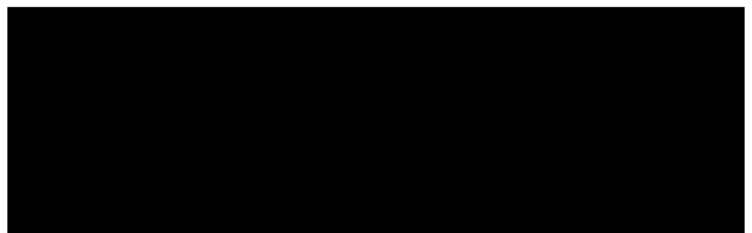




Submission
Inquiry into Expanding
Melbourne's Free Tram Zone

Transport Matters Party

André Baruch



Economy & Infrastructure Committee
Parliament of Victoria
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RE: Public Transport Inquiry

I am pleased to present the Transport Matters Party position regarding the inquiry into public transport pricing and extending the free tram zone as proposed by our party leader Rod Barton.

Transport Matters Party

Transport Matters Party (TMP) is a newly formed political party registered with the Victorian Electoral Commission in April 2018. TMP is committed to strive for improvements to the entire transport and infrastructure network throughout Victoria to enhance our quality of life and preserve the environment.

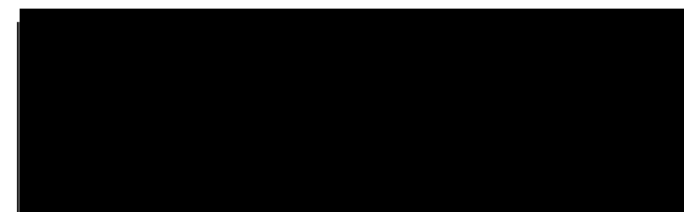
TMP welcomes the opportunity to support this submission in person or to provide further comments in a panel discussion.

Background

Public transport is vital to keep Victoria 'on the move'. An effective and efficient public transport network will reduce traffic congestion and help to lessen our carbon footprint by reducing the number of cars on our roads.

There is a desperate need for a mind shift in Australia to break traditional views and habits existing around different modes of travel. It is imperative that we change how public transport is viewed by making it more affordable and by making it the best and most straightforward option considered when travelling around our city.

The debate isn't whether we need roads or public transport. We need both. But much of our current planning focuses heavily on cars and we need to make a cultural shift away from this.



Cars in our city centre should be discouraged. This is a policy many cities worldwide are beginning to adopt. Madrid, Oslo, Hamburg, Copenhagen, London and now Sydney and multiple other examples are using various mechanisms to decrease the number of cars in the city centre.

From limiting city access to zero-emissions vehicles, the introduction of congestion taxes to banning of diesel engines or cars manufactured prior to a given date – the common aim is to reduce car dependency, lower CO2 emissions, noise pollution and create more space for pedestrians and bicycles.

Along with these measures to reduce car usage in the city, what is needed is an investment in walking and cycling infrastructure and above all reliable public transport. With about 63% of Australians commuting by car, only 10% by public transport and 5% by foot or bike, there's a lot of work to be done to encourage car-free living in our major cities.

Congestion

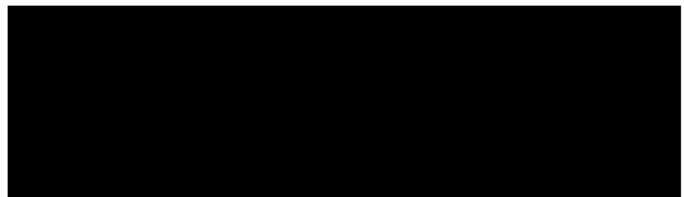
Congestion in Melbourne is a growing problem. Melbourne's population is growing quickly, and the CBD has one of the fastest residential growth rates in the country. New jobs are disproportionately located in the CBD.

As we strive to drive tourism, so too the demand for our public transport network will grow and the congestion problem will likely grow with it.

The Australian Automobile Association's (AAA) 2018 Road Congestion in Australia report found that Melbourne had the sharpest decline of all Australian cities in average free flow speeds over the period between 2014 and 2018, at 8 per cent.

Depending on the metric used – either the percentage of free-flowing traffic or the percentage of speed limit met - the AAA found Melbourne is either the most congested or second most congested city in Australia.

Australian's have a significant attachment to driving cars. We love them, but we need to change that car culture and think longer term about the effects of driving our cars everywhere we go. There must be a cultural shift to remove our focus on cars and help Melbournians embrace public transport.



Free public transport for students and seniors

We believe that providing free public transport to full time students and senior citizens is a vital step toward a lasting change in habits and reducing our reliance on private vehicles.

Making public transport free for students will help build a new mindset about public transport use from a young age and set good habits in place. It would also relieve financial pressures on students making it easier to focus on their studies, not costly to get there.

For many low-income students and families, the cost of public transport isn't an option. Yet they still need to get to school and university. Conflict with inspectors, unpaid fines and the resulting debt collection and credit damage can be avoided. Using public transport shouldn't be stressful just because you can't afford it.

