

**THE PRIVATISATION OF MELBOURNE'S
PUBLIC TRANSPORT –
HAS THE WHEEL TURNED FULL CIRCLE?**

Address by Keith Kings

Second annual RMIT Sir Robert Risson Memorial Lecture
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Dean, Faculty of Business, distinguished guests, ladies and gentlemen. Thank you for the opportunity to be present here today at Storey Hall.

I have been entrusted with the preparation and presentation of the second Sir Robert Risson Memorial Lecture in what is becoming an ongoing annual series. The title is "The Privatisation of Melbourne's Public Transport - Has the wheel turned full circle?" Together, we will try to ascertain the answer.

I can but give an extremely brief overview of the history of this detailed and complex subject, and will undoubtedly miss the proverbial ninety nine per cent of the total story, because of our time constraints this evening.

Railways

We will need to go back in time some 150 years, into the very early days of our City. John Batman had explored the Port Phillip area in 1835, resulting in a small settlement slowly growing in the area on the north bank of the Yarra River. The colony of Victoria was created on 1/7/1851, with self-government. Gold was discovered very shortly afterwards, and hectic times followed. Melbourne and country areas expanded rapidly, and towns sprang up around gold discoveries, and faded as quickly when the source ran out. The population expanded rapidly from a rush of immigration, and there was a period of very rapid growth.

Almost immediately there was a rash of proposals to build railways - eight were tabled but only three were approved by the Government in 1853, namely: (1) Hobsons Bay Railway, (2) Geelong and Melbourne Railway, (3) Melbourne, Mt. Alexander & Murray River Railway.

The Melbourne & Hobsons Bay Railway Company constructed a line from Flinders Street station to Sandridge - later renamed Port Melbourne - and this became the first steam operated railway in Australia. A locomotive was improvised from a pile driver and used to ballast the track - presumably our first improvisation in mechanical rail transport! The locomotives ordered from the United Kingdom were months away from delivery when the line was ready, so an engine was hastily built locally in ten weeks! Another "do-it-yourself" effort! The line was officially opened on 12/9/1854, but the local engine suffered occasional breakdowns and the ballasting engine was substituted during repairs. Services were suspended on 1/12/1854 when the engine suffered a major breakdown, but were restored on 25/12/1854 using the first of the imported engines. Quite a hectic three months.

The Mt. Alexander Railway Company had made no progress with building their line by March 1856. The Government had been given power by Parliament to buy and build country lines, and bought the Mt. Alexander Co. on 23rd. May - thus the Victorian Railways came into being, as did Government involvement in Victoria's public transport.

The Railway from Geelong reached Greenwich - near Newport - on 25/6/1857, making a connection with the Mt. Alexander railway line from Williamstown, over which the Geelong Railway Company was given running rights to Spencer Street station. It is interesting to note that, since the recent Australia wide railway privatisations, running rights over railway tracks has mushroomed and become quite a complex matter. This point is the first that is relevant to an answer to the question posed in our sub-title. From 17/1/1859, the direct railway connection opened to Spencer Street station, but, on 3/9/1860, the Geelong Railway Company sold out to the Victorian Railways.

Four other railway companies opened lines in the now inner and near inner northern, eastern and southern suburban areas. Financial problems saw three of them consolidate or merge by 1865, as the Melbourne and Hobsons Bay United Railway Company, and the fourth sell to the Government. The Government announced in 1872 its intention to build a railway from Melbourne to Sale, so the Melbourne and Hobsons Bay United Railway Company considered selling to the State, and this took place on 1/7/1878. For the next 121 years, all main railways in the state were operated by the Government.

Railways continued to be built in the outer suburbs or the adjacent countryside. Main line railways slowly reached Bendigo, Echuca and Ballarat, and then steadily along other routes and eventually to the state borders at Albury and Serviceton. Branch lines soon spread rapidly and filled the gaps in between the main lines. The basis for Melbourne's subsequent suburban railway system had been laid by the late 1800s. Some extensions and new trackage were built later and steam locomotion was progressively replaced by electric traction in the 1920s.

