



Free public transport: a solution for city congestion?

There are many ways to reduce congestion in cities: walking and cycling initiatives, new metro and BRT systems, carpooling, car rentals and smart technology are all being used. One argument states that simply making public transport free is the most effective solution to reducing car use. By Sarah Marks

Free public transport may seem too simplistic a means to reduce emissions by reducing car traffic in cities but as well as being used in parts of Belgium and the US, there are European political parties and NGOs arguing for a new approach to funding municipal transport.

Hasselt in Belgium is part of the Cities For Mobility network, which is coordinated by the Chair of UCLG Committee on Urban Mobility, the city of Stuttgart. Since 1 July 1997, there have been zero fares on the city's buses (called *H-lijn*). Additional bus routes are free for Hasselt residents and there are free bikes and scooters available

The city's buses cover 500,000 kilometres per year. Their use increased between 800 and 900 percent as soon as the zero-fare policy was introduced. In 2006, 4,614,844 passengers used the free buses, representing a growth of 1,319 percent and 4,516,611 were still using the buses by 2008. The mobility policy is a result of cooperation between the bus line, the government and the city authorities.

Funding comes from the city budget. In 1997 Hasselt paid 11 million Belgian Francs (€270.000) for a period of six months; in 1998 it paid 25 million francs for the entire year. Costs were in the region of 31 million francs in 1999 and approximately 31.5 million francs in 2000. The report Sustainable Mobility in Hasselt states that these

costs amount to less than 1 percent of the total annual city budget.

"The money spent by the city council for this purpose means that more people become mobile," says a spokesperson for the council. "Just consider how many people – some of whom have now become mobile again - can use public transport thanks to local authority spending. A small expense yielding great pleasure and of considerable social significance for the community."

Increased mobility for citizens has its advantages and disadvantages: being mobile, citizens will spend more, socialize more and become more integrated with the community, but without fares it is difficult to manage demand and avoid overcrowding at peak times. With a charging system, fares can be made cheaper to incentivize people to travel at off-peak times. To combat this, free public transport systems must ensure that a sufficient service is offered to cope with demand and alternative forms of transport such as bikes and light rail made available.

Hasselt eschewed plans for a third ringroad in the mid 1990s and renovated one of the existing two ringroads, turning it into a pedestrian-friendly and tree-clad Groene Boulevard, demonstrating some shrewd forward-thinking from the local council. "Compare the expense for free public transport to the huge cost of the infrastructure put in place



Hasselt's free buses cover 500,000 km in a year

on behalf of motorists," says a council spokesperson. "A single parking place, for instance, will cost €3,718, based on a parking place of 15 square metres and a stretch of road also covering 15 square metres. In other words, the financial contribution of Hasselt to public transport in 1997 would only have sufficed for the construction of 74 additional parking places for at most 170 people (assuming two people per car) and the expense in 1998 would have been enough for roughly 170 parking places for at best 340 people."

Eddy Baldewijns, the Flemish Minister of Transport, commissioned the Institute of Traffic Studies in Diepenbeek to carry out a first evaluation of the new public transport system at the end of 1997. The findings showed that 16 percent of bus passengers would previously have travelled by car, and, accidents on the inner ring road were effectively reduced to zero. However, a small percentage of bus users said they would previously have walked or cycled, indicating a negative effect of providing free buses - some journeys are now producing more of a carbon footprint.

Other cities offering free public transport

Public buses in Beijing have been free for senior citizens aged 65 or

over (1.9 million people) since 1 January 2009. The city wanted to give the elderly an incentive to move around the city as opposed to staying at home. The hoped-for side effect is that the elderly will contribute to spending.

Citizens in Island County, Washington, in the US, have enjoyed free public transport since 1987. Island Transit is a public municipal corporation that provides 71 fare-free buses and 100 vanshares (for which riders contribute to running costs) to 81,000 residents, ferrying them to and from work, school, to health centres and shopping malls. The philosophy is to encourage less dependence on cars, decreased traffic congestion and improved air quality.

