



Transport Canada Transports Canada

Review of International Urban Transportation Policy Frameworks, Strategies and Governance Models



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Table of Contents

Executive Summary	1
1.0 Introduction	4
2.0 Research Methodology	6
2.1 Understanding the Survey Countries	6
2.2 Consolidate & Compare Information.....	6
3.0 Government Structure & Context	7
3.1 Levels of Government, Power, and Jurisdiction for Urban Transportation.....	7
3.1.1 <i>Switzerland</i>	8
3.1.2 <i>United States</i>	8
3.1.3 <i>Australia</i>	9
3.1.4 <i>United Kingdom</i>	9
3.1.5 <i>New Zealand</i>	10
3.1.6 <i>France</i>	11
3.2 National Objectives for Urban Transportation.....	11
4.0 National Urban Transportation Policy Frameworks & Strategies.....	17
4.1 Context for Framework/Strategy Development.....	18
4.2 Legislative Standing and Reviews	20
4.3 Spending Programs and Fiscal Policies	20
4.4 Knowledge Dissemination.....	22
4.5 Land Use Strategies	23
4.6 Other Policy Priorities and Local/Regional Needs.....	26
4.7 Success, Failures and Inter-Jurisdictional Tensions	28
5.0 Governance Models	34
5.1 Governance Structures, Government Objectives, Rationale and Evolution..	34
5.1.1 <i>New Zealand</i>	34
5.1.2 <i>United States</i>	35
5.1.3 <i>France</i>	36
5.1.4 <i>Australia</i>	37
5.1.5 <i>Switzerland</i>	38
5.1.6 <i>United Kingdom</i>	38
5.2 Accountability and Transparency.....	39
5.3 Recent Reviews of Governance Models.....	40





- 6.0 Financing Urban Transportation 43
 - 6.1 Sources of Funding and Distribution..... 43
 - 6.2 Decision Making and Prioritization..... 46
 - 6.3 Cost Recovery and Efficiency 48
 - 6.4 Types of Projects Funded 49
 - 6.5 Policy Leverage and Spending Criteria 49
- 7.0 Urban Transportation as a Priority 52
- 8.0 Findings 55
- Appendix A – Sources of Further Information 57
- Appendix B – Survey Participants..... 63
- Appendix C - Survey Country Details 65



Executive Summary

In early 2003, Transport Canada released *Straight Ahead*, a vision and policy framework to help guide the Government of Canada's decisions regarding transportation policies. The document also established principles for strategic transportation infrastructure investments and initiatives in support of the broader government agenda on competitive cities, healthy communities, climate change, innovation and other evolving policy priorities.

Many Western countries have also recognized the need to clearly set out principles and directions for transportation policy at the national level. This study is an attempt to add to Canada's knowledge on governance structures for urban transportation¹, by discussing how other nations are addressing 21st century urban transportation challenges through policy, legislation, funding programs and democratic organizational arrangements.

The research methodology for this study was structured by two key steps: first, collect a large amount of information through focussed interviews with senior officials and practitioners in six selected countries; and second, summarize and analyze the information into a context relevant to the Canadian situation. The report is largely a presentation and discussion of survey results, and is not intended to represent a comprehensive review. The survey details are contained in attached technical appendices.

Among the six countries investigated here –Australia, France, New Zealand, Switzerland, the United Kingdom and the United States– each has a slightly different approach in the way an 'urban transportation agenda' is established. Some countries have legally enshrined legislation that sets policy goals as well as on-the-ground implementation issues, while others have a Ministry-specific mandate which guides decision-making. Further, each country has its own inter-governmental relationships and nuances that are factored into evaluations of the successes and failures of these policy frameworks.

Research Methodology

Each international jurisdiction was assigned a team of 'on the ground' experts to ensure that research was undertaken by those with a thorough and current knowledge of transportation policy structure, context and governance in each country. These regional experts conducted a number of interviews with officials and stakeholders in each country, supplemented with a review and analysis of relevant policy, legislative, and budgetary documentation. Given the considerable differences amongst the survey countries and with Canada –in terms of government responsibilities and relationships, scale of investment need, role of the private sector and other factors– this report highlights the most stark and relevant of these differences, and focuses on the most pertinent to the Canadian context. Sources of further information and detailed research results are contained in the appendices to this report.

Government Structures & Country Context

All the survey countries are prosperous nations with diverse economies and well-developed urban transportation networks. Australia is most similar to Canada in terms of economic geography, as both countries have a small number of urban concentrations, and continue to

¹ For the purposes of this report, 'urban transportation' includes the following elements: commuter and intra-city rail, local public transit, urban highway and road networks, active transportation (bicycling, walking, etc.), intelligent transportation technology and transportation demand management.



grow in population due to significant immigration. Canada, along with the US and Australia, fit (generally) in the middle of a political-structure spectrum of the survey countries; France, the UK, and New Zealand have centralized government structures, while Switzerland has perhaps one of the most decentralized government structures of all Western countries.

The United States and the UK both have well-developed national urban transportation programs –though the UK’s is more comprehensive while the US’s TEA-21 program is almost entirely focused on infrastructure funding. Despite its long urban history, small size and minimal spatial growth, Switzerland has the least-comprehensive urban transportation policy framework of the six countries. New Zealand, France and Australia are more similar to Canada in this regard, with active, but not interventionist, national roles in urban transportation.

National Urban Transportation Policy Frameworks and Strategies

All the survey countries have publicly-released national urban transportation policy frameworks or strategies. The Swiss have a straightforward government department mandate. New Zealand has recently undergone, and Australia is still undergoing, a politicized urban transportation policy debate. Likewise, the UK’s 10-year transport strategy has partially been a political process, though the strategy is much more elaborate than any of the other five countries. The United States is currently (early 2004) renewing its transportation funding program TEA-21 under a new acronym ‘SAFTEA’. France’s urban transportation strategy, enshrined in the early 1980’s as the ‘LOTI’ law (*Loi d’Orientation des Transports Intérieurs*), still stands today.

Both the scale of urban transportation investment need and the tools employed to meet that need differ among countries. In New Zealand and Switzerland, each with populations less than 10 million, the funding need is an order of magnitude less than that of the US and UK. At the local level, property taxes are the main sources of urban transportation funding across the survey countries, excluding France and Switzerland, which use payroll and fuel taxes respectively. Although each country has a different permutation of jurisdictional responsibilities for the different modes of transportation, and differing methods of distributing the funds, every national government does have funding programs for, at a minimum, transportation capital infrastructure.

All surveyed countries either reference as a policy goal, or insist adherence to the principle of sustainability in their transport policy frameworks. Accessibility (for the disabled, disadvantaged, and disenfranchised) is also a common policy goal attached to national urban transportation strategies in the surveyed countries.

Transport Governance Models

The urban transportation governance model employed by each survey country reflects each country’s political and administrative structures, as well as cultural nuances and national preferences. For example, the role of the private sector in delivering and providing services is much greater in the US and UK than the other four surveyed countries –a manifestation of US and UK history and penchant for private enterprise and entrepreneurship. The roles and responsibilities of state and territory governments in Australia also reflect that country’s federal structure, much like Canadian provinces. The New Zealand case is distinctive in that it uses crown agencies to deliver national urban transportation infrastructure funding, as well as to administer the national road network.

In France, though there are four levels of administration, the central government holds a significant amount of power over local issues. The Swiss governance structure is one of



cantonal (regional) dominance; though national representatives sit on local transport boards, the majority of power and funding authority rests in the hands regional governments.

Financing Urban Transportation

The national governments in Switzerland, Australia and the UK use general government revenues to fund urban transportation needs, while the US and New Zealand, through the fuel tax, and France through an employer payroll tax, have earmarked specific revenues to transport expenditures. Across all six surveyed countries, funding decisions are always made by multiple levels of government. In some cases, such as New Zealand, this process is through inter-governmental partnerships, while in others (as is the case in Canada) project funding decisions are the result of lower tiers of government submitting project proposals (United States), transportation budgets and/or plans (United Kingdom) to senior levels of government.

All surveyed countries also use a measure of efficiency to evaluate and prioritize project proposals, though cost-recovery is seldom a funding criterion. For highway projects, some governments –including the United States– even preclude cost recovery measures (tolling) in order for national funding support to be approved. All countries, excluding Australia, provide funding for a range of urban transportation investment needs, including road, highway and transit improvements, ITS and TDM initiatives, as well as transportation service operating cost subsidies. Australia’s national government only funds road infrastructure.

Urban Transportation as a National Priority

Urban transportation as an issue registers much higher in importance with voters in densely urbanized countries. In the UK, for example, ridiculing poorly run public transport services has been a national pastime for a number of years. US traffic congestion and its air quality impacts are major issues for residents in urban and suburban America. Traffic and transportation issues are a high priority, for example, in the State of California. Transportation is of less importance in Australia and New Zealand. Similar to the Canadian political environment, though rising in importance, transportation is not a ‘top 5’ issue in Australasia. Likewise, urban transport is important to the French and Swiss, but not as important as, for example, health or education.



1.0 Introduction

Beginning in the 1990s, issues global in scope, but local in scale began to confront Canada and its policy makers. Gridlock and congestion, municipal financial capacity, adequate affordable housing, and strategic infrastructure investment rose to the national stage. Other countries and cities around the world began to market themselves and compete for business using local ‘quality of life’ indicators, creating a new link between economic competitiveness and urban conditions. In Canada in 2004, the ‘new deal for communities’ discourse is part of the federal lexicon, and sustainable urban transportation in particular is a key area of national interest.

This study attempts to add to Canada’s knowledge on governance structures for transportation by discussing how other nations are addressing 21st century urban transportation challenges.

In early 2003, Transport Canada released *Straight Ahead*, a vision and policy framework that will guide the Government of Canada’s decisions regarding overall transport policies, strategic infrastructure investments and initiatives in support of the broader government agenda on competitive cities and healthy communities, climate change and innovation. Other countries have also recognized the need to clearly set out principles and directions for transportation policy, and this report looks at the different approaches that these jurisdictions take when setting a policy framework for national urban transportation issues.

Among the six countries investigated here –Australia, France, New Zealand, Switzerland, the United Kingdom and the United States– each has a slightly different approach in the way the ‘urban transportation agenda’ is established². Some countries have legally enshrined legislation that sets policy goals as well as on-the-ground implementation issues, while others have a Ministry-specific mandate which guides decision-making. Further, each country has its own inter-governmental relationships and nuances that help to explain both similarities and differences.

This report is structured around five areas of research, all of which have sub-areas of investigation. The report’s text addresses each of these research areas in turn, discussing the information obtained from the research findings for each survey country.

Each country name is printed in bold text throughout the report to facilitate comparisons between and among countries. The details of the results of each research area are contained in Appendix C of the report, which has approximately 100 pages of text structured around the research questionnaire used for the research. For quick reference and issue comparisons across countries, comprehensive tables follow each chapter discussion.

The report is organized into 8 chapters and three appendices:

- Chapter 2 explains the methodology employed, as well as how the results were analyzed, compared, and extrapolated.

² For the purposes of this report, ‘urban transportation’ includes the following elements: commuter and intra-city rail, local public transit, urban highway and road networks, active transportation (bicycling, walking, etc.), intelligent transportation technology and transportation demand management.



- Chapters 3 through 7 discuss the research findings, organized by research area. The chapters include:
 - Chapter 3 – Government Structure and Context;
 - Chapter 4 – National Urban Transportation Policy Framework/Strategy;
 - Chapter 5 – Governance Models;
 - Chapter 6 – Financing Urban Transportation; and
 - Chapter 7 – Urban Transportation as a Priority.
- Chapter 8 places the research findings in a Canadian context.
- Appendix A, lists sources of references used for this report, as well as those relevant to issues discussed here.
- Appendix B, lists the officials and experts (where possible) from the surveyed countries that agreed to interviews.
- Appendix C, a country-by-country technical appendix, presents detailed research results and is organized in a question-answer format.



2.0 Research Methodology

The research methodology was structured by two key steps: first, collect a large amount of information through focussed interviews with senior officials and practitioners and through a review of the primary source documents; and second, summarize and analyze the information into a context relevant to the Canadian situation.

2.1 Understanding the Survey Countries

In order to best facilitate an accurate and efficient collection of information and data, each international jurisdiction was assigned a team of 'on the ground' experts, ensuring the research was undertaken by those with a thorough and current knowledge of transportation policy structure, context and governance in each country.

Each of the regional experts sourced pre-existing knowledge of the transportation policy context. Many of the research question analyses began with a solid understanding of how each country approaches urban transportation governance and used existing, readily-accessible information. For example, budget data, basic government structures, and existing legislation were typically available from government Internet sources.

Many of the critical subtleties of policy development and governance could only be understood through direct contact with key individuals involved in the development and implementation of transportation policy. Each of the regional experts conducted a series of interviews with key officials and stakeholders in each country. These interviews included national/federal representatives and a sample of regional authorities.

In order to ensure that the information collected accurately represents the condition and success/failure of policy structures, the team also reviewed the results with an official from each national transportation department/ministry, or an expert on the region. This review assessed the accuracy of the information gathered, and was intended to ensure that no personal bias among interviewees, or lack of knowledge in a particular area, limited the data collection.

2.2 Consolidate & Compare Information

As with many 'best-practice' and inter-jurisdictional comparisons, a key challenge for the study was to contextualize the research findings in a manner that was both accurate and applicable. The six jurisdictions of interest have considerable differences in government responsibilities and relationships, scale of investment need, role of the private sector and other factors influencing how urban transportation is governed and delivered.

These differences are not insignificant, and in order to draw out the relevant information from each country, the research was structured to ensure the relevant reporting of information at several stages within the study period. As occurred in a few countries, relevant information was gleaned on initial scoping and was followed later in the study process with more detailed research in order to apply most usefully to the Canadian context. Sources of further information and detailed research results are contained in the appendices to this report.



3.0 Government Structure & Context

CHAPTER EXECUTIVE SUMMARY

- *The National governments surveyed have a range of very different roles and responsibilities as a result of different government structures, balance of power arrangements, and relationships between and among levels of government*
- *The UK and France represent strong centralized Federal governments, Switzerland an extremely decentralized government, with surprisingly little authority at the national level. Australia and the United States are perhaps the most similar to Canada in terms of intergovernmental relationships and the distribution of power, with New Zealand more on the centralized side of the scale*
- *All survey countries' federal governments provide funding for urban transportation, while only the UK and France are actively involved in local transportation matters*
- *The UK and France have long histories of well-developed national urban transportation strategies. Switzerland does not have a well-developed, nation-wide transportation policy*
- *All surveyed countries have, at a minimum, high-level objectives for their urban transportation networks which include environmental, economic, and social sustainability concerns, and aim to reduce the amount of auto use and traffic congestion*
- *The national objectives range from relatively simple vision statements about sustainability and economic growth (US) through to surprisingly detailed and specific objectives (park and ride facilities, need for integrated single ticket transit systems) in the UK*
- *While the cause and effect is not certain, those countries with strong federal roles have more specific transportation objectives than those with more decentralized powers*

3.1 Levels of Government, Power, and Jurisdiction for Urban Transportation

The six countries in this study represent a spectrum of democratic government structures, both in terms of the constitutional foundation of government institutions and the power sharing arrangement between levels of government. Figure 1 provides a simplified illustration of this spectrum.



3.1.1 Switzerland

Switzerland is a prosperous and stable country of 7.3 million people. With a 0.2% population growth rate, and an average life expectancy of 80 years, the country is growing slowly but ageing quickly. By contrast, Canada grows by approximately 1% every year due to high rates of immigration. Less than 70% of Switzerland's population live in urban centres, the lowest percentage of the six survey countries. Switzerland encompasses almost 40,000 square kilometres, an area less than the size of Nova Scotia.

The Swiss government 'confederation' represents an extreme form of a decentralized government system. In Switzerland the federal government is secondary to the sub-state administrative units, known as cantons. There are 26 cantons in Switzerland (20 full and 6 half) each with its own constitution. Each canton is further divided into communes (2842 in total). The cantons have responsibility for issues normally allocated to federal governments such as language and immigration policies. Each canton is also responsible for determining the level of autonomy for the communes within its borders.

Switzerland is linguistically divided (a majority are German-speaking, with French and Italian minorities) and religiously divided. As a result representation in the federal government is based on a quota system to ensure all groups are represented. Rather than a single head of state, such as a president, the cabinet is comprised of 7 members forming the Federal Council. This Council is elected by the legislature and must represent the political, linguistic and religious make up of the country. Four members are German speaking, 2 French and 1 Italian, for example. Each member of the Council is given certain responsibilities (i.e. Transport) and the title of president rotates among Council members. All legislation proposed by the Council and passed by the legislature requires a majority of the cantons support in order for it to pass. The consequence of Switzerland's social and geopolitical history has resulted in a system of government that is unique among the countries surveyed.

While international transportation and the countrywide road and rail systems fall under the jurisdiction of the federal government, it must work with the cantons (and in some cases the communes) to have these policies implemented. The vast majority of responsibilities for urban transportation in Switzerland thus reside at the local and regional level.

3.1.2 United States

American demographics generally mirror those of Canada: high population growth (for western-world countries) with approximately 80% of the people living in urban areas. America has the highest gross-domestic product (GDP) per person in the world. As a result of this wealth, US geography and urban spatial structure, Americans are one of the most car-dependant nations on earth, with an auto ownership rate of more than 750 vehicles per 1000 people.

The United States government represents a shift away from the Swiss model along the political-structure spectrum. In this system the federal government and the 50 state governments have powers allocated between them, with the federal government being the more powerful of the two. There are also some matters, such as transportation, where both levels of government share responsibility. The United States is a Presidential system where the President is elected separately from the legislature every four years and is responsible for appointing a cabinet. The legislature is comprised of the House of Representatives (based on population, elected every 2 years) and the Senate (2 members from each state elected every 6 years). While the federal government has a great deal of responsibility, the US Constitution gives residual powers to the states. Residual powers are those



responsibilities not accounted for in the constitution, and thus all new responsibilities are allocated to state governments (an opposite of the Canadian British North American Act, which allocated all residual powers to the Federal government).

Local governments are created by and are the responsibility of the states alone. The federal government has the responsibility for international and country-wide air and rail transportation, the maintenance of the country's highway system –the interstate network– and the allocation of some federal funding to the states for transportation projects. In turn, the states are responsible for maintenance of non-national roads and environmental issues associated with transportation (an issue not outlined in the constitution, thus a state responsibility). Some states allocate certain transportation-related responsibilities to cities, towns and counties as they see fit.

3.1.3 Australia

Australia is quite similar to Canada in terms of demographics and its national transportation system. With 350,000 kilometres of paved highways and 560,000 kilometres of unpaved highways, the scale of Australia's road system virtually matches that of Canada's. Moreover, the country's 20 million people are highly urban, with 40% living in the two largest cities and 70% living within approximately 200 kilometres of the coastline. Australia's population also continues to grow at approximately 1% per year, fuelled entirely by international immigration.

Australia's government is a Constitutional Monarchy with a Prime Minister and cabinet similar to that in Canada. Australia's middle tier of government is comprised of 6 states and 2 territories. As in Canada and the United States, the Australian states are mandated a great deal of responsibility over aspects of society, though the federal government retains a large amount of power through its funding to the states. The federal government collects the majority of the taxes in the country and the states are reliant on this money to effectively manage their responsibilities. For example, apart from international transportation, all urban transportation issues are the responsibility of the states, including the maintenance of the national highway system.

The Australian transport network is also highly fractured. The Australian government does not have a legislative role in urban transportation. Moreover, each state may take a different approach to delivering transportation services. For example, the state of Queensland operates Queensland Rail, a corporate state entity, while other state governments have privatized their light rail and tram systems. Further, the City of Brisbane controls and operates its own transit network of buses and ferries –the only local government that does so in the country.

3.1.4 United Kingdom

Compared to Canada, New Zealand and Australia, the United Kingdom has a long history in modern urban transportation. The first railway was constructed in London in 1825, and the world's first underground railway (the 'tube') was opened in London in 1863. The UK reached a population of 60 million in 2003, and transportation issues remain a pre-eminent concern for the majority of UK residents. With a population density of approximately 250 people per square kilometre (Canada, by comparison, has 3), the country has a much more dense urban structure than that of North America or Australasia (Australia/New Zealand). The UK continues to grow at approximately 0.3% per year, with 90% of its population living in urban areas.



The UK government is a centralized state with only one recognized government. The United Kingdom, however, is a system in transition. While the majority of power remains in the hands of the government at Westminster (a Constitutional Monarchy very similar to the Canadian and Australian systems), power has recently been devolved away from the centre to governments in Wales, Scotland and Northern Ireland. These governments were created by the national government and could be dissolved at any time, unlike Canadian provinces or US states. The government in London is therefore responsible for transportation issues, though transfers some of these responsibilities to local, and now regional governments.

The United Kingdom is further unlike the other survey countries in the degree to which transportation services have been privatized. In most cities and towns, public transit is operated by private companies on a franchised basis. For example, the right to operate a bus route is offered to bus companies through a competitive bidding process. This leads to, in many cases, multiple bus companies operating services on the same route, often with different fares. The passenger rail network, in England in particular, as well as the London subway network, has also experienced significant privatization and commercialization over the past two decades.

3.1.5 New Zealand

New Zealand is the smallest of the survey countries, and with a population of 4 million the country has fewer inhabitants than the Toronto Census Metropolitan Area. Auckland, the largest city, has approximately 35% of the country's population, with Wellington and Christchurch being the only other large cities. New Zealand gained independence in 1907, and continues to grow steadily at approximately 1.1% per year, the highest population growth rate of the countries surveyed.

As in Canada, the UK and Australia, New Zealand is a Constitutional Monarchy. New Zealand recently changed its electoral system from one that mirrored the Canadian system to a Mixed Member Proportional system designed to provide smaller parties with more seats in the legislature and improve the proportionality of votes cast for a party to seats received. The coalition of parties with the most seats forms the government and the leader of the largest party in the coalition becomes Prime Minister. New Zealand does not have a Senate. Without any sub-national legislatures (only regional and territory local governments) all power is concentrated with the national government.

For national transportation issues, the Minister of Transport is responsible for all aspects of the country's transportation needs. The Minister can give some jurisdiction to the local levels of government, but they still rely on funding from above and can have these responsibilities taken away at any point. New Zealand has also created a number of crown agencies for transportation, including Transfund, which is responsible for transportation funding allocation decisions, Transit NZ, which is responsible for (interestingly in a Canadian sense) the development and management of state highways, and the Land Transport Safety Authority. The Energy Efficiency and Conservation Authority also assumes some transport responsibilities. Among transportation modes, responsibility between levels of government is quite varied, with rail activities being privately owned, local roads being managed by territorial authorities, and other passenger transport services owned and operated by the private sector, regional councils, territorial authorities and other ad hoc bodies.



3.1.6 France

France’s geography parallels that of the UK’s in a number of key measures for transportation: their urban histories, the continuing dominance of the national capitols and their slow but steady growth rates. France has a national population of approximately 60 million. France has grown over the past decade at approximately 0.4% per year, yet only 76% of its population live in urban areas.

The French government has long been seen as the model of centralized state authority. With the exception of certain rights given to the island of Corsica, the national government is responsible for all aspects of the French state. While France is divided into 22 regions, they exist at the discretion of the government and are merely administrative tools. Any of these regions can be changed, eliminated or amalgamated with another region by the central government. France has a Presidential-Parliamentary system with an independently elected President (who serves 5 year terms, recently changed from 7). The choice of Prime Minister, while based on a recommendation by the National Assembly, rests with the President. The same holds true for cabinet positions. France also has a second legislative house, the Senate, indirectly elected by an electoral college.

As with New Zealand, the appropriate national ministry makes decisions regarding major issues in France, such as transportation. The regional and local governments are given some jurisdiction for local transportation matters but the final decision for these issues often remains in Paris with the Ministry of Infrastructure, Transport and Housing.

Figure 1: The Decentralized-Centralized Government Spectrum



3.2 National Objectives for Urban Transportation

Of all the research questions investigated, the greatest amount of consistency among survey countries was found in the evaluation of national objectives for urban transportation. Although cultural nuances led to different choices in language in the expression of goals, the overriding primary objective for all six countries was sustainability.

Until recently in **New Zealand**, there has been no specific focus on urban transportation at the national level. This has begun to develop over the last four years with the greater focus of the current government on urban issues, but most transport policy is aimed at the system as a whole, rather than urban issues specifically.

More recently, the government has established an Urban Affairs portfolio, (although this is not supported by a specific urban affairs ministry at this stage) and has focussed attention under the “sustainable cities” banner. The national objectives for urban transport are, to the



extent that they have been articulated, included in the NZ Transport Strategy (NZTS) released in 2002. The NZ government's overall vision for transport states that:

“By 2010 New Zealand will have an affordable, integrated, safe, responsive, and sustainable transport system. The vision is underpinned by four principles: sustainability, integration, safety and responsiveness.”

The specific objectives, as defined in the NZTS, include:

- Assisting economic development;
- Assisting safety and personal security;
- Improving access and mobility;
- Protecting and promoting public health; and
- Ensuring environmental sustainability.

Though the NZTS does not have a legal underpinning, it has formed the basis of new legislation passed in November 2003, the Land Transport Management Act (LTMA). This Act has adopted the objectives of the NZTS as part of the obligations that it places on agencies in respect of their transport management and funding decisions.

In **Australia** by contrast, state and territory governments have the legislative responsibility for urban transportation systems. The states and territories are responsible for defining the vision, the objectives, the strategies, the programs and source funding to implement their programs. Consequently, each state and territorial government publicly releases transport planning strategies that articulate objectives. Generally, these objectives encourage economic growth, improvement in efficiency and effectiveness of the transport system, and environmental preservation.

The **Australian** national government, however, recently issued a discussion paper (a 'green' paper) entitled *AusLink: Towards the National Land Transport Plan*, with the intention of “embarking on an ambitious new approach to planning, developing and managing Australia's land transport infrastructure”. *AusLink's* principal objectives are to promote sustainable national and regional economic growth, development, and connectivity, by contributing to an integrated land transport network which:

- Improves national, interregional and international freight logistics;
- Enhances national, interregional and international trade;
- Is consistent with viable, long-term economic, social and safety outcomes;
- Is consistent with the government's obligation to current and future generations to sustain the environment;
- Is based on the national and interregional corridors; links to ports, airports, production and distribution centres; connecting intermodal facilities; and local links of regional significance – that are of critical importance to national and regional economic growth, development and connectivity; and
- Is planned, funded and managed efficiently, within a framework of reciprocal responsibility by all levels of government and with the involvement of the private sector.



The **US** approach to establishing national transportation objectives was enshrined in the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991, which states that the national transportation system should be economically sound, provide the foundation for the nation to compete in the global economy, and move people and goods in an energy efficient manner. The benefits ascribed to this approach include lowering overall transportation costs, increasing economic productivity and efficiency, reducing congestion, generating higher returns from public and private infrastructure investments, improving mobility, reducing energy consumption, and contributing to improved air quality and environmental conditions.

Specifically, the **US** urban transportation policy vision states that:

“It is the policy of the United States to develop a National Intermodal Transportation System that is economically sound, provides the foundation for the nation to compete in the global economy, and will move people and goods in an energy efficient manner. The National Intermodal Transportation System shall consist of all forms of transportation in a unified, interconnected manner, including a transportation system of the future. (Intermodal Surface Transportation Efficiency Act, Section 2).”

Though the **US** ISTEA legislation has evolved twice since 1991 (in 1997 as TEA-21 and as SAFTEA in 2004) the original vision, objectives, and basic structure of ISTEA has remained. Perhaps the most significant change was in 1997, when a guaranteed minimum return of gasoline tax revenues was established for contributing states, and the creation of a “firewall” between the Highway Trust Fund and the general fund, thus guaranteeing minimum funding levels. Prior to TEA-21, funding for surface transportation programs competed on a yearly basis against other needs. The spirit of the 1991 legislation, however, has not changed.

Due to recent decentralization of responsibility, the **United Kingdom** has a number of different definitions of ‘national transportation objectives’, as those for Scotland, Wales and Northern Ireland differ slightly from England’s. However, the central government’s Department for Transport released a 10-year strategic policy document in 2000 that generally sets out the country’s transportation objectives. Similar to those of the other survey countries, the **UK** government’s objectives are to promote a healthy environment and economy and higher quality of life, to promote sustainable transport, and reduce the use of the car. The **UK** has also established principles to work in partnership with key stakeholders in businesses and to achieve value for money in urban transportation.

Specifically, the **UK**’s transport strategy is “to tackle congestion and pollution by improving all types of transport - rail and road, public and private - in ways that increase choice. It is a strategy for investment in the future to create prosperity and a better environment.” The strategy hopes to achieve, by 2010, the following objectives for the **UK** transport system:

- “modern, high quality public transport, both locally and nationally. People will have more choice about how they travel, and more will use public transport;
- more light rail systems and attractive bus services that are fully accessible and integrated with other types of transport;
- high quality park and ride schemes so that people do not have to drive into congested town centres;
- easier access to jobs and services through improved transport links to regeneration areas and better land use planning;



- a modern train fleet, with reliable and more frequent services, and faster trains cutting inter-city journey times;
- a well-maintained road network with real-time driver information for strategic routes and reduced congestion;
- fully integrated public transport information, booking and ticketing systems, with a single ticket or card covering the whole journey;
- safer and more secure transport accessible to all, and
- a transport system that makes less impact on the environment.”

Swiss national transportation objectives are established by the Department of Environment, Transport, Energy and Communications (DETC). These objectives are all sustainability related. Specifically, the strategy states the following objectives as national transportation goals:

- Ecological sustainability, which includes:
 - The reduction of the following to a level which is harmless in the long term:
 - Atmospheric pollutants and damage to the climate,
 - Noise,
 - Soil consumption,
 - Pollution of landscapes and habitats, and
 - The reduction of energy consumption, in particular of non-renewable energies;
- Economic sustainability, which includes:
 - The provision of an efficient transport infrastructure,
 - Efficient performance and the promotion of competition,
 - The increase of the economic autonomy of transport (including external costs),
 - The optimum use of the existing infrastructure, and
 - Competitive transport companies;
- Social sustainability, which includes:
 - A basic supply throughout Switzerland (“Service public”),
 - The consideration of people whose access to transport is impaired,
 - The protection of human health and well-being and the reduction in the number of accidents, and
 - Socially responsible behaviour of transport companies.



An objective of the **Swiss** Federal Council is to guarantee sustainable mobility. According to the DETEC's departmental strategy of May 2001, this means:







- “that essential mobility is managed in an environmentally friendly manner, and that exogenous costs are internalized so that mobility does not grow unchecked at the expense of the environment (ecological sustainability);
- that mobility needs are satisfied in an economically efficient manner, so that the financial costs to the state remain bearable (economic sustainability); and
- that all sections of the population and all areas of the country have access to mobility (social sustainability)”.

French urban transportation objectives focus on promoting sustainable development and sustainable transport. These policies are encapsulated in a variety of laws dealing with development, air quality, social inclusion and urban renewal. The over-arching law in this regard is understood to be '*LOTI*' (*Loi d'Orientation des Transports Intérieurs*), the law specifically for inland transport issues.

These national objectives are implemented through regulations and directives from the European Union (EU), laws and regulations at the national level (which often are implementing EU regulations), and through local transportation plans. Rules and recommendations about access and movement for those handicapped or mobility impaired are also published. Specifically, French objectives for urban transportation include:

- improvements to safety for all forms of movement;
- promotion of a balanced modal split on the network;
- reduction in private car traffic;
- development of public transport facilities and other forms of sustainable transport (such as pedestrian and cycling);
- supporting the 'principal' road network;
- control of parking;
- the transport and delivery of goods;
- encouragement of staff travel plans; and
- integrating tariffs and ticketing for peripheral park-and-ride facilities.