Electrification of the suburban railways was first proposed in 1896. After a Report and Parliamentary enquiries, the Government established the Metropolitan Traffic Commission in 1910 to report on city and suburban transport. It recommended that the suburban railways be converted to electric operation. In December 1912, the Government gave its approval at a cost of just under £4 million. World War 1 limited progress and almost doubled the cost, but the first line was opened on 28/5/1919, and the whole plan was completed in 1923. Subsequently, there have been some track extensions and improvements plus new carriages.

Buses

In 1854, Freeman Wills Cobb, an American, founded the famous coaching firm of Cobb & Co. As settlement spread, he soon had his coach routes running all over Victoria. Later, as the trunk railways were built, his coaches became "feeders" to railway stations. As branch railway lines were built, his coach routes steadily declined, and as motor transport spread, they eventually ceased to operate. From 17/1/1859, a privately operated horsebus ran from Spencer Street station to Swanston Street via Collins, Elizabeth and Bourke Streets with a fare of four pence. To the late 1860s, Melbourne's horse buses were mainly individually owned.

The year 1869 saw the first real fleet operation begin, when US born Melbourne businessman, Francis Broadman Clapp, together with William McCulloch and Henry Hoyt, established the Melbourne Omnibus Company. They operated eleven omnibuses from the City via Bourke Street to Fitzroy's Birmingham Hotel for a fare of three pence. Soon their buses were also running to Richmond, Carlton and North Melbourne. By 1881, the company had many Depots, horses, routes and a fleet of 158 buses, operating within three miles of the City. Some longer routes ran to Moonee Ponds, Prahran and Brunswick. Mr. Clapp had wanted to run horse trams, but permission had been refused. By the early 1880s, the situation was changing, and the Company re-organised itself as the Melbourne Tramway and Omnibus Company, the outcome of which will be dealt with in the next section on tramways.

About 1910, a private company operated double deck, open top, motor buses along Swanston Street, and, presumably down St.Kilda Road. After World War 1, in the early 1920s, some ex-serviceman used their funds to buy a light motor vehicle chassis and have a small, elementary body built on it, to enable them to start running a service along tram lines, often competing against other small buses. Whilst individuals used these small vehicles, there were some companies which operated quite substantial buses, with good bodies on heavy duty chassis.

Business "boomed", and by 1924, the tramways were concerned at lost patronage, and introduced buses from Swanston Street to Elsternwick on 3/1/1925. A report in that year states that 58 heavy buses, carrying over 2,000 passengers, ran down Swanston Street in the late afternoon peak hour on 15 routes. Of those 58 buses, 51 were privately operated with seven from the tramways. Routes also operated in the suburbs and more new buses were being built all the time.

The competition grew, as did the rivalry between tram and tramway bus crews on the one hand and private operators, and also between competing private bus crews. Various incidents, some said to be nasty, took place, and the Motor Bus Acts of 1924-25 introduced a form of regulation, seat taxes and licence fees. Soon, many companies and private operators were in financial trouble, resulting in operators and routes ceasing and some buses journeying to Sydney, where there was no regulation. Some of the smaller private operators found routes they could manage successfully.

The bus era of the 1920s opened with conventional bonneted buses being produced. The driver was often fully exposed to the weather until the middle and late 1920s, when given a windscreen and even a cabin. The bonneted bus prevailed until a few full-front vehicles appeared in the late 1930s. Some were remarkably streamlined, with accentuated swallow tails at their rear ends. There were even one or two of this type which had engines at the rear. The post World War II years were notable for shortages of everything but problems. But change was soon in plentiful supply.

Onto this 1946 scene burst quite a surprise - the Fishermans Bend Bedford bus. An alliance between Commonwealth Aircraft Corporation (CAC) and General Motors Holden saw the latter import and assemble the chassis and the former build the bodies. These bodies were full front, forward control, metal framed and clad, very modern and stylish in appearance, with mostly transverse seating with a centre aisle. At that time, most of Melbourne's suburban buses were fitted with longitudinal seats.

