

13 March 2020

The Hon. Josh Frydenberg MP
Treasurer
PO Box 6022
House of Representatives
Parliament House Canberra ACT 2600

Dear Treasurer,

RE: Submission to the 2020-21 Federal Budget on the role of infrastructure funding to support the use of public transport

Via is pleased to make this submission to the upcoming 2020-21 Federal Budget. Our submission focuses on ensuring that funding is allocated in a way that best promotes the Federal Government's passenger transport objectives, by taking into account a broad range of mobility solutions.

Recommendation

Broaden the scope of the \$500 million National Commuter Car Park Fund to create a National First-and Last-Mile Transport Fund that in addition to commuter car parks would include all initiatives that improve access to mass public transport such as active transport and on-demand bus services. Many communities in Australia are already deploying a range of first-and last-mile transport options and should have the flexibility to work with the Federal Government to use this funding to provide other ways to connect to mass transit hubs.

About Via

Via is a leading provider of public mobility solutions which currently partners with over 100 cities, transit agencies, and transportation providers in more than 20 countries across the world to provide on-demand shuttles and buses, improve paratransit services, and optimise school bus systems. This includes Berlin's BerlKönig shared ride service, the largest on-demand public transit shuttle deployment in the world.

In Australia, Via partners with bus operators and transport agencies to deliver on-demand bus services in a variety of cities and towns. Via has a partnership with Keolis Downer in South Australia, with Via providing the technology behind on-demand bus services in Barossa and Mount Barker. In New South Wales, Via has also partnered with Keolis Downer to deliver on-demand bus services in Sydney's Northern Beaches and in Newcastle. Similarly, Via has partnered with Busways to provide first-and last-mile transport at The Ponds in Sydney's north west.

Background

Of the over 8.5 million Australians who commute to work each day,¹ only 10 per cent take public transport, whereas almost 70 per cent travel by private car.² The dominance of private car use is exacerbating road congestion issues, which are expected to worsen as the populations of Australia's cities grow. Indeed, Infrastructure Australia's *2019 National Infrastructure Audit* estimates that by 2030 road congestion will cost Australia \$39.8 billion per year.³

Cars also account for roughly 8.5 per cent of Australia's total carbon emissions,⁴ which means they produce roughly the same amount of carbon emissions per year (43MtCO₂e) as Queensland's entire coal and gas fired electricity supply.⁵

To address transport challenges, such as road congestion and carbon emissions, Federal, state and territory governments across Australia are investing tens of billions of dollars in passenger rail infrastructure. Key projects completed and under construction around the country include the Sydney Metro and Melbourne Metro projects, the Cross-River Rail project in Queensland, and light rail projects in Sydney, the Gold Coast and the Australian Capital Territory.

In its 2019-20 Budget, the Federal Government wisely decided that the value of these mass transit investments can be further enhanced through initiatives that improve accessibility to train stations and other transport hubs. To this end, the 2019-20 Federal Budget included a \$500 million Commuter Car Park Fund as part of the broader 10-year Urban Congestion Fund:

'The Government is contributing an additional \$3 billion to the Urban Congestion Fund, increasing total funding to \$4 billion. This will include \$500 million for a Commuter Car Park Fund, which will improve access to public transport by funding park and ride facilities at rail stations.'⁶

¹ Australian Bureau of Statistics, '2016 Census QuickStats', viewed 19 December 2019, https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/036.

² Australian Bureau of Statistics, '2016 Census QuickStats', viewed 19 December 2019, https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/036

³ Infrastructure Australia 2019, *Australian Infrastructure Audit*, p181
<https://www.infrastructureaustralia.gov.au/publications/australian-infrastructure-audit-2019>

⁴ Climate Council, *Transport Emissions: Driving Down Car Pollution in Cities*, 2017, p. 1
<https://www.climatecouncil.org.au/wp-content/uploads/2017/09/FactSheet-Transport.pdf>

⁵ Australian Government, *National Inventory Report 2015* <http://www.environment.gov.au/system/files/resources/97197b1e-07b9-4e6f-a08e-0f6145e681e5/files/national-inventory-report-2015-vol1.pdf> and

Queensland Renewable Energy Expert Panel, *Credible pathways to a 50% renewable energy target for Queensland Draft Report*, 2016 <http://www.qldrepanel.com.au/draft-report>.

⁶ The Australian Treasury, *Budget 2019-20, Budget Paper 1: Strategy and Outlook*, April 2019, p1-15
<https://www.budget.gov.au/2019-20/content/documents.htm>

Discussion

Via supports the Government's focus on funding projects to alleviate congestion. However, we submit that a funding pool which more broadly and flexibly addresses Australia's public transport accessibility challenge would better meet the Government's objective of easing urban congestion.

