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MINISTER FOR TRANSPORT

REVIEW OF METROPOLITAN
TRANSIT AUTHORITY

FINAL REPORT

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FINAL REPORT

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PA MANAGEMENT CONSULTANTS
Brisbane
May 1984

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1. INTRODUCTION

This report presents the findings and recommended action from a detailed investigation into the role and performance of the Metropolitan Transit Authority.

The Review was commissioned because of concern over the MTA's role in the changing light of transport requirements in South East Queensland. It was carried out for the Minister for Transport between January 1984 and April 1984.

During the review we have held discussions with:

- Past and present members of the Authority and its staff
- Transport operators
- Government Departments
- Local Government Authority representatives and
- Other relevant bodies with which it has dealings

We have also analysed the considerable body of information on the activities of the MTA.

We should like to record our thanks to all those individuals and organisations with which we had contact for their ready assistance in this review.

2. EXECUTIVE SUMMARY

This section summarises the main aspects of the Final Report.

2.1 Approach

The investigation was based on discussions with members and staff of the Authority, Transport operators, Government Departments, Local Government Authority representatives and other relevant bodies. We have also analysed a considerable body of information on the activities of the MTA.

2.2 Findings

The MTA was established with a major role "to provide a properly integrated and efficient system of public passenger transport for the declared region". As such it was given a major co-ordination and integration role.

In summary we found that:

- It chose "an overall policy and advisory function" which limited the Authority's ability to get things done.
- It was substantially unable to influence the actions of the Brisbane City Council or Queensland Rail.
- It has ineffective working relationships with the major transport operators.
- The Research and Planning activities have resulted in little action.
- It has been unable to convince transport operators that it can help solve their problems.
- Development Plan II does not describe the Authority's strategy for achieving greater co-ordination and integration.
- Its involvement in project control of electrification was not necessary.
- The changes in Commonwealth funding arrangements no longer require the involvement of a Statutory body.
- The Planning and Advisory Committee has not been allowed to achieve its purpose.

- Within the Authority itself there is unresolved conflict and low morale. It suffers from a lack of clear, firm leadership.
- In the area of interchange construction some progress has been made.

2.2

Recommendations

There is still a very strong need for the successful co-ordination and integration of public passenger transport resources. A significant capital investment has been made in rail electrification, and the State Government continues to subsidise the operation of public transport.

In order to achieve this, we recommend that:

- The MTA be disbanded and a Division of Urban Public Transport created within the Department of Transport.
- This division should have responsibility for urban public transport throughout the State.
- A Queensland Urban Public Transport Council be established to provide advice to the Minister and the Department of Transport.
- Capital funding should be the responsibility of the owning authorities. Inter-modal and multi-modal funding should be the responsibility of the new Division.
- The Commissioner of Transport should be created a Corporation Sole to permit retention of the ability to borrow \$1.8 million per annum outside Loan Council approval.
- The subsidy paid to the Brisbane City Council for bus operation be reviewed. The current subsidy formula can perpetuate inefficiencies and the new formula should contain an efficiency test.
- A route and partonage study be carried out in 1984-85 so that future plans and their effectiveness can be measured.

3. BACKGROUND

The background to our Review was as follows:

3.1 Assignment Objectives

Our Terms of Reference directed us to:

- Review the Metropolitan Transit Authority's past role and performance.
- Examine the relationships between the Metropolitan Transit Authority and public transport operators and other agencies and organisations.
- Review the role of the Planning Advisory Committee.
- Review the Authority's organisation structure.
- Recommend the Authority's future role, reporting relationships and organisation structure and determine its involvement in the funding of capital facilities.
- Prepare a Report which sets out the findings and recommends a programme for implementation of any required change.

3.2 Government Objectives for Urban Public Transport

While every city in Queensland where Public Passenger Transport services operate has problems of its own, the situation in Brisbane and its metropolitan area is quite unique. Brisbane is one of the largest areas of continuous urban development in Australia. It is the centre of the State's Government, trade and commerce. The adequacy of its transport arrangements is a matter for State concern.

Public transport involves the expenditure of large amounts of money - every effort must be made to ensure the best value for the money spent is obtained.

Brisbane is served by a number of separate systems (rail, bus, ferry, taxi), all managed individually according to their own objectives. State Government recognised early that its intervention was necessary to ensure optimum efficiency through co-ordination and integration. The need was identified in the Wilbur Smith study of 1970. It was accentuated in the speech by the then Minister for Transport introducing the Bill to provide for the MTA. It is firmly recognised in the present government's policy statements. The policy is clearly put in the Metropolitan Transit Authority Act 1976 where it says:

"the object of providing a properly integrated and efficient system of public passenger transport for the City of Brisbane and adjacent areas".

3.3 Overview of Public Transport in Brisbane

Public Transport in Brisbane and its surrounding area is the responsibility of a number of organisations.

- Queensland Rail is responsible for providing passenger rail services in the area. Overwhelmingly its services cover the city of Brisbane through its recently electrified service.
- Brisbane City Council is responsible for the majority of city bus services, and seven cross-river ferry services through a private operator.

- Private Bus Operators are responsible for bus services to outer suburban areas, intercity buses and local bus services for non-metropolitan areas.
- Private Ferry Operators are responsible for one cross-river ferry and one up/down ferry service.
- Taxis operating throughout the area, but predominantly in the Brisbane metropolitan area. We have included this service in our classification although the MTA chose to regard the service as not being public transport.

The Department of Transport is responsible for licensing all bus passenger, transport/taxi services, and the provision of State Government approved financial assistance to private bus operators.

Brisbane City Council bus services receive financial assistance direct from State Treasury.

Since taxis have not been included within the ambit of the MTA, we have been unable to obtain figures on their patronage. The following table shows patronage for the other services in 1978 and 1982:

Patronage

	1978		1982	
	(millions)	(%)	(millions)	(%)
Rail	27.5	30	32.6	37
BCC - Bus	48.7	54	42.6	48
Private Bus	13.0	14	12.0	13
Ferries	1.4	2	1.5	2
Totals	90.6	100	88.7	100

It should be pointed out that although BCC bus patronage shows a decline, recent figures show that the decline may have been halted. Nonetheless it can be seen that the total decline in passengers from 1978 to 1982 is largely caused by the decline in BCC bus patronage.

