Towards an integrated and sustainable transport future:

A new legislative framework for transport in Victoria

Policy Statement
July 2009

Victoria
The Place To Be

Ministers' Foreword

The Brumby Government released *The Victorian Transport Plan* (*The VTP*), a $38 billion action plan to transform Victoria's transport system, in December 2008. *The VTP* included a commitment to a strong new direction for transport legislation to underpin a more integrated and sustainable system.

As outlined in *The VTP,* the *Transport Integration Bill* will modernise transport legislation by establishing new overarching objectives and principles. This will provide a clear policy framework for transport decision-making to ensure that the actions and activities of transport bodies are complementary and work towards the delivery of a common vision.

This policy statement articulates the new framework and provides the design for an integrated and sustainable transport system.

The framework is the result of extensive community engagement in response to the release of the discussion paper *Towards an integrated and sustainable transport future: A new legislative framework for transport in Victoria.* This included consultation with a wide range of stakeholders from state and local government, industry, peak bodies, interest groups, academics and interested community members.

We would like to thank our stakeholders for their support for these reforms, and their excellent contributions. This has again highlighted the importance of the transport system to all Victorians.

The *Transport Integration Bill*, for the first time in the state's history, will unify all elements of the transport portfolio under one central statute – providing a common direction for transport and a legislative platform for an integrated and coordinated transport system. The Bill is designed to deliver a socially, economically and environmentally sustainable transport system. A sustainable transport system is critical for an inclusive, prosperous and environmentally responsible Victoria.

The Bill will be introduced into the State Parliament in the second half of 2009.

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1. Introduction






1.1 Purpose

This paper sets out the government's policy framework for transport legislation in Victoria. The new framework will guide transport decisions and provide for a more integrated and sustainable system.

The policy framework is comprised of a vision for the transport system, transport system objectives and decision-making principles. These elements of the policy framework are the subject of this paper and will form the basis of the new central statute for transport in Victoria proposed in the *Transport Integration Bill*.

1.2 Structure

This paper is organised into five sections:

- *Section 1* introduces the transport legislation review and explains its context.
- *Section 2* summarises the policy framework to be included in the *Transport Integration Bill*.
- *Section 3* describes each element of the framework in more detail – the vision, objectives and decision-making principles.
- *Section 4* describes how the policy framework will be applied.
- *Section 5* outlines the next steps in introducing the Bill into Parliament and the next stages in the reform process.

1.3 Background

The Victorian Government recently released a bold program of transport projects that will span the next 25 years – *The Victorian Transport Plan* (*The VTP*). This plan will deliver the major transport improvements that Victoria needs to meet current and future challenges.

The *Transport Integration Bill*, setting out the overarching policy framework for transport legislation, has been highlighted as one of the key pieces of legislation to underpin the policy direction and projects in *The VTP*.

Importantly, the projects identified in *The VTP* support the vision for transport, objectives for the transport system and decision-making principles. This demonstrates the government's commitment to ensure that all improvements to the transport system over the coming years are aligned to a single vision for an integrated and sustainable transport future for Victoria. *The VTP* has a strong focus on integrated transport and land use, which forms a key part of the policy framework in this paper.

The *2009 Annual Statement of Government Intentions*, which sets out the Victorian Government's agenda for the year ahead, outlines the reform agenda for integrated and sustainable transport. The statement explains that the *Transport Integration Bill* will:

- provide a modern framework for transport policy and legislation in Victoria
- set a new direction for transport policy and legislation in Victoria, to support building an integrated and sustainable transport network, and
- provide guidance and direction for decisions in key areas that impact on transport – including planning and local government.

1. Introduction

The transport legislation review process

The policy framework for transport legislation has been the culmination of the broadest policy and stakeholder engagement program on a transport legislation proposal in the state's history.

The Victorian Government formally started the transport legislation review process with the release of the 2007 discussion paper, *Towards an integrated and sustainable transport future: A new legislative framework for transport in Victoria* (the discussion paper).

The *Transport Legislation Review: Stakeholder Feedback Summary*, released in March 2008, summarised the feedback received in formal submissions and throughout the stakeholder engagement program.

Following review of stakeholder feedback, further work was undertaken to refine objectives proposed in the discussion paper – leading to the creation of the policy framework outlined in this policy statement, which forms the basis of the *Transport Integration Bill*.

Current transport legislation

When enacted in 1983, the *Transport Act* constituted the largest overhaul of transport services management in the history of Victoria, initially repealing over 100 pre-existing acts. Since that time the institutional and regulatory arrangements for transport have changed significantly. More importantly, the challenges facing the transport system and the community's expectations for transport are very different than they were a generation ago.

The *Transport Act* and a number of the other acts dealing with transport matters do not provide the policy directions or the support needed to ensure an integrated and sustainable transport system in the future. Accordingly, our major transport legislation is in need of significant reform. (See Appendix A for a diagram of Victoria's current transport legislation).

The limitations of the current legislative arrangements are that:

- there are no overarching objectives to provide contemporary direction to transport bodies to drive integration and coordination of transport decision-making
- the government's broader policy objectives or frameworks are not adequately reflected in transport legislation; in particular there is minimal connection with social policy objectives and no connection at all with environment policy objectives, and
- not all decision-makers that can affect transport outcomes are established in, or recognised by, the *Transport Act*[1].

The lack of overarching objectives for the transport portfolio was identified as an important issue by the Victorian Competition and Efficiency Commission in a 2006 report on transport congestion[2].

1 For example, VicTrack is established by a separate statute, the *Rail Corporations Act* 1996, and the Director of Marine Safety is established by the *Marine Act* 1988.
2 Victorian Competition and Efficiency Commission, *Making the right choices: options for managing transport congestion*, Final Report, September 2006, p.375.

1.4 Stakeholder consultation outcomes

Stakeholders provided overwhelming support for the reform process and confirmed the broad directions signalled by the discussion paper. Their feedback also helped the review team refine these broad directions into meaningful objectives, decision-making principles and a vision for the transport system, to guide better transport decision-making.

A strong message from stakeholders was the need for transport objectives to reflect the importance of transport and land use integration, and also a broad consideration of social, environmental and economic sustainability. Local governments were a significant stakeholder in this process and emphasised the need to address transport and land use integration – feedback which carried significant weight given their important role in this area.

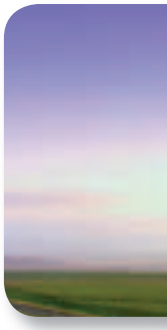
The feedback also assisted the review team to better understand the place of ports, marine and aviation in the overall reform program.

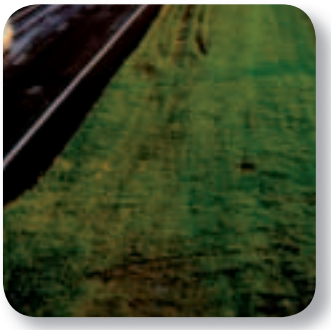
The current *Transport Act* is predominantly a land transport act, while the ports and marine sectors have traditionally been governed by discrete subject-specific acts[3]. Land and water-based transport in Victoria has never before been governed by a single overarching statute.

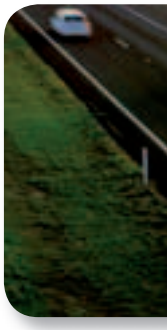
A number of stakeholders observed that the challenges facing land transport also face the broader transport system. These challenges include improving integration with land use, sustainability and coordinating between different forms of transport. While stakeholders recognised that aviation is a federal responsibility, they felt the interface between aviation and other transport modes remains important at a state level.

This stakeholder feedback led to the coverage of the *Transport Integration Bill* being extended to ports and water-based transport as well as interfaces with aviation. An historic decision, it means that for the first time Victoria will have legislation integrating all of its transport components. The new approach is signalled in the definition of the transport system included in Appendix B.

Many stakeholder comments are referred to throughout this document; a full list of the submissions is referenced in Appendix D.







3 For example, our ports are currently regulated by the *Port Services Act* 1995 and commercial shipping and recreational boating requirements are governed by the *Marine Act* 1988.

1.5 The way forward – integration and sustainability

The policy framework proposed in this policy statement provides a set of objectives for the transport portfolio, supported by a vision for the transport system and decision-making principles – offering common direction for the transport portfolio for the first time.

Many different transport bodies[4] are involved in the delivery of Victoria's transport system. Developing shared objectives ensures that the actions and activities of these transport bodies are complementary and work towards the delivery of a common vision – enhancing coordination and integration of the transport system. The inclusion of shared objectives in our transport legislation ensures that it provides a modern, robust and enduring framework which reflects community needs and aspirations for transport.

It's important that Victoria's transport legislation reflects modern policies in order to support a first class transport system which enables effective movement of people and goods within, into and out of the state.

The *Transport Integration Bill* will outline a truly unified framework for the transport system – a contemporary legislation framework for all transport in Victoria. It has broad implications for the transport system, including road, rail and ports networks, private motorised travel, public transport, freight transport, commercial shipping and boating, cycling, walking, and any other type of transport. In practice, it aims to create the best possible settings and lead to improved on-the-ground transport outcomes for Victoria.

In addition to providing support for better integration within the transport portfolio, the Bill will improve links with related legislation which also impacts on transport outcomes, such as land use planning legislation.

For the first time, non-transport bodies which can make decisions that significantly impact on transport outcomes – to be known as 'interface bodies' – will be recognised in transport legislation for the critical role they play. For example, the Bill will recognise the role of municipal councils, that are significant partners in delivering an effective transport system; decisions related to land use integration and other local requirements are crucial to transport. The importance of interface bodies is dealt with in more detail in Section 4 of this paper.

1.6 Reforms to date

The creation of a policy framework for Victoria's transport legislation is part of a comprehensive, generational reform process which is already well underway. Recent reforms have been undertaken in the critical area of safety. Important legislative changes have also been introduced to support on-the-ground delivery of integration and sustainability outcomes.

An important and well-advanced stream of the reform program is modern safety regulation. Contemporary best practice safety regulation focuses on identification and mitigation of risks. The first major safety reform was the *Rail Safety Act* 2006, which established a chain of responsibility for safety in the rail industry and improved the independence and effectiveness of the regulator. The *Bus Safety Act*, passed by Parliament in March 2009, establishes a similar regime in the bus industry.

The *Transport Legislation Miscellaneous Amendments Act 2009* was passed by the Parliament in May 2009, making a number of important changes to existing transport legislation. The amendments affect a wide range of transport modes – road, heavy rail, light rail, bus, taxi, freight, cycling and marine transport – and lend significant practical support to the government's policy vision of an integrated and sustainable transport system for Victoria. A number of amendments are designed to encourage the use of sustainable forms of transport such as public transport, bicycles and walking.

4 The term 'transport body' captures all statutory appointees, statutory corporations and other agencies established by transport legislation. The list of transport bodies is set out in Appendix C.

A key change is to empower the Minister to give priority to designated modes of transport on specified parts of the road network. This will allow the road network to be managed in a way that increases efficiencies resulting in improved travel times, such as for public transport. The high level principles of priority that were inserted into the *Road Management Act* 2004 are intended to have flow-on effects throughout the Act and influence the way in which roads are managed on a day-to-day basis.

1.7 National legislative reform

Victoria's transport policy and legislative framework must take account of national trends and developments in transport regulation. Australia's transport ministers – constituting the Australian Transport Council – have embarked on a series of reviews to identify national reform directions arising from the cross-border challenges affecting all Australian passenger and freight transport.

The proposed framework for Victoria contained in this statement is consistent with the national direction and vision, and takes full account of the desire of the Commonwealth, states and territories to progressively achieve a more uniform and consistent approach to transport policy and regulation in Australia. The framework continues to point Victoria in the direction of increased national harmonisation as part of the overall integration and sustainability agenda.

Victoria's ground-breaking *Transport Integration Bill* will help inform the national directions for further reform and potentially result in new national policies and legislation affecting settings across all jurisdictions.

2. New framework for integration and sustainability

2.1 Policy framework summary

The discussion paper, *Towards an integrated and sustainable transport future*, proposed a number of objectives reflecting the key policy considerations that should drive transport decisions. It recognised integration and sustainability as key reform directions.

The stakeholder engagement program, as well as further analysis and consideration of the current challenges, has refined these initial objectives – leading to the development of the policy outlined in this statement.

The policy and strategic directions for the transport system in Victoria have been captured in an overarching policy framework: a vision, objectives and decision-making principles for integrated and sustainable transport. This framework will be used as the basis for the core component of the *Transport Integration Bill*.

This framework is summarised on the following pages, then a more detailed consideration is given to each element of the framework in Section 3.

Policy Framework Summary

Vision statement

Victoria aspires to have an integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible state.

Transport system objectives

Regard must be given to the following transport system objectives in the planning, provision, management and use of the transport system:

Social and economic inclusion

The transport system should provide a means by which people can access social and economic opportunities to support individual and community wellbeing by:

a) minimising barriers to access so that, so far as possible, the transport system is available to as many people as wish to use it

b) providing tailored infrastructure, services and support for people who find it difficult to use the transport system.

Economic prosperity

The transport system should facilitate economic prosperity by:

a) enabling efficient and effective access for persons and goods to employment, markets and services

b) increasing efficiency through reducing costs and improving timeliness

c) fostering competition by opening up markets

d) promoting investment in Victoria

e) supporting financial sustainability.

Environmental sustainability

The transport system should actively contribute to environmental sustainability by:

a) protecting, conserving and improving the natural environment

b) avoiding, minimising and offsetting harm to the local and global environment – including through transport related emissions and pollutants and the loss of biodiversity

c) promoting forms of transport and the use of forms of energy and transport technologies which have the least impact on the natural environment

d) improving the environmental performance of all forms of transport and the forms of energy used in transport.

Integration of transport and land use

The transport system should provide for the effective integration of transport and land use and facilitate access to social and economic opportunities:

a) so as to improve accessibility and transport efficiency with a focus on:
   - i maximising access to residences, employment, markets, services and recreation
   - ii more effective planning and development of the transport system
   - iii reducing the need for private motorised transport and the extent of any travel, and
   - iv supporting better access and mobility at the local area level.

b) ensuring that the transport system and land use are aligned, complementary and supportive and ensure that:
   - i transport decisions are made having regard to the current and future impact on land use
   - ii land use decisions are made having regard to the current and future development and operation of the transport system
   - iii transport infrastructure and services are provided in a timely manner to support changing land use and associated transport demand.

c) improving the amenity of communities and minimising impacts of the transport system on adjacent land uses.

Efficiency, coordination and reliability

The transport system should facilitate network-wide efficient, coordinated and reliable movements of people and goods at all times including:

a) balancing efficiency across the network to optimise the journey times and network capacity for all forms of transport

b) maximising efficient use of resources including infrastructure, land, services and energy

c) facilitating integrated and seamless travel within and between different modes of transport

d) providing predictable and reliable services and journey times and minimise any inconvenience caused by disruptions to the transport system.

Safety, health and wellbeing

The transport system should be safe and support health and wellbeing by:

a) seeking to continually improve the safety performance of the system through:
   i safe transport infrastructure
   ii safe forms of transport
   iii safe transport system user behaviour
b) avoiding and minimising the risk of harm to persons arising from the transport system
c) promoting forms of transport and the use of forms of energy which have the greatest benefit for, and least negative impact on, health and wellbeing.

Decision-making principles

The following decision-making principles must be applied in the making of decisions relating to the planning, provision, management and use of the transport system.

