the school bus being the lifeblood of the local community.

A current trial in Colac allows non-students to ride on the school bus as a means to facilitate social and economic activity. Once the results of the trial are known, the model should be proliferated statewide to introduce more public-transport options to people who reside on the school route and are known to the driver, the operator and the principal, for example, TAFE students.

> **RECOMMENDATION:**
> **Extend the principles of the Colac trial statewide so other communities can benefit from an increase in rural-mobility options**

Simplify Fare Regimes

The state's arrangements for student fares and conveyance are unnecessarily complicated and cause students, their families and schools confusion. Having different eligibility criteria and fares between modes and geographic areas makes understanding, administering and complying to such regimes problematic. In addition, the existing zone fare structure has underpinned many of the perennial problems of the ticketing system.

A formal inquiry into realising an equitable universal fare structure, irrespective of the mode of travel and the origin and destination, should have electoral support, and might see patron satisfaction associated with ticketing-systems improve.

> **RECOMMENDATION:**
> **Launch an Inquiry into a simpler, fairer and equitable fare regimes**

9 Sustain Local Procurement for Community Development

Negotiating bus-service contracts, rather than tendering, is a tried-and-tested method of bus-service procurement by governments of all persuasions since the introduction of government financial support for services approximately 40-years ago. Leading international research (which is available on request) shows that this approach is transparent and efficient. Most importantly, historical procurement regimes have been developed to be part of a government's strategy for improving various social, economic and environmental imperatives such as congestion and social inclusion.

Given that approximately 90% of the state's bus operators are located in regional and rural areas, sustaining the negotiated method of bus-service procurement creates a positive correlation between bus procurement and community and regional development.

Government is sometimes perceived to prefer to contract with large, public, multinational entities because of their ability to discount and government's requirement to procure using price as the only determinant. Large multinationals have two primary competitive advantages in pricing: access to (shareholder) capital, and transfer pricing. This enables multinationals to move profit between tax jurisdictions with differential tax rates, minimising total corporate tax. These are capabilities that small-to-medium family firms generally do not possess, thus creating an uneven playing field. Further, the public, multinational firms remit concerns dividends to shareholders, whereas, smaller family entities often concern themselves with returns other than profit, including the wellbeing of their community and region.

It is a fact that all but a handful of bus operators in Australia are small, medium and large family businesses that are motivated more by the continuity of the family's business and reinvestment in their family's local community, than profit. This reinvestment results from the embeddedness of the small-to-medium family bus operator in their neighbourhood because they reside in the area in which their business operates. As such, they have developed networks, trust and reciprocity with their stakeholders over generations, which means

they consciously endeavour to buy locally, which among other things, sustains employment and consumption. This behaviour positively correlates with community and regional development.

Research is currently being undertaken that explores a bus operator's interaction with their community. These interactions present as: financial and non-financial contributions; discounted services; sponsorships; time contributions; and safety and security contributions. These local contributions have value that directly accords with our collective initiatives in community and regional development, as it maintains economic activity in towns that might be at risk of population and economic decline. Such contributions ensure that town services are delivered to the townsfolk by the townsfolk.

This research reveals that small and medium family business bus operators interact with their community on a per staff member basis more than larger, non-family firms, as indicated in Figure 5.

In light of these results, the small to medium family firm bus operator governance model needs to be sustained in order to ensure a greater likelihood of achieving community and regional development objectives. By negotiating the renewal of performance based contracts every decade or so, we are assuring the continuity of local businesses.

Metropolitan bus-service contracts expire in 2018, and contracts for school, country-route, V/Line-marketed, and special school-bus services expire between 2018 and 2021. Consultation will need to commence in 2015 for service continuance after these dates.