Table 1: Comparison of Government Structures

Element		Australia 	New Zealand 	United States 	Switzerland 	France 	UK 
Levels of Government and Division of Powers	National	Constitutional Monarchy. Federal Government with a Parliamentary system. Prime Minister is the leader of the party with the most seats in the House of Commons.	Constitutional Monarchy. Unitary state with a Parliamentary system. Prime Minister is the leader of the largest party in a coalition of parties with the most support in the House of Commons.	Federal Government with directly elected president.	Federal Government (the Confederation) with responsibilities as set out in the constitution.	Republic with a directly elected president as head of state. Appointed prime minister.	Constitutional Monarchy. Unitary Parliamentary system. Prime Minister is the leader of the party with the most seats in the House of Commons.
	Regional	6 States and 2 Territories. Powers and responsibilities outlined in the constitution.	Both regional and territory councils exist, but divided on functional and administrative grounds. Governments work alongside each other and not hierarchically	50 States whose powers and responsibilities are enshrined in the constitution.	26 Cantons, which amalgamated in 1848. Each has its own constitution and courts.	22 regional governments. No standing for regions in constitution and can be altered or eliminated at the discretion of the national government.	3 newly created regional governments, created by and exist at the discretion of the national government. Responsibilities are set out by the national government.
	Local	Local governments are the responsibility of the states and territories. All responsibilities given to them come from the regional governments.		39,000 local governments - counties, municipalities and townships.	2842 Communes. Responsibilities vary widely, and are different between Cantons.	96 Departments and 3600 Communes.	Local governments are under the direction of the national government. Boundaries and responsibilities can be changed by the national government.
Jurisdiction and Responsibilities for Urban Transportation, including Modes		Transportation (with the exception of international issues) is the responsibility of regional and local governments. National government provides significant funding.	National role in transport policy and, through crown agencies, funding and safety. Rail: private. Passenger transport: regional and local. Highways: national. Other roads: regional.	Federal: funding and regulation only. State: Provision of some services, funding, planning, environmental regulation. Local: Similar to state.	Federal Government coordinates transport planning and policy amongst Cantons, and federal road authority. Cantons responsible for all other major transport activities.	All transportation issues are the responsibility of the national government. Some responsibilities are transferred to the regions and communes but the national government remains the final authority.	National government responsible for most transportation issues and funding. Local governments responsible for local matters. Most modes of urban transportation have been privatized.
National Objectives for Urban Transportation & Method of Expression		Sustainable national and regional economic growth, development and connectivity through an integrated land transport network. National land transport plan.	Urban sustainability and congestion reduction. Federal transport strategy and legislation.	Urban transportation facilities and services must be consistent with an overall urban development plan, and support environmental legislation. Federal legislation.	Environmental, economic, and social sustainability. Linking of environmental and infrastructure policy. Mobility. Federal Departmental strategy. EU transport policy also a factor.	Support for sustainable modes of transport, travel safety, a balanced modal split, a reduction in private car traffic, and integration. Federal legislation. EU transport policy also a factor.	Healthy environment and economy, sustainable transport and reduce use of the car. Achieve value for money. White paper, 10-year plan, policy statements, regulations.



4.0 National Urban Transportation Policy Frameworks & Strategies

CHAPTER EXECUTIVE SUMMARY

- *All countries have a number of urban transportation infrastructure programs that fund road and highway capital projects; by contrast public transit needs, as well as all urban transportation maintenance needs are not funded by all of the survey countries' governments.*
- *Although all countries have active road and highway safety initiatives focused at informing the public about the risks of driving and how to avoid accidents, disseminating knowledge about transportation policy was not found to be a common stated national goal*
- *None of the survey countries' national governments make real estate decisions with transportation impacts in mind, though many middle-tier jurisdictions (states, regions, etc.) actively encourage employees to take sustainable modes of transportation to work*
- *The role of the federal government in linking land use strategies with transportation planning and funding generally mirrors the degree to which the federal government is involved with local government. In the UK and France the government exercises a relatively high degree of control on broad land use/transportation policy. In the US the involvement is specific to federal objectives but also relates land use and transportation. The Swiss government sets out a land use strategy but only for guidance. In Australia there is little connection between national transportation objectives and state level and use policies*
- *The successes and failures of the survey countries' frameworks are mixed, though all reviews have noted that a focus on sustainability has been positive. The sluggishness of producing tangible infrastructure project construction has been a common challenge*
- *Significant changes to the federal strategy for funding urban transportation have occurred in the UK and the US over the past decade. The changes have been a response to failures of privatization (UK) and to environmental concerns related to clean air (US)*
- *Full public consultation related to federal transportation strategy occurred only in the UK. Lobbying and interest groups were involved in strategy reviews in Australia and the US*
- *National transportation strategy reviews only occur on a regular basis as a matter of policy in the UK*

Summary continued next page



CHAPTER EXECUTIVE SUMMARY (CONTINUED)

- *The US and UK use legislation to operationalize urban transportation policy. France, New Zealand and Australia have legislation that defines the role of the federal government in the broader transportation spectrum*
- *Property taxes are the main source of funding for urban transportation at the local level in all countries except France, where a payroll tax collected by the Federal government is returned to local authorities to use for urban transportation purposes*
- *Capital funding for urban transportation infrastructure is provided to local authorities by all governments. This funding is conditional on achieving or conforming to national objectives in the UK and the US, thus providing some measure of local autonomy*
- *The federal governments in NZ and the US have dedicated gasoline taxes, and France has a dedicated payroll tax for urban transportation purposes. Funding in Australia, Switzerland and the UK is not dedicated, and sourced from general government revenues*

4.1 Context for Framework/Strategy Development

In 1997 the **Swiss** Federal Government structure was reorganized, and the Federal Department of Environment, Transport, Energy and Communications was created. Prior to its creation, the government was primarily concerned with technical infrastructure. Following reorganization and considerable cross-governmental input, the Department became responsible for infrastructure and the environment and established a new policy framework for its activities.

The development of the **UK's** 10-year transport plan, conversely, was driven by a reinvigorated interest and focus on transportation problems and issues. The 1990s saw not only a major failure of railway operations and financing, but also a general disenchantment with the private provision and ownership of transportation services and facilities. The new strategy, following the release of a white paper for discussion, was the result of full consultation at all levels of government and with all interested and affected parties. In fact, the consultation process itself took several years to complete.

In **New Zealand**, the NZTS was driven by a desire to move to a more holistic approach to transport investment decisions. This resulted in a shift away from the previous statutory requirement to achieve “a safe and efficient roading system”, and rather “to contribute to the aim of achieving an integrated, safe, responsive and sustainable land transport system”. The process leading to the strategy’s development was fairly closed, with limited consultation from invited sector interests. The NZTS was essentially a political document, which had a relatively short development period. The resulting legislation however, went



through the normal legislative consultation process, with submissions, select committee hearings and parliamentary approval process.

Much of the drive to develop the NZTS was political, and reflected a response to the relatively new mixed member proportional electoral system introduced in 1996. Under this new system the government must develop a policy consensus with its parliamentary supporters (in this case, the Green Party). The political negotiation around the NZTS has meant that it received particularly strong political support from all government Ministers.

Political response to perceived needs has also been a factor in the creation of the **US** urban transportation strategy. The passage of ISTEA was a major shift in federal transportation policy, away from the long-standing emphasis on the construction of highways to a focus on maintenance of the system, transportation needs of urban areas, and the integration of all modes. Factors that contributed to the change in policy included a largely built-out interstate system, the neglect of transit systems, worsening traffic congestion, increased attention to air quality in urban areas, and the advocacy efforts of non-highway transportation interests.

The **Australian** Government called for the preparation of a new strategy, *AusLink*, and more recently the drafting of a National Land Transport Plan, as it saw a number of considerable weaknesses in the existing framework. The drivers for drafting the new framework, and problems identified with the previous strategy, included:

- a short term focus;
- uncoordinated and ad hoc planning and funding for rail investment;
- a lack of encouragement for the cooperation between all levels of government and private sector;
- a poor integration of land use and transport planning; and
- an insufficient focus on the use of new technology-based solutions.

The **Australian** Government's decision to draft a new national transport plan was also the result of continued lobbying by numerous institutions, business and industry groups concerned by the poor quality and inefficient land transport infrastructure and the loss in economic productivity.

In **France**, control of the urban and regional transport sector underwent a significant decentralization process in 1982. In that year, the LOTI legislation was passed, inducing major changes to national policy goals and to the way **French** transportation services were delivered (except in the Paris Region). Over the past two decades, French local governments have been in charge of operating their own public urban transport networks. In most urban areas, however, a private company delivers the service through contract. There has not been a significant policy change resulting in a new transportation governance model in France since 1982.

The only significant change to **French** urban transportation policy since then has been the passing of, in 1993, the "SAPIN" legislation, which introduced the concept of "délégation de service public" (delegation of a public service or DSP). The main goal of this legislation (which borrows its name from the French Minister of Finance at the time), was to increase transparency and equity in transport contract tendering and franchising processes.



4.2 Legislative Standing and Reviews

Similar to the spectrum of political structures in the survey countries, the legislative standing of national urban transportation frameworks and strategies ranges from detailed and numerous acts of parliament, to straightforward discussion documents. For example, in the **Swiss** case, a departmental strategy represents the overall guiding document, while the **US** and **UK** examples employ very detailed legislation to operationalize transportation objectives. In **New Zealand** and in **France**, transportation legislation works primarily to guide the actions of the national government and its crown agencies, whereas **US** and **Australian** legislation largely guides the actions of their respective states and territories. The **UK's** 10-year transportation plan, in addition to the actions noted above, directs private participation and partnership.

Though **New Zealand** and **France** are quite different in government structure, as are the **UK** and **US**, each pair has taken similar approaches to implementing a national urban transportation framework. The most similar approach to Canada could be argued to be **Australia**, though its national government appears (recently) to be distancing itself from urban issues, while Canada appears to be moving the opposite direction.

Across the six countries, reviews of urban transportation objectives depend largely on the way in which the objectives were established. In **Australia**, reviews are conducted within five years at the state level, though the national objectives have no scheduled review. Similarly, **New Zealand** and **Switzerland** have no scheduled reviews of their objectives, though each Swiss commune has its own agenda for policy review. Reviews of **US** transportation objectives are also unscheduled, though lobbying efforts have resulted in reviews every five to seven years.

The broad national objectives of the **French** urban transportation strategy were first established in 1982 and were modified by laws dealing with air quality and energy use in 1986, and by laws addressing social inclusion and urban renewal in 2000. Legally, **French** urban transportation legislation is reviewed every five years, although there is a minimal public consultation process. The **UK**, again different from all other countries, has scheduled reviews of its transportation policy frameworks at least every three years.

4.3 Spending Programs and Fiscal Policies

Both the scale of urban transportation investment needs and the tools employed to meet those needs differ among countries. In **New Zealand** and **Switzerland**, each with populations less than 10 million, the funding need is an order of magnitude less than that of the **US** and **UK** (by example, New Zealand has 1.4% of the United States' population). At the local level, property taxes are the main source of urban transportation funding across the survey countries, excluding France. Although each country has a different combination of jurisdictional responsibilities for the different modes of transportation, and differing methods of distributing the funds, every national government does have funding programs for, at a minimum, transportation capital infrastructure.

The sources of funding in **New Zealand**, the **US** and **France** are aligned with transportation revenues: **NZ** generates a large proportion of its transportation spending from gasoline taxes, the **US** TEA-21 programs are sourced from the federal gas tax, along with taxes on truck and tire sales, and taxes on alternative fuels, while France dedicates a payroll tax to local transport authorities. The other survey countries are more similar to Canada in that



national transportation expenditures are sourced from general government revenues. Chapter 6 and Appendix C provide further details.

Aside from an annual formula-based state grant program, the **US** has an array of infrastructure focused funding streams including the Surface Transportation Program (funding a variety of projects including mass transit, pedestrian and bicycle facilities, as well as roads and highways), the Congestion Mitigation and Air Quality (CMAQ) Program (used for transportation-related air quality projects), and the Transportation Enhancement Activities (TEA) initiative whose funds can only be used for transportation-related projects that enhance quality of life in or around transportation facilities.

The majority of the **UK's** urban transportation spending programs are government grants, both capital and revenue, to local authorities. Project prioritization, however, remains at the national level, except for projects that are small enough in scale to be funded from within local authorities' budgets. As the private sector plays a larger role in the direct ownership and delivery of urban transportation services in the **UK** than the other survey countries, spending programs and fiscal priorities accordingly reflect this distinction. For example, the heavy participation of private firms in the passenger railway industry has led to significant private investment, though recently the national government was required to financially support the private rail network. London has also instituted a tolling system for automobiles entering the central city, in hopes of decreasing traffic congestion and raising revenues for local transportation needs. Chapter 6, Financing Urban Transportation also provides further details on this topic.

In **Australia** in 1997/8, the total funding allocation for roads (urban and otherwise) was AUS\$7 billion. The federal government provided AUS\$1.6 billion, states and territories AUS\$3.4 billion and local governments AUS\$2 billion. The **Australian** national government provides funding for:

- The National Highway System, as defined as road corridors linking the capital cities, together with links between Brisbane and Cairns, Hobart and Burnie, and urban corridors within Brisbane, Perth, Sydney, Melbourne and Adelaide;
- Roads of National Importance (RONIs);
- The Federal Black Spot Program, which identifies and funds traffic management solutions at locations off the National Highway that demonstrate a high incidence of road trauma or crashes; and
- Local government road and bridge maintenance grant programs.

Although a dedicated federal program does not exist for railway infrastructure, the government has also provided funding for the upgrading and expansion of the interstate rail network. Funding allocations for these needs has varied over the past decade, though the *AusLink* policy paper proposes a major shift in the national/state/local funding arrangements for highways, roads, and railway services.

In **France**, the main source of transport funding is the 'transport tax', unique to France. This tax is levied on every institution, public or private, with more than nine employees, and is based on total wages. Both capital and operating costs are eligible funding areas for the tax revenues. Justification for a payroll tax was based on the need for an efficient transportation services to support employment opportunities. Unlike other dedicated tax schemes, in **France** the revenues are given directly to local transport authorities to spend as they see fit,



according to broad responsibilities defined by the central government. Chapter 6 provides further details regarding this issue.

4.4 Knowledge Dissemination

Although all countries have active road and highway safety initiatives focused at informing the public about the risks of driving and how to avoid accidents, disseminating knowledge about transportation policy was not found to be a common stated national goal. The degree to which the public was consulted during the development of an urban transportation policy framework, has largely dictated the breadth of information that was shared regarding national policy objectives. However, all countries, at some level of government, attempt to share knowledge regarding quantitative transportation patterns and sustainable transport opportunities.

Aside from road safety, the **New Zealand** Energy Efficiency and Conservation Authority (EECA) has established initiatives focussed on fuel efficiency and reducing the use of vehicles, both of which have involved the dissemination of transportation information and the promotion of the initiatives to the general public.

Some **NZ** regional and territorial council initiatives have also been aimed at informing the public about travel patterns, and the alternatives that exist for travelling. For example the Auckland Regional Council's "Big Clean Up" campaign included a sustainable transport objective through its public campaign efforts.

Nationally in **Australia**, no specific initiatives exist solely for the purpose of disseminating transportation information, though road safety remains a focus of the Australian government. Accordingly, the federal government funds road safety based research and information collection, which is openly shared. Within each State and Territory, knowledge dissemination is generally tied only to road safety programs, travel demand management programs, promotion of public transport and maritime (recreational) safety programs.

The **US** is the notable exception in the area of sharing transportation research and statistical information, in that the US Transportation Research Board (TRB), a division of the National Research Council, serves as an independent advisor to the federal government with a mission to promote innovation and progress in transportation through research. The TRB undertakes a number of activities designed to support dialogue and information exchange among researchers, practicing transportation professionals, and others concerned with transportation through standing technical committees, technical and research publications, on-line data and information, a field visit program and other sponsored initiatives aimed at sharing high quality transportation information.

The **UK** government, through the Department for Transport, supports the activities of the National TravelWise Association (NTWA), a not-for-profit partnership of local authorities and other organisations that promote healthy and sustainable transport. The NTWA aims to reduce society's dependence on car use by:

- raising awareness of environmental, health, economic and social effects of car use;
- changing attitudes towards car use;
- promoting more sustainable modes of travel, and lifestyles which require less travel; and,



- encouraging action to change travel behaviour and reduce unnecessary car use.

The NTWA's working groups regularly research topics such as working with business, school travel plans and development control issues. NTWA also collects and disseminates best practice information from its members and associated bodies through a monthly bulletin.

The NTWA is also a member of the European Platform on Mobility Management (EPOMM), an organisation established by the EU to promote sustainable travel, and improve co-operation and joint working across member states. Furthermore, TravelWise efforts are directed at helping individual companies develop travel plans for their employees to choose greener, cleaner travel choices and reducing reliance on the car. NTWA also promotes a Safe Routes to School initiative directed at moving children safely, efficiently and sustainably to and from educational institutions.

France and **Switzerland** also work within the EPOMM structure, though the bodies that coordinate with the EU are slightly different from those in the UK. In France, a network of elected representatives (the Groupement des Autorités Responsables de Transport (GART), works to share best practices and research results between **French** jurisdictions. There is also a **French** network of national representatives, urban transport authorities (AOTUs), towns and professional organisations that produces technical guidelines, statements, organises training, seminars and conferences across the transportation sector, much like the US Transportation Research Board. Aside from country-based organizations, the European Union and European Commission conduct extensive research programs, hold numerous conferences every year, and publish international summaries and best practice research.

4.5 Land Use Strategies

It is safe to say that the **United Kingdom** has been a leader in understanding the connection between transportation and land use, and supporting sustainable transportation efforts. For example, the Scottish planning system explicitly targets sustainable travel patterns by encouraging the selection of priority and regeneration areas to 'maximise the scope for access by foot, cycle and public transport' and, suggests that sustainable transport considerations 'should not be an additional factor to be taken into account in preparing development plans or in making development control decisions', but rather they should be an integral component of land use planning. Most importantly, perhaps, Scottish Local Transport Strategies and development plans must conform to this policy principle.

In Britain, through its *Planning Policy Guidance* legislation, the Government sets the policy framework within which local planning authorities are required to draw up their development plans and take decisions on land use development applications. Within the legislation, the government states that local jurisdictions should ensure the integration of land-use and transport planning, and local authorities should concentrate development for uses which generate a large number of trips in places well-served by public transport, especially town centres, rather than in out-of-centre locations.

In **Switzerland**, the Swiss Federal Council produced the Sustainable Development Strategy in March 2002. The strategy adopts a wide-ranging approach and aims to integrate the principles of sustainable development in every policy sector. The national government also sets out the framework for the land use system, which is then taken on by the cantons.



Cantonal legislation and policies regarding land use are also coordinated, though not approved, by the national government. In sum, municipalities have considerable autonomy in the implementation of land use policies, and the national role in supporting sustainable transportation through land use tools is virtually non-existent.

The **Swiss** national government has established Planning Guidelines, which state that the urban structure must be integrated, and growth should occur close to important rail junctions. It also states towns and cities must be renewed from the centre by encouraging a mixture of uses and offering opportunities for economic development, by making town centres attractive, and ensuring open spaces are easily accessible to pedestrians, thus improving the quality of life for residents. The **Swiss** national government, however, has no role in local land use planning decisions.

Recently (August 2003), **France** adopted land use planning legislation that ties urban structure and sustainability issues to transportation. The law, '*Loi D'orientation et de Programmation Pour La Ville et la Rénovation Urbaine*', predominantly deals with urban renewal, supporting social diversity, improvements to public spaces, and new and improved housing. However, it also requires infrastructure decisions to conform to sustainable development principles, and attempts to connect land use planning principles with transport policy. In 1999 the '*Loi D'orientation Pour L'aménagement et le Développement Durable de Territoire*' introduced requirements that land use planning should take account of sustainable development issues, though without specific directives on transport.

The **US** ISTEA and subsequent TEA-21 legislation recognized the importance of connecting transportation investment decisions with land use planning. In fact, Federal land use strategies are implicit in ISTEA and TEA-21's construction. Metropolitan Planning Organizations (MPOs), during the development of their transportation plans, are required to consider projects that support good urban and regional planning strategies.

Furthermore, through MPOs, federal transportation funding is available to help finance changes to local land use plans, and to better integrate these plans with transportation needs. TEA-21 also established a grant program called Transportation and Community and System Preservation (TCSP), which provides funds for local jurisdictions to address 'urban sprawl'. Known as Smart Growth grants, the program is targeted to assist municipalities when dealing with interrelated urban growth challenges, namely to reduce environmental impacts, ensure efficient access to jobs, services and trade centers through the coordination of transportation and land use planning.

In **Australia**, land use strategies are prepared by state and territory governments as well as local governments. Similar to the United Kingdom, all local governments have a city or town plan that reflects the intent of the state/territory land use strategy. The federal government's role in land use is not specified in legislation.

During the 1990s the federal government briefly funded a "Building Better Cities" program, targeted at urban renewal and intensification, brownfield redevelopment, and affordable housing. With an overall purpose of improving the efficiency, equity and sustainability of **Australian** cities, the program's stated objectives were to support:

- economic growth and micro-economic reform;
- improved social justice;
- institutional reform;



- ecologically sustainable development; and
- improved urban environments and more liveable cities.

Under the program, the **Australian** Government agreed to distribute up to \$816 million between States and Territories for a variety of urban infrastructure needs. Though the program no longer exists, it promoted cooperative strategic planning and investment by the three levels of government, as well as creating opportunities for the private sector to finance infrastructure.

In June 2001 the Council of **Australian** Governments amalgamated the existing Local Government Ministers' Conference and Planning Ministers' Conference to create a combined Local Government and Planning Ministers' Council (LGPMC).

The LGPMC's objective is to enhance the effectiveness of Local Government and planning in Australia. The Committee's actions are guided by a National Charter on Integrated Land Use and Transport Planning, which acts as an agreement between transport and planning Ministers and commits them to a set of good planning practices. The National Charter is designed to support existing and future planning mechanisms by providing a national commitment to a framework for responsive planning, consistent decision-making, and good design and management. All states, territories, and the national government collaborated to develop the Charter. The responsibility for its implementation rests with each state, territory and with federal ministries. Within each state and territory, local governments also play a central role in land use and transport planning for local areas.

The Charter states that land use and transport planning have a key role to play in delivering social, economic, and environmental sustainability. Roads will continue to dominate as the means of movement for the majority of people and freight in Australia in the foreseeable future. However, by shaping the pattern of development and influencing the location, scale, density, design, and mix of land uses, planning can help to facilitate an efficient transport and land use system. The Charter hopes to achieve this goal by reducing the need to travel and length of journeys, reducing the impact of transport on communities, improving freight access and flows, and providing a choice of travel modes.

The Charter aims to link transport and land use planning by:

- Supporting integrated and inclusive processes;
- Linking investment decisions;
- Increasing accessibility by widening choices in transport modes and reducing vehicle travel demand and impacts;
- Making better use of existing and future infrastructure and urban land;
- Protecting and enhancing transport corridors;
- Creating places and living areas where transport and land use management support the achievement of quality of life outcomes;
- Increase opportunities for access in both the present and longer term;
- Providing safer and healthier communities; and
- Recognizing the unique needs of regional and remote Australia.



New Zealand does not currently have a national policy that integrates land use and transport planning decision-making. However, the government has released a proposal to create a new transport coordinating body, called the **Auckland Regional Transport Authority** (ARTA). ARTA would have the overarching objective of delivering a sustainable Auckland transport system consistent with the relevant strategic documents and national policy.

If implemented, ARTA would be responsible for operational planning, funding and contracting, and implementation (where appropriate). ARTA would also:

- be accountable to the Auckland Regional Council (ARC) for developing and implementing a transport plan for Auckland;
- be appointed by a group on which territorial Authorities and the ARC are represented, with an ARC majority;
- be made up of people who are not members or officials of Auckland Councils;
- work in a business-like way;
- receive national government and local funding to implement the plan;
- contract with Auckland transport companies and other providers; and
- deal with all aspects of Auckland's transport issues including rail, bus, ferry, pedestrian and cycling.

Another body, tentatively called **Auckland Regional Holdings** (ARH) would govern Auckland's regional infrastructure. Though the proposal remains to be finalized, this body may provide the necessary planning and transport integration currently lacking in the metropolitan region.

4.6 Other Policy Priorities and Local/Regional Needs

In the **United States**, transportation problems are closely linked with environmental issues. As such the ISTEA legislation has served as an implementation tool for the US Clean Air Act. It has been a priority in the US to understand and mitigate disparate impacts of federal spending and decisions on minorities, and has legislated through the Civil Rights Act that these impacts must be considered. Moreover, **US** urban transportation policy must consider the issue of environmental justice and conform to the Americans with Disabilities Act.

In addition to aligning direct transportation funding to other national policy priorities, the **US** TEA-21 legislation modified Internal Revenue tax codes and established a system of Commuter Choice Tax Benefits. These benefits permit employers to subsidize employee commuting costs, as well as allowing employees to use pre-tax earnings to pay for transit passes and parking costs. Tax-free transportation benefits cannot exceed \$100 per month for transit or vanpool expenses, or \$190 per month for parking costs. While Commuter Choice programs are coordinated locally –generally through transit agencies and employers– the Federal Transit Administration (FTA) provides guidance to employers in the form of a Commuter Choice Toolkit.

The **UK** has also endeavoured to align its transportation strategies with other key policy initiatives, such as global warming, housing, and social justice. The transportation strategy is well coordinated with European Union (EU) policies on the environment, though EU infrastructure funding has often by-passed the national government. In **Switzerland**, the



central government is small enough such that the department responsible for transportation is also responsible for environmental and energy issues, both of which fall under the same national strategy.

By comparison, the opposite is true in **Australia**, where the federal government recently withdrew support for greenhouse gas mitigation strategies, and announced a new tax proposal on compressed natural gas (CNG) powered buses.

In terms of national policy frameworks taking account of local and regional needs, again the survey countries differ considerably. The **US** ISTEA policy fundamentally changed intergovernmental relations. State and local officials won new flexibility in moving federal funds among transportation modes, such as highways, rail and bus systems, and bicycle paths. Local authorities, who had traditionally participated in setting funding priorities for transportation improvements in each urban region, were empowered to directly choose how a significant share of available federal funds would be spent. The framework established by ISTEA, and continued with TEA-21 and SAFETEA, is essentially a top-down policy framework that allows for bottom-up prioritization and implementation.

In the **UK**, the national government closely interacts with regional and local levels through the review of Local Transport Plans and the progress reports on those plans. Local authorities are also measured by the central government on a range of quantitative indicators, and are ultimately ranked against each other to help in the prioritization of funding.

The **New Zealand** Transport Strategy (NZTS) and the transport management and funding framework established in the resulting legislation tend to take a “top down” approach, with the national government setting the majority of priorities and objectives. However, the NZTS recognises certain specific regional issues, such as congestion in Auckland, and the transport needs of forestry development and regional development in other areas.

The development of national expenditure programs by Transit NZ and Transfund, however, do recognize the identified needs of regions, as expressed via input to program development and the statutory requirement to “take into account” the relevant local transport strategies. The national government, however, holds jurisdictional and final decision-making authority over regional and local municipalities.

Unlike Canada, most countries do not have programs that encourage government operations to be accessible by sustainable modes of transportation or employees to take certain modes. In New Zealand, the UK and the US there are no specific policies related to the role of government as a landowner, and government employment location decisions do not explicitly take transport issues into account. In fact, some efforts have been made to relocate government offices away from major cities in the UK.

In **Australia**, the vast majority of federal government offices are located in Canberra, a centrally planned ‘new city’ constructed entirely post-1901 -the year Australia’s independence was gained. As such, there are no specific policies targeted at locating ‘new’ national offices near transit services, though some of the **Australian** state and territory governments have active programs that encourage employees to travel by transit. For example, some Queensland Transport offices are located over a rail station and employees are able to purchase yearly rail tickets in pre-tax dollars. The only other of the survey country to undertake a similar initiative is **France**, where ‘staff travel plans’ are encouraged amongst large employers.



4.7 Success, Failures and Inter-Jurisdictional Tensions

The following discussion highlights where each survey country has improved the urban transportation situation through its policy framework, as well as noting selected challenges resulting from the current transport policy environment. These findings are the result of numerous interviews conducted in each surveyed country, and do not represent a complete analysis of opinion, or government-endorsed reviews of the policy frameworks, but rather a synopsis of some of the major issues in each jurisdiction. Appendix B to this report provides a list of the survey participants.

The **Australian** case provides a good example of where a strong policy framework document would be useful, as compared to the ‘green paper’ the country recently issued. Specifically, the current framework failures centre on the **Australian** government’s role in funding the road and highway network. For example, the **Australian** national government does not have responsibility for the road system, and merely provides investment support. State and territorial governments focus their efforts on funding state and local roads. As a result funding for roads of national, inter and intra regional significance falls drastically short of actual need.

The states and territories have raised concerns regarding the green paper, which proposes further reductions to the **Australian** government’s commitment to continual funding of the national highway system and could place further pressure on the states. Much like the current debate in Canada, while governments acknowledge a high percentage of national GDP is generated in densely populated cities, there is not sufficient funding support for urban transit systems.

The current **Australian** arrangement also results in curious competing national policy formulation, such as the introduction of the Australian Fringe Benefit Tax (FBT) that saw the cost of private motor vehicle operations decrease and public transit operational costs increase –in conflict with other policy directives in support of increased use of public transit (see Appendix C for further information). As in Canada, Australia is challenged to balance conflicting policy priorities, often implemented from different levels of government, in terms of urban transportation.

The single success of the current Australian framework may be the establishment of alliances between State and Local governments that have resulted in a more coordinated approach to planning and funding across the two levels of government.

Much of the inter-jurisdictional tensions have arisen, again similar to the Canadian situation, from a tax revenue perspective. The **Australian** government collects income tax, GST and fuel tax. While the States and Territories have a range of state-based tax options, most tax is collected and allocated at the national level, often leaving the lower levels of government ‘short-changed’ for transportation and other funding requirements.

For **New Zealand**, although it may be too early to tell, the strategy has been successful in providing a different approach to transport planning and investment, a broader set of transport objectives, and in assisting in the allocation of a much larger amount of funding to transport. Tensions have existed to date between different **New Zealand** jurisdictions, notably between regional and territorial councils, and to an extent between regions and central government -most often over the allocation of resources. Some recently announced changes to transport governance in the Auckland region may help to overcome some of



these tensions, notably more funding, but there is likely to continue to be tension between central and regional (or local) priorities.

The successes of the **US** urban transportation framework are numerous and well documented through the reviews of the ISTEA (1997) and TEA-21 (2004). Some of the US policy framework's successes include:

- Certainty of funding over a 6-year period, leading to better planning and investment decision-making;
- A focus on performance rather than facilities, and away from capacity and vehicle mobility to access and quality of life in communities thus addressing real transportation demand and needs;
- A linking to environmental issues, in that:
 - The Congestion Mitigation and Air Quality (CMAQ) Program is considered an implementing element of the Clean Air Act, where funds can only be used for transportation-related air quality projects;
 - Under TEA-21, 'protect and enhance the environment' is one of seven broad categories that State transportation departments and Metropolitan Planning Organizations must consider in preparing long-term transportation plans;
 - TEA-21 requires federal agencies work together to streamline and integrate the environmental review of transportation projects; and
 - TEA-21 provides funding for environmental mitigation and enhancement through the Transportation Enhancements Program, whereby projects receive funding if they improve communities' cultural, aesthetic and environmental qualities, and the Surface Transportation Program (STP) that allows for a portion of the funds to be used to address water pollution or environmental degradation. The STP and National Highway System (NHS) funding can also be used to improve or restore wetlands.
- Transit and non-motorized modes receiving new funding, moving towards a more sustainable and balanced funding model;
- A general change in mindset in the planning and engineering professions towards transit, supporting ISTEA's policy objectives of reducing congestion and energy consumption, improving environmental conditions and supporting economic competitiveness;
- Flexibility in funding transit to include different types of projects (e.g. alternative fuelled vehicles);
- A significant change in state-wide planning, a greater multimodal focus and increased public participation; and
- A "firewall" created between highway funds and general funds to ensure gas tax revenue would remain dedicated to transportation projects.



Similarly, the failures of the US strategy are well documented and include:

- With a few exceptions ISTEA did not mandate change, and not all objectives were met to the extent desired;
- Local governments have had trouble meeting funding demands;
- The legislation was ultimately a compromise, and did not go far enough in many interest group's perspective (though this was also cited as why it was successfully implemented); and
- Local land-use challenges have often hampered project implementation, with states utilizing strong growth management practices faring better.

Inter-jurisdictional tensions in the **US** system exist mostly between local agencies and states when responsibilities are delegated to local authorities without adequate funding. Furthermore, project funding is often 'earmarked' federally, which has undermined numerous local planning decisions.

In the **United Kingdom**, London is unusual in that the regional government has direct control of most public transport and major roads, and can exert a significant influence on local transport policy through funding. It also has considerable autonomy in the way it may raise funds. Early evaluations of the London governance model suggest it has improved the delivery of transport infrastructure. However, the local Borough councils would suggest this has been at the expense of local autonomy.

It has been suggested that the success factors helping London better implement its transport policy appear to be:

- The creation of a regional body with a clear political mandate and a strong political 'champion';
- Availability of new funding sources (especially road pricing); and
- A consensus among Londoners on the nature of the urban transport problem, and general agreement as to how it should be solved.

Colin Buchanan and Partners, in their recent analysis for the Scottish Parliament of a number of European transport systems, examined **Switzerland** and reported the following success of Zurich's public transport system over the past decade:

"In Zurich prior to 1997, the centralised nature and organization of the public transport system was matched by high quality services, particularly in relation to the speed of services...Following the introduction by ZVV [the local transport authority] of an integrated timetable and ticketing system, along with substantial investment in the network, including the introduction of a new S-Bahn [regional rail] system, and growing congestion on the roads, demand grew by 20% on average, though demand within the city of Zurich fell slightly.

"Figures for modal split for 1990 reflect the satisfaction with public transport...and suggest that the highly centralised structure in place prior to 1996 was effective at ensuring the integration and quality of services. In the city of Zurich public transport accounts for 78% of journeys for commuting to or from work, while 22% are by 'individual motorised transport'. In the canton of Zurich these figures are 62% and 38%



respectively, and in Switzerland as a whole they are 21% and 79% respectively. Thus the public transport system in Zurich has been very well used over the last decade”.