The principle of integrated decision-making

Regard is to be given to integrated decision-making including:

a) the achievement of wider government policy objectives
b) the need for coordination between all levels of government and government agencies, and with the private sector.

The principle of triple bottom line assessment

Regard is to be given to all the economic, social and environmental costs and benefits taking into account externalities and value for money.

The principle of equity between people

Regard is to be given to equity:

a) between persons irrespective of
   i personal attributes including age, physical ability, ethnicity, culture or gender, or their financial situation
   ii location including growth, urban, regional, rural or remote areas
b) between generations by not compromising the ability of future generations to meet their own needs.

The principle of the transport system user perspective

Regard is to be given to the perspectives of transport system users so as to:

a) understand their requirements, including their information needs
b) enhance the useability of the transport system and the quality of their experiences of the transport system.

The precautionary principle

Regard is to be given to the precautionary principle which is that:

a) if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation
b) decision-making should be guided by:
   i a careful evaluation to avoid serious or irreversible damage to the environment wherever practicable; and
   ii an assessment of the risk-weighted consequences of various options.

The principle of stakeholder engagement and community participation

Regard is to be given to the views of stakeholders by:

a) taking into account the interests of stakeholders, including transport system users and members of the local community
b) adopting appropriate processes for stakeholder engagement.

The principle of transparency

Regard is to be given for transparent decision-making by giving members of the public access to reliable and relevant information in appropriate forms to facilitate a good understanding of transport issues and the process by which decisions in relation to the transport system are made.

3. Policy discussion






Each of the elements of the policy framework summarised in Section 2 – the vision, the objectives and the decision-making principles – is explained in greater detail below. In addition, summaries of the feedback arising from the stakeholder engagement process related to each point are included, giving an indication of the discussion that has led to the policy.

3.1 The vision for transport

Vision

Victoria aspires to have an integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible state.

What you told us

A number of stakeholders gave feedback on the way the overarching policy framework for the transport legislation should be structured. It was suggested that at the top level there should be an overall vision for transport in Victoria, under which the other objectives and principles should sit – the vision should be bold and enduring to guide transport over the next 20 or more years.

Explaining the vision

Achieving this vision will deliver a transport system[5] that:

- enables people to access social, economic and civic opportunities
- supports well planned and sustainable growth
- links Victorians locally, regionally, nationally and internationally, and
- responds effectively to the needs and challenges of current and future generations by providing options that are socially, economically and environmentally sustainable.

An integrated transport system is one that:

- complements and is complemented by land use
- provides for all modes of transport
- is coordinated within each mode and between modes so that goods and people move as seamlessly as possible from door to door
- coordinates activities within and between all levels of government in setting policy and planning for the provision and use of transport, and
- is accessible to the greatest number of people possible.

A sustainable transport system is one that:

- contributes to meeting the social and economic needs of the present generation without compromising the capacity for future generations to meet their own social and economic needs
- ensures the short-term and long-term protection of the environment, locally and globally
- promotes and provides for transport options with a smaller carbon footprint
- is safe and supports ongoing health and wellbeing, and
- provides for the future prosperity of Victoria.

3.2 Objectives for an integrated and sustainable transport system

The discussion paper, *Towards an integrated and sustainable future*, proposed eight overarching objectives for Victoria's transport legislation. Following stakeholder feedback and further analysis these objectives have been refined. The result is six objectives complemented by seven decision-making principles. Each of the objectives is considered in turn in the following pages, while the decision-making principles are outlined in the following Section 3.3.

Transport system objectives:

- social and economic inclusion
- economic prosperity
- environmental sustainability
- integration of transport and land use
- efficiency, coordination and reliability
- safety, health and wellbeing.

5 The transport system can be defined as comprising all of the physical, management and labour components necessary to move people and goods into, out of and throughout Victoria, whether by land, sea or air (see Appendix B for more detail).

Social and economic inclusion objective

The transport system should provide a means by which people can access social and economic opportunities to support individual and community wellbeing including:

a) minimising barriers to access so that, so far as is possible, the transport system is available to as many people as wish to use it

b) providing tailored infrastructure, services and support for people who find it difficult to use the transport system.

What you told us

Stakeholders agreed the transport legislation should recognise that the transport system plays a vital role in helping people in the community to reach:

- friends and family
- jobs
- health services and education institutions, and
- shops and recreation.

Victoria's changing demographics, stakeholders believe, are a significant factor influencing the planning, provision and operation of the transport system – particularly the growing and ageing population.

> *"Addressing major community social and health issues surrounding [an] ageing population…and its relevance to transport choices must be considered." (Submission 46)*

The capacity of people to use the transport system was identified as being just as important as the provision of infrastructure and services themselves. The useability of the system was seen as being more than just physical access; it also included affordability of travel and availability of information about the transport system.

> *"The accessibility of transport options is integral in facilitating the independence of people who are blind or vision impaired and can mean the difference between participating in activities and social exclusion." (Submission 28)*

According to stakeholders, the capacity of people, communities and organisations to participate in social and economic opportunities has a significant bearing on wellbeing. Travel, whether by private or public means, is therefore an important factor in participation.

Explaining the policy

Accessing social and economic opportunities

The transport system needs to connect people to all the things they need to access – friends, family, recreation, jobs, shops, education and services.

This objective underpins a large proportion of what the transport system seeks to achieve and provides much of the practical motivation for policy, project and operational decision-making. The road network, footpaths, cycling links and the public transport system all enable people to access opportunities.

Over time, the aim is to improve the connections to where people want to go and respond to new needs. Increasing the range of places that people can access – in a reasonable time – increases people's social and economic opportunities.

The transport system is continuously extended, enhanced and augmented to meet changing and growing travel demands. Bus services are reviewed to take into account changing patterns of where people need to go. Taxi licences are provided to respond to increasing demands for services. New or improved roads and bicycle paths are provided to reflect where people have a desire to travel.

Supporting access to opportunities is a particular challenge in regional and rural areas where the population tends to be more geographically dispersed than in urban areas.

This objective complements other objectives and principles in the policy framework. For example, in seeking to achieve a transport system which is better integrated with land use, more efficient and more equitable, more people will be able to access social and economic opportunities in a reasonable time.

Case Study: Improving access to growth areas

Outer urban areas of metropolitan Melbourne have historically had fewer transport choices. However, rapid population growth in a number of outer areas has brought forward the need for improved public transport access to link the residential areas with employment, social and educational opportunities.

A number of projects in *The Victorian Transport Plan* aim to better integrate transport with the growing population in these areas. Introducing new train lines, electrifying existing lines, improving outer suburban arterial roads and adding new stations improves the ability of people in growth areas to access opportunities.

In addition to providing access for the community generally, an important part of planning and delivering a transport system is to give particular consideration to the needs of people who have difficulty using the transport system.

Barriers to using the transport system

The capacity of people to use the transport system is affected by a combination of transport system and personal characteristics. The transport system must take into account and seek to accommodate the circumstances of Victoria's diverse population – now and in the future. This includes consideration of:

- physical, visual, auditory, cognitive and language abilities
- people who have limited income
- attitudes about travel choice, for example perceptions about safety and security, and
- age, family circumstances and geographic location.

The design of many aspects of the transport system needs to support different levels of physical ability. As many transport investments – such as new trains and trams – span time frames of 20 to 30 years, consideration of the access needs of Victoria's future population is critical. Investments in road, rail and other transport infrastructure, once in place, also impact over long time frames.

Affordability can be a barrier to use of the transport system and, consequently, affects social and economic inclusion. Reduced car registration costs for various concession card holders aim to make transport more affordable. Encouraging car pooling, car sharing and cycling may also assist people to find more cost effective methods of travel.

Many other examples demonstrate how various types of barriers can be reduced: crossings, signage and lower speed limits support young people getting to school safely; lighting, urban design and well defined walking and cycling paths help overcome concerns about safety; and providing transport, including multilingual information where needed, helps people access services.

The nature of barriers to use of the transport system changes with shifts in the population's demographic profile – including age and socio-economic factors. The community's expectations and perceptions – for example, in relation to comfort and safety – change over time, often in response to broader societal changes in attitudes and values. Anticipating and responding to new requirements, such as those of an ageing population, is important for maintaining and improving the accessibility of the transport system.

The greatest public value arises when as many people as possible are able to use the transport system. Making the transport system accessible to as many people as possible is an important enabler for pursuing a socially inclusive society.

Case Study: Removing barriers to the transport system

Public transport services in Victoria are progressively being made more accessible to all people including those who are physically disabled, mothers with prams and small children, people with hearing or vision restrictions, people from non-English speaking backgrounds and people on low incomes. A number of programs and initiatives are underway to achieve this goal, with most of these included in the *Accessible Public Transport in Victoria Action Plan* 2006-12. For example:

- accessible railway stations, new lifts, accessible toilets and tactile ground surface indicators
- accessible tram stops (super-stops)
- low-floor buses and trams, and
- concession fare eligibility for many students, pensioners, senior, veterans/war widows and Health Care Card holders.

Tailored transport solutions

It is not possible for the general transport system to meet all specific accessibility needs of all people. Even with improved accessibility, public transport is not a viable option for some because of significant barriers to use, such as people in remote locations and the very frail elderly. In these situations a tailored transport response is needed. This approach is likely to be fairer by being more appropriate to the needs of these people as well as more operationally effective and financially efficient.

Tailored solutions which seek to address barriers to travel may be provided through the transport portfolio and also through other areas of government. For example, the Multi-Purpose Taxi Program, provided through the transport portfolio, provides subsidised fare taxi travel to people with an eligible severe and permanent disability, in recognition of the difficulties they face in using other forms of transport.

In some locations where students are unable to get to free school buses, the education portfolio assists students to access schools by providing a conveyance allowance to assist with travel costs. Allowances are available for public transport, private car and private bus.[6]

Case Study: Transport Connections Program

Lack of transport is consistently rated by rural and regional communities as one of the most significant barriers to accessing employment and community services including health, leisure and recreational activities, apprenticeships, training and education.

The Transport Connections Program was established as a pilot in 2003 with nine projects across Victoria. It was expanded in 2006 to 32 projects providing coverage of all rural, regional and metropolitan fringe municipalities, and expanded again in *The Victorian Transport Plan.*

The program funds project coordinators to work with their local communities and transport service providers to: identify ways to better use existing private, public and community transport resources; help communities set up working groups; and develop locally responsive transport initiatives.

Economic prosperity objective

The transport system should facilitate economic prosperity by:

a) enabling efficient and effective access for persons and goods to employment, markets and services
b) increasing efficiency through reducing costs and improving timeliness
c) fostering competition by opening up markets
d) promoting investment in Victoria
e) supporting financial sustainability.

6 For more information, see the Department of Education and Early Childhood Development website www.education.vic.gov.au

What you told us

Many stakeholders thought that an objective acknowledging transport's role in supporting Victoria's economy was 'critical' and 'essential'. Transport is understood to play a fundamental role in business viability and in domestic and international competitiveness. Supporting economic development was considered vital for Victoria, including rural and regional areas.

> *"Freight efficiency is a major concern for the economy of the Goulburn Valley as 22% of all businesses are in the agricultural sector...efficient transport links along the whole supply-chain will support economic growth in the Shepparton region." (Submission 70)*

The need to support the key role of freight operations in our economy – specifically the efficient movement of freight and effective links to key land uses, airport, sea ports and other states – was cited by stakeholders as being critically important to economic prosperity. In addition, stakeholders believed the link between economic prosperity and transport also incorporated access to jobs, education, health, shopping and other key services.

Another strong message from stakeholders was that the terms 'prosperity' or 'sustainability' should be used in framing an economic objective for the transport system rather than 'growth'.

Explaining the policy

Supporting economic activity

Transport has a key impact on all sectors of the economy, including agriculture, mining, manufacturing, wholesale and retail, and service industries. It enables the movement of freight to market, people to jobs as well as services, and other trips required to run a business. The efficiency with which people and freight are moved makes an important contribution to the performance and competitiveness of the economy.

Victoria's road network underpins a range of economic activities, including the movement of on-road public transport and freight, while the state's rail and port infrastructure also supports freight movements.

Public transport supports the economy by carrying commuters to workplaces, students to educational institutions, and consumers and tourists to retail outlets and other places of interest. Walking and cycling links not only provide a means to directly access jobs and services, but also important connections to public transport.

Victoria's airports have a key role in personal and business travel as well as the transportation of time critical, high-value freight such as specialised electronic equipment and perishable goods such as fresh fish and flowers.

The transport system also has a role in encouraging land use forms which support economic prosperity. There is considerable evidence about the productivity benefits of clustering economic activities into areas that are densely populated and have existing activity[7] – for example, the Melbourne CBD, clusters of higher education and research facilities, freight activity centres, and the employment corridors and Central Activities Districts outlined in *The Victorian Transport Plan*. Efficiency is created by locating economic activities in these centres, close to other businesses and services, and with high levels of access to skilled labour.

For the benefits of these forms of land use to be realised, it is important that efficient mass transit provides access for daily working populations to these major activity centres, along with walking and cycling links and efficient freight access. For example, as it becomes more difficult to accommodate more activity in the centre of Melbourne due to the associated travel generated, the transport system needs to adapt to more efficient ways of creating capacity to enable increasing activity.

7 For example, agglomeration benefits are highlighted in, *The Eddington Transport Study, The case for action: Sir Rod Eddington's advice to Government*, Department for Transport, UK, 2006.

Increasing the efficiency of access to markets for goods and services

Transportation of goods involves the movement of inputs as part of the production process (that is from raw materials through all stages of production). The capacity to move goods efficiently, seamlessly and sustainably around Victoria makes a significant contribution to the prosperity and liveability of our state. As populations grow so does the delivery of products to consumers both within Australia and overseas; as the economy grows, so does the size of the freight task, placing added pressure on existing infrastructure and systems.

A feature of Victoria's freight network is that nearly all of it is a shared network, mixing heavy and service vehicles with private vehicles on our freeways and roads as well as trams and buses on our arterial roads, and freight trains with passenger trains on the heavy rail system. Managing competing demands on the transport system between different types of journeys is a key task.

Case Study: *Freight Futures*

In December 2008, the Victorian Government released *Freight Futures* – its long-term strategy to shape an efficient and sustainable freight network for Victoria that supports the prosperity and liveability of the state.

Freight Futures provides the blueprint for a secure and properly planned freight infrastructure network to support the government's vision for Victoria, which includes a growing economy and population, growing productivity and regions, and building sustainable communities.

The strategy responds to the many factors that are driving changes in patterns of supply and demand. It provides industry with long term security through a clear statement of what the principal freight network is now and in the future, and a more predictable policy and regulatory environment.

The efficient movement of freight and commercial traffic through the inner urban areas of Melbourne, particularly to and from the Port of Melbourne, is essential for Victoria's continued economic growth and prosperity. Melbourne has a substantial share of Australia's international sea-trade, freight distribution from national warehouses and consolidation of exports from hinterland producers. All sea-based containerised freight passes through the ports as exports, as imports for domestic consumption, or for redistribution. Regional sea ports play an important role in the export of minerals, bulk products and agricultural commodities, and rail is set to play an increasing role in the transportation of freight with the introduction of freight terminals in metropolitan and regional areas.

High quality connections between roads, railways and ports also assist freight efficiency, as does improved planning of transport and land use in an integrated way.

Case Study: Port land use plans

The Victorian Government is in the final stages of reviewing the port development plans for Victoria's four commercial ports. These plans were developed in response to the *Victorian Ports Strategic Framework*, which identified a need for long term, sustainable and integrated planning for future growth of the state's ports.