Likewise, our seniors, who face increasingly high costs of living, should be rewarded for a lifetime of contribution to our communities. Free transport for them would encourage their ongoing and active participation in their communities that may otherwise not happen due to financial constraints and distance.

In Sydney, Gold Seniors Opal Card holders pay just \$2.50 a day for all public transport trips while in Melbourne Seniors Myki card holders pay \$4.40 per day although they can travel free on weekends. There should be further consideration of these arrangements given the generosity toward seniors in other states.

Luxembourg is set to introduce free public transport in 2020, and many other places have already introduced free public transport for certain groups or at certain times. One-third of all bus trips in London are free with concession travel passes, especially for senior citizens. Wales offers free travel over the weekend to boost tourism.

Free public transport for full time students and seniors will drastically change the attitude and travelling patterns of Melbourne's growing population and may well be the answer to help battle congestion and carbon emissions.

Extension of the free tram zone

When the free tram zone was introduced in 2015 it was said to ease cost of living pressures, promote tourism, greater use of public transport and would help to get cars off the road. It currently covers the CBD and down to the docklands.

Melbourne city, however, is no longer just the grid and merely a place for the 9 to 5. The city is a tourist destination, a thriving shopping precinct and a vibrant social hub of activity and

events. It includes major health, education and sporting precincts, and is home to a growing number of residents—people who choose to live right in its heart.

Extension of the free tram zone within the centre of Melbourne to our Universities, hospitals, major attractions and sporting precincts will transform the way our tourists and visitors as well as those who live and work in the city move from place to place and how they spend their time.

Last year, in 2018, total tourist spending in Melbourne was over \$18 billion, up almost 11 per cent from the previous year. There were over 31 million total visitors, almost 19 million domestic day-trippers, 10 million domestic visitors staying overnight and some 3 million international visitors staying overnight. This was an increase of 7 per cent on the previous year.

The fastest growing category of visitor was the domestic overnight category, which saw an increase of nearly 8 per cent from the previous year. People from our regions and interstate are coming to Melbourne. Let us make it easy for them to leave their cars behind and convenient for them to move around the city without resorting to vehicle travel.

Extending the free tram zone will encourage participation and access for tourists and locals alike and will remove the need for them to consider bringing vehicles into the city. It also takes much of the confusion out of the process of getting around.

While Myki is a staple for Melbourne residents, it is a challenge for visitors, especially foreigners, and the cost of the card is an extra cost to a day's fare. Many of our key destinations for visitors to the city lie just outside the current free tram zone. Visitors have to get off the tram a stop early and walk or buy a Myki card to travel a single stop.

We already make trams free for major events and it makes sense to make it permanent. It's time that we break the culture of using cars to get everywhere in Melbourne - especially when accessing services and events in the centre of the city.

Our tram network is the best way to move people around the inner city.

Hospitals

The proposed extension of the free tram zone will include our inner-city hospitals - The Royal Melbourne, The Alfred, The Children's, Peter MacCallum, The Womens, St Vincents, Melbourne Private and the Dental Hospital. This will support our needy, vulnerable, sick and infirm, their families and those who support them in medical treatments and hospital stays. It will provide better access for the tens of thousands of staff, volunteers, students and visitors to the hospitals and the education precincts.



Overcrowding and inflated parking costs at our city hospitals are a burden for visitors and staff. Giving free transport access to the hospitals in the inner city will take away some of this pressure.

Research and Learning

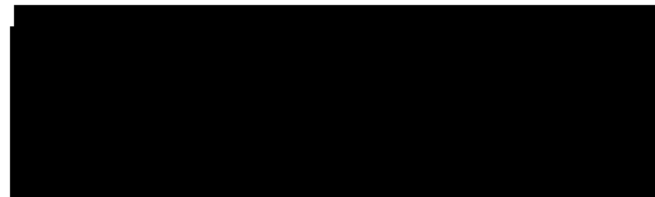
The free tram zone extension will include Australia's premium higher education institution, the University of Melbourne, an institution employing 9,000 staff and serving over 52,000 students or full-time equivalents. It will provide better access to RMIT University on the fringe of the current free tram zone.

Also included in the proposed extension are research institutes highly regarded at an international scale such as the Walter and Eliza Hall Institute, the Bio21 Molecular Science & Biotechnology Institute, the Murdoch Children's Research Centre, the Florey Institute of Neuroscience and Mental Health and the Alfred precinct. There would also be free trams to the city campuses of Monash University, the Baker Heart and Diabetes Institute and the Burnet Institute.

Many of these health and academic organisations work together. An extended free tram zone will encourage and strengthen these programs and allow for better engagement among our leading health and academic professionals. These organisations are the centres of major partnerships between industry and academia. These important connections should be recognised and fostered by linking the central business and academic districts with free travel.

Sporting venues

In recent years we have seen the free tram zone extended to include sporting venues during major events, such as the AFL Grand Final at the MCG, with additional trams and trains put on to service the extra travellers in this area. This has been a great success; it is also a necessary measure. The logistics of trying to police fare evasion on these services at these times would be impossible. The proposed free tram zone extension would include sporting grounds such as the MCG, Olympic Park to the east and Princes Park and Royal Park to the north and west of the city.