The reason for this success is largely attributed to the following factors:

- A regional public transport body providing integrated multimodal ticketing across a wide area (a successful governance structure);
- Significant investment in high frequency suburban rail and integration between this and local public transport (integrated services and modes);
- Public acceptance of restraint of car traffic, high parking costs and of very high levels of public transport priority in the City of Zurich (transit priority measures and incentive pricing); and
- Integration of land use with public transport, particularly in central Zurich.

Please see *Transferability of Best Practice in Transport Policy Delivery (2003)*, by Colin Buchanan and Partners for further information. The document can be accessed at <http://www.scotland.gov.uk/library5/development/bpitp-00.asp>.

Table 2: Comparison of National Urban Transportation Policy Framework / Strategy













Country	Australia 	New Zealand 	United States 	Switzerland 	France 	UK 
Element						
Legislative Standing & Review	<p><i>AusLink</i> (national transport discussion document) has no legislative standing. No scheduled reviews.</p> <p>State/territory strategies developed only; no legislation directing implementation. Reviews every 5 years.</p>	<p>National transport objectives enshrined in new legislation (2003). No review required. Regional councils are required to develop land transport strategies and review every 3 years. National transport crown agencies are required to develop strategies.</p>	<p>TEA-21, soon to be SAFETEA, represents the national strategy for urban transportation and governs all federal highway and transit funding.</p> <p>Reviews have occurred approximately every 6-7 years.</p>	<p>Federal Department of Environment, Transport, Energy and Communications strategy (2001) is the only guiding document. No legal basis.</p>	<p>National objectives are enshrined in the <i>Loi d’Orientation des Transports Intérieurs</i> (the law directing inland transport).</p> <p>Reviews to this, and related, legislation are ad hoc.</p>	<p>National government, through the Department of Transport, set out a 10-year plan (2000). Multiple transport Acts enabling strategy.</p> <p>Reviews and evaluations every 2-3 years.</p>
Objectives and Strategy Components	<p>Support growth, trade, freight logistics, inter-regional connectivity, accessibility, economic development, safety.</p>	<p>Assisting economic development, safety and personal security, improving access and mobility, protecting and promoting public health, and ensuring environmental sustainability.</p>	<p>Promoting efficiency, coordination among modes, and international competitiveness. Components include intermodalism, new transit infrastructure, air quality improvement, active transportation and environmental justice.</p>	<p>Ecological sustainability, including the reduction of energy consumption and pollution; economic sustainability, including transport efficiency and the externalization of transport costs; social sustainability, including accessibility, health and safety, and social responsibility.</p>	<p>Promoting sustainable development and sustainable travel patterns.</p> <p>Reduce traffic congestion, pollution, accidents and noise nuisances.</p> <p>Support social inclusion, good air quality, and urban renewal.</p>	<p>Promote a healthy environment, healthy economy and higher quality of life; promote sustainable transport and reduce use of the car; and to achieve value for money.</p> <p>Capital funding, technology enhancement, integration and coordination.</p>
Spending Programs & Fiscal Policies	<p>Funding distributed to states on an annual basis, with amounts determined through a multi-stage and consultative process.</p> <p>National fiscal and tax policies run counter to State government sustainable transport objectives.</p>	<p>Both long term (10-year) and short term (< 2 years) transport funding programs exist. A percentage of national funds are earmarked for the Auckland region specifically (long and short term). Diesel surtax and regular petrol tax used to fund urban transport programs.</p>	<p>Funding distributed to states on a project specific and formula basis for roads and highways, mass transit services, and traveller amenity needs under a variety of programs. Funds sourced from federal fuel and tire taxes. A minimum amount is guaranteed to states.</p>	<p>Central government provides funding only for national highway network and inter-state railways.</p> <p>Canton and local governments are responsible for the majority of urban transport funding.</p>	<p>Primary source of urban transport funding is a dedicated ‘transport tax’ levied on employer payrolls.</p> <p>Revenues are given directly to local governments.</p>	<p>Local authorities are enabled through national transport legislation to introduce road tolls, user charges, and parking levies. Major public-private-partnership for London underground initiated by central government.</p>
Land Use Strategies	<p>A new National Charter on Integrated Land Use and Transport Planning attempts to coordinate national and state/territory sustainable transport policies and objectives.</p>	<p>No national or regional strategies.</p> <p>Current proposal for a regional transport authority in Auckland would combine land use and transport decisions.</p>	<p>US TEA-21 legislation recognizes connection between land use and transportation.</p> <p>Regional authorities required to adhere to good planning principles to receive funding.</p>	<p>No national role in supporting transport objectives through land use planning.</p>	<p>A recent (minor) update to the national transport law requires infrastructure decisions to reflect sustainability principles.</p>	<p><i>Planning Policy Guidance</i> legislation provides overall national land use policy.</p> <p>National government approves local transport plans.</p>

Table 2 (continued): Comparison of National Urban Transportation Policy Framework / Strategy

Country <i>Element</i>	Australia 	New Zealand 	United States 	Switzerland 	France 	UK 
Relationship to Other Policies and Local and Regional Objectives	State governments actively locate near transit services. Transit pass costs optionally deducted (pre-tax) for government employees. National government does not actively support local transport objectives.	Kyoto obligations, tourism, energy, health, economic growth and sustainable development initiatives include transport as a key element to achieve goals. Top-down approach generally taken though national programs do incorporate local needs.	National strategy was the vehicle to implement the <i>Clean Air Act</i> , and is linked to other environmental and accessibility policies. Allows local authorities to set priorities.	Each canton has responsibility for its own transportation strategy.	Transport legislation references other policy priorities. Local and regional objectives are set in collaboration with national representatives.	UK transport strategy takes account of other national priorities (environment, social exclusion) and EU transport objectives. All local authorities must submit a local transport plan that conforms to national objectives.
Reason for Strategy & Process Leading to its Development	No national framework/strategy. <i>AusLink</i> (green paper) discusses national transport problems such as uncoordinated planning and funding of rail investment, the lack of cooperation between levels of government and the private sector, & poor integration of land use and transport planning.	Desire by government to develop a holistic approach to transport investment decision-making. National strategy largely a political document; minimal and closed public consultation. Resulting legislation followed normal public hearing process.	Completion of interstate highway system, shift in investment need to highway maintenance and public transit, increased urban-specific recognition. Coalition of interest groups advocated for a new national transportation program.	Governmental reorganization and combining of transport infrastructure decision-making authority with environmental policy development led to new national strategy.	French transport policies, established in 1982, have not undergone major revisions.	White Paper released. Significant national consultations across all sectors.
Success/Failures & Inter-jurisdictional Issues	National funding/tax measures do not meet local and regional transport needs; often incompatible with local transport strategies. Tensions through redistribution of taxation revenues collected nationally.	Provides a new approach to national transport planning and investment. Assisted in the delivery of increased funding. Tensions exist between national and regional governments regarding spending priorities.	Change in mindset of transportation professionals, greater focus on non-auto modes, and greater flexibility in choice of projects. Some states unable to implement and significant lag in project delivery. State funding formula and cross-jurisdictional tensions have arisen.	Regional transport body in Zurich has produced tangible transport benefits, including reduced auto use and better public transit services. No major inter-jurisdictional tensions exist.	No major changes to policy framework since 1982. Jurisdictional tensions between levels of government are minor.	Increased funding to transport sector. Directed local activities to national/broader goals. Actual projects slow to mature.



5.0 Governance Models

CHAPTER EXECUTIVE SUMMARY

- *The governance structure for transportation in each country is highly dependent on overall government arrangements*
- *All survey countries' governance structures have evolved, to some degree, out of transportation strategies; the US Federal Highway and Transit Administrations are the clearest of examples*
- *The UK and NZ use crown agencies to deliver the national mandate for urban transportation, while the other surveyed countries have established internal government departments*
- *Governance reviews are tied to both legislation and political interests in transportation*
- *Increased private sector investment in the provision of transportation services has occurred in the UK, US, NZ and Australia over the past three decades*

The urban transportation governance model employed by each survey country reflects both the countries' political and administrative structure, as well as cultural nuances and national preferences. For example, the role of the private sector in delivering and providing services is much greater in the **US** and **UK** than the other four surveyed countries. The roles and responsibilities of state and territorial governments in **Australia** also reflect that country's federal structure, much like Canadian provinces.

The details of the roles and responsibilities of each level of government by area of the transportation system are provided in the table following this chapter. The text below discusses the more qualitative elements of transportation governance, including why certain models are used and the relationship of these governance structures to the national governments' objectives.

5.1 Governance Structures, Government Objectives, Rationale and Evolution

5.1.1 New Zealand

The organization of transportation governance structures in **New Zealand** offers a number of relevant insights for Canada. In Auckland for example, a number of regional organizations were specifically created to deal with transport issues, although the structures also filled a number of gaps and provided a needed rebalancing of power, specifically for regional councils. These include:

- Infrastructure Auckland, established to use income and capital from public assets to fund transport and stormwater quality projects in the Auckland region;



- Auckland Regional Transport Network Limited, a company jointly owned by Auckland territorial authorities to own and manage passenger transport assets; and
- A current effort to establish a regional transport authority (ARTA), with a mandate to rationalise the transport governance arrangements in Auckland and better integrate transport decisions.

The **New Zealand** governance model has its foundations in the local government reform of the late 1980's, which established functionally separate regional and territorial councils. This reform was also set in the progression of the overall public sector which, beginning in mid-1980's, led to the corporatization and privatization of a number of previously publicly owned activities (e.g. rail and public transit services). This period also saw the separation of the roles of transportation funding and service provider, specifically the creation of Transfund NZ and Transit NZ crown agencies in the early 1990s.

The funder/provider split also led to a number of restrictions placed on regional council ownership of public transit assets. Recently however, **New Zealand** policy has adopted a less rigid approach and has permitted the public sector to buy back rail assets. There has also been a shift towards political influence over the way in which resources are allocated in transport, in contrast to the previous "hands off" approach that relied on the independent assessment of formula-based information.

5.1.2 United States

Within the **US** constitution, any powers not delegated to the national government remain with the states. However, the constitutional "authority" for the federal government to provide aid for transportation projects was never clearly defined. In 1956, then President Eisenhower established a Federal Aid-Highway Act, which authorized a 1-cent per gallon increase in gasoline taxes, which were to be used to construct the interstate highway system. The justification for the federal government to build highways was largely to support national defence efforts during the cold war, as the government needed a system of roads to move its armed forces across the country; the interstate system is formally known as the Dwight D. Eisenhower System of Interstate and Defence Highways. The rationale for federal funding of urban transit evolved from the government's road-based interests of the 1960s through the 1980s.

Today, **US** federal agency responsibilities and funding programs have evolved to meet the requirements of the ISTEA legislation, directly reflecting the federal government's objectives as established in legislation. ISTEA's goals and approach to funding devolves a great deal of autonomy to state and local governments. Local control and a limited federal government role have been a hallmark of **American** politics, and this theme remains true for transportation policy. Over the last 15 years, the ISTEA legislation has evolved to give local authorities greater decision-making power, increasing local autonomy over urban transportation.

Some form of metropolitan planning has been a requirement of **US** national transportation policy, however, for over 30 years. Prior to approximately 1960, responsibilities for providing infrastructure were neatly divided between state and local agencies, and the associated planning issues were generally contained within discrete jurisdictions. The rapid suburbanization and highway development that followed World War II raised new regional planning issues, in terms of new land use planning challenges and the unprecedented demand for transportation infrastructure. The groundwork for establishing Metropolitan



Planning Organizations (MPO) was set by the Highway Act of 1962, which made federal aid for areas with populations of 50,000 or more contingent on the development a ‘three-C’ planning process (Continuing, Comprehensive and Cooperative).

The 1973 Highway Act officially established MPOs by dedicating a portion of the Highway Trust Fund for each state to create these agencies. At this time however, MPOs were voluntary organizations with minimal authority.

The role of MPOs was increased with the passage of ISTEA in 1991. Funding for MPO operations was doubled, MPOs were made lead authorities for selecting projects for certain categories of federal funding, and state and MPO cooperation was required for the balance of state transportation funding. MPOs were also granted primary authority over two new categories of federal funds: the Congestion Management and Air Quality Improvement Program (CMAQ), and the regional component of the Surface Transportation Program (STP). Despite these changes, MPOs remain volunteer and consensus-based organizations, with 94% of federal funding to states sub-allocated to MPOs.

5.1.3 France

The **French** transportation governance structure reflects the centralized nature of French intergovernmental relations. At the national level, laws and regulations ensure the competence and organisation of public services; the technical standards for vehicles and infrastructure; road safety; environmental objectives; development; and, social inclusion. More and more regulations, however, are being negotiated at the level of the European Union.

The national government is in charge of all public transport routes that cross regional boundaries, as well as all international routes. CERTU, a technical department of the **French** ministry of Public works, Transport and Tourism, is the primary national department responsible for urban transport. CERTU’s main objective is to ‘foster knowledge and to improve know-how in the areas in which local urban authorities and the ministry have a joint concern, such as transport, urban facilities, infrastructures, network development and management, town planning and environment’.

French Regions have the main responsibility for regional planning, economic development and training while Departments concentrate on social services and highway maintenance. French Communes are responsible for local planning, environmental matters and local infrastructure. In practice, however, many of these responsibilities are shared amongst levels.

For road transportation, the national government determines regulations, including toll rates, safety measures and others. **French** motorways themselves are managed by private enterprises when tolled, or by the national government if no toll is levied. Municipal roads are controlled by the communes.

A national railway company runs the rail network, the Societe Nationale des Chemins de Fer (SNCF), much like VIA rail in Canada. However, in 1997 **French** railway infrastructure ownership was split, separating railway infrastructure maintenance and operations.

The organization and operation of local public transport in **France** is the responsibility of public transport organising authorities (AOTUs), which may have jurisdiction over a number of local municipalities. These bodies, established by the national LOTI legislation in 1982, may also have responsibility for land use planning, roads, economic development, and other activities as local jurisdictions see fit, and utilize the local employer payroll tax as their main



source of revenue. The AOTUs are also obliged to prepare Urban Movement Plans (Plans de Déplacements Urbains, or PDUs) for all towns of more than 100,000 inhabitants. The PDU is a planning document that addresses all modes of transport including pedestrians. It also deals with parking, urban freight, and aims to reduce traffic, pollution, congestion, accidents and noise nuisance. In spite of these fairly strong and comprehensive local authorities, the national government still controls the limits of fare increases and defines general overall urban transport strategies.

The Paris Region, including the city and its suburbs, is by far the largest French metropolitan area, with almost 11 million inhabitants (or 20% of France's total population). Legally, its status is different from other cities, and the organisation of public transportation in *Ile de France* is very specific. LOTI legislation does not apply and the Paris AOTU (the *Syndicat des Transports Parisiens*) is controlled by the national government, with the president of the authority appointed by the national government.

5.1.4 Australia

In the **Australian** urban transportation governance structure, state, territory and local governments have responsibility for local transit and roads, excluding the National Highway System (NHS). State and territory governments are also responsible for the planning, building and maintaining of the state/territory road networks, in addition to undertaking upgrading and maintenance works for the federal government on the NHS. Local governments are responsible for all roads other than the NHS and those declared as state roads.

The last two decades has seen the increased involvement of the private sector in funding provision of state road infrastructure in **Australia**, mostly under BOOT (Build, Own, Operate, Transfer) systems. Tolls, either electronic or manual, operate on these roads and are the primary source of revenue. As local governments in **Australia** are not legally permitted to introduce tolls (seen as road based taxes) these arrangements are undertaken by the state and territory governments only. Many local governments have approached the state and territory governments to be given the powers to introduce a toll; to date no approvals have been granted.

In terms of transit operations, state agencies are responsible for state busway systems, heavy rail systems, light rail and tram systems, though light rail and trams only exist in New South Wales and Victoria, and only Brisbane operates its own bus and ferry system.

The scope of responsibility of each level of government is shaped to ensure that level of government will deliver the goals it has set itself. For example, at the federal level there has been a clear policy decision not to be involved with urban transportation (excluding the NHS and interstate rail network) and to move towards a model that encourages commercialization of the operational management of urban transport systems.

The governance models adopted for transport and the associated roles and responsibilities have been shaped by many factors, though governance arrangements between state and local governments have been shaped, to a large extent, in response to urban transportation related issues. The current draft proposal for the establishment of a national land transport plan is the first significant (proposed) change to the roles and responsibilities across the various levels of government since 1991.



5.1.5 Switzerland

The national government in **Switzerland** is primarily responsible for the national road and rail networks, as well as traffic management, though funding for the **Swiss** road network comes from both national and cantonal administrations.

The national railway operator is Schweizerische Bundesbahn (SBB), which has undergone a number of changes since the mid-1990s. These changes resulted in transport regulations being instituted by both the federal and cantonal governments, while the structure of services of the **Swiss** transport system now being the responsibility of the cantons and with the federal government only delivering a coordinating role. These changes also specified that local transport is the joint responsibility of the communities and cantons.

In some regions, the cantonal governments provide funding for local urban public transit, as well as with the regional public transport network (e.g. Bern). Changes made in the mid-1990s introduced competition into the bus market, largely through the encouragement of competitive tendering. This has led to more cost-effective bus services, new investment in capital rolling-stock, though some decreases in levels of service are evident. There has also been a lack of implementation of competition in the urban public transport network.

In Zurich specifically, a high standard of public transportation services exist, including tram, trolley, bus and metropolitan rail (S-Bahn). The Zurich S-Bahn network extensively serves the entire canton, with complementary regional bus services in rural areas. As with London and Paris, there are multiple local operators, though they may be owned by the national government, by municipalities, or by a shared municipal (or cantonal) and private ownership.

The public transport authority in Zurich is the Zürcher Verkehrsverbund (ZVV), which has had a central role in both the development of urban transport services and the control of the franchised service operators. Changes initiated in 1997 reduced the ZVV's control, with the ZVV's Board now almost solely a controlling body, rather than a planning and service provision operation. Moreover, the 1997 changes resulted in the Zurich canton government acquiring a central role in the Board. This board also has representatives from each municipality and from the national government. Operators are also represented in the ZVV through specific committees.

Until the end of the 1990s, ZVV played a central role in gathering financial contributions from the canton and each municipality, as well as collecting fare-box revenues. Since 1997 however, the ZVV has retained a minimal 'funding-redistribution' role.

5.1.6 United Kingdom

The Department for Transport (DfT) was created in May 2002 following changes to the distribution of responsibilities between the **UK's** government departments. The Department for Transport, Local Government and the Regions was split, with most non-transport functions becoming the responsibility of the Office of the Deputy Prime Minister. The Secretary of State for Transport, the lead Minister in charge of DfT, is also responsible for the Office of the Rail Regulator. DfT's creation also followed a year after the release of the government's 10-year transport plan.

The DfT achieves many of its objectives by working in partnership with a wide range of public and private-sector bodies, with the nature of the relationship between the Department and delivery agents varying significantly. Though the Department does provide funding, the responsibility for providing services lies with crown agencies, for example, the Strategic Rail Authority, and the private sector. In some cases, the DfT's role is closer to that of a



stakeholder, often when the majority of funding is sourced from the agencies or the private sector. Similar to the Canadian case, where Transport Canada provides a mixture of regulatory oversight, technical expertise and funding authority, with other departments and agencies (e.g. Infrastructure Canada, VIA Rail, provinces, private sector, etc.) providing funding and delivering services.

The **UK** DfT also parallels Transport Canada as it remains responsible for the overall delivery of the government's transport policy and strategy, as well as for ensuring that transport is properly aligned with other government aims and objectives.

London, with a population of 7 million people and an area of about 1500 square kilometres, faces urban transportation challenges Canadian cities may never need to address. Accordingly, London's transport governance is an anomaly within the UK. The London Government Act (1999) set up a new structure of transport governance in the capital. Effectively, Greater London is the only region in Great Britain with its own tier of statutory, directly elected regional government with responsibilities for transport and land use. The majority of the government's power lies with the Mayor. Unlike Canada, London employs a 'strong mayor' model for city government, similar in structure to that of some large US cities. The Mayor's executive powers are scrutinised, however, by the Greater London Assembly.

Transport policies for London are set out in the Mayor's Transport Strategy, and implemented through the business plan produced by Transport for London (TfL). TfL, as the executive regional transport agency, controls strategic roads, buses and light rapid transit system. Boroughs, the lower tier of local government in London, produce local Transport Delivery Plans, whose objectives and programmes –for local roads– must be consistent with those of the Mayor's Transport Strategy and the TfL Business Plan. If not, TfL retains the authority to withhold funding to the Borough.

Like most **UK** cities, in London buses are run under franchise and regulated by TfL. The Underground (London's subway network) remains under the control of the national government. Currently, the government is concluding public-private partnership contracts for the upgrade and maintenance of the Underground. Once this arrangement is in place, control of the Underground will pass to the Mayor of London.

5.2 Accountability and Transparency

The **New Zealand** case provides a useful study, especially set against the structures currently established in Canada. The New Zealand crown agencies of Transfund, Transit NZ and others have appointed Boards of Directors, and negotiate annual performance agreements with the national Minister of Transport, who has ultimate political accountability for their actions. The members of these Boards are non-elected officials, often transportation experts or past political figures, though none are current civil servants. Transfund also produces annual performance agreements, not to meet reporting requirements of the national government but rather as agreements between Transfund and the organisations that receive funding from it.

At the local level, regional and territorial councils have direct political accountability, as all members are elected. Local transportation decisions are also subject to public scrutiny as councils are required to prepare annual and long-term council community plans and transportation strategies which are subject to prescribed public consultation requirements.

In **France**, and Paris specifically, the local transportation organizing authority (AOTU) has a 24 person Board of Directors, 12 of whom are appointed by the national government. The



Board also includes representatives of the Regional (elected) Council and of the eight Departmental (elected) Councils. Its President, who is also the Paris Regional Prefect, is appointed by the national government.

In **Switzerland**, national representatives occasionally sit on local transportation authority boards, such as the ZVV in Zurich. However, as in Zurich, the Boards are large (20) with only one or two seats reserved for national representatives.

In **Australia** and the **United States**, national representatives do not participate directly in local transportation decision-making as they do in New Zealand, France, and Switzerland.

5.3 Recent Reviews of Governance Models

The **United Kingdom** government at Westminster, though quite forward thinking and active in all matters of urban transportation, has not conducted a review of the 10-year transportation strategy produced in 2000, and as such, is not prepared to review its governance structures. However, this is set against the railway industry's current reorganization, which has been separated from the national government's other transportation funding, administration, and regulation activities. In Scotland, a consultation document has recently been issued to discuss the possibility of forming a national transport agency and regional coordinating boards. The main focus of the agency is viewed at this point to be the delivery of large transport projects.

New Zealand has attempted to review its governance arrangements, specifically in Auckland, though the local authorities that conducted the review failed to complete it. Councils were able to agree on the problems and the need for reform, but could not agree on the solutions that invariably involved the difficult task of redistributing power. The breakthrough came when the central government proposed a new regional transportation authority (ARTA), and made its implementation a condition for allocating more funding to the region. Essentially, the central government acted in response to growing public concerns about the economic, social and environmental costs associated with traffic congestion. Transport is a major issue for Aucklanders, much more so than other parts of the country.

American transportation governance reviews are less ad hoc than those described above. Federally, policy and governance reviews occur every six years, generally within the legislation and funding reauthorization process. This process is not a formal review and evaluation of governance arrangements, but rather a more complex and untidy lobbying effort surrounding funding levels, equity, and decision-making authority. Ultimately a new or revised structure will reflect the new legislation and funding programs.

For **Australia**, the release of *AusLink* signifies the only significant review of federal policy and responsibilities in almost 15 years. At the state and territory level, policy frameworks and governance models are reviewed approximately every 5 years, with the reasons for and drivers of these reviews varying between jurisdictions.

No recent reviews of governance models have been undertaken in France or Switzerland.

Table 3: Comparison of Urban Transportation Governance Models













Element		Country 	New Zealand 	United States 	Switzerland 	France 	UK 
Level of Government Responsible	Local Roads & Transit	States and territory authorities (roads); state agencies (transit).	Local (regional councils and territories)	Local, except for some state-run commuter rail agencies.	Regional/local.	Regional/local	Local, though transit services are operated by private companies.
	Active Transportation	National, state/territory, and local governments.	No clear division of responsibility.	National (funding), state (legislation and funding), and local (implementation).	Regional/local.	National, regional, and local.	National and local.
	Transportation Demand Management	State and local governments; some national funding for local TDM.	No clear division of responsibility.	National (funding), state (legislation and funding), and local (implementation).	Regional/local.	National, regional, and local.	National (legislation) and local (implementation).
	Intelligent Transportation Systems	Nationally through ITS Australia, and state-wide agencies except in Brisbane.	National, and in partnership with local governments in Auckland.	National (funding), state (legislation and funding), and local (implementation).	National, regional, and local.	National, regional, and local.	National and local.
	Education and Awareness Campaigns	National and state governments.	Mixed / ad hoc.	National (funding), state (legislation and funding), and local (implementation).	National, regional, and local.	National, regional, and local.	National and local.
	Urban Transport Safety/Security	National and state governments.	National Crown agency.	National, state and local depending on the mode.	National, regional, and local.	National, regional, and local.	Local.
	Environmental Policy	National, state, territory, and local governments.	All levels.	National.	National, regional, and local.	National, regional.	National, local, and supra-national (EU).
	Urban Freight & Goods Movement	National and state governments.	Territory and Local Councils.	National, state and local though responsibilities are not well defined.	National.	National.	National and local.
	Inter-Modal Activities	State and territory governments.	Minimal / ad hoc.	Mostly national.	National.	National.	National and local.
	Research & Development	State and territory governments.	National, through crown agencies.	National, state and local.	National and trans-national (EU).	National and trans-national (EU).	National and local.
	Other Aspects of Urban Transportation	State and territory governments.	Land use planning-transport interface: regional councils.	State and local.	Regional.	National.	Local.

Table 3 (continued): Comparison of Urban Transportation Governance Models

Element	Australia 	New Zealand 	United States 	Switzerland 	France 	UK 
Transportation Governance Relationship to Government Objectives	National role is largely through funding to states and territories. Australian Transport Council (state and territory transport minister's and chaired Federally) co-ordinates policy, legislation and research of national interest.	Nationally, some bodies established (e.g. Energy Efficiency and Conservation Authority to address specific objectives. Locally in Auckland, to address transportation needs (e.g. Infrastructure Auckland).	Federal objectives, as defined by ISTEA and TEA-21, have established the Federal governance structure for transportation issues, though significant local autonomy remains.	National government departments were recently reorganized. New department (DETC) established and responsible for environmental and transport issues.	Given the centralized nature of the French government, a significant amount of power is held in Paris over local transport issues. Some regional autonomy exists at the commune level.	National objectives are defined in a 10-year plan for transport. The central government's Department for Transport controls and administers national transport programs.
Reason for Governance Model's Use and Evolution	Roles and responsibilities were redefined in a 1990 agreement between the federal and states governments. Model now reflects the states as the prominent government responsible for transportation.	Major local government reform and changes to the public sector in the 1980's, including privatizations. 1990's split of funding and service provider functions. Recent loosening of division and increased politicization of transport projects and issues in Auckland.	Model reflects American preference for minimal Federal involvement and greater individual autonomy. Next generation of US transport policy forecasted to continue giving greater autonomy to local level.	Model reflects mandate of national department, and Swiss government jurisdictional responsibilities.	Transport legislation established in 1982 remains intact, without undergoing major revisions. Governance structures for urban transport have not changed since 1982.	Following the Labour government's election in 1997, a major policy shift occurred (objectives), which resulted in a change in governance structures.
Accountability, Transparency and National Representation	National elections are the primary accountability mechanism. Transparency through budgeting process.	Crown transport agencies Board of Directors are appointed, non-elected experts. The Minister of Transport is ultimately responsible for agencies. All agencies have performance funding agreements and produce annual reports.	Transport legislation, including policy objectives, spending programs, and proposed changes to governance models, is debated and voted on in House and Senate. Government officials do not have a role in the provision of transport services.	National representatives occasionally sit on local transport boards.	Paris regional transport authority is directed by a President, appointed by the national government. Regional Prefects, appointed by the central government, represent national interests at local level.	Through national elections, and through regional and assembly elections in Wales, Northern Ireland, and Scotland.
Review of Governance Models and Policy Frameworks	The release of <i>AusLink</i> discussion paper in late 2002 was the most significant review since 1991. States and Territories review transportation policy frameworks within every five years.	A new transport authority currently being developed for Auckland (ARTA) to better integrate transport services, and as a condition of increased national funding.	Formal policy reviews are not scheduled, are result of lobbying on the part of stakeholders and/or political agendas.	Reviews are not scheduled, and no recent reviews have been undertaken.	No major reviews have been undertaken.	No mandated reviews. Current activities are structured on a 10-year plan. Railway policy and structure reviewed outside larger transportation policy structure.



6.0 Financing Urban Transportation

CHAPTER EXECUTIVE SUMMARY

- *National governments in Switzerland, Australia, and the UK use general government revenues to fund urban transportation needs, while the US and New Zealand (fuel tax) and France (payroll tax) earmark specific revenues to transport expenditures*
- *Funding decisions are always made by multiple levels of government, either through inter-governmental partnerships or through lower levels submitting project proposals and/or transportation budgets*
- *All surveyed countries use a measure of efficiency to evaluate and prioritize project proposals, though cost-recovery is seldom used as a funding criteria*
- *All countries (except Australia) provide funding for a range of urban transportation investment needs, including road, highway and transit improvements, ITS and TDM initiatives, as well as transportation service operating cost subsidies (Australia's national government only funds road infrastructure)*

6.1 Sources of Funding and Distribution

In **New Zealand** a variety of sources are used to fund urban transportation investment needs. Primarily, **New Zealand** uses the revenues from gasoline taxes, though road user charges and vehicle registration fees also provide significant revenues sources. These funds are raised nationally and distributed via Transfund. Locally, as in Canada, property taxes are raised by regional and territorial councils, and used to fund local services.

The one New Zealand anomaly is Auckland, where capital grants are distributed from Infrastructure Auckland, which in turn sources its funding from a standing asset base in port activities and cash from the sale of other public assets. Though local authorities are also able to make capital allocations from loan or asset sales, this does not provide a significant or ongoing funding source.

Given the **United Kingdom's** centralized federal government (see Figure 1, Section 3.1) and lack of constitutionally established state or provincial levels of government, it is not surprising that national grants to local authorities are the primary urban transportation funding mechanism. These are distributed through yearly government allocations to local bodies.

For **UK** railways however, an independent rail regulator sets track access charges for the multitude of operating companies. A Strategic Rail Authority has also been established to determine the financial arrangements of the entire network. Across the entire transport sector, the UK national government spent, in 2002-03 over £10 billion (\$22 billion) on national transportation needs, approximately 1/3 of which was for capital purposes. Not including London expenditures, in 2002-03 the UK central government spent £1.89 billion



(\$4.16 billion) on local transport. Example projects include extensions to the Manchester Metrolink and Leeds Supertram light rail systems, as well as a new guided busway network in Bradford (see UK DfT 2003 Annual Report for further project milestones).

Like New Zealand, the **UK's** largest city, London, is an anomaly compared to other British urban centres, as London has recently instituted congestion charges on autos entering the central city. The congestion charging scheme was introduced in February 2003. The fee is £5 for vehicles entering the charging zone between 7.00am to 6.30pm, Monday to Friday, with various exemptions and discounts. Since implementation, the program has reduced traffic by around 20 per cent in the charging zone. Revenues collected, estimated to be approximately £130 million (\$285 million) per annum are earmarked for London's numerous transportation needs.

Transport for London's budget, which is sourced from an annual central government grant and property taxes, was for 2002/03:

- Surface transport (mainly buses) £428 million
- Rail services £21 million
- Docklands Light Railway £73 million
- Roads (of which a portion is passed to Boroughs) £430 million
- Central Directorates (management) £111 million

The **Australian** national government's primary source of funding is from income taxes, and the recently introduced (2000) Goods and Services Tax. To fund urban transportation the state and territory governments utilize national grants, state-based taxes, such as the payroll tax and stamp duty, while private sector revenues on some highway links are sourced from toll levies.

The allocation of national funding, referred to as Commonwealth funding, is not made on a fixed state share basis, on population or on the contributions made by motorists in each state to fuel excise collections. There is no direct association between fuel excise collections and roads expenditure. Funds are, instead, allocated from national consolidated revenues in a manner that best meets the needs and priorities of the road assets for which the Federal Government is financially responsible.

These needs and priorities are established by consultative committees in each state and territory. Having regard to national objectives for its roads program, every state and territory must also submit a strategy to the federal government before 31 December each year. These reports provide information that enables the government to develop a program of infrastructure works for the next five years and the Federal Government's funding obligation for the next financial year. This cycle is repeated annually, and together –the input from the consultation committees and annual reports– **Australia's** national urban transportation priorities are set.

Under TEA-21 funding in the **US**, almost 93% of federal highway funds are delivered to the States through formulaic grant programs. The remaining 7% are used in discretionary programs or congressional earmarks –projects often championed by political representatives in Washington. Discretionary funding decisions are selected from a pool of applicants with projects often receiving support through congressional debate. Each funding



program has distinct eligibility and selection criteria established through regulation or administrative processes. The US discretionary programs include:

- Bridge Corridor Planning and Development and Border Infrastructure;
- Innovative Bridge Research and Construction;
- National Historic Covered Bridge Program;
- ITS Deployment Program;
- Interstate Maintenance;
- Transportation and Community and System Preservation Pilot Program; and
- Transportation Infrastructure Finance and Innovation Act and others.