Commuter car parks play a valuable part in Australia's transport mix. For people living in low-density areas, where it is too costly to provide fixed-line feeder bus services, commuter car parks provide access to major transport hubs. Furthermore, the ability to take a private vehicle has proven important for those with mobility impairments such as the elderly or people with a disability.

However, commuter car parks are not the only or best tool to improve public transport accessibility.

- **Capacity:** They are often free so are popular and since they have finite capacity, they typically fill-up quickly each morning, disadvantaging those whose schedules or family obligations prevent an early arrival. With finite space and limited funding available, it is not possible for commuter car parks to solve the whole first-and last-mile transport challenge.
- **More driving:** Additionally, commuter car parks can encourage driving that would not otherwise happen. They can become a substitute for those who previously walked, rode a bicycle, or took a bus to their local train station. The availability of commuter car parking may even encourage some people to buy cars, and once they own a car, they may then choose some or all of the time to drive for their entire journey.
- **Equity:** Commuter car parks also do not help people who cannot afford to own a car. Limiting the scope of funding for public transport accessibility projects solely to commuter car parks could further exacerbate current inequities in access to work and education opportunities.
- **Land use:** Finally, commuter car parks require land, which could otherwise be used for higher value purposes such as integrated station developments that include service and retail outlets, creating jobs and providing additional services for commuters.

Other options for public transport accessibility

We believe that strictly limiting this fund to commuter car parks is neither the best way of achieving the Government's desired public transport accessibility outcome, nor reflective of the way that many places in Australia are now solving this challenge. Where the demographics and geography of a location don't allow for the provision of accessible fixed-line feeder bus services to mass transit hubs, there are now innovative and cost-effective alternatives that are reducing congestion and conveniently connecting commuters to transit stations. The case study below of The

Ponds On-Demand Bus Service in Sydney describes an effective and proven alternative to commuter car parking.

Case Study: The Ponds – Cooee Busways On-Demand Bus Service

Launched in May 2019, the Cooee Busways On-Demand Bus Service picks up commuters near their homes and takes them to their nearest station with access to Sydney Metro or Sydney Trains. At the end of the day, the service collects commuters from the metro or train station and drops them back near their homes. The vehicles are fully wheelchair accessible.

The service is a partnership between Transport for NSW and bus operator, Busways, with the on-demand technology platform provided by Via. Since its launch, its popularity has steadily grown to serve an average of 500 rides per day.

Ten weeks after the service commenced 55 percent of riders surveyed by Busways said they previously used a private car to make the journey to work or the station. Four percent of those who drove had sold their car since using Cooee Busways, with a further 43 percent considering selling their car.⁷

State-based transport leaders have highlighted the effectiveness of alternatives to commuter car parks. In evidence given to the *NSW Legislative Assembly's Inquiry into Commuter Car Parking*, Transport for NSW Executive Director, Mr. Anthony Wing explained the benefits of other approaches to first-and last-mile transport:

‘A commuter car park involves one or perhaps a couple of people not using a car, but an on-demand bus could carry more people. We like people using public transport, and if commuter car parks assist in achieving that, that is great. However, it is not necessarily the only or the best way to get people on to public transport.’⁸

As new technologies develop and as the proportion of people who hold a driver's license declines, governments should support a range of first-and last-mile mobility initiatives. These initiatives may include active transport projects which encourage walking or cycling and on-demand bus services which connect commuters to their local train stations.

Alternatives to commuter car parks were recently examined in detail by the NSW Parliament in the *NSW Legislative Assembly's Inquiry into Commuter Car Parking*. Several of the recommendations released in the May 2018 Final Report supported alternatives to commuter car parks. The final report stated:

‘The Committee also supports the trials of on-demand buses as an alternative to people driving to interchanges. The report also contains recommendations

⁷ Cooee Busways, *Latest Updates*, viewed 19 December 2019, <https://cooee.busways.com.au/latest-updates/>

⁸ Legislative Assembly of NSW Committee on Transport and Infrastructure, *Inquiry into Commuter Car Parking in NSW*, May 2018, p. 18

to encourage the use of point-to-point transport, carpooling and bicycles to access interchanges and thereby free up spaces in commuter car parks.’⁹

Conclusion

As Australia’s population grows, mass transit will become an increasingly important part of moving people around our cities. The Federal Government has wisely committed funding to solve this public transport accessibility challenge, but it should not limit that funding solely to commuter car parks.

We urge the Federal Government to broaden the eligibility criteria of its commuter car park funding to support other types of first-and last-mile initiatives, such as active transport and on-demand bus services.

For further information regarding this submission please contact Via's Australia & New Zealand Partner Success Principal, Rob Montgomery at rob.montgomery@ridewithvia.com.

Sincerely,



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⁹ Legislative Assembly of NSW Committee on Transport and Infrastructure, Inquiry into Commuter Car Parking in NSW, May 2018, p. V