

Media release



24 August 2009

Progressive Senate Report on Transport Needs

Metropolitan Transport Forum (MTF) Chair, Cr Jackie Fristacky, said the *Senate Inquiry into Passenger Transport Infrastructure and Services Funding*, presents a forceful case for federal funding of public transport.

Cr Fristacky praised the report for setting out the data on federal subsidies to the car industry, and how this distorts the transport market, discriminating against public transport and encouraging excessive car use.

MTF welcomed the report highlighting the need for transparent cost-benefit analysis. The Senate Committee quoted the public subsidy for car travel at 38c per passenger kilometre. This figure does not include local government expenditure on roads and all external costs. The MTF argues the public subsidy for car use, when fully costed, is at least 50c per passenger kilometre.

Cr Fristacky commended the Senate Committee for recognising the value of public transport for a wide range of social purposes.

'The Senate Committee sends a clear message on the integral link between public transport, energy efficiency, congestion and emission reduction, urban amenity, better land use, improved health and social inclusion.'

The Committee acknowledged '*a serious problem of transport disadvantage in that many people who can least afford it are forced to spend an excessive proportion of their income on running cars.*' This applies particularly in outer suburbs where many people of lower economic status live because of cheaper housing.

Cr Fristacky strongly endorsed the Committee's emphasis on the need to improve public transport in outer suburbs and rural and regional areas. As the Committee noted, 83 per cent of Melbourne residents currently have no reasonable access to public transport.

The MTF welcomed recognition of the increasing burden on Local Councils in making up for the lack of adequate public transport provision, especially in rural and regional areas where the elderly and disadvantaged would suffer social isolation without Council funded community transport. Councils in Victoria spend \$21 million annually on such transport.

The MTF asked the Commonwealth to respond to the Senate report, by reassessing taxation and funding arrangements, and eliminating distortions in the transport market. The Senate Committee Report raises a challenge to both State and Federal governments to lift their game on transport.

The MTF represents 19 Metropolitan Councils and over 2.5 million people in Melbourne.

Note: The views expressed here do not reflect the views of associate members.

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