



# Tariff measures

**Barcelona/Sitges 28-29 March 2007**

**Challenges for all – old and new!**



# Why Public Transport?

- ✓ **Congestion <-> Cost efficiency**
- ✓ **Air quality – demands action!**
- ✓ **Equal opportunities**
- ✓ **US versus Europé, what kind of life do we want?**



# Tariff policy for Public Transport

**Local/regional PT must be subsidised (?)**

**What would happen if subsidies were withdrawn ?**

- ✓ **Provide basic mobility for all citizens**
- ✓ **Poor ability to pay**
- ✓ **Reduce congestion, improve the environment +  
Supply creates demand**

 **Should some PT be given up?**



# Subsidies or tariff structures – how?

- **Who shall decide about tariffs?**  
(related to the type of contract – fare capping)
- **What is a reasonable degree of cost recovery?**
- **Simple or complicated**
- **Integration versus specialisation**
- **Should special groups have special tariffs?**
- **How shall obligations be compensated?**





## Denmark

- Major reform – 5½ regional PTAs now cover Denmark
- PTAs decide tariffs but in many different ways
- Very detailed incentive contracts
- Subsidies split between regions and communes
- Good integration train + local bus
- !! PT losing ground, especially bus travel
  
- National smart card by 2012



## Norway

- **PTAs generally decide tariffs, but some Net cost contracts give (limited) powers to operators**
- **Lots of research on PT**
- **Incentives weigh a lot in contracts**
- **Mixed picture in a rural rich country**



## Sweden

- PTAs with full tariff powers since 25 years
- Little scope for operator initiatives, trials suggested
- One zone or 100 zones in a PTA
- All surface transport linked in [www.resplus.se](http://www.resplus.se)
- PT losing ground outside big cities.....
- New solutions needed but how?
  
- National smart card by 2010



# Tariffs – just one parameter!