The government plans to release these strategies in 2009, along with *Port Futures* – an update of current policy and governance settings for ports.

Increasing the efficiency of labour markets

The transport system has a role in getting individuals to their jobs. It also needs to be planned and delivered in a way that maximises ongoing access between job locations and to labour markets more broadly.

Efficient and effective transport systems assist in maintaining large labour markets, particularly for major centres for employment. Inefficient transport systems add to the costs (time, fuel, etc) of reaching employment centres, effectively shrinking the labour market for those locations. As economic activity changes, the transport system needs to provide flexibility for people to travel easily to places where new and growing economic activity is located.

Reducing costs and increasing competitiveness

Transport improvements that deliver time savings, reduce energy usage and improve journey reliability contribute to gross domestic product by reducing costs. For businesses, these time, energy and reliability improvements can assist in expanding operations, accessing new markets further afield (domestically and internationally), and gaining competitive advantage through lower prices or reaching markets for time-sensitive goods before competitors.

Economic costs of congestion

The Victorian Competition and Efficiency Commission estimates that the current economic costs of congestion amount to up to $2.6 billion per year, and this figure could at least double within the next 15 years if measures to manage congestion are not put in place.

From *Making the right choices: Options for managing transport congestion*, Final Report, September 2006.

Efficient and effective transport systems can also enable businesses from different locations to compete in the same market for the same customers. This competition provides customers with potential access to a greater range of goods and suppliers to choose from, and is also likely to lower costs for some goods where businesses compete for market share.

Attracting investment

The availability of high-quality infrastructure and connections between markets and businesses and to sea and air ports are key criteria for the location of many industries. Businesses also consider it important that employees can travel with relative ease to work and during the course of their working days, and have good access to cultural and sporting events and quality educational institutions. They know that this helps attract a quality labour market.

A city's liveability is an important factor in attracting investment, skills, tourists and major events. Transport is a central component of liveability; it affects a city's amenity as well as its economic productivity and international competitiveness. Major corporations view the quality of the transport services available in cities as important factors in determining the location of their investments.

The Victorian Competition and Efficiency Commission, in its report on liveability released in April 2009, notes that:

> *The quality of transport systems contributes to the liveability and competitiveness of places directly, as it facilitates meeting the travel and freight needs of individuals and businesses for work and leisure purposes*[8].

Financial sustainability

Transport decisions must have regard for the financial sustainability of the transport system and the state. The delivery and operation of the transport system involves investment in infrastructure and services, and ongoing operating costs. Decisions that do not take account of long term financial implications put at risk government's ability to continue to invest in the transport system.

8 Victorian Competition and Efficiency Commission, *A State of Liveability: An Inquiry into Enhancing Victoria's Liveability*, Final Report, October 2008.

Environmental sustainability objective

The transport system should actively contribute to environmental sustainability by:

a) protecting, conserving and improving the natural environment

b) avoiding, minimising and offsetting harm (including through transport related emissions and pollutants and the loss of biodiversity) to the local and global environment

c) promoting forms of transport and the use of forms of energy and transport technologies which have the least impact on the natural environment, and

d) improving the environmental performance of all forms of transport and the forms of energy used in transport.

What you told us

Stakeholders strongly supported the inclusion of an objective supporting good environmental outcomes. It was said variously to be 'the number one objective', 'major', 'high order' and 'a key driver'.

An environmental objective, stakeholders said, had potential to underpin better land use planning, reduce car dependency and encourage more sustainable transport modes such as public transport, cycling and walking. Stakeholders also thought there was scope for this objective to support improved energy efficiency, cleaner fuels and technology, reduced impacts on biodiversity and reduced health impacts from air pollution and noise.

Some stakeholders said that efficient processes should support the application of an environmental objective, given the potential for timing and cost impacts for project delivery.

> *"The legislation should develop streamlined and timely systems and processes to assess the impact of projects at planning and delivery stages." (Submission 68)*

Explaining the policy

The relationship between transport and the environment

Transport is essential to the economic and social life of our communities. However, significant impacts on the environment can result from where transport infrastructure is located, the amount of travel undertaken, the modes of transport used, how infrastructure is built, the types of fuel used and the level of vehicle technology in use.

One of the most significant transport impacts on the environment is through emissions of greenhouse gases and air pollutants. In Victoria the transport sector is the second largest greenhouse gas emitter, accounting for about 16 per cent of total emissions in 2007[9]. Road transport – including private motor vehicles, light commercial vehicles, heavy trucks, buses and motorcycles – is the largest contributor, with over 91 per cent of transport emissions or nearly 15 per cent of the total Victorian emissions[10]. With growth in population and travel demand, greenhouse gas emissions from the transport sector are projected to increase in the future unless changes are made[11].

All forms of transport powered by combustion of fossil fuels are sources of air pollution. Motor vehicles are a major contributor to urban air pollution. In Melbourne, motor vehicle emissions comprise 80 per cent of carbon monoxide emissions, 60 per cent of nitrogen oxides, 40 per cent of volatile organic compounds and 30 per cent of particulate matter[12]. Reducing emissions from transport is important in responding to the challenge of climate change and improving air quality.

Our transport activities also place pressure on Victoria's natural land and water ecosystems, including the grasslands, forests and wetlands. The clearing of land for transport corridors, construction of transport infrastructure and operation of the transport system can result in loss of biodiversity. The planning, construction and use of the transport system can disrupt the habitats of native plants and animals, and change the natural flow and quality of water. Responsible and sustainable management of our natural environment whilst undertaking our transport activities is vital for protecting our biodiversity.

9 Department of Climate Change, *State and Territory Greenhouse Inventories 2007*, Australian Government, 2009. Under the Department of Climate Change's definition, 'transport' includes emissions from air, road, rail and shipping. Emissions produced in generating electricity for metropolitan train and tram networks are included under 'stationary energy' and are estimated to be around 500 kilotonnes per year.

10 Department of Climate Change, *State and Territory Greenhouse Inventories 2007*, Australian Government, 2009.

11 Nous Group, *Greenhouse gas emissions abatement potential of The Victorian Transport Plan*, 2008.

12 Environmental Protection Agency website: www.epa.vic.gov.au/air/vehicle_emissions.asp

Transport infrastructure comprises a large portion of our built form. The way it is designed, built and operated needs to have regard for sustainable practices, for example, in terms of materials, energy and water usage.

The impacts of climate change also have effects for the development and operation of the transport system – for example, changed weather conditions may have impacts for the maintenance of transport infrastructure.

Protecting, conserving and improving

Ensuring that the transport system actively contributes to environmental sustainability is a major challenge. Government has a significant role to play in supporting households, communities, business, industry and its own activities to protect the environment from the negative impacts. Strategies for planning, building and operating a sustainable transport system include:

- reducing the extent of travel and need for private motorised transport
- shifting to modes with the lowest environmental impact
- making each mode as environmentally sustainable as possible, and
- building and maintaining transport infrastructure in a sustainable way.

Minimising harm by reducing the extent of travel and need for private motorised transport

More effective land use and transport planning plays a key role in influencing the level of travel demand generated and the resultant level of emissions – for individuals' travel as well as the efficiency of freight travel. Developing and implementing more efficient layout of our urban areas will reduce the environmental impact of our transport activities. Ensuring people have a range of transport choices will reduce reliance on a single transport option and enhance the liveability of our communities.

Supporting integrated urban and transport planning which encourages higher densities of activity in close proximity to existing public transport routes and the bicycle network will reduce the need and extent of travel by car. Planning future public transport and bicycle network expansions in areas which support a dense level of activities will also reduce fuel consumption, greenhouse gas emissions and air pollutants. Consolidating freight, industrial and manufacturing activities will reduce the extent of travel between sites for production and distribution.

Promoting forms of transport with the lowest environmental impact

Changing travel from emissions intensive modes – such as single occupant cars, to public transport – car pooling, walking and cycling will reduce environmental impacts without reducing access to economic and social opportunities. Walking and cycling have the lowest environmental impacts, producing no air pollutants or greenhouse gas emissions. With approximately 60 per cent of journeys being less than five kilometres, there is significant potential to improve the share of walking and cycling for local journeys[13].

Promoting travel planning and behaviour change programs in businesses, schools and communities provides households with the tools to make transport choices which have lower environmental impacts. Planning and providing for low emission modes in the transport network is a significant area for innovation – for example, providing signalling and allocating sufficient road space for public transport priority, cycling lanes and pedestrian access can encourage uptake of these modes.

13 Department of Transport, *Victorian Cycling Strategy*, March 2009, p. 17.

Case Study: Walking and cycling

More Victorians are choosing walking and cycling for local and commuter journeys. Between 2001 and 2006 the number of people cycling to work increased by 63 per cent within the City of Melbourne and its nine surrounding municipalities. It is estimated that up to 15,000 more commuters could be encouraged to walk or cycle to destinations in the inner Melbourne area, which is equivalent to 12,000 cars, 110 trams or 19 trains.

The government recognises the substantial social and environmental benefits of these modes and is committed to further increasing the numbers of people who walk and cycle. *The Victorian Transport Plan* committed $115 million to increase safety and connectivity of walking and cycling paths, support a public bike hire scheme and enhance rail trails.

The government also released *The Victorian Cycling Strategy* in March 2009, which sets out a 12-year blueprint to promote cycling as a safe, appealing, mainstream transport choice for a large number of trips among a wide range of people. The strategy is based on five strategic directions: build networks to connect communities; promote and encourage a culture of cycling; reduce conflicts and risks for cyclists; integrate cycling with public transport; and integrate cycling needs with land use planning and the built environment.

Improving the environmental performance of each mode

Improving the fuel efficiency of our road vehicles and our public transport system will be vital for minimising our impact on the environment. Whilst public transport produces fewer greenhouse gas emissions than cars on average, there is still room for improvement.

Support for research, development and deployment of new technology which enhances the environmental performance of our transport system is vital for reducing our emissions. The greenhouse performance of our metropolitan train and tram network can be improved by sourcing forms of renewable energy which become available. The technical knowledge exists to reduce the greenhouse intensity of road vehicles by at least 30 per cent. Over time, an increasing number of cars are expected to be powered by lower carbon forms of energy.

The uptake of more efficient vehicle and fuel technologies can be supported by developing, implementing and monitoring standards for energy efficiency improvements in vehicles. Direct intervention through regulation of vehicle emissions and pollution standards can send a powerful message to the community about preventing harm to the environment. Improving information about costs and benefits, and addressing barriers to adopting more environmentally efficient forms of transport, is also important in helping individuals and organisations to make fully informed decisions.

Case Study: Electric vehicle trials

Starting in 2009-2010, electric vehicle demonstration trials are being delivered in partnership with local governments and industry, over a period of five years. Data on usage (including recharging) will be collected regarding the operation of a number of electric vehicles in real-world conditions, with the aim of enhancing the understanding of the infrastructure required and potential constraints to the successful operation of electric vehicles.

Case Study: Hybrid electric buses

In 2009, the government has started to trial new hybrid electric bus technology on Melbourne's streets, with a view to incorporating the technology into the bus fleet in the future. Hybrid electric buses can reduce greenhouse gas emissions by about 20 per cent compared to current model diesel buses.

Minimising harm and improving environmental outcomes – building transport infrastructure in a sustainable way

Infrastructure construction and use potentially impacts on natural habitats and biodiversity. Protecting native flora and fauna and habitats during the provision, management and use of the transport system is central to minimising harm. Making sustainable use of our natural resources today will ensure future generations will also have the opportunity to enjoy comparable levels of prosperity.

Case Study: Green tram depots

Yarra Trams has implemented the Green Depot program at four tram depots in Melbourne - East Preston, Malvern, Glenhuntly and most recently, Brunswick. Substantial savings in energy and water have been achieved through integrating eco-efficient and sustainable operating facilities. All of these new initiatives use the best available environmentally efficient technology.

Construction activity can place fragile ecosystems at risk, while the resulting infrastructure potentially divides vulnerable populations or exposes them to greater risk of invasion by foreign species.

Ecological connectivity is also important in maintaining and improving the resilience of biodiversity in the face of challenges such as climate change. Sustainable management of transport corridors, including roadsides and rail land assets, can make a valuable contribution to improving these connections through interventions that protect, restore and reconnect fundamental ecosystem processes across landscapes.

Case Study: VicRoads' commitment to biodiversity improvement

VicRoads' *Environment Strategy* identifies that improved management of environmental assets on the land it manages will lead to positive outcomes for the environment and also assist in meeting its net gain requirements.

Net gain is achieved where overall gains in native vegetation are greater than overall losses and where individual losses are avoided where possible. This recognises that although it is better to retain existing native vegetation, it is possible to partially recover both amount and quality by active work and therefore improve the result as a whole. Net gain will be achieved as a result of landholder and government-assisted efforts to protect and improve native vegetation.

VicRoads is committed to:

- adopting the three-step approach – avoid, minimise, offset impacts on native vegetation
- identifying opportunities to enhance the habitat values in its network for banking as offsets for future projects, and
- avoiding, where possible, areas of significant vegetation as it develops the road network.

VicRoads has developed the *Biodiversity Guidelines*[14] to assist staff in the assessment and management of biodiversity in relation to planning, design, construction and management of the road network.

Water quality and quantity, and aquatic eco-systems, can be affected by the transport network as well. The planning, construction and use of transport infrastructure needs to take into account the impact on the flow of surface and ground water, the level of water run-off and the level of pollutants potentially flowing into the water system. Water harvested from transport infrastructure can also be used for other purposes.

14 VicRoads, *Biodiversity Guidelines, 2005*, available at www.vicroads.vic.gov.au

Case Study: Water sensitive road design

VicRoads has developed publicly available *Water Sensitive Road Design Guidelines* to assist staff and contractors to assess, select and design appropriate projects. The presence of contaminants such as particulate matter, petroleum and rubber-based products in storm water run-off from roads can pollute waterways and damage aquatic ecosystems. Water-sensitive road design involves managing storm water run-off through constructed devices, such as swales and biofiltration systems, which improve the quality of storm water before it reaches our bays and waterways.

The objective of environmental sustainability is complemented by a number of the other proposed objectives and principles proposed in this policy statement:

- The objective of 'integration of transport and land use' supports maximising the efficiency of the transport system and reducing the need for and extent of travel.
- The objective of 'efficiency, coordination and reliability' supports high efficiency forms of transport and transport energy.
- The principle of 'integrated decision-making' supports the transport portfolio incorporating environmental considerations and requirements into decisions.
- The principle of 'triple bottom line assessment' supports the evaluation of environmental costs and benefits as a key pillar supporting decision-making.

The precautionary principle in this framework, also supports taking action today to prevent environmental damage and degradation. Recognising that we do not have all the answers to these environment challenges now, should not limit the actions we take today or the frameworks we put in place for the future. Demonstrating leadership and implementing innovative solutions will help us all face a carbon constrained future and address the environmental challenges arising from the impacts of transport.

Integration of transport and land use objective

The transport system should provide for the effective integration of transport and land use and facilitate access to social and economic opportunities:

a) so as to improve accessibility and transport efficiency with a focus on:
   - i maximising access to residences, employment, markets, services and recreation
   - ii more effective planning and development of the transport system
   - iii reducing the need for private motorised transport and the extent of any travel, and
   - iv supporting better access and mobility at the local area level

b) ensuring that the transport system and land use are aligned, complementary and supportive and ensure that:
   - i transport decisions are made having regard to the current and future impact on land use
   - ii land use decisions are made having regard to the current and future development and operation of the transport system
   - iii transport infrastructure and services are provided in a timely manner to support changing land use and associated transport demand.

c) improving the amenity of communities and minimising impacts of the transport system on adjacent land uses.