At the federal level, urban areas are eligible for most categories of TEA-21 funding, with the exception of those specifically designated as rurally-focused. **US** urban transportation funding sources include:

- The Congestion Mitigation and Air Quality Program (CMAQ), which provides funding for transportation projects that reduce emissions in areas with poor air quality; and
- The Surface Transportation Program (STP), which delivers flexible funding for projects on any federally-designated highway, including the NHS, bridge projects, public road and transit capital projects, and intercity bus terminals and facilities.

Federal transit programs support the development and implementation of both transit plans and programs for urbanized areas. **US** federal transit funding must be used for capital needs, operating costs associated with meeting the *Americans with Disabilities Act* provisions or preventative maintenance for urban areas with populations over 200,000.

The current SAFETEA proposal suggests that Federal Transit Administration (FTA) programs would be restructured into three major areas: Urbanized Area Formula Grants, Major Capital Investments, and State-Administered Programs.

In **France**, the main source of transport funding is the 'transport tax', unique to France. This tax is levied on every institution, public or private, with more than nine employees, and is based on total wages. With rates varying between 1% and 2.5% of total payroll, the Paris region raises approximately €1.5 billion (\$2.5 billion) and the other 147 cities with authority to levy the tax raising approximately €1.2 billion (\$2 billion). Both capital and operating costs are eligible funding areas for the tax revenues. Justification for a payroll tax was based on the need for efficient transportation services to support employment opportunities.

Unlike other dedicated tax schemes, in **France** the revenues are given directly to local transport authorities to spend as they see fit, according the following broad responsibilities:

- Organize public transport with cities;
- Create and manage transport infrastructure;
- Regulate transport services, including fares; and
- Develop transportation information systems.



In 1990, total expenses in **France's** public transport sector were approximately equal to US\$7 billion (65% for the Paris Region and 35% for other urban areas in the country). Specifically, the **French** transport expenditures were funded from the following sources:

- 30% by user charges;
- 32% by private companies through the transport payroll tax;
- 14% by the national government through grants and subsidies;
- 14% by local governments; and
- 10% by other sources, including advertising, other commercial products, and debt financing.

In **Switzerland**, financing of regional and urban public transport varies between cantons. Federally, the national government determines cantonal contributions towards regional public transport for both road and rail investments. The relative contributions from cantons and municipalities are determined on the bases of regional or local income tax. The municipal contribution is also determined by an index of service levels in each municipality. These contributions are taken from the property taxes of the municipalities and cantons.

The funding of different modes is set out in legislation, with much of it coming from fuel tax. Financing of public and private transport is separate, with the emphasis on supporting public transport. Furthermore, a new tax on lorries has been introduced to provide funds for two major trans-alpine rail tunnels to help alleviate freight traffic on the road network. Municipalities also have considerable autonomy in developing and implementing their own transport policies.

6.2 Decision Making and Prioritization

The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) are the two primary federal agencies in the **United States**, under the US Department of Transportation, that are involved in the funding and allocations process. The FHWA administers the numerous highway programs, while the FTA assists in the development of improved mass transportation facilities. With the exception of a few limited discretionary programs, these agencies typically do not recommend specific projects that should receive funding support.

For distribution, funds either fall in a category that is distributed based on population, or in a category distributed in accordance with a state's discretionary rules of distribution ("state flexible"). Each year states instruct local transportation agencies and bodies what portion of their respective distribution of the "population" driven funds must be spent in large or small communities, and identify the portion that is applicable to the local National Highway System routes. Each state and regional body develops individual procedures and criteria for selecting projects that fall under their jurisdiction.

In urbanized areas with populations over 200,000, the decision on the transfer of flexible funds is made by Metropolitan Planning Organizations (MPO). In areas under 200,000 the decision is made by the MPO in cooperation with the State transportation department.

Priorities are set at the state level, though each state usually works in partnership with local governments according to criteria established for individual grant program. Similarly, federal discretionary programs have associated funding criteria, and through congressional



earmarking, high priority projects are determined in Washington. Often, state level earmarks are also identified for individual projects. Simply stated, US urban transportation is funded through both technical and political processes.

The **United Kingdom's** method of transportation funding, prioritization and decision-making is rooted in the objectives of the 10-year plan for transport. The plan sets out the national government's strategy for modernizing the transport network to provide an integrated system, covering all modes of transport. It provides a long-term program of new investment to deliver the governments transport priorities, with £180 billion (approximately \$400 billion) of public and private expenditure over the next 10 years. A third of this money - £59 billion (\$130 billion) - is earmarked for local transport over ten years.

At the local level, the delivery of funding is contingent upon the submission, and approval, of Local Transport Plans (LTPs) prepared by local authorities. These plans are intended to set out a comprehensive integrated transport strategy which considers land use planning and, following the principles of sustainable development, reflects environmental, economic and social considerations, and the promotion of social inclusion.

Local authorities' LTPs also include a 5-year financial program of projects for which national government funding is sought. These programs are grouped into three categories:

- major public transport and road schemes costing over £5 million (\$11 million), such as integrated improvements to town centre transport systems, new bus corridors, and light rail networks;
- integrated transport schemes, including measures to improve bus services, and projects that promote cycling, walking and road safety; and
- local road maintenance and bridge strengthening measures.

Allocations to authorities' integrated transport schemes are made on the basis of need and the quality of the LTPs. Maintenance allocations are based largely on need, as determined by the length and condition of local roads and the number of bridges requiring upgrading. In deciding which major projects to support, the national government evaluates the contribution that schemes will make to LTPs, as well as the degree to which projects support local and regional priorities. With the exception of expenditure on major schemes, where earmarked funding is usually provided, authorities have discretion about how to use the available funds. Authorities are given capital allocations in the form of both grants and credit approvals.

The **UK** government also provides assistance towards specific policy priorities, often through a challenge fund allocation process. For example, the Urban Bus Challenge Fund is intended to support 'innovative and unconventional solutions to the problems of public passenger transport provision in deprived urban areas.' Funding is available for capital as well as revenue (operating) expenditures.

The assessment of submissions to the Urban Bus Challenge Fund is based on the following criteria:

- flexibility, in terms of innovative working arrangements and use of vehicles;
- solutions tailored to specific local circumstances, such as support for community transport groups and social and healthcare bodies;
- provision of bus services where none exist; and
- widening access to employment and other facilities.



In **France**, the national government's participation in funding urban rapid transit systems stems directly from a government circular on state aid for public transport, dating from the end of 1994. This policy document set the rate of subsidies the national government would pay for urban transport, according to the type of project:

- For Metro's (subways), the subsidy percentage maximum was 20%, with a FFr 50 million per kilometre (\$12 million) expenditure ceiling;
- For Light Rapid Transit (LRT) projects, the subsidy percentage maximum was 30%, with a FFr 25 million per kilometre (\$6 million) expenditure ceiling; and
- For bus lines with dedicated rights-of-way, subsidy percentage maximum was 40%, or FFr 7 million per kilometre (\$2 million) expenditure ceiling.

Furthermore, the state established it would only provide grants toward the elements of the project which it designated a 'subsidizable' expenditure. Specifically, the government excluded the following to receive national funding support: rolling stock, land acquisition, promotional operating expenses, and urban developments of a qualitative nature.

Until recently in **New Zealand**, the Transfund crown corporation prioritized projects using a benefit/cost ratio ranking system, with projects exceeding a ratio of 4 receiving funding. However, the advent of the New Zealand Transport Strategy, with its broader set of objectives, has changed this approach, and the quantitative efficiency ratio is now only one of a number of evaluation criteria. Transfund takes into account the priorities attached to projects by regional land transport committees, which have a variety of processes to determine their priorities. In Auckland, for example, a multi-criteria scoring system is used to identify project rankings.

6.3 Cost Recovery and Efficiency

The evaluation and efficiency of urban transportation projects, and efforts to ensure cost-recovery, have traditionally been key components of the technical analysis of project proposals. For example, **New Zealand** has historically placed a heavy reliance on benefit/cost ratios to measure efficiency. Similarly, the **UK** and **France** employ a range of indicators, including a number of quantitative efficiency measures that local authorities are required to report on annually.

In the **US**, cost recovery is not sought, though there are some exceptions. Federal highway funding may not be used for tolled facilities particularly on the interstate system. However, options for value pricing of highway and simple toll roads are receiving more attention in recent years as agencies seek to close funding gaps. In support of this renewed interest, the Federal Highway Administration has instigated a Value Pricing Pilot Program to support the development, operation and evaluation of pilot projects testing innovative road and parking pricing schemes. Public support for such projects is greatest where tolls and pricing is associated with new roadway capacity and that provides an alternative to existing congested facilities, or where tolls are associated with a new transportation facility at a bottleneck, such as a bridge or tunnel. Traditional cost recovery remains in the US via transit and ferry fare revenues.

Efficiency measures are found amongst funding criteria for most **US** programs, both at the national and local levels. Projects are usually justified on a combination of mobility improvements, environmental benefits, cost-effectiveness and operating efficiencies.



Cost-recovery is not explicitly sought for urban transportation projects in Australia or Switzerland.

6.4 Types of Projects Funded

The issue of national governments funding operating costs in the survey countries does not appear to be the point of contention it is in Canada. **New Zealand**, the **US** and the **UK** all provide operating cost support for urban transportation facilities and services. In the **UK**, this is done through 'revenue grants' to local authorities for bus services, as well as the operating subsidy provided for national and regional rail services. The **US** provides operating support for a number of initiatives, including traffic monitoring, management, and control systems if such expenses can be shown to have air quality benefits. **US** funds are also available for the rehabilitation and operation of historic transportation buildings, structure or facilities, including historic railroad facilities and canals. The US Federal Transit Administration (FTA) provides funding specifically for transit operating, as well as capital needs, though operating expenses may only be claimed by rural and small urban areas with populations less than 200,000.

In most survey countries, infrastructure, ITS, TDM, and public education initiatives are all supported by national funding. In the **UK**, transit rolling stock is usually funded through ongoing investment by private transit companies, though some federally supported transit infrastructure projects will include an element for increased rolling stock. The **US** FTA's Bus and Bus Related Program provides funding for new and replacement buses and facilities, the modernization of existing rail systems, and new fixed guideway systems. The **US** 'New Starts' program funding is also available for rail or bus investments, though they must be associated with fixed guideways only. Finally, the **US** FTA's Clean Fuels Formula Grant program is intended to assist transit operators with financing the purchase or lease of low-emissions buses and related equipment, and constructing alternative fuel refilling facilities.

In **Switzerland** since the mid-1990s, all forms of public transport receive a subsidy of 66% of all uncovered costs from the federal government, with the remaining 34% covered by cantonal governments. Furthermore, the level of these subsidies is agreed in advance by the federal and cantonal governments and the transport companies, and cannot be increased.

In **New Zealand**, public transport operating costs are funded by the private sector transit operators. Contracts with the companies are established locally, and though some routes do receive an operating subsidy from Transfund. Traditionally, the Transfund subsidy rate was 40% (60% for rail) though recently Transfund has moved to an output-based funding system where subsidies are paid according to the number of passengers carried.

6.5 Policy Leverage and Spending Criteria

In **New Zealand**, urban transportation spending programs are required to take account of how the activities in the program contribute to the five, high-level New Zealand Transport Strategy (NZTS) and Land Transportation Management Act objectives. To satisfy Transfund's allocation framework, project proponents need to demonstrate the proposed project's alignment with the NZTS. Advocates suggest this (new 2003) criteria is likely to create a strong degree of policy leverage as compared to the previous benefit-cost rating system, which was closer to a quantitative "pass/fail" evaluation rather than a rigorous comparison of project to policy goals.









Australian federal funding is provided as a form of reimbursement, where states and territories must complete infrastructure works prior to seek payment. Time criteria are also strictly enforced, and if funding is not spent within the financial year, carry-over is not permitted. Furthermore, federal funding is fixed, and all project cost overrun risks are borne by state and territory governments.

In the **US**, a complex array of policy evaluation criteria are used during the project funding decision-making process. Policy is leveraged in two ways, through the establishment of funding program categories and through specific distribution formulas and criteria attached to the program. In many cases, funds are distributed to states or MPOs who develop further funding criteria. FTA-specific funding programs support:

- metropolitan planning activities;
- statewide planning and research;
- transit needs in cities over 50,000 in population;
- transit for rural and small urban areas;
- transportation for elderly persons and persons with disabilities;
- buses and bus facilities;
- major capital investments in transit (New Starts);
- rail and fixed guideway modernization;
- job access and the Reverse Commute Program;
- the Over the Road Bus Accessibility Program;
- the Clean Fuels Formula Program;
- the National Technology and Research Program;
- the Transit Cooperative Research Program; and
- the University Transportation Centers Program.

Table 4: Financing Urban Transportation

Country <i>Element</i>	Australia 	New Zealand 	United States 	Switzerland 	France 	UK 
Sources of Funding and Distribution	National and state transport funding sourced from general (tax) revenues. Private highways funded through tolls.	Petrol taxation, road user charges and vehicle registration fees, raised nationally and distributed via Transfund, a national crown agency. Property taxes locally.	Funding distributed to states on a project specific and formula basis for roads and highways, mass transit services, and traveller amenity needs under a variety of programs. Funds sourced from federal fuel and tire taxes. A minimum amount is guaranteed to states.	Local: property taxes National: fuel tax and heavy freight vehicle levy.	Primary source of local funding in the 'transport tax', deducted from employer payrolls and dedicated to local transport needs. National government funds transport from general revenues.	Varied. National governments uses tax revenues, congestion charging used by London government; railways have a complex financing arrangement.
Decision-Making and Prioritization	Decisions are made by the national and state/territory governments, using policy and economic criteria. Project prioritization guided by benefit/cost analysis.	Decisions made and priorities set by Transfund, based on cost/benefit and need.	93% of funds are given to states on a formula basis. Remainder is used for discretionary, often highly politicized, projects. Priority is determined locally for urban areas.	Made by both national and canton governments.	National government has a variety of funding programs, most with percentage contribution maximums.	Most decisions are made by the Central Government. Local Authorities, through annual allocations from Westminster, have discretion within local budgets.
Cost-Recovery and Efficiency	'User pay' policy endorsed by national government for infrastructure provision. Some states and territories have tolled highway facilities.	Economic efficiency is a primary measure of project viability and funding approval. Cost-recovery is not sought aside from transit farebox revenues.	Cost recovery is not allowed for highway projects, and only through farebox revenues for transit. Economic efficiency measures are used during project evaluation.	None specifically sought.	None specifically sought.	A range of quantitative measures are used.
Types of Projects Funded (rolling stock, other infrastructure, TDM programs, etc)	National highway system needs only. Rail, local transit and other urban transportation facilities do not receive national funding support.	Road maintenance and construction, passenger transport (operating and capital costs), regional development and active transportation.	Focus on infrastructure, though all categories are eligible, including operating costs. Some 'soft' programs, (e.g. air quality) are eligible.	Public transit receives a 2/3 operating subsidy from the national government. Cantons fund a range of infrastructure projects.	National government funds all elements of national and local transportation needs.	All elements of transport infrastructure, ITS, TDM measures, and public education campaigns. Rolling stock funded (and owned) by private companies.
Policy Leverage and Spending Criteria Attached to Funding	Tight fiscal accounting, especially the cost overruns and the lack of year-over-year funding rollovers, are the primary criteria.	Projects receive funding only if they clearly demonstrate how they support national policy objectives.	A complex array of policy goals are attached to funding as criteria.	None specifically sought.	None specifically sought.	National government requires local transport plans to meet transport, land use, and environmental objectives.



7.0 Urban Transportation as a Priority

CHAPTER EXECUTIVE SUMMARY

- *Urban transportation is a high priority in dense urban countries, such as the UK and France, though much less so in the US*
- *The nature of urban transportation issues differ between countries. For example, the UK is quite concerned with the state of its railway network, and the role the private sector should take in providing and owning transportation services, while the US is more concerned with the negative air quality impacts associated with transportation*
- *Australia and New Zealand are experiencing a policy and political debate surrounding funding for urban areas and urban transport needs, although not to the same extent as Canada*

Although many generalizations can be made in terms of policy successes and the failings of specific governance models, it is more difficult to simplify an entire country's opinion on an issue. The following, however, represents a brief discussion on what priority each country places on urban transportation issues, from the perspective of those involved in urban transportation issues. The information presented here is the opinion of the Study Team only, and suggests a relative importance and 'flavour' of urban transportation issues in each jurisdiction.

In the **United States**, urban transportation issues are relatively important in terms of national priorities –less important than jobs creation (and losses), and much less important than **US** foreign policy and actions. Traffic congestion is often in the mind of many Americans, though it is not always a subject of ongoing debate. The exception to this is during reauthorization (re-approval) of transportation funding programs. Government administrations, understandably, affect the priority given to urban transportation. Traditionally, the US Republican Party has been associated with suburban and rural America for whom transportation is a lower priority, while the Democratic Party is more closely associated with urban America and places a greater emphasis on urban traffic congestion. Currently, the Republican Party is in office and urban transportation has not been an area of interest for the administration, except where security concerns affect operations.

In the **United Kingdom**, urban transportation issues are extremely important, and by some measures the area of highest concern for voters. This includes issues such as social inclusion in respect to transportation accessibility in rural areas and remote communities. Recently however, the **UK's** role in the conflict in the Middle East has been top-of-mind for a majority of the population.

For many UK residents, the largest concern regarding transportation issues is the lack of delivery of hard services. The Labour government's election manifesto (platform) in 1997 included a significant discussion on transport, focused partially on the previous Conservative government's privatization efforts, and partially on what transport policy changes were needed. The 1997 release of the transport white paper, and ultimately the 10-year transport plan, were direct results of the election manifesto.



Under **Australia's** constitution, the states and territories are responsible for efficient, safe and environmentally responsible transport infrastructure and services in urban areas with local governments and the private sector. Within this context, urban transportation does not rank highly with the Australian government, except for issues of road use safety and vehicle performance in terms of impact on greenhouse emissions. The current government continues to reject calls for a larger federal role in transport matters.

Federal elections are held every three years, and **Australia** is due for another national election prior to the end of 2004. The politically sensitive issues at a national level relate primarily to road safety. At the last election urban transportation was not a priority issue, however, the issue of urban transportation may well become a federal election issue in 2004.

At the state and local government level however, urban transportation is a high priority issue and often major projects become caught up in a political debate over funding.

In **New Zealand**, urban transportation issues have traditionally had a low priority for the national government, and transport policy has been addressed on a more generic basis. This has changed since the late 1990's, with the growing recognition of the economic importance of urban areas to **NZ**, and the recognition that transport systems in the largest urban areas (especially Auckland) are not performing well. This has led to an increased policy focus on urban areas generally (e.g. a Sustainable Cities initiative, and the appointment of an Urban Affairs Minister), and on urban transport specifically.

Within the transport sector, addressing urban transport in Auckland now ranks as the top priority. For this reason, considerable government emphases and resources were allocated to the joint officials group process in 2003 to address Auckland transport strategy and funding issues. Outside of Auckland, transport is not a priority political issue.







It is likely that the government will seek to make progress on Auckland transport issues as an election platform at the next general election, due in 2005.

In **France**, urban transportation has not been a high priority political issue. Some debate did arise in the 1980s and 1990s, largely through protests to large-scale transportation infrastructure projects such as the extension of high-speed rail to southern **France**. **France's** 2002 presidential election was won for the second time, and by a large majority, by Jacques Chirac. In February 2004, however, regional elections weakened the President's power with the Socialist Party gaining ground.

French politics has been centred, for the past number of years, on a number of high-profile issues: public strikes, France's position regarding war in the Middle East, reforming health care, and support for the failing economy. Transportation is rarely a point of national debate, and rarely does it arise during national elections campaigns.

Due to the nature of **Switzerland's** political structure and the responsibilities and powers given to Canton governments, urban transportation is not a national political issue. Moreover, when urban transportation issues have arisen that are national in scope, single plebiscites have often been used to direct policy. For example, the decision to build new rail tunnels through the Alps and the deregulation of the Swiss Federal Railways were both made by referenda. At the local level, the decision not to build a subway system in Zurich was also decided by plebiscite. As a result of **Switzerland's** democratic processes and decentralized government structure, debate over urban transportation matters does not occur during election campaigns.

Table 5: Urban Transportation as a Priority

<i>Element</i>	Country 	New Zealand 	United States 	Switzerland 	France 	UK 
Importance of Urban Transportation to National Government Agenda	Given state/territory constitutional responsibility for transport issues, they are not a high priority on the national agenda, though are quite important during state/territory elections.	Traditionally transport is a low priority issue. Recent focus in Auckland on congestion, mainly bridge capacity.	Transportation and traffic congestion is a consistent issue for Americans, largely in the context of economic development.	Urban transport is a regional issue. Plebiscites have been used to make urban transport policy.	Not a high priority.	At, or near the top of, the government's agenda.
Transportation Issues: Policy or Politics, or Both	National highway safety remains the only continuing 'political' transportation issue.	Urban transport was a part of current government's election platform, especially for the Auckland region.	Transportation policy was not part of a political election platform of the current government, though it was for previous administrations.	Transport does not arise during national elections.	Transport is not a political/election issue.	The government's election manifesto (platform) included detailed policy reforms for urban transport.



8.0 Findings

The high-level transportation agenda is consistent among all countries

Though many differences among the approaches to urban transportation have been highlighted over the past 50 pages, what is perhaps most striking is the similarity of the stated agendas. In Canada, the *Straight Ahead* document sets out the national strategy and policy goals for Canadian urban (and rural) transportation. The Minister's introduction to the document states that 'transportation is fundamental to Canada's economic prosperity and Canadians' quality of life...[and that] we need to ensure our transportation system is efficient and able to adapt to new challenges...to ensure that our system is safe, secure and environmentally responsible'.

These policy goals are virtually identical to those of the other six countries surveyed: competitiveness and innovation, supporting quality of life and sustainability, and recognizing the environmental impacts of transportation. While there is commonality in the basic goals of the six countries and Canada, it is clear from the information provided that the current issues in Canada regarding urban transportation funding are shared only to a limited degree by other countries and within the context that government revenue sharing is by its nature a contentious issue. It would appear that funding and responsibility arrangements are more a product of history, culture and constitutional arrangements than they are a reflection of common issues arising from land use and transportation problems in our cities. As in Canada, transportation is one of many competing priorities for funding and rarely is at the top of a national agenda.

Some countries are not growing at a rate that demands change, others are at a scale or have a geography such that urban issues are relatively modest, or confined to a single city. As a consequence urban transportation issues are approached from perspectives that can inform the Canadian context, but must be viewed from wider economic, geographic, and historical-political standpoints. France and Switzerland have constitutional structures and cultural or social differences that make comparison difficult. The United States has a well funded conditional grant structure that offers excellent experiences from which to learn. The UK demonstrates a system with a strong central government dealing directly with local authorities, a model for some discussion, but one that would require constitutional change in Canada. Australia, while most comparable from the perspective of government structure and geography, has not identified urban transportation as a federal issue. New Zealand is of a scale that minimizes regional differences and allows for some unique structures for the delivery of urban transportation services.

Urban transportation infrastructure has been unable to meet demand in all countries

Developed countries – all six survey countries among them - have experienced a remarkable increase in wealth since the Second World War. This increase in wealth has come with an increase in lifestyle expectations among citizens, and (particularly in less dense countries) this has translated to an expectation of the ability to travel rapidly, for any purpose, at almost any time. Yet in almost all developed countries, public sector investment has been unable to keep pace with the demand for new urban transportation infrastructure.

Today, the governments responsible for urban transportation in most survey countries are responding, or have already responded with policy initiatives and alternate funding structures in an attempt to overcome this gap. These governance, policy, and funding structures may



be a product of the unique political cultures –but the types of urban transportation challenges that Western countries face are the same.

The property tax base funds local authorities' urban transportation needs

It is interesting to note that property taxes are the primary source of local-level funding for urban transportation in all survey countries (excluding France), despite the wide variety of governance structures. Some recent initiatives, such as London's central-area charge, have aimed to supplant this. However, it appears property tax is considered the most appropriate funding source in all countries for local governments.

All federal governments provide some level of capital funding to local authorities

Funding for capital expenditures on urban transportation is also provided by all national governments to local authorities - though local authorities vary in their powers from near-autonomy (Switzerland) to central government agencies (France). Yet in all survey countries, national governments have a role in determining funding priorities and in distributing capital funds for major infrastructure.

The land use-transportation link is common but the application varies

A recognition of the need to co-ordinate land use and transportation principles has emerged in all survey countries, and receives at least minimal attention in urban transportation policy in all countries. The extent to which this objective is given policy teeth varies from country to country, but the tools to achieve land use goals are particularly strong in the UK and (somewhat surprisingly) in the United States, where TEA-21 incorporates a number of land use requirements. Conflicts have emerged where national-level transportation policy and local-level planning policy are not in tune, a situation that makes this connection a potentially problematic one in Canada.

Sustainability is linked to transportation policy in all jurisdictions

A more extensive and influential policy linkage exists between environmental policy (usually referred to as 'sustainability') and transportation policy. All survey countries now include 'sustainability' as a key policy component and recognize a need for a national initiative to reduce the environmental impacts of transportation, by addressing specific issues such as vehicle emissions. Canada probably leads, or at least matches, the other survey countries in the extent to which this policy link is being executed through various programs.

Successful national transportation policy is founded in understanding local needs

In general, it is apparent that the success of national transportation policy often depends on its ability to adapt to local context and competing policy interests. Even in the UK, a relatively centralized state, it is clear that local-level interests often successfully challenge national interests in executing a transportation agenda. The experience of some of the survey countries suggests that the success of a national transportation strategy hinges, to some extent, on its ability to integrate successfully with other levels of government and respond to the unique requirements of the local context in which transportation projects occur. In states with highly decentralized (i.e. strong local) levels of government, this need is considerably stronger.



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FRANCE

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<http://www.urbanisme.equipement.gouv.fr>

Directorate for Road Traffic and Safety

<http://www.securiteroutiere.gouv.fr>

Directorate of the ground transports

<http://www.transports.equipement.gouv.fr>

Research Centre on Public Network, Transport, Town Planning and Building CERTU

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Swiss Federal Roads Authority
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Appendix B – Survey Participants

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Others interviewed, though the research team was advised that *“the rules that guide the contact of civil servants explicitly prohibit civil servants completing such questionnaires or taking part in interviews that seek to achieve the same end.”*

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AUSTRALIA

Department of Transport and Regional Services

National Transport Commission

Les Ford, Deputy Director- General, Queensland Transport



Colin Jensen, Executive Director, Strategic Policy, Queensland Department of Main Roads

Heather Webster, Executive Director, Office of Public Transport, South Australia
George Pund, Principal Urban Transport, Brisbane City Council

Automobile Association of Australia

Transport NSW

ITS Australia

(Note: Where only agency name provided, officers requested their names not to be listed)

NEW ZEALAND

Roger Toleman, Deputy Secretary for Transport, Ministry of Transport

Wayne Donnelly, Chief Executive, Transfund New Zealand

David Young, Highway Strategy and Standards Manager, Transit New Zealand

Tim Davin, Manager Development and Infrastructure, Local Government New Zealand

Dave Watson, Divisional Manager Regional Transport, Wellington Regional Council

UNITED STATES

Interviewees requested to remain anonymous.



Transport
Canada

Transports
Canada

Appendix C - Survey Country Details



Research Report: Australia

RESEARCH QUESTION	RESPONSE
<p>1. Government Structure</p> <p>a. What are the levels of government in Australia, and what is the division of powers and relationships between these levels?</p>	<p><u>Contextual Background: The Australian Transport Task</u></p> <p>From a contextual background, which is important when reviewing current policy frameworks/ strategies and governance models, the current characteristics of Australian urban form and transport task are quite unique (Source: Bureau of Transport and Regional Economics):</p> <ul style="list-style-type: none"> - While the Australian continent is of similar size to USA and Europe, it is a highly urbanised country. Of its 20 million population (this level was reached late 2003) approximately 40% live in two cities, namely Sydney and Melbourne and approximately 70% of the population live within 200 km of the coast line. - The distance between the population and manufacturing centres is vast. The Australian Government maintains one of the most extensive networks of roads in the world, per head of population. Transport demand is heaviest in the south east corner of the land mass. - The transport sector accounts for approximately 4.9% of total economic activity; contributing approximately \$31 billion to the economy. - Over the next 50 years it is projected that 75% of the population growth will occur within the major cities. Sydney's population is expected to grow by 45% to approximately 6 million by 2050. - Domestic freight task has increased by over 70% within the past two decades. The current growth rate is 2.8%. Approximately 72% is moved by road; approximately 26% by rail. - Approximately 80% of road freight covers less than 100 km; freight industry is continuing to seek approval for larger, heavier vehicles to gain access through urban areas to ports and airports. - Over the past two decades urban passenger task has grown at an average annual growth rate of 2.5%; non-urban 2.7%. In 1999/2000 passenger transport was approximately 311 billion passenger kilometres. - Private vehicles account for approximately over 90% of urban passenger transport. <p><u>Australian Federalism</u></p> <p>Australia is a federation of states.</p> <p>There are three levels of government namely the Commonwealth, State (or Territorial) and Local Government. There are six states and two territories. There are numerous local governments. Local governments are agents of the State and (interestingly) are not recognised in the nation's constitution.</p> <p>The Commonwealth now prefers to be referred to as the Australian Government.</p> <p>Under Australia's constitution, the State and Territory Governments are responsible for efficient, safe and environmentally responsible transport infrastructure and services in urban areas working with local governments and the private sector. In this context the States and Territories have responsibility for all</p>



	<p>aspects associated with intrastate road and rail, air and maritime transport from policy and regulation through to planning, funding, constructing and maintaining.</p> <p>The Australian Government’s responsibilities within the transport sector extend to:</p> <ol style="list-style-type: none"> 1. International and interstate air transportation - from policy through to regulative control. All commercial users of the air space must comply with Australian government licensing and regulatory requirements. The Australian Government owns all international and domestic airports. Since the early 90’s it has progressively placed operations of the airports in private sector ownership under long term lease arrangements. 2. International and interstate maritime transport 3. The national rail network (the Defined Interstate <p><u>Cross Government Relationship Coordination: Transport Policy, Legislation, Research and Funding</u></p> <p>The Australian Government in collaboration with the States and Territories established the Australian Transport Council (ATC), to:</p> <ol style="list-style-type: none"> 1. Facilitate cross government discussions and debate including discussions on cross government funding arrangements; 2. Jointly formulate procedures for assessing and prioritising allocation of federal funding; 3. Coordinate drafting of legislation and regulations for adoption by each state and territory; 4. Provide a avenue to involve industry; and 5. Identify, prioritise and conduct research. <p>The ATC is comprised of the Federal Transport Minister and all State and Territorial Transport Ministers. New Zealand transport agencies are now members of the ATC.</p> <p>The ATC is responsible for overseeing the coordination of policy, legislation and research relating to issues of national importance. (e.g. National Road Rules, freight transportation regulation, licensing, interstate rail agreements, research into use of seat belts on buses). While this is a national forum, the States fund the research and have complete discretion as to whether they chose to implement policy and legislative recommendations of ATC. In most instances agreement can be achieved.</p> <p>The Standing Committee on Transport (SCOT), comprised of the state/territory Road and Transport Agency CEO’s, reports to the ATC. A range of technical specialist subgroups report to SCOT covering aviation, maritime, rail, road and (recently) public transport. Industry representatives are members of committees that report to the subgroups. Special Task Working Groups are formed as needed to advise SCOT on a range of emerging issues or special projects of national significance for the transport sector. These include the National Greenhouse Strategic Working Group, National Road Safety Working Group, Electronic Tolling Working Group and the Intelligent Access Steering Committee.</p> <p>The Australian Government facilitates provision of consistent legislation and regulation regarding road use management (e.g. road rules, road freight legislation) across the states but relies on states and territories to ensure</p>
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	<p>compliance with legislation.</p> <p>In 1991 the National Road Transport Commission (NRTC) was formed to resolve the differences in state legislation and regulations that were becoming impediments to the movement of transport between states. In February 2003 the NRTC was replaced with the National Transport Commission (NTC). Separate from SCOT, the NTC reports directly to ATC. Its role is to continue the reformation of road transport regulation and operations. The new body will have the added responsibility of reforming the rail and intermodal regulation and operations. The ATC is leading the preparation of the first National Transport Regulation Reform Package. The NTC is funded by both federal and state/territorial governments.</p>
<p>b. Who has jurisdiction regarding urban transportation in Australia?</p>	<p><u>Urban Transport Jurisdictional Responsibility</u></p> <p>Under Australia’s constitution:</p> <ul style="list-style-type: none"> • The Australian Government does not have a legislative role in urban transportation. The Australian Government does retain an interest in the efficiency of the transport networks and its responsibilities in relation to motor vehicle standards and greenhouse emissions. • The State and Territory Governments have a legislated responsibility for provision of efficient, safe and environmentally sustainable urban transport infrastructure and services. They manage this process in collaboration with Local Governments and the private sector, seeking funding support from the Australian Government. <p>In November 2002, the Australian government released a green paper entitled “<i>AusLink: Towards the National Land Transport Plan</i>”, which announced its intention of “embarking on an ambitious new approach to planning, developing and managing Australia’s land transport infrastructure”. Under the Australian government’s proposed national land transport plan (<i>AusLink</i>) their focus will be on growth, trade, freight logistics and connectivity. Hence their focus will primarily relate to national and interregional connectivity that supports social cohesion, nation-building and accessibility as well as economic development. Safety remains a focus of the national government.</p> <p>An Australian colloquialism states that Local Government is responsible for “roads, rubbish and rates” - they provide local access, essential water and sewer services, collect rubbish and source funds from rates. Most councils are not of sufficient size (e.g. a population of less than 200,000 and an entire budget less than \$200 m) to play a major role in urban transportation other than to have responsibility for construction and maintenance programs of local roads (i.e. traffic volumes less than 10,000 v/d, many less than 3000 v/d). In many cases the states and territories undertake major roadwork for the councils, often employing council staff. The exception is the Brisbane City Council (BCC), which is the largest council in Australia (population approx 870,000, budget approx \$1.2b). The BCC, in addition to having jurisdictional responsibility for the local road network within its area, has its own traffic control centre, its own traffic signal system (all other States manage these systems on behalf of the council) and owns and operates its own bus fleet (approximately 600 vehicles) and (under franchise agreement) its own ferry fleet. Over the past decade the rationalisation of local councils and the formation of regional councils have positioned many Local Governments to play a more influential role in planning, prioritising and funding projects and programs aimed at addressing local urban transportation needs. Many local governments now prepare local transport plans that are a subset of state/territory transport plans. The local transport plans reflect the councils’ current and proposed road transport infrastructure works and outline the sources</p>