Subsequently, improvements and variations to chassis and bodies were made and when production finally ceased in 1973, CAC had built nearly 4,000 bodies and had had quite an influence on bus operations, particularly in Melbourne and Victoria. The construction of bonneted buses virtually ceased in the early 1950s.

From the end of the 1940s, several small suburban bus routes ceased to operate as costs rose, petrol rationing ceased, more private motor vehicles were purchased, television arrived and the local suburban cinema closed. Large and medium sized operators - for that period - acquired routes from smaller businesses. Indeed, this process continues to this day. The number of companies operating routes is now relatively small compared to 50 years ago but there does seem to have been a considerable rise in the number of tour and charter companies.

During the subsequent fifty years, a considerable number of chassis and body builders have provided the buses which have transported our growing population. Varying door and seating layouts, engine positions, body styles, window types/shapes/sizes, ventilation, upholstery, and lesser items have been used. The floor level over the years had remained virtually constant, being on top of the chassis rails.

The last decade has seen the introduction of low floor buses, and their numbers are steadily increasing in compliance with the Federal Disability and Discrimination Act. These low floor buses are also an advantage to the elderly, as it enables them to board and alight more easily and more quickly. This factor reduces standing time at stops, as does the kneeling ability of these buses. Another modern advance is air-conditioning, which is being built into new buses.

Some of the proprietors, operators and drivers could be described as colourful personalities, and they were a typical cross-section of society. Many showed an extraordinary determination to succeed.

Harry Cornwall purchased a 14 seat Reo in 1924 and ran it on the Box Hill to Spencer Street route, with others, on a multiple operator basis - a feature of Melbourne bus routes in that era. The route was shortened from Box Hill to Hawthorn Bridge, and then cut in two. Harry took the Box Hill to Canterbury section, but soon sold it, while the other operators ran the remainder. Harry preferred to concentrate on the Box Hill to Mentone route and today, Ventura Bus Lines has grown to a fleet of nearly 200 vehicles, operating throughout the eastern suburbs.

Eric and Reg Driver began operating the Glen Iris to Camberwell Junction route in 1931 as a cab licence on a multiple operator route, but were granted a bus licence and ran the route on their own. In the 1940s, their buses came straight down Camberwell Road to Camberwell Junction, deposited their passengers just before Burke Road, did a U-turn in the Riversdale Road area, and came back up Camberwell Road to load passengers for the next journey. Such was the small number of private motor vehicles on the roads in that era! Eric's sons, Daryl and Gary, entered the business, and were later involved with the Government and the Metropolitan Transit Authority in a legal battle in 1988. Route licences had been put out to tender and Driver's lost heavily, including their original one. They appealed to the Supreme Court, and eventually won. Subsequently, Melbourne route operators were given seven-year licences in November 1990. Driver's fleet has now grown to 33 route buses and 34 coaches.

Mr. & Mrs. George Grenda purchased four bus routes centred on Dandenong in October 1945. The sector from Oakleigh to Dandenong, and adjoining areas, rapidly expanded with housing and factories in the next few years. The Grenda family currently operate Grenda's Bus Service, Peninsula Bus Lines, Portsea Passenger Service, Moorabbin Transit and Cardinia Transit. The total fleet is now 237 buses and 92 coaches.

Clem Usher bought Wilson's Croydon Bus Service in 1947, when the area was still semi-rural. Son John helped in his schooldays, tried teaching for a while, but started in the Company in 1964. John obtained a Churchill Fellowship to travel overseas for studies in connection with public transport. He became very impressed with demand-response services and services contracted to private operators. He instituted the former with his Telebus operation in the Chirnside Park area, and this has spread to other similar areas. His interests also spread to Tasmania where his companies still operate. John recently placed the future of Invicta in the hands of his wife, Pam, General Manager Frank Mercuri and Accountant Kumar Vasantha, and is not now directly connected with the operation of Invicta buses. The present fleet consists of 84 buses.

