

How does public transport benefit New Zealanders

\$3.4

BILLION

How much public transport reduces the economic effects of people being isolated

Successful cities around the world rely on effective public transport. A good public transport network helps cities to become more successful by providing better connections and accessibility. It is a major contributor to economic, social and environmental goals.

New Zealand has one of the highest proportions of people living in towns and cities, with around 86% living in urban areas. Therefore it's vital we have an efficient and effective public transport network so people can make smarter choices about how they travel.

Growing the economy

Public transport contributes directly to economic growth and productivity by providing easy, fast access between peoples' homes and where they work, play, study and access community services. Research shows public transport increases productivity between 3% and 23% over other modes such as the private car¹. Those productivity increases benefit individuals and businesses through raised income. They also benefit central government and local councils by generating more tax revenue and rates.

The economy grows faster where effective public transport runs in congested urban areas. It gives people more convenient commuting options and allows other traffic, like freight movers, to travel more freely.

Public transport also triggers direct economic activity - Australian research shows every \$1 million spent on public transport creates more than 30 jobs².

Relieving the effects of congestion

Congestion is complex and dynamic - and is often an indicator of economic activity. As a result, there will always be a certain level of congestion in cities that are doing well economically. However, highly congested roads can also limit economic activity. Public transport provides a choice of transport modes in congested areas and is one of the most important tools for dealing with congestion.

There is a level of congestion, above which traffic is so heavy it stops people travelling (and therefore contributing to economic growth). In our larger cities (mainly Auckland), congestion gets to a level that is frustratingly high but can't be called 'total gridlock'. That level is Auckland's 'equilibrium', and people are discouraged from travel in peak periods³.

Well developed public transport along with walking and cycling makes it easier for economic activity to increase, even while congestion stays constant. For example, one bus will move 60 people a lot faster than 60 cars and won't hold up as many other vehicles.

Making things accessible

All people need to be able to take part in society and many are completely reliant on public transport. Public transport helps people who can't drive for one reason or another, to still get involved in social and economic activities. This includes some people with disabilities, the elderly, young people and people on low incomes. Giving these people access is not just a social service, it helps grow the economy too.

Public transport gives further economic benefits⁴ by saving around \$3.5 billion every year from the costs of people being excluded from New Zealand society.

1. The contribution of public transport to economic productivity, p.8, January 2013, by Tim Hazledine, Stuart Donovan and John Bolland, NZ Transport Agency research report 514. (www.nzta.govt.nz/resources/research/reports/514/).

2. Evaluating public transit benefits and costs, Victoria Transport Policy Institute, December 2012. (www.vtpi.org/tranben.pdf).

3. What does transit do about traffic congestion? by Jarrett Walker. (www.humantransit.org/2010/07/what-does-transit-do-about-traffic-congestion-1.html).

4. Economic modelling, by John K Stanley and David A Hensher in New perspectives and methods in transport and social exclusion research, Emerald Group Publishing, 2011.

Cities with good walking and cycling networks linked with other forms of transport such as public transport are able to develop at greater densities and tend to have fewer exhaust emissions.

On top of helping ease severe congestion in towns and cities, walking and cycling also support public health. Overall, a city that offers a range of transport choices is more sustainable than a city dependent on cars alone.

A safer transport network

Public transport contributes to road safety by getting people out of cars and into safer forms of transport such as buses. For example, car drivers are nine times more likely to be injured in a crash than bus passengers, so moving them by bus lowers the overall crash risk per person per kilometre travelled⁶.

Everyone benefits from public transport

Good public transport is a great asset, and its benefits extend to everyone by relieving the effects of congestion, and raising property prices. To adapt a slogan applied in a light rail campaign in a US city, 'Even if you don't ride it, you benefit⁵.'

One example of this is the reduced congestion on the Auckland Harbour Bridge as a result of use of the Northern Busway, which the NZ Transport Agency (NZTA) built and now manages. There is also proof that Auckland property values rise faster in areas close to public transport services such as trains. Property owners therefore also benefit from public transport services – even if they don't use them directly.

North Shore Busway – a success story



Auckland's Northern Busway is New Zealand's first purpose-built road dedicated to buses and the NZTA is the road controlling authority. At peak travel times, buses can make the journey to and from the central business district about twice as fast as the cars on the motorway alongside it. The 2012 Northern Busway Monitoring Report records the busway carrying 4498 passengers in the morning peak (6:30am–9:30am). That's the equivalent of taking around 4100 cars off the roads in the morning peak. Patronage has been growing at around 20% per year since the busway was opened, and double decker buses are now being trialled, to increase capacity.

⁵ Weyrich and Lind (2003). How transit benefits people who do not ride it: a conservative inquiry. Washington, DC: Free Congress Foundation.

⁶ NZ Ministry of Transport. New Zealand household travel survey 2007–2011.