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Bus companies in limbo

YARRA VALLEY

The future of transport businesses assets in doubt as State Government looks to renew contracts

Laura Armitage

YARRA Valley bus companies are in limbo with the State Government wanting to buy or lease assets as part of contract negotiations.

McKenzie's and Martyrs bus lines are two of 12 family-owned businesses, operating in Melbourne that will need to renew their contracts with Transport for Victoria.

Bus Association Victoria executive director Dr Chris Lowe, said he spoke on behalf of both McKenzie's and Martyrs, two of 12 family-owned companies being told they have to sell up to the government at the end of their contracts. Dr Lowe said the government would only give contracts to operate services on the condition companies agreed to sell some or all of

their assets at the end of the contract term," Dr Lowe said.

Dr Lowe said the government wanted to own all the assets, including buses and depots, so it could tender out to a smaller number of multinational companies. He said the Government recently backed down on putting the regional bus companies in the same position. "The government is forcing them into a position where they sign a contract or not operate," Dr Lowe said. "It's not about the money, it's about providing a community service and having a viable asset for future generations." He said negotiations were ongoing.

Eildon Liberal MP Cindy McLeish said it was appalling and the companies have been told not to speak out about the issue.

Transport for Victoria spokesperson, who did not want to be named, said the government was not "compulsorily acquiring" businesses and had started overhauling bus network contracts. "The new contracts provide the government with more flexibility to improve and expand services where they are needed most," they said.