

How can transport integration be achieved - sticks or carrots?

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In the Chair:

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Speakers:

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Lord Bradshaw, House of Lords

Mr David Leeder, Marketing Director and Member, National Express, The Commission for Integrated Transport

Much of the discussion concerned economic instruments to make road users pay toward the external costs incurred. It was argued that everyone should be free to own and use cars as they wished so long as they paid the full price as they went, with high fuel tax and charges for the costs of the congestion created. Then there would be a marketplace in which public transport operators could cater for the remaining needs. There would still be congestion, as there had been in cities even in ancient times, but it would result from economically rational choices.

One speaker suggested that rising oil prices would soon increase the cost of motoring in favour of public transport. The changes made in people's lives by the motor car would nevertheless be hard to reverse. The railways ought to press on with electrification before fuel prices went up, but this might still not give it the edge over the car. The motor industry was investing heavily in fuel cell research.

Oslo had a successful road pricing system based on controls on point of entry. Regular travellers could drive into the city without slowing down, their vehicles being recognised by equipment on gantries, but occasional visitors were also catered for. The city centre had been pedestrianised and a road tunnel under the city opened at the same time that the pricing scheme came into operation, so that it was associated in the public mind with benefits as well as restrictions.

Another speaker favoured controlling congestion through means other than direct charges. In Oxford the streets had been cleared for buses though parking charges, and also by an established policy of requiring developers to fund park and ride spaces on the periphery. It was

important to follow consistent policies over a spread of years. When employers moved to greenfield sites they ought perhaps to be made to pay at the outset for the traffic this would generate. Conversely, there might be a case for financing improvements in public transport by taxing the increases in land values when, for example, new tube stations opened.

One problem was that people's perceptions of the relative costs of private and public transport were inaccurate, because bus and train fares were more visible than the costs of keeping a car on the road. Train operators had been criticised for offering over-complex fare options, but one cheap fare mentioned - 34 for four people travelling together from Sheffield to London - had been designed specifically to compete on marginal costs with the alternative of sharing a car.

It was suggested that public transport worked in London because people over 60 travelled free. Fares did matter - bus travel had dropped off in South Yorkshire when the fares ceased to be heavily subsidised - but demand was sensitive to quality of service as well as price.

One speaker argued that sticks and carrots were not interchangeable because they affected different people. Existing bus and train passengers might not welcome improved services, designed to attract car users, if the result was higher fares. Public transport provision might have to be segmented, with some services offering, for instance, low-rise buses to suit elderly people while others minimised costs.

Given that many journeys were less than a mile, it was suggested that walking and cycling should be encouraged. This mattered for rail operators too, since their passengers could not all park at the station. Getting people to walk depended in part on land use, being more practical where development was dense. Edwardian terraces had been built so as to be a short walk from food shops. Attitudes also mattered, though. In the UK parents were frightened to let children walk to school while in Tokyo very small children went on their own.

In the particular case of London car usage was relatively low, for a range of reasons. There was good public transport for both local and long-distance travel. There were also, however, implied restrictions on car use because of congestion and parking controls. Similarly, it was argued, the emphasis in other cities should be on sticks, not carrots.

One speaker favoured congestion taxes but not high fuel duty. If it was thought desirable for people to carry on living in the country they should not be penalised with high fuel prices. Others sympathised with people on modest incomes who had always lived in the country but not with middle-class Range Rover drivers who chose to adopt a rural lifestyle and ought to pay their way.

Attention was drawn to the growing population of frail elderly people who needed to use public transport but could have difficulty getting on and off buses. The operators saw older people as a big market to be exploited, and buses were slowly becoming more suitable to their needs. The companies ought to study those elderly people who were not captive users of public transport and were liable to keep using their cars as long as they could.

One speaker contrasted the transport system in the UK with the very different arrangements in Turkey, where very little travel was by rail and most long-distance journeys were on good coach services provided by competing operators. For local travel small buses and

taxis were important. The system had grown without regulation and was probably not very safe, but it was flexible and not capital intensive. British bus operators were said to be very conservative and reluctant to exploit minibuses. It was true that small buses raised safety issues and were not necessarily cheap to run, given the need to pay the driver, but it would be good to blur the distinction between buses and taxis.

Over the years there had been no shortage of analyses of the problem of transport integration, but it was asked whether appointing regulators would solve it. In the case of the railways the appointment of regulators had been part of the Government's strategy for getting the nationalised railways off the back of the taxpayer. The new operating companies had been given substantial sums to get them started, in the hope that some of them at least would eventually be able to pay for their franchises. In the event this did not happen, and a Strategic Rail Authority was about to come into being with a remit to promote the use of rail. The remit of the regulator would change, but it was argued that there would still be some conflict between the roles of the Authority, buying services some of which were bound to be unprofitable, and the regulator's contractual approach. Eventually, it was argued, the regulator would have to become part of the Authority.

Another speaker saw a continuing need for regulators, as custodians of an economic formula, but thought less attention should be paid to their personalities. It should be accepted that they could not make water flow uphill, and perverse effects of regulation needed to be watched for.

It was suggested that rail safety arrangements were a muddle. There should be a safety regulator separate from the body charged with investigating accidents (as was the case in civil aviation).

Attitudes were inconsistent in that people were more willing to accept deaths on roads than on railways. Such intermodal safety comparisons were in any case of doubtful relevance, since people did not make choices that way. It would make more sense to compare the UK rail safety record with experience abroad. In one speaker's view public intolerance over safety on the railways was moving Railtrack and the operators on to a different agenda, with a conflict between sorting out safety and getting trains to run on time. Eurostar business had recovered quite quickly after the fire in the Channel Tunnel, but the Hatfield crash would alter behaviour. Introducing the concept of corporate manslaughter was liable to lead to irrational responses to risk.

Mr Jeff Gill

The discussions were held under the rule that nobody contributing to them may be quoted by name after the event. None of the opinions stated are those of the Foundation for Science and Technology, since, by its constitution, the Foundation is unable to have an opinion.

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