

*Building a Public Transport Culture...*

*Bus Industry Confederation  
National Policy Statement 2001*



## Mission

BIC represents the collective interests of its members and assists them in promoting the long term sustainability of bus and coach transport in Australia.



### *The Bus Industry Confederation*

The Bus Industry Confederation (BIC) is Australia's peak organisation representing the interests of the bus industry, encompassing bus operators, suppliers and associated businesses. Its members carry about one billion passengers annually in Australia. BIC is recognised as a leading proponent of growth in travel by public transport, as an effective way to reduce the economic, social and environmental costs associated with excessive use of the private car for personal and business travel.

### *What BIC Does*

As the primary voice for the bus and coach industry in Australia, the Bus Industry Confederation:

- promotes and helps development of a viable and improved bus and coach industry in Australia
- encourages and facilitates co-operation between members and among members and the general public
- fosters public understanding of the contribution made by the bus and coach industry to Australia's economy, society and the environment
- encourages high standards of conduct and service by its members
- promotes and supports industry related research and development
- promotes the use of public transport as a proper and viable alternative to the motor car
- promotes policies and actions that are environmentally responsible
- encourages investment in public transport infrastructure
- fosters and promotes a viable Australian bus manufacturing industry
- undertakes other activities to assist its members in fulfilling their mandates.



# Setting the Agenda



STEPHEN LUCAS, BIC PRESIDENT.

## Setting the Agenda



As most of you are aware, last year the constitution of the Bus Industry Confederation was changed to enable state industry bodies to become members. The Australian Bus and Coach Association became the Bus Operators Group within the Confederation and BIC is now the peak national body, representing the whole of the industry. This is in excess of 3,000 businesses employing over 30,000 people.

These are not huge numbers on a national scale. However our industry carries close to one billion people annually and has the ability and desire to dramatically increase this number. Whether this happens or not is the collective responsibility of the industry, governments (all of them) and the public.

Obviously there are different requirements for these groups but they all have a role to play and your industry is leading the way. Our National Policy Statement sets goals and strategies and invites everyone to become involved in what we believe is the key - **building a public transport culture.**

I cannot overstate the importance to this industry of our policy statement. It is the first time your industry has set an agenda which clearly states its vision.

You may well ask why should anyone take any notice of a relatively small industry such as ours? We are an industry which, on the face of it, relies heavily on state government goodwill and has always focussed on getting the job done efficiently and well without political manoeuvrings.

The answer is that our country has unsustainable land transport systems and the voters in this country are starting to realise that the strategy of building more freeways and carparks will cause more problems than it solves. While this is not a burning political issue yet, it will be if steps aren't taken to deal with the long term strategic issues involved. Governments should take notice of us because our vision provides the catalyst for meeting the challenges set by global change.

Our society expects government and industry to work together in providing solutions for them. This industry is starting that process

Before we move forward I would like to take the opportunity to look back for some perspective. What has happened in the last few years?

Well, public transport is under pressure, mainly because there are not coherent government strategies and funding to support it. In the last few years we have had to come to grips with:

- *not being GST exempt*
- *being generally excluded from the Diesel and Alternative Fuel Grant*
- *having cars advantaged by fringe benefits tax treatment*
- *having to deal with the complexities of compliance with DDA legislation*
- *and a falling urban mode share.*

And all this while the country struggles with:

- *road congestion which conservatively costs us 10 billion dollars per year*
- *environmental issues such as air pollution and climate change*
- *suburban and rural isolation*
- *cost escalation in motor vehicle ownership*

*Australian urban public transport  
currently has a modal share of around 5-8%.  
This needs to move to 20% by the year 2020.*

## Setting the Agenda



This industry has a real opportunity to grow because of our unique ability to help solve some of the difficult problems facing society. As a target, we should be thinking about, and working towards, trebling our mode share over the next twenty years.

Australian urban public transport currently has a modal share of around 5-8%. This needs to move to 20% by the year 2020. Countries that have the public transport culture we are seeking generally have a public transport mode share of 15% or more. This policy statement is about positioning the industry to seize that opportunity for growth.

