

Reducing transport disadvantages: Insights from investigating a scheme to make public transport more affordable

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Transport Knowledge
Conference 2019





What we'll cover today...



Context

The 'green card' investigation



**Why we need
to look at
transport
disadvantages**



**PT's role
in reducing
disadvantages**



**Some insights
from this
investigation**

Context



“Investigate a Green Transport Card as part of work to reduce the cost of public transport, prioritising people in low-income households and people on a benefit.”



Target population

Very few councils offer discounts to CSC holders

- ✓ Discounts in Hawkes Bay, Taranaki, Horizons (Manawatū-Whanganui), Nelson, and Tasman
- These regions account for only two percent of all public transport passenger trips in New Zealand



What the investigation covered

- **The case for the proposed scheme**
 - Role of public transport in reducing disadvantages
 - Wellbeing impacts
- **Implementation challenges and opportunities**
- **Benefits and costs**
- **Funding principles**



*I'm only covering
these parts today*



Context
*The 'green card'
investigation*



**Why we need
to look at
transport
disadvantages**

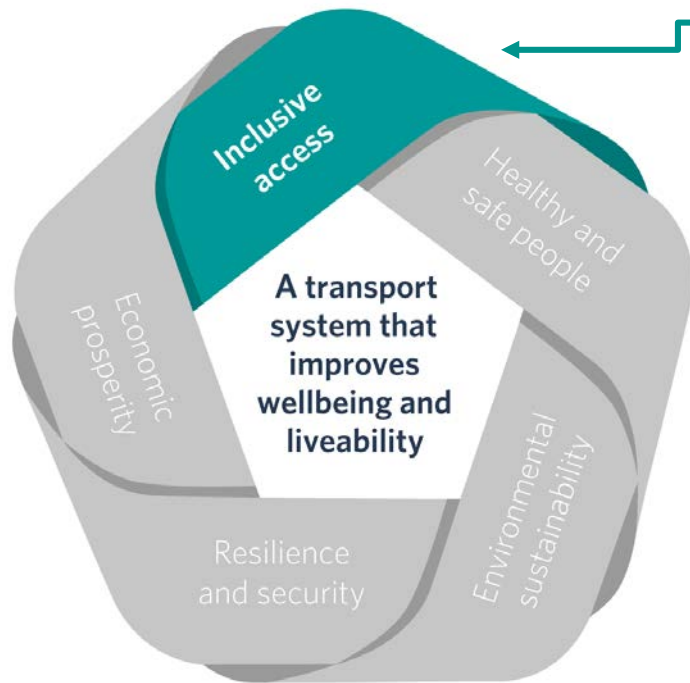


**PT's role
in reducing
disadvantages**



**Some insights
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Our transport system needs to be **inclusive**



Enabling all people to participate in society through access to social and economic opportunities, such as work, education, and healthcare

Access depends on...

- the **availability** of safe and timely transport options
- the **affordability** of those options, and
- people's **abilities** (including any physical/mental impairments)

People who face transport barriers due to limited affordability, and/or a lack of available transport options that they are able to use, are **transport disadvantaged**.



