

23 January 2014

Committee Secretary  
Senate Standing Committees on Rural and Regional Affairs and Transport  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Sir/Madam,

Thank you for the opportunity to make a submission to the Senate Rural and Regional Affairs and Transport References Committee Inquiry into the role of public transport in delivering productivity outcomes.

**Catholic Social Services Australia's (CSSA) submission focusses on ensuring the needs of low income and disadvantaged people are not forgotten when considering the importance of and funding for public transport.** A well-functioning city means that its citizens, including low income and disadvantaged people, can have the opportunity to fully participate in the social and economic fabric of the community. CSSA believes that public transport is a critical element to foster this participation.

The CSSA submission responds to the following Terms of Reference<sup>1</sup> points:

- b. the social and environmental benefits of public transport projects compared to road infrastructure projects such as Westconnex and the East-West Link;*
- c. the national significance of public transport;*
- d. the relationship between public transport and building well-functioning cities;*
- e. the decision of the Federal Government to refuse to fund public transport projects; and*
- f. the impact on user charges arising from requiring states to fund public transport projects.*

CSSA is the peak national body representing 60 Catholic organisations that deliver social services. Our prime focus is working with poor and disadvantaged people in the cities, regions, and the rural and remote areas of Australia. The 10,000 employees working in our network deliver the full spectrum of social services to one million people each year. For example, our members are working with vulnerable children, families experiencing relationship challenges, people with a mental illness, people with disabilities, people who are homeless, indigenous people, people who are seeking asylum and people who are refugees. As a national network, CSSA currently provides in excess of \$600 million worth of services to the Australian community.

Due to the nature of their work, CSSA members have a deep appreciation of the first-hand experience of many people in society as they try to navigate their way around cities and communities. Transport disadvantage can occur in response to location, personal characteristics and/or economic factors<sup>2</sup>.

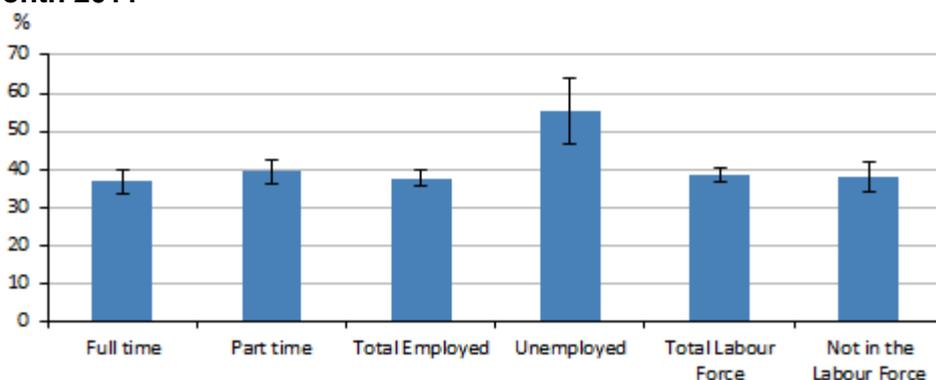
At \$193.00 per week, expenditure on transport (including costs associated with purchase, running and maintenance of a private car) is the second highest expenditure item for the average Australian household after housing costs<sup>3</sup>. As a comparison, the Disability Support Pension<sup>4</sup> for a single person provides that individual with \$325.00 per week and for those people on Newstart Allowance, they receive \$250.00 per week<sup>5</sup>.

Therefore, for individuals and families on income support the costs of owning and maintaining a car for private use are prohibitive. For other people driving a car is not an option due to a mental or physical disability. Some older Australians struggle to continue driving into later life. Community transport, where it is available, is often limited in its application and availability. Often the only form of transport available is public transport.

In our metropolitan and regional centres many services such as health care, training, community services and shops are dispersed and not within walking distance of homes. Accessing these services can be a challenge for many people so there is a risk of becoming socially isolated and having limited opportunities to fully participate in the economic and social activities of their communities.

There is evidence to show that unemployed people and those not in the labour force (such as people with a disability, or the aged) have a reasonably high use of public transport where it is available. For example, a survey of public transport users in Melbourne<sup>6</sup> (Zones 1 and 2) undertaken in 2011 showed that 55 per cent of unemployed people, and 38 per cent of people not in the labour force used public transport. Forty per cent of part-time workers, which include a high number of women and shift workers, also used public transport. This is shown in the graph below.