4. ROLE AND PERFORMANCE OF THE MTA 1976-1984

4.1 Origins

The impetus given by the Wilbur Smith report was reflected by the formation, in 1970, of the metropolitan Transit Project Policy Committee to progress the objectives of the Wilbur Smith Study. The Committee operated until 1974 (when it was merged with the Policy Planning Committee formed as a result of the 1965 Wilbur Smith Study). It was assisted by a sub-committee which comprised the Co-ordinator-General, Commissioners for Transport, Main Roads and Railways, the Under Treasurer, Director of Local Government, Manager, Brisbane City Council Transport Department and a representative of the Commonwealth Department of Transport. (This sub-committee eventually became the Metropolitan Transit Project Board).

In 1973, in response to the Whitlam Government offer of two-thirds Commonwealth Grants funding towards the capital cost of upgrading public transport in capital cities, the Urban Public Transport Committee was formed. This Committee, comprising professional staff from Main Roads, Queensland Rail, Transport Department and various support staff, prepared a capital expenditure programme for evaluation by the Commonwealth Government. This Committee was disbanded in 1974 when the Metropolitan Transit Project Board was formed to conform to the Commonwealth government requirement that the transport funding be through the auspices of a Board. The MTPB was formed "to effectively undertake the works necessary to implement a programme of capital works for the provision of a properly integrated and efficient system for public passenger transport....". With the passing of the Commonwealth Transport (Planning and Research) Act 1974, the MTPB was also able to take advantage of financial support for planning and research activities.

The stage was thus set, in 1976, for the formation of the Metropolitan Transit Authority "to provide a properly integrated and efficient system of public passenger transport for the declared region as a culmination of the Government's policy in this direction". (Hansard: March 1976)

4.2 Objectives and Powers

The ultimate objective of the MTA is to provide an efficient transport system with all individual organisations operating in unison. It was given a number of functions. In summary they were:

- to formulate appropriate programmes
- to implement approved programmes
- to co-ordinate and assist by such means as it considers appropriate the public passenger transport services
- to enter into agreements directed to the improvement or expansion of services.

It was also required to adhere to the Minister's policy directions. To discharge these functions the Authority was given a range of powers covering the operation of services, financial assistance, capital works and the employment of experts or agents. In addition, it was given additional methods of control (S.70 of the Act).

4.2.1 A transport authority which intended to take a decision about the siting, inauguration, operation or licensing of a service was required to notify the MTA and give it sufficient information to allow it to express an opinion on the action. In addition, as pointed out in a letter from the Treasurer (17.9.81), subsidy is only payable for the BCC bus operations on certification by the MTA that the Council is co-operating in proposals for co-ordination.

4.2.2 The MTA could require the Commissioner for Railways to furnish it with information, provide services or undertake works to improve passenger services. The Commissioner was required to comply unless he could demonstrate to the Minister why he should not.

Thus Government policy was clear and the objectives were clearly stated, and the MTA was given sufficient power to carry out its task.

The MTA had the responsibility to define its role which it stated as "an overall policy and advisory function". In our view, this seriously weakened its ability to achieve its objectives.

Nonetheless we would expect that, after the initial problems, the main organisations in transport (i.e. Queensland Rail, Brisbane City Council and the Department of Transport) would now be well on the way to achieving the objectives.

- 4.3 In practice, we found that working relationships between the MTA and these organisations were poor. As a result, progress towards a co-ordinated and integrated system has been limited.

Research and Planning

When the MTA was established, the Commonwealth Government provided two-thirds of the funds for Planning and Research under the terms of the Transport (Research and Planning) Act 1974. This Act was superceded by the Transport Planning and Research (Financial Assistance) Act 1977, which reduced the Commonwealth's contribution from two-thirds to one-half in 1978/79 and 1979/80. In 1980/81 Commonwealth assistance ceased. The history of expenditure is as follows:

<u>Year</u>	<u>Expenditure</u>
	\$
1976/77	533,092
1977/78	862,779
1978/79	605,376
1979/80	586,777
1980/81	481,074
1981/82	224,899
1982/83	248,282

(Source: MTA Annual Reports)

Working with officers of the MTA we have identified, discussed and costed every project carried out since the inception of the Authority. At least three were authorised but were not started. Quantifying the exact number of studies commenced has also proved difficult since, in some cases, an overall study heading includes several individual studies. The following is the data on the outcome of the total programme:

No. of studies commenced	83
No. discontinued	<u>6</u>
No. completed	77
No. where objective was data collection rather than formulation of recommended action	<u>25</u>
No. of studies to make recommendations	52
No. implemented	27

A list of the studies carried out is shown in Appendix I. This list shows studies carried out in-house and those using external resources.

We have classified the total completed studies under a number of headings covering the area (inside/outside Brisbane Metropolitan area) and mode/modes involved (BCC buses, Queensland Rail, ferry, private bus). Many studies span both areas and one or more modes. The figures are, in summary:

<u>Area</u>	
Brisbane Metropolitan Area	46
Outside Brisbane	22
Both	9

Mode

Of the 77 studies completed, the following modes were covered, either wholly or in part in the studies:

	<u>No. of Studies in which Featured</u>
BCC Bus	35
Queensland Rail	40
Ferry	14
Private Bus	24

These figures do not give us any cause to determine bias in the geographical area or mode chosen. There is a very rough correlation between size/patronage and the percentage split of studies. There is, however, cause for concern over the effectiveness of studies. Of the 77 completed, 27 made recommendations which were implemented. From the Authority's point of view, the Planning and Research programme assists the Authority in the formulation of policy, produces guidelines for improved operations and facility design and initiates and evaluates possible projects for incorporation in the capital works and interchange programmes.

The Authority sees the problem as reluctance on the part of the operators to accept or follow the findings of any particular study. Where infrastructure and improved facilities were involved, agreement was usually reached and car parking/bus/rail initiatives proceeded. Where detailed investigations into, and revisions of, operations were involved, few, if any, reached conclusions. From the operator's point of view the problem was one of the MTA not understanding operational problems. As was said during our interviews "anyone can build car parks". When service arrangements were involved, only the operator really understood.

The Planning and Research Programme is a major activity of the MTA. Although there are isolated, minor successes, it represents a typical example of the failure of the Authority to achieve results. We had many examples put to us of studies which, in the view of the MTA, were "well conducted". We find this evaluation unacceptable. The only ways in which we consider success can be judged are:

- was anything achieved as a result of the study?
- did the study make a significant contribution to the Authority's Strategic Plans?

