

Economy and Infrastructure Committee
Parliament House, Spring Street
EAST MELBOURNE VIC 3002

9/1/2020

Parliamentary Inquiry into Expanding Melbourne's Free Tram Zone

Thank you for the opportunity to respond to the Parliamentary Inquiry into Expanding Melbourne's Free Tram Zone.

The Eastern Transport Coalition (ETC) consists of Melbourne's seven eastern metropolitan councils: City of Greater Dandenong, Knox City Council, Manningham City Council, Maroondah City Council, City of Monash, City of Whitehorse and Yarra Ranges Council.

The ETC advocates for sustainable and integrated transport services to reduce the level of car dependency so as to secure the economic, social and environmental wellbeing of Melbourne's east. We aim to work in partnership with federal and state governments to ensure the future sustainability of Melbourne's eastern region. In order to preserve the region's economic promise and ensure the wellbeing of our residents, it is crucial that we work to promote better transport options in the east.

The ETC offers the following response to the Parliamentary Inquiry into Expanding the Free Tram Zone.

The public transport system must have equity at the core of its operating principles. The ETC recommends that the Committee closely investigates the equity issues involved in this inquiry, which we have identified in our response to the Terms of Reference:

(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;***

The ETC suggests that the expansion of the free tram zone (and the existing free tram zone) does not provide equity in the public transport system, for the following reasons:

- The free tram zone is in the CBD, which generally speaking, includes a higher proportion of people with above average incomes. Therefore, it's primarily benefiting people who are most able to pay for public transport.
- The people who use public transport to get to their jobs within the city are already paying for a daily public transport fare, therefore they receive no benefit from the free tram zone. Therefore, the free tram zone is primarily benefiting people who have not taken public transport to the city (car drivers).

- The free tram zone is leading to congestion and overcrowding on trams within the free tram zone. This worsens the experience for the people who need to use public transport, such as those with mobility issues, as well as the people who are paying to use the tram service.
- People are currently using the free tram zone to take short trips, sometimes for only one stop. This creates congestion on many trams, some of which are subsequently filled to capacity, which denies fare paying passengers destined for suburban areas access to board the tram to get them there.

There will be an opportunity cost to expanding the free tram zone, including the implementation costs and the lost revenue from expanding the free tram zone. The ETC's position is that the costs incurred by expanding the free tram zone would be better used to improve public transport services elsewhere.

For these reasons, the ETC opposes the expansion of the free tram zone.

***(2) providing free fares for all full time students; and
(3) removing fares for all Seniors Card holders;***

The ETC suggests that providing free public transport to full time students and Seniors Card holders only targets specific groups who are already eligible for a concession fare. The ETC recommends that the Committee investigates the most equitable way to price public transport fares for all concession types or to target the concession types with the greatest needs. As an example, a better solution could be to freeze the price of concession fares for an extended period of time (i.e. 10 years).

(4) New technologies that enable intelligent transport systems that improve the performance of the networks

The ETC found that there was not enough information to come to a formal position on this item. In principle, ETC supports the adoption of any new technologies that can improve the public transport system.

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

The ETC found that there was not enough information to come to a formal position on this item. Generally speaking, dynamic pricing could have the effect of spreading the peak load over a broader time period, which in principal the ETC would support.

A limited scheme is already in place with Early Bird Train Travel, which provides free travel to train passengers that touch on and touch off before 7:15am. However, the ETC suggests that the Early Bird Train Travel scheme needs to be changed as it is inequitable in its current form because:

- it only applies to train travel;
- it provides more benefit for those that live closer to the city than those that live further away from the city and need to travel longer;

- it benefits train users, which primarily travel to the CBD and generally speaking, to higher paid jobs.

The ETC suggests that the Early Bird scheme should:

- Be extended to all public transport modes; and
- Be based on the touch-on time only.

The ETC notes that an unintended consequence of the current Early Bird Train Travel scheme is that it has contributed to suburban train station car parks filling up earlier, as public transport users are incentivised to get to the train stations earlier to receive free train travel. If they took a bus to the train station, they would be required to pay for their bus trip, negating the benefit of the free Early Bird Train Travel.

Thank you for the opportunity to provide input into this Parliamentary Inquiry. If you have further questions or require any clarification on our response, please feel free to contact us at

[REDACTED].

Regards

Cr Stuart James

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