#### Proportion of People who used Public Transport by Employment Status in the Last Month 2011



Source: ABS <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/4602.2Chapter500October%202011><sup>7</sup>

For many users of public transport this is the only form of available travel. This survey also found that around 35 per cent of unemployed people using public transport had no private form of travel available and this was around 31 per cent for people who were not in the labour force.

Research points to the value of public transport in positively influencing the social outcomes in a city for people most at risk of social isolation — people who are on low incomes, people who are unemployed, people who are elderly and people with a disability - by providing easier access to employment, education, and health and community services<sup>8</sup>. Analysis undertaken in Australia also found significant evidence to suggest that mobility is positively correlated with the likelihood of social inclusion among adults: higher trip making implies less risk of social exclusion<sup>9</sup>.

Given its importance, CSSA urges caution in increasing user charges for public transport in lieu of reduced Federal Government funding for public transport projects. Disadvantaged and low income people have limited capacity to pay for additional fees on public transport.

The social and economic costs and benefits of investing in major road infrastructure over major public transport infrastructure should therefore be fully considered. The social impacts of transport are generally not understood as well as the economic or environmental impacts but can be significant, especially for already vulnerable population groups<sup>10</sup>. Our view is that impacts on low income and disadvantaged people should receive special consideration within a cost benefit analysis.

CSSA is also aware that in centres outside the major cities where there may be limited coverage of public transport, community transport plays a significant role in providing accessibility for low income and disadvantaged people. These services are generally provided by local governments and community service providers.

**In summary we wish to highlight the following points:**

- **Public transport is an essential form of transport for low income and disadvantaged people;**
- **Evidence shows that public transport is used by low income and disadvantaged people and provides important access to services and employment opportunities and decreases the risk of social isolation;**
- **Unless privately operated major road infrastructure does not have direct user charges. However public transport that is often the only mode of transport for low income and disadvantage people does attract direct user charges;**
- **Low income and disadvantaged people have limited capacity to pay additional user charges and**
- **The social benefits of public transport need to be more fully understood.**

I would be happy to elaborate further on any aspects of our submission. I would also like to extend an invitation to members of the Committee to visit the operations of CSSA member organisations to see first-hand the social impacts of public transport.

Yours sincerely,



Jackie Brady  
Acting Executive Director

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<sup>1</sup>[http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Rural\\_and\\_Regional\\_Affairs\\_and\\_Transport/Public\\_transport/Terms\\_of\\_Reference](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Rural_and_Regional_Affairs_and_Transport/Public_transport/Terms_of_Reference) last viewed on 21st January 2014

<sup>2</sup> Jim Betts writing in Currie, G., Stanley, J. and Stanley, J., Eds. (2007) *No Way to Go: Transport and Social Disadvantage in Australian Communities*. Melbourne, Monash University ePress  
<http://books.publishing.monash.edu/apps/bookworm/view/No+Way+To+Go%3A+Transport+and+Social+Disadvantage+in+Australian+Communities/133/xhtml/chapter12.html> last viewed on 21st January 2014

<sup>3</sup> <https://www.moneysmart.gov.au/managing-your-money/budgeting/spending/australian-spending-habits#text> last viewed on 6th January 2014

<sup>4</sup> <http://www.humanservices.gov.au/customer/services/centrelink/disability-support-pension> last viewed on 6th January 2014

<sup>5</sup> <http://www.humanservices.gov.au/customer/services/centrelink/newstart-allowance> last viewed on 6th January 2014

<sup>6</sup> Survey is outlined on ABS web site -

<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/4602.2Chapter500October%202011> last viewed on 20<sup>th</sup> December 2013

<sup>7</sup> ABS Public Transport

<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/4602.2Chapter500October%202011> last viewed on 20 December 2013

<sup>8</sup> Tourism and Transport Forum 2010, *Tourism & Transport Forum Position Paper: The benefits of public transport*, Sydney <http://www.ttf.org.au/DisplayFile.aspx?FileID=822> last viewed 21<sup>st</sup> January 2014

<sup>9</sup> Stanley, J., Hensher, D.A., Stanley, J., Currie, G., Greene, W.H., Vella-Brodrick, D., (2010) *Social exclusion and the value of mobility* Institute of Transport and Logistics Studies, University of Sydney.

<sup>10</sup> UK Transport Research Centre - Social Impacts and Equity in Transport

<http://www.uktrc.ac.uk/research/researchprogramme/scanningexercises/exercise1> last viewed on 20th December 2013