RECOMMENDATION:
Commence consulting with BusVic in early 2015 to negotiate the renewal of bus-service contracts that expire between 2018 and 2021
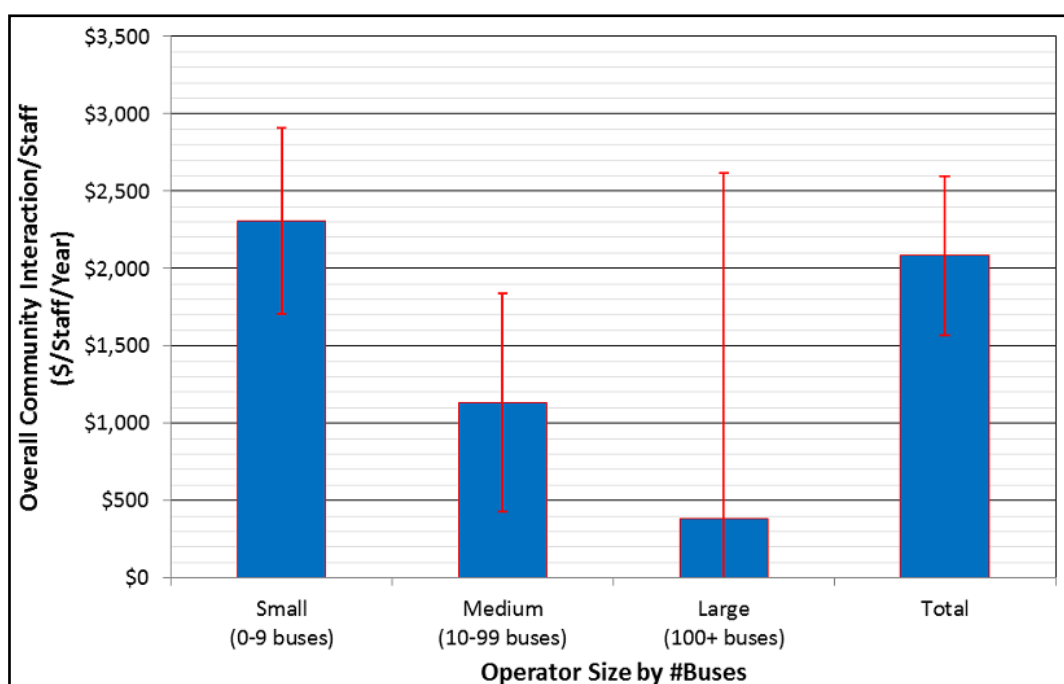

Figure 5: Source: Lowe, C. 2014. Does size matter? How family firm size affects social externalities and community and regional development.

10   Reduction of Red Tape

Driver Authority

Throughout Australia, there are more differences than similarities between existing state requirements relating to driver-entry training, police checks, working-with-children checks, medical examinations, and driver-record checks. BusVic suggests the similarities could be used as a basis to streamline these requirements on a national basis to allow direct transferability if drivers wish to work in other states.

BusVic supports the need for a national licensing approach that mutually recognises heavy-vehicle licences and driver authorities between jurisdictions, and allows easy transfer that does not require undertaking further checks such as driver testing or medical tests if a driver moves from one state to another. Licences should be accepted on face value for meeting all the requirements to drive in each state.

Currently, drivers and operators are affected by the cost and administrative burden of meeting the differing state requirements and applying for a second or alternative licence and authority. To date, authorities from New South Wales and Victoria have introduced a mutual-recognition process that recognises a current heavy-vehicle licence and driver authority from another state.

However, in the absence of a national licensing and driver-authority system, existing legislative requirements in both states still lead to unnecessary duplicative requirements, for example, completion of forms, payment of application fees, and driver-record checks.

This existing red tape delays the newly employed driver in commencing work. In some cases, there can be a 12-week lag between being employed by an operator and commencing work. This is unacceptable.

Cross-Border Compliance – Automatic Recognition

Consistent with the previous point, we should allow automatic recognition of buses registered in border towns to operate in neighbouring states under their home state's requirements.

The varying vehicle standards required for buses that service border communities mean that operators in these communities can incur twice the expenses as operators in non-border towns. Such expenses can include implementing standards for signage, exhaust systems, flashing lights and door-safety systems (just to name a few) that differ from state to state. As such, operators who traverse borders need to be compliant with at least two states' requirements, which only serves to increase operating costs and inflate the service cost paid by the government to the operator.

This is a key governance reform that could lower operator and government costs.

Accreditation Consistency

Each state requires that to operate a 'commercial passenger vehicle', the operator must be accredited. Accreditation programmes vary from state to state in requirements and reporting. Accreditation is directly tied to obtaining a state-government school route or other passenger-transport contract, or for operating another type of commercial passenger vehicle (e.g. a charter service).

