



ADVANCING
PUBLIC
TRANSPORT

THE CONTRIBUTION OF PUBLIC TRANSPORT TO THE COMPETITIVENESS OF CITIES

JEROME POURBAIX

WHAT MAKES A CITY COMPETITIVE?

**Economic
strength**

**City
competitiveness**

**Human
capital**

**Quality
of life**

**Global
appeal**

**Physical
capital**

1. ECONOMIC STRENGTH

Public transport benefits:



- Higher density of jobs and productivity
- Up to twice as many jobs per amount invested

HIGHER DENSITY OF JOBS AND PRODUCTIVITY

- Better connectivity drives higher job density and productivity gains for businesses.
- « Wider » economic benefits of large projects exceed initial investment.

Crossrail (London)



WEB: up to 18bn GBP (vs. 15bn GBP invest.)

Grand Paris Express



WEB: 29bn EUR (vs. 23bn EUR invest.)

STRONG IMPACT ON JOB CREATION

- Per amount invested, investing in public transport creates up to **twice** as many jobs as investment in other areas, such as highways.
- Example: assessment of stimulus package in the US:

Type of Project	Recovery Act Funds Associated with Projects Under Contract	Direct, On-Project Jobs Created or Sustained (Full-Time-Equivalent Job Months)*	Thus: Job-months per \$billion
Public transportation	\$4,405,188,041	72,328	16,419
Highway infrastructure (STP funds) ³	\$15,809,805,858	138,831	8,781

- This is due to higher space efficiency (thus fewer resources required for land acquisition), complexity of projects and thus variety of competences required.

2. HUMAN CAPITAL

Public transport benefits:

- Building up skills and knowledge more quickly
- Diverse and high quality jobs



BUILDING SKILLS AND KNOWLEDGE MORE QUICKLY

- Access to a larger variety of job and learning opportunities, enabling to build up skills and knowledge more quickly.
- Appraisal of the **Melbourne Metro** project showed that it would help address significant imbalances between different parts of the city, contributing to improve equality within the area.



DIVERSE AND HIGH QUALITY JOBS IN PUBLIC TRANSPORT

- Public transport is among the largest employers in cities such as Brussels, Barcelona, Paris, Amsterdam.
- It mobilises different skills from engineering, to IT and customer care.
- Trend to develop multiple skills for public transport employees.

3. PHYSICAL CAPITAL

Public transport benefits:

- Urban renewal and regeneration
- Resilience of property values to real estate crisis