Tourist landmarks

Landmarks such as the Melbourne Zoo, the Shrine of Remembrance, the Sidney Myer Music Bowl, Government House, the Royal Botanic Gardens, Alexandra Gardens and Fitzroy Gardens will be better accessed, along with the Victorian Arts Centre precinct and the National Gallery of Victoria would all be included in the proposed extension to the free tram zone. Visitors and locals alike should be encouraged to these. It makes sense to encourage tram travel to these many major destinations and encourage everyone to enjoy what Melbourne has to offer.

Including key visitor experiences in the free tram zone would do a great deal to increase visitor spending. In one example it has been estimated that inclusion of the National Gallery of Victoria into the free tram zone would lead to a 3 per cent increase in visitor numbers, amounting to an additional 75,000 visitors a year.

Increase in trade

One of the biggest sources of resistance to the extension of the free tram zone is local business being worried restrictions on cars will hurt trade. Evidence suggests that the opposite appears to be the case.

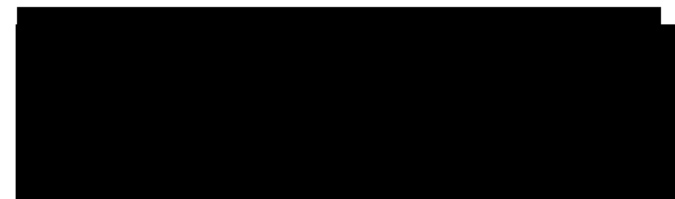
In many studies where you have pedestrianisation, or slowing down traffic, people actually spend more money.

An early study on Madrid's car ban showed retail spending jumped 10 per cent. Pedestrianising New York's Times Square and London's Oxford Circus led to major boosts in economic activity in both places.

When the free tram zone was initially introduced in Melbourne in 2015, CBD retailers reported higher turn-over and many attributed this to free trams as a major driver. Greater mobility was at the core of an upsurge in sales.

The free tram zone allows workers and customers to efficiently and conveniently move about the city offering a broader variety and range of retail to choose from. This has increased the catchment of retailers from typically just two city blocks to the entire grid. An extension of the free tram zone would bring in customers from even further afield who might spend their lunch time in the city centre or visit after work.

Extending the current free tram zone would build on the existing system's success.



Overcrowding

There have been complaints that the current free tram zone contributes to overcrowding on inner city trams. Paying commuters are frustrated when they are unable to board overcrowded trams in the inner city.

Overcrowding exists across the entire public transport network. However, this is not by any means an insurmountable problem. **This is an operational issue** easily solved by adding increased services and shorter shuttle routes that take passengers to the perimeter of the zone.

Overcrowding is not a reason to discourage use of public transport – the city needs it and our environment needs it. A state-of-the-art tram network should not be beyond our reach just because we make it cheaper for some groups and some sections of travel.

We believe that **frustrations over the limitations of existing services should not prevent the committee considering the wider picture** and the social and economic benefits of extending the free tram zone to encapsulate more of our vibrant and dynamic city.

Cost

Clearly there will be a cost associated with extension of the free tram zone but this is something Melbourne can afford. The free tram zone extension covering an additional 6.1 kilometres would affect 13 tram routes and is estimated to cost somewhere between \$4 million and \$5 million per year. These figures account for free tram trips and does not account for the free tram users who have already paid to travel into the city. If \$4 million to \$5 million is the cost of battling congestion in the city, it is money well spent.

Dynamic Pricing

Dynamic pricing should also be investigated as a way to encourage more efficient use of the public transport networks. We have some of this already in place. For example, a metropolitan train journey is free if you touch on and off before 7.15 am on a weekday, as long as your Myki has some money on it.

However, other than this early bird special, prices do not reflect demand for services. Travelling in crowded trains at peak hour costs the same as waiting until the crush ends and travelling later in the morning.



Melbourne needs to look at innovative ways to encourage people to travel outside of peak times if they can to make better use of the transport network and reduce overcrowding.

New Technologies

Intelligent transport system design should embrace new technologies to improve the performance of our network. This might include high-capacity signalling systems, such as those being trialled as part of the Metro Tunnel project; these allow trains to safely run closer together so that more frequent services can be offered.

It might include active public transport prioritisation to give priority to trams and buses making trips faster. Yarra Trams is currently testing a new signalling system in 25 trams on route 75, which runs along Toorak Road and Burwood Highway. This system uses GPS technology to track the position of the trams and takes into account live road conditions to determine traffic light sequences.

Any technology options that can be considered to help trains, trams and buses power through congestion will improve current travel times, increase patronage and will make travel by public transport a more attractive option for many to consider.

Summary

Melbourne and Victoria need to make a bold step towards a cultural shift in the way we use public transport by looking at extending the free tram zone, opening up the entire network for free travel for students and senior citizens, and exploring new technologies and pricing systems that would continue to grow Melbourne's reputation as one of the best cities in the world. It would diminish fare evasion as an issue, increase patronage, reduce car use and benefit lower income travellers. Most importantly, these measures will change habits to create a culture less reliant on vehicles and ease environmental pressures.

With thanks,

André Baruch

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