

# 16 Transport and Communications

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## Overview

This chapter provides information relating to the transport industry: such as road, rail, air and sea; and includes information on public transport reforms and on aspects of the communications industry.

## Transport

In Victoria, an extensive transport infrastructure is supported by both government and business. Road, rail, air and sea transport modes are all critical to the movement of freight and people for commercial and domestic purposes.

## Road network

VicRoads is responsible for the maintenance and improvement of arterial roads and bridges in Victoria. There are a number of national highways within Victoria: the Hume Freeway, the Western Freeway and Highway, the Sturt Highway between the South Australian border and Mildura, and the Goulburn Valley Highway between Seymour and the New South Wales border at Tocumwal. These national highways are fully funded by the Commonwealth. A lower level of Commonwealth funding is provided for roads of national importance, such as the Calder Highway from Melbourne to Mildura. Local government is responsible for maintaining most local roads.

In the Melbourne metropolitan area, VicRoads continued the work on the Metropolitan Ring Road during 1999, which is essentially an extension of the Western Ring Road through the northern suburbs from Campbellfield to Greensborough. A six kilometre section between Campbellfield and Thomastown was completed at the end of 1999. The Ring Road provides 42 kilometres of continuous road from Greensborough in the north eastern suburbs, to Laverton in the western suburbs. Significant road projects that were completed in 1999 included the Boronia Rail Crossing and the Exhibition Street extension over the Jolimont Railyards. In addition, a number of road works were announced, such as the Eastern Freeway extension from Springvale Road to Maroondah Highway in Ringwood, the Springvale bypass and upgrade of Westall Road, and an upgrade of a four kilometre section of road between the South Gippsland Highway and Thompsons Road in outer south eastern Melbourne.

In regional Victoria, work commenced on the Princes Highway Nilma interchange near Warragul, and on the duplication of the Goulburn Valley Highway between the Hume Highway and Shepparton. This latter project will eventually result in a duplication of the entire highway up to the New South Wales border, as well as bypasses at Strathmerton and Shepparton.

## 16.1 ROADS

Road type	Kilometres
Declared roads (at September 1999)	
National highways	1 010
State highways and freeways	6 530
Main roads	12 697
Tourist roads	1 697
Forest roads	312
Total declared roads	22 246
Other roads (at 30 June 1999)	
Sealed roads	51 004
Formed and surfaced roads	52 002
Natural surface	22 401
Total other roads	125 407
<b>Total roads open for traffic</b>	<b>147 653</b>

Source: VicRoads, Information Services Department; Victorian Grants Commission.

### City Link

Melbourne City Link is being developed to link existing unconnected freeway services around inner Melbourne. A private consortium has been contracted to develop the project under a build, own, operate and transfer arrangement with the entire project to be handed over to the Government after 34 years of operation by the consortium. Tolls will be levied for use of the City Link roads.

Work on the City Link progressed during 1999. The Western Link, including the Bolte Bridge, was opened for traffic in August, providing continuous freeway conditions from Moreland Road, Brunswick to the West Gate Freeway, Port Melbourne. At the time of publication, a date for the opening of the Southern Link, which includes the 1.6 kilometre Domain Tunnel and 3.4 kilometre Burnley Tunnel, had yet to be confirmed. The Exhibition Street extension over the Jolimont rail yards was opened in November 1999.

### Motor vehicle registrations and drivers licences

There were a total of 3,095,066 motor vehicles (excluding motor cycles) registered in Victoria on 31 October 1998, an increase of 1.9% over the previous year (table 16.2). In addition, there were 82,324 motor cycles on register.

The number of licences in Victoria increased steadily in the two years up to 1998, with 3,260,179 licences on record at 30 June 1998. The overwhelming majority of these (93.7%) were driver's licences.

**16.2 MOTOR VEHICLE REGISTRATIONS AND LICENCES—30 June(a)**

	1996	1997	1998
Type of licence(a)(b)			
Driver's	2 928 250	2 981 882	3 055 847
Rider's	186 154	194 621	204 332
<i>Total</i>	3 114 404	3 176 503	3 260 179
Motor vehicles on register(c)			
Passenger vehicles	2 462 226	2 521 814	2 574 621
Campervans	7 125	7 144	7 137
Light commercial vehicles	380 831	385 907	390 753
Rigid trucks	87 057	87 035	85 044
Articulated trucks	16 783	17 144	17 326
Non-freight carrying trucks	5 164	5 386	5 643
Buses	13 888	14 266	14 542
<i>Total motor vehicles (excluding motor cycles)</i>	2 973 074	3 038 696	3 095 066
Motor cycles	77 161	80 271	82 324

(a) Licence holders may hold both a driver's and a rider's licence and be counted in both categories. (b) 1997 data are for 16 July. (c) Motor vehicle Census taken at 31 October.