Some groups experience more transport disadvantages



Low-income households

Children

Solo parents

Tertiary students

Elderly people

People with disabilities

These groups overlap – they're often in **low-income households** too

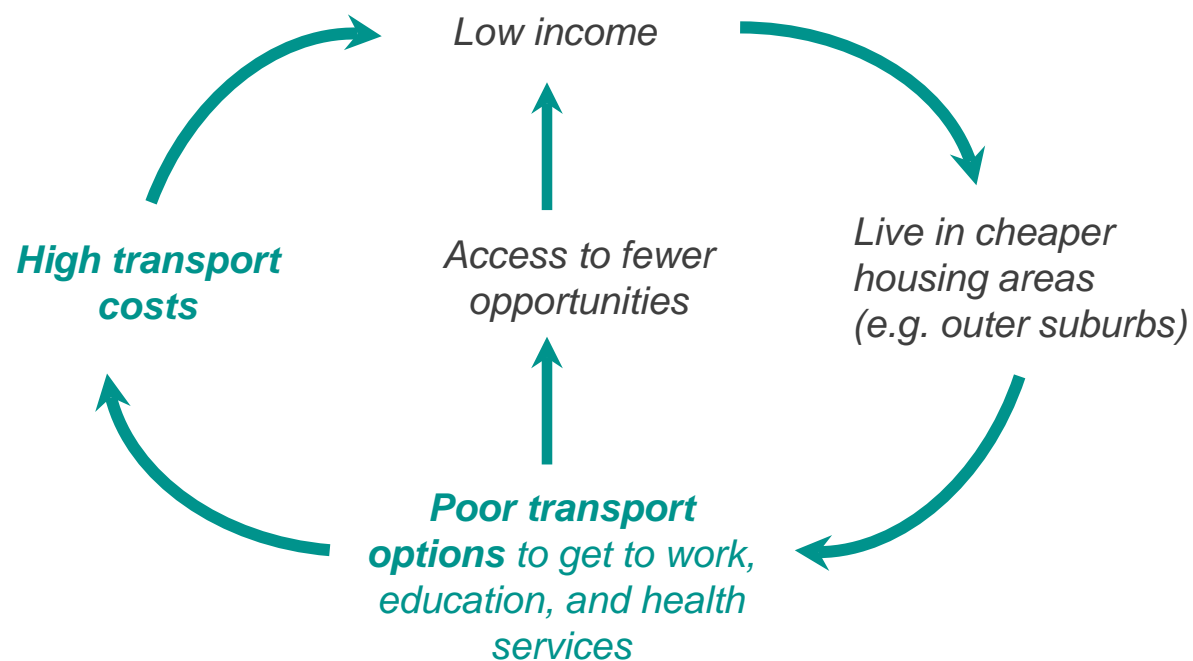


Insights from international research

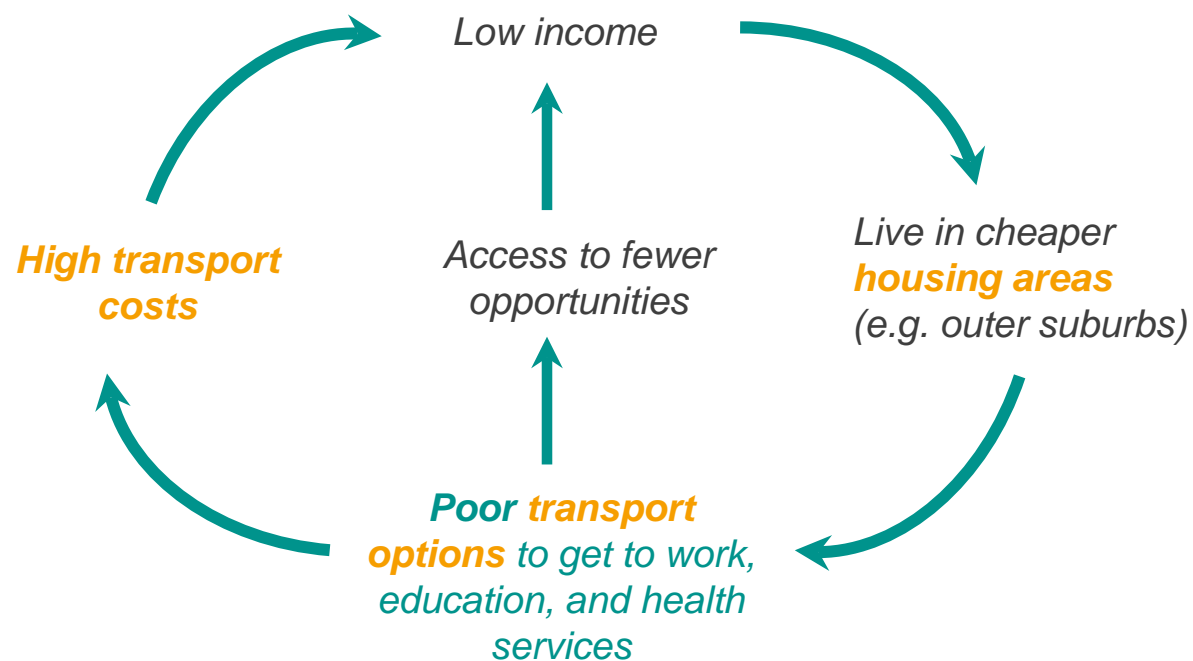
- **High transport costs** can prevent low-income people from accessing or using certain services (e.g. healthcare)
- **Limited alternatives** may force disadvantaged individuals into car ownership
- Sixty per cent of households in the UK that are 'forced' to own a car are at risk of poverty and social exclusion
- The **poorest households can become stuck**, not having the skills, transport services or financial means to access jobs in areas where they can earn more

For a useful overview see UK Government Office for Science (2019), *A time of unprecedented change in the transport system*.

