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The proposed Green Paper on Urban Mobility Joint statement by the UITP-European Union Committee and the European Transport Workers' Federation

**(Adopted by the Working Party Local Public Transport
of the European Sectoral Dialogue Committee for Road Transport)**

Original Version

1. Background

In the European Union around 80% of the population lives in urban areas¹ which generate 75-85% of gross national product. Urban areas are vital to the economic, environmental and social future of the European Union. Policy at the European level must therefore have an urban dimension.

European cities attract investment and employment by offering economic opportunities and a high quality of life. Clean, efficient, affordable, safe, secure and effective intra-urban mobility contributes both to economic efficiency and to the quality of life of employees and the inhabitants served. However, urban mobility is being increasingly challenged by traffic congestion and the attributable costs will reach 1% of EU GDP (€105 billion) by 2010 if nothing is done².

Increased traffic and urban congestion go hand in hand with more accidents, as well as air and noise pollution. One fatal traffic accident in two takes place in urban areas and usually involves private cars. Urban transport accounts for 40% of CO₂ emissions of road transport and up to 70% of other pollutants. German research suggests that 1,800 early deaths - most in urban areas - are caused each year through excessive noise³. Moreover, in the urban areas where problems of congestion, pollution, noise and risk of accidents are increasing, the inhabitants of these areas, the road users, the workers are exposed to higher risks such as stress, health, personal safety and security hazards. Clearly, urban problems are not just a concern for local government.

According to the Commission the total external cost of road provision and use (excluding vehicle operating costs) amounts on average to some 4% of GDP (€420 billion) in the EU 15. The annual turnover of the public transport sector, comprising buses, underground railways or urban rail services, is estimated at €150 billion⁴.

¹ . Urban areas are here understood in the broad sense, covering all types of urban settlements. Public transport in rural areas has another and different dimension and is not covered in this document.

² "European transport policy for 2010: time to decide". COM (2001) 370, 12.09.2001.

³ Schade, W, *Transport Noise: a Challenge for Sustainable Mobility*, International Social Science Journal, June 2003.

⁴ Commission Staff Working Document. Impact Assessment of the Communication "Keep Europe Moving" Sustainable mobility for our continent. Mid-term review of the European Commission's 2001 Transport White Paper

The UITP-European Union Committee and the European Transport Workers' Federation welcome the Commission's intention to publish a Green Paper on urban transport to identify potential European added value to action at local level. Without ignoring the principle of subsidiarity we believe that the European level has the responsibility to act in order to promote a sustainable urban mobility. This should include an examination of EU competences and the application of existing legislative instruments that are relevant to urban transport like for example air quality legislation.

We believe that it provides an opportunity to integrate European initiatives on an ongoing basis aimed at:

- economic growth, and employment;
- use of public transport as an instrument of 'development planning' (aménagement du territoire)
- reducing congestion;
- improving transport safety;
- reducing greenhouse gas emissions and improving air quality;
- reducing noise;
- reducing energy consumption in urban transport;
- improving quality at work;
- improving personal security;
- improving access; and
- social inclusion.

In particular, we urge the Commission to address the issues put forward in this paper. They relate to the vital role that public transport can play in support of the Lisbon Agenda and the Sustainable Development Strategy.

2. Policy instruments

Public transport is essentially a local product designed to meet local needs and in recent years the trend has been for national governments to decentralise responsibility to local and regional governments. This has not always been accompanied by a corresponding and adequate political and financial commitment at national and local level. However, the external costs of urban transport problems impact adversely, not only on economies and people at local and regional level but also at national, European Union and global levels.

There is a tendency to focus on the supply-side measures of infrastructure and technology and without adequate attention to integrated planning and management of the total urban system and land use. What is needed is an integrated package of mutually reinforcing policies and measures that combine to encourage sustainable urban transport systems.

The Green Paper should explore the role of the European institutions in leading and encouraging the development of policies to encourage greater use of public transport as a rational tool for improved urban transport sustainability.

It would also be useful to establish what is being done in Member States to create awareness of the role of public transport in improving the quality of life in urban areas and of the real costs to society of the negative effects of excessive traffic, especially in urban areas. Are there successful examples of achieving behavioural change and if so how was it achieved?

3. Objectives and measurable targets

Policies and strategies for the achievement of sustainable urban transport systems require specific objectives and measurable targets. We believe that the European Union institutions have a particularly important role in this regard.

In the first instance European Union objectives and targets should be comprehensively listed and assessed.

Secondly it should establish what has been done by national, regional and local governments in their own right and what has been achieved.

What measures have been particularly successful in achieving a transfer of passenger kilometres from private to public transport? What targets have been achieved and how can successful measures be used or adapted more generally?

Should targets be set at European level, if so which targets? What can be done at the European level to encourage targets to be set by Member States?

It is noted, for example, that the Committee on the Environment, Public Health and Food Safety of the European Parliament in a report by Rapporteur Gyula Hegyi proposes a 5% shift in passenger kilometre from individual transport/cars to sustainable transport methods, such as public transportation and cycling, within the period of 2002-2012.

Comprehensive and accurate statistics on urban transport in general, and on public transport in particular, are generally inadequate. The Green Paper might usefully address this issue to ensure that targets are indeed measurable.

The Green Paper should consider the possibility of mandatory sustainable urban transport plans in urban areas with populations of 100,000 and more.