### What do we need?

We need leadership and we need it from the Federal Government. For too long our sector of public transport has been given lip service by successive Federal Governments and the mantra "it is a State Government responsibility" has been accepted by an industry reliant on State Government funding.

The current Federal Government's Commonwealth Transport Directions booklet talks about rail and ferries and airlines, but it doesn't mention us much at all. Remember this is an industry that carries many more people than rail, ferries and trams combined.

It won't surprise you that, where the booklet talks about metro transport, it starts by saying that this is a state, territory and local government responsibility. However, it does list some measures which need to be adopted to reduce congestion and associated costs. These are:

- road improvement
- traffic management
- emission policies
- city planning
- and, would you believe, higher car occupancy.

Spot what is missing! That's right, improvement to and more use of public transport.

So we need to get the Commonwealth on our wavelength. Why should they want to get involved? First, because mobility will increase in importance, both mobility generally and mobility for people who suffer from a disability. Second, because public transport will become more of a social justice issue. Third, because greenhouse will continue to increase in importance as a community concern. And last, because 80% of our population lives in urban areas and their mobility is vital to our national economic health.

There are many overseas examples of federal leadership in public transport. One of those is the United States Transportation Equity Act (TEA). This Act commits federal funding to a whole range of land transport areas - for instance in 2001 alone it has authorised \$US3.2 billion for transit capital investment. This equates to about \$A500 million on a per capita comparison to Australia. For a fraction of that level of funding this industry could make some real progress towards delivering the sorts of solutions to transport needs that were demonstrated at the Sydney Olympics.

# Setting the Agenda



Why are we invisible to the Federal Government? Part of the answer lies in what I have already said - State Governments fund us, so we are seen as their responsibility.

Federal Governments only need to speak with us when the laws they make directly impact us. Laws such as the Disability Discrimination Act have caused an enormous increase in the amount of contact BIC has had with the Department of Transport and Regional Services, the Attorney General's Department and the Human Rights and Equal Opportunity Commission.

Another part of the answer lies with the industry itself. State associations have a duty to their constituents to deal with their state bureaucracies in ways that will deliver real benefits. Different regulations, operating environments and funding mechanisms mean different views. BIC's predecessor, ABCA, sometimes suffered from giving a state view on a national issue to the Federal Government, then other states chimed in with their own contrary view. The result was a mixed message to government.

BIC must take a national view and deal with all issues openly and fairly. That doesn't mean that we will always agree among ourselves but we will have open and robust debate in order to arrive at sensible answers to national questions.

The most important part of our national perspective is our policy statement. This document is the industry's collective view of the way forward. It sets our goals and strategies and is the catalyst we need to open sensible dialogue with all levels of government and to explain our views to the public.

We have a coherent vision and wish to transmit that to government so that

we can collectively deliver a more sustainable future. Our policy statement is not the ten commandments. It is a living document subject to alteration and enhancement as we attempt to meet the needs of our customers. But the goals, the pillars on which the policy is built, will remain constant.

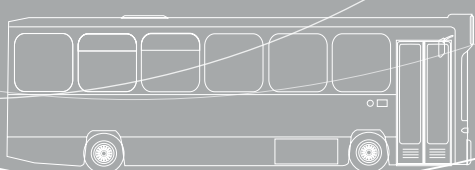
These goals are:

- *an access goal which means our customers should be able to travel to their destinations on timely and convenient services.*
- *an equity goal which sets the basis for defining and achieving the basic levels of mobility appropriate for our nation.*
- *a safety goal which builds on our already good safety record.*
- *an environment goal that commits the industry to continued improvement in our environmental performance.*
- *an efficiency goal which will encourage all of our industry to reach higher standards and*
- *a visibility goal that promotes our industry to the community.*

If the industry has a key theme it is this: Australia needs sustainable transport systems and the current private car/freeway solutions are not sustainable. This is especially true in our urban areas. Because of the growth of these urban areas it is critical that reform begins now.

**How do we bring reform about?  
By building a public transport culture!**

Those few words are the essence of what we are on about. In one way it is the biggest of big picture long term strategies but in another way it is also a guide to how we should operate on a local level. This policy platform is a serious attempt to channel energies towards achieving that cultural change. The words equity and access are repeated often, because they are key words in building the culture we are seeking.