What you told us

Ensuring greater integration of transport and land use was a strong focus of the stakeholder feedback. Many stakeholders thought that transport should support land use policy, such as *Melbourne 2030*. One stakeholder suggested that:

> *"All decisions must consider all modes, and be clearly integrated with land use, both in response to land use but also as a means of directing and influencing land use." (Submission 71)*

It was noted that land use and transport integration assists the transport system to provide effective access to markets and services, and that the degree of integration achieved influences economic, social and environmental outcomes. Integration is seen as being particularly important for freight and public transport.

Stakeholders felt that the transport system can have both positive and negative impacts on amenity. The creation of appealing public spaces in conjunction with the transport system or the provision of walking and cycling paths improve the liveability of communities. Potential negative impacts include noise and pollution from high volumes of traffic including heavy freight and ugly or imposing structures.

Explaining the policy

Effective transport and land use integration

Land use and transport are interdependent. Land use decisions determine existing and future transport needs – for example, residential densities and commercial developments in particular locations affect the levels of travel to and from those locations. Land use patterns can be altered by transport decisions – for example, building new transport infrastructure or providing new services may increase demand for housing or commercial development in particular areas. Together, transport and land use decisions have a major influence on the development of cities and regions.

Case Study: *The Victorian Transport Plan* and *Melbourne @ 5 million*

The government has demonstrated the importance of transport and land use integration through the simultaneous development of *The Victorian Transport Plan* and *Melbourne @ 5 Million*. The latter updates *Melbourne 2030*, providing a refined settlement structure for the city in response to new population and household projections.

This concurrent process ensured the implications of decisions for both transport and land use were understood and the resulting policies were integrated.

The Victorian Transport Plan seeks not only to provide transport improvements but also to help build liveable and sustainable communities across Victoria. It aims to support effective land use by directing growth through the provision of major new transport infrastructure and other transport investments.

The design of the transport system and the urban form and regional environment affect the overall demand for travel and types of transport – the proportion of trips by car, public transport, walking and cycling and the proportion of freight trips by road and rail, as well as the distances these people and goods need to travel. In turn, this impacts on the efficiency and costs of transport infrastructure and services.

Land use, accessibility and efficiency

Dispersed, low density cities tend to reduce transport options and increase the reliance on private vehicles for dispersed trips. There are opportunities to promote land uses that increase the use of high efficiency modes of transport. Encouraging greater residential development close to transport hubs improves transport choices. By planning and promoting the growth of jobs and housing in activity centres outside of the CBD, shorter trips are encouraged and pressure on transport connections into the centre can be reduced. This approach to land use planning helps to achieve optimal transport patterns.

Case Study: Central Activities Districts

Victoria has a history of policy encouraging development in activity centres. One of the major outputs from *The Victorian Transport Plan* and *Melbourne @ 5 Million* focuses this policy approach on the development of six Central Activities Districts (CADs) – Footscray, Broadmeadows, Box Hill, Ringwood, Dandenong and Frankston. The CADs are part of a plan to develop a more sustainable polycentric city – that is, moving from one centre (the CBD) to multiple centres.

A polycentric city will reduce congestion and enable people to spend less time travelling by providing significant jobs and other services in multiple centres. This enables more local access to opportunities. CADs will be connected to the Principal Public Transport Network to efficiently link them to the CBD and other key destinations.

The government is supporting CADs through a range of measures including better infrastructure, coordinated planning, improved transport access and development facilitation. The growth of these centres will spread demand across the transport system and consequently take pressure off the growth of daily traffic flow to the CBD.

Travel demand arises from the travel to work as well as social services such as hospitals and schools. The greater the extent to which residential areas are self contained, the more travel can be reduced. Having a large number of jobs and social services in a particular community will reduce the travel burden on that community. Rationalisation or consolidation of services tends to increase the need to travel longer distances. Decisions resulting in the most effective outcomes are likely where governments give explicit consideration to trade-offs across different policy objectives.

The lay-out of the urban environment has a significant impact on the efficiency of the operation of the transport system, as do the land use planning and transport systems that help to shape it. A successful transport system relies on optimal arrangements of the location of activities and populations, so that they can be linked by a high quality transport system. Land use planning that encourages high volumes of people or goods to travel to or between specific locations increases the ability of the transport system to provide efficient access – particularly for public transport and freight. When there are effective catchments of people around activity centres, transport hubs and areas with jobs, this enables efficient transport to and between these centres.

Encouraging population growth and development in ways which support existing transport facilities and services, and better utilise the existing capacity of the transport system, can reduce the need for and cost of further transport infrastructure and services. Locating freight-generating activities near freight routes, corridors and terminals lowers transport costs for businesses by reducing travel times and increasing reliability. Transport system efficiency created in this way has clear economic benefits.

Transport supporting efficient land use

The transport system has a role supporting the optimal land use patterns. It needs to be provided in a way that links activity centres, ports, airports, agriculture centres, manufacturing centres, logistics hubs and national transport routes, including interstate road and rail. Provision of new transport infrastructure and services should guide development in efficient ways.

The transport system needs to link major origins and destinations with high capacity transport corridors. These corridors should provide efficient, reliable and high volume movement of people to labour markets, and goods to local, interstate and international markets. In addition the transport system has a significant role in providing connections between and within activity centres – which is important for promoting sustainable modes such as public transport, walking and cycling.

The geographical concentration of economic activity, such as in a city or a business cluster, provides benefits by reducing trade transaction costs, including transport costs. However, the ability of these centres to continue growing depends on how well the transport system caters for increasing demands. Those delivering the transport system need to strive for greater efficiency to support these clusters of activity and reduce associated costs, for example, congestion.

Other land uses which generate significant numbers of trips moving people and goods include airports and freight hubs – the transport system needs to integrate with these locations to support their functions.

Transport and land use that is aligned, complementary and supportive

Land use and transport integration is a complex activity involving a wide range of bodies and organisations from the public and private sectors.

Due to the interdependencies between land use and transport, effective integration demands coordinated effort across the transport and planning portfolios. Integrated planning is required to ensure when either land use or transport decisions are made, there is consideration of the impact of one on the other.

Integrated planning is a process to identify current and future access needs – for people, places, goods and services – and to inform decision-makers about ways to manage the transport system and land use to best address these needs. This process results in better geographic relationships between people and goods, and the destinations they need to reach, leading to improved access and more efficient transport trips.

The National Charter of Integrated Land Use and Transport Planning[15] lists the benefits of effective integration of land use and transport planning. These include:

- reducing the need to travel
- reducing the length of journeys
- making it safer and easier for people to access services
- reducing the impact of transport on communities
- improving freight access to key terminals and freight flows
- providing for the efficient distribution of goods and services to business and community
- providing a choice of travel modes, and
- ensuring flexibility to meet the demands of a changing economy and market environments.

Integration must occur at all levels of decision-making, from the planning and provision of transport corridors to addressing how people access bus stops on roads near residential developments.

Case Study: The Director of Public Transport as a referral authority

The Director of Public Transport is a referral authority under the *Planning and Environment Act* 1987 for major residential, retail, commercial, office and industrial developments. This means that responsible authorities – generally local councils – must refer certain planning applications to the Director to assist integrating land use and transport planning.

Through the role of referral authority, the Director ensures that proposals better integrate with public transport as well as walking and cycling facilities in metropolitan Melbourne and regional Victoria.

Referrals are received from throughout Victoria, although the majority of referrals relate to central Melbourne, activity centres and Melbourne's growth areas.

continued...

The Department of Transport has released *Public Transport Guidelines for Land Use and Development*. These guidelines set general requirements for transport planning and design processes to ensure public transport is incorporated in new land use developments. They aim to assist decision-making at a state and local government level, on statutory and strategic planning proposals for land use developments that affect public transport planning and delivery. They also provide technical details such as design requirements for incorporating buses, trams, trains or interchanges between transport modes in new developments.

Integrated planning must also be followed by timely implementation, otherwise planning will not necessarily lead to well integrated outcomes. Successful implementation includes monitoring and responding to any changes in conditions, such as the behaviour of markets, and monitoring the timely delivery of transport and other infrastructure.

Integration supports social, economic and environmental outcomes

Effective integration of land use and transport is a key step in achieving many of the objectives and principles outlined in this paper. It supports social and economic inclusion by facilitating better access to economic and social opportunities. It also supports objectives related to efficiency, reliability and prosperity.

The right relationships between land use and the transport system assist in improving efficiency of the system, reducing travel distances, managing travel demand and reducing travel costs, which is particularly important for freight operators. In addition, the capital and ongoing cost of transport infrastructure and services are reduced with a more efficient transport network.

Integration which results in reduced travel and increased use of efficient forms of transport reduces emissions, supporting the objective of environmental sustainability[16].

15 Australian Transport Council, *National Charter of Integrated Land Use and Transport Planning,* 2003.

16 For further discussion of the impacts of urban form on the environment in relation to greenhouse gas emissions see: G. Alford and J. Whiteman, Transport Policy Analysis and Research Unit, Department of Transport, *Macro-Urban Form, Transport Energy Use and Greenhouse Gas Emissions: An investigation for Melbourne*, February 2009.

Case Study: Decentralised freight activity

The Port of Melbourne precinct is currently the focus of a large proportion of freight-related truck movements. With trade forecast to increase from two million containers today to approximately eight million containers around 2035, this focus on the port is unsustainable.

It will be necessary to progressively decentralise freight activities and move non port-related freight away from the port precinct. To achieve this, the government is developing a network of consolidated locations for freight activity. This will support more efficient movement of freight and, over time help to shift more freight on to rail.

The first step in this process will be the development of a new interstate, intermodal freight terminal, such as the new terminal proposed in *The VTP* at Donnybrook/Beveridge in outer northern Melbourne, which is located close to the Hume Highway and on the existing rail line. This terminal would enable interstate domestic freight, which currently travels through the metropolitan area to the port area, to terminate at Donnybrook/Beveridge for distribution throughout Melbourne.

Amenity and impacts on adjacent land uses

Land use and transport integration makes a positive contribution to communities by contributing to their amenity, liveability and social cohesion. In particular, consideration must be given to the contribution of the transport system to the quality of the built environment and the vitality of activity centres.

While 'amenity' is a subjective term and will mean different things in different situations, it generally refers to the pleasantness of the places we occupy.

Transport infrastructure such as roads, bridges and stations are a significant component of the built environment. Even trains, trams and buses are elements of our visual landscape. In addition to its primary function, the transport system plays a role in the aesthetics and feel of our communities.

Well-designed infrastructure can contribute to a stimulating and engaging public realm, while poor design may result in visual blight. Amenity can be enhanced when the design of elements of the transport system complements its surroundings and the heritage of an area. A landscaped gateway on a road leading into a regional town, architectural features on a freeway and restoration of a heritage train station are examples of transport infrastructure contributing to amenity. On the largest scale, transport infrastructure can be iconic – for instance the West Gate Bridge and Southern Cross Station.

The high quality of life enjoyed in Melbourne and across Victoria is widely recognised. The transport system can aid community vitality – for example, where pedestrian friendly environments are created in many of Melbourne's great retail precincts. In this way, the transport system can encourage people to engage with their community.

The transport system contributes to the quality of streetscapes. This happens through its physical elements as well as by encouraging people to be active in the local area.

Good transport planning assists in avoiding the segregation of communities. It also minimises the negative impacts of the transport system on surrounding areas, such as noise and pollution, and minimises impacts on existing land uses.

Efficiency, coordination and reliability objective

The transport system should facilitate network-wide efficient, coordinated and reliable movements of persons and goods at all times including:

a) balancing efficiency across the network to optimise the journey times and network capacity for all forms of transport

b) maximising efficient use of resources including infrastructure, land, services and energy

c) facilitating integrated and seamless travel within and between different modes of transport

d) providing predictable and reliable services and journey times and minimise any inconvenience caused by disruptions to the transport system.

What you told us

The overall effectiveness of the transport system is seen by stakeholders as dependent on efficiency, coordination and reliability.

Stakeholders suggested that the aim of an efficient, coordinated and reliable transport system should include the pursuit of connected journeys across modes.

Stakeholder definitions of 'efficient' covered a wide range – from narrower economic concepts addressing the ratio of outputs to inputs, to broader concepts incorporating environmental and social considerations. It was also suggested that the term could incorporate efficient use of road space, time, energy, land, assets and delivery of services by transport bodies.

It was noted that there are strong links between transport efficiency and economic objectives.

> *"Victorian farmers are heavily dependent on transport systems that provide efficient and effective freight movement…Efficient transport, appropriate infrastructure and regulatory environment are essential to Victoria's farmers maintaining their competitiveness in the global marketplace." (Submission 61)*

Coordination is seen as particularly important to movement of freight from a logistics perspective and to public transport journeys involving more than one leg.

Another point raised through the stakeholder engagement program was the need to adequately recognise the role that energy plays in the functioning of the transport system. Increasing energy costs was seen as a significant challenge for Victoria's economy.

Stakeholders thought the meaning of 'reliable' could relate to predictable travel times, connections between services, or access to services. Feedback on other objectives included the observation that reliability also depends on the ability of the system to cope with disruption.

Explaining the policy

Efficiency

In addition to travel time for journeys, 'efficiency' should be viewed from a far broader system perspective, taking into account wider local, state and national transport needs.

While minimising travel time on one part of the network is perceived as improving efficiency, it may result in increasing travel times on other parts of the network. Similarly, providing priority for one travel mode may affect other modes.

Overall system efficiency balances various priorities and demands, and optimises the system to provide maximum value for the movement of people and goods. In this context, 'value' means more than financial value. Value also varies according to factors such as time of day. For example, the value of moving people to work relative to moving freight may be different at peak times compared to the middle of the day.

An understanding of the functions of different parts of the transport system is necessary to establish appropriate priorities. The priorities for key freight routes or major arterial roads are quite different from those of local streets. Public transport priority is also important on particular routes. However, it needs to be recognised that many parts of the network serve multiple functions – for example, one road may serve local access needs, freight, through-traffic and local walking and cycling. Efficiency can be created by optimising the movements of various types of transport.

Case Study: *Keeping Melbourne Moving*

Keeping Melbourne Moving is a package of short term initiatives designed to address congestion within 10km of Melbourne's CBD where most traffic is concentrated. It includes:

- targeted improvement for bus and tram priority
- the extension and standardisation of clearway times
- further developments to the bicycle and pedestrian network
- the expansion of the VicRoads incident response service to clear breakdowns and other blockages on arterial roads
- measures to reduce the impact of roadworks and events on traffic, and
- the provision of more information to commuters so they can make informed travel choices.

These improvements aim to improve the efficiency of the network for all modes of transport by co-ordinating the planning of road operations to promote the reliability and reduce travel times, particularly in the busy periods.

Efficiency is not about competition between modes, but involves complementary sets of transport options that meet various travel needs. Connections between modes and facilities at interchanges are also important for efficiency – particularly for freight.

Getting the most out of the capacity of the system will increase efficiency. For example, how train related services are provided – such as timetabling, use of express services, ticketing and priority between freight and passenger movements – affects the capacity of the rail system.

