



## National Office

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Senate Standing Committee on Rural and Regional Affairs  
and Transport  
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Dear Sir/Madam

### **Submission into the Inquiry into the investment of Commonwealth and State funds in public passenger transport infrastructure and services**

Thank you for the opportunity to make a short submission to this Inquiry.

The Planning Institute of Australia (PIA) is the national peak body for people and organisations involved in spatial planning practice in Australia. The Institute represents and supports almost 5000 planning professionals, Australia-wide and overseas. The Institute brings together professionals and organisations with a shared interest in 'the community, and the education, research and practices relating to the planned use of land, its associated systems, and of the natural and built environmental, social and economic impacts and implications of the use of land'.

PIA's position statement on Integrated Land Use and Transport Planning (see attached) makes the point that although decisions regarding transport investment, mode and location have had a huge impact upon the development of Australia's regions and cities, in many instances land use planning decision making has occurred with little or no regard for resultant impacts on transport planning and investment decisions. Additionally, transport planning and investment decisions continue to occur with an inadequate understanding of the land use and development consequences of such decision making.

Whilst we note that the Inquiry does not specifically address the relationship between land use and transport planning, any consideration of measures by which the Commonwealth Government could facilitate improvement in public passenger transport services and infrastructure must have regard for this relationship.

This submission addresses the terms of reference as set out below.

**a. An audit of the state of public passenger transport in Australia**

PIA notes that passenger transport in Australia is going from strength to strength. Patronage is at all time highs in Melbourne and many other cities. This growth will plateau as existing capacity is reached resulting in worsening passenger congestion. Additional capacity is required in the short and medium-long term to cater for ongoing growth.

Infrastructure for passenger transport is generally based around corridors over a century old, but our land use has been allowed to sprawl away from the most efficient corridors in search of cheap land. The audit will need to be cognisant of how land use changes have affected the state of public transport over recent decades.

Passenger transport between major cities has experienced similar growth and Melbourne-Sydney is the third busiest air corridor in the world (Booz & Company; 2007). However transport modes in the corridor are not able to cope with a carbon constrained world while retaining time efficiency. Passenger transport between capitals (and some regional centres) is dominated by fast air services which are highly dependent on fossil fuels. A high speed train (or maglev) network across the country (similar to that across Europe) is required to ensure the capitals of Melbourne and Sydney can continue to compete as a global hub.

A study into public transport service standards comparing a number of Australian cities has recently been undertaken by consultants Booz & Company It is publicly available at:

[Booz & Company Public Transport Standards.pdf](#)

**b. current and historical levels of public investment in private vehicle and public passenger transport services and infrastructure**

Since nationalisation of the railways, state governments (and on occasions the commonwealth and local government sectors) have funded public transport infrastructure. Developer contributions have been sought to provide public transport (pre 1920) and private transport infrastructure (increasingly since 1920). In more recent times, however, the focus of developer funding has been on roads. Our cities have grown, but unfortunately our investment in public transport has failed to keep up with the new city structures. As a result, our outer areas are public transport deprived and are car dependent. This leads to social inequities as new home owners locating to cheaper land at the fringes, spend a larger proportion of their income on commuting.

With recurrent funding for public transport, and a substantial proportion of capital funding, coming from states there have been eight different regulatory environments and policy agendas. This has made interstate links sometimes difficult to achieve, and reduced the economy of scale regarding high expenditure capital items such as trains.

In a Report Card prepared by PIA in 2007, planners were asked about key issues affecting planning in their jurisdiction. Overwhelmingly planners around Australia were particularly critical of the lack of government investment in public transport infrastructure. Planners noted an over emphasis on supporting car travel with inadequate funding of public transport, particularly in outer areas or regional areas. Other recurring themes included the long lead times between demand and provision of major social and physical infrastructure (including public transport); too great a reliance on private sector/developers to provide services; and lack of transport planning.

**c. an assessment of the benefits of public passenger transport, including**

### **integration with bicycle and pedestrian initiatives**

Governments need to design and deliver transport and movement systems to enhance travel choice, mobility, access, sustainable development and economic efficiency. Benefits of public passenger transport that should be considered include:

- Environmental
- Economic (including efficiency and job creation) - livability (in our global cities) may also be included here as a way of maintaining our global competitiveness.
- Health (including safety and long term health)
- Social benefits (such as increased access to employment, interaction and community facilities)

### **d. measures by which the Commonwealth Government could facilitate improvement in public passenger transport services and infrastructure**

PIA urges consideration of the following:

- Federal and state legislation need to define and embrace transport planning requirements as part of a broader land use planning and development assessment.
- Commonwealth and state should fund comprehensive, multimodal transport planning, integrated with desired land use outcomes that form the basis of investment decisions.
- transport investments should deliver significant public benefits in the form of improved mobility, efficiency of distribution, environmental quality, growth management, land use, housing affordability, social equity, heritage preservation, urban design and economic development.
- greater Commonwealth assistance is required in the funding of metropolitan and interurban public transport improvements and research into innovative transport modes and alternative fuels.
- Commonwealth and state need to collaborate in the development of alternative funding mechanisms for the provision of urban infrastructure which where appropriate can leverage private sector funding.
- using a system similar to that of France, Netherlands, UK or US whereby funding is provided for projects in areas that meet specific policy objectives that manage travel demand. For instance, funds could be provided for any transport project, but only in areas where land use policies and travel demand management techniques are effective in also increasing efficiency of the transport network overall.
- support for integrated ticketing systems to enable transfers at minimum or no additional cost for commuters.

### **e. the role of Commonwealth Government legislation, taxation, subsidies, policies and other mechanisms that either discourage or encourage public passenger transport services**

The Commonwealth government could either:

- Provide direct funding for developing the infrastructure eg as was done under the States Grants (Urban Public Transport) Act 1974, whereby the Commonwealth contributed two-thirds of the costs of approved urban public transport projects. Funding of urban public transport projects continued over ensuing years under various programs. ( A useful outline of this history is contained in a research paper prepared by the Parliamentary Library, Research paper number 12, 1994 <http://www.aph.gov.au/library/pubs/RP/1994-95/95rp12.pdf>).
- Provide guarantees so states could lend resources from private and multilateral banks

The most pressing needs seem to be:

- Investment in public transport for metropolitan areas including world class rail and bus systems
- Capacity increases in existing systems
- Interstate transport services that are fast and minimise the reliance of travel on carbon based fuels
- Integrated ticketing systems to facilitate transfers across modes or interchanges

Commonwealth funding for transport infrastructure should not be output or mode specific, rather focused on transport outcomes. To effectively plan, deliver and operate a transport system an understanding of the land use environment is essential. Transport planning and land use planning should be considered as the same process. Commonwealth funding to help facilitate an integrated transport and land use planning agenda should be on the table for discussion.

**f. The role of Commonwealth Government legislation, taxation, subsidies, policies and other mechanisms that either discourage or encourage public passenger transport**

Some existing measures encourage public transport use such as:

- Fuel excise
- Disability Discrimination Act requirements

Some discourage public transport use

- Inequitable Carbon Pricing for public transport operators (compared to private car drivers)
- Fringe Benefit Tax (FBT) arrangements for car use (encouraging private car travel)
- Road construction subsidies encourage car use
- Airport developments (outside State planning controls) generally encourage car use and decentralised land use planning (significant revenue is made from car parking at airports and other landside leases)

It might also be relevant to note that the Australian Transport Council is presently investigating ways to better incorporate land use planning considerations into the transport planning process. It is understood that the ATC is considering augmenting the National Guidelines for Transport System Management, to include a new set of Guidelines specifically aimed at addressing Passenger Transport and Land Use Planning Integration.

**g. Best practice international examples of public passenger transport services and infrastructure**

The Committee should examine the 'ABC system' in the Netherlands. The general idea is to locate 'the right business in the right place'. The ABC location policy refers to a land use policy aimed at reducing avoidable automobile mobility and ensuring access to economic activity centres. There are three different areas:

1. locations are easily accessible to local, regional and national public transport (= areas around public transport junction). Commuting by car should be under 10-20%.
2. locations are easily accessible both by local and regional public transport and car (= areas where high standard public transport routes cross ring roads). Commuting by car should be under 35%.
3. locations are easily accessible by car (= areas along the highways).

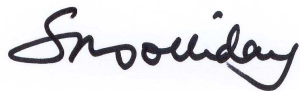
Businesses and services are given a mobility profile, according to the number of employees and visitors, their dependency on car traffic and freight traffic. Shops are preferably located in A-areas, never in C-areas. Offices are located in A- and B-areas, while C-areas should only be used for transport activities or land intensive activities. (See <http://www.epe.be/workbooks/tcui/example12.html> for more details.)

In the UK, the government's policy obligations require local policy to support the National intent before funding is provided.

There are also good practice models in Melbourne Docklands, Singapore and a number of US cities in which new suburbs are constructed around mixed use transit oriented development (TOD) principles and where public transport service provision precedes housing development.

PIA looks forward to the outcomes of this Senate Inquiry and eventual implementation of recommendations that lead to greater Commonwealth support for public passenger transport and a focus on better integration of land use planning and transport provision. If you have any questions about any aspect of our submission, please do not hesitate to contact us.

Yours sincerely

A handwritten signature in black ink that reads "Sue Holliday". The signature is written in a cursive, flowing style.

Sue Holliday  
Acting Chief Executive Officer  
3 March 2009