Across town, Pat, Jack and Gerald Ryan knew the Lane family, who ran the Moonee Ponds to Footscray via Ascot Vale route. Maurie Lane's advice was "Buy a bus company. You won't make a fortune, but you will always have a job." This seemed like very good advice to three depression lads, so the Ryan brothers purchased the Moonee Ponds to Aberfeldie route. Ryans still retain the same livery, blue body, cream roof, black band and red wheels. The present fleet is 19 route buses and 4 charter vehicles.

Joseph Sitch started running a seven-passenger cab in 1924 in Northcote. He soon moved to Footscray, and son Charles became Manager in 1951. Charles continued to expand operations to Sunshine, St.Albans, Altona, Brooklyn, Laverton, Maidstone and Highpoint Shopping Centre. In 1988, the long-term road freight family, the Keffords, bought Sitch's 65 buses and three Depots and further expanded operations.

Teenager Laurie Dyson arrived in 1920 from Yorkshire and settled in the then farming countryside of Bundoora. He was soon carting milk from the farms in a model T Ford. Back home from World War II, he became a bus driver, and then a petrol station proprietor, before his former bus company employer died and Laurie bought the business. He started with four buses and no depot, and expanded his business in the suburbs and country areas. The latter includes some rail replacement routes and Dysons now have a very good working relationship with V/Line. The present fleet size is 74 buses and 67 coaches.

Tramways and Tramway Buses

Many people will be surprised to learn that the first tram to run in Melbourne was not the cable tram to Richmond. It was in the then outer suburb of Fairfield, where a huge land sale was in progress. It was single track, with one tramcar, which was hauled by horses, and commenced running on 20/12/1884, from near the Fairfield station site, for a mile northwards. Operation was occasional, and it was possibly not used after November 1885, as most of the land had been sold.

As mentioned in the previous section, the Melbourne Omnibus Company became a very successful horse bus operator, and in 1883 reorganised itself as the Melbourne Tramway and Omnibus Company.

Attitudes were changing towards street tramways in Melbourne, and Parliament set up the Melbourne Tramways Trust, which consisted of representatives of Councils from the now inner suburban area.

The Trust was empowered to build the tracks and power houses for the cable tram system and the tracks for some horse tram lines. These would then be leased, with the operator providing the tramcars, Depots and staff. Some of the designated horse tram lines were changed to cable tram operation, but two horse tram routes were built from cable tram termini to Hawthorn and Kew, and another from Royal Parade, Parkville to the Zoo gates. The latter came to a sudden end in November 1923, when vandals destroyed the Depot and its four trams by arson during the police strike.

The Melbourne Tramway and Omnibus Company were granted a 32-year lease, which was due to expire on 30/6/1916. The first cable tram route, from Spencer Street, at Bourke Street, via Flinders Street and Bridge Road, to a terminus at the Yarra River, in Richmond, was opened on 11/11/1885, and the system was completed on 27/10/1891. The cable tram system was a complex engineering masterpiece of the late 19th. Century. Melbourne's system was built by Mr. George Duncan, who had just successfully installed a system at Dunedin, New Zealand. The high standard of design and construction was proven by the last routes running until late 1940, and thus withstanding the rigours of over fifty years of daily use by the trams, plus motorised road traffic that could not have been dreamt of in the 1880s.

There were also privately owned horse tram routes from Brunswick to Coburg, Elsternwick to Caulfield and Glenhuntly, and Sandringham to Cheltenham via Beaumaris, plus a privately owned cable tram from suburban Clifton Hill to Northcote. Melbourne also had the first electric tramway in the Southern Hemisphere, from Box Hill to Doncaster, then rural areas. It grew out of demonstration equipment at the Centennial Exhibition of 1888-89, and operated from 14/10/1889 to 6/1/1896.