Using these criteria, our view is that most of the Planning and Research effort was wasted.

4.4 Development Plan 1

The MTA was required, under the Act, to prepare

"a plan for the development of an integrated and efficient system of public transport for the declared region".

The planning process has been interpreted by the MTA as one of its major responsibilities. We consider it has placed too much emphasis on it. Getting things done is much more important but received less attention. Planning is only worthwhile when it leads to action. In our view the planning process should result in a clear, quantifiable statement of the actions to be taken to achieve objectives. This is lacking in the MTA's plans.

In the earlier stages there was a considerable need to quickly develop programmes to take advantage of Commonwealth Funding whilst it was available. Development Plan 1 was the first attempt at developing a co-ordinated approach to urban public transit. These two factors should be taken into account when considering it.

Our comments on Development Plan 1 are as follows.

- 4.4.1 The "Preferred Development Strategy" is simply a broad list of initiatives that "could" or "should" be taken.
- 4.4.2 Cost reduction is a clear, quantifiable objective. The plan contains no stated targets, areas for reduction, approaches to reduction or time scales.
- 4.4.3 The annexure to the document purports to summarise the main recommendations. It is therefore surprising to find statements of what will not be done. For example:
 - the Authority has not been able to give priority to any major rail extensions.
 - no immediate operation of high speed ferry services.

4.4.4 The document claims that "To support the operations and system improvements recommended in the plan, a capital works programme has been devised". The impression created is that the MTA has devised and will implement this plan. In fact the major proportion of the work (electrification) was begun before the MTA was created and would continue without it. Only in the case of interchanges could it be said that the MTA would take the initiative.

4.4.5 There is little attempt in the document to link the capital expenditure and projects to operational improvements.

The question of capital works requires separate consideration. The MTA holds the view that it should be responsible for formulating a comprehensive capital works programme for urban public transport and that it must have direct involvement in the use and allocation of available funds. In this way, it is said, funds can be allocated according to the overall needs of the total system in a way that no individual operator could do. It has not been effectively able to do this.

4.5 Development Plan II

Development Plan II (1984-1989) was prepared in draft and submitted to Cabinet who directed it be sent to departments and other agencies for comment.

Given the experience with the first development programme and the opportunity to review it, we would expect the second development plan to be an improvement.

However, it does not contain a clear statement of the strategy to be adopted.

It states as its objective to:

"Maintain and where possible to improve the level of service provided by public passenger transport in the Declared Region without incurring substantial increases in the operating deficit in real terms."

This is not in line with developing a properly integrated and efficient system of public transport.

Whilst the building of various interchanges may encourage the use of various parts of the transport system, there is little evidence to suggest that the MTA has accepted its overall co-ordination role.

The plan contains some discussion about avoiding duplication of resources. It does not provide any clear indication of how this issue will be addressed and what benefits will flow from it.

Service integration is mainly planned on building a number of interchanges. It is stated that the need for these is based on previous studies. The plan does not discuss the rationale of this. In any case, the lack of effective working relationships between the MTA and the major operators, particularly the BCC, makes proper co-ordination very unlikely.

The plan gives no indication as to how the priorities of the various projects have been set. Rather it simply provides a list of projects and initiatives.

It is not currently possible to measure performance of the various services on an individual basis to enable monitoring of the system and the formulation of appropriate plans. The second plan does not convince us that this will be achieved.

4.6

Progress Towards Co-ordination and Integration

It is under this heading that the key role of the MTA can be judged. It was created to achieve co-ordinated, integrated transport services as pointed out in Section 4.2 (Objective and powers). There are certain prerequisites to the Authority achieving this prime goal:

- A clear understanding by the MTA of this key role
- Clear understanding on the part of operators, agencies and organisations that this is the MTA's key role
- A specific plan leading to the achievement of this goal
- A system for measuring achievement.

Unfortunately, none of these exist. The following are our major conclusions.

- 4.6.1 The MTA has been unable to achieve effective co-ordination between the major transport operators. As a result there are inefficiencies due to operators not combining their resources to achieve the best result.
- 4.6.2 At times Commonwealth money was available for the funding of urban public transport. There was an urgent need to take up this funding whilst it was available. The MTA allowed itself to become preoccupied with capital works and funding, to the extent that it saw them as an end rather than some of the steps along the way to an efficient overall system.
- 4.6.3 The Planning and Research programme has not realised its full potential due to lack of overall direction and difficulties the MTA experienced with transport operators.
- 4.6.4 For the MTA to successfully carry out its role it was essential that it developed a system of measuring transport needs, performance, operating achievements and problems. Only in this way could the MTA develop effective plans for an efficient overall system. Whilst the MTA did recognise this need, it was unable to gain the necessary co-operation of the BCC and Queensland Rail to achieve it.
- 4.6.5 Co-ordination and integration should lead to improved overall efficiency. This should involve reduction in parallel services, and the development of new and more useful services with the development of more interchanges. This requires working with the operators to plan the services.

Within Metropolitan Brisbane there have been few moves towards co-ordination and integration. A range of station car parks have been constructed to permit car/train interchange but the only facility of any importance has been Enoggera. Here a major co-ordinated integrated system is in operation and is regarded by the MTA as a major success. Unfortunately, this view is not shared by Queensland Rail or Brisbane City Council. The system is intended to provide the traveller from outer suburbs with the opportunity to make the journey to the City by bus and train, thus eliminating long journeys by bus. It was therefore surprising to find that, when the system was introduced, BCC also introduced increased services from these outer suburbs to the City. Given its powers the MTA was not authoritative enough in these situations.

- 4.6.6 Integration was taken by the Authority to include integrated fares. However, difficulties between operators (e.g. BCC and Queensland Rail) about what portion of the fare each organisation should receive have limited progress in this area.

4.6.7 Nonetheless there have been a number of achievements to date. The MTA's interchange group has been responsible for the design and construction of:

- Car parks at 53 railway stations
- Car/bus interchanges at MacGregor and Northey Street
- The Enoggera Interchange
- Bus/rail facilities at Sandgate, Oxley, Darra, Goodna, Booval, Thornside and Wacol
- Car/Ferry interchange at Dutton Park
- New ferry terminals.

Overall, whilst there has been some progress towards co-ordination and integration, it has mainly been in areas where it has been achievable by capital funding. The whole area of co-ordination of the services of different operators has not been successfully addressed. For whatever reason, the MTA has not been able to gain the co-operation of the major operators. As an example, the BCC is required to obtain the MTA's approval that new bus services fit into the overall plan before they are introduced. In practice, the BCC tells the MTA what it is doing when it does it. This is in spite of the fact that State Government subsidy to the BCC is contingent on approval from the MTA.

4.7 Funding

This section examines the historical initiatives associated with the funding of capital investment in public transport. It covers the background to the source and application of funds and describes the roles of the various bodies involved.

4.7.1 Historical Background

During the latter years of the Whitlam government, two highly relevant pieces of legislation were passed:

- The States Grants (Urban Public Transport) Act 1974
- The Transport (Planning and Research) Act 1974.

The former provided for two-thirds funding by the Commonwealth Government for capital expenditure to upgrade public transport in cities. The other provided for the joint funding of associated planning and research projects. To take advantage of these funding arrangements, the Metropolitan Transit Project Board was formed in 1974, to be replaced by the Metropolitan Transit Authority in 1976. With joint Commonwealth funding arrangements available, Queensland was then able to embark on a substantial programme of capital works. Although expenditure of some volume was incurred during the period of the Metropolitan Transit Project Board, the following table shows expenditure on capital works by the Metropolitan Transit Authority and the amounts of Commonwealth grants. All figures are taken from the Metropolitan Transit Authority Annual Reports.

Year	Capital Works (\$ million)	Commonwealth Grants (\$ million)
1977/78	28.778	16.214
1978/79	23.192	7.303
1979/80	23.097	7.486
1980/81	43.714	8.116
1981/82	54.581	-
1982/83	47.215	2.457
Totals	220.577	41.576

The figures for 1982/83 Commonwealth grants are for ABRD projects. These figures represent a most significant shortfall in a programme for which two-thirds funding was anticipated. The Queensland Government then decided that it would find its own funds to complete the programme.

Up to the period 1979/80, the majority of funds came from the State's Loan Programme or the domestic semi-governmental borrowing programme of the Metropolitan Transit Authority itself. In recent years, the Loan Council has restricted the State's Loan Programmes as well as the Semi-Government borrowing programme. This has led to the establishment of off-programme sources of funding. These have included:

- Trade Credits
- Sale and Leaseback arrangements.

In general, therefore, Queensland has had to resort to a number of avenues to fund the capital works associated with urban public transport. As can be seen from the above table, a total of \$179.001 million has been required. The principal sources have been, in the period 1977/78 to 1982/83:

<u>Domestic Loans</u>	\$33.275 million
<u>Overseas Loans</u>	\$64.393 million

The remainder of the Metropolitan Transit Authority's requirements have been met by loans from the State's Loan Programme as well as from the Special Projects Fund (financed by the Sale and Leaseback arrangements). These have amounted to \$81.333 million.

In recent years, two additional sources of Commonwealth funding have been created:

- Australian Bicentennial Road Development (ABRD) Programme
- Community Employment Programme

and the MTA has obtained allocations from these sources to fund new programmes. The lack of continuity of Commonwealth funding adds difficulty to the funding process.

In the past the MTA was a useful vehicle for funding capital works by reason of its ability to borrow as a Statutory Authority. Commonwealth restrictions led to borrowing through a number of other means (such as Sale and Leaseback) but these are not restricted to Statutory Authorities. ABRD and CEP funds are likewise available to Government at large.

With the change in the Commonwealth funding arrangements for Urban Public Transport, one of the prime reasons for the MTA being set up as a Statutory Authority no longer exists. The only remaining reason for it being a Statutory Body is its ability to borrow \$1.8 million on the domestic programme without Loan Council approval.

4.7.2 Project Financing

The MTA purports to exercise restraint over the authorities responsible for the capital works to ensure that the money is well spent. In practice, this role has been restricted to the electrification programme which has comprised 95% of the capital works.

Of this, half is spent on the construction of electric rail cars. The construction of these rail cars is outside the control of the MTA as it is the subject of a contract between other parties.

The electrification construction programme is nearing completion and this role, needed or not, will disappear.

4.8 Relationship with Operators, Agencies and Organisations

We conducted a series of interviews with a wide range of individuals representing the bodies with which the MTA deals. The overwhelming majority of opinion was that it was an unsatisfactory, poorly organised body, lacking direction and achieving little. The views of the individual bodies are set out below:

4.8.1 Brisbane City Council

The MTA has extensive dealings with the BCC but relations are extremely unsatisfactory. In spite of the major role of the BCC in Urban Transport, the MTA has proved incapable of influencing its decisions or actions. The BCC expresses opposition to the MTA interfering in its affairs and has little regard for its competence or ability to help. The following are several examples of the difficulties in relationships:

- Central City Distributor Bus. A typical co-ordination effort suggested as a result of a detailed study. Despite an offer of Government subsidy the concept was rejected by the BCC.
- Enoggera Interchange. The BCC claim the project was not properly costed. The MTA deny this. BCC will not proceed with other similar interchanges until an acceptable means is found to share revenue from integrated fares. The MTA expects BCC to accept the project because it is co-ordination, regardless of its financial effect on the BCC.

- Bus Costing. A vital part of any programme to improve efficiency. After initial enthusiasm, Council withdrew support. Its final reason (not mentioned until then) was that it had to be done in conjunction with a Rail Cost Study.
- Bus/Rail Co-ordination at Indooroopilly Station. Several reports commissioned by the MTA indicate the potential for bus/rail co-ordination at Indooroopilly Station. The site was also nominated for bus/rail in the Wilbur Smith Study. Attempts by the MTA to instigate this co-ordination have met with resistance from the BCC.
- Coronation Drive Car/Bus Interchange. The MTA claims not to have been consulted about this facility. To the motorist it provides an excellent opportunity to come to work by car, followed by a short bus journey. In the overall traffic planning sense it provides direct competition with the suburban train services and contributes to traffic congestion on Coronation Drive.

These are important initiatives which the MTA was proved incapable of progressing. In the last resort only State Government should be responsible for decisions about the total system.

The MTA was given express authority by Cabinet to ensure co-operation by authorising payment of the BCC transport subsidy. It has never used this power and, clearly, the BCC believes that it will not.

4.8.2

Queensland Rail

There is no effective working relationship between QR and the MTA. It is not seen as being of any value or assistance and is frequently ignored. The MTA is not considered competent enough to understand QR problems.

There is considerable objection to the MTA's funding role. It is seen as "policing" the work to avoid overspending. As a result it is felt that the MTA holds up progress unnecessarily. This excessive concern for "value for money" in rail electrification construction is inconsistent with its lack of determination to measure and improve efficiency in the system as a whole, including the financial cost of operating subsidies. The work done by the MTA on Cordon and Patronage counts was described as useful. It is accepted that, if the MTA did not build interchanges, then Queensland Rail would not.

4.8.3 Local Authorities (outside Brisbane but within the declared region)

Other than Ipswich City Council (which was supportive), the four other major authorities with whom we had discussions were highly critical of the MTA. The summary of criticisms were that it

- tended to ignore outlying local government
- ignored major issues
- was unclear about its role
- had a poor image through lack of leadership
- had staffing problems
- concentrated on minor issues like bus shelters.

With the population growth in these outlying areas they have had a need for transport planning and help.

4.8.4 Private Bus Operators

We met with very varied reactions to the MTA. A few were appreciative of the assistance given in route design, timetabling and co-ordination. Most were highly critical of the MTA's competence and lack of knowledge of real, everyday problems. All expressed the need for a central Government body to assist in both a technical way and with subsidy. Some felt this was a role more than adequately filled by the Department of Transport. It was seen that there was duplication between the MTA and the Department of Transport.

4.8.5 Ferry Services

The MTA is regarded favourably. Prior to its creation, the problems of the ferries were ignored. The MTA was regarded as having done an excellent job in erecting terminal sheds, and promoting awareness. The current Minister for Transport has had a significant role in relation to ferries and it is doubtful whether the MTA would have undertaken a number of initiatives in the area, without prodding from the Minister.

4.9 The Planning Advisory Committee

The Planning Advisory Committee was set up under the MTA Act to review the Authority's programme for

- Capital Works
- Research
- Operation of passenger services
- Planning

and is required to tender such advice and recommendations as it sees fit. The Chairman of the MTA is also Chairman of the Planning Advisory Committee. The other members are the Commissioners for Main Roads, Transport and Railways and a nominated representative of the Commonwealth Government (this representation ended when Commonwealth funding stopped). The BCC attended by invitation as a gesture of goodwill so that it was aware of developments.

In the Chairman's view, the PAC was set up to involve the Commonwealth Government and thus has no real role today.

In the Commissioners' eyes, it could have performed a useful role if it were allowed to. It was never given anything useful to do, was concerned only with detail and any view it did express strongly was not put to the Authority. It now only meets once or twice a year, and it serves no useful purpose.

4.10 Organisation Structure

4.10.1 Part-time Authority Members

The Authority comprises seven members under the Chairmanship of the Manager of the Metropolitan Transit Authority. All members are part time - their involvement being attendance at monthly Authority meetings.

With the exception of two, the members are nominees of the Minister for Transport. The remaining two members are the representatives of the constituent local authorities and the Brisbane City Council.

Individual members of the Authority have extensive experience in business, public administration and transport and have devoted their various skills to the development of the overall public transport system in the Authority area.

The people concerned have applied themselves to their tasks with considerable enthusiasm and have made a real effort to guide the overall activities of the Authority in an effective manner. In doing this they have devoted much of their own time to Authority business.

We found that there is a continuing need to have both community and operator representation and advice in the transport area.

4.10.2 Full time Authority Staff

We found that within the Authority there was low morale and a general lack of co-ordination. This is a result of poor organisation and leadership. Some effects of this are frustration by talented members of the Authority's staff and lack of output by others. There is also a high turnover amongst junior staff.

Our investigations also revealed dissatisfaction within the Authority itself as to its structure.

We found that:

- The organisation structure does not reflect the true role and objectives of the Authority.
- There is a lack of co-ordination between the various technical levels.
- There is no clear identification of the roles of Transport Planners, Transport Analysts and Inspectors.
- Individual functions and reporting relationships were not clear.
- A recent reorganisation had caused the Economist to leave.

4.10.3 Present Structure

The present structure is made up of the following functions. (The numbers in brackets refer to the numbers of current staff.)

- Interchanges responsible for design and construction (8)
- Economics (1)
- Planning and Research (10)
- Administration (9)
- Financial (5)

There is, in addition, a Project Officer (Operations) and a Marketing Section (3 staff). Until recently the first three functions were under the control of the Director. Within the last three months his responsibilities have been confined to Interchanges. The total organisation is under the control of a full time Chairman who is also Chief Executive Officer. A diagram of the structure immediately before and after the recent change is shown in Appendix II.

This review recommends that the MTA be disbanded and a Division of Urban Public Transport be established within the Department of Transport. In this event savings in the administration and financial branches should be achieved.

More effective management of the planning function will result in increases in effective output from this area.

5. SUMMARY OF FINDINGS

Urban Public Transport is a major area of Government Policy. As indicated earlier, this has been recognised in the creation of the MTA and in continued Government commitment to a policy of improving Urban Public Transport, evidenced by its substantial financial support for capital works and subsidies for operators throughout the State. The MTA does, however, suffer from a number of significant weaknesses.

- 5.1 It has chosen to provide "an overall policy and advisory function". This immediately limits its ability to get things done.
- 5.2 It has proved unable to influence the actions of Queensland Rail or Brisbane City Council. It has only succeeded in arousing their opposition.
- 5.3 Its extensive Research and Planning activities have resulted in little action.
- 5.4 It has been unable to convince transport operators that it understands their problems and can help in a practical way.
- 5.5 Its Development Plans were not plans as such. They reflect the Authority's confusion over its role.
- 5.6 Its involvement in the Project Control of electrification has further reduced its standing with Queensland Rail. This "value for money" role was not in keeping with what we see as its true role, and is of debatable value anyway.
- 5.7 Its advantage as a funding authority has lessened considerably with the shift of borrowing responsibilities to the State.
- 5.8 Its relationships with outside organisations are poor. The major ones did not see it as a necessary body, preferring to be left alone to run their own services without strong concern for integration or co-ordination. This is a major failure by the MTA.