	<p>of funding.</p> <p><u>Specific Jurisdiction by Transport Mode</u></p> <p>The following is a summary of the responsibilities for each level government for different modes of transportation:</p> <p><i>Road Transport</i></p> <p>All three levels of government consider they share the responsibility for Australia’s road network. The biggest single category of roads is local or council roads (approx. 650,000 km), followed by rural arterial roads (approx 97,000 km), the “National Highway” (approx 18,500 km) and urban arterial roads (approx 8000 km). Approximately 80% of the nation’s road system carries less than 10% of the traffic with the remaining 10% carrying more than 90% of the traffic. Most of the light vehicle movement on the national highway is around the major cities.</p> <p>The National Highway System (NHS) was identified in the 1970’s as those roads of national and regional significance, providing links between cities and between regional areas and ports and airports. In 1991 the Australian Government agreed with the states and territories (“The 1991 Inter-Government Road Agreement”) that the Australian Government should have sole funding responsibility for the NHS. The current annual federal funding allocation for the NHS is approximately \$800 million. The process for allocation of funding is discussed below. The state and territories project manage the construction and maintenance works.</p> <p>Until recently the Australian Government had a policy of not allowing tolled or privately owned roads to become part of the NHS. For example, the Gateway Bridge in Brisbane is a privately owned structure under a BOOT (Build, Own, Operate, Transfer) arrangement. As a tolled bridge opened in 1986 it was not permitted to form part of the NHS even though it’s part of the Gateway Motorway which is on the NHS. This policy position has changed over the last 5 years with private sector ownership of elements of the NHS now permitted (e.g. the Sydney Western Orbital - approx \$2 b). This policy position reflects a move by the Australian Government to gain increased private sector investment in the transport network.</p> <p>As mentioned, roads that are not part of the NHS are either:</p> <ul style="list-style-type: none"> • Declared as state roads under the jurisdictional responsibility of each State or Territory Governments; • Local roads under the jurisdictional responsibility of Local Governments; or • Private roads operated by the private sector under either a BOOT agreement or a leasing agreement (leases are applied predominately for mining purposes) with the State and Territory Governments. <p>Road transport activities of the State and Territory Governments include:</p> <ul style="list-style-type: none"> • Financing, either through state treasury funding allocation or with private sector funding, all state roads; • Road use legislation and regulation for all road users and fleet; • Undertaking research and preparing and maintaining road use policy; • Regulation and licensing of the fleet (all cars, trucks and intra state
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	<p>vessels); and</p> <ul style="list-style-type: none"> • Enforcement of all modes. <p>State and Territory Governments do provide funding support to Local Governments for expansion of the road network within respective Local Government areas. Except for Queensland, the relationships between State and Local government tend to be strained.</p> <p>Queensland Government has put in place a framework - <i>The Main Roads/Queensland Local Government Roads Alliance</i> - to jointly identify and prioritise works required for local roads of regional significance. This framework enables the two levels of government to agree on a prioritised list of works across both levels of government and to jointly seek funding including application to the federal government.</p> <p><i>Rail Transport</i></p> <p>Australia's interstate rail network consists of approximately 8300 km of standard gauge rail linking five mainland capital cities and intermodal ports. In 1997/8 interstate rail operators carried approximately 11 million tonnes of non-bulk freight and approximately 2.5 million tonnes of bulk freight. The nation's rail network was not developed as a national network but from a series of state-based networks. Differences and inconsistencies across states had impeded the development of interstate rail services. The Australian Government involvement in rail has not been as focused as its involvement in road transport. Identification of a interstate rail network was in recognition to overcome impediments to improve economic productivity.</p> <p>Management of the rail infrastructure has been progressively commercialised since the 1990's. Publicly owned vertical integration of operations have been converted to some form of commercialised management model:</p> <ul style="list-style-type: none"> - A fully Australian government owned corporation, the Australian Rail Track Corporation (ARTC) owns and manages the most of interstate rail track. Its ownership extends from Western Australia to Victoria. It leases and manages the interstate rail from the Victorian Government. - Victoria, South Australia and Tasmanian State Governments own all the intra state corridors and/or lines and lease them to vertically integrated private sector rail operators. - In Queensland and Western Australia the rail has been retained as public infrastructure managed vertically by wholly owned government corporations. WA is considering selling one of its line and leasing the track to a private sector operator. - A private consortia owns the rail infrastructure serving the Brisbane domestic and international airports. Queensland Rail, the wholly owned government corporation provides rail services under contact to the private infrastructure owner. - The Rail Access Corporation manages rail track in New South Wales. - Privately owned rail systems exist and are primarily associated with mining production. <p><i>Maritime Transport</i></p> <p>Port Infrastructure is primarily the responsibility of the state and territory governments in partnership with the private sector. The Australian government</p>
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	<p>can provide assistance to support provision of port facilities if of national significance. The model being adopted by most states is to establish wholly owned corporations to operate and develop the ports on user pays basis.</p> <p><i>Air Transport</i></p> <p>During the late 1990's the Australian government began the most extensive airport privatisation program in the world with the sale of 17 federally owned airports. Responsibility for the airports rests with the private sector owners and their major tenants. The Australian government is responsible for international and interstate aviation from issuing licences to defining aviation regulations.</p> <p><i>Urban Public Transport</i></p> <p>In terms of land based passenger transport systems, the Australian Government policy position is that the State/Territory Governments are more closely associated with these systems and are therefore better placed to develop public transport services and associated infrastructure.</p> <p>In terms of bus and ferry transportation, most states have an internal agency responsible for coordinating future planning needs, service design, marketing, provision of traveller information and administration of contracted services.</p> <p>In terms of rail, all states are responsible for respective heavy and light rail systems. As discussed above, commercialisation over the past decade has seen the introduction of private sector operators under various commercial models.</p>
<p>c. What are Australia's national objectives for urban transportation?</p>	<p><u>Federal Level</u></p> <p>The Australian Government does not have a legislative role in urban transportation. However the Australian Government has stated in many previous documents its objective for the transport sector is to make safe and efficient movement of freight and people.</p> <p>The <i>Australian Land Transport Development Act 1988</i> (ALTD Act) establishes the mechanism for providing approved road funding to states and territories through specific purpose grants under s.96 of the Constitution. It is the legislative framework under which the Federal Government funds the National Highway, covering new construction, rehabilitation and maintenance approved by the Federal Minister for Transport and Regional Services (including safety, urgent minor works and research).</p> <p>The principle objectives of <i>AusLink</i> (the proposed national land transport plan) will be to promote sustainable national and regional economic growth, development and connectivity by contributing to an integrated land transport network which:</p> <ul style="list-style-type: none"> • Improves national, interregional and international freight logistics; • Enhances national, interregional and international trade; • Is consistent with viable, long-term economic, social and safety outcomes; • Is consistent with Australia's obligation to current and future generations to sustain the environment; • Is based on the national and interregional corridors; links to ports, airports, production and distribution centres; connecting intermodal facilities; and local links of regional significance - that are of critical importance to national and regional economic growth, development and



	<p>connectivity; and</p> <ul style="list-style-type: none"> • Is planned, funded and managed efficiently, within a framework of reciprocal responsibly by all levels of government and with the involvement of the private sector. <p>It is the intent of the Australian Government to have the green paper endorsed by Federal parliament prior to making the necessary changes to existing legislation.</p> <p><u>State and Territory Level</u></p> <p>All State and Territory Governments have responsibility for the urban transportation system. The States and Territories are responsible for defining the vision, the objectives, the strategies, the programs and sourcing funding to implement the programs.</p> <p>Consequently each State and Territory Government does have a publicly released transport planning strategy that articulates its urban transportation objectives. Most tend to be similar in nature, focusing on achieving outcomes that align with the respective State governments' whole-of-government outcomes/priorities and outputs that deliver:</p> <ul style="list-style-type: none"> • Economic growth; • Improvement in efficiency and effectiveness of the transport system; • Providing fair access and amenity; • Improvement in safety; and, • Environmental management.
<p>2. National Urban Transportation Policy Framework/Strategy</p> <p>a. What is the legislative standing of Australia's framework/strategy for urban transportation, and what is the framework's current status?</p>	<p><u>Federal Level</u></p> <p>At a national level there is no legislative standing as there is no national urban transportation strategy.</p> <p>The draft <i>AusLink</i> document signifies the first dramatic change in the Australian government's approach to land transportation since 1991. The driver appears to be the desire of the Australian government to move more to coordinating interstate and interregional transport movements, particularly in regard to freight.</p> <p>The program for implementation of <i>AusLink</i> includes a start date of July 2004. (The financial year in Australia starts 1 July.)</p> <p>In getting to this stage the Australian government has been working with the States to:</p> <ol style="list-style-type: none"> Finalise and agree a new Land Transport Inter-governmental Agreement; Develop and implement new legislation and program management arrangements; Develop an initial 5 year National Land Transport Plan and invite first round proposals; and, Finalise project evaluation methodologies. <p><u>State/Territory and Local Level</u></p> <p>State/territorial legislation authorizes the government to have its respective road/transport agency prepare a transportation strategy/plan. For example, in Queensland this is referred to as the Transport Infrastructure Coordination Act.</p>



	<p>While this type of legislation delegates authority to the state’s agency to prepare a transport urban strategy/plan, there is no legislation governing the implementation timing of the strategy/plan.</p> <p>Local governments are being encouraged to develop their own transport plans to articulate what is proposed, when it is proposed to be delivered and how it is to be funded. The plans are based on state/territorial transport plans/strategies and land use planning schemes. The land use planning process is more mature with State and Local Governments working closely to prepare strategic City/Town planning schemes. The process for preparing transport plans with the planning schemes appears to be in response to the following issues:</p> <ul style="list-style-type: none"> • Most local governments have responsibility for approving development applications in response to their City/Town plans. Schemes within the City/Town Plans (e.g. Development Control Plans, Local Area Plans) are linked to planning legislation. Court approval is required to deviate from a Town/City Plan and the associated schemes. • Until recently urban transport planning needs (except for parking demands) were not included in the Town/City Plans. Courts therefore were not recognising State/Council transport intentions, as they were not integrated with the planning legislation. This meant corridor functionality provisions and opportunities to acquire land for future transport needs were not being recognised by the Courts. • The introduction of infrastructure charging regimes, managed by local governments to provide a more realistic and quantifiable determination of a developer’s infrastructure donation requirements, required local governments to know its future transport needs to determine proportional allocation of transport related charges. • Changes in some State/Territory legislation required development applications to provide a response to not only how traffic demand is to be managed (the more traditional approach), but how the development will support the strategic state/territorial and local transport planning objectives (i.e. greater public transport use, increased walking and cycling). <p><u>Reviews</u></p> <p>The release of <i>AusLink</i> is the most significant review of federal involvement in transport since 1991.</p> <p>The State and Territory Governments are tending to review their transportation strategies within every 5 years. The drivers for the reviews vary.</p>
<p>b. What are the overall objectives for the framework/strategy?</p>	<p>As outlined in response to Question 1C, under the Australian government’s draft National Land Transport Plan (<i>AusLink</i>) the federal government will focus primarily on national and interregional connectivity that supports social cohesion, nation-building and accessibility as well as sustainable economic growth and development. Safety remains a focus of the federal government.</p> <p>The overall objectives of state and territory respective policy framework/strategies focus on the following (not in priority order):</p> <ul style="list-style-type: none"> ▪ Ensuring social justice - providing a safe and equitable transport system; ▪ Providing an ecologically sustainable transport system; ▪ Ensuring sustainable transport use through better land use planning;



	<ul style="list-style-type: none"> ▪ Efficiency - making better use of the existing system; ▪ Developing high quality integrated public transport systems; ▪ Providing improved facilities for pedestrians and cyclists; ▪ Providing a road network that links people, goods and services; and, ▪ Ensuring efficient movement of freight. <p>The State and Territory Governments acknowledge that increasing demand will continue to increase congestion and they do not have the ability to simply supply road infrastructure. Their transport outcomes are now focusing on providing “sustainable transport outcomes” that place increased emphasis on road users to consider the implications of their choice and time of travel within urban networks. Consequently over the last five years State and Territory Governments have been placing increasing emphasis on implementing travel demand management measures.</p>
<p>c. What are the key components of the framework/ strategy in terms of legislation / regulation?</p>	<p><u>National Level</u></p> <p>As <i>Auslink</i> is still in draft form, there is no legislation or regulations yet.</p> <p><u>State/Territory Level</u></p> <p>Queensland</p> <p>Queensland Treasury has developed a generic Community Service Obligation (CSO) policy, <i>Community Service Obligations A Policy Framework</i>, for the provision of CSOs by the Queensland government.</p> <p>The policy framework was approved by the Queensland government and published in March 1999. The policy outlines broad guidelines which apply in situations where the Queensland government seeks to have commercial businesses deliver certain "non-commercial" products and services to the community.</p> <p>The Generic CSO Policy identifies five stages which agencies are obliged to follow in the delivery of CSOs.</p> <p>The <i>Community Service Obligation Framework for Public Transport in South East Queensland</i> has been developed by Queensland Transport to complete the requirements of the policy framework in the context of the provision of public transport in South East Queensland. It considers each stage specified within the policy framework and, in doing so, identifies those areas where government support of public transport services is appropriate, as well as providing a framework for the most effective provision of government support.</p>



d. What are the key components of the framework/strategy in terms of spending programs?

Federal Level (Current)

The following table (source: *AusLink*) outlines the current responsibilities for transport planning and funding:

	Roads			Rail		Ports	Inter-modal
	National	Arterial	Local	DIRN	Branch		
Planning	State/ Federal	State/Private	Local	Federal /ARTC/ State / Private	State/Private	State/Private	State/ local / Private
Funding	Federal	State/ Federal /Private	Local/ State/ Federal	Federal /ARTC/ State / Private	State/Private	State/Private	State/ local / Private

In 1997/8 the total funding allocation for roads was \$7 billion. The federal government provided \$1.6 billion, states and territories \$3.4 billion and local governments \$2 billion.

With respect to road transport, the Australian Government provides funding for:

- The **National Highway System** is defined by the Federal Minister under s.4 of the ALTD Act. The National Highway comprises specified road corridors linking the capital cities, together with links between Brisbane and Cairns, Hobart and Burnie, and urban corridors within Brisbane, Perth, Sydney, Melbourne and Adelaide.
- **Roads of National Importance (RONIs)**. These are roads the Minister has declared as National Arterial roads for purposes of the Act. It is a requirement of the RONI Program that the state or territory contributes to the federal funding and that all funding is directed to approved new construction projects. Maintenance funding from federal sources is excluded under the RONI Program.
- A third category of road project was funded from the start of the 1996-97 financial year. The **Federal Black Spot Program** identifies and funds traffic management solutions at locations off the National Highway that demonstrate a high incidence of road trauma or crashes. Crash sites on the National Highway are addressed through works funded under the Safety and Urgent Minor Works component of the National Highway Program.
- **Roads to Recovery Program**. These funds are provided directly to local governments to repair and upgrade their roads.
- Local roads through the **Financial Assistance Grants** scheme.
- Bridge upgrading programs to accommodate federally approved increase in heavy vehicle mass limits.

With respect to rail the federal government has provided funding for upgrading and expansion of the interstate rail network. Funding allocation has varied.

Federal Level (Proposed)



	<p>The draft <i>AusLink</i> proposes a dilution of the funding of the federal government with the funds pooled and allocated across both road and rail in return for a withdrawal of the 100% federal funding of the NHS.</p> <p><u>State/Territory Level</u></p> <p>At the State/Territory level, governments have funded programs for state roads and allocated funding to local governments. Most State strategies have associated 5-7 year action programs that form the basis for capital works and recurrent work programs. In Queensland the state road authority each year publishes its Roads Implementation Program (RIP) that incorporates a set 2 year construction program with a further 3 year program of future works. This 5 year rolling program allows continuity in planning. The priority of construction programming for road works can be modified with the release of a new strategy but the immediate 2 year program of works is not modified.</p> <p>States/Territories provide funding to local governments through defined programs linked to improving road safety and addressing efficiency issues. The geographic distance of the state agencies required delegated authority for each area to determine within predefined outcome priorities (e.g. safety and efficient) the forward works program.</p>
<p>e. What are the key components of the framework/strategy in terms of fiscal policies?</p>	<p>From an urban transport perspective the national taxation measures are completely skewed against State government strategic transport objectives. By way of examples:</p> <ul style="list-style-type: none"> - Fringe benefit taxation was introduced on public transport. - No taxation deductibility exists for public transport (e.g. depreciation allowances for public transport). - The recent Federal government withdrawal of support for Greenhouse strategies and announcement of a proposed tax on CNG by 2007 demonstrates a lack of support for reducing greenhouse gases. - Additionally, only approximately 16% of the federal revenue from excise and levies on petroleum products is expended on transport programs, down from a peak of 37% in 1992/93. The federal tax generated approximately \$6 billion in 1990/91 and has increased to approximately \$12 billion in 2000/01. Understandable this is a common issue of contention between the federal and state/territory governments.
<p>f. What are the key components of the framework/strategy in terms of knowledge dissemination?</p>	<p>Nationally, no specific initiatives for knowledge dissemination exists, though road safety remains a focus of the Australian government and it funds road safety based research and information dissemination.</p> <p>Within each State and Territory, knowledge dissemination is generally tied to:</p> <ul style="list-style-type: none"> ▪ Road safety programs; ▪ Travel demand management programs; and, ▪ Maritime (recreational) safety programs.
<p>g. What are the key components of the framework/strategy in terms of the role of the national government as a</p>	<p>The Australian government does not have a policy to locate or promote location of government offices near transit centres.</p> <p>Some State and Territory Governments do endeavour to encourage public servants to use public transit, though there are not specific policies of placing offices over or near transit services. Some examples where this has occurred:</p>



<p>landowner?</p>	<ul style="list-style-type: none"> - Queensland Transport has offices over rail stations and allows employees to purchase yearly rail tickets in pre-tax dollars as a form of salary sacrifice.
<p>h. What are the key components of the framework/strategy in terms of relationship to other policy priorities/frameworks/strategies?</p>	<p>At a federal level the relationship with other policies/frameworks/strategies varies. By example:</p> <ul style="list-style-type: none"> - In the environmental sector the relationship is mixed. Recently the Australian Government withdrew support for Greenhouse strategies and announced a proposed tax on CNG by 2007, demonstrating a lack of support for reducing greenhouse gases. However the National Greenhouse office has provided funding to states for travel demand management programs. - ITS. The Australian Government has taken a lead into the area driving the development of the national ITS strategy. This is a good example where the Australian government, through the ATC, commissioned its technical advisor <i>Austrroads</i> to develop a strategy in conjunction with <i>ITS Australia</i>. The consultation process for the strategy was extensive and included all state agencies, business and industry. <p>At a State/Territory level the relationship is strengthened as most governments have “whole-of-government” outcomes and require the various departments to work towards these outcomes. Budget allocation within State/Territory departments is linked to how a project or programs meets/benefits the government outcomes.</p>
<p>i. How does the framework/strategy take into account regional and local needs and objectives, and what is the relationship of the national framework to other levels of government in Australia?</p>	<p>An essential component of the draft Australian government National Land Transport Plan will be the identification of a strategic network or interstate and interregional transport corridors that are significant contributors to national and regional economic and social well being. This follows on from the establishment of the NHS and the mainline interstate rail network.</p> <p>The Australian government views the framework/strategy as the opportunity to reform the relationship between all three levels of government and private sector by addressing the following:</p> <ul style="list-style-type: none"> • Achieving better transport and land use planning by streamlining infrastructure investment, placing more emphasis on non-urban and freight rail and clarifying roles and responsibilities. • Increasing the funding source by gaining increased private sector involvement. The State and Territory Governments are concerned this will translate to reduce federal funding. • Identifying a strategic road and rail network and improving access to intermodal hubs. This has been a problem, exemplified by the access road to the Port of Brisbane, Australia’s fastest growing port. At one stage it was entirely the responsibility of the Brisbane City Council. The Australian and State Governments acknowledged the inconsistency. The road is now a state road, with funding support provided by the federal government. • Developing a consistency in approach to infrastructure pricing. • Gaining consistency in the expansion and use of new technologies. The National ITS Strategy (e- transport) is an example. <p>The responses to the draft document (<i>Auslink</i>) have been critical of the framework for failing to address urban transportation issues even though it</p>



	<p>acknowledges that costs associated with the delay impacts of urban congestion are estimated to cost approximately \$30 billion by 2015.</p>
<p>j. What were the drivers for its establishment (what was the context it was developed in)?</p>	<p>The Australian Government’s call for the preparation of <i>AusLink</i>, the National Land Transport Plan was driven by the weakness of the current framework, namely:</p> <ul style="list-style-type: none"> - a short term focus; - the planning and funding of rail investment and their linkages not properly coordinated; - a lack of encouragement for cooperation between all levels of government and private sector; - the poor integration of land use and transport planning; - an insufficient focus on use of new technology -based solutions; and, - ad hoc rail and port access investment. <p>The government decision to draft a new national transport plan was the result of continued lobbying by numerous institutions, business and industry groups concerned over the poor quality of land transport infrastructure and the loss of economic productivity resulting from inherent inefficiencies in road and rail infrastructure usage, particularly with regard to intermodal movements. The forecast growth is freight transport, notably road transport (which has a significant and adverse impact on the life cycle of road infrastructure, though only comprising approximately less than 5% of the total national vehicle fleet), and the reducing economic efficiency of rail were also drivers for initiating the reform.</p> <p>Another driver of the reform package is the move away from the traditional approach of “predict and provide” to the approach identified by the OED, that of “anticipating and managing”. Accordingly non-infrastructure based technology and management solutions will be encouraged.</p>
<p>k. Could you describe the process that was used? Who were the participants in its development, in government and through public consultation? What was the timeframe for the development process?</p>	<p>In May 2002 the Deputy Prime Minister and Federal Minister for Transport and Regional Services announced that the government would prepare a new approach to the planning, developing and managing of Australia’ land transport infrastructure.</p> <p>The intent of the Australian Government was to have the new plan formally announced in 2003 with Federal Parliament approving a White Paper prior to introducing changes to federal legislation that would have come into effect in July 2003. The first set of project funding decisions are to be in place by June 2004.</p> <p>Following the announcement by the Deputy Prime Minister, the Department of Transport and Regional Services (DOTARS) prepared a “Green Paper” (<i>AusLink: Towards the National Land Transport Plan</i>) based on previous research and previous information from business and industry. Released November 2002 as a discussion document the Green Paper encouraged interested parties to respond to the proposed package of reforms and to specific questions raised within the paper. This was the consultation phase of the plan development. The consultation period was undertaken from November 2002 to February 2003, over the traditional summer/Christmas-New Year holiday period.</p> <p>The plan is based on establishing 5 year rolling plans covering the development and maintenance of the national land transport network. The ATC approved its</p>



	<p>support of the formation of a National Transport Advisory Council to provide advice on future (i.e. 20 year) investment priorities, intermodal reform and infrastructure pricing. A commitment to 100% fund the NHS is proposed.</p> <p>Responses to the Green Paper were extensive, particularly from the state road and transport agencies.</p> <p>The government has not as yet prepared the transport plan (i.e. the White Paper) but is moving to introduce a change to the federal 100% funding of NHS from July 2004.</p>
<p>l. What have been the successes of the framework/strategy?</p>	<p>The framework is in draft form so (obviously) no details of its success can be provided. The successes that the Australian government are seeking are apparent within some of the key principles of the framework:</p> <ul style="list-style-type: none"> • National focus that clearly defines the Australian Government’s role; which in terms of urban transport will cover strategic road and rail links and inter modal facilities • Longer term focus • Network focus that balances rail and road transport and provides a more balanced approach to funding allocation and program development • Continuous improvement through the provision of better information about the operation of the network and projections about its use • Sustainability. A transport system that has viable longer-term economic, environmental, social and safety aims • Consistency. Better consistency in planning and decision making processes • Transparency, rigour and accountability by providing a more open planning process
<p>m. What are the failures of the framework/strategy?</p>	<p>The proposed national framework is in draft form so (obviously) no details of its failures can be provided. However the following is a summary of various State and Territory Governments concerns that, unless addressed adequately may become failures (or perhaps more accurately limitations) of the framework:</p> <ul style="list-style-type: none"> • All States and Territories, while welcoming the development of a national land transport plans, view the lack of federal government interest in urban transport - particularly public transport - as a major failure of the proposed plan. • Without being involved with urban transportation many of the Australian Government taxation policies will continue to be incompatible with the strategic objectives of state/territory based urban transport plans. • A current failure of the existing framework relates to funding. There are cases where the Australian Government announces funding towards a project but only provides partial funding for a project, requiring the States to find the balance of funding. This causes problems in timing for delivery. Further, in some instances federal funding allocation periods do not align with those of the States/Territories. The proposed framework does not appear to have a mechanism to address this issue. • The States and Territories are concerned that the proposed framework, which proposes pooling of funding across road and rail infrastructure, will reduce the Australian government’s commitment to continual 100% funding of the NHS and thus place further financial pressure on the States. The Australian Government response is that the increased allocation of funding from the Goods and Service Tax (introduced in 2000) will offset



	<p>direct Australian government funding of the NHS.</p>
<p>n. Were/are there any inter-jurisdictional issues/tensions? If so, what were/are the issues, why did/do they exist, and how were/are they managed?</p>	<p>The primary issue of tension relates to funding.</p> <p>The Australian Government collects income tax, goods and services tax and petroleum excise tax. All these taxes are directed to consolidated revenue for allocation to programs at the discretion of the government. While the States and Territory Governments have a range of state based taxes, allocation of this funding to transport infrastructure is the basis for most inter-jurisdictional tension.</p> <p>The ATC structure does provide an effective process to remove issues/tensions relating to most urban transport issues (except funding) and ensures consistency in approach is encouraged.</p>
<p>3. Governance Models</p> <p>a. Which levels of government have a role or responsibility for local transit and roads?</p>	<p>The State, Territory and Local governments have responsibility for local transit and roads (excluding the National Highway System).</p> <p>In terms of planning, designing, constructing and operating roads:</p> <ul style="list-style-type: none"> • State and Territory Governments are responsible for the planning, building and maintaining of the state/territory road network in addition to undertaking upgrading and maintenance works for the federal government on the National Highway network • Local Governments are responsible for all roads other than the NHS and those declared as state roads. <p>The last two decades have seen the increased involvement of the private sector in funding provision of state road infrastructure under BOOT (Build, Own, Operate, Transfer) systems. Tolls, either electronic or manual, operate on these roads and are the primary source of revenue. Local Governments are agents of the State and Territory Governments. As such Local Governments do not have the legislative powers to introduce new taxes and changes. Under local government legislation they are permitted to pose a land based rate for the provision of a service. Subsequently no Local Government in Australia is legally permitted to introduce a toll (effectively a road based tax) onto its network. Many Local Governments have approached the State/Territory Governments to be given the powers to introduce a toll. To date no approvals have been granted.</p> <p>In terms of transit operations (i.e. public transport):</p> <ul style="list-style-type: none"> • State agencies are responsible for state busway systems, heavy rail systems, light rail and tram systems (light rail and trams only exist in New South Wales and Victoria). The commercial operating model varies across the states and territories as outlined in response to Question 1b. • Except for Brisbane Council no Local Government operates its own bus and ferry system. <p>In terms of service design and coordination of service integration across different public transport modes, various models have been adopted across the states and territories</p> <p>In terms of design standards for infrastructure and fleet (including bus and rail) the state/territory transport agencies are custodians of the standards. The ATC (and its associated technical committees) and the council responsible for Australian Standards provide the mechanism for development of standards.</p>



<p>b. Which levels of government have a role or responsibility for active transportation?</p>	<p>Active transportation refers to the provision for the more vulnerable road users, cyclists and pedestrians. The following is a summary of the involvement at the three levels of government with respect to active transportation.</p> <p><u>National Level</u></p> <p>At a national level the role is to provide coordination of policy and practice (e.g. guidelines) and to undertake research when requested. The coordination is managed through the mechanism headed by the ATC. Technical reference groups such as <i>Austrroads</i> (pedestrian, cycling and traffic signals guidelines) and the National Bicycle Committee undertake the work. Again the programs and activities are funded and initiated by the states and territories.</p> <p><u>State/Territory Level</u></p> <p>At the state/territory level the involvement varies from providing regional wide strategies and state wide legislation/regulation, policies and practice notes/guidelines (that add local confirmation to national guidelines) to providing, either by constructing or by contributing funding to local governments, improvement to pedestrian and cycling infrastructure. An example of state involvement in regulations is the Queensland government’s legislation that all cyclists must wear safety helmets. This is not a national wide policy, yet.</p> <p>State/Territory agencies undertake state based education/awareness programs and road safety research into pedestrian and cycling behaviour.</p> <p><u>Local Government Level</u></p> <p>As mentioned above, local governments manage a high proportion of local streets. As such, local governments plan, construct and maintain pedestrian and cycling facilities. State governments fund major cycling/pedestrian facilities that usually are within the road reserve corridor under the jurisdictional responsibility of the State. These facilities tend to link the local facilities provided by local councils.</p> <p>Most States and Territories prepare regional wide cycling strategies/plans in association with local councils. This enables coordination in planning and joint funding.</p>
<p>c. Which levels of government have a role or responsibility for transportation demand management (TDM) strategies?</p>	<p>The following is a summary of the involvement at the three levels of government with respect to Travel Demand Management (TDM):</p> <p><u>Federal Level</u></p> <p>At the federal level involvement in TDM essentially relates to encouraging discussion, promoting research and associated programs. While the proposed National Land Transport Plan supports adoption of TDM measures, the policy focus is on road pricing (i.e. funding) policy.</p> <p>Late last year the Australian Government, through the Department of Environment, distributed funding to States to undertake travel behaviour/travel blending programs given the outcomes aligned with the national department’s objectives. This program signifies the increased interest of the Department of Environment in supporting sustainable transportation.</p> <p><u>State/Territory Level</u></p> <p>All State, Territory and Local governments implement TDM measures on the transport network under their jurisdictional responsibility. Each agency is</p>