The North Melbourne Electric Tramway and Lighting Company built the lines to Keilor Rd (North Essendon) and Saltwater River (Maribyrnong River) and a short, almost forgotten, single track line up Puckle St. to the railway station, together with a power house at Ascot Vale. Opened on 11/10/1906, it was the second permanent electric tramway in Melbourne. The Company operation was notable in that no additions were made to the fleet of trams or to the initial tracks. The Government formed the State Electricity Commission of Victoria to build a statewide electricity generation and supply system, and the Commission negotiated to take over the Company. The SEC obviously did not want the tramway portion, and this was passed to the then newly formed Melbourne & Metropolitan Tramways Board (M&MTB) on 1/8/1922.

Municipal Councils began installing electric trams beyond the cable network due to local pressures and the fact no doubt that public transport in that era made money. This factor, together with the recommendations of the 1910 Royal Commission, finally forced the hand of the Government of the day and overall co-ordination became important, and the M&MTB came into being in 1919.

The Board was instructed to prepare a "General Scheme for Tramway Development". Many submissions were received from suburban councils, progress associations, etc., and the resulting map of Greater Melbourne was awash with lines.

Whilst private buses already served some of these suburban thoroughfares, most would have been within a generation, but not too many subsequently received tram lines or even a tramway bus.

One of the first tasks undertaken by the Board was the conversion of the cable tram routes to electric trams. This resulted in the Board becoming an interim and subsequently a permanent bus operator. The M&MTB was frequently accused of being anti-bus. History records otherwise. It is possible the Board commissioned the first diesel buses in Melbourne in 1935 and the first "self-changing" gearbox, or automatic, bus in 1936. Most cable tram lines received electric trams, but lighter trafficked routes went to diesel buses. The exception was the Bourke Street routes, which received buses on the recommendation of Board Chairman H. H. Bell, Snr., as a result of his 1938 overseas transport study trip.

Our colleagues from Yarra Trams will doubtless smile wryly to learn that the M&MT B's Annual Report dated 30/6/1937 stated: "At the request of the Box Hill Council, application was made for an Order-in-Council to extend the Whitehorse Road Tramway from Union Road to Elgar Road. The Order has not so far received approval of the Governor-in-Council." The outcome was not mentioned subsequently, but Yarra Trams is now constructing this work, and continuing the line from Elgar Road to Box Hill shopping centre - 65 years later!

Change – Progress and Problems

On 1/7/1983, the M&MTB, Suburban Railways, and the Underground Loop Authority were superseded by the Metropolitan Transit Authority (The Met). The Met, in June 1988, commissioned the first of 100 new buses, which were fitted with air-conditioning. The first air-conditioned tramcar came three months later.

The Met (and V-Line Passenger and Freight divisions) were included in the new Public Transport Corporation (PTC) from 1/7/1989. The ticketing system suffered problems in the late 1980s and early 1990s as new arrangements and systems were brought into use, resulting in a worrying drop in patronage and revenue, particularly on trams and tramway buses. Graffiti was also a major cause for concern on both vehicles and property.

A change of Government saw the introduction of many changes and reforms. At the end of 1993, all tramway bus routes were put to public tender, and most were won by a private bidder. The remainder were won by the PTC and became known as Metbus, but this was also later sold by tender to another private operator in April 1998. One-person operation of trams, by removal of Conductors, took place during 1994-1996. After the positioning of cameras and screens at appropriate stations, Guards were progressively removed from suburban electric trains during 1995-1996. The installation of automatic ticket issuing machines at railway stations, in trams and on metropolitan buses took place between November 1997 and June 1998.

From 1/10/1997, another major decision by the Government started the dismantling of the PTC. It was divided into five "Corporatised" business units - two for suburban trains, two for the tram network and V/Line Passenger for country passenger trains and contract coach services. V/Line Freight had already been sold by tender. Tenders were called for the sale of these five business units, and the successful bidders duly announced. The changeover took place at the interesting time of 3.00 am on Sunday, 29/8/1999.

Thus direct Government involvement in Victoria and Melbourne's public transport ceased after some 143 1/4 years, and total private ownership began, as it had been for the first 1 3/4 years.