What's more, some states have two regimes: accredited and registered operators. Having two sets of safety and professional standards is inequitable. All passengers are entitled to have the peace of mind that the bus they are travelling on has undergone a rigorous safety inspection and maintenance regime; that the driver has been appropriately authorised and trained; and that the operator has the competency and capacity to manage the service.

BusVic argues that accreditation should be national and based on an agreed set of standards and reporting requirements that set a safety and operational benchmark that is mutually recognised across state borders for all registered buses. It is acceptable for states to impose conditions above the agreed benchmark as long as mutual recognition of the base is agreed.

BusVic believes that a broad accreditation safety net is required because this would improve the overall safety performance of the nation's bus fleet; provide the opportunity to manage better the security issues related to buses and terrorism (e.g. at airports); raise the standard of the overall fleet for passengers and tourists and remove 'fly-by-night' operators in the deregulated sector of the industry. As evidence of an outstanding Victorian initiative, there has been no departmental action taken to follow up on a March 2012 Victorian Competition and Efficiency Commission (VCEC) report: 'Strengthening foundations for the next decade: An enquiry into Victoria's regulatory framework'. Recommendation 8.5 of the report detailed that the Victorian Government should initiate discussions with New South Wales to realise a trial that would allow buses and taxis to operate freely between Albury and Wodonga.

This recommendation was supported by the Victorian Government in its response to the report, and industry has followed it through; however, no trial has yet commenced.

National-Parks Consistency

BusVic seeks the development of a single, national permit system for access to all National Parks and calls for the current system to be reviewed under the regulatory reform and harmonisation process. Currently states across Australia have different requirements to gain access to National Parks. This creates duplication, excessive paperwork and administrative costs, making the left-hand side of many a coach windscreens resemble a patchwork quilt of permit stickers. This duplication and lack of a national approach is affecting the viability of some coach operations to offer tours of National Park. This is compounded by the many requirements for park-guide training to gain access to National Parks, or the cost of the alternative of paying a local guide to gain access.

If progress were made on any of the above initiatives, the return would be extremely significant. Such initiatives are beneficial not only for the bus operators in reducing their direct and indirect costs, but also for long-distance tour/charter passengers who would benefit from more competitive pricing, and for government because any efficiencies realised by the operator would be passed on to government via the contracting and permit regime.

> **RECOMMENDATION:**
> **Institutionalise a government and industry transport taskforce to engage with other jurisdictions with the explicit purpose of realising the suggested measures to reduce red tape and improve the productivity of the national-transport network**

11   Increase Bus-Driver Safety and Security

Driving a bus is one of the most hazardous occupations for health.[6] Verbal and physical assaults by passengers on bus drivers are increasing. BusVic estimates there are approximately 200 reported and non-reported instances of verbal and physical abuse of bus drivers by passengers per year.

The financial cost of this cannot be underestimated. The financial costs to the state of dealing with mental-health issues is increasing significantly, and the social costs to the person experiencing such illness are not well known (e.g. isolation, physical illness). There is a significant financial impost to employers dealing with workers' compensation claims and general-resource time lost, as well as significant social and economic costs for the person involved and their family. Claims made by passengers also require significant time and resources to understand, respond to and settle.

BusVic has devised a five-pillar strategy to address this problem. Through research, BusVic is quantifying the current state of mental health in the industry and researching what has and has not worked in other global jurisdictions in addressing this problem. BusVic and its members are working with government to develop a strategic campaign to curb anti-social behaviour on buses and public transport more generally. BusVic is in the process of retrofitting driver safety/security screens throughout the metropolitan-route bus fleet and is working with government to ensure that screens are added to the criteria/specification for every new contracted route bus.

There are two legislative changes that would help the industry's endeavours markedly in this area, and allow bus drivers more peace of mind about their safety and security:

1. amend legislation to include bus drivers as emergency workers (not only officers for police, ambulance, State Emergency Service and the fire brigade); this would mean tougher sentences for those who attack bus drivers (bus operators are often asked to undertake emergency work and in doing so, driver-fatigue requirements are lawfully relaxed)

2. amend legislation so Protective Services Officers can work on the entire public-transport network (e.g. trains, trams, buses and V/Line), and not only on the metropolitan rail network.