Source: Motor Vehicle Census (Cat. No. 9309.0); VicRoads, Information Services Department.

**Road accidents**

Although the number of persons killed or injured in road traffic accidents declined steadily between 1995 and 1997, this trend reversed in 1998, when 390 persons were killed and 6,295 persons were injured. The comparative figures in 1997 were 377 and 5,764. The only type of road user to record a decrease in fatalities between 1997 and 1998 were drivers of motor vehicles (table 16.3).

VicRoads, the Transport Accident Commission (TAC) and Victoria Police have combined to adopt a number of strategies aimed at reducing road fatalities and injuries, including research and education, media campaigns, design and safety of roads and vehicles, and enforcement of road laws. In recent years, TAC television advertisements have been shown with the specific aim of reducing the road toll, and have focussed on issues such as drink driving, speeding and fatigue.

**16.3 ROAD TRAFFIC ACCIDENTS INVOLVING CASUALTIES**

Type of road user	1995		1996		1997		1998	
	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Drivers of motor vehicles	187	2 907	198	2 793	159	2 701	148	3 096
Motor cyclists	41	608	35	588	37	677	45	654
Passengers (any type)	95	1 480	94	1 457	95	1 315	105	1 424
Pedestrians	82	808	76	851	78	689	79	751
Pedal cyclists	11	309	13	341	8	363	13	363
Other	2	12	1	30	—	19	—	7
<b>Total</b>	<b>418</b>	<b>6 124</b>	<b>417</b>	<b>6 060</b>	<b>377</b>	<b>5 764</b>	<b>390</b>	<b>6 295</b>

Source: VicRoads, Information Services Department.

## Public Transport Reforms

Victoria's public transport system encompasses an integrated network of suburban train, tram and bus services operating in the Melbourne metropolitan area, and country train and coach services operating throughout Victoria.

### Suburban train services

Suburban train services are operated throughout an electrified rail network with a total route length of over 336 kilometres serving 197 stations. The rail network originates from the centre of Melbourne on 15 routes which extend to outer suburban locations up to 55 kilometres from the central business district.

### Suburban tram services

Melbourne's tram network is the fourth largest in the world. It comprises 240 kilometres of double track and involves the delivery of services on 30 routes. It extends from the central business district to a distance of approximately 25 kilometres. Around 80% of the network (about 197 kilometres) is on shared road space with motor vehicle traffic. The remaining 43 kilometres consists of dedicated road space for trams.

### Regional services

Regional services provided by V/Line Passenger comprise a number of train services between Melbourne and regional Victorian centres, as well as a network of coach services. The rail services operate on over 4,500 kilometres of track.

### Franchise arrangements

With effect from 1 July 1998, the State Government legislated to corporatise the Public Transport Corporation's (PTC) passenger transport services through the establishment of five business corporations. It sought tenders in late 1998 from private sector operators for franchise rights to operate these five businesses over periods ranging from seven to fifteen years. A key objective of the Government's public transport privatisation reforms, as outlined by the Minister, was "*to provide the best possible services for public transport users at least cost to taxpayers*". In addition, the Government announced a 12 point package of guarantees designed to protect passenger rights and improve service quality on Victoria's trams and trains under a privatised transport system. The Government's guarantees for public transport provided for the retention of the multi-modal ticketing system, regulation of fares and minimum service levels. The government proposed that these guarantees would be enshrined in legally binding long-term contracts with any future private sector operators.

On 29 August 1999, operation of the five Victorian passenger rail and tram businesses was transferred to the private sector, details of which can be found in table 16.4.

## 16.4 FRANCHISE ARRANGEMENTS

Entity	Franchisee	Franchise period years
Swanston Trams	National Express	12
Yarra Trams	Metrolink	12
Bayside Trains	National Express	15
Hillside Trains	Melbourne Transport Enterprises	15
V/Line Passenger	National Express	10

Source: Department of Treasury and Finance

### Industry structure

The businesses operate as franchises, extending for the periods shown in table 16.4. Upon expiry of the franchise period, a “re-franchising” process will take place whereby existing franchisees may be replaced by new operators. The franchising process involved a ‘sale’ (and leasing) of assets by the Government to the franchisees and a subsequent ‘purchase’ of transport services via subsidy payments over the period of the franchise.

The Director of Public Transport (DPT) will manage the relationship with franchisees on behalf of the State. The relationship between DPT and franchisees is governed by the Franchise Agreement and the Infrastructure Lease.