Transport disadvantages can reinforce social disadvantages



We can create a more inclusive society by breaking this cycle



Making transport more inclusive can also benefit **productivity**

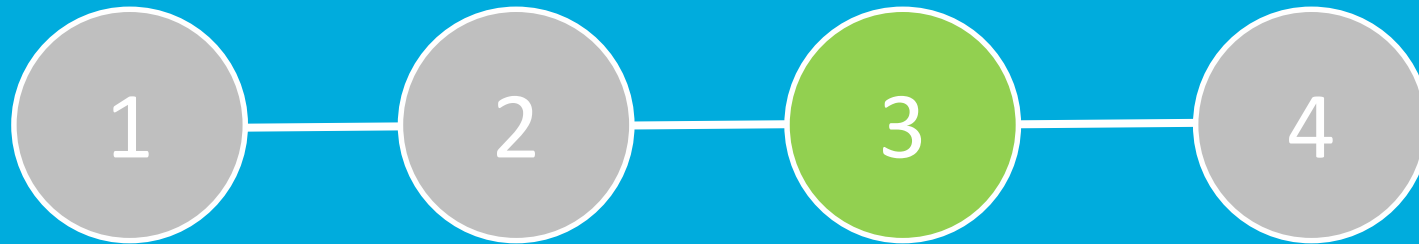


‘Human capital’ grows as people have better access to:

- Education
- Jobs
- Health services
- Healthy food choices
- Support networks

‘Social capital’ grows as transport connects communities.





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How public transport helps to reduce transport disadvantages



It enables **mobility without a car**

- access to more opportunities
- reduces the financial burden of car ownership



It can be a **back up option** if a car becomes unavailable, or if fuel prices rise

- avoiding financial shocks
- increasing financial resilience

The SuperGold scheme has shown this

Free off-peak public transport concessions has led to seniors and veterans:

- ✓ participating more in society
- ✓ enjoying greater independence
- ✓ meeting more people
- ✓ enjoying more physical and mental activity
- ✓ using their cars less.



Results of a 2009 review. See <https://www.nzta.govt.nz/assets/consultation/super-gold-card/docs/survey-nov-2009.pdf>

Four ways to create a more inclusive and productive society through public transport



Availability

Increase service frequencies, coverage, and reliability



Affordability

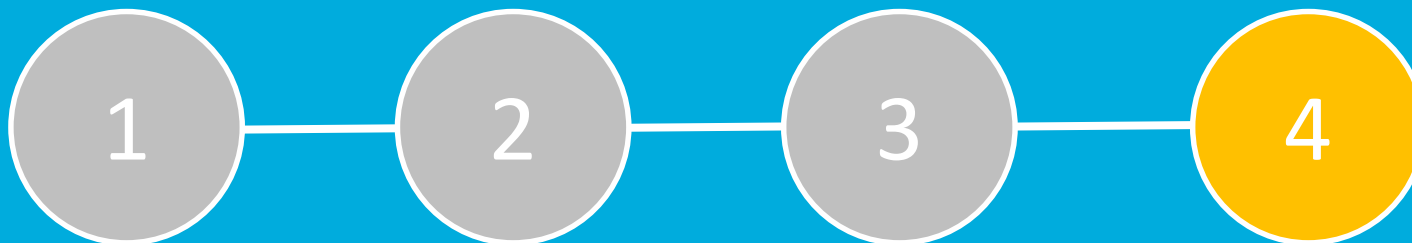
Reduce costs for disadvantaged groups



Abilities

Make services accessible for people with disabilities

PLUS Locate social housing near high frequency public transport services



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Why we need to look at transport disadvantages

PT's role in reducing disadvantages

Some insights from this investigation

We looked at the public transport **affordability** part of the mix

- **Affordability is *relative*** – it depends on a household's ability to pay for essential transport without experiencing financial hardship or financial stress
- Public transport fare increases/decreases have a **disproportionate impact** on low-income households
- There is a **lack of research** on transport affordability in New Zealand



Affordability

Some major research gaps

For low-income earners, we do not know:

- How often they use public transport
- How much more they would use public transport if there were cheaper fares (and/or better services)
- How much they spend on local transport, as a proportion of income
- The extent of price barriers



More research on public transport affordability would strengthen the case to address the needs of low-income people

Under Section 35 of the Land Transport Management Act 2003

*NZTA and regional councils “must consider the needs of persons who are **transport disadvantaged**” when preparing any land transport programme or plan under the LTMA, including public transport systems.*



We also did some work looking at **availability**



Availability

*Can CSC holders access
public transport
when/where they need to?*



Affordability



Abilities

Public transport networks often favour more affluent neighbourhoods

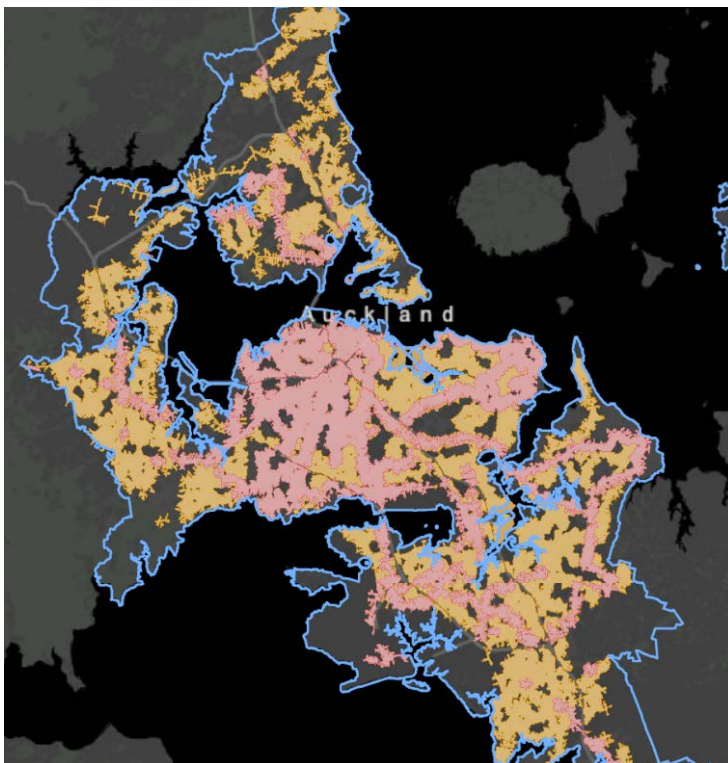
Research in Auckland:

“A concentration of low income households in outer-urban areas, coupled with poor public transport infrastructure, means that those least able to afford private transport are also those living in the areas with the most inadequate public transport services.”



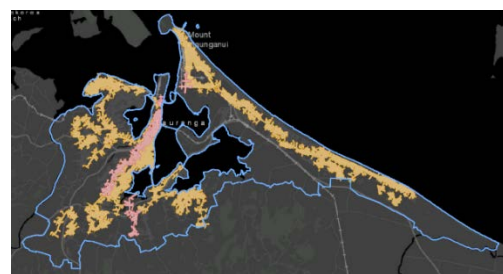
See Nazari Adli, S, Chowdhury, S, Shiftan, Y (2019), Justice in public transport systems: A comparative study of Auckland, Brisbane, Perth and Vancouver. *Cities*, v 90, pp 88-99.

We mapped locations of frequent PT services against CSC holder locations



Within walking distance* of a PT service that operates every 30 minutes or less, all day

Combining data from NZTA and the Ministry of Social Development



* 500m from a bus stop, or 1km from a train station

What we found



- About 75% of CSC holders in the largest urban areas are within walking distance of a regular public transport service
- At a national level, it is about half of CSC holders

BUT We don't know how many services go where/when people need to go

City or Region	CSC holders*	CSC holders in walking distance of a regular PT service
Auckland	161,577	76%
Hamilton	24,664	63%
Rotorua	9,969	73%
Tauranga	14,902	58%
Napier District	8,432	19%
Hastings District	8,082	31%
Palmerston North	11,342	Data unavailable
Greater Wellington	47,367	76%
Canterbury	42,771	78%
Queenstown District	407	55%
Dunedin	16,030	83%

Source: Ministry of Social Development (2019), using public transport data modelled for the New Zealand Transport Agency by MR Cagney in 2018.

Key points

- We can build a more inclusive and productive society by reducing transport disadvantages
- Public transport plays a valuable role in reducing transport disadvantages – if it is available and affordable for low-income groups, and if people are able to use it
- **We need more research** on transport disadvantages for low-income people in New Zealand, and the most effective ways to reduce these disadvantages

Thank you