# Setting the Agenda



Making sure the private car user is required to meet the full cost of their travel choice is one imperative. The private car causes most congestion and pollution costs and these are the major reasons why we need to have timely, safe and accessible public transport.

Building a public transport culture will need major changes if it is to be achieved. Leadership from the Federal Government has already been mentioned. What about the relationship between operators and transport departments? Today, these departments can be both regulator and the body which funds industry. As we have seen with the CASA/ Ansett debacle, if real partnerships are not built between regulators and operators, because they don't share common goals, then the system fails.

The sort of partnership we envisage will mean that bureaucrats will have to give up their "we are in charge because we administer the money" approach and operators will have to conduct their businesses on the "finger out" model not the "hand out" model.

We have a real opportunity, indeed an obligation, to move beyond the old debates of whether public transport is a Commonwealth or State responsibility. We must move towards a system where there is a clear national focus on public transport assisted by bodies such as the National Transport Secretariat.

This system will see the states tackling public transport issues within a national context, set by a Federal Government willing to take leadership in an area that has a big upside for our nation.

There will be difficulties all along the way but we shouldn't be discouraged just because of that. This industry has a history of accepting and meeting the challenges created by change and I am sure that, with the policy set out in the next few pages, we have a blueprint to make real improvements in public transport and at the same time grow our industry.

THE HON DR SHARMAN STONE  
AND SENATOR LYN ALLISON



*We must move towards a system  
where there is a clear national focus  
on public transport...*

# National Policy Statement: Building a Public Transport Culture



BUS PRIORITY LANES IMPROVE TRAVEL  
TIMES AND RELIABILITY

→ The Australian road transport sector faces several major challenges:

- the sector accounts for about one-seventh of national greenhouse gas emissions and emissions from the road transport sector are growing fast – this is inconsistent with Australia achieving its Kyoto protocol commitments. Cars account for the major share of these emissions (eg 69% of road transport greenhouse gas emissions in Victoria) and greenhouse gas emissions from cars increased 16.6% nationally between 1990 and 1998;
- road fatalities are on the increase. 1819 people were killed in the year to January 2001, 62 higher than the previous 12 month period. Most of these fatalities were associated with motor cars;
- road congestion costs exceed \$12 billion annually, these costs are growing and it is increasingly apparent that new road construction will not solve the problem. Again, motor cars account for the majority of these costs;
- large numbers of the Australian community lack access to private vehicles and are increasingly disadvantaged by growing urban sprawl.

These issues are facing governments around the world. The policy responses are universally focusing on reducing dependence on the private motor car and increasing the role played by public transport. The Australian bus industry, through the Bus Industry Confederation, has developed this national policy statement to contribute to resolution of these issues within the Australian context.

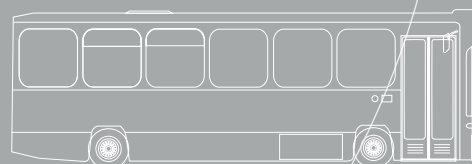
Public transport services typically account for 5-8% of travel needs in Australia's major cities (higher in Sydney). If public transport is to make a significant contribution to dealing with the issues noted above, this usage rate needs to be increased to at least 12% in the medium term (5-7 years), with a longer term target of 20% market share.

Countries that achieve public transport mode shares of 10-12% or more are characterised by the existence of a public transport culture (eg in Canada, the Toronto Transit Commission caters for 25% of trips in its region, Ottawa achieves 16% public transport mode share, all bus, and Vancouver achieves 11%). Sydney is at the low end of this range for mode share. Public transport is a normal part of the choice options considered by people in these communities and lifestyles have developed around high quality public transport facilities and services. The central theme of this policy statement is improving the sustainability of the Australian land transport sector by the development of a public transport culture in Australia.