It would also be helpful to establish the extent of implementation of transport plans by airport authorities, businesses, educational and government establishments and the results obtained in achieving greater use of environmentally friendly means of travel.

4. Finance

Public transport operators continue to wrestle with financial insecurity. On the one hand revenues face erosion from continuing competition from private car use and pressure on public finances. On the other hand energy costs are rising and, in the road sector, traffic congestion increases slows down surface public transport and makes it more irregular resulting in increased fuel consumption and maintenance costs. It causes longer journeys and waiting times for users and reduces the attractiveness of public transport as an alternative to the private car. Both could lead to reduced levels of service and employment.

The financing of Public Transport operations is based, in general, on a combination of:

- the fares collected
- other commercial revenue (advertising, property rentals etc.)
- specific compensation for concessionary fares and social/regional obligations, and
- any further remuneration required from the public authority to enable the required levels of service to be achieved.

Financial support may be designed to allow higher levels of service or specific additional services (night services, services for handicapped persons, rural services, etc.) and/or lower fares than would otherwise be possible. Such measures may be intended to:

- (a) redress the competitive balance between public transport and private motoring (the free use of the road network, external costs, etc.) and thus to encourage a shift of demand towards public transport;
- (b) facilitate access to essential services (shopping, education, health, etc.)
- (c) facilitate access to public transport as a service of general interest by all inhabitants, including people with reduced mobility and including those who wish to use public transport services as a realistic alternative to the private car.

Additionally an adequate financing of high quality infrastructure for public transport services has to be ensured.

Supplements to direct funding by the user can be considered under three main headings:

- **Polluter Pays:** those who cause a problem compensate for the cost imposed on the community. The compensation paid may then be used to fund alternative, less polluting forms of transport - e.g. use of the proceeds of the German Mineral Oil Tax (Mineralölsteuer) to fund public transport infrastructure, environmental taxes on the use and ownership of cars and parking charges (if they are used to fund public transport).
- **Beneficiary Pays:** those who gain benefit from a service meet its costs. Thus employers and retailers both gain from the provision of public transport services which give them access to a wider labour-markets and retail markets respectively. Access to public transport also allows the number of car parks to be reduced. The French Transport Tax (Versement Transport) requires employers with more than nine staff to contribute towards the cost of public transport investment and operation (and in addition, in the Paris area, they also reimburse to their employees half the cost of the public transport season tickets). In Hong-Kong, the construction of new metro infrastructure is partly funded from the rents and sale values of property erected adjacent to metro stations.
- **General Public Pays:** through national and local taxation, whether or not they are public transport users. This is normally the principal source of external funding.

Other issues to be addressed might include:

- The application of regional, structural and cohesion funds for urban public transport.
- Incentives for the use of public transport.
- The treatment of VAT.
- Incentives for the use of clean fuels in public transport operations.

It would be helpful to establish all forms and sources of funding for public transport infrastructure and operations at national, regional and local levels and to explore the possibility of additional European Union funds for urban transport projects that favour sustainable systems.

5. Quality

Public transport is most successful in attracting and retaining users if the quality of service provides a realistic alternative to the private car. The principal elements of quality in public transport are:

- Accessibility
- Comfort
- Service quality by well qualified personnel
- Frequency
- Information
- Integrated services
- Punctuality
- Regularity and continuity
- Safety
- Security
- Adaptability to customer needs
- Technical and service innovations
- Speed
- Tidiness
- Value for money

The Green Paper would be an excellent vehicle for identifying best practice. This would include emphasis on the responsibility of all levels of government to ensure quality in public transport and the provision of appropriate financing.

6. Employment

Employees are key to the success of public transport operations. The quality of the working environment is an essential element for assuring quality services to the customers. It is therefore important to promote the availability of occupational training to improve quality and service.

It is important that it enables learning and development of the employees within the companies. Remuneration, benefits, working conditions and conditions of employment should attract, retain, motivate and reward employees. The social partners at all relevant levels have an important role in this regard.

Policies aiming at modal shift from private car over to public transport put in place by authorities, as well as commercial policies instigated by operators to win over new clients, will generate new activities and imply continual growth in the quality of services produced. This will cause employment in the public transport sector to rise both in terms of quantity and quality.

The role of public transport in achieving sustainable urban transport systems will result in greater numbers of employees in both the planning and operation of services in a large sense, and it is important that there is appropriate investment. This may create serious challenges, particularly where staff shortages and high turnover are experienced. It is therefore important that employers, employees and trade unions⁵ consider together how best to retain and attract people with appropriate skills and aptitudes. Will for example training facilities be adequate and are recruitment policies sufficiently diverse to attract the required numbers?

The Green Paper should address these issues, particularly with regard to identifying best practices and emphasise the importance of social dialogue.

⁵ The European social partners, for example, participate in a joint project on "Competence based Service Quality in Urban Transport – Organizational development and new career paths for drivers (QSTP)

7. Conclusion

The UITP-European Union Committee and the European Transport Workers' Federation wish to emphasise that the Green Paper represents a most important opportunity to provide a catalyst for co-ordinating relevant legislative and other initiatives at the European level. We request the Commission to inform the social partners within the Social Dialogue Committee on the assessment of the results of the responses to the Green Paper before its publication so that the social partners can evaluate the conclusions of the Commission in relation to the present joint position.