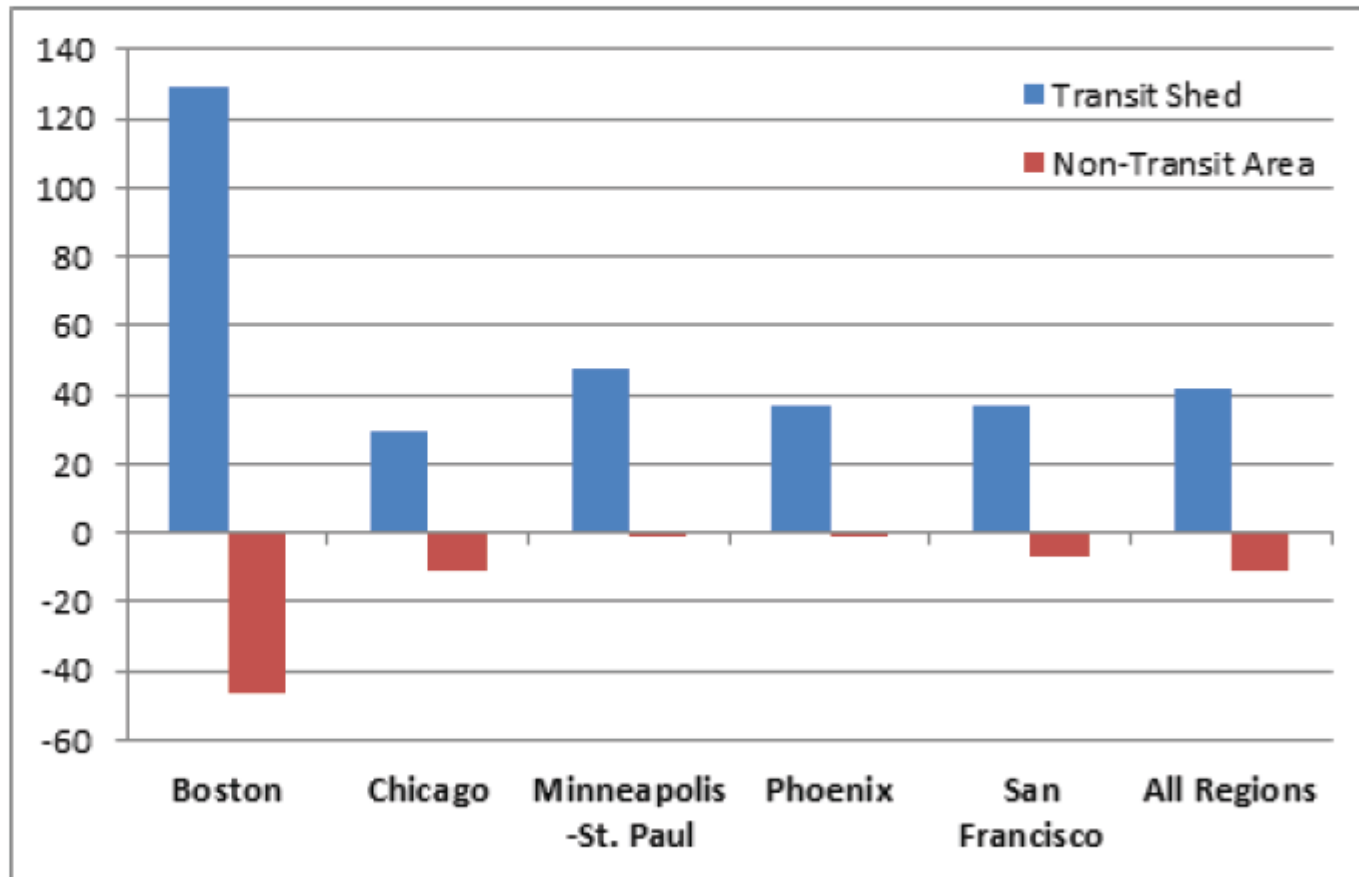


REGENERATION IMPACT



- Areas served by public transport more attractive for living and working
- The opening of Line D of Lyon's metro system **quadrupled** the rate of urban regeneration in the corridor it served.
- Proportion of new or renovated buildings for commercial purposes was **60%** compared by **13%** elsewhere.

RESILIENCE OF PROPERTY VALUES



Percentage change in average residential sales prices, relative to region, 2006-2011. Source: APTA

4. GLOBAL APPEAL

Public transport benefits:



- Supporting tourism development
- Prime means for visitors to get around cities
- Attractiveness for business travellers

CONNECTIVITY AND TOURISM

- From 2006 to 2013, cities with rail access directly from airport terminals realized **above average hotel performance**:
- Both average daily **room rates** and **revenue per available room** were **11%** higher.
- This remained true during the recession (2008-2010).

(Source: APTA)