International research consistently indicates that a public transport culture requires:

- *high frequency services with wide coverage in both time and space;*
- *reliable services which means priority road access for buses;*
- *high quality marketing; and*
- *road users required to meet the costs of their travel choices.*

*BIC's National Policy Statement seeks to encourage these developments.*



# National Policy Statement

→ This National Policy Statement focuses on ways to improve the long term sustainability of bus and coach transport in Australia, encompassing economic sustainability, social sustainability and environmental sustainability. To this end, the Bus Industry Confederation has set the following goals:

## GOALS

### → ACCESS GOAL

- to ensure bus services better meet customer travel needs

### → EQUITY GOAL

- to ensure that a reasonable basic level of mobility is available to all users of public transport, irrespective of personal circumstance

### → SAFETY GOAL

- to ensure that travel by bus and coach remains the safest means of land transport

### → ENVIRONMENT GOAL

- to reduce the level of emissions to air and water attributable to the bus and coach industry and contribute to a lowering of overall transport emissions

### → EFFICIENCY GOAL

- to improve the efficiency of bus and coach and other passenger transport services and related supplying activities within Australia

### → VISIBILITY GOAL

- to continue to raise the profile of the bus and coach industry in Australia

## Achieving Our Goals – The Strategy

### ACCESS GOAL - BIC will:

- 1| Work with operators, suppliers, governments and users to increase the frequency and coverage, reliability and integration of bus services, and to improve related information and ticketing systems, as means of improving community access to services.
- 2| Promote the long term restructuring of Government transport pricing systems, to give proper recognition to the full social costs of private transport, such as congestion, air pollution, greenhouse emissions, road infrastructure damage and accidents. This will allow a more level playing field between public and private transport and will improve transport resource allocation more generally.
- 3| Pursue increased Government financial support for public transport, as one means of reducing the current under-pricing of road use, especially in peak periods.
- 4| Seek to persuade the Commonwealth Government to provide tax incentives for use of public transport, including exemption of employer-provided public transport from fringe benefits tax.
- 5| Undertake and support extensive community education about, and research into, the factors influencing choice of travel mode and the community and individual benefits of using public transport, together with more widespread marketing of public transport services.

### EQUITY GOAL - BIC will:

- 1| Define reasonable public transport service levels for communities and propose means of funding these service levels. These service levels will specify frequencies and hours of daily operation, related to development patterns. BIC will then seek Government agreement to the service levels and funding mechanisms so developed.
- 2| Call on Governments to initiate and jointly fund with the industry, demonstration projects involving major increases in public transport service frequencies and coverage, focusing initially on middle to outer urban areas where motor car use is high and transit service levels are typically low.
- 3| Promote accessible public transport and supporting infrastructure to meet the needs of those with relatively low levels of physical mobility, whilst recognising the need for viability within the bus industry.
- 4| Support the principles of competitive neutrality and seek Government compensation to those who are adversely affected by Governmental breaches of such principles.



## → SAFETY GOAL

BIC will:

- 1| Encourage continual governmental review of performance based standards, in consultation with industry, and the complementation of prescriptive standards by performance-based standards in regulations, to improve the safety of public transport vehicles and operating environments (including drivers).
- 2| Work with Government and other stakeholders to improve the driving hours regime, based on emerging research results.
- 3| Develop a national framework for data collection concerning road accidents that are bus-related and urge Governments to adopt this framework. Drawing on the resulting database, BIC will undertake and support research into the causes of bus safety incidents. This will enable BIC to identify target areas for accident reduction strategies
- 4| Continue to conduct educational and awareness programs targeted at improving school bus safety. This work will focus, in particular, on safety around bus stops, which is the area where students are most at risk.

## → ENVIRONMENT GOAL

BIC will:

- 1| Continue to promote ways of improving environmental outcomes for Australia by taking steps to directly reduce bus industry emissions (by use of new, lower emission engines and cleaner fuels) and other pollution and also by encouraging passengers to transfer from car to bus (and other low polluting modes).
- 2| Promote the view that any emission standards should be performance based, not fuel based.
- 3| Call upon Government to make the "energy credits scheme" available to public transport operators whose fleet is at least 10% compliant with Euro 2 emission standards or better. This eligibility criterion should be increased over time.
- 4| Support the National Greenhouse strategy and continue to commit, as a member of the Greenhouse Challenge, to the reduction of greenhouse gases by all possible means.
- 5| Encourage governments to take a stronger approach to the integration of transport and land use planning, to minimise the requirements for travel and increase the prospects for travel by low polluting modes.