Network capacity is affected not only by the provision of infrastructure and services to enable the movement of vehicles (whether on road, rail, water or air) but also by the carrying capacity of vehicles and the way the available infrastructure is managed. How we manage road space allocation, for instance, affects the capacity of the road network to carry transport.

Efficiency may be improved by supporting high efficiency forms of travel such as public transport, high occupancy vehicle lanes, walking, cycling and more productive freight vehicles. Intelligent Transport Systems may use technology to improve capacity, reduce travel times and manage demand.

Case Study: Freeway ramp signals

The use of freeway ramp signals provides an Intelligent Transport System that uses traffic lights to regulate the flow of traffic merging with freeway traffic in peak periods by managing the rate at which vehicles are allowed to join freeway traffic. The traffic lights operate during peak hours or when freeway conditions are heavy.

The benefits of the system include easier and safer merging from freeway entrances, reduced congestion, smoother traffic flow, more reliable journey times, improved safety and reduced emissions from freeway traffic.

Rising transport demand, including the growing freight task, is a particular challenge for system efficiency. Road and rail congestion mean that an efficient system needs to maximise the capacity of existing infrastructure and services, support additional capacity and manage demand. Rising demand may also provide opportunities relating to the viability and attractiveness of high efficiency modes.

Demand is further affected by the decisions that users make about where, when and how they travel. This is in part influenced by travel times and the visible cost to the user.

Another key aspect of transport efficiency is energy consumption. Both freight and passenger transport form a significant proportion of global energy consumption, and are a major contributor to greenhouse pollution. Transport energy efficiency savings are therefore essential. Areas with higher mixed-use densities, greater usage of high efficiency modes and a more pedestrian-friendly, permeable urban form tend to consume less energy for distance travelled and number of trips undertaken.

A more efficient system also reduces the environmental impacts of transport by reducing fuel consumption and harmful emissions.

System efficiency is of economic importance through impact on transport costs and productivity, along with the national and international competitiveness of businesses that rely on the freight movements. The efficient movement of freight into, out of and around Victoria underpins the success of the Victorian economy.

Further, there is a social impact arising from the efficiency, coordination and reliability of the system. Time spent travelling to and from work and other destinations affects the time available to people for personal, family and recreational activities.

Coordination

While minimising travel times for particular legs of a trip may assist efficiency, it is the overall door-to-door travel time that determines total journey efficiency. This includes the first and last kilometre of journeys.

Where journeys involve more than one leg or mode, coordination between the legs and modes is desired. This coordination might be physical, for example, through the provision of modal interchanges. It might also be temporal through timetable coordination. If journeys involve a bus trip and a train trip, the overall efficiency of the journey depends not only on the travel time of the bus and train legs but also on the pedestrian links, such as a pedestrian crossing on a busy road, and the frequency of the bus and train services. The aim of achieving coordination is fully connected door-to-door journeys.

The relationship between coordination and efficiency can be seen in the example of traffic signal coordination used on roads to facilitate free moving traffic flow. Such coordination promotes efficiency in travel time and fuel consumption by requiring less braking and accelerating.

Coordination is particularly important for the freight sector, where supply chains are a key factor in business competitiveness. Logistics requirements at airports, ports and intermodal terminals, and the existence of different rail gauges, are examples of coordination issues for interstate freight trips.

Providing information about travel times, including real-time information, and connections between different modes enables users to coordinate journeys.

Coordination is particularly important for public transport if it is to offer an efficient and attractive alternative to car travel.

Case Study: Metlink

Metlink is the face of public transport in Melbourne.

A partnership of Melbourne's train, tram and bus operators, Metlink provides customers with a 'one stop shop' for information about services, fares and ticketing. Metlink is also responsible for introducing new way-finding signage across the network.

Using public transport in Melbourne is made easy thanks to the Metlink website and journey planner, customer call centre, timetables and user-friendly pocket guides.[17]

Reliability

Reliability centres on the certainty of travel times. Things that impede reliability include congestion, varying transport demand (over a day or across days), disruptions due to incidents such as break downs, road crashes, train or tram faults, medical emergencies, construction and maintenance activities, events such as weekly football matches or other major events, user behaviour (such as cars parked in clearways) and severe weather.

Having greater certainty of travel time is particularly important for the freight and logistics sector.

Initiatives aimed at preventing disruption and strategies to minimise impacts of disruption assist the overall reliability of the system. Alternative routes, emergency response and other system flexibility measures help in responding to and recovering from incidents, while timely information allows users to make informed travel decisions or select alternative routes. Security arrangements and contingency plans also assist in coping with major events.

Case Study: Incident Management Systems and the Drive Time System

On the major metropolitan freeways there are Incident Management Systems that notify the Traffic Management Centre of unusual traffic conditions. These systems include detector stations that measure traffic flow, closed-circuit television to monitor and confirm problems, and variable message signs to display information about the road conditions ahead.

The Drive Time System is installed by VicRoads on metropolitan freeways. It provides road users with information about travel times and traffic conditions via computerised signs. It also enables Traffic Management Centre staff to provide prompt advice to drivers when a serious incident occurs, using the variable message signs located along the freeways.

17 For more information see www.metlinkmelbourne.com.au

Safety, health and wellbeing objective

The transport system should be safe and support health and wellbeing by:

a) seeking to continually improve the safety performance of the system through:
   i safe transport infrastructure
   ii safe forms of transport
   iii safe transport system user behaviour
b) avoiding and minimising the risk of harm to persons arising from the transport system
c) promoting forms of transport and the use of forms of energy which have the greatest benefit for, and least negative impact on, health and wellbeing.

What you told us

Safety

There was significant stakeholder support for the inclusion of a safety objective.

> *"This submission asserts that safety within the transport system needs to be afforded high priority and should be considered a primary objective within the legislation." (Submission 78)*

Many stakeholders believe that safety is not an absolute objective and that it must therefore be aspirational. It is not realistic to expect the system to be 100 per cent safe, but actions and decisions should be based on this aim. Accordingly, it is suggested that safety should be considered on a risk basis and that best-practice risk-management approaches are required.

Decision-makers should have regard for vulnerable users of the system, especially older people, people with disabilities, young people, pedestrians, motorcyclists and cyclists. The safety needs of an ageing community were cited as a major growing concern by stakeholders.

There was a strong message that safety must be considered from the perspective of all transport system users, including transport workers, and must cover all modes.

Stakeholders consider that a safety-related objective is important not only because it supports positive health, social and financial outcomes but also because the safety of modes such as public transport, walking and cycling, influences the attractiveness of those modes.

Health and wellbeing

A large number of comments were made about the links between transport and health, including the effects of car dependency and related sedentary lifestyles on community health and wellbeing.

Many stakeholders thought that a health-related objective would assist in addressing issues associated with obesity, cardiovascular disease, diabetes, osteoporosis and the health effects of noise and air pollution as well as mental health issues and impacts of isolation.

> *"The legislation should adopt a broad definition of health which encompasses all the health ramifications of transport planning including physical activity, injury rates, particulate matter, noise pollution, fresh food access, opportunities for social and economic participation and climate change." (Submission 54)*

There was a clear focus on the health benefits of active transport such as cycling and walking, which involve significant physical movement of the human body and which promote physical fitness and better mental health.

> *"Encouraging commuters to become involved in active transport is an excellent way to maintain a healthy population." (Submission 22)*

Explaining the policy

Road safety

Over 1000 Victorians lost their lives in road crashes in 1970. Since then, Victoria has made a strong and determined effort to reduce road trauma and the state is now recognised as a world leader in road safety. The introduction of compulsory seatbelts, random breath testing, improved roads, higher penalties, effective speed management systems and highly visible public advertising campaigns have all played a part in significantly improving road safety in Victoria.

Annual road fatalities in Victoria have declined from 548 in 1990 to 303 in 2008[18]. In addition, over 6500 Victorians are seriously injured in road crashes each year[19]. These people are part of our hidden road toll and bear the personal and emotional pain and ongoing social costs of road trauma.

While Victoria's transport safety record is one of the best in the world, population growth means that if crash incident rates remain stable then absolute growth in death and injuries will occur.

Public transport safety

Over the past five years there has been a very low number of fatalities (fewer than 25 per year)[20] and low numbers of serious injuries (fewer than 320 per year) from incidents involving trains, trams and buses in Victoria.[21] Nevertheless, there is potential for large numbers of people to be fatally or seriously injured should a significant crash occur.

Safety on public transport depends on stringent hazard identification and management of potential risks to safety, as well as responding to actual safety incidents.

The safety and personal security of public transport users must be considered in key places including:

- getting on and off public transport vehicles
- while travelling on public transport, when seated, standing and moving about on public transport vehicles
- while waiting at stops, and
- on the way to and from public transport.

Similarly, there is a need to consider the safety of others who interact with the public transport system (such as pedestrians, cyclists, cars and motorcycles). This includes safety at important interfaces between transport modes such as pedestrian crossings and road level crossings.

Case Study: Rail and bus safety

Victoria is the national leader in rail and bus safety regulatory reform.

Victoria's *Rail Safety Act* 2006 introduced new international-standard regulatory and organisational requirements in the rail safety sector after a two year policy process. This is the first stand-alone public transport safety statute in the history of the state.

In March 2009, the Victorian Parliament passed the *Bus Safety Act*, which will introduce similar requirements in the bus sector.

The new rail requirements commenced on 1 August 2006, while the new bus requirements are scheduled to commence on 31 December 2010. These requirements focus on best practice risk-based regulation and include:

- safety duties for all industry participants forming the chain of responsibility
- an enhanced accreditation scheme for key industry parties including risk-based safety management system requirements in parts of the rail sector, and
- sanctions enabling a proportionate compliance response by the safety regulator.

Victoria's regulatory rail model was adopted by the National Transport Commission and the Australian Transport Council and similar legislation is now being progressively passed in all Australian states and the Northern Territory.

18 2008 road toll data, available at www.arrivealive.vic.gov.au

19 VicRoads, Road Crash Information System data.

20 Excluding suicides and natural causes.

21 Rail safety statistics July 2003-June 2008 and Bus safety statistics July 2003-June 2008, are available at www.ptsv.vic.gov.au

Avoiding or minimising harm – a system approach

The proposed safety and health objective exemplifies a system approach. Safety is a shared responsibility across transport system designers, infrastructure and service providers, workers and contractors, relevant utilities and system users.

A system approach to improving health and safety must consider all parts of the transport system including:

- infrastructure and its surrounds
- transport vehicles, and
- transport users.

A system approach starts with efforts to eliminate or minimise risk of harm as far as is reasonably practicable, giving consideration to likelihood, consequence and cost. The approach also recognises that system failures will still happen, for instance through human error, and therefore the system must provide protection and mitigation from harm when these system failures occur.

Case Study: The Safe System approach[22]

The Safe System approach used by road safety related agencies such as VicRoads, Victoria Police, Transport Accident Commission and the Department of Justice, values the health and wellbeing of road users and takes human error into account while focusing on:

- improving the safety of Victoria's roads and roadsides
- increasing the safety of vehicles on Victoria's roads, and
- improving the safe behaviour of Victorian road users.

The Safe System approach recognises the benefits to be gained from an overarching strategy that delivers safer travel through safer vehicles, safer roads and roadsides, and safer road users.

This approach recognises that even with a focus on prevention, road crashes will occur – therefore the road system must be designed to be more forgiving of human error and attempt to manage crash forces to survivable levels, while reducing the contribution of unsafe road user behaviour to road crashes.

There are many tools to improve safety including:

- design (prevention)
- technology (vehicle and infrastructure – avoid, protect, and soften)
- licensing (vehicles and drivers – competence)
- enforcement (powers and sanctions)
- awareness and education (knowledge and attitudes – community norms), and
- consumer information (informed purchase).

Other transport related health risks

Aside from safety performance, the transport system can be a source of harm to people's health in other ways.

Exposure to air pollution is associated with a number of adverse health impacts, including cardiovascular and respiratory disease and cancer. Particles smaller than 10 micrometres – less than one-tenth the width of human hair – can exacerbate existing respiratory and cardiovascular disease and lead to increases in hospitalisations and premature death.

The major sources of particles in urban environments are motor vehicles (particularly diesel-powered), industry and wood combustion heating. It is important to consider the potential health impacts associated with the passenger and freight transport tasks, particularly given that our ageing population may be more susceptible to these effects.

Other health impacts resulting from the transport system include exposure to traffic noise resulting in stress and sleep loss and the mental health impacts of accident-related bereavement.

Health impacts may also relate to the availability of transport choices and the way transport and land use are planned. Low levels of active transport (cycling and walking) contribute to sedentary lifestyles and obesity. Delivering new transport services and infrastructure which cut through communities can result in lower levels of social contact and reduced quality of life. Isolation can be another impact of inadequate transport and land use integration.

22 The Victorian Government, *Victoria's road safety strategy: arrive alive 2008-2017*, p. 9, available at www.arrivealive.vic.gov.au

Active transport and health

The transport system can also enhance people's health. The collective findings of recent research reports are that active transport can play a significant role in reducing obesity and cardiac disease[23]. Non-motorised forms of transport such as cycling and walking lead to higher levels of physical activity with resultant improvements in health and wellbeing – for example, by reducing rates of cardiovascular disease, non-insulin dependent diabetes and osteoporosis, and by improving mental health.

3.3 Decision-making principles

The preceding transport system objectives are a refined set of the objectives outlined in the 2007 discussion paper. In addition, detailed examination of stakeholder feedback and further analysis has led to the development of a number of principles for transport decision-makers. The decision-making principles outlined below, once legislated, must be applied in making decisions relating to the planning, provision, management and use of the transport system.

The decision-making principles are:

- The principle of integrated decision-making
- The principle of triple bottom line assessment
- The principle of equity between people
- The principle of the transport system user perspective
- The precautionary principle
- The principle of stakeholder engagement and community participation
- The principle of transparency.

While all of these principles need to be applied, how this occurs will vary. Some principles need to be weighed up in the course of making decisions, in much the same way as the objectives for the transport system in Section 3.2. For example, the equity principle describes an outcome sought by government and this has to be considered against the transport system objectives. Other principles require certain processes to be applied that can lead to better decisions or outcomes, such as the principle of triple bottom line assessment. The importance of these principles is that they provide rigor to the decision-making process that will support the achievement of the objectives.

The principle of integrated decision-making

Regard is to be given to integrated decision-making including:

a) the achievement of wider Government policy objectives, and

b) the need for coordination between all levels of government and government agencies, and with the private sector.

What you told us

Stakeholders suggested that an integrated transport system will involve integration of policy, including policy beyond the transport portfolio. They gave examples of policies which should be particularly considered in delivering the transport system, including *Melbourne 2030* and the *State Disability Plan* 2002-2012.

Accordingly, there must be coordination across government bodies (for example, between the planning, health and education portfolios) and with other tiers of governments and the private sector, particularly those entities that have a shared role or interest in transport policy, program development and service delivery. Stakeholders acknowledged the foundation role that transport plays in achieving many government policy objectives outside the area of transport.

Another key idea raised in stakeholder forums was the importance of managing interfaces with other jurisdictions, at borders, locally, nationally and internationally, and working towards optimal levels of consistency. Coordination with local governments, other states and the Commonwealth is seen as essential.

23 See for example, Sustrans' website for articles on benefits of walking and cycling www.sustrans.co.uk

Explaining the policy

Transport to support and further government policy

Transport contributes to social, economic and environmental outcomes affecting society. The planning, provision, and management of the transport system must therefore give consideration to broader government objectives and policies.