"Typically, for smaller or rural transit systems, collecting a fare generates virtually no usable revenue because of the costs associated with the collection of the fare," says Executive Director, Martha Rose. "In addition, the fare box imposes an unnecessary inconvenience which is detrimental to ridership, and therefore contrary to the mission. Island Transit is pre-paid with a local sales tax of 9/10ths of 1 percent on every dollar spent in Island County."

Fare-free transport in Island County saw 161 riders on the first day of service. Today there are

approximately 1.3 million riders per year (with a daily average of 4,237 passengers). But increased passengers numbers can have a down side. "The two negatives associated with farefree transit delivery is that there are never enough buses and there are not enough parking areas," explains Rose. "We approached the Washington State Legislature and requested specific funding so that we could construct our own park and ride P&R lots. We were successful. We call our P&R lots 'Transit Parks'. We have more landscaping than parking areas. We work with community members in each area we're going to build a Transit Park."

The bonuses for the local community have been bigger than imagined. "I believe that you would be surprised as to how much we have influenced more livable and sustainable communities," says Rose. "We're not just a bus system. We're an integral component of our island life style."

Political support for free transport

The Scottish Socialist Party in the UK is pro fare-free transport, and made the concept central to its political election campaign in 2010 having campaigned for this since 2007. Amongst the benefits of a fare-free scheme, the Party cites: road accident reduction, fewer traffic jams and savings on road maintenance.

In terms of financing, the Party says: "Capital costs can be raised by cancelling, scaling down or postponing at least some highly expensive transport projects." And in Scotland's case they say that funding from the roads budget can be transferred to the public transport budget, and that further funding could come from a supplementary local tax.

The Scottish Socialists have several innovative ideas about how finance could be raised, and have looked to other cities for ideas. "An alternative and straightforward way of financing free public transport would be to levy a 'transport payroll tax' on

all businesses with more than 10 employees," says a Party spokesperson. "Such a tax is used widely in France to fund public transport. The Paris Metro, rail and bus system, for example is largely funded through a payroll tax of 2.2 percent, which generates well over €2 billion a year."

Planka.nu, a public transport NGO based in Sweden, is one of many groups fighting for a way to reduce GHG emissions and turn abstract percentages and climate targets into political measures. Their 2008 report, Travel doesn't have to cost the earth, advocates free mobility options to citizens.

Alex Berthelsen of Planka.nu says that millions of euros are spent just maintaining fare systems. "It is important to remember that the costs of having a fare system are more than just the direct expenses such as tickets, vending machines, personnel, and barriers," he explains. "Things such as queues, unsatisfied customers and violence are also costs directly associated with having fares, even though they are harder to measure in economic terms." Planka.nu reports that in Stockholm the cost of the station barriers amounts to €2 million annually, with an additional €5 million per year in reinvestment, and that the loss of productivity due to people queuing at central station adds up to more than €3 million each year.



Local authorities could levy a payroll tax to subsidize bus transport

But Stockholm's public transport company, Lokaltrafik (SL) refutes this. "I cannot verify those figures; I don't know how they have come to that conclusion," says Jesper Pettersson from SL. "All I can say is that the investment we are currently making is 60 million Swedish Krona (€6.67 million) a year, and for the years to come, maybe 140 million Swedish Krona (€15.58 million). We'll replace all the old gates with new ones. It's not a big cost to maintain them once they are in place. We have an annual budget of 14 billion Swedish Krona (€1.58 billion)."

Fares are crucial to their business model. "Half of our business is financed by taxes from the city council and the rest is financed by ticket revenues," says Pettersson. "We made about 5.1 billion Swedish Krona (€567.38 million) in ticket revenues last vear."

But Planka's Berthelsen argues that instead of paying people to do menial jobs such as monitoring barriers, they could be employed to do more fulfilling jobs such as providing information and directions or driving buses and trains - which would also make employees better value for money.

Other cities that are proving there is a way to make zero-fare transport viable include Aubagne, France; Hawaii County, Hawaii; Lübben, Germany and Vero Beach, Florida. As cities look to technology and hiring schemes to reduce city traffic emissions, mayors should not discard the possibility of investing in existing networks for fare-free travel.



Fare-free buses can reduce traffic jams, improve air quality and make savings on road maintenance