

Inquiry Name: Inquiry into Expanding Melbourne's Free Tram Zone

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## **SUBMISSION CONTENT:**

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The Melbourne Free Tram Zone is bad policy. It should not be expanded.

Instead it should be abolished. As used to be the case only the City Circle tourist tram should not attract a fare.

Scrapping the FTZ would give equivalent crowding relief to buying several extra trams and improve conditions for regular paying tram passengers.

There is really no such thing as 'free' trams. Someone has to foot the bill. Proposals to expand the " 'free' tram zone" are all about making the general taxpayer, including regional and suburban Victorians, pay for something they don't use and don't benefit from.

Though sometimes pitched as encouraging public transport, the FTZ is anything but. For a start it does not benefit most existing public transport passengers. In fact it makes travel conditions worse for them because trams are overloaded. Making paying passengers for locations beyond the CBD wait for a tram they can board because trams are overloaded with short distance passengers enjoying the FTZ is both bad customer service and bad economics. And even if they can squeeze on, paying passengers' trips are delayed by longer dwell and boarding times at CBD stops.

Those who need mobility aids to get around are particularly hard hit by the FTZ as the crowding it induces means their chance of being able to board is reduced. Trams already get a bad rap for the inaccessibility of many stops and vehicles. The FTZ just compounds these problems with the crowding it induces.

Does the FTZ make transport more sustainable, by encouraging active transport? No it does not. In fact it does the reverse. The FTZ provides an incentive to replace walking trips with tram trips. A great many FTZ trips are just a couple of stops and are easily done by walking. The over all effect is negative (and encourages driving) to the extent that short distance FTZ users are displacing paying commuters on longer trips beyond walking distance. If the tram service is degraded or impossible to board due to crowding some from the inner suburbs may switch to driving.

The FTZ can more directly encourage driving (and thus road congestion) in other ways as well. It is well known that some drivers park at locations near where the FTZ starts. They then ride FTZ trams to reach their destination without paying a fare. Whereas charging a proper fare would mean that there is no disincentive to use public transport all

the way from their home.

Does the FTZ save regular commuters money? No it does not. We are fortunate to have integrated fares in Melbourne. Passengers coming from the suburbs by bus, train or tram will already have a ticket valid for two hours. This includes tram travel in the CBD. Hence scrapping the FTZ will not increase costs for passengers.

What about tourism? International tourists are (by definition) well off so can afford to pay a fare. In fact doing so improves their contribution to the Victorian economy. It's true that there are certain usability advantages of the FTZ in that tourists do not need to find a myki outlet. However this comes at a cost. Not only in terms of fare revenue foregone but lost trade for businesses outside the FTZ including famous precincts like St Kilda, Chapel St, Sydney Rd, Lygon St, Bridge Rd etc. Because the FTZ discourages tourists from buying a myki this discourages movement outside the CBD and stunts their exploration of what Melbourne has to offer. Abolishing the FTZ and making ticketing more user-friendly (eg myki-free payment facilities) would remove this restriction and more widely spread tourism's economic benefits.

Even within the CBD the FTZ can hold back business. CBD businesses benefit immensely from spontaneous passing foot traffic. Taking people off the footpaths to put them in 'free' trams cannot be good for trade.

Another cost of the FTZ is the better things that could be done with the revenue you'd get by scrapping it. Worthy initiatives include (i) more trams, (ii) accessible stops, (iii) more frequent service, (iv) tram priority, (v) Bus upgrades for places trams don't go. Any of these would improve our transit network.

The world's most used public transport networks prioritise 'good transport' over 'cheap transport'. Melbourne should follow. The best first step it could take is not expand the 'Free' Tram Zone. Secondly wind back the FTZ to only include dedicated tourist trams (eg the City Circle). Thirdly upgrade our network by improving speed, frequency and accessibility with simpler fare payment options.

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File1:

File2:

File3: