



Age  
01/10/2008  
Page: 6  
General News  
Region: Melbourne  
Circulation: 208000  
Type: Capital City Daily  
Size: 151.10 sq.cms  
MTWTFSS-

# Look to clean cars public transport

By **CLAY LUCAS**  
TRANSPORT REPORTER

BUILDING an affordable zero-emission car will be the most important source of reducing pollution from transport, Professor Ross Garnaut has found.

Governments must also stop funding new road construction ahead of new public transport infrastructure, he said.

Between 2004 and 2009, Canberra poured \$12 billion into road building but spent nothing on urban public transport, the climate change report said.

Emissions from transport — the sector makes up 14% of all carbon dioxide emissions produced in Australia — could be reduced more quickly if governments shifted from funding roads and instead spent more on public transport, walking and cycling.

The report said that to reduce emissions from transport, Australians would need to:

- Drive fuel-efficient vehicles and shift to low-emission fuels such as electricity.
- Shift to lower-emission modes, such as public transport, and build cities that are more compact.
- Reduce the distance and frequency of travel.

A single transport co-ordination body should also be set up in every state, to be responsible for transport policy, he recommended.

For many years state and federal governments had given

public transport a low priority because of cheap petrol, Professor Garnaut said.

"Low fuel prices . . . are a key factor behind the extensive use of fuel-intensive modes of transport in Australia, including trucks and cars," he said. These modes accounted for more than 85% of Australia's transport emissions in 2006.

But the transport system in Australia would undergo "a profound transformation this century (because of) higher oil prices, new transport technologies, rising incomes and population growth," he said.

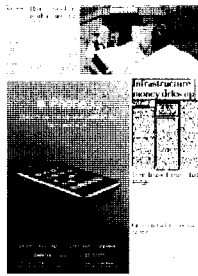
Population growth would increase the competitiveness of public transport and intercity rail, as their costs per passenger decreased with scale, he said.

But governments would have to do more to help people get on to public transport.

"The main reasons people do not currently use public transport relate to the lack of suitable quality infrastructure and services," he said, citing Australian Bureau of Statistics figures.

Melbourne University transport researcher Nicholas Low said Professor Garnaut's review had exposed state and federal governments' "unprincipled fetish for road building".

He said the collapse of the global economy meant public-private partnerships were now "dead in the water". Governments would need to move towards "community partnerships" instead, he said.



Age  
01/10/2008  
Page: 2  
General News  
Region: Melbourne  
Circulation: 208000  
Type: Capital City Daily  
Size: 208.67 sq.cms  
MTWTFSS-

# Infrastructure money dries up

By **CLAY LUCAS,**  
**JEWEL TOPSFIELD**  
and **JASON DOWLING**

BUILDING desperately needed new infrastructure in Victoria — including new rail and road infrastructure — has been made harder by the world economic crisis, Premier John Brumby has warned.

Financial experts also warned that Victoria's window of opportunity for privately funded major infrastructure projects may be closing.

Two months before the State Government releases its multibillion-dollar transport plan, Mr Brumby said the credit squeeze meant attracting private investors for new infrastructure would now be more difficult. "Around the world there will be less credit and less finance than there was," he said.

"So it will be a tougher market for things like PPPs (private financing) but it doesn't mean there won't be any market."

The Victorian Government has relied on private financing for many of its biggest projects, including EastLink and the Royal Children's Hospital and will seek financing for the \$3.1 billion desalination plant.

Mr Brumby said the Federal Government would need to

## KEY POINTS

- Premier Brumby says credit crisis will hamper funding of state's building projects.
- Opposition says Labor took too long to act on big transport infrastructure projects.

play a bigger role to help fund transport and nation-building infrastructure.

Transport projects under consideration by the State Government include a \$9 billion toll road linking the Eastern Freeway with the western suburbs, a \$7 billion rail tunnel from Footscray to Caulfield and a \$1.5 billion rail link from Werribee to Deer Park.

Andrew Chambers, infrastructure analyst at Austock Securities, said the financial crisis would affect infrastructure planning.

"So effectively you would find . . . a new toll road would be extraordinarily difficult in this environment. With the likes of Babcock and Brown and a couple of the local banks, they have got other things to worry about."

Deputy Opposition Leader Peter Ryan said the State Government should have acted sooner on the big transport infrastructure projects.

"They have fiddled around doing nothing for too long. They make Nero look like an activist, this lot, and the current (economic problem) is one of those worst-case scenarios for them because they have fiddled with transport for years."

Max Lay, a director of toll road operator ConnectEast, said the infrastructure market in Victoria had not been tested since the worst of the global financial crisis had emerged but, he added, big infrastructure projects could be seen as a safe harbour for long-term investors.

"I think Victoria might have been lucky not to have tried to test the water in the last few months. People's judgement is so emotional at the moment that who knows (what might have happened)," he warned.

"In the past, infrastructure projects were regarded as a very secure way of putting away money for 30 years.

"There are a lot of pension funds around looking for secure ways of investing their money."

The head of Melbourne University's transport research centre, Professor Nicholas Low, said the world economic crisis meant the "public-private partnership strategy is dead in the water".