Government may express its policies and objectives in overarching statements, such as *Growing Victoria Together*, which directs transport bodies and providers to achieve certain goals. At other times, the government's objectives may be expressed in more specific policy statements such as *Our Environment Our Future*. Transport decision-makers need to consider the role of transport in achieving both overarching and more specific government policies.

Likewise, other non-transport bodies are encouraged to think about how their decisions impact on the ability of the transport system to achieve the desired outcomes.

Coordination across and between governments, and with the private sector

More efficient and effective transport responses occur when there is active coordination with and between the different levels of government; responding to most community needs requires effort by different parts and levels of government. It is therefore important for governments to coordinate their efforts in order to determine the best mix of responses and responsibilities.

Outcomes achieved from coordinated efforts can be greater than outcomes from work undertaken in isolation in different jurisdictions. Particular benefits of integrated decisions include: the sharing of best practice, rapid identification of areas of common interest and opportunities for common approaches; such as harmonisation of transport regulation across jurisdictions. Access to jobs and other opportunities is a key outcome for transport; however this outcome is likely to be improved when there is effective coordination with land use planning at the state and local level, and with private developers and business.

Improved integration and coordination with the private sector, including freight operators and private entities managing transport or transport related infrastructure, also leads to better transport outcomes.

Case Study: *arrive alive* 2008-2017[24]

Victoria's road safety achievements have been delivered through strong and coordinated partnerships between the government, its agencies and the wider community. Successfully implementing the *arrive alive* 2008-2017 strategy depends upon the support and efforts of state and local government, communities, organisations and individuals throughout Victoria.

The coordinated approach is led by the three ministers responsible for road safety in Victoria – the Minister for Roads and Ports, the Minister for Police and Emergency Services, and the Minister for Finance, WorkCover and the Transport Accident Commission (TAC).

VicRoads, TAC, Victoria Police and the Department of Justice are responsible for delivering the key initiatives under the strategy, and rely heavily on building and maintaining stakeholder and community involvement.

Local government and RoadSafe Community Road Safety Councils are important partners at the local level with major roles in advocacy, increasing the understanding of road safety issues in their communities, implementing local programs and drawing attention to road safety issues important to their communities.

24 The Victorian Government, *Victoria's road safety strategy: arrive alive* 2008-2017, p. 9, available at www.arrivealive.vic.gov.au

The principle of triple bottom line assessment

Regard is to be given to all the economic, social and environmental costs and benefits taking into account externalities and value for money.

What you told us

The discussion paper contained a proposed objective for the transport system relating to 'value for money'. The focus of many stakeholder comments in response to this objective was the need for a broad sustainability or triple bottom line approach to determining the 'value' of transport decisions and options. As a result, there is strong support for a broad definition of value which incorporates economic, social and environmental considerations. It was suggested that incorporating all externalities in measuring value will best support decisions focusing on long term sustainability.

When considering the relative value of transport options, stakeholders felt that the approach taken should also consider benefits and costs over the short, medium and long term.

Many people, particularly in regional areas, believed that it is important to treat value as more than just financial value. There was also concern that a purely financial definition of value would lead to 'cheapest is best' and jeopardise minimum standards. Stakeholders stated that transport must be fit for purpose and that transport needs should be determined before cost effective methods of delivery.

> *"We really need to look at triple bottom line considerations not just the bottom line in terms of dollars." (Submission 51)*

> *"Outcomes should be guided by a number of key goals that reflect a triple bottom line approach to managing the wellbeing of Victoria's rural, regional and metropolitan communities, involving an in-depth and balanced examination of social, environmental and economic considerations." (Submission 33)*

Explaining the policy

A broad understanding of the benefits and costs of decisions

Community expectations have changed dramatically since the *Transport Act* was passed in 1983. Public and private sector organisations must now take greater responsibility for the long term results of their policies and practices.

Good decision-making must take into account all possible impacts – positive and negative, and over time – in formulating a decision. Decision-makers need to define and compare the economic, social and environmental impacts – widely known as a triple bottom line approach – over the short, medium and long term. This approach draws on sustainable development, which is central to modern policy and decision-making. It recognises the fundamental fact that environmental, social and economic outcomes are interdependent, and that our decisions and actions have many consequences.

Historically analysis, which has been used to assess projects and make decisions, has relied heavily on evaluation of financial cost and benefits which is a narrow interpretation of economic benefit. While value for money should continue to be part of the analysis, a more sophisticated understanding of benefits and costs is required.

Assessing the full range of costs and benefits will improve decision-making processes and the quality of decisions, and is also likely to lead to consideration of a wider and more innovative range of initiatives which respond to impacts identified.

Better processes to support triple bottom line assessment

A clear understanding of the broad economic, social and environmental impacts of all decisions is critical to effective policy and practice, and a triple bottom line approach provides a flexible framework to support sustainable decision-making.

The principle of triple bottom line assessment will apply to transport decision-making at all levels from major investment decisions down to day-to-day choices and practices.

Estimating benefits and costs should be comprehensive and realistic. However this is not a costless activity; the degree of effort applied should be proportionate to the scale of investment under consideration and likely impacts. A 'one size fits all' approach would be impractical and inefficient.

While a triple bottom line approach must be flexible, common to all large or small decisions is the importance of understanding the short, medium and long term economic, social and environmental implications and potential impacts.

Decision-makers require guidance on undertaking assessment of the economic, social and environmental costs and benefits which is appropriate to the decision at hand – from general guidance to inform day-to-day decisions, to more formal cost-benefit guidelines to inform the development of large scale projects.

Projects should generally be subjected to the same high-level appraisal process, regardless of the type of initiative or the transport mode being considered. Consistency is required in both methodology and assumptions. Adopting this approach would lead, for example, to the same appraisal methodology being applied to alternative options for a large-scale transport project that address a particular issue.

When different decision-makers are undertaking analysis, guidelines are an important tool. The Australian Transport Council's *National Guidelines for Transport System Management in Australia* note that guidelines are important for 'promoting consistency, objectivity and transparency in the assessment of initiatives within and across modes'[25]. The Department of Transport currently issues guidelines for cost-benefit analysis which provide an effective way of organising and analysing information to make decisions with regard to a range of impacts, including social and environmental impacts. The Department uses the *Guidelines for Cost-Benefit Analysis* as an important tool, particularly for evaluating proposed capital projects. The guidelines provide a way of systematically identifying the impacts and effects of a project or options for undertaking the project, as well as understanding the associated and resultant benefits and costs. The guidelines are consistent with the *National Guidelines for Transport System Management in Australia*.

Approaches to analysing impacts are continuously evolving and changing so that decision-makers have a more comprehensive and holistic view of analysing benefits and costs. Guidance must therefore be regularly refreshed and updated to reflect changes in best practice, assumptions and values.

The principle of equity between people

Regard is to be given to equity:

a) between people irrespective of
   - i personal attributes including age, physical ability, ethnicity, culture or gender, or their financial situation
   - ii location including growth, urban, regional, rural or remote areas

b) between generations by not compromising the ability of future generations to meet their own needs.

What you told us

Stakeholders pointed out that there should be less disparity in the way that transport resources, costs and benefits are distributed across the community. Stakeholders had concerns about the potential for disparity as to who bears the burden of transport related impacts. They argued that the transport system can be improved for all by giving consideration to a range of equity considerations.

Broadly speaking, stakeholders consider that differences between people, locations and generations should be taken into account, and the impacts, costs and benefits of the transport system should be more evenly distributed.

According to stakeholders, factors that contribute to limiting transport access include:

- income level
- age
- poor health
- physical limitations, and
- cultural background.

25 Australian Transport Council, *National Guidelines for Transport System Management in Australia*, 2006, p 8.

Creating more equitable outcomes across rural, regional, metropolitan, growth and outer suburbs was raised as an important issue during the stakeholder engagement program. Regional stakeholders, for example, pointed out that transport decisions made purely on economic or patronage grounds may result in transport investments not being made in some parts of regional Victoria, and that these areas could then be at risk of becoming increasingly isolated and transport disadvantaged. Comments were made that the application of the objectives and principles in the transport legislation may need to be weighted differently depending on the location.

Stakeholders highlighted the potential for certain groups to bear an unequal burden of negative transport impacts such as local air and noise pollution associated with trucks or the financial burden of rising fuel prices. Further, stakeholders were conscious that decisions made by this generation have the potential to impact on future generations, particularly in relation to over or under investment in transport infrastructure and services, and the future impact of transport related greenhouse gases.

Many stakeholders observed that 'equity' is not the same as 'equality' and that providing services equitably for two different locations, or for two different people, does not necessarily mean providing exactly the same service.

Explaining the policy

Fairer transport outcomes

Equity or fairness is a fundamental goal of government; being equitable reduces disparity between people, places and generations.

In relation to transport, application of the principle of equity between people leads to consideration of reducing disparity in the transport system. Without consideration of fairness, the benefits and burdens of transport may be more concentrated on certain people, communities and generations over time.

Equity does not imply the provision of the same things for all people. The principle of equity instead requires thinking about the context for each transport decision, and then determining the most appropriate choice to provide suitable access for different places or for people with different needs. For instance, to improve equity of access to public transport for people with a disability, improvements such as wheelchair accessible ramps at stations are provided. This involves providing a different service for some people to enable access to transport – it is a fair thing to do.

Equity can be applied in many ways across the planning, provision, management and use of the transport system, and to many of the objectives and principles set out in this paper. Equity considerations related to transport are most readily understood in terms of reducing disparity of access to opportunities for work, education and other important services such as health. Similarly, it applies to environmental, health and safety outcomes from transport, which can be unevenly concentrated across people and places.

Although equity is an important consideration in transport decisions, improving equity of access can often be achieved through non-transport means. For example, the government can improve access to services, such as health or education, by providing more services closer to where people live, so that people can travel more easily to where the services are located.

In terms of intergenerational equity, it is important that decision-makers identify future challenges for the transport system and plan accordingly. The impacts of current actions can help or hinder future generations. In addition to future environmental challenges, other emerging issues, such as the ageing of the population, need to be addressed. Planning for future transport needs, such as preserving land for transport corridors and facilities such as ports, will ensure they are available for future generations.

Transport system investments can be expensive and may require capital raised through loans, which incurs interest payments over time. Equity can be applied to the way in which transport investments are paid for, over what time frame and by whom. In general, the application of equity suggests it is reasonable that some responsibility for paying for transport system investment should be borne by those who benefit from it.

The principle of the transport system user perspective

Regard is to be given to the perspectives of transport system users so as to:

a) understand their requirements, including their information needs

b) enhance the useability of the transport system and the quality of their experiences of the transport system.

What you told us

A range of feedback was provided about the need to give greater consideration to the user perspective of the transport system.

Stakeholders thought that the community's expectations for improved quality and customer service in relation to the transport system are increasing. Furthermore, stakeholders noted that improving the quality of user experience was important for encouraging the use of particular modes such as public transport.

Given the importance of this issue, stakeholders encouraged the use of quality indicators to monitor the degree to which transport is effective, flexible, desirable, responsive, convenient, easy to use and comfortable.

Stakeholders said users of the transport system need information not only so they can use the system easily, but also to make decisions about travel choices.

At a broader level, responsiveness to user needs was seen as important. Stakeholders thought that transport bodies should demonstrate they have identified and responded to user or customer priorities for improvements to the transport system.

Explaining the policy

Considering the user perspective

While the transport system may meet the basic needs of users by efficiently and safely moving them from A to B, it is clear that users also value the system being provided in a way that makes it easy to use, comfortable and convenient to travel on, and which generally provides a positive experience.

Ease of use and convenience may relate to:

- how easy it is to make use of infrastructure (e.g. navigating the road network)
- provision of information (e.g. knowing when a tram will arrive at a stop)
- standard of services (e.g. having convenient access to a ticket outlet)
- availability of facilities that add to the comfort of a journey can enhance the attractiveness of a transport mode and users' system experiences generally (e.g. shelter at a bus stop).

It is recognised that the experience transport users have of the system will vary according to their perspective, attributes and preferences. The elements of the system people use will vary and may include: infrastructure, vehicles and rolling stock, services and provision of information. The form of transport will also influence the perspective of a user – consider the different perspectives of users who travel by foot, motorised mobility device, wheelchair, bicycle, scooter, motorbike, car, taxi, light commercial vehicle, bus, tram, train and truck.

Outcomes are improved for users of the transport system when their needs are considered. Understanding the range of user perspectives and acknowledging that needs vary according to a range of factors enables elements of the transport system to be tailored accordingly.
This is not to say that some parts of the system should be 'gold plated' at the expense of addressing other important transport needs, but consideration of the user experience results in better transport decision-making. An understanding of user perspectives is required, and will be assisted through activities such as data collection, surveys and drawing on user advisory bodies.

Infrastructure, services and facilities

The design of infrastructure and provision of facilities play a key role in enhancing the user experience. For example, public transport seating, bus stop design and stimulating roadside features such as sculpture and screens can each serve to improve the quality of system experiences. Signage on roads, public transport, walking and cycling routes helps people to navigate the system, while integration between modes also provides for a better transport experience.

Case Study: North Melbourne Station

North Melbourne Station is undergoing a $34.9 million makeover, taking on a futuristic new look. Features of the redevelopment, which will make the station more comfortable, convenient and easy to use, include a new concourse extending over the city end, connecting a new entrance to all six platforms via lifts and escalators, new passenger information displays and canopies over platforms for weather protection.

Information and customer service

Effective provision of information is also a useful tool to improve user experience of the system. Information assists in making people aware of options and how to access them. It also enables people to make informed travel choices: when to travel (e.g. avoiding congested routes in peak periods), where to live, which vehicle to buy or which public transport ticket is best.

Information allows users to adapt to conditions on the network. Information provided on drive time displays about freeway travel times, maps showing walking and cycling routes, and real time service monitors at tram stops are examples of how user experience can be improved by making the system easy to use, reducing barriers to its use and informing transport decisions.

Case Study: Real time travel information

The tramTRACKER system uses real-time technology to track the whereabouts of trams. Tram stops on all routes have a four digit identification that is displayed at the tram stop. Users enter this identification by phone or internet to obtain times for the next tram services.

Transport related services such as registration, licensing and ticketing are important elements of the system that affect the user experience. People value efficiency and ease of use in accessing transport services.

Case Study: Customer charters

The *VicRoads Customer Service Charter* describes VicRoads' service commitments to the community. It details what customers can expect in dealing with VicRoads and the level of service VicRoads aims to provide. The charter includes sections on building strong relationships, convenient access, service goals, reliable service, complaints and feedback, reporting performance and privacy.

The precautionary principle

Regard is to be given to the precautionary principle which is that:

a) if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation

b) decision-making should be guided by:

   i a careful evaluation to avoid serious or irreversible damage to the environment wherever practicable

   ii an assessment of the risk-weighted consequences of various options.

What you told us

The discussion paper included the precautionary principle as an important element for decision-making in relation to environmental sustainability. In general, there was support for the introduction of this principle into transport legislation, particularly given the potential for uncertainty and risk associated with large scale transport infrastructure projects.

A particular theme emerging from stakeholder responses was the need to invoke the precautionary principle when environmental values are potentially affected or threatened by transport decisions. Stakeholders noted that it is vital to recognise:

> *"the precautionary principle as a means to guide decision-making in the portfolio where social and environmental values are at stake." (Submission 30)*

"Adopting the precautionary principle as a method of mitigating potential environmental impacts is a valid and welcomed approach to the development of Victoria's Transport System." (Submission 73)

Explaining the policy

The precautionary principle

The inclusion of the precautionary principle in transport legislation is a progressive step towards greater environment protection in transport decision-making.