The Franchise Agreement contains the service obligations of the Franchise and payment flows between the DPT and franchisee, including fixed subsidy payments, financial incentives in relation to patronage, punctuality, reliability and fares.

The Infrastructure Lease provides franchisees with rights of access and obligations to maintain infrastructure. The Lease outlines the rights to operational land and all rail infrastructure, responsibility for maintenance and completion of defined works (approved projects).

### Ticketing

The centralised multi-modal ticketing system for the metropolitan area (Metcard, operated by the Onelink consortium) will continue. Revenue generated through the sale of tickets will be distributed to the franchisees via the Revenue Clearing House, a Corporations Law company whose shareholding comprises the four metropolitan franchisees and the DPT representing private bus contract revenue interests. The cost of the Onelink contract will be borne by the five shareholders, together with any other operating expenses of the Revenue Clearing House. The distribution will depend on a number of factors, including patronage and passenger kilometres travelled. VicTrip, another Corporations Law company, has been established with a similar shareholding to manage ticket information, reservations and marketing of the multi-modal ticketing system.

**Air**

Victoria's major airport, Melbourne Airport, is located at Tullamarine, 22 kilometres north-west of Melbourne's central business district, and is conveniently accessed by the Tullamarine Freeway. The airport is privately operated by a majority Australian-owned company with headquarters in Melbourne.

Melbourne Airport is the only major Australian airport with both domestic and international terminals located under the one roof. The airport is open twenty-four hours a day for aircraft movements.

In 1998, there were 11.4 million domestic and regional passenger movements, an increase of 1.8% on the 1997 figure of 11.2 million (table 16.5). Domestic and regional aircraft movements increased by 2.9%, from 118,482 in 1997, to 121,928 in 1998. International traffic also increased—there were 2.5 million passenger movements in 1998 compared to 2.4 million in 1997 (5% increase), and aircraft movements increased from 17,392 in 1997 to 17,732 in 1998 (2% increase). In contrast, the volume of freight moved domestically and internationally decreased in 1998.

Development of the airport continues to be a major focus as work continues on an extension of the Qantas domestic terminal to provide capacity for 10 additional aircraft, building an additional concourse, as well as re-positioning the elevated road and roadwork on the main intersection. Construction of a 4-star hotel over the existing car park is expected to be completed by mid-2000. Further work planned includes a new retail development within the international terminal.

**16.5 MELBOURNE AIRPORT (TULLAMARINE) PASSENGER AND FREIGHT MOVEMENTS**

	Units	1996	1997	1998
Domestic and regional traffic				
Passenger movements	no.	11 097 264	11 227 713	11 429 141
Aircraft movements	no.	118 681	118 482	121 928
Freight	tonnes	72 130	81 161	79 704
International traffic				
Passenger movements	no.	2 193 309	2 370 948	2 489 495
Aircraft movements	no.	16 479	17 392	17 732
Freight	tonnes	150 225	162 500	152 634

Source: Department of Transport and Regional Services.

**Ports and shipping**

Victoria has major ports handling cargo at Melbourne, Geelong, Portland and Hastings, of which all but Melbourne are privately owned and operated. The Government retains ownership of the Port of Melbourne, however, the operations of the port are corporatised, and some of the service provision activities have been separated from the port operator. Management and maintenance of the channels, lights, etc. is the responsibility of the Victorian Channels Authority. The Marine Board of Victoria has responsibility for regulatory enforcement.

**Cargo and freight services**

Melbourne is Victoria's busiest port, loading 7.1 million tonnes and discharging 8.4 million tonnes in 1998–99 (table 16.6). In total, 13.5 million tonnes were loaded in Victorian sea ports in 1998–99, a 9% increase on the 1997–98 figure. The amount of trade discharged from Victorian ports showed a larger increase (24%), from 11.1 million tonnes in 1997–98 to 13.8 million tonnes in 1998–99.

**16.6 TONNAGE LOADED AND DISCHARGED, By Port**

Port	1996–97		1997–98		1998–99	
	Loaded	Discharged	Loaded	Discharged	Loaded	Discharged
	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes
Melbourne	6 862	6 458	6 889	6 467	7 106	8 426
Geelong	3 398	3 484	2 829	4 172	3 108	4 816
Portland	2 554	359	2 007	406	2 320	404
Westernport	1 117	53	975	36	944	124
Welshpool	7	17	3	1	4	—
<b>Total</b>	<b>13 938</b>	<b>10 371</b>	<b>12 703</b>	<b>11 082</b>	<b>13 482</b>	<b>13 770</b>

Source: Unpublished data, International Trade statistics.