The two Corporatised tram units had been named Swanston Trams and Yarra Trams; the former subsequently being renamed M>Tram, while Yarra Trams' purchaser decided to retain their name. Both companies have started refurbishing their fleets, and have ordered new low-floor articulated trams. Yarra Trams have received most of their 36 "Citadis" three-section articulated trams from Alstom, while M>Tram have 38 three-section and 21 five-section articulated "Combino" trams on order from Siemens Uerdingen, with the first of the former on hand.

The two Corporatised portions of the suburban railways initially operated as Bayside Trains and Hillside Trains, but have been renamed M>Train and Connex respectively by their purchasers. Both companies are now most of the way through a program to refurbish all their 1980s trains, and have ordered new trains to replace their 1970s carriages. M>Train has 31 trains (each 6 cars) on order from Siemens, with the first due to arrive for testing in mid-year. Connex have 29 trains (each 6 cars) on order from Alstom, with the first due

Today Tomorrow

What now? Having very briefly traversed some 150 years of our three main forms of public transport in Melbourne, and ascertained where we are and how we reached this point, it would seem sensible to look at where we might go and by what means.

Firstly, let us assess what we have got:

- * Victoria has some 4.6 million people with some 3.4 million in Melbourne.
- * A suburban electric train system of 372 route kilometres, with 151 trains, carrying over 114 million passengers per annum.
- * Trams covering 343 route kilometres, with 476 trams, carrying over 116 million passengers per annum.
- * Buses covering 257 routes, with over 1400 buses, carrying over 92 million passengers per annum.
- * The tram network is claimed to be the fourth largest in the world and the largest outside Europe.
- * Statistics indicate that 74% of Melburnians travel by car, 18% walk or cycle, and only 7% use public transport.

The time spent on the main transport mode, i.e. train, tram or bus, is 40.3%, 41.3% and 40.8% respectively of the total journey time. That means the time spent on walking to and waiting for a feeder service, walking and waiting at interchange points, waiting for a final feeder service to or walking to the destination, is almost 60% of the total journey time. Does this mean that our urban sprawl is out of hand and has become a menace to our standard of living?

Should our Urban Planners have a good hard think about the situation? Must Developers be curtailed? Our urban sprawl is considerable, and the cost of roads and services is increasing out of proportion.

The speed of our suburban trains has changed little since 1919, and now averages about 33 kilometres per hour. Peak hour expresses have been operated for many years and are popular with passengers, attracting approximately 19% more people than "stopping all stations" trains. Trams used to be scheduled at about 19 kph but this now varies considerably due to increasing traffic congestion.

Important basic points that need to be kept in mind when providing public transport services are:

The overall system, as well as each individual route, must take people where they want to go when they want to travel. In earlier decades, when cities and towns were much smaller, most journeys were on one vehicle for short to moderate distances. There was some inter-change where routes crossed, but what is now referred to as "linked trips" was not widespread. As the populated area spread, this type of travel grew, but the name has only been applied relatively recently. Of late, the motor car has come into dominance by being so good at serving this travel aspect, in comparison public transport. Presently, the young and the old, plus the carless comprise a significant share of the public transport patronage. They are being served, to varying degrees, much of the week, but not fully. It will take a lot of effort, and some risk, to provide these extra services, which will need to be well marketed, so as to change the populations thinking and attract their patronage.

Passengers expect the service to be reliable, punctual, economical, frequent, safe, efficient and clean. The more recent problem of graffiti is definitely a damning indictment of our population's social attitude.

Present day passengers seem to be expecting a higher standard of vehicle, probably due to the standards of motor cars rising all the time, and being presented to the public in lavish media advertising. Thus the wooden or poorly upholstered seats and dull interior and exterior colours of the early to mid-20th century have been largely replaced by good upholstery and light coloured internal and external colours, as well as the recent move to low floor and wheel chair accessible buses and trams, and air-conditioning throughout all modes.

There a quite a few locations where traffic engineers have been able to help our vehicles, but there are doubtless many others where this could take place. Drivers and operations supervisors should be able to amass quite an impressive list or two!