> **RECOMMENDATION:**
> **Legislate to give bus drivers a better level of safety and security while on the job**

Objectives Achieved

1. Improved productivity of our cities ✓

2. Improved wellbeing ✓

3. Foster community and regional development ✓

4. Realise the 20 minute city ✓

5. Improved public safety ✓

6. Generate employment ✓

7. Reduced social inequity ✓

8. Improved environmental sustainability ✓

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6   MacKechnie, C. Bus driver health. Available at www.publictransport.about.com/od/Transit_Employment/a/Bus-Driver-Health.htm.

12 Introduce Mandatory and Independent Annual Roadworthy Inspections for All Heavy Vehicles

Heavy vehicles play a vital role in our economy but because of their mass, they are potentially extremely dangerous.

The Bureau of Infrastructure, Transport and Regional Economics' (BITRE's) Road Trauma Involving Heavy Vehicles Crash Statistics of July 2014 presented below demonstrate the heavy-vehicle fatal-crash rates per 10,000 heavy-vehicle registrations, which compares articulated trucks, heavy rigid trucks and buses (Figure 2.3); and the amount of deaths from crashes involving heavy vehicles (Figure 1.1).

These overall fatality figures hide the tragedies of particular incidents. For example, in October 2013, a fuel tanker crashed in Sydney and killed two people. Another fuel tanker went off the road in August 2014 in northern Victoria and killed three people. Again in August 2014, a septic tanker was involved in an accident and killed one person.

This data confirms that the fatal-crash rates of buses are only on average 20% of fatal-crash rates of articulated trucks. Why is this so?

Bus operators in most states of Australia must comply with rigorous accreditation regimes that place maintenance and information-management obligations on the operator, the bus and the driver. Included in these requirements is the mandatory obligation for operators to ensure their buses or coaches have an independent, annual roadworthy certificate/inspection undertaken, which includes a roller-brake test. In some states, the frequency of such checks is bi-annual. Other heavy vehicles such as articulated trucks and heavy rigid trucks do not have such requirements.

This data suggests that obtaining independent, mandatory roadworthy certificates/inspections, including roller-brake testing, is an effective method for reducing the road toll and improving public safety. Therefore, obligating all owners of heavy vehicles to ensure their vehicle undergoes an annual independent, mandatory roadworthy certification/inspection process would be a sound investment in improving road-safety outcomes.

Figure 2.3 Heavy vehicle involving fatal crash rates per 10,000 heavy vehicle registrations
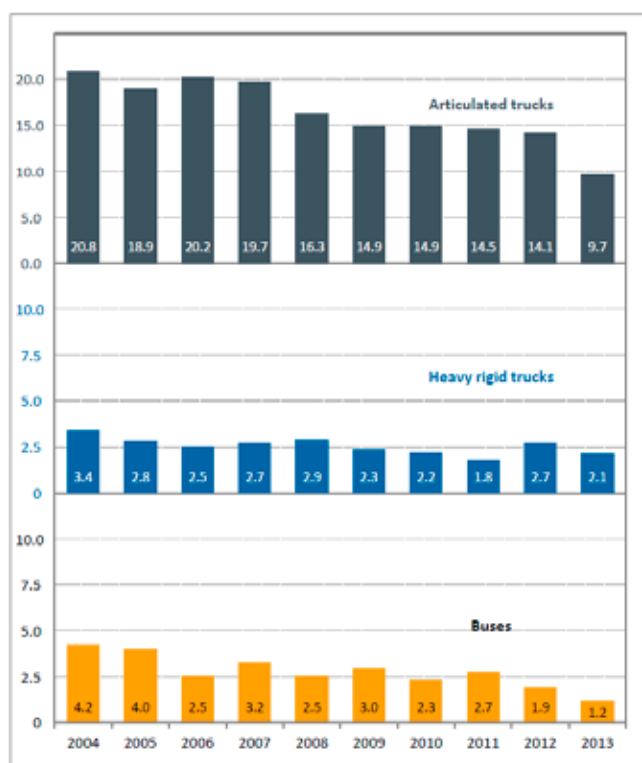
Source: Australian Road Deaths Database ABS (2013)

Figure 1.1 Deaths from crashes involving heavy vehicles

Source: Australian Road Deaths Database

Objectives Achieved

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8. Improved environmental sustainability ✓

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