Extract from Hansard

[COUNCIL - Wednesday, 21 August 2002] p346c-347a

Hon Murray Criddle; Hon Graham Giffard; Hon Peter Foss; President

SHARED-USE PATH BETWEEN GRAHAM FARMER FREEWAY AND CALEDONIAN AVENUE, MAYLANDS

69. Hon MURRAY CRIDDLE to the parliamentary secretary representing the Minister for Planning and Infrastructure:

I refer to the shared-use path being constructed adjacent to the railway between Graham Farmer Freeway and Caledonian Avenue, Maylands.

- (1) In determining the need for this path did the Department for Planning and Infrastructure undertake any cost-benefit studies?
- (2) If yes to (1), will the minister table them?
- (3) If not, why not?
- (4) Has the department undertaken any studies to determine the potential levels of use of the path?
- (5) If yes to (4), will the minister table those papers?

Hon GRAHAM GIFFARD replied:

I thank the member for some notice of this question.

As an introductory comment, it should be noted how this project compares with more expensive bike paths approved and constructed under the member's authority in his previous incarnation as minister. For example, other stage 1 principal shared paths include the 0.6 kilometre Vincent Street grade underpasses and overpass, which was constructed in 1999 at a cost of \$1.715 million; the one kilometre path between Claremont station and Swanbourne station, which was constructed in 2000-01 at a cost of \$1.07 million; and the 1.1 kilometre Powis Street grade overpass, which was constructed in 2000-01 at a cost of \$1.832 million. Indeed, three years ago the member had a very different view. His press release of 12 March 1999 states -

"Perth already records about 235,000 cycle trips each working day, which is among the highest of all Australian cities," Mr Criddle said.

"However, we hope to double the number of bicycle journeys by 2029 through the creation of a network of comprehensive, convenient, accessible and safe cycle facilities.

- (1) Cost-benefit studies were undertaken by the previous Government the member's Government to calculate the economic return from the Perth bicycle network. According to these studies, stage 1 of the Perth bicycle network implementation has a net present value of \$51.3 million and a benefit-cost ratio of 3.4 to 1; and stage 2 of the PBN implementation has a net present value of \$66.7 million and a benefit-cost ratio of 3.7 to 1.
- (2)-(3) With further notice this information can be tabled; however, the minister has provided some basic information. The benefits calculations are based on Australian data and worldwide consensus figures for congestion, pollution, health, business and accident cost savings. A number of highly conservative assumptions are made to ensure that the benefits calculations are robust. The resource costs of operating a private motor vehicle 11.3c a kilometre are excluded to limit the evaluation to government and business costs. User costs are not taken into account. Further, no traffic growth is factored in. Traffic is expected to be 150 per cent of 1995 levels by 2029. If these conservative assumptions were lifted, the cost-benefit ratios would be doubled to around six to one.

I outline the benefits that were considered. Congestion costs were determined as part of the research process, and the figure of 75 per cent of the marginal peak cost was used to reflect patterns of bicycle use, which is estimated at 9.9c a kilometre. Pollution costs, such as air, global warming and noise, are taken from the Australian transport research forum paper and reflect the global consensus of 1.8c a kilometre. Health benefits are based upon the causal link between coronary heart disease and exercise, and equate to 0.3c a kilometre. The estimate of working days lost is based upon Western Australian and international health studies for government and private sectors, and is 2.5c a kilometre. Accident cost savings are based on international data linking increased cycle use with net casualty reductions. This situation arises because fewer motor vehicle-pedestrians collisions are recorded as users switch to less damaging modes of travel. This saving is estimated at 2.5c a kilometre.

The implementation of the Perth bicycle network plan and the meeting of the metropolitan transport strategy targets for bicycle use will deliver a wide range of benefits to government by 2029. For example, the predicted five per cent reduction in emissions of carbon monoxide, nitrogen oxides, volatile organic compounds and carbon dioxide will save \$4.9 million per annum in environmental costs. It is predicted that there will be a five per cent reduction in coronary health disease and reduced

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incidences of cancer, obesity and mental health disorders. The health benefits of cycling have been calculated to outweigh accident costs by 20 to one. These benefits will improve individual quality of life, reduce business costs and reduce government health costs, which are valued at \$800 000 per annum in direct health care costs. The associated pollution and noise reduction and community interaction of increased cycling will improve the image of Western Australia as a first-class place to live. Attracting the best people to the "city for people" will give Western Australia the edge. Studies in North America show that active employees who cycle to work take 40 per cent fewer days sick leave and are more productive at work. This will reduce Western Australia's business costs by \$6.8 million per annum.

In relation to transport, traffic congestion increases business distribution costs. Cycling is particularly suited to peak-hour trips to work and school, thereby reducing business costs. Road infrastructure costs can also be reduced as cycling reduces the demand for road space. Road congestion costs alone would reduce by at least \$27 million per annum. The value of these and other benefits, once the usage targets for cycling are reached, would be \$47.8 million each year.

(4) The previous Government identified this project as a priority, but did not deliver the program within its planned time frame. The Labor Government has committed \$5.8 million for completion of the unfinished stage 1 program, and in total has committed \$20 million towards implementation of stage 2 of the Perth bicycle network. This project should be recognised as a facility that will overcome the current major barriers to cyclists in the Perth to Midland corridor. Usage monitoring has been undertaken to assess the effectiveness of the Perth bicycle network program on cycle usage, user satisfaction and awareness, and to compare these with surveys conducted in 1998, 1999, 2000 and 2001. The draft 2002 monitoring report indicates a total increase in cycling on PBN facilities of 84.7 per cent between 1999 and 2002.

Hon Peter Foss: This is a very long answer.

Hon GRAHAM GIFFARD: It is a long answer, but the question -

Point of Order

Hon PETER FOSS: The member has admitted that it is a long answer, which is contrary to standing orders. He should bring the answer to an immediate close.

The PRESIDENT: I trust the member will promptly wrap up the ministerial statement.

Questions without Notice Resumed

Hon GRAHAM GIFFARD: The preliminary remarks are coming to a close. The answer continues -

These statistics do not include the further benefits that PBN facilities provide to pedestrians and other users.

(5) This monitoring report will be available to be tabled upon finalisation.