In today's road traffic conditions, preference for trams and buses over streams of vehicles is obviously a major advantage for both operators and passengers. We have several instances of this in Melbourne for both types of vehicles. The "Fairway" system for trams is very good in theory, but is well and truly ignored in practise by road traffic, the causes mainly being illegal parking at "Clearway" times, double parking and turning vehicles at most hours. Bus only lanes seem to have a better run, while bus loading zones, away from the kerb, allow buses to go ahead or turn right without having to battle across other road traffic which needs to keep left or turn left.

Priority at many traffic lights is appreciated, but more is needed. Trams and buses delayed at traffic signals are wasteful of vehicle potential. Addressing a recent public meeting, Yarra Trams CEO Hubert Guyot, spoke of the King & Collins St intersection. In the evening peak hour 5000 people cross in each street. In Collins St they are in the main pedestrians and tram passengers. In King St the majority are travelling in 4000 cars. King St currently receives 70% of the light cycle while Collins St waits. I recall the slogan on a pamphlet from the U K. some 50 years ago which read: "Move people, Not vehicles!"

Yarra Trams are in the process of upgrading their Port Melbourne to Mont Albert - and shortly Box Hill - route, no. 109 service. Some of their new low-floor trams are already in service; improved safety zones and passengers facilities have been installed along Collins Street, with others to follow in the suburbs, all DDA compliant. The rails for the new track will be encased in rubber to absorb vibrations and reduce noise levels, and as much as possible will be of off-road construction. Other traffic improvements are being negotiated with local Councils. Hopefully we will soon see the fruits of two years planning and negotiating that will set a new standard for our City.

Both railed sectors have seen the arrival of solid state technology, which has been beneficial in their electrical sub-stations as well as in-vehicle control systems. Whilst the transmission of high voltage alternating current has been in use for decades, its application in traction work has been a major problem. Hence the use of 1500 volts direct current for the Melbourne and Sydney suburban electrification projects of the 1910s and 1920s. The Brisbane and Perth suburban electrifications of the 1980s and 1990s were able to use 25,000 volts alternating current due to advances in technology.

Microprocessor controls are being fitted to the D/C panels in tramway sub-stations, and new style lightweight catenary type overhead wiring will be erected on the Mont Albert to Box Hill extension. Both the new Citadis and Combino trams have three phase A/C inverter controlled motors. Even the humble fluorescent tube has been an important factor in improving the interior lighting in public transport vehicles, whereby their attractiveness to passengers has been enhanced.

The bus industry has been active in the field of alternative fuels in regard to reducing atmospheric pollution. The Met tried LPG in ten buses in the early 1990s, but the trial only lasted about a year. Compressed Natural Gas has been used for several years by part of the fleet of the Bell Street Bus Co., and likewise by Benders Busways at Geelong.

Ventura commissioned their first bus with a diesel engine to Euro 2 standard for exhaust emissions about three years ago, and subsequent new buses followed suit. Other operators also received these improved engines in their new buses. At Lilydale, Invicta Buses commissioned their first bus with a Euro 3 standard engine about two years ago, and have added several more. The Euro 3 engine emits the cleanest exhaust gases in the world for a diesel engine, but needs additional refining to its fuel for best results.

Eighteen months ago, Ventura launched the first of three buses powered by Ethanol – a product of sugar cane – and therefore a renewable source of energy. Invicta now have in service seven buses using Canola oil, which is also a renewable source of energy. Perth has recently ordered three hydrogen powered fuel cell buses from Mercedes Benz – at a cost of over \$1,000,000 each!

This is nearly three times the cost of a normal present day suburban route bus, and I feel that their advantages will need to be considerable if they are to be a viable alternative. We should watch all these trials carefully.

Another aspect that could be of concern to our new franchisees is their relationship with the Government via their Contracts. The Government, through the Department of Infrastructure and the Minister for Transport, have both responsibilities to and expectations from the Companies. The Companies need to balance decisions received from the DOI and the Government, the conditions of their Contracts, and the expectations of their parent companies and shareholders.