Some transport decisions have potential for significant environmental impact but the certainty of the impact may not be clear or well understood. If significant environmental harm could occur then it is necessary to err on the side of caution. In these situations, a decision-maker should assume that some degree of harm is likely, even without full certainty, and be required to consider actions which would either avoid or mitigate potential impacts. Such a conservative approach reduces the likelihood and actual incidence of irreversible or significant levels of environmental harm.

For example, the precautionary principle would be used if a proposed transport corridor may put endangered flora or fauna at significant risk. Decision-makers should assess the project with the principle in mind and either avoid a particular course or develop appropriate mitigation measures before proceeding.

The precautionary principle does not require that risk must be reduced to zero. Instead, it requires that risk be reduced to an acceptable level. The type and level of mitigation measures will depend on the combined effect of the degree of seriousness and irreversibility of the risk, and the degree of uncertainty. Developing appropriate mitigation measures requires a conventional risk assessment. This is an assessment of the risk-weighted consequences of various options resulting in the selection of the option that affords the appropriate degree of precaution given the current level of knowledge.

The precautionary principle is becoming more widely adopted in other areas of legislation. Some examples include:

- *Commissioner for Environmental Sustainability Act* 2003 (Vic)
- *Sustainable Forests (Timber) Act* 2004 (Vic)
- *Pipelines Act* 2005 (Vic)
- *Environment Protection Act* 1970 (amended in 2001 to include the principle) (Vic)
- *Environmental Protection and Biodiversity Conservation Act* 1999 (Commonwealth).

The principle of stakeholder engagement and community participation

Regard is to be given to the views of stakeholders by:

a) taking into account the interests of stakeholders, including transport system users and members of the local community

b) adopting appropriate processes for stakeholder engagement.

What you told us

Giving consideration to the views of stakeholders in decision-making was identified in feedback as an important issue. While stakeholders have different understandings of the definition and role of stakeholder engagement, common terms used by stakeholders included 'community consultation', 'stakeholder relations' and 'public participation'. These definitions are extremely broad and while none is incorrect, the use of multiple terms demonstrates the need for a consistent, recognised definition.

It was identified that stakeholder engagement processes must be tailored to meet specific project objectives and target the stakeholders unique to the project. Decision-makers need to be flexible in their approach – asking stakeholders how they would like to be engaged can lead to more appropriate methods being implemented.

Stakeholder expectations were identified as a critical issue. Often stakeholders do not have a clear understanding about why they are being engaged and what they can influence. Some stakeholders feel that by the time projects reach an implementation stage all decisions have been made, making it difficult to involve stakeholders other than to purely inform them.

Stakeholders identified that while engagement could occur at various stages of a project, the focus needed to be on the early stages in order to give them an opportunity to influence decision-making.

Explaining the policy

The relevance of stakeholder views

Stakeholder engagement is considered an essential element of decision-making. Engagement provides an opportunity for individuals and organisations to be informed about particular proposals and, where possible, provide input into decision-making. Stakeholder engagement can lead not only to more robust decisions, but it can also assist in managing government risk through aiding the early identification of project issues.

Stakeholders can provide good ideas, highlight unintended consequences of decisions and make decision-makers aware of community priorities, resulting in better decisions. Involving stakeholders also strengthens the democratic fabric of society.

While it is not possible to make decisions that suit all stakeholders or to consult people about all decisions, genuine consideration of views has value even if all stakeholders cannot secure their desired outcome. Having regard for differing views can assist in identifying alternative approaches which may better suit community needs.

Where there is conflict between stakeholder views and a particular course of action or proposal, consideration needs to be given to the strength of views, the weight of stakeholder arguments, the diversity of views, and the scope to take on board views without seriously compromising other objectives.

The extent to which stakeholder views on particular transport decisions are known will vary. In some cases, community views on an issue may be widely known. In other cases, tailored consultation may be required to understand the full range of views.

Best practice stakeholder engagement

Stakeholders are those people who can affect or be affected by a decision or action. The 'stake' that each of these different individuals, groups or organisations has in a project or investment will vary.

Stakeholders may be internal (representatives of government departments and bodies), external (individuals and organisations including councils and business, industry, private transport operators, special interest groups or environmental organisations), or community stakeholders (members of the general public). Different engagement objectives and techniques may apply to each and can include: participation, consultation, information, education and capacity building.

The International Association for Public Participation (IAP2) has developed a framework for stakeholder engagement that is commonly used by the private and public sectors in Australia and overseas[26]. This comprises a spectrum of five categories for engagement, depending on the level of stakeholder involvement appropriate.

Inform: To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

Promise to the public: We will keep you informed.

Consult: To obtain public feedback on analysis, alternatives and/or decisions.

Promise to the public: We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.

Involve: To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.

Promise to the public: We will keep you informed, listen to and acknowledge concerns and aspirations that are directly reflected in the alternatives developed, and provide feedback on how public input influenced the decision.

Collaborate: To partner in each aspect of the decision including the development of alternatives and the identification of the preferred solution.

Promise to the public: We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.

Empower: To place final decision-making in the hands of the public.

Promise to the public: We will implement what you decide.

26 The International Association for Public Participation, *Spectrum of Public Participation*, 2007, available at www.iap2.org

No one level of engagement is better than another. The key is to select an engagement activity that is the best fit for the project or decision at hand. Those responsible for designing and implementing an engagement process need to assess what type of engagement is appropriate for each stage of an initiative. For a given project, it may be most appropriate to:

- **involve** stakeholders at the feasibility stage
- **consult** stakeholders at the planning stage
- **inform** stakeholders at the construction stage.

It is critical that there is a transparent and honest representation to stakeholders and the community about the purpose and scope of engagement, so that stakeholders are aware of how their participation may influence outcomes.

Raising expectations regarding levels of involvement which are not possible or, alternatively, restricting involvement where more was possible, are both likely to create frustration and hamper efficient and effective project implementation.

Some transport decisions will require highly formalised stakeholder engagement processes, such as seeking formal submissions in the development of legislation. Other processes may only require one-off informal discussions. As noted earlier, the scale and type of engagement should be tailored to meet the needs of the specific transport decision under consideration.

Finally, stakeholder engagement is not required or desirable on the full range of transport system decisions. Where standard processes exist, or where decisions are minor operational matters, it would be inappropriate and inefficient to waste time and resources in stakeholder engagement.

The principle of transparency

Regard is to be given for transparent decision-making by giving members of the public access to reliable and relevant information in appropriate forms to facilitate a good understanding of transport issues and the process by which decisions in relation to the transport system are made.

What you told us

Stakeholders suggested that transparency is an important factor to be considered in managing the transport system and that transparency is essential for improved levels of accountability and public scrutiny.

Stakeholders feel that transparency is generally about openness regarding the processes, principles, criteria and assumptions that are applied when making decisions affecting transport. This includes policy, planning, investment and operational decisions.

Stakeholders believe being more transparent requires government to be clearer about how it manages trade-offs in making decisions and being open about how it makes investment decisions and assesses transport options.

According to stakeholders, transparency also concerns the dissemination of information to the public about transport challenges, provision and decisions. It was asserted that distribution of information can encourage robust debate on the assumptions underpinning decisions. It can also aid the community in making informed decisions and sometimes allow better understanding of the government's priorities and actions.

Stakeholders consider that checks and balances should be established to ensure that decision-makers apply the overarching objectives to be included in new transport legislation and be made accountable for applying them. Stakeholders feel that it may be advantageous to establish more formal reporting arrangements about the performance of the transport system and, specifically, reporting against the overarching transport objectives.

Explaining the policy

A transparency principle

Including transparency as a principle guiding decision-makers will strengthen the accountability of the government in relation to transport, improve decision-making and promote democracy.

Growing Victoria Together is the government's 10-year vision that articulates the priorities the government has set to build a better society – including promoting a more vibrant democracy, with greater public participation and more accountable government. This priority rests on the understanding that a healthy democracy requires constant attention – for example, through increasing the information available to the community and making government bodies more accountable.

Adopting a principle of transparency would lead to increased public openness about the processes, principles, criteria, assumptions, data and information that are used and applied when making decisions, including policy, planning, investment and operational decisions.

When decision-making processes are open and understood, governments can be held accountable for following these processes, which itself leads to greater consistency.

Ensuring decisions are made following designated process can lead to better decisions. In addition, consistency in government decision-making provides greater certainty in relation to transport for individuals, businesses and organisations across Victoria.

Case Study: VicRoads project management guidelines[27]

VicRoads has made a range of project management guidelines publicly available and is accountable for ensuring individual projects are delivered in accordance with their agreed scope and project completion date. The guidelines have been developed to ensure a consistent approach is taken. Accountability processes like these produce decisions and projects that are better, more consistent, and open to the public. There are project management guidelines available regarding: environmental protection; project evaluation; transport and traffic consultants; and scope, cost and time control.

Case Study: *Rail Safety Act* 2006

The *Rail Safety Act* 2006 contains a number of key policy principles which underpin the rail safety regulatory framework (see Sections 13-18 of the Act). The Act recognises the importance of transparent decision-making in one of its principles. Section 17 of the Act provides that 'rail regulatory decision-making processes should be timely, transparent and nationally consistent'. The *Bus Safety Act* passed by Parliament in March 2009 contains similar provisions.

27 Project management guidelines related to 'Project evaluation', 'Transport and traffic consultants', 'Scope, cost and time control' and 'Environmental protection' are available through the VicRoads online bookshop, at www.vicroads.vic.gov.au

4. Applying the new policy framework

4.1 To whom and to what does the policy framework apply?

In general terms, the policy framework in the *Transport Integration Bill* will apply to:

- all transport bodies
- all bodies that are declared 'interface bodies' in the Bill (discussed in the 'interface bodies' section below).

Appendix C provides further details about the coverage of the new statute including examples of current transport bodies and interface bodies affected by the new policy framework.

Interface bodies

While transport bodies obviously have key roles in delivering Victoria's transport system, the importance of other non-transport bodies in affecting transport outcomes has also been considered as part of this review – for example, municipal councils, planning authorities and the Growth Areas Authority. Consequently, the term 'interface bodies' will be used in the *Transport Integration Bill* to identify those parties that will apply the new policy framework when making decisions which are likely to have a significant impact on the transport system. The legislation under which these interface bodies operate is referred to as 'interface legislation'.

Inclusion of interface bodies under this framework will enable a more integrated and coordinated effort to provide Victorians with a world class transport system and responds to many stakeholder comments, particularly from local governments.

The consideration of interface bodies in the Bill demonstrates the importance of land use and transport integration; transport bodies themselves cannot deliver good outcomes without the support of, and collaboration with, the planning portfolio and land managers.

4.2 How will the policy framework be applied?

Any policy, project, action plan or decision that affects the transport system will be required to apply the policy framework proposed in the *Transport Integration Bill*.

All transport bodies, and interface bodies making decisions which are likely to have a significant impact on the transport system, must:

- have regard for the objectives for the transport system, and
- apply the decision-making principles.

The objectives and principles set out the things that are most important to be considered in making transport decisions. They reflect the different aspirations and expectations for the transport system across the community and across different stakeholders. A feature of the policy framework is that it has been developed with a focus on integration and a triple bottom line approach – that is, it is designed to contribute to improved integration and sustainability outcomes.

While the objectives and principles in this framework must be applied to all transport decisions, from large-scale transport policy and investment decisions to more day-to-day operational decisions, how the framework is applied should be proportional to the scale and impact of the decision at hand.

In applying the policy framework, it is important to note that:

- Many decisions will involve tension between a number of objectives and/or principles in the framework.
- The Bill requires that the objectives and principles be considered as a set, with no pre-determined value or weighting – instead, they reflect all the factors that need to be taken into account when making decisions.
- The decision-makers will need to balance and trade-off the objectives and principles in making decisions.
- The *Transport Integration Bill* will not prescribe how the trade-offs should be made and the weight of any one objective or principle in relation to another must be evaluated on a case-by-case basis.

In undertaking this process, the trade-offs are made in an explicit way. This means, both the advantages and risks associated with a particular course of action, as well as the potential mitigation of risks, can form part of the case for making a decision.

As various challenges emerge and take prominence, the government may decide to give greater emphasis to objectives and principles which can assist in responding to the most pressing challenges, and thus provide guidance on how the overarching settings may be applied in practice. In this way, ministers may give further guidance in how the application of this framework may be undertaken, in the form of statements of policy principle.

The settings are not prescriptive and practical guidance and other support materials may be provided to enable the best transport decisions to be made.

The framework is flexible and dynamic to operate effectively and over time. Rather than be restrictive, the framework provides a platform for bodies to develop innovative policies and practices.

4.3 How will the policy framework help?

Modern transport legislation is a crucial step in meeting the major transport challenges facing Victoria and supporting the state's current and future transport priorities.

The *Transport Integration Bill* will set a clear direction for transport policy in Victoria, providing strong legislative support for the development of an integrated and sustainable transport system.

Integrated transport legislation, along with last year's restructure to create the Department of Transport and recent changes to VicRoads and the Department of Transport that allow the two agencies to work more closely together[28], will strengthen the government's capacity to deliver the modern and cohesive transport system Victoria needs.

In particular, the legislation will support and complement *The Victorian Transport Plan* – the largest investment in transport in the state's history, with more than $38 billion in projects and initiatives.

The *Transport Integration Bill* is a significant part of The Plan.

For the first time, all elements of the transport portfolio – including roads, rail, ports and marine – will be brought together under one statute. This will establish a consistent framework for use by all government agencies required to make decisions impacting on the transport system.

Stakeholders agreed that having a common policy framework was important for the transport portfolio. They were eager to see its introduction effect substantial change. To accomplish this, subsequent work is being undertaken to align various aspects of legislation and other business practices to the new policy framework.

28 These changes result from the State Services Authority (SSA) review of VicRoads' governance and operation. The SSA's final report *Review of the Governance and Operational Capability of VicRoads* and the government's response are available at www.transport.vic.gov.au

Initially the framework will guide an assessment of how the various transport bodies are set up – what they are established to achieve, what they need to do to achieve this task, and the powers they have to undertake this work. The ultimate intention is to align all transport bodies to this framework.

Business processes within the portfolio will be directed by the new framework. The objectives for the transport system, enshrined in legislation, will be a cornerstone for corporate planning in the transport portfolio.

The key to achieving integrated transport outcomes from planning to delivery is for the many bodies involved to understand their role, to understand the role of other transport organisations, to develop and maintain successful relationships, and to coordinate activities.

An essential starting point is for all transport bodies to have a shared vision.

The *Transport Integration Bill* will provide an enduring vision for transport – a vision for an integrated and sustainable transport system that will shape Victoria for the 21st century.

5. Next steps

As outlined in the 2009 *Annual Statement of Government Intentions*, the government will present the *Transport Integration Bill* to Parliament this year. This Bill will be derived from the contents of this paper along with other relevant provisions.

This new principal transport statute represents a historic opportunity to refocus our policy and legislative settings to facilitate the delivery of an integrated and sustainable transport system for Victoria.

5.1 The ongoing reform process

The introduction of the *Transport Integration Bill* will be a major milestone in an ongoing transport legislative reform process.

As a result of the introduction of the *Transport Integration Bill*, further legislative changes will be needed to align transport and interface legislation with the policy framework.