- 5.9 The Planning Advisory Committee is not seen now by any of its members as forming a useful purpose.
- 5.10 The MTA's Organisation Structure is confused and does not reflect its real objectives.
- 5.11 As a Statutory Authority it is seen by other Government Departments as being outside the mainstream of Government, and out of touch with all the forces coming to play in policy formulation.
- 5.12 It suffers from a lack of clear, firm leadership to agree objectives, plan their achievements and get things done.

As a body whose key role was co-ordination, integration and efficiency the only clear area of success is the construction of car parks and interchanges. Not all of these have been a success but, in general, the initiatives taken have been worthwhile.

6. RECOMMENDATIONS

Major investment has been made in rail electrification. It is important that the taxpayers' investment in electrification is put to the best use. To achieve this, there must be overall co-ordination between the various operators in the region.

In addition to capital the State spends, it also makes a major contribution to the operations of urban public transport through its many subsidies.

Optimum efficiency will come from overall co-ordination and integration. This requires assessment of priorities, avoiding duplication of resources and ensuring the best use of all resources.

The current situation is unsatisfactory. There is little effective overall co-ordination. The MTA unsuccessfully attempts to gain acceptance of its plans by persuasion. Even its planning efforts are frustrated by lack of effective working relationships with the operators.

The State Government performs a number of activities in the public transport area. They are:

- Operations (Queensland Rail)
- Strategy Planning
- Works Programming (Programming Planning, Funding and Cost Control of Capital Works)
- Project Planning of Interchanges
- Planning Rail and Bus Services
- Planning improvements to the private bus network
- Monitoring and reporting on system performance
- Licensing bus services
- Administering subsidies, fare levels and structures
- Marketing and promotion.

These activities can be broken down into four major roles:

- Setting overall objectives
Obviously a State Government responsibility for the total public transport system.

- Planning
 - . Strategy planning - developing the overall strategy
 - . Operational planning
 - . Works programming
 - . Project planning of interchanges

- Service delivery
 - . Operation of the services
 - . Marketing and promotion

- Control
 - . Monitoring system performance
 - . Licensing bus services
 - . Administering subsidies, fare levels and related matters.

The overall co-ordination and integration role previously envisaged by the State Government is still relevant, and in fact vital, if the most efficient use of resources is to be achieved.

7. RECOMMENDED COURSE OF ACTION

We agree that the State Government Urban Public Transport policy should be developed by one body, thus avoiding the problems of overlap and expensive duplication of transport resources.

- 7.1 In the past there was a definite requirement that this was a statutory body (a condition of Commonwealth funding). This requirement no longer exists and there are strong reasons to place this responsibility directly with the Department of Transport. This will provide ministerial and financial accountability.

The Department of Transport has in the past been more of an administrative body. However, in view of recent reforms in the department following an investigation by the Public Service Board, this department has taken an increased role. It is therefore logical that the department should carry out the overall co-ordination and integration role. This would have the added advantage of removing the licensing and subsidy anomalies that already exist between the MTA and the Department of Transport.

- 7.2 The MTA operated in a declared region, basically the South Eastern Corner of the State. Provision for overall planning for urban transport should be extended statewide, as population changes have and will continue to take place. Other changes have come about due to increased emphasis on tourism resulting in new international airports, etc.

- 7.3 To put this into effect, the MTA should be disbanded and a Division of Urban Public Transport created within the Department of Transport, responsible for co-ordination and integration of urban public transport throughout the State. It is recognised that the major issue is Brisbane and its surrounding areas, but this will allow the Department to progressively take action in other areas of need. It will also enable it to combine its existing initiatives in other parts of the State.

- 7.4 A Queensland Urban Public Transport Council should be established to provide advice to the Minister and the department in the area of urban public transport. This will allow representatives of the community, operators, and other organisations to express their views on transport needs and plans. This public advice is a valuable adjunct to bureaucratic advice.
- 7.5 Capital funding should be the responsibility of the "owning" authorities (e.g. Queensland Rail and Electric Rail Cars). However, funding will be required which is not specifically attributable to any one owner or operator (e.g. interchanges, information systems, etc.). The Department of Transport should be responsible for these inter-modal and multi-modal funding recommendations.
- 7.6 As a future source of loan funds, we recommend that the Transport Commissioner be created a Corporation Sole as the Queensland Urban Public Transport Development Authority. This would retain the current ability to borrow \$1.8 million on the domestic market as a "small" authority. This would allow the funding of interchanges and other inter-modal requirements.
- 7.7 The subsidy provided by the State Government to the Brisbane City Council for bus operations should continue to be paid by Treasury but on the advice of the Department of Transport. The department should take over the powers currently held by the MTA in this respect.

As the current formula for subsidy can perpetuate inefficiencies, we recommend that it be reviewed by Treasury and the Department of Transport. A new formula should be established which contains an efficiency test. To achieve this, it is essential that an information system be established which generates information on routes, patronage, revenues and costs for all elements of urban public transport.

8. IMPLEMENTATION PROGRAMME

The recommendations made in our report require

- Cabinet Approval
- Legislative Change.

Legislative Change involves the repeal of the Metropolitan Transit Authority Act and its replacement by an Urban Public Transport Act. This act would create the organisation recommended in our report.

- 8.1 Announce approved changes.
- 8.2 Abolish the MTA and provide a new Act to create a Division of Urban Public Transport within the Department of Transport.
- 8.3 Agree organisation structure for the new Division.
- 8.4 Transfer of required staff from the MTA to the Department of Transport. Re-deployment of other staff.
- 8.5 Establish an Information System for Urban Public Passenger Transport Costs, Patronage, Revenue and other relevant data. This is a high priority and we recommend its funding in the 1984/85 budget for Planning and Research.
- 8.6 Establish new Subsidy Arrangements for the Brisbane City Council Bus operations.
- 8.7 Create an Urban Public Transport Council to provide transport advice.
- 8.8 Create the Transport Commissioner as a "Corporation Sole".

We recommend that responsibility for implementation be taken by the Commissioner for Transport who, together with the Chairman of the Public Service Board, should implement the revised Organisation Structure and the programme of personnel reassignment consequent on such revised structure.