**Passenger services**

Station Pier is Victoria's sea passenger terminal, with three berths accommodating the Tasmanian ferry services, cruise ships, navy ships and training/tall ships. It is also open for public access for recreational purposes.

In 1999, the State Government announced that a \$14 million refurbishment of Station Pier would be undertaken to accommodate a forecast increase in the number of visiting ships. The refurbishment will include restoring the structure to a sound condition, and reopening the Inner Western Berth—increasing the capacity to four operating berths.

**Communications**

Communications technology and the communications industry have undergone significant change over the past decade, with the extension of satellite technology, growth of personal computer usage and, in the last few years, the advent of the Internet, particularly the World Wide Web.

Recent studies of personal and household use of computers and communications technologies (such as the mobile phone) confirm Australia's reputation as a major user of new technologies.

**Communication technology**

In 1998 an estimated 256,000 Victorian households in main urban areas had access to the Internet at home, which represented a 282% increase since 1996, when the equivalent figure was 67,000.

There was a distinct correlation between households with home Internet access and household income (table 16.7)—35% of Victorian households with household income exceeding \$66,000 had home Internet access while for households with an income less than \$14,000 the penetration was 2.5%.

The household/family type with the highest rate of Internet use was 'other' households, i.e. non-family households (21.0%), followed by couple family households with children (20.4%). In numerical terms, couple family households with children was most significant (127,000), followed by couple family households with no children (49,000).

**16.7 HOUSEHOLDS WITH HOME INTERNET ACCESS, Selected Characteristics—1998**

Selected characteristics	'000	%
Household income		
0-\$14,000	*7	*2.5
\$14,001-\$27,000	17	6.1
\$27,001-\$44,000	39	12.5
\$44,001-\$66,000	47	18.2
\$66,001 and over	95	35.0
Not stated	51	17.8
Household family type		
Couple with no children	49	11.7
Couple with children	127	20.4
Single parent	17	11.9
Single person	31	8.8
Other	32	21.0
Region		
Capital cities	207	17.1
Other	49	10.3
Total	256	15.1

Source: Household Use of Information Technology (Cat. no. 8146.0).

In 1998 an estimated 1.1 million Victorian adults, or 31.5% of the adult population, accessed the Internet (table 16.8). Internet access was most likely to occur at work (13.2%) or home (12.3%), followed by TAFE/tertiary institution (7.5%).

**16.8 ADULTS ACCESSING A COMPUTER OR INTERNET(a)(b)—1998**

Location	'000	%
Work	448	13.2
Home	418	12.3
TAFE/tertiary institution	255	7.5
Neighbour or friend's house	244	7.2
Public library	159	4.7
Shops/stores/telecafes	71	2.1
School	26	0.8
Community or voluntary organisation	*19	*0.6
Government agency/department/shopfront	*12	*0.4
Telecentre or similar access centres	*2	*0.1
Other	*12	*0.4
Any site	1 068	31.5

(a) Proportions relate to persons aged 18 years and over. (b) Relates to access in the 12-month period prior to the survey.

Source: Household use of Information Technology (Cat no. 8146.0).



Electronic commerce is playing an increasingly major role in the everyday lives of Victorians. In 1998 an estimated 2.5 million adults used some form of electronic commerce in any one quarter during 1998 (table 16.9), the most common types being the use of an automatic teller machine (ATM) to transfer or withdraw funds (65.7% of adults) and the use of EFTPOS to pay bills or withdraw funds (58.9% of adults).

**16.9 USE OF SELECTED ELECTRONIC COMMERCE BY ADULTS, 1998(a)(b)**

	'000	%
Used an information kiosk to pay bills	*4	*0.1
Used the Internet to pay bills or transfer funds	43	1.3
Used the telephone to pay bills or transfer funds	1 015	30.0
Used EFTPOS to pay bills or withdraw funds	1 996	58.9
Used an Automatic Teller Machine (ATM) to transfer or withdraw funds	2 225	65.7
Used any of the above	2 488	73.4

(a) Period covers three months. (b) Proportions refer to persons aged 18 years and over.

Source: *Household use of Information Technology* (Cat no. 8146.0).

## References

### ABS sources

*International Trade Statistics, unpublished data*

*Household Use of Information Technology, Australia* (Cat. no. 8146.0)

*Motor Vehicle Census, Australia* (Cat. no. 9309.0)

### Non-ABS sources

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VicRoads, Information Services Department.

### Internet

VicRoads <http://www.vicroads.vic.gov.au>