5. QUALITY OF LIFE

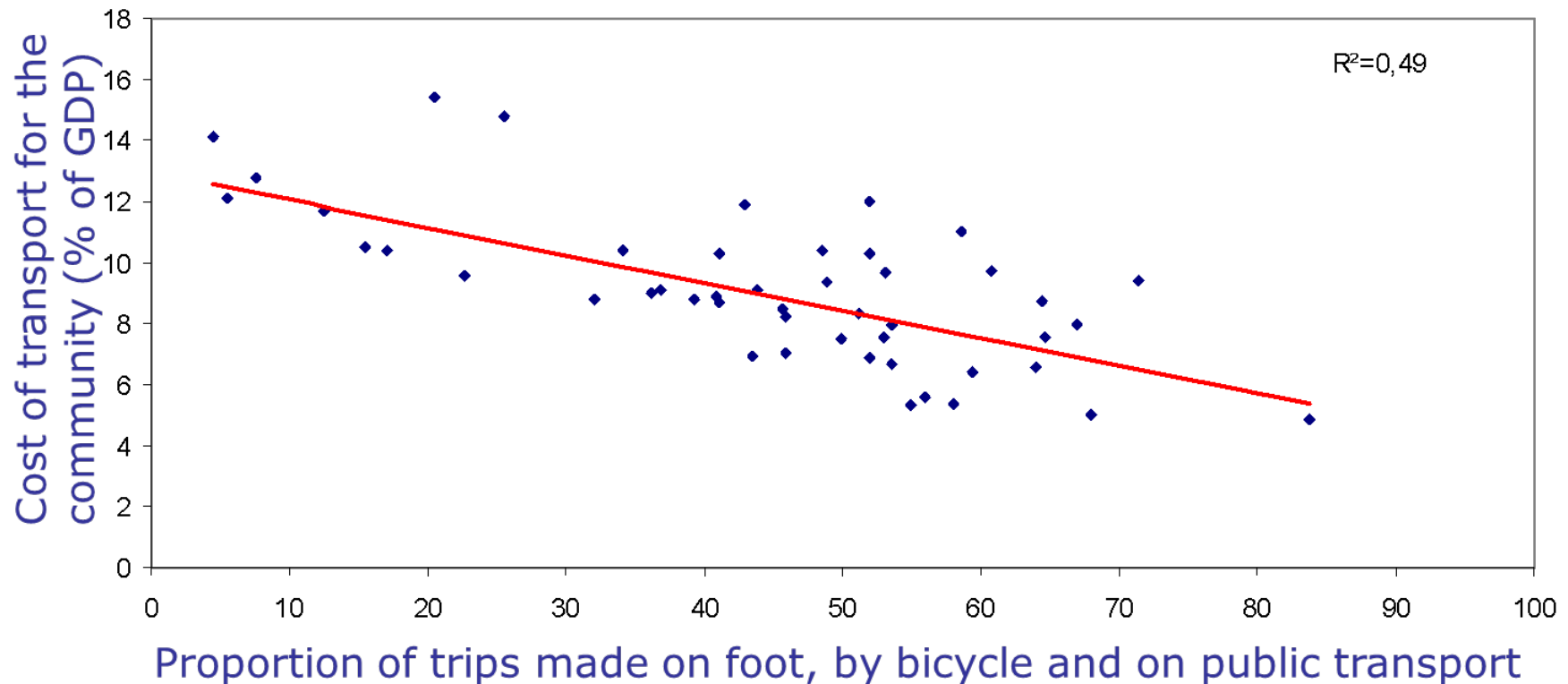
Public transport benefits:



- Travel cost reduction
- Less congestion and more reliable travel times
- Health and road safety benefits

COST OF MOBILITY (% GDP) VS. MODAL SPLIT

- Significant savings on mobility expenditure when share of public transport is higher.



PHYSICAL ACTIVITY

- **Physical activity:** if we double the share of public transport, daily mobility will provide 30 min. of physical exercise, which is correlated to less risk of coronary heart disease and obesity (-50%), less hypertension risk (-30%).

CONCLUSIONS

- Public transport contributes to the competitiveness of the city.
- It generates value for citizens, businesses, and public authorities (higher tax revenues).
- Part of the value created by public transport can be captured for the development of local infrastructures and services.

CONCLUSIONS

- Benefits optimized when integrated into economic development strategies, urban development and housing policies, and other aspects of transport policy.
- Local governments should be empowered to carry out successfully integrated urban strategies.

THANK YOU FOR YOUR ATTENTION

Jerome Pourbaix

Head of Policy

International Association of Public Transport

UITP

jerome.pourbaix@uitp.org

www.uitp.org

@jp_uitp