Submitted for

PA MANAGEMENT CONSULTANTS

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This report has been prepared for the client to whom it is addressed. In accordance with our standard practice, PA, its servants and agents disclaim responsibility to any third party for anything arising out of the report.

METROPOLITAN TRANSIT AUTHORITY
LIST OF STUDIES

1. STUDIES CARRIED OUT USING IN HOUSE RESOURCES

Bus Usage in CBD - Inner City Distributor
Brisbane Regional Transportation Planning
Integrated Fares for Co-ordinated Services:
 Part C - An Integrated Fares System for Brisbane
Study of Parking Policies
 Part B - Parking Supply Update
Separation of Cost Function Joint Usage Rail System
Financial Analysis of Private Bus Operations
Specifications for a Special Purpose Small Bus and
 Para-Transit Study
Enoggera Financial Evaluation
Transport Disadvantaged Location Study
Bayside/Redlands Bus Study
North Albert and Logan Area Public Transport Study
Greenbank Bus Study
Rail Motor Service to Greenbank
Public Transport Services in the Greenbank Corridor
Impact of Doyle's Off-Peak Bus Service in Camira/Carole Park/Inala
Albany Creek Public Transport Review
Ipswich Bus Study
North Coast Public Transport Review
Bayside Bus/Rail Co-ordination
Feasibility of New Station Between Strathpine and Lawnton
 (Second Study)
Rail Access Study - Strathpine/Lawnton
Bayside/Redlands Reorganisation
Brisbane's Ferry System : A Statement of Proposed Improvements
A Market Research Report on the New Dutton Park Ferry Terminal
Trial Ferry Service Extension to Hawthorne & Bulimba :
 A Post Evaluation

Financial Assessment of Proposed Up/Down River Service Extensions
to Hamilton and St. Lucia

Toombul Bus/Rail Interchange Study

Salisbury Bus/Rail Interchange

Cordon Count Analysis (1977-1982)

Central City & Valley Employee Travel Study

South West Corridor - Bus Route Rationalisation Study

South West Preferred Strategy

2. STUDIES CARRIED OUT USING EXTERNAL RESOURCES

Update of Public Transport Forecasts to 1980

Bus/Rail Co-ordination - Ipswich Corridor

Integrated Fares for Co-ordinated Services:

A Literature Review of Fare Systems for Public Transport
Services

B Fares Systems for Brisbane Passenger Transport

Computer Scheduling of Buses & Drivers

Bus Priority Treatment for Brisbane

Central Command Centres for Bus Operation

Immediate Bus Requirements for Brisbane: Patronage & Fleet
Estimates 1979-1984

Marketing Public Transport:

A. Marketing Public Transport in Brisbane Literature Search

B. Changing the Image of Public Transport in Brisbane

C. Marketing Function in the Organisation of the MTA

D. Modal Choice Prediction Based on Consumer Attitude

E. Public Transport User Information Aids

F. Study of Existing User Information Aids

Study of Parking Policies

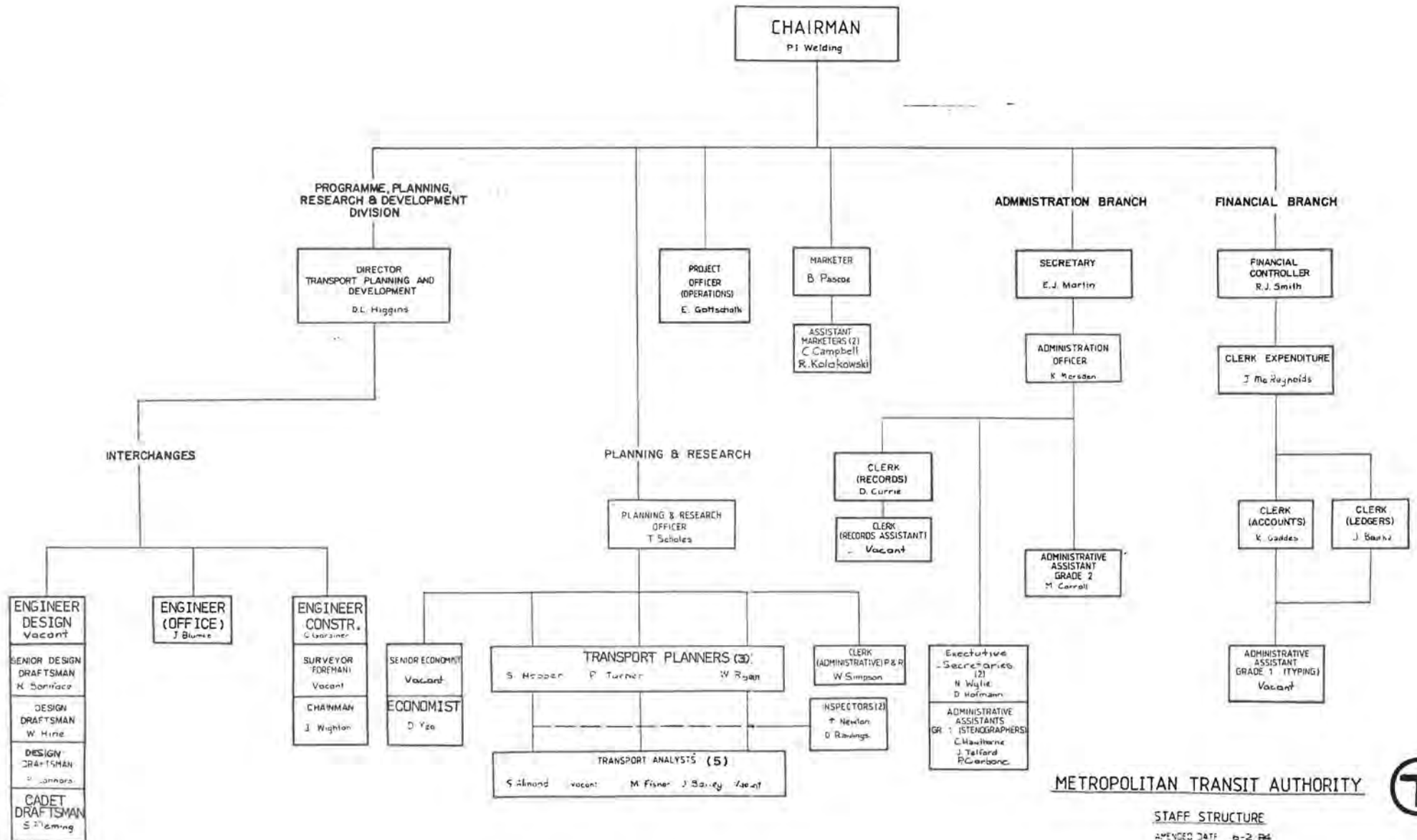
Bus/Bus & Car/Bus Systems

Transport Systems - Gold Coast Area

Feasibility of Reservation of Transit Corridor
Brisbane to Gold Coast

Public Transport Connections to Redcliffe

Marketing BCC Bus Services : Demonstration Project
Off-Peak Bus Patronage
Boondall Sandgate Interaction
Central Station Pedestrian Flows
Bus-Bus Demonstration Project
Flexitime - Implications for Public Transport
Bus/Rail Co-ordination Ferny Grove Corridor
Rail Link - Petrie to Kippa-Ring Land Requirements
Ipswich Improvement Impact Study
Public Transport for Commonwealth Games
Review of Bus Services - Bracken Ridge
Review of Bus Services - Bald Hills TAFE College
Albany Creek- Murrumba Public Transport Study
Jindalee/Inala/Goodna Public Transport Study
North Coast Public Transport Review
Monitoring Public Transport Patronage
Trinder Park Woodridge and Kingston Stations
Economic Investigation of New Station at Beams Road
Nyanda Elimination Study
Feasibility and Need for Station Between Petrie and Dakabin
Gloucester Street Station and Tunnel Study
Feasibility of New Station between Strathpine and
Lawnton (First Study)
Virginia Station Improvement Study
Suburban Train Use Optimisation
Bus Driver Selection Training
Passenger Transport on the Brisbane River
Research Report on a Ferry Study
Research Report on a Sign Comprehension Test
Brisbane River Study : Proposed Up/Down River Services
Expo 88 Transportation Study
Major Multi-Modal Interchange at Indooroopilly
Traffic Report on Proposed Multi-Modal Interchange
at Indooroopilly
Proposed Indooroopilly Development - Assessment of Alternative
Access/Egress Schemes

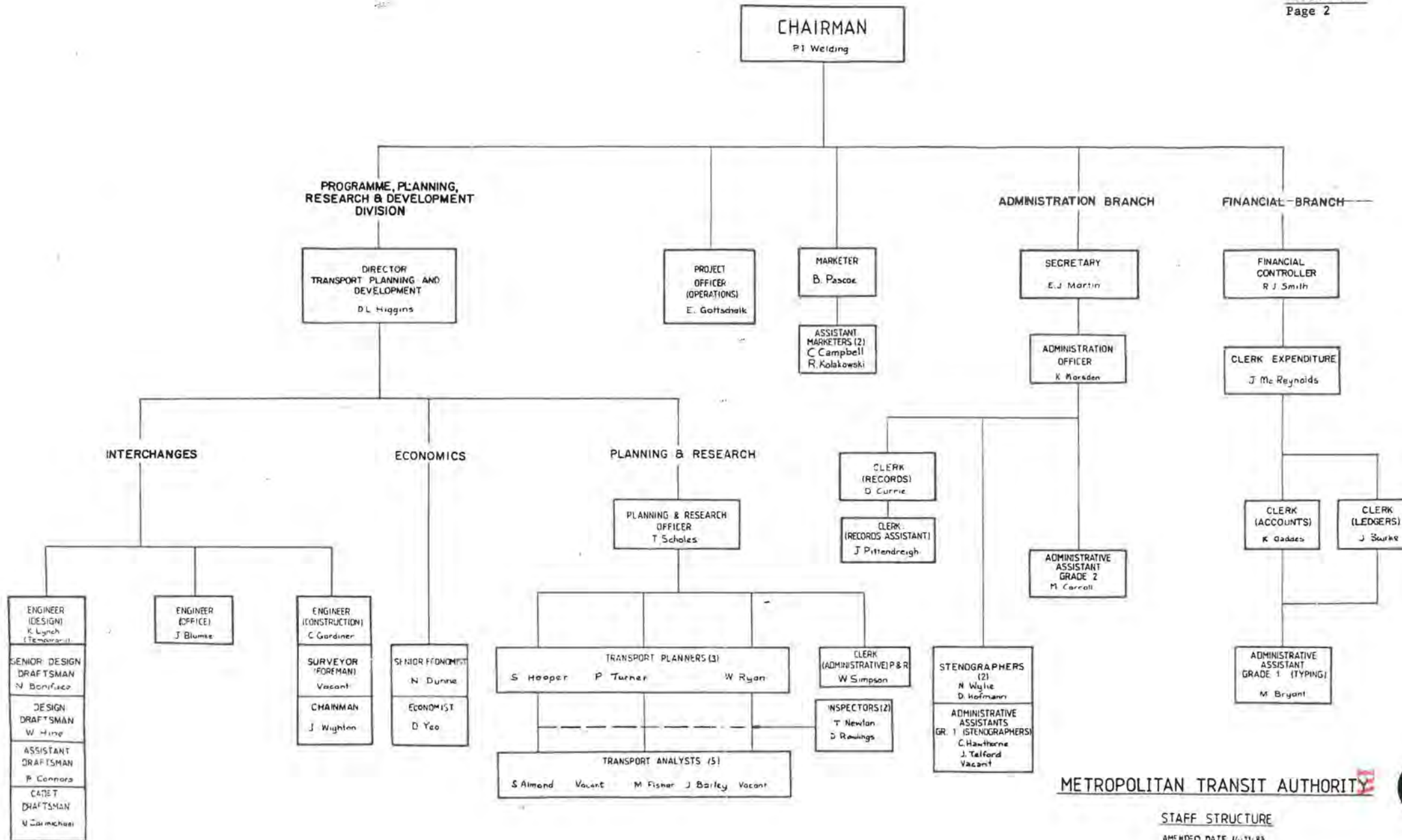


METROPOLITAN TRANSIT AUTHORITY



STAFF STRUCTURE

REVISED DATE: 6-2-84



METROPOLITAN TRANSIT AUTHORITY

STAFF STRUCTURE
AMENDED DATE 11/11/83

REVISED ORGANISATION
DIVISION OF URBAN PUBLIC TRANSPORT