New projects will need to be negotiated between Government, DOI, VicRoads, Municipal Councils, and the Companies, and, judging by the aforementioned Route 109 project, and the Watergardens railway electrification project, the physical results and benefits to the public seem to be good. Hopefully, relationships, system expansion and improvements will follow suit.

The 1980s and 1990s saw the big local operators become larger. The middle 1990s saw the subsidiary of a very large Sydney bus company acquire most of the former tramway buses. The late 1990s saw the big disposals take place, and the consortiums arrive. Our "local" National Bus Company joined its namesake from the U.K. We now have, for the first time, large multi-national, multi-modal, transport operators heavily involved in our local transport.

The Melbourne scene has changed considerably in the last few years, and I expect it will continue to do so. We had decades of what might be termed stability, which gave a steady but slow progress. The situation started to change when the Met arrived in 1983, and, since then, change has gathered momentum, and is now moving rapidly.

The future? One thing I do know is that everyone gathered here today IS the future! Whether you are a tiny part of the future or a major part obviously depends on who you are and what role you play in life. A passenger may have only a tiny influence, but lots of passengers can have a collective influence of substantial note. In more blunt language, the "bums on seats" factor. At the other end of the ladder of life is the Manager or Politician who make the big decisions. If they make the wrong decisions, there will be insufficient "bums on seats"! And that means a doubtful or even bleak future for our industry, in particular, and our community, in general.

Many of you are involved in our industry directly or indirectly as employees, customers or suppliers. This means that you have a personal - or vested - interest in the passenger transport industry being of a good, if not the highest standard. Further, that transport survives and continues to serve its purpose, both for the benefit of each and every individual commuter as well as the general population. Our industry needs people to become passengers. No passengers means no industry!

As you know, the title of today's lecture is: "The Privatisation of Melbourne's Public Transport - Has the wheel turned full circle?" If a specific answer is expected from me, I feel it must be a definite "Yes".

If you ask me if it will turn again, or keep on turning, I can but recommend that you watch very carefully.

I have endeavoured to very briefly give an overview of the long and involved history of Melbourne's public transport since the 1850s. At that point in time we commenced with probably nothing, then privately owned railway companies, which were followed by individual citizens operating horse-drawn cabs and omnibuses.

The railways of that time suffered the problems of under-capitalisation and over-optimism and, subsequently the State Government soon found itself becoming involved as an early-day "white knight". The horse buses were successfully consolidated, and converted themselves into an excellent cable tram operator. Local Councils became electric tram operators. The overall result was a series of uncoordinated "territories" which produced inter-travel problems. The Government's solution was the formation of the Melbourne & Metropolitan Tramways Board for street tramway transport, but this left the suburban railways - by then being electrified - as a separate entity. The 1920s saw the spread of the privately operated motor bus create a third sector. It was not until the 1980s that the metropolitan-wide fare system solved the problem. Ironically, it produced problems of its own!

The late 1990s saw all the Government buses, trams and suburban railways privatised. With none of Melbourne's public transport now Government operated, and, as that was the situation 150 years ago, I feel that the wheel has turned full circle. However, I need hardly remind transport industry people that a wheel is round, and designed for turning. It has gone around once. Will it go around again? Time will tell. And you will directly help decide what it will do. Please be sure that you think clearly, judge carefully and act soundly. Because, as I said a few moments ago - YOU are the people who are responsible for the future of Melbourne's public transport.

Thank you for your attention.

Appreciation

Several people have assisted me in various ways to prepare and present this paper and I record my appreciation to them Dr Jenny Morris, Graeme Turnbull, Tony Hingston, Maureen Brewer, Joanne Holmes, Carlos Rodriguez, Craig Coop, Iain Drummond, Geoff Foster, Louis Fouvy, Frank Mercuri, Paul Nicholson and Michael Schrader.

This is the "handout" to those
who attended the lecture. It is the
text as it stood (after some editing)
about Thursday, 25/4/2002. Further
editing reduced it to 8 1/2 pages,
which was the speech delivered at
Grey Hall on 30/4/2002.

