

The Secretary
Legislative Council, Economy and Infrastructure Committee
Parliament House, Spring Street
EAST MELBOURNE VIC 3002

11 November 2019

Re: Economy and Infrastructure Committee inquiry into Expanding Melbourne's Free Tram Zone

Thank you for the opportunity to provide input into the Economy and Infrastructure Committee inquiry into Expanding Melbourne's Free Tram Zone.

The Bus Association Victoria (BAV) is of the view that the original free tram travel in the CBD policy was flawed as it:

- Encourages people to ride a tram for a short trip, when they would be healthier if they walked, an increasing problem for our community;
- Overcrowds trams in the CBD, impacting access to those travellers with special access needs to use the system;
- Slows trams down, which means you need a bigger fleet to keep to schedule;
- Is regressive from an income perspective as users will tend to be middle to above average income levels because of the CBD location; and
- Establishes a customer behaviour pattern to not automatically touch-on when travelling other services (bus, tram and train) within and without the free tram zone area.

The BAV advocates that the preferred solution would be to remove the free tram zone completely to eliminate confusion, inadvertent fare evasion, and to free up Melbourne's trams from the current crushing congestion experienced in the CBD to provide a better overall network service to all Melbournians who catch the tram.

The following section provides a specific response to the questionnaire prepared by the Economy and Infrastructure Committee.

- (1) *the expansion of the free tram system to include —*
- (a) *Wellington Parade to Powlett Street, East Melbourne;*
 - (b) *Swanston Street to Elgin Street, Carlton;*
 - (c) *Royal Parade to College Crescent, Carlton;*
 - (d) *Flemington Road to Abbotsford Street, North Melbourne;*
 - (e) *St Kilda Road to Commercial Road, Prahran;*

If the Victorian Government sees a need to maintain the free tram zone in the CBD, the BAV would not support extending the service beyond the current boundary except for services to the MCG during match days (AFL and Cricket) to reduce the load on the road network and minimise local parking impacts.

The BAV does not support extending services to Melbourne University as students already have access to discount fares; those typically working in the area have multiple transport options (tram, bus, walking, cycling, car, and a future underground train service); people accessing services in this area are of a higher average income bracket; and it establishes a behaviour pattern for users not to touch on for connecting/adjacent public transport services. On a similar note, the BAV does not support extending services along Flemington Road and St Kilda Road.

(2) providing free fares for all full time students;

The BAV would like to understand the rationale behind this proposal. Is there a particular student cohort that the government is targeting i.e. primary, secondary, tertiary students? Students currently receive a substantial concession on their trips. Will the concession apply to school days only? If so, what will be the practice for travel on non-school days or travel outside school hours? How will this impact bus drivers assessing if there is a need for a customer to touch on? Additionally, how will this impact students using existing school bus services and special school bus services both within metropolitan Melbourne and across regional Victoria?

(3) removing fares for all Seniors Card holders;

The BAV is of the view that Seniors Card holders already receive access to a concession fare and other travel benefits on the public transport network. If the government is seeking to provide enhanced access to those within the community with limited income and address social needs, then the proposal should focus on seniors who rely solely on the pension for their income.

(4) new technologies that enable intelligent transport systems that improve the performance of the networks; and

The BAV is in support of implementing technologies that will enhance the performance of our public transport networks and improve the customer journey experience. The BAV recommends that there needs to be a government policy in place that stipulates the performance outcomes of such a program to ensure that systems are consistent across all modes of public transport to deliver accurate and consistent outcomes across the network. Any strategy should be developed in conjunction with public transport service providers to ensure consistency within an operational context as well as contractually.

(5) the effects and benefits of dynamic public transport pricing.

The government needs to further define as to what is implied by the term "dynamic" pricing. Peak / shoulder / off peak pricing, or some variant thereof, is a good idea, in terms of keeping price or fare / marginal cost ratios similar (which is needed for welfare maximisation).

The conversation around dynamic public transport pricing needs to be considered within a broader whole of transport network pricing regime. Introducing dynamic pricing principles on public transport without corresponding systems on car travel will result in a shift away from public transport to car travel with associated increases in road network congestion. The public transport service offering will need to increase in response to dynamic pricing to ensure that the customer is

receiving a tangible benefit which will enable them to make an informed choice between their modal options to travel. Increasing pricing during peak periods without a corresponding service improvement will be seen simply as an indirect tax on public transport users.

If you have any queries regarding this submission or wish to discuss the content further, please do not hesitate to contact me on [REDACTED] or via email [REDACTED]

Yours faithfully

A black rectangular box redacting the signature of Parry Seratim.

Parry Seratim
General Manager
Planning and Policy