- 3| Support application of performance-based standards to the determination of allowable bus mass, length and width standards.
- 4| Support more rapid implementation of mutual recognition regimes for bus driver licensing/certification and bus operator accreditation.
- 5| Support the development of a more proactive national (manufacturing) industry policy for Australia, including use of suitable incentives for developing local manufacturing and export (as a means of easing the constraint to economic growth posed by the current account deficit).
- 6| Call upon the Commonwealth Government to ensure that all buses comply with the relevant Australian Design Rules.

## → VISIBILITY GOAL

BIC will:

- 1| Widely promote this national policy statement throughout the Australian community.
- 2| Work closely with Governments at all levels to develop and support actions that will contribute to the formation of a public transport culture.

## → EFFICIENCY GOAL

BIC will:

- 1| Work to ensure that bus industry structure assists delivery of efficient bus services to users.
- 2| Promote improved transport pricing systems, to fully reflect the external costs of private vehicle travel.



# Implementation

→ This National Policy Statement proposes partnership roles for the bus and coach industry, for all levels of government and for the community in improving the sustainability of Australia's land transport systems and developing a public transport culture. The most significant roles are the following:

## 1| *For the bus and coach industry*

- ensuring that operations are at world's best practice levels on all service dimensions (meeting customer needs, efficiency, safety, environmental performance);
- working with governments at all levels to raise community expectations of public transport and to deliver on these expectations.

## 2| *For the Commonwealth Government*

- involvement in funding contributions to public transport services, through support for leading edge demonstration projects (for greenhouse gas reduction and support for basic mobility standards);
- changes to its land transport funding arrangements, to include public transport within the transport modes that are supported (along the lines of the US Transportation Equity Act for the 21st Century – TEA 21);
- changes in taxation regimes to exempt employer-provided public transport from FBT;
- support for more comprehensive approaches to pricing of land transport modes, particularly directed to ensuring that private vehicle users are required to meet the full costs of their travel choices.

## 3| *For State Governments*

- financially supporting increased public transport service frequency and coverage;
- designating specific road funding programs to provide improved on-road priority for buses operating in congested areas;
- supporting the development of more "transit friendly" urban structure;
- working with the bus industry to define reasonable basic mobility standards;
- supporting more comprehensive land transport pricing systems, including parking levies in congested areas.

## 4| *For Local Government*

- accepting that they share responsibilities for meeting local mobility requirements and should be prepared to contribute towards meeting these requirements. Local government should not be involved in direct service provision but should be an active stakeholder in the planning and integration of local public transport services;
- taking greater account of the service provision requirements of the bus and coach industry (eg in relation to street design standards, provision of bus stops, etc);
- implementing local parking policies that are more transit-friendly.

## 5| *For the community*

- taking greater responsibility for the full economic, social and environmental consequences of their transport and location choices (which partly depends on improved transport pricing systems) ;
- thinking more broadly about all the options available for meeting travel needs, especially for shorter trips.

## Quality Partnership Agreement

BIC recognises that the development of an Australian public transport culture will require concerted action by all major stakeholders over many years. To this end it proposes the signing of a quality partnership agreement at Australian Transport Council level, between ATC and the Bus Industry Confederation and including the Australian Local Government Association (an ATC observer), committing all levels of government and the industry to taking the actions required to achieve this outcome. The agreement should specify the general outcomes to which the signatories are committing and should include some specific commitments that will contribute to delivering the required results. For example:

- the Commonwealth should commit to amending FBT rules as they relate to employer-provided public transport and to funding public transport demonstration projects to the level of at least \$100 million per year for a minimum of 5 years;
- the States should commit to funding increased public transport services and to providing increased on-road priority measures, to at least the same funding level;
- local government should commit to providing an improved operating environment for local public transport services and to integrate any services it provides with broader public transport services;
- the industry should commit to converting cost savings arising from an improved operating environment back into provision of additional services and should commit to the continual upgrading of vehicle environmental standards.



***Bus Industry Confederation***

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