	<p>responsible for funding and implementing their programs. Where possible the State and Local governments work cooperatively.</p> <p>The extent of funding commitment varies across the states and territories. Recently state and territory road and transport agencies have placed an increased focus on the non-infrastructure types of TDM such as travel blending programs, innovative land use planning and road pricing policy.</p> <p><u>Local Level</u></p> <p>The scope of influence of Local Government is limited by its powers. Local Government does not have powers to impose road or fuel based taxes. Hence at the local level the focus on TDM measures tends to relate to provision of infrastructure for pedestrians and cyclists, provision of HOV lanes on arterial routes and implementing travel behaviour programs.</p>
<p>d. Which levels of government have a role or responsibility for intelligent transportation systems (ITS)?</p>	<p><u>Federal Level</u></p> <p>At a federal level <i>Austrroads</i> in collaboration with <i>ITS Australia</i> acts as a policy and strategic advisor to the Australian Government. In November 1999 the Australian Government released e-transport, The National Strategy for Intelligent Transport Systems. This strategy was prepared at the instruction of the ATC and provides a national framework. The Australian Government is supporting, with limited funding support, establishment of national ITS standards and associated software protocols and ITS demonstration projects (e.g. national traffic telephone number).</p> <p>The federal government has responsibility for specifying the ITS requirements associated with in-car facilities. While the software issues are invariably developed by the private sector, the Australian Government is responsible for approving policy and adoption of in-vehicle applications.</p> <p><u>State/Territory Level</u></p> <p>In all States and Territories the respective Road and Transport Agency has sole ownership and operational responsibility for ITS related systems and infrastructure. The Brisbane City Council (BCC) is the only Local Government with responsibility for its own traffic signal system and associated bus priority system.</p> <p>State and Territory Governments develop their own ITS strategies (based on the <i>e-transport</i> strategy) and fund the planning, implementation and maintenance of the systems. States and Territories are also custodians of ITS standards and specifications. Through the ATC they endeavour to gain consistency. Private sector ownership and management of ITS systems and infrastructure predominately occurs with privately operated roads. In these cases (e.g. Melbourne's City Link) the private sector infrastructure owner contracts a separate commercial operator to construct a traffic control centre and manage the ITS systems and infrastructure. These commercial operators have formed reference groups to cooperatively address issues (e.g. e-tolling, tunnel management) that the public sector is not involved with due to the fact that the infrastructure is privately owned. The public sector does get involved when the operation of the system's interface with the efficiency of the balance of the transport network or requires interfacing with other state/territory agencies such as emergency services.</p> <p><u>Local Level</u></p> <p>Except for BCC, councils do not have a role in ITS and rely on the relevant state/territory agency to manage, under contract, ITS systems and infrastructure (e.g.</p>



	traffic signals, VMS and CMS) on their behalf.
e. Which levels of government have a role or responsibility for education and awareness campaigns?	States/Territories conduct all education and awareness campaigns relating to road safety, road use management, etc. The national government facilitates road safety campaigns. Through the ATC arrangement the States gain agreement on education and awareness campaigns that require national consistency.
f. Which levels of government have a role or responsibility for the safety and security of urban transportation?	<p>The issue of safety and security should be considered separately.</p> <p><u>Transport Safety</u></p> <p>In terms of road user safety and rail transport safety all levels of government play a road:</p> <ul style="list-style-type: none"> ▪ At Federal Level and State/Territory level the role is to coordinate and maintain data research programs of interest to all states and territories as requested by ATC, develop design standards, develop road safety programs and fund programs and projects in response to road safety problems. Through the ATC the federal and state governments coordinate efforts. States/Territories may undertake most of the work, but the ATC ensures consistency, sharing of information and involvement of the Australian Government when the issues are of national importance. There are not specific criteria to determine the extent of the Australian Government involvement though in terms of projects they only provide funding. A recent example of a safety issue now being researched by the Australian Government at the request of the ATC is the introduction of seat belts into all buses. ▪ State/Territory and Local Governments undertake road safety audits and funding improvement road works. ▪ The Australian Transport Safety Bureau (ATSB) has legislative powers to conduct rail safety investigations on the Defined Rail Network. The ASTB has also worked with state rail accreditation authorities to develop a national rail occurrence database to benchmark and improve safety. <p>In terms of aviation, the Australian Government has sole responsibility for safety through the ATSB, Australia's prime agency for the independent investigation of civil aviation accidents, incidents and safety deficiencies. It does so in accordance with Annex 13 to the <i>Convention on International Civil Aviation (Chicago Convention 1944)</i>. Annex 13 has legal force through the <i>Transport Safety Investigation Act 2003</i>, which applies to all investigations commenced from 1 July 2003. Annex 13 was also incorporated into the now repealed Part 2A of the <i>Air Navigation Act 1920</i> which applies to all investigations commenced on and before 30 June 2003. The <i>TSI Act</i> contains a scheme for the mandatory reporting of occurrences that are classified as Immediately Reportable Matters (accidents & serious incidents) and Routine Reportable Matters (incidents). It is from these initial reports that the ATSB makes a decision on whether or not to investigate. The decision is based on factors such as safety value to be obtained from the investigation and where resources may be best targeted.</p> <p><u>Security</u></p> <p>Recent world events have significantly increased the focus of transport security. Roles and responsibilities at federal and state/territory level relate to the extent</p>



	<p>of transport for which each level of government has responsibility.</p> <ul style="list-style-type: none"> ▪ The Australian Government has lead responsibility for international and interstate aviation and maritime transport modes. The federal government has to work with the private sector owners of the airports and the state based corporations that operate the ports. Funding of security measures is a mix of government and private sector funding. For example: <ul style="list-style-type: none"> ○ The federal government introduced a ticket levy on all air transport to raise funding for provision of additional security measures which has included the use of sky marshals. ○ The federal government has provided improved customs inspection capability at all ports and airports at no cost to the private sector. ○ Changes to the security with air or rail vehicles can be specified by the federal government but funded by the private operator. ▪ The State/Territory Governments are responsible for the security of urban public transport systems, working in conjunction with private sector commercial operators. They are developing prevention and response plans in collaboration with other state enforcement agencies, response agencies (e.g. CHEM unit) and federal agencies. ▪ The Local Government role in security associated with transport is primarily in relation to the development of incident response plans in collaboration with other state based agencies. <p>The roles and responsibilities of the various levels of government within the transport sector are defined in the framework of the National Counter-Terrorism Plan.</p>
<p>g. Which levels of government have a role or responsibility for environmental policies?</p>	<p>The Australian Government and the State and Territory Governments have departments responsible for addressing environmental issues. At a federal level the issues addressed pertain to international policy and management of areas of world heritage (e.g. Tasmanian wilderness) or a recognised wonder of the world (e.g. Great Barrier Reef). In terms of transport the Department of Environment at a federal level focuses on how travel demand management policies and programs can aid in achieving the government's environmental greenhouse objectives.</p> <p>At a state level the issues addressed in the transport sector tend to mirror those being considered at the federal level. However, there is a significant proportion of state level resources involved with wildlife and park management and recycling of waste resources (i.e. industrial/commercial waste) and recyclates (i.e. household waste).</p> <p>Local Government involvement is dependant on the size of the council. Most councils have responsibility for managing the retention of green spaces and for encouraging sustainable transport modes.</p>
<p>h. Which levels of government have a role or responsibility for urban freight/goods movement?</p>	<p>At a federal level the involvement with freight/goods movement relates to vehicle design and policies for vehicle access on the NHS where the federal policy may differ from the state/territory policy.</p> <p>State and Territory Governments have the lead role in working through the policies and regulations in relation to the permitted access arrangements for freight vehicles. This is undertaken in consultation with local governments given a high proportion of roads in urban areas are under their jurisdictional responsibility. In 1995 the Local Government Association of Australian, in</p>



	<p>discussions with the national government, prepared guidelines for SCOT and ATC on the management of freight vehicles' access onto local roads.</p> <p>Issues that the states and territories have to address include:</p> <ul style="list-style-type: none"> ▪ Developing vehicle access control guidelines. This pertains to management of B-Double, B-Triple, Road Train and over mass and overweight vehicle access to urban areas. All these types of vehicle must operate under permit conditions. ▪ Management and enforcement of heavy vehicle access to ensure compliance with permit conditions. ▪ Consultation with councils to determine access permit conditions. ▪ Issuing of driver's licences. ▪ Development and implementation of driver safety program (e.g. fatigue management). ▪ Community awareness and education programs.
<p>i. Which levels of government have a role or responsibility for inter-modal activities?</p>	<p>The Australian Government has responsibility for intermodal facilities located within corridors of national, interregional and regional significance only.</p> <p>State and Territory Governments and the private sector have responsibility for all other intermodal activities.</p>
<p>j. Which levels of government have a role or responsibility for research and development/ innovation for urban transportation?</p>	<p>Roles and responsibilities relating to research have been outlined in response to Question 1A and B.</p> <p>In terms of research and development for innovative urban transportation, this is undertaken by both the Australian Government and State/Territory Governments. The ATC forum provides a collaboration of resources. Local Government involvement, like industry, tends to be is on the basis of a stakeholder</p> <p>Examples include:</p> <ul style="list-style-type: none"> • Intelligent Access Project which is being funded by the ATC, managed by SCOT and is assessing benefits of GPS tracking of heavy vehicles to assist with access management and enforcement of over mass vehicle operating with permit conditions on access. • Electronic Toll Collection Research, which is another ATC funded project considering how to streamline tolling technologies to enable vehicles to move between states without having multiple tolling card/tags. • National traffic telephone number. <p>In terms of vehicle standards the Australian Design Rules (ADR) set out the design standards for vehicle safety and emissions. They are drafted in consultation with government, industry and consumer representatives. The supporting legislation is the Motor Vehicles Standards Act.</p>
<p>k. Which levels of government have a role or responsibility for other aspects of urban transportation?</p>	<p>This has been addressed in response to Questions 1 and 2.</p>
<p>l. Are any of these</p>	<p>The roles and responsibilities of the three levels of government are directly</p>



<p>roles and responsibilities related to specific government objectives i.e. congestion relief, economic growth?</p>	<p>related to the government objectives because the objectives are based on strategic goals and an associated vision. Hence the scope of responsibility of each level of government is shaped to ensure that level of government will deliver the goals it has set itself. For example, at a federal level there has been a clear policy decision to avoid involvement with urban transportation and to move towards a model that encourages commercialisation of the operational management of urban transport systems.</p>
<p>m. What are the reasons for the development and use of this model?</p>	<p>The governance models adopted for transport and the associated roles and responsibilities have been shaped by many factors. Predominately governance models between state and local governments have been shaped in response to urban transportation related issues:</p> <ul style="list-style-type: none"> ▪ The responsibilities across the three levels of governments is directly shaped by the Constitution. ▪ Establishment of wholly owned government corporations or private sector corporations direct the commercialisation agenda in rail and aviation sectors, driven by the National Competition Policy agenda.
<p>n. How has the model evolved/ changed since implementation?</p>	<p>The current draft proposal for the establishment of a national land transport plan (<i>Auslink</i>) is the first significant change in the role and responsibilities across the various levels of government since 1991.</p>
<p>o. How is the governance structure accountable and transparent?</p>	<p>The ATC provides a mechanism for all the states and territories to work with the federal government in addressing transport related issues.</p>
<p>p. What representation/ responsibilities do national officials have? How are operational issues such as conflict of interest and board composition addressed?</p>	<p>N/A.</p>
<p>4. Policy and Governance Reviews: Evaluation Exercises</p> <p>Have there been any recent reviews of the policy framework and governance models in response to transportation issues?</p>	<p>This has been discussed in response to earlier questions.</p>



<p>5. Financing Urban Transportation</p> <p>a. What sources of funding exist to support urban transportation in Australia?</p>	<p>The Australian State/Territory governments levy taxes and charges on motor vehicle users. These include federal excise on petroleum product and state/territory based vehicle registration fees and stamp duty, licence fees and other fuel taxes and tolls. The application of state fuel taxes and tolls varies between state/territory depending the respective administration’s policy. The Australian government views petroleum excise tax (which in 1997/8 represented 62% of federal/state road related revenue) as another tax and consequently there is no link with excise revenue and expenditure.</p> <p>Public sector funding of roads has risen from approximately \$5 billion in 1994/5 to approximately \$7 billion in 1997/8.</p> <p>The Australian government’s other primary sources of revenue are income tax and the recently established (2000) Good and Service Tax.</p> <p>To fund urban transportation the State governments source funding from:</p> <ul style="list-style-type: none"> • Commonwealth programs and specific grants; • It own budget draw from Commonwealth funding and state based taxes such as payroll tax, and stamp duty; and, • Private sector through the operation of toll systems on specific links.
<p>b. How are the funds distributed?</p>	<p>The allocation of Commonwealth road funding is not made on a fixed state share basis, or on population or on the contributions made by motorists in each state to fuel excise collections. There is no direct association between fuel excise collections and roads expenditure. Funds are allocated from Consolidated Revenue in a manner that best meets the needs of the road assets for which the Federal Government is financially responsible.</p> <p>The available funding is dispersed according to priorities established by consultative committees in each state and territory.</p> <p>The procedures governing requirements and obligations of State Road Authorities in seeking funds for approved Australian Government road projects and programs have been determined by the Minister under s.3 7 of the <i>Australian Land Transport Development Act 1988</i> (ALTD Act). The Notes on Administration set out the procedures that the Department and State Road Authorities shall follow when developing new works projects. They also define procedures that jurisdictions are required to meet when dealing with the Commonwealth in seeking approval for grants and payments for works in progress and authorised under the Act.</p> <p>Having regard to the Australian Government’s objectives for its roads program, eligibility and administrative procedures, every state and territory must submit to the Federal government before 31 December each year a proposed forward strategy. That report provides information that enables the government to develop a program of works for the next five years and the Australian Government’s funding obligation for the next financial year. This cycle is repeated annually.</p> <p>In determining the Australian Government’s approved program of works, the Department considers the nature, timing and cost of works and their projected benefits. The next step is to determine the possible position of priority projects in the forward Commonwealth roads program. This is determined following examination of the cash flow requirements arising from commitments to ongoing road construction projects and projects announced previously, but not yet started</p>



	<p>and their priority relative to projects in other road corridors.</p> <p>The features of the ALTD Act relating to its administration are:</p> <ul style="list-style-type: none"> ▪ project approval by the Federal Minister ▪ a number of conditions, the key one being to let projects to tender. <p>Administrative procedures established within the DOTARS have evolved to:</p> <ul style="list-style-type: none"> ▪ processing project and tender approvals in accordance with the approved forward program; ▪ ensuring they meet Commonwealth requirements to obtain ministerial approval; and ▪ paying the states and territories. <p>The procedures also provides for the Department to be informed about project detail, costs and progress made in order to advise the Minister.</p> <p><u>Staged Approval Process</u></p> <p>Approval of new construction projects follows a three-stage process.</p> <p>Stage 1 - A forward strategy report that places the candidate project in the context of the national objectives for the highway, such as improved flood immunity, better safety or greater access by vehicles of higher mass. Projects are endorsed, but not approved by the Minister.</p> <p>Stage 2 - This stage establishes the cost estimates (including the basis for estimates), the economic and social justification and the physical design of the project. Stage 2 approval, involving land acquisition and design work, is provided only for those projects to proceed to construction. Stage 2 approval does not commit the Federal Government to any timing or require the Commonwealth to meet the full cost of the project, nor does it constitute approval for a state or territory to call tenders.</p> <p>Stage 3 - Only when the Federal Minister gives stage 3a approval is the Commonwealth committed to the total estimated cost. States can proceed to call tenders. A once only variation to the approved amount may be sought upon the awarding of the first contract. Except for extraordinary circumstances, the revised approved amount (stage 3b) is the limit of the Federal Government financial assistance.</p> <p>This process recognises the long lead times involved in pre-construction activity for large road construction projects and also acts as a mechanism to develop accurate cost estimates. Typically, a road project could take two years or longer from initial concept stage to start of construction. Large projects might take four years to build.</p>
<p>c. Who decides what projects receive</p>	<p>The Australian Government decides the program of works taking into consideration cost benefit analysis and the benefits of the project in response to</p>



<p>funding?</p>	<p>the Australian Government’s transport objectives. All submitted projects must comply with the same BCR assessment framework.</p> <p>The current Australian government green paper, <i>AusLink</i>, recommends removing the Australian government’s commitment for providing annual 100% funding to the NHS and allowing any funding support to the States and Territories to be at the discretion of the Australian government. The aim is to have a more robust process for determining the allocation of project funding.</p>
<p>d. How are projects prioritized?</p>	<p>Annual funding allocations are based on established national priorities conforming to economic priorities, including annual budgetary constraints.</p> <p>In determining priorities for funding, the Australian government considers:</p> <ul style="list-style-type: none"> ▪ whether the project complies with the Federal strategy for each National Highway corridor; ▪ safety factors, including the crash history; ▪ the effect of not building the project; ▪ regional impacts; and ▪ the availability for funds in the current year and future years. <p>As a guide, projects are ranked according to their benefit-to-cost ratio. This is established by calculating the estimated value of community and transport benefits over the life of the project and dividing by the estimated construction cost. The greater the benefit-to-cost ratio, the higher justification exists to fund it. The weighted average benefit-to-cost ratio of National Highway projects exceeds 2.6.</p> <p>Decisions determining Federal road projects and the sequencing of those projects for funding purposes are made in consultation with state and territory transport agencies. State road authorities are encourage to develop projects that provide best value. Preferably, this means aggregation of projects to reduce administration costs and ensuring that, wherever possible, funds are available at an optimal rate for construction to proceed.</p> <p>For the purpose of consultation, a forward five-year working program is produced.</p> <p>In the case of the National Highway, the program includes maintenance and new construction projects. Roads of National Importance (RONIs) projects are not eligible for ongoing maintenance spending.</p> <p>Funding is guaranteed for the program in the first year only. Indicative support is given for projects in out years. This assists in design and pre-construction activities. However, Commonwealth funding in out years is subject to Budget considerations and cannot be guaranteed.</p> <p>Each financial year the Federal Minister for Transport and Regional Services approves a 12-month programme of works for the National Highway and Roads of National Importance categories and guarantees funding for those projects. Normally, this coincides with the federal Budget.</p>
<p>e. To what extent is cost recovery possible e.g. public</p>	<p>At a federal level the Australian government endorse the “user pay” policy for the provision of infrastructure. At a state and territory level the public support of road pricing (either tolling or congestion charging) is mixed. While New South</p>



<p>support, pricing principles?</p>	<p>Wales and Victoria have constructed significant sections of urban road infrastructure as toll facilities, Queensland has a policy of no tolling or road pricing.</p> <p>The proposed National Land Transport Plan has identified infrastructure as a major policy issue that needs further analysis and debate.</p>
<p>f. What efficiency measures are used, if any?</p>	<p>Austrroads collects a range of network performance indicators to monitor the performance of the nation’s road systems.</p>
<p>g. Are funds provided for operating expenses? If yes, to whom are they given, why are they given, and how much is spent?</p>	<p>The Australian Government funding relates only to capital costs. The privatisation program of the rail, airports and ports has removed the need to fund operating expenses.</p>
<p>h. What types of projects are funded/managed e.g. infrastructure (expansion projects and/or state-of-good repair needs), transit rolling stock, TDM initiatives, ITS, public education, awareness campaigns, etc.?</p>	<p>In terms of urban transportation, the types of projects funded by the Australian Government have been discussed in response to earlier questions. In summary:</p> <ul style="list-style-type: none"> ▪ Funding is provided for the NHS and specific road projects of national importance or of a significant safety issue. The allocation of the funding within the project (e.g. ITS, public consultation) is at the discretion of the State/Territory Government. ▪ Rail rolling stock and expansion programs are the responsibility of the commercial operators working within a “user pays” financial policy framework. The State and Territory Governments funding involvement varies across the different commercial models that currently exist. Where the rail corporations are wholly owned by the State (e.g. Queensland) the Rail Corporation has to fund rolling stock within its business plans which may include gaining highly competitive loans from the State Government investment corporation. ▪ Similarly with bus and ferry fleet expansion programs including infrastructure programs, funding is the responsibility of the commercial owner and operator. The BCC as owner funds its own fleet and infrastructure program.
<p>i. If transit rolling stock is funded, what types of vehicles are eligible and why? What parameters/criteria exist for funding rolling stock?</p>	<p>Rolling stock is not funded by the Australian Government directly.</p>
<p>j. Are there any other conditions/ policy leverage criteria attached to spending programs?</p>	<p>In terms of federal funding:</p> <ul style="list-style-type: none"> ▪ Funding is provided as a form of reimbursement. States/territories must complete work and seek payment. No payment is provided in advance ▪ Time allocation is determined by the Australian Government. Extensions are rarely given. If funding is not spent within the financial year, carry-over of funding not permitted. This does cause problems in periods of long unforeseen delays



	<ul style="list-style-type: none"> ▪ Federal funding is fixed. All project cost overruns are met by the State and Territory Governments ▪ Signs and promotion of Australian Government commitment to part funding is required as part of all projects with federal funding support. This cost is borne within the project ▪ Funding under specific programs (e.g. Federal Black Spot Programs)
<p>6. Urban Transportation as a Priority</p> <p>a. From the perspective of the national government could you describe where urban transportation issues would rank in terms of a priority?</p>	<p>Under Australia’s constitution, the State and Territories are responsible for efficient, safe and environmentally responsible transport infrastructure and services in urban areas with local governments and the private sector. Within this context urban transportation does not rank highly with the Australian government, except for issues of road use safety and vehicle performance in terms of impact on greenhouse emissions.</p> <p>Ironically at state and local government level urban transportation is a high priority issue and often major projects become caught up in a political debate over funding.</p>
<p>b. Was solving urban transportation issues a priority for the current government - was it part of the election platform? Was it referenced in an agenda-setting national address or other mechanism for setting government priorities?</p>	<p>Federal elections are held every three years. Australia is due for another Federal election prior to the end of 2004. The politically sensitive issues at a national level relate primarily to road safety. Hence funding for the Federal Black Spot program is often debated during elections. At the last election urban transportation was not a priority issue. However the issue of urban transportation will most likely become an imminent federal election issue as the opposition party will endeavour to present an alternative view from the current government.</p> <p>At a state level urban transportation is a major issue, particularly with the increasing pressure on State and Territory Governments’ ability to fund the costs for the operation and expansion of urban transportation services.</p>



Research Report: France

RESEARCH QUESTION	RESPONSE
<p>1. Government Structure</p> <p>a. What are the levels of government in France, and what is the division of powers and relationships between these levels?</p>	<p>The French Republic has a directly elected President as Head of State.</p> <p>There are two 'Houses' of parliament: <i>Le Senat</i> and <i>L'Assemblée Nationale</i>. <i>Le Senat</i> has 321 members indirectly elected by local councils. <i>L'Assemblée</i> has 577 directly elected members. The two houses share legislative power but in matters of dispute, <i>L'Assemblée</i> can instruct <i>Le Senat</i> to give a ruling. <i>L'Assemblée</i> can be dissolved by the President, <i>Le Senat</i> cannot.</p> <p>Executive powers lie with the President and his chosen Council of Ministers (<i>Le Gouvernement</i>). The President appoints the Prime Minister and in consultation they appoint and dismiss other ministers.</p> <p>There are three further tiers of government that can be described as 'Local'. These are the Regions (22), the Departments (96), and communes (36000).</p>
<p>b. Who has jurisdiction regarding urban transportation in France?</p>	<p>The Ministry with responsibility for transport is the Ministry for Infrastructure, Transport and Housing.</p> <p>The principal Directorates and Technical service Agencies with involvement in urban transportation are:</p> <ul style="list-style-type: none"> • Directorate for Traffic and Safety • Directorate for Ground Transport • Research Centre on Public Network, Transportation, Town Planning and Building (CERTU) • Interministerial Land Transport Research and Innovation Programme (PREDIT) <p>Jurisdiction</p> <p>At a national level laws and regulations ensure (<i>inter alia</i>) the competence and organisation of public services; the technical standards for vehicles and infrastructure; road safety; environmental objectives; development; and, social inclusion.</p> <p>More and more regulations are being negotiated at the level of the European Union.</p> <p>The régions organize the road and railway transport services of regional interest.</p> <p>The départements organise the road transport outside of the cities, particularly school transport.</p> <p>Locally, (at the lowest level) individual or groups of communes are responsible for the creation and maintenance of the local urban road network. Traffic and parking regulations are the responsibility of the mayor of each commune.</p> <p>Responsibility for public transport networks lies with Urban Transport Authorities (AOTU) formed by groups of communes.</p> <p>The AOTUs are also obliged to prepare Urban Movement Plans (<i>Plans de</i></p>



	<p><i>Déplacements Urbains- PDU</i>) for all towns of more than 100,000 inhabitants. The <i>PDU</i> is a planning document that addresses all modes of transport including pedestrians. It also deals with parking; deliveries; and aims to reduce traffic, pollution, congestion, accidents and noise nuisance</p>
<p>c. What are France's national objectives for urban transportation?</p>	<p>The National objectives promote sustainable development and sustainable transport. These are encapsulated in laws dealing with: Development; Air Quality; Social inclusion and urban renewal. The over-arching law is understood to be '<i>LOTI</i>' (<i>Loi d'Orientation des Transports Intérieurs</i>), which is the law directing inland transport.</p> <p>The national objectives are translated into action through the <i>PDU</i>s as described above.</p> <p>Guides are published on the <i>PDU</i> topics by <i>CERTU</i> (see answer 1b)</p> <p>Rules and recommendations about access and movement for those handicapped or mobility impaired are also published.</p>
<p>2. National Urban Transportation Policy Framework/ Strategy</p> <p>a. What is the legislative standing of France's framework/strategy for urban transportation, and what is the framework's current status?</p>	<p>Laws as described in 1c - ... laws dealing with: Development; Air Quality; Social inclusion and urban renewal. The over-arching law is understood to be '<i>LOTI</i>' (<i>Loi d'Orientation des Transports Intérieurs 1982</i>), which is the law directing inland transport, modified and completed by the Law on Air and Rational Use of Energy (1996) and Law on Urban Solidarity and Renewal (2000)</p> <p>The framework includes <i>PDU</i> objectives. Status is compulsory in all towns of more than 100,000 persons.</p> <p>Review is by Public Inquiry initially, with reviews undertaken every five years.</p>
<p>b. What are the overall objectives for the framework/ strategy?</p>	<ul style="list-style-type: none"> • Improvements to safety for all forms of movement, in proportion to a balanced modal split on the network • Reduction in private car traffic • Develop Public transport and other forms of sustainable transport (ped. and cycle) • Develop the principal road network • Control of parking • Transport and delivery of goods • Encouragement of staff travel plans • Integrated tariffs and ticketing for peripheral park-and-ride
<p>c. What are the key components of the framework/ strategy in terms of legislation / regulation?</p>	<p>Obligations of <i>PDU</i> (see 1b) and</p> <ul style="list-style-type: none"> • Domestic Transport Orientation Law (<i>LOTI</i>) • Law on Air and Rational Use of Energy • Law on Urban Solidarity and Renewal (<i>SRU</i>)



<p>d. What are the key components of the framework/strategy in terms of spending programs?</p>	<p>Measures brought forward in the local transport plan (PDU) must be financed. Some grants are made by national government. These are defined in the circular of July 10th 2001 - not seen.</p> <p>Christian Philip was responsible for presenting an information paper, in February 2004, from France to the EU, about taxing heavy goods transport, to fund infrastructure projects.</p>
<p>e. What are the key components of the framework/strategy in terms of fiscal policies?</p>	<p>State grants and subsidies are allocated (up to 2003).</p>
<p>f. What are the key components of the framework/strategy in terms of knowledge dissemination?</p>	<p>There is a network of elected representatives within GART (Groupement des Autorités Responsables de Transport).</p> <p>There is a network and interaction of national representatives, AOTUs, towns, professional organisations, that produces technical guidelines, method statements, organises training, seminars and conferences.</p> <p>CERTU - the Centre for the study of Urban Planning, Transportation and Public Facilities - created in 1994 and located in Lyon, is a technical service of the French Ministry of Transport. Its main objective is to build, increase and disseminate knowledge about urban issues.</p> <p>SETRA - another technical service of the Ministry - has a comparable role for travels between cities</p> <p>SES (statistics/economics service) of the French Ministry of Transport has also a target of disseminating knowledge in transport's figures</p>
<p>g. What are the key components of the framework/strategy in terms of the role of the national government as a landowner?</p>	<p>None specific - because any government office development is subject to the normal town planning conditions, PDU policies and any heritage constraints.</p>
<p>h. What are the key components of the framework/strategy in terms of relationship to other policy priorities/frameworks/strategies?</p>	<p>There is an Interministerial Land Transport Research and Innovation programme (PREDIT).</p> <p>Urban Transport Strategy must mesh with normal town planning conditions, PDU policies and any heritage constraints.</p> <p>Transport projects must take account of the Law on Air Quality.</p>



<p>i. How does the framework/strategy take into account regional and local needs and objectives, and what is the relationship of the national framework to other levels of government in France?</p>	<p>The National Objectives are imposed on the local authorities by law.</p> <p>If local needs and objectives differ, or are additional to those at a national level, they must/can be accommodated locally under the powers referred to in 1b.</p> <p>Every institutional level has its own planning tools:</p> <ul style="list-style-type: none"> • State: Public services Schedule (schémas de services collectifs) • Régions: Outline for sustainable development (schéma régional d'aménagement durable du territoire) • Départements: Outline for Departmental transport (schéma départemental de transports) • municipalities : urban mobility plans (PDU) <p>Each planning process has to be compatible with the others.</p> <p>In terms of land use strategies:</p> <p>The most recent legislation (August 2003) linking transport and land-use planning is the '<i>Loi d'orientation et de programmation pour la ville et la rénovation urbaine</i>'</p> <p>This predominantly deals with urban renewal, provision for social mix, improvements to public space, new and improved housing. However, it also requires provision of infrastructure and specifies that this should conform to sustainable development principles.</p> <p>In 1999 the '<i>Loi d'orientation pour l'aménagement et le développement durable de territoire</i>' introduced requirements that land use planning should take account of sustainable development issues but without specific directives on transport.</p>
<p>j. What were the drivers for its establishment (what was the context it was developed in)?</p>	<p>European Union guidance/directives.</p> <p>There has been a policy of decentralisation since 1981.</p> <p>National acknowledgement of Sustainability policies.</p> <p>The AOTUs provide the structure.</p>
<p>k. Could you describe the process that was used? Who were the participants in its development, in government and through public consultation? What was the timeframe for the development process?</p>	<p>The process is as described in answer 2a.</p> <p>The participants were representatives of the state, other public organisations and social and professional organisations.</p> <p>Timeframe:</p> <p>1982 : LOTI. The municipalites and the départements become fully organising authorities.</p> <p>2002 : it's the turn of the "régions". Before 2002, some of them were only experimental organising authorities for road and railway transport services of regional interest.</p> <p>2004 : new laws of decentralisation in progress.</p>
<p>l. What have been the successes of the framework/strategy?</p>	<p>After a difficult start in some towns, numerous PDUs are now operational and benefits are being monitored.</p> <p>There is a public understanding of transport issues, of sustainable development and the sharing of public space. Transportation services are organised as close as possible to the area of implementation.</p>



<p>m. What are the failures of the framework/strategy?</p>	<p>Complex and conflicting management issues that can lead to any consensus reached being weak or insubstantial.</p> <p>The competencies are divided between various decision levels.</p>
<p>n. Were/are there any inter-jurisdictional issues/tensions? If so, what were/are the issues, why did/do they exist, and how were/are they managed?</p>	<p>Difficulties in coordinating policies.</p> <p>Lack of financing.</p> <p>The 'SRU' Law (<i>Loi de Solidarité et Renouveau Urbain</i>, of 13 December 2000) foresaw, for example, the possibility of creating "syndicats mixtes", that is to say structures grouping various organising authorities to coordinate their actions but this has proved to be too complicated.</p>
<p>3. Governance Models</p> <p>a. Which levels of government have a role or responsibility for local transit and roads?</p>	<p>See answer 1b.</p> <p><i>AOTUs</i> are formed by combinations of Communes, the lowest unit of local government. These deal with urban roads and transportation as well as car parking and police.</p> <p>(Départments deal with inter-urban roads)</p>
<p>b. Which levels of government have a role or responsibility for active transportation?</p>	<p>Communes or groups of Communes.</p> <p>Active transportation (peds and cycles) is dealt with in the PDU.</p>
<p>c. Which levels of government have a role or responsibility for transportation demand management (TDM) strategies?</p>	<p>Communes or groups of Communes.</p> <p>In the PDU.</p>
<p>d. Which levels of government have a role or responsibility for intelligent transportation systems (ITS)?</p>	<p>Communes or groups of Communes.</p> <p>In the PDU.</p>
<p>e. Which levels of government have a role or responsibility for education and awareness campaigns?</p>	<p>At a national level: Ministry of Transportation</p> <p>At a local level: Régions, Départements, Communes.</p>



<p>f. Which levels of government have a role or responsibility for the safety and security of urban transportation?</p>	<p>Road safety is managed Nationally by the Ministry of Transportation and at the local level by the <i>Directions Départementales de l'Équipement</i></p>
<p>g. Which levels of government have a role or responsibility for environmental policies?</p>	<ul style="list-style-type: none"> • MEDD : Ministry of ecology and sustainable development • ADEME : Environment and Energy Management Agency • Ministry for infrastructure, transport, housing, tourism and the sea
<p>h. Which levels of government have a role or responsibility for urban freight/goods movement?</p>	<p>Communes or groups of Communes. In the PDU.</p>
<p>i. Which levels of government have a role or responsibility for inter-modal activities?</p>	<p>National for strategy Regional for rail Local for interchange</p>
<p>j. Which levels of government have a role or responsibility for research and development/ innovation for urban transportation?</p>	<p>Previous input on PREDIT.</p>
<p>k. Which levels of government have a role or responsibility for other aspects of urban transportation?</p>	<p>Communes or groups of Communes: Transport of goods, car parking, police Transport on demand : Communes and Départements.</p>
<p>l. Are any of these roles and responsibilities related to specific government objectives i.e. congestion relief, economic growth?</p>	<ul style="list-style-type: none"> • Congestion relief: Law on Air Quality (1996) - development of public transport and more economic and less polluting means of transport. • Land Use planning: LOTI (1982) - the right to be transported. • Economic growth: accessibility of cities, control of urban sprawl. • Sustainable development.
<p>m. What are the reasons for the development and use of this model?</p>	<p>To comply with:</p> <ul style="list-style-type: none"> • 1982 - LOTI: local government • 1996 - Law on Air: sustainable development • 2000 - Law SRU: Social inclusion and link between transportation and land use



<p>n. How has the model evolved/changed since implementation?</p>	<p>See chronology:</p> <ul style="list-style-type: none"> • 1982 - LOTI: local government • 1996 - Law on Air: sustainable development • 2000 - Law SRU: Social inclusion and link between transportation and land use
<p>o. How is the governance structure accountable and transparent?</p>	<p>Collaboration of participants. Public Inquiry.</p>
<p>p. What representation/responsibilities do national officials have? How are operational issues such as conflict of interest and board composition addressed?</p>	<p>National representatives are responsible for legislation.</p>
<p>4. Policy and Governance Reviews: Evaluation Exercises</p> <p>Have there been any recent reviews of the policy framework and governance models in response to transportation issues?</p>	<p>1996 - Law on Air: sustainable development 2000 - Law SRU: Social inclusion and link between transportation and land use</p>
<p>5. Financing Urban Transportation</p> <p>a. What sources of funding exist to support urban transportation in France?</p>	<p>State Subsidies - significantly decreasing. Community budget. Transport Levy (<i>Versement Transport</i> (VT)) - a tax based on the total salaries payable for all businesses and organisations with more than nine employees. Receipts from revenue charges.</p>
<p>b. How are the funds distributed?</p>	<p>State subsidies are delivered to local authorities after an evaluation of the project (a "taken into account file" - <i>dossier de prise en consideration</i>). VT is directly withheld from employers by urban organising authority.</p>
<p>c. Who decides what projects receive funding?</p>	<p>Urban projects are controlled by the AOTU.</p>



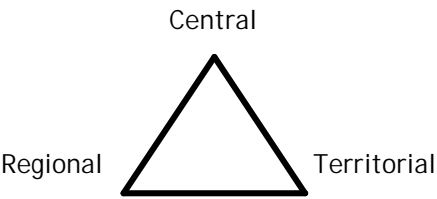
d. How are projects prioritized?	By examination in the AOTU.
e. To what extent is cost recovery possible e.g. public support, pricing principles?	In urban networks out of Paris region, in 2001 : <ul style="list-style-type: none"> ➤ 19% of the costs were covered by traffic revenues ➤ 44% by Transport Levy (VT) ➤ 33% by local authorities themselves through local taxes ➤ 4% by State subsidies
f. What efficiency measures are used, if any?	LOTI requires that projects be monitored and this happens five years after implementation.
g. Are funds provided for operating expenses? If yes, to whom are they given, why are they given, and how much is spent?	Not by the State. Urban organising authorities provide funds to cover operating costs: 33% of the costs out of Paris region (see 5.e)
h. What types of projects are funded/managed e.g. infrastructure (expansion projects and/or state-of-good repair needs), transit rolling stock, TDM initiatives, ITS, public education, awareness campaigns, etc.?	Infrastructure is funded by local authorities, with possible (decreasing) subsidies from the State In urban networks, in most of the cases, the rolling stock is owned by the local authorities. In the Départements, in most of the cases, the rolling stock is owned by the operators. Investments for transport-on-demand or ITS are funded by local authorities.
i. If transit rolling stock is funded, what types of vehicles are eligible and why? What parameters/criteria exist for funding rolling stock?	State subsidies may be dedicated to acquisition of clean buses (circular of July 10 th , 2001).
j. Are there any other conditions/ policy leverage criteria attached to spending programs?	N/A.