In continuing the broader reform process, the aim is to progressively renew all Victorian transport legislation, with the exception of statutes passed in recent years, leading to the completion of the proposed target legislation structure developed by the Transport Legislation Review (see Appendix A for details of the target structure).

Discrete reforms that are being undertaken in 2009-2010 include:

- The *Major Transport Projects Facilitation Bill*
- A review of marine safety laws, and
- A review of legislation to support cycling and walking

The *Major Transport Projects Facilitation Bill* will improve the government's capacity to deliver critical road and rail infrastructure projects. The Bill will introduce new streamlined decision-making processes at both the assessment and approval phase, and the delivery phase of declared major transport projects, increasing certainty for investors and bringing forward the benefits to the transport system and the system users.

In the assessment and approval phase, the Bill will consolidate a range of separate processes into a 'one stop shop' and set statutory time limits for decision-making. The new streamlined process will be more transparent, while there will be no loss of opportunities for public consultation. Planning, environment and heritage standards will be safeguarded. Regulatory duplication and potential for inconsistent decisions will be eliminated.

In the delivery phase, the Bill will provide a range of new project delivery powers to simplify and speed up resolution of potential administrative and legal complexities – for example, complexities associated with transferring land between public authorities or carrying out works in and around road and rail infrastructure.

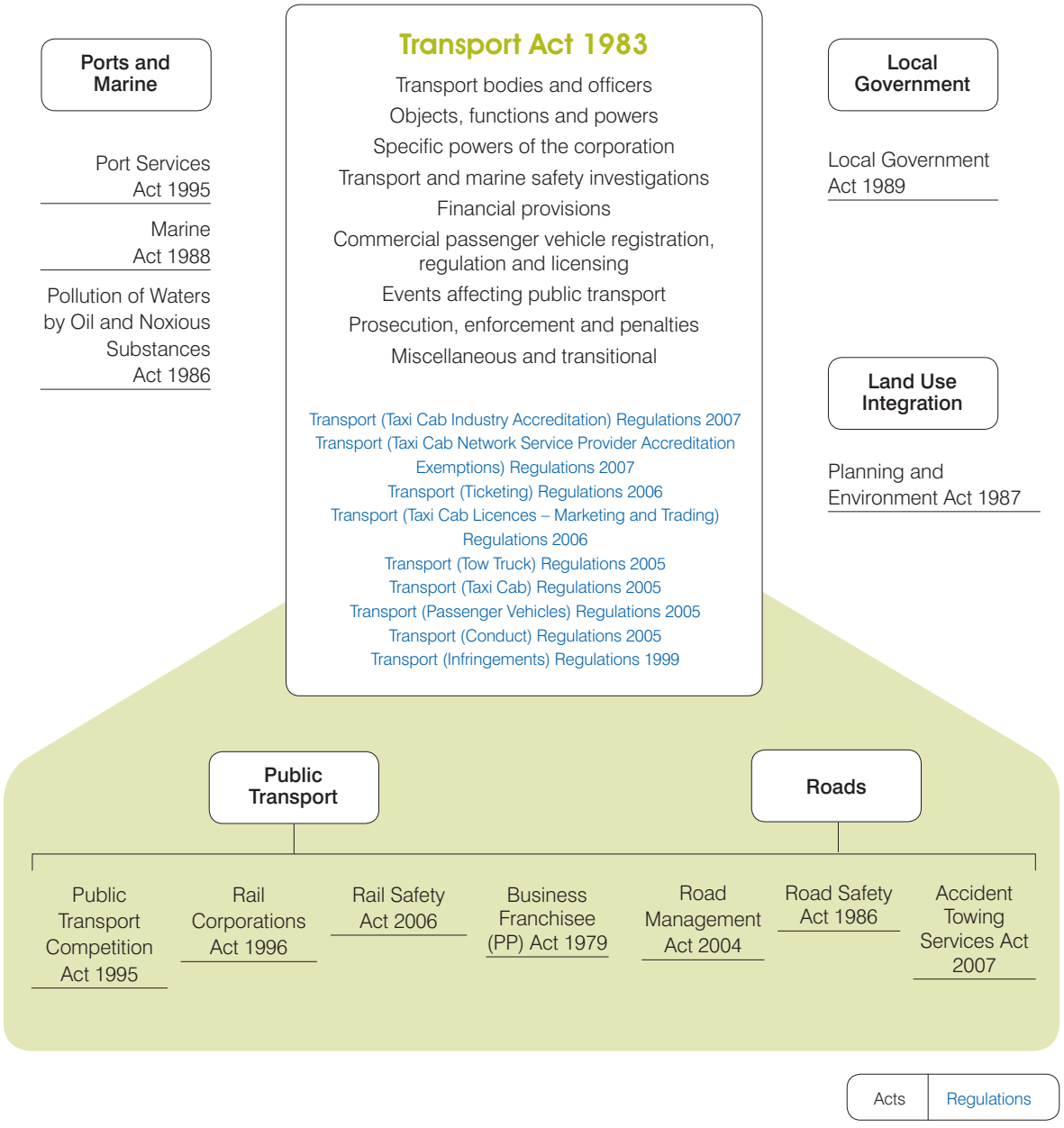
The marine safety laws are being reviewed as part of the government's sweeping program of transport legislation reform. The review comes in response to high levels of growth in recreational, commercial and shipping activity over the past decade, which has led to heightened safety risks – for example, at increasingly congested locations such as the mouth of the Yarra River. As a result of the review, marine safety laws will be modernised and strengthened to better equip police and regulators to deal with increasing safety risks on Victoria's waterways. The new marine laws will complement recent safety related legislative reform in other key transport sectors including rail, road and bus.

Continuing the government's reform agenda for integrated and sustainable transport, cycling and walking have been identified as key elements to be recognised in the legislative structure for transport – work will start in 2009 to review current approaches and investigate legislative options to facilitate cycling and walking, giving further prominence to the role of these modes in our transport system.

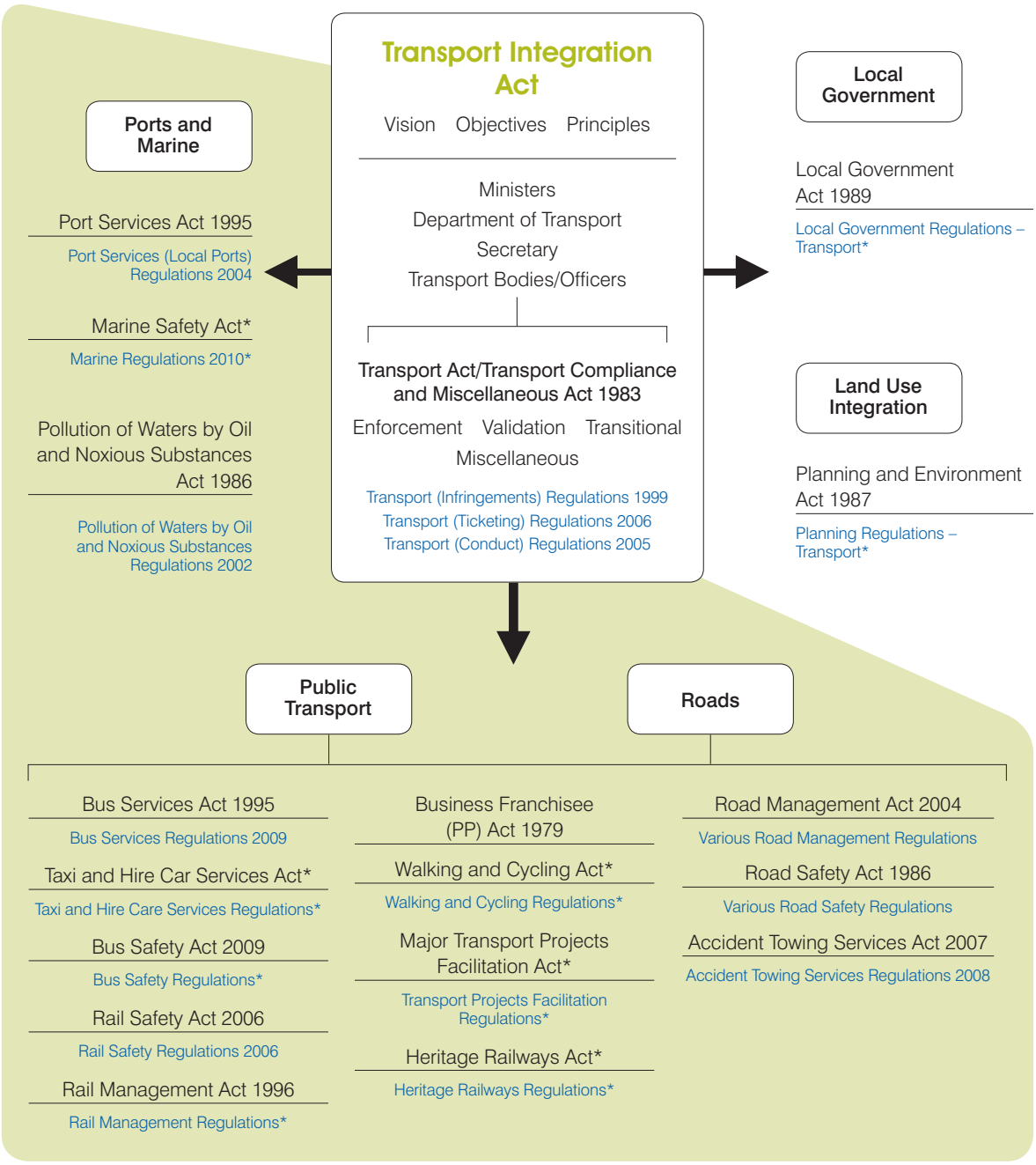
Appendices

A. Current and target structures for transport legislation

Current structure of transport legislation



Target structure for transport legislation



B. The transport system[29]

The physical components of the transport system consist of:

- the transport paths and ways (roads, railroads, shipping lanes, waterways, air flight paths, crossings, cycling paths and footpaths)
- the facilities for accessing, disembarking, uploading and interchanging of persons and goods and the storage of freight and vehicles (such as stations, tram and bus stops, intermodal transfer facilities, freight yards, port facilities, airports, taxi stands, etc)
- motor vehicles, trains, trams, buses, ferries, boats, ships, aeroplanes, motorcycles, bicycles and mobility aides, and
- the control, communications and location systems, including the people operating and working in the system, technology and information and vehicles and equipment.

The management components of the transport system include:

- legislative and regulatory systems such as registration, licensing and accreditation
- strategic planning (such as building the network, acquiring vehicles, reserving land for future development, business continuity plans, etc)
- operations planning (business plans, corporate plans, operations plans, schedules, crew assignments, vehicle distribution, intermodal connections, intramodal connections, contingency plans, etc)
- operational matters, that is, all the activities required to run the system, including schedules, timetables and ticketing systems
- administration
- maintenance and information management, and
- operations research and marketing including advertising and promotions.

The labour components represent all the people involved in planning, policy development, operations, and regulating and managing the physical and management components of the transport system.

29 Adapted from Joseph Sussman, *Transportation Systems*, Fall 2003, Massachusetts Institute of Technology: MIT OpenCourseWare, http://ocw.mit.edu (Accessed May 10, 2008), License: Creative Commons BY-NC-SA, 1.221J/11.527J/ESD.201J.

C. To whom and to what do the overarching settings apply?

The policy framework in the *Transport Integration Bill* will apply to all transport bodies established by transport legislation and bodies declared as interface bodies in the Bill.

The term 'body' is intended to capture all statutory appointees, statutory corporations and other administrative bodies established under legislation.

The current transport bodies to which the policy framework will apply include:

- Minister for Public Transport
- Minister for Roads and Ports
- Department of Transport
- Secretary to the Department of Transport
- Director of Public Transport
- VicRoads (Roads Corporation)
- Director, Public Transport Safety
- Director of Marine Safety
- Chief Investigator, Transport and Marine Safety Investigations
- V/Line Passenger Corporation
- VicTrack (Victorian Rail Track Corporation)
- Port of Melbourne Corporation
- Port of Hastings Corporation
- Southern and Eastern Integrated Transport Authority
- Transport Ticketing Authority
- Victorian Regional Channels Authority

Other bodies referred to in transport legislation such as:

- road authority
- licensing authority
- port manager
- relevant port authority
- local authority
- waterway manager
- infrastructure reference panel

Other bodies with transport responsibilities that will need to have regard to the overarching settings in the *Transport Integration Bill* include:

- Bodies responsible for the administration of the *Planning and Environment Bill* 1987 or for implementing government land use policy including:
  - planning authorities
  - responsible authorities
  - Growth Areas Authority
  - VicUrban (Victorian Urban Development Authority)
  - Victorian Civil and Administrative Tribunal
- Bodies responsible for the administration of the *Local Government Act* 1989 including:
  - Local Government Victoria
  - Local Government Authorities
- Persons or bodies responsible for the management and control of Crown Land, including:
  - Parks Victoria
  - committees of management

D. Submission list

1. TLR Submission by an individual
2. Southern Mallee Transport Connections
3. City of Greater Dandenong
4. J. Blunden
5. South Eastern Integrated Transport Authority
6. Bus Association of Victoria
7. Victorian Taxi Association
8. City of Darebin
9. Eastern Transport Coalition
10. M. Close
11. A. Parker
12. Youthlaw
13. South East Australian Transport Strategy Inc.
14. Port of Melbourne Corporation
15. Maroondah City Council
16. National Disability Services
17. Manningham City Council
18. East Gippsland Transport Partnership Group
19. Maribyrnong Truck Action Group
20. Wyndham City Council
21. Brimbank City Council
22. Tourism and Transport Forum
23. J. Scarfe
24. Victorian Council of Social Services
25. A. Sykes
26. Environment Victoria
27. Victorian Local Governance Association
28. Blind Citizens Australia
29. Victorian Privacy Commissioner
30. GAMUT (Australasian Centre for Governance and Management of Urban Transport)
31. Victorian Community Transport Association
32. Dr R. Brindle
33. Municipal Association of Victoria
34. Transport Workers' Union
35. Australasian Railway Association
36. Segway Southern Cross
37. Swan Hill Rural City Council
38. Wimmera Volunteers
39. Youth Affairs Council of Victoria
40. Community Accessibility Inc.
41. Town and Country Planning Association
42. Transport Connections Project – Corangamite Shire, Moyne Shire and City of Warrnambool
43. Victorian Motorcycle Advisory Council
44. G. Peverell
45. Commissioner for Environmental Sustainability
46. Moonee Valley City Council
47. Public Transport Users Association
48. Planning Institute of Australia – Transport Planning Chapter
49. R. Morgan
50. LINK Community Transport Inc.
51. Frankston City Council
52. Council on the Ageing Victoria
53. Scope
54. VicHealth
55. Ventura Bus Lines
56. N. Pastalatzis
57. Committee for Melbourne
58. Smart Passengers Inc.
59. City of Port Phillip
60. Metlink
61. Victorian Farmers Federation
62. Ethnic Communities' Council of Victoria
63. City of Yarra
64. Environmental Protection Agency
65. Australian Industry Group
66. Victorian Road Based Public Transport Advisory Committee
67. ParaQuad
68. Royal Automobile Club of Victoria
69. City of Casey
70. Greater Shepparton City Council
71. Sustainability Victoria
72. Nillumbik Shire Council
73. Surf Coast Shire
74. Heart Foundation
75. Gippsland Local Government Network
76. Metropolitan Transport Forum
77. City of Boroondara
78. Monash University Accident Research Centre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