<p>6. Urban Transportation as a Priority</p> <p>a. From the perspective of the national government could you describe where urban transportation issues would rank in terms of a priority?</p>	<p>As far as sustainable development is concerned, urban transportation is an important issue (Law on Air, Law SRU)</p>
<p>b. Was solving urban transportation ills a priority for the current government - was it part of the election platform? Was it referenced in an agenda-setting national address or other mechanism for setting government priorities?</p>	<p>N/A.</p>



Research Report: New Zealand

RESEARCH QUESTION	RESPONSE
<p>1. Government Structure</p> <p>a. What are the levels of government in New Zealand, and what is the division of powers and relationships between these levels?</p>	<p>There are two main levels of government in New Zealand: Central and Local. The local government level includes both regional and territorial (city or district) councils, but these are divided more on functional than hierarchical grounds. In some areas, “unitary” authorities fulfil the functions of both regional and district councils.</p> <p>Within the transport sector, the organisations within the central government level include the Ministry of Transport, which is responsible for policy, and a number of independent crown agencies: Transfund (funding), Transit NZ* (responsible for development and management of state highways, i.e. those highways that are designated to be of national strategic significance) and the Land Transport Safety Authority (responsible for safety initiatives).</p> <p>Regional councils have primary responsibility for strategic transport planning and preparation of regional land transport strategies, as well as the planning and purchase of public passenger transport services through competitive tender. Territorial authorities have responsibility for local roads (i.e. those that are not designated as state highways and controlled by Transit NZ).</p> <p>Whereas the relationship between central and local government tends to be hierarchical, both in a legislative and funding sense, the same is not true between the two levels of local government (regional and territorial). While there is some degree of hierarchy between regional and local policy documents, as discussed below, regional and territorial councils tend to work alongside each other rather than within a hierarchical structure. The arrangements between the three levels of government are therefore more akin to a triangle (see below), with central government at the top, but regional and territorial councils at the same level:</p> <div style="text-align: center;">  </div> <p><i>* Note that terminology in NZ can cause confusion with North American audiences. In NZ, Transit NZ is an organisation responsible for state highways (i.e. main roads with national strategic significance), not for passenger transit (or passenger transport as this is known in NZ, i.e. rail, bus and ferry transport). To avoid confusion, Transit NZ, the organisation, is referred to in its proper noun throughout this document, and the term “public passenger transport” will be used to refer to services for passengers.</i></p>



<p>b. Who has jurisdiction regarding urban transportation in New Zealand?</p>	<p>Jurisdiction regarding urban transportation in NZ is not the domain of a single agency. Whereas regional councils have responsibility for preparation of land transport strategies, which in the major urban regions of Auckland, Wellington and Canterbury are heavily focussed on urban transportation issues, they do not have overall responsibility for implementation of the strategy, other than their responsibilities with respect to the planning and purchase of public passenger transport services. The management, development and funding of roads is undertaken by separate agencies, Transit NZ and territorial authorities. In addition, the NZ legislative requirements with respect to public passenger transport have led to some ad hoc arrangements in the Auckland region, with some public passenger transport assets being owned and managed by a jointly owned company.</p> <p>Jurisdiction for each mode is as follows:</p> <ul style="list-style-type: none"> • State highways are controlled by Transit NZ. • Local roads are controlled by territorial authorities. • Public passenger transport is the responsibility of regional councils (except for asset ownership which is a mix of private sector, territorial authority or ad hoc arrangements). • Travel demand management facilities tend to be provided by road controlling authorities, with policy and other demand management interventions a mix of regional and local councils, with some intervention from national agencies, e.g. the Energy Efficiency and Conservation Authority (EECA). • Rail in NZ is privately owned and operated, although the government has recently agreed to take back ownership of the corridor assets (track, etc.) and will be responsible for the ongoing maintenance and development of these assets. Passenger rail services in the Auckland and Wellington urban areas are operated by the private operator Tranz Rail, under contract to the respective regional councils. The government is to establish a new company, "TrackCo" to fulfil its responsibilities as rail corridor asset owner.
<p>c. What are New Zealand's national objectives for urban transportation?</p>	<p>Until recently, there had been no specific focus on urban transportation at the national level in New Zealand. This has begun to develop in the last 3-4 years with the greater focus of the current government on urban issues, but most transport policy is aimed at the system as a whole, rather than at urban issues specifically.</p> <p>More recently, the government has established an Urban Affairs portfolio, (although this is not supported by a specific urban affairs ministry at this stage) and has focussed attention on a set of policies aimed at urban sustainability, under the "sustainable cities" banner. This policy development initiative is in its infancy, but is expected to include specific policies aimed at urban transportation. Its development has been in recognition of the serious issues that are beginning to emerge in New Zealand's main cities, particularly Auckland. The government has also established a specific "Auckland issues" portfolio in response to the specific issues that exist there, of which transport is significant.</p>



	<p>The national objectives for urban transport are, to the extent that they had been articulated, included in the NZ Transport Strategy (NZTS), which was released in November 2002. The NZTS contains objectives and policies for all transport modes in NZ, and does not specifically focus on urban transportation, although some of the issues that it identifies, such as congestion, are specific to urban centres.</p> <p>The NZTS does not have any legislative underpinning, but it has formed the basis of a new piece of legislation passed in November 2003, the Land Transport Management Act (LTMA). This Act has adopted the objectives of the NZTS as part of the obligations that it places on agencies in respect of their transport management and funding decisions.</p> <p>There is a legislative requirement for regional councils to prepare a regional land transport strategy, but this does not have any specific urban transport requirement. In the largest urban region, Auckland, there is also a legislative requirement to prepare a regional growth strategy. The legislation does not oblige any specific consideration of transportation issues within the growth strategy, but the strategy itself does address the land use/transportation interface within the region.</p> <p>Crown transport agencies are required to comply with any policy directions that they receive from the Minister, and they are also subject to annual performance agreements, which may outline government expectations. These have tended not to identify specific urban transport obligations, however.</p> <p>A transport policy and funding package, "Moving Forward" was announced in February 2002. This outlined a change in investment emphasis for transport, associated with an increase in funding. This increased the focus on congestion as one of the key elements to be addressed.</p> <p>Beyond the NZTS and the LTMA, the government is in the very early stages of considering whether it should be promulgating some more specific policy aimed at urban transport issues. One of the issues that has begun to be addressed is the relationship between transport and land use, with some initial consideration as to whether any policy guidance is required by way of a national policy statement under the Resource Management Act. This would be a significant step, however, as there has been very limited use of this mechanism in NZ to date, as previous governments have taken a relatively laissez faire attitude to urban development and planning issues.</p>
<p>2. National Urban Transportation Policy Framework/ Strategy</p> <p>a. What is the legislative standing of New Zealand's framework/strategy for urban</p>	<p>As noted above, the national policy framework for urban transport is in its infancy. The NZTS was promulgated by the government through a relatively brief consultative process, and did not follow the process that had been established in legislation in the mid 1990s for the preparation of a national land transport strategy (this legislative provision has never been used). The NZTS therefore, was more a statement of political intent and a re-focussing of transport decision making to meet broader "triple bottom line" obligations, than a broad based consultative policy development process.</p> <p>It has now found its way into legislation via the LTMA, which obliges Crown agencies (particularly Transfund and Transit NZ) and regional councils preparing strategies to take a broader range of issues into</p>



<p>transportation, and what is the framework's current status?</p>	<p>account. Note however, that this does not have a specifically urban focus.</p> <p>There is no formal review process for the national strategy and policy framework, but regional strategies are required to be renewed at least every three years. Both Transfund and Transit NZ are obliged to develop long term plans under the LTMA. As a result, Transit NZ has prepared a state highway strategy, which focuses much of its attention on the state highway developments required in the Auckland urban area. It is not an over-arching urban transport strategy, however, as it focuses only on Transit NZ's areas of responsibility.</p> <p>The NZTS is seen as a high level strategy, and the intention is that it will, over time, be supported by a series of government "sub-strategies" for specific sectors, such as road safety and walking/cycling (already prepared), rail (in progress) and, potentially, urban transport. There is no specific timetable for this, however.</p> <p>Regional councils are obliged to prepare regional land transport strategies. Again, these have no specific urban focus, but the strategies adopted in the metropolitan regions, particularly Auckland and Wellington, have tended to be focussed on urban issues.</p> <p>Both the Auckland and Wellington regional councils are in the process of reviewing their regional land transport strategies, in accordance with the new provisions of the LTMA.</p>
<p>b. What are the overall objectives for the framework/strategy?</p>	<p>The NZTS vision states that "by 2010, NZ will have an affordable, integrated, safe, responsive, and sustainable transport system". Its key objectives are:</p> <ul style="list-style-type: none"> • Assisting economic development • Assisting safety and personal security • Improving access and mobility • Protecting and promoting public health • Ensuring environmental sustainability <p>The vision and objectives have now been incorporated into statute via the LTMA, and Crown agencies and regional strategies are required to give effect to them.</p> <p>The "Moving Forward" package announced in February 2002 (which predated the LTMA) identified a set of priorities for transport expenditure, and allocated an additional amount of funding to assist with this (\$NZ227 million over 16 months, or \$170 million per annum). The expenditure priorities were as follows:</p> <ul style="list-style-type: none"> • severely congested roads • regional development • alternatives to roading, such as rail • public transport • promotion of walking and cycling • road safety education and enforcement <p>These were seen as interim priorities until the NZTS and LTMA were introduced, so that changes could be made ahead of the more formal</p>



	<p>(and time-consuming) legislative route.</p> <p>Transfund is part way through the process of translating the new LTMA requirements into a funding allocation process.</p> <p>Regional councils are also currently in the process of transferring the LTMA objectives into their own regional and urban contexts. This will likely lead to some changes in the objective statements of regional land transport strategies. For example, Auckland’s current regional land transport strategy has a vision to achieve “an integrated, safe and effective transport system that meets the transport needs of our community and enables the sustainable development of the social, economic and environmental well being of the Auckland region”. Its objectives are as follows:</p> <ul style="list-style-type: none"> ➤ To ensure the transport system supports regional and local land use strategies. ➤ To provide access to opportunities that meet the needs of people, business and communities. ➤ To maximise the efficiency of the transport system. ➤ To avoid, remedy or mitigate the adverse effects of transport on the environment and on the health and well being of communities. ➤ To maximise safety of the transport system.
<p>c. What are the key components of the framework/ strategy in terms of legislation / regulation?</p>	<p>The NZTS has been translated into legislative requirements that primarily impact on the decision making and funding obligations of Crown agencies (especially Transfund and Transit NZ). The LTMA has changed the objectives of both organisations to align with the broader purpose of the LTMA and the NZTS. Hence, Transfund’s statutory purpose is “to allocate resources in a way that contributes to an integrated, safe, responsive and sustainable land transport system”. The LTMA also obliges Transfund to ensure that its funding programme (the National Land Transport Programme) contributes to the purpose of the act, and to the 5 objectives outlined in the NZTS.</p> <p>Similarly, Transit NZ’s purpose is “to operate the State Highway system in a way that contributes to an integrated, safe, responsive, and sustainable land transport system”. The legislation also establishes a stronger “top-down” link between the NZTS and regional strategies, by requiring that regional strategies contribute to the overall aim, and take into account how the strategy achieves the 5 NZTS objectives.</p>
<p>d. What are the key components of the framework/strategy in terms of spending programs?</p>	<p>The changes to the legislative requirements for Transfund, the government’s land transport funding agency, are the primary tool that has been used to encourage the implementation of the NZTS. The focus of these changes has been to ensure that spending programmes at all levels are aligned to the aim and objectives of the NZTS. The LTMA has also signalled a shift away from annual expenditure programmes to 10 year planning.</p> <p>Transfund is in the process of developing its funding allocation process to align its expenditure programme to the new legislative requirements. In the short term, this has meant that some large projects have been placed on hold while they are reviewed to ensure alignment with the</p>



	<p>NZTS.</p> <p>As part of these changes, the government has significantly increased the amount of funding for land transport, with the requirement that the extra amounts be aligned with its strategic priorities. This approach was foreshadowed in 2002, when the government allocated additional funding to the land transport sector as part of its "Moving Forward" package, with specific priorities for the use of the additional funds (see 1b for details).</p> <p>In late 2003, a further funding package was announced, primarily focussed on the Auckland region. This will introduce an additional \$NZ 2.9 billion into transport funding over the ten years from July 2005. The additional funds represent an increase of approximately 25% on current levels of transport funding from the government via Transfund.</p> <p>Approximately \$NZ1.6 billion of this additional funding has been earmarked for the Auckland region over the next 10 years, to focus on the specific urban transport problems in that region. Allocation of this funding is reliant on some policy changes in the land use policy area and also changes to the regional land transport strategy to align it with the new LTMA requirements.</p>
<p>e. What are the key components of the framework/strategy in terms of fiscal policies?</p>	<p>There are no specific tax measures aimed at urban transport policy. NZ's taxation regime is relatively neutral, and has tended to avoid specific exemptions, or targeted taxes. Petrol tax for general Crown revenue purposes (other than the amount dedicated to land transport purposes) is relatively low by international standards, at 18.475 cents per litre.</p> <p>Fringe benefit tax is charged on company vehicles, but this is based on the need to establish equity and neutrality, rather than as a targeted tax for urban transport purposes. Fringe benefit tax for vehicles is currently under review, but this is not driven from any transport policy perspective.</p> <p>The additional funding announcements from the government at the end of 2003 will be funded from an increase in petrol tax (of 5 cents per litre nationwide), and an increase in road user charges for light diesel users of an equivalent amount. In addition, approximately \$900 million over the ten year period will be funded by diverting some of the fuel taxation that currently goes to the general Crown account into a specific Auckland fund.</p> <p>The LTMA provides for the limited application of tolling in New Zealand. There has been some recent interest in the broader concept of road pricing and congestion pricing, particularly in Auckland. The government, as part of its announcements in December 2003, has agreed to investigate this issue further, but at present there is no legislative ability to charge for existing roads.</p>



<p>f. What are the key components of the framework/strategy in terms of knowledge dissemination?</p>	<p>With the exception of road safety, there are few specific initiatives in terms of knowledge dissemination, and this tends to be a weakness in New Zealand, due largely to lack of resources in this area. There are however some recent initiatives worthy of note, including the following:</p> <ul style="list-style-type: none"> • The Energy Efficiency and Conservation Authority (EECA) has introduced some initiatives focussed on fuel efficiency and reduced use of vehicles, which have involved dissemination of information and promotion. • Some regional and territorial council initiatives aimed at informing the public about their travel patterns, and alternatives that exist (e.g. the Auckland Regional Council’s “Big Clean Up” campaign, which includes a sustainable transport objective).
<p>g. What are the key components of the framework/strategy in terms of the role of the national government as a landowner?</p>	<p>There are no specific policies relating to the role of government as land owner. Government employment locations do not explicitly take transport issues into account. Public sector agencies are relatively autonomous in their locational decisions, and the primary considerations would appear to be cost and customer service. In fact, it could be argued that some public sector locational decisions by major trip attractors (e.g. education and health) have worked <i>against</i> urban transport policy objectives.</p> <p>Some potential for sympathetic development exists with the Crown’s ownership of the rail corridor, but the existence of a long-term lease on this land to a private rail operator has tended to stifle this potential. This may change with the government’s purchase back of the rail corridor assets, but much of the surplus land in rail corridors that was identified at the time of privatisation has been sold.</p>
<p>h. What are the key components of the framework/strategy in terms of relationship to other policy priorities/frameworks/strategies?</p>	<p>The NZTS is part of a broader policy framework at the national level, which includes “Growing an Innovative New Zealand”, also known as the Growth and Innovation Framework, and the Sustainable Development in New Zealand Programme of Action.</p> <p>The Growth and Innovation Framework aims to return New Zealand to the top half of the OECD rankings by strengthening the fundamentals of the economy, and building more effective innovation. To achieve this, the government will give priority to:</p> <ul style="list-style-type: none"> • A stable macroeconomic framework • An open and competitive microeconomy • A modern and cohesive society • A healthy population • A highly skilled population • Sound environmental management • A globally connected economy • A solid research, development and innovation framework <p>The Sustainable Development Programme of Action sets out a programme of action for sustainable development in New Zealand. It builds on “The Government’s Approach to Sustainable Development” published in August 2002, which established six key goals to guide the public sector in achieving sustainable development:</p>



	<ul style="list-style-type: none"> ➤ Strengthen national identity and uphold the principles of the Treaty of Waitangi (signed in 1840 between the Crown and Maori, New Zealand’s indigenous people) ➤ Grow an inclusive, innovative economy for the benefit of all ➤ Maintain trust in government and provide strong social services ➤ Improve New Zealanders’ skills ➤ Reduce inequalities in health, education, employment and housing ➤ Protect and enhance the environment <p>One of the key areas of focus for the Sustainable Development Programme of Action is sustainable cities, with a particular emphasis on Auckland. The programme sets an overarching goal for sustainable cities: “our cities are healthy, safe and attractive places where business, social and cultural life can flourish”. The desired outcomes for sustainable cities are:</p> <ul style="list-style-type: none"> • Cities as centres of innovation and economic growth • Liveable cities that support social wellbeing, quality of life and cultural identities <p>It is expected that as work develops in this area, a stronger government policy emphasis on urban transport will emerge. A number of other Government strategies and policy initiatives have also identified transport as a key element in achieving desired economic, social and environmental outcomes. These include:</p> <ul style="list-style-type: none"> • The New Zealand Health Strategy • The New Zealand Disability Strategy • The New Zealand Tourism Strategy • The National Energy Efficiency and Conservation Strategy • Climate Change Policy, which sets out the steps needed to meet NZ’s obligations under the Kyoto protocol, which NZ ratified in December 2002. <p>The linkages to these strategies have reinforced the recent shift in transport policy to a more broadly based set of objectives, rather than the previous focus on “safe and efficient roading”.</p>
<p>i. How does the framework/strategy take into account regional and local needs and objectives, and what is the relationship of the national framework to other levels of government in New Zealand?</p>	<p>The NZTS and the transport management and funding framework established in the LTMA tend to take a “top down” approach, with limited input from regional or local requirements. However, the NZTS recognises certain specific regional issues, e.g. congestion in Auckland, and the transport needs of forestry development and regional development in some rural areas.</p> <p>The development of national expenditure programmes by Transit NZ and Transfund also takes into account the identified needs of regions, as expressed via input to programme development. Transit NZ and Transfund also have a statutory duty to “take into account” the relevant regional land transport strategy. This is a change from the previous duty to ensure that their actions were “not inconsistent” with any regional land transport strategy.</p> <p>The recent joint officials group process to examine Auckland transport</p>



	<p>strategy and funding issues within the context of the NZTS suggests that the Government is increasingly willing to address specific regional needs where these are of national significance. The outcome of this process was an additional funding allocation for the Auckland region, and the proposed establishment of a new Auckland Regional Transport Authority which will require specific legislation (expected to be introduced in the second quarter of 2004).</p>
<p>j. What were the drivers for its establishment (what was the context it was developed in)?</p>	<p>The NZTS arose from a 1999 Labour Party election manifesto commitment. It was driven, in part, by a desire to move away from the corporate-style model for land transport that had been promoted by the previous National-led government (under the banner “Better Transport, Better Roads”). It also reflected a move to a more holistic environment for transport investment decisions, taking a broader “triple bottom line” approach to sustainable development. This has resulted in a shift away from the previous statutory requirement to achieve “a safe and efficient roading system”, to the new LTMA purpose “to contribute to the aim of achieving an integrated, safe, responsive and sustainable land transport system”.</p> <p>Much of the drive to develop the NZTS was political, and reflected the need under the relatively new MMP (mixed member proportional) electoral system (introduced in 1996) for the Government to develop a policy consensus with its parliamentary supporters (in this case, the Green Party). The political negotiation around the NZTS has meant that it has particularly strong political support from Government Ministers.</p>
<p>k. Could you describe the process that was used? Who were the participants in its development, in government and through public consultation? What was the timeframe for the development process?</p>	<p>A fairly closed process was used to develop the NZTS, with some limited consultation from invited sector interests. The NZTS did not follow the consultation requirements of the legislation related to a National Land Transport Strategy, which has been in place in NZ since the mid-1990s but not used. The NZTS was, as discussed above, a political document, which had a relatively short development period. This was deliberate, to ensure that a clear foundation for changes to the funding allocation framework could be made with minimal delay.</p> <p>The LTMA went through the normal legislative consultation process, with submissions, select committee hearings and parliamentary process. This took almost a year from the release of the Land Transport Management Bill (December 2002, at the same time as the NZTS) until the passage of the LTMA in November 2003.</p> <p>Because the key elements of the NZTS have been incorporated into the LTMA, it is not expected that there will be any move to formalise the NZTS as a National Land Transport Strategy.</p>
<p>l. What have been the successes of the framework/strategy?</p>	<p>The new framework has been generally well received (most submissions to the LTMA were in favour of the stated objectives of the new framework) as it appears to address the perceived weaknesses of the previous system: e.g. the short term focus, the narrow range of objectives, the benefit/cost ratio driven approach to funding allocations, the lack of a multi-modal approach, and the general lack of strategic direction for transport.</p> <p>The new approach provides a framework that will allow a different approach to transport planning and investment, taking into account a broader set of objectives. From an urban transport perspective, this is generally seen as positive. For example, the previous regime, with its</p>



	<p>emphasis on a safe and efficient <i>roading</i> system, made it difficult to promote and fund alternatives such as public passenger transport. The NZTS makes this much clearer.</p> <p>The introduction of the strategy has also assisted in the allocation of a much larger amount of funding to transport in NZ, a significant proportion of which is earmarked for urban areas, especially Auckland.</p>
<p>m. What are the failures of the framework/strategy?</p>	<p>As above, it is too early to tell whether the new strategy will be successful or not. (see Q21 below for an outline of some of the failings of the previous approach in NZ).</p> <p>There has been some concern, expressed through submissions to the LTMA, that the new approach has removed the concept of efficiency from the stated purpose and objectives, (whereas previously efficiency had been a primary consideration). There is a requirement for Transfund to be satisfied that its funding allocations are cost effective, but some road user groups are concerned that the new arrangements will result in sub-optimal allocation of scarce funds, and the potential for more political interference in the allocation process.</p> <p>Another concern has centred on the delays imposed by the requirement to review some large transport projects that were likely to be funded under the previous system, to ensure that they comply with the NZTS/LTMA requirements. In the early stages of implementation of the new funding arrangements, this has caused some uncertainty.</p>
<p>n. Were/are there any inter-jurisdictional issues/tensions? If so, what were/are the issues, why did/do they exist, and how were/are they managed?</p>	<p>Some tensions existed in the development of the strategy itself. Because it was strongly politically driven, the NZTS had significant input from political officials (i.e. Ministers’ political advisors), as well as officials from government departments. There were also varying levels of commitment to its development from the various government departments and Crown agencies involved. The relatively “closed” development process meant that many stakeholders were not able to contribute to the development of the strategy.</p> <p>Tensions have existed to date between different jurisdictions, notably between regional and territorial councils, and to an extent between regions and central government, often over the allocation of funds, and the tensions between regional and national priorities for the allocation of resources. The recently announced changes to transport governance in the Auckland region (see Q4 below) may help to overcome some of these tensions, but there is likely to continue to be tension between central and regional decision-making over funding allocation. This remains firmly a central (Transfund) function.</p>
<p>3. Governance Models</p> <p>a. Which levels of government have a role or responsibility for local transit and roads?</p>	<p>The primary jurisdiction over local transit (public passenger transport) rests with regional councils, although until recently there have been limitations on the ability of regional councils to own public passenger transport assets. (This prohibition was removed in the LTMA passed in November 2003). Territorial councils have responsibility for some of these assets, particularly those that are located on roads (e.g. bus stops, transfer stations, etc.). In Auckland, a joint territorial council owned company (Auckland Regional Transport Network Limited) was established to take ownership of ferry and rail assets (because of the inability of the regional council to do so at that time).</p> <p>Local roads (i.e. all roads other than State highways) are controlled by</p>



	<p>territorial authorities. The recent announcement of the proposed Auckland Regional Transport Authority (ARTA) proposed a role for ARTA in coordinating the expenditure programmes for local roads in Auckland, but the specific details of ARTA's role in local roads has yet to be determined.</p> <p>State highways are controlled by Transit NZ, a Crown agency.</p>
<p>b. Which levels of government have a role or responsibility for active transportation?</p>	<p>Active transportation tends to fall "between the cracks" in NZ at present. At the national level, the Energy Efficiency and Conservation Authority (EECA) has taken a partial role in promoting active modes. Regional councils have also taken a partial role here, but programmes are uneven and generally poorly resourced. At the local level, territorial authorities have responsibility, particularly for infrastructure, but again, the level of resources tends to be uneven between councils. The proposed Auckland Regional Transport Authority (ARTA), announced in December 2003, is expected to be given responsibility for demand management, and this is expected to involve a stronger regional role in active transport modes.</p>
<p>c. Which levels of government have a role or responsibility for transportation demand management (TDM) strategies?</p>	<p>Under recent changes introduced in the LTMA, regional land transport strategies will in future be required to include a demand management strategy, with targets and timetables.</p> <p>As for active modes (see 3b above), the Energy Efficiency and Conservation Authority (EECA) has had a partial role in developing demand management and promoting strategies; and regional councils have, in some cases, also undertaken this role (eg Auckland has prepared a TDM strategy, and has allocated some modest resources towards implementation, mainly in the travel planning and promotional areas. This has included some support from territorial authorities).</p> <p>The proposed Auckland Regional Transport Authority (ARTA), announced in December 2003, is expected to be given responsibility for demand management.</p>
<p>d. Which levels of government have a role or responsibility for intelligent transportation systems (ITS)?</p>	<p>Most activity in this area in NZ has been from Transit NZ, on the State Highway system. A recent agreement between Transit NZ and the 4 main territorial authorities in the Auckland region (Auckland, North Shore, Waitakere and Manukau City Councils) has led to the establishment of a joint traffic management unit, which will oversee the implementation of ITS technology on the State highway network and major arterial roads in Auckland. Responsibility for this unit may pass to the proposed Auckland Regional Transport Authority.</p>
<p>e. Which levels of government have a role or responsibility for education and awareness campaigns?</p>	<p>The main area of activity in this regard is safety, where the Land Transport Safety Authority (LTSA), a Crown agency, has a significant budget for safety related education and awareness campaigns. For other aspects of transport policy, however, this is relatively ad hoc. The Energy Efficiency and Conservation Authority (EECA) has undertaken some initiatives to raise awareness of fuel efficiency in transport, and to promote the use of more fuel efficient transport options, but to date this has focussed mainly on trialling innovative approaches rather than a significant activity.</p> <p>Some regional and territorial councils have also undertaken education and awareness campaigns (for example, the Auckland Regional Council has resourced an environmental awareness and responsibility campaign,</p>



	<p>The Big Clean Up, which includes a transport component alongside other environmental promotions). This activity is not constant across NZ, however.</p> <p>The proposed Auckland Regional Transport Authority is likely to have an important role in education and awareness in the future.</p>
<p>f. Which levels of government have a role or responsibility for the safety and security of urban transportation?</p>	<p>At the national level, safety is the responsibility of the Land Transport Safety Authority (LTSA), a Crown agency. The Police are currently funded for traffic safety enforcement through a specific funding allocation, the Safety (Administration) Programme. There is no specific public agency responsible for transport security, other than the Police, but this issue is expected to take on a higher profile in future, as one of the 5 NZTS objectives is "safety and personal security". To date, the transport security emphasis in NZ has been on aviation security, but greater emphasis on public passenger transport security can be expected.</p>
<p>g. Which levels of government have a role or responsibility for environmental policies?</p>	<p>At the national level, the Ministry for the Environment has responsibility for broad environmental policy, regulatory and enforcement issues, but the Ministry of Transport has taken a stronger role in the development of transport-related environmental policy (such as vehicle emissions, noise etc.). The Energy Efficiency and Conservation Authority (EECA) has responsibility for specific initiatives related to energy efficiency. A Climate Change Office has been established within the Ministry for the Environment to focus on New Zealand's obligations under the Kyoto protocol.</p> <p>Regional councils have a number of specific environmental responsibilities, including air and water quality, coastal environmental management, discharges to land, etc. Local territorial councils have responsibility for land use and amenity planning and local by-laws.</p> <p>An issue that is yet to be resolved is enforcement of environmental regulations. With the greater emphasis on environmental educational and awareness campaigns (including a recent air quality campaign in Auckland), the need to provide enforcement back up is becoming more important. NZ does not have the equivalent of an EPA, and regional councils have limited powers to enforce at present. Environmental enforcement does not rank as a priority for the police.</p>
<p>h. Which levels of government have a role or responsibility for urban freight/goods movement?</p>	<p>Some regional councils include policies on urban freight movement within their regional land transport strategies, but these tend to be limited in their scope.</p> <p>The main influence over urban freight movement in through territorial local councils, which generally use by-laws (and in some cases planning restrictions through the Resource Management Act) to limit freight movements in residential areas, and away from streets that are not suited to heavy vehicle movements.</p>



<p>i. Which levels of government have a role or responsibility for inter-modal activities?</p>	<p>There is no specific level of government with responsibility for inter-modal activities. Regional councils have planning responsibility for such facilities as part of the public passenger transport system, but ownership restrictions have meant that provision has usually been the domain of either territorial councils or private sector transport operators. In Wellington, however, the regional council controls a significant interchange (a legal anomaly).</p>
<p>j. Which levels of government have a role or responsibility for research and development/ innovation for urban transportation?</p>	<p>Transportation research is not well resourced in New Zealand. Transfund, a Crown agency, has a research budget of approximately \$NZ 2 million per annum, much of which has been used in the past to fund research that supports Transfund’s allocation procedures, or which contributes to greater efficiency of expenditure. A small proportion of the fund has been used for travel behaviour research in the past, some of which has had an urban focus. For 2004/05, Transfund has introduced a new research category: sustainable transport.</p> <p>Another Crown Agency, the Foundation for Research, Science and Technology (FRST) also provides funding for transport projects, and in its upcoming funding round is expected to increase its allocation to the research which supports the sustainable cities programme, and reducing greenhouse gas emissions, both of which have an urban transport focus.</p> <p>Some limited research takes place at regional and territorial level, but this is ad hoc, and focussed on the need to respond to specific issues, or to provide input to transportation models.</p> <p>The Ministry of Transport undertook a review of transport research needs in 2003, which identified a number of research gaps in NZ, and a general lack of coordination amongst research funders and providers. Transfund and FRST are establishing procedures to address these issues.</p>
<p>k. Which levels of government have a role or responsibility for other aspects of urban transportation?</p>	<p>The relationship between transportation and land use planning has become increasingly important in New Zealand, especially in Auckland where transport and urban growth issues are closely inter-related. Regional councils have responsibility for preparing regional policy statements under the Resource Management Act, which set out the key resource management issues for the region. For urban regions, especially Auckland and Wellington, urban transport is an important issue.</p> <p>In Auckland (but not elsewhere) there is a statutory responsibility for the regional council to prepare a regional growth strategy. The growth strategy was adopted in 1999, and its preparation was closely aligned with the regional land transport strategy.</p>
<p>l. Are any of these roles and responsibilities related to specific government objectives i.e. congestion relief, economic growth?</p>	<p>The roles of the Energy Efficiency and Conservation Authority (EECA) are specifically related to objectives for energy efficiency and conservation. While transport has become an increasingly important focus for EECA, it was originally established in response to concerns over electricity consumption. Similarly, the Climate Change Office in the Ministry of Transport arose from a specific need to address Kyoto Protocol issues.</p> <p>Some regional organisations in Auckland were specifically created to deal with transport issues, although these were more to do with gaps in the existing governance structure, and constraints on the powers of the regional council, than a particular transport need. These include Infrastructure Auckland (established to use income and capital from</p>



	<p>public assets to fund transport and stormwater projects in the region) and Auckland Regional Transport Network Limited (a company jointly owned by Auckland territorial authorities to manage passenger transport assets).</p> <p>The recent proposal to establish the Auckland Regional Transport Authority (ARTA) arose from the need to make some specific progress on urban transport issues in Auckland, including the need to rationalise the transport governance arrangements, and better integrate transport decisions. ARTA’s legislative mandate is likely to include specific reference to NZTS and LTMA objectives.</p> <p>The advent of ARTA also signals a much stronger focus on regional government as the level at which urban transport issues are likely to be addressed in future. ARTA will be governed by an appointed board, which will be accountable for its performance to the Auckland Regional Council, an elected body.</p>
<p>m. What are the reasons for the development and use of this model?</p>	<p>The NZ model had its foundations in the reform of local government during the late 1980’s, with the establishment of functionally separate regional and territorial councils. It was also based on the progressive public sector reforms in NZ from the mid-1980’s, which led to the corporatisation and privatisation of a number of previously publicly owned trading activities (e.g. rail and public transit services), and the separation of funder and provider (e.g. the split of Transfund from Transit NZ in the early 1990s). The funder/provider split also led to the restrictions on regional council ownership of public passenger transport assets.</p> <p>Recent policy has adopted a less rigid attitude to this matter, which has resulted in the removal of these restrictions and the recent buy-back of rail assets by the government. There is also a shift towards a greater degree of political influence over the way in which resources are allocated in transport, in contrast to the previous “hands off” approach, which relied on the independent assessment of formula-based information (especially benefit/cost ratios).</p>
<p>n. How has the model evolved/changed since implementation?</p>	<p>As noted above, recent changes have resulted in a shift away from the model adopted in the late 1980’s, to a broader, “triple bottom line” approach to transport policy, and a less rigid separation of funder/provider and public/private responsibilities.</p>
<p>o. How is the governance structure accountable and transparent?</p>	<p>Crown agencies (Transfund, Transit NZ, Land Transport Safety Authority etc) have appointed Boards, and are required to publish annual statements of intent and annual reports on progress. The Boards must also negotiate annual performance agreements with the Minister, who has ultimate political accountability for their actions. The Ministry of Transport also publishes an annual statement of intent, and reports annually against those statements. Crown agencies are also required to appear in front of the Transport and Industrial Relations Parliamentary Select Committee, and are subject to normal public sector audit, official information, and ombudsman scrutiny.</p> <p>Regional and territorial councils have a direct political accountability. They are required to prepare annual and long term council community plans, annual land transport programmes, and (for the regional council) a regional land transport strategy, all of which are subject to statutory public consultation requirements. Councils are obliged to conduct their</p>



	<p>business in public, unless specific circumstances apply. They are also subject to public sector audit, official information and ombudsman scrutiny.</p> <p>There are also performance agreements between Transfund and all organisations that receive funding from it (including Transit NZ and all regional and territorial councils). Transfund undertakes regular audits of each of these organisations to ensure that they have met their statutory obligations in relation to funding.</p> <p>Expenditure and statutory compliance by Crown agencies and local authorities is subject to scrutiny from the public via the preparation of annual reports on their activities and expenditures, official information obligations, and periodic audits.</p> <p>The area of accountability that is perhaps weakest in this model is to the individual user of the transport system. While the local government has annual public input via annual plans and programmes, the Crown entities tend to be more remote from specific scrutiny by the public. The system can also be relatively confusing for members of the public to understand which blurs accountability between agencies.</p>
<p>p. What representation/ responsibilities do national officials have? How are operational issues such as conflict of interest and board composition addressed?</p>	<p>Appointments to the Boards of Crown entities are made by the Minister. Board members are required to be selected for their skills and experience, and elected officials and public servants are generally not appointed. (For some entities, there are specific prohibitions on membership, particularly for local authority owned entities, where elected members or council employees are not permitted to be on the board of some entities). Board members are required by law to disclose any interests or potential interests that may conflict with their membership.</p>
<p>4. Policy and Governance Reviews: Evaluation Exercises</p> <p>Have there been any recent reviews of the policy framework and governance models in response to transportation issues?</p>	<p>The policy framework described in this report is relatively new. More recently, however, the government has initiated a review of the central government transport sector. The review will assess the effectiveness of the sector in delivering the NZTS outcomes.</p> <p>The scope of the review comprises the Ministry of Transport and the six transport crown entities: Civil Aviation Authority (which includes the Aviation Security Service), Land Transport Safety Authority, Maritime Safety Authority, Transport Accident Investigation Commission, Transfund and Transit NZ.</p> <p>The purpose of the review is to:</p> <ul style="list-style-type: none"> • consider whether the government transport sector is best arranged and has the capability to implement the NZTS and to carry out its other requirements and obligations; • consider ways to enhance the performance of the sector; and • propose any necessary changes. <p>A range of options will be considered including the status quo, more effective and better integrated provision of policy advice and service delivery, shared services, the transfer of functions between entities, and structural change. The outcome of the review is expected to be</p>



reported in April 2004.

At the regional level, attempts were made by Auckland local authorities over the last 2-3 years to review transport governance arrangements, but these did not succeed. Councils were able to agree on the problems, but not on the solutions (which invariably involved councils giving up existing powers to a greater or lesser degree).

The breakthrough came when the central government put forward a new governance structure, including a new Regional Transport Authority (ARTA) as a condition for allocating more funding to the region. This was in response to growing public concerns in Auckland about the economic, social and environmental costs associated with traffic congestion. Transport is a major issue for Aucklanders, much more so than other parts of the country.

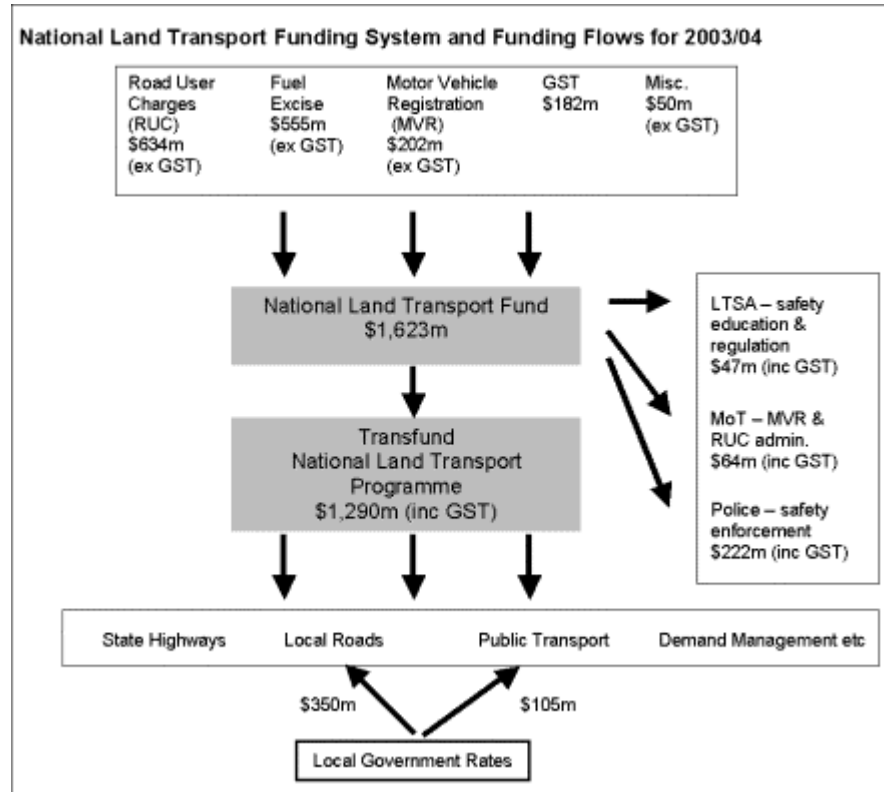
5. Financing Urban Transportation

a. What sources of funding exist to support urban transportation in New Zealand?

The main funding sources available to support urban transport in NZ are:

- The National Land Transport Fund (NLTF). The NLTF currently receives some \$NZ1.6 billion of government funding for land transport. NLTF revenue comes primarily from a proportion of fuel excise on petrol, all road user charges (RUC) on vehicles and motor vehicle registration and licence fees. The Government makes periodic adjustments to the level of fuel excise duty and RUC fees have been made to take account of changes in fuel use and economic activity, inflation, and changes in government priorities.
- Property rates raised by regional and territorial councils (approx \$NZ455 M/year), used to fund local roads and transit.

The following diagram summarises these funding flows.



(Source: Ministry of Transport Fact Sheet, December 2003)



	<p>Smaller amounts are also available from development contributions on new development which can be levied under the Resource Management Act, although the most common use for these funds has been for local subdivisional roads. Development levies are now also able to be levied under the Local Government Act, but examples of this are limited.</p> <p>Until the passage of the LTMA in November 2003, individual toll schemes were subject to specific empowering legislation, which has meant that toll revenue is very limited in NZ. The only current scheme of note is in Tauranga, where a harbour bridge was built as a toll facility some years ago. Attempts by the local council to use revenues from the bridge toll for other road projects (once the bridge was paid off) were deemed illegal, and a new tolling scheme on the new road was required.</p> <p>The LTMA now provides generic legislative provision for tolling schemes, but these are subject to Ministerial approval, and must satisfy a number of conditions. These include the availability of a feasible, untolled alternative route; a high degree of support from affected communities; and the restriction of tolls to new roads (or existing roads only if physically integral to the new road).</p> <p>The LTMA also makes provision for private funding for land transport infrastructure via PPP's or "concessions", which have not previously been used in NZ. There are also a large number of conditions on this mechanism, including retention of public ownership of the land and the road, and a maximum concession period of 35 years.</p> <p>In Auckland, urban transport is also funded from capital grants from Infrastructure Auckland (IA), a special purpose entity established in the mid-1990's with an asset base of approx \$NZ1 billion, made up of Port Company shares and cash from the sale of other regional public assets. IA has a mandate to provide capital grants for transport or stormwater quality projects. The governance announcements by the Government in late 2003 mean that IA will be wound up in mid-2004, and its assets will be transferred to a wholly owned subsidiary of the Auckland Regional Council, but are expected to still be available to fund transport.</p> <p>Local authorities also fund transport projects from non-rate revenues, including loan or asset sales. Loan funding is not used by Transit NZ.</p>
<p>b. How are the funds distributed?</p>	<p>National Land Transport Fund revenue is firstly allocated to cover the costs of collection, management and administration of the fund system. The second call is for the Safety Administration Programme implemented by the Land Transport Safety Authority and New Zealand Police.</p> <p>The remainder (approx \$NZ1.3 billion per annum) is available to Transfund New Zealand for allocation under the National Land Transport Programme (NLTP). This allocation follows Transfund's allocation framework, which is currently under review to ensure that it aligns with the NZTS and LTMA requirements. For example, Transfund must assess how a project contributes to Transfund's objective, and the 5 NZTS objectives (see Q2b above).</p> <p>The NLTP distributes Transfund funding to six output groups: road maintenance; construction of the road network; provision of passenger transport services; alternatives to roading (efficient alternatives to the provision or maintenance of roads); regional development funding for regions that have acute transport needs; and promotion of walking and cycling.</p>



	<p>Through the NLTP, Transfund allocates funds to the following recipients:</p> <ul style="list-style-type: none"> • Transit NZ for New Zealand's State highway system, including maintenance and construction of roads, regional development, promotion of walking and cycling, and passenger transport-related State highway projects. Transfund fully funds approved works on the State highway system. • Territorial authorities (comprising city and district councils) to jointly fund maintenance and construction of local roads, passenger transport, regional development and promotion of walking and cycling. Transfund provides a national average of 50 percent financial assistance for maintenance programmes and an additional five percent for construction projects, with local rating revenue providing the balance. • Regional councils for the provision of passenger transport services, "alternatives to roading" outputs such as barging or rail freight, and promotion of walking and cycling. The level of financial assistance from Transfund for these expenditure groups varies. <p>Local authorities distribute their funds (from rates and Transfund funding) to projects in accordance with their annual plans. There is a requirement for this expenditure to be subject to approved competitive pricing procedures.</p> <p>Infrastructure Auckland (IA) grants are distributed to projects through applications, which the IA Board evaluates using a multi-criteria assessment process.</p>
<p>c. Who decides what projects receive funding?</p>	<p>Transfund, as the primary funder, decides on which projects receive funding, although the initial decisions on projects that are put forward for consideration for inclusion in the National Land Transport Programme are promoted by the relevant road controlling authority or regional council. The Infrastructure Auckland board decides which applications it will fund.</p>
<p>d. How are projects prioritized?</p>	<p>Until recently, Transfund prioritised projects using a benefit/cost ratio ranking system. Projects with a B/C ratio of 4 or greater were funded. A similar mechanism (efficiency ratio) was used for "alternatives to roading" projects. The advent of the NZTS, with its broader set of objectives, has changed this approach, with the B/C ratio now only one of a number of evaluation criteria.</p> <p>Transfund takes into account the priorities attached to projects by regional land transport committees, which have a variety of processes to determine their priorities. In Auckland, for example, a multi-criteria scoring system is used to identify project rankings.</p> <p>Infrastructure Auckland evaluates applications using a multi-criteria assessment process.</p>
<p>e. To what extent is cost recovery possible e.g. public support, pricing principles?</p>	<p>There are no specific requirements from central government for cost recovery as a condition for funding support. Regional councils generally set minimum fare schedules for contracted public passenger transport services, but the level of cost recovery varies from region to region. The calculation of efficiency ratios for "alternatives to roading" projects favoured projects with a higher cost recovery, but this category of funding has not been used very much.</p>



<p>f. What efficiency measures are used, if any?</p>	<p>Until recently, there was a heavy reliance on benefit/cost ratios to measure efficiency, and as a rationing device. Transfund developed a detailed set of procedures as part of a Project Evaluation Manual to ensure consistent application of the B/C ratio methodology. The broader set of transport objectives under the LTMA means that the funding allocation is now less reliant on B/C ratios (although it is still part of the evaluation framework). The replacement funding allocation system is still in its infancy.</p>
<p>g. Are funds provided for operating expenses? If yes, to whom are they given, why are they given, and how much is spent?</p>	<p>Approximately half of Transfund's annual budget is allocated to road maintenance. Transfund's approach is based on funding the most cost-effective maintenance strategy for each section of road over the medium to long term. It negotiates an appropriate level of funding with each of the 75 road controlling authorities (RCA's), largely based on the funding requirements of each RCA's asset management plan, road pavement modelling results and trends in key network performance measures about the condition of the roading network.</p> <p>Transfund also funds operating expenses for public passenger transport, mainly through an output-based funding system, which funds regional councils via a formula based on passenger numbers and/or passenger kilometres. This money (together with regional council rates) is distributed to (private) bus, rail and ferry operators through competitive contracts between regional councils and operators.</p>
<p>h. What types of projects are funded/managed e.g. infrastructure (expansion projects and/or state-of-good repair needs), transit rolling stock, TDM initiatives, ITS, public education, awareness campaigns, etc.?</p>	<p>Most capital projects have been in the roading area, although until recent increases in funding, the amounts available for new construction were not sufficient to keep up with demand, and projects without strong economic merit (i.e. a B/C ratio less than 4.0) were not funded.</p> <p>Relatively little funding was available for public passenger transport (which was subject to a cap on total Transfund expenditure until 2001), TDM initiatives, public education, etc. The changes to funding announced as part of the "Moving Forward" package in February 2002 led to a broader base of investments however, with extra funds specifically allocated to public passenger transport, alternatives to roading, economic development, and promotion of walking and cycling.</p> <p>The further funding increases announced in late 2003, which will take effect from mid-2005, will allow for a further expansion of projects in these areas, and are also expected to provide for a more significant level of TDM expenditure.</p>
<p>i. If transit rolling stock is funded, what types of vehicles are eligible and why? What parameters/criteria exist for funding rolling stock?</p>	<p>Until recently, almost all funding for public passenger transport was through operating contracts, with little or no direct funding of rolling stock. Capital investment in buses and ferries continues to be funded through this mechanism, i.e. the private bus or ferry operator finances the capital investment, and funds the capital servicing and depreciation from revenues received via farebox receipts and service contracts with regional councils (funded from Transfund and property rates).</p> <p>Rail rolling stock was also funded through the operating contract mechanism until recently, when some specific refurbishment projects in Wellington and Auckland have attracted specific Transfund allocations. In Auckland, arrangements have been made to secure the rolling stock in public ownership. This is likely to be the model used to fund the future expansion in urban rail services proposed in Auckland. The relaxation of regional council asset ownership restrictions under the LTMA will provide</p>



	greater flexibility in the funding and ownership of rolling stock and other rail infrastructure.
j. Are there any other conditions/ policy leverage criteria attached to spending programs?	Spending programmes are now required to take account of how the activities in the programme contribute to the 5 NZTS and LTMA objectives. To satisfy Transfund’s allocation framework, project proponents will need to demonstrate the project’s alignment with the NZTS. This is likely to create a strong degree of policy leverage compared to the previous BCR system, which was more of a “pass/fail” approach.
<p>6. Urban Transportation as a Priority</p> <p>a. From the perspective of the national government could you describe where urban transportation issues would rank in terms of a priority?</p>	Traditionally, urban transportation issues have had a low priority for national government, and transport policy has been addressed on a more generic basis. This has changed since the late 1990’s, with the growing recognition of the economic importance of urban areas to NZ, and the recognition that the transport system in the largest urban areas (especially Auckland) is not performing well. This has led to an increased policy focus on urban areas generally (e.g. Sustainable Cities, and the appointment of an Urban Affairs Minister), and on urban transport specifically. Within the transport sector, addressing urban transport in Auckland now ranks as the top priority. It is for this reason that there was considerable government emphasis and resource placed around the joint officials group process in 2003 to address Auckland transport strategy and funding issues.
b. Was solving urban transportation issues a priority for the current government - was it part of the election platform? Was it referenced in an agenda-setting national address or other mechanism for setting government priorities?	Urban transport has played a limited role in the government’s election platform, although the government has increasingly recognised its potential importance, especially in Auckland, where transport problems frequently top polls of public concerns, and where the current government polled well at the last election. It is very likely that the government will seek to make progress on Auckland transport issues an election platform at the next general election, due in 2005.



Research Report: Switzerland

RESEARCH QUESTION	RESPONSE
<p>1. Government Structure</p> <p>a. What are the levels of government in Switzerland, and what is the division of powers and relationships between these levels?</p>	<p>Switzerland has a federal structure with three political levels.</p> <p>The Confederation: This is the term used in Switzerland to describe the State. The Confederation (the Swiss Government, which consists of the seven members of the Federal Council who are elected by the United Federal Assembly for a four-year term) has authority in all areas in which it is empowered by the Federal Constitution, such as foreign and security policy, customs and monetary affairs, nationally applicable legislation and certain other areas. Tasks which do not expressly fall within the remit of the Confederation are matters for the Cantons.</p> <p>The Cantons: There are 26 Cantons (the States which joined in 1848 to form the Confederation to which they ceded part of their sovereignty) and each has its own constitution, government and courts.</p> <p>The Communes: The Cantons are divided into Communes (2842 in total). As well as performing tasks passed to them by the Confederation and the Canton, the Communes have their own responsibilities with respect to matters including road building. The level of autonomy varies considerably as this is determined by individual Cantons.</p>
<p>b. Who has jurisdiction regarding urban transportation in Switzerland?</p>	<p>The Department of Environment, Transport, Energy and Communications has overall responsibility for transportation (DETEC).</p> <p>Within DETEC, the Swiss Federal Office for Spatial Development is responsible for co-ordinating the various modes of transport and for matters which affect the transport sector as a whole, including urban and leisure traffic. The Office also produces transport data and forecasts on which to base planning decisions.</p> <p>The Federal Office of Transport (FOT) is also part of DETEC. It is primarily an advisory authority with regard to all modes of public transport and their integration with overall transport policy. The FOT co-operates with cantons, licensed transport enterprises and others active in the area of transport policy.</p> <p>The Swiss Federal Roads Authority (ASTRA) is responsible for all matters concerning Switzerland's road infrastructure and road traffic.</p> <p>The Federal Office for Civil Aviation (FOCA) is responsible for the legislation and monitoring of Swiss civil aviation, which consists of the following three main branches: aviation staff, aircraft and infrastructure.</p>
<p>c. What are Switzerland's national objectives for urban transportation?</p>	<p>The objective of the Federal Council is to guarantee sustainable mobility. According to the DETEC's departmental strategy of May 2001, this means:</p> <ul style="list-style-type: none"> ▪ that essential mobility is managed in as environmentally friendly a manner as possible, and that exogenous costs are internalised so that mobility does not grow unchecked at the expense of the environment (ecological sustainability); ▪ that mobility needs are satisfied in as economically efficient a manner as possible, so that the financial costs to the state remain bearable (economic sustainability); and ▪ that all sections of the population and all areas of the country have access to mobility (social sustainability).



	<p>DETEC bases its transport policy on these principles of sustainability. (DETEC Departmental Strategy) Its strategy encompasses environmental, economic and social sustainability, and establishes the longer-term objectives and guidelines of the Department, which must be integrated by the various agencies into their strategies and work programmes. It is thus an important steering instrument for the whole of DETEC. It contains a total view of the four task areas of the Department and ensures the linking of environmental and infrastructure policies. It creates transparency both internally and externally, and thus serves to guide employees in their daily activities, and as a foundation for the public as they exercise their democratic rights.</p> <p>Specific objectives are:</p> <p><i>Ecological sustainability</i></p> <ul style="list-style-type: none"> ▪ <i>The reduction of the following to a level which is harmless in the long term:</i> <ul style="list-style-type: none"> ○ <i>Atmospheric pollutants and damage to the climate</i> ○ <i>Noise</i> ○ <i>Soil consumption</i> ○ <i>Pollution of landscapes and habitats</i> ▪ <i>The reduction of energy consumption, in particular of non-renewable energies</i> <p><i>Economic sustainability</i></p> <ul style="list-style-type: none"> ▪ <i>The provision of an efficient transport infrastructure</i> ▪ <i>Efficient performance and the promotion of competition</i> ▪ <i>The increase of the economic autonomy of transport (including external costs)</i> ▪ <i>The optimum use of the existing infrastructure</i> ▪ <i>Competitive transport companies</i> <p><i>Social sustainability</i></p> <ul style="list-style-type: none"> ▪ <i>A basic supply throughout Switzerland ("Service public")</i> ▪ <i>The consideration of people whose access to transport is impaired</i> ▪ <i>The protection of human health and well-being and the reduction in the number of accidents</i> ▪ <i>Socially responsible behaviour of transport companies</i>
<p>2. National Urban Transportation Policy Framework/ Strategy</p> <p>a. What is the legislative standing of Switzerland's framework/strategy for urban transportation, and what is the framework's current status?</p>	<p>Transportation of national significance, such as national roads and the national railway network are federal responsibility. All other transport responsibilities lie with the Cantons.</p> <p>Transportation objectives are articulated within DETEC's Departmental Strategy (2001). There is no law dealing with urban transport. The Cantons and Communes are responsible for planning matters. In 2001 the Confederation defined its policy with regard to support for urban areas.</p>



<p>b. What are the overall objectives for the framework/ strategy?</p>	<ul style="list-style-type: none"> • Ecological Sustainability • Economic Sustainability • Social Sustainability <p>(As more fully explained in 1b)</p>
<p>c. What are the key components of the framework/ strategy in terms of legislation / regulation?</p>	<p>N/A.</p>
<p>d. What are the key components of the framework/strategy in terms of spending programs?</p>	<p>With regard to roads: The national network is planned in the framework of the 7th programme of construction. The grants for principal roads are scheduled in the 4th programme. These programmes are defined by the Confederation (DETEC) in conjunction with the Cantons.</p>
<p>e. What are the key components of the framework/strategy in terms of fiscal policies?</p>	<p>The principal sources of revenue are:</p> <ul style="list-style-type: none"> ➤ Duty on mineral oils ➤ Supplementary fuel tax ➤ Motorway charges ➤ Tax on heavy goods vehicles linked to benefits. This tax, calculated on distance travelled, weight carried and vehicle emissions, is wholly hypothecated for two major rail projects. These are two trans-alpine rail tunnels that are aimed at removing road based freight movements.
<p>f. What are the key components of the framework/strategy in terms of knowledge dissemination?</p>	<p>N/A.</p>
<p>g. What are the key components of the framework/strategy in terms of the role of the national government as a landowner?</p>	<p>Where possible, government offices are located close to public transport or in town centres.</p>
<p>h. What are the key components of the framework/strategy in terms of relationship to other policy priorities/ frameworks/ strategies?</p>	<p>The DETEC Strategy is in line with the principle of sustainability. It is based on the Federal Council Report of 9 April 1997 and indicates how the three dimensions of sustainability should be implemented in environmental, transport, energy and communications policy. It also emphasises the Swiss Planning Policy Guidelines, as laid down in the Federal Council Report of 22 May 1996.</p>



<p>i. How does the framework/strategy take into account regional and local needs and objectives, and what is the relationship of the national framework to other levels of government in Switzerland?</p>	<p>A tripartite conference of the Confederation, the Cantons and towns ensures that urban issues are addressed.</p> <p>The cantons are responsible for local and regional planning but projects are generally supported financially by the Confederation.</p>
<p>j. What were the drivers for its establishment (what was the context it was developed in)?</p>	<p>In 1997, the EVED (Federal Department of transport, communications and energy), which was primarily concerned with technical infrastructures, became DETEC, a Department for infrastructure and the environment. This change, and the reorganisation associated with it, was the catalyst for the development of a new departmental strategy.</p>
<p>k. Could you describe the process that was used? Who were the participants in its development, in government and through public consultation? What was the timeframe for the development process?</p>	<p>All DETEC's agencies were intensively involved in the elaboration of the new Departmental Strategy; after a multi-step process of resolution a consensus was reached.</p>
<p>l. What have been the successes of the framework/strategy?</p>	<p>The Confederation's interest in urban problems has caused several planning studies to be undertaken in numerous Urban areas. However, the means of financing projects (arising from these studies) by the Confederation is not yet known.</p>
<p>m. What are the failures of the framework/strategy?</p>	<p>Administration is very complicated. It therefore takes a lot of time to implement projects.</p>
<p>n. Were/are there any inter-jurisdictional issues/tensions? If so, what were/are the issues, why did/do they exist, and how were/are they managed?</p>	<p>Each region or Canton wants to benefit from grants. It can be difficult to define priorities if it is apparent that benefit to one area will result in a disadvantage to another.</p>



<p>3. Governance Models</p> <p>a. Which levels of government have a role or responsibility for local transit and roads?</p>	<p>Long distance transport is a federal responsibility.</p> <p>Much control rests with the Cantons and Communes for the management of local and regional traffic.</p>
<p>b. Which levels of government have a role or responsibility for active transportation?</p>	<p>See above.</p> <p>Cantons and Communes</p>
<p>c. Which levels of government have a role or responsibility for transportation demand management (TDM) strategies?</p>	<p>See above</p> <p>Cantons and Communes</p>
<p>d. Which levels of government have a role or responsibility for intelligent transportation systems (ITS)?</p>	<p>See above</p> <p>Cantons and Communes</p>
<p>e. Which levels of government have a role or responsibility for education and awareness campaigns?</p>	<p>N/A.</p>
<p>f. Which levels of government have a role or responsibility for the safety and security of urban transportation?</p>	<p>National, Cantons, and Communes.</p>
<p>g. Which levels of government have a role or responsibility for environmental policies?</p>	<p>National and Cantons.</p>
<p>h. Which levels of government have a role or responsibility for urban freight/goods movement?</p>	<p>National.</p>



i. Which levels of government have a role or responsibility for inter-modal activities?	National.
j. Which levels of government have a role or responsibility for research and development/ innovation for urban transportation?	The FOT develops concepts for the future of the transport sector, which form the basis for long-term plans. 12 research concepts have been drawn up for the period 2004-2007. Two of these, 'Sustainable Spatial Development and Mobility' (under the supervision of ARE) and 'Sustainable Transport' (under the supervision of ASTRA/BAV) directly affect transport research. The concepts will affect the Federal Council's communication on education, research and technology for 2004-2007.
k. Which levels of government have a role or responsibility for other aspects of urban transportation?	N/A.
l. Are any of these roles and responsibilities related to specific government objectives i.e. congestion relief, economic growth?	N/A.
m. What are the reasons for the development and use of this model?	N/A.
n. How has the model evolved/ changed since implementation?	N/A.
o. How is the governance structure accountable and transparent?	N/A.
p. What representation/ responsibilities do national officials have? How are operational issues such as conflict of interest and board composition addressed?	N/A.



<p>4. Policy and Governance Reviews: Evaluation Exercises</p> <p>Have there been any recent reviews of the policy framework and governance models in response to transportation issues?</p>	<p>N/A.</p>
<p>5. Financing Urban Transportation</p> <p>a. What sources of funding exist to support urban transportation in Switzerland?</p>	
<p>b. How are the funds distributed?</p>	
<p>c. Who decides what projects receive funding?</p>	
<p>d. How are projects prioritized?</p>	
<p>e. To what extent is cost recovery possible e.g. public support, pricing principles?</p>	
<p>f. What efficiency measures are used, if any?</p>	
<p>g. Are funds provided for operating expenses? If yes, to whom are they given, why are they given, and how much is spent?</p>	



<p>h. What types of projects are funded/managed e.g. infrastructure (expansion projects and/or state-of-good repair needs), transit rolling stock, TDM initiatives, ITS, public education, awareness campaigns, etc.?</p>	<p>Within the Strategy, DETEC plans the following long term measures:</p> <ul style="list-style-type: none"> ▪ Implementation of the first phase of railway reform, evaluation of experience and preparation of further steps. ▪ Shifting goods transport onto the railways: implementation of the Constitutional Article on Protection of the Alps, the Agreement on Land Transport and the supporting measures. ▪ Realisation of NEAT, Bahn 2000 first and second phase, noise abatement and the connection of Switzerland to the European high-speed rail network. ▪ Maintenance of the motorway network (according to the report "Substanzerhaltung"). ▪ Transfer of the constructional and operating maintenance of the motorways to federal competency (as part of the "new equalisation"). ▪ Implementation of the model of road traffic telematics. ▪ Drawing up of a transport safety policy. ▪ Measures to favour slow-moving transportation modes. ▪ Realisation of a Swiss Airport System, based on the Sectoral Plan on Aviation Infrastructure (SIL). ▪ Securing of comparable competitive possibilities for Swiss air transport companies in the European and global context. ▪ Guarantee of efficient air traffic control, adapted to European conditions; combination of civil and military air traffic control. ▪ Introduction of internationally harmonised tax on aviation fuel.
<p>i. If transit rolling stock is funded, what types of vehicles are eligible and why? What parameters/criteria exist for funding rolling stock?</p>	<p>N/A.</p>
<p>j. Are there any other conditions/ policy leverage criteria attached to spending programs?</p>	<p>N/A.</p>



<p>6. Urban Transportation as a Priority</p> <p>a. From the perspective of the national government could you describe where urban transportation issues would rank in terms of a priority?</p>	<p>N/A.</p>
<p>b. Was solving urban transportation ills a priority for the current government - was it part of the election platform? Was it referenced in an agenda-setting national address or other mechanism for setting government priorities?</p>	<p>N/A.</p>
<p>7. Other Issues</p> <p>Are there any other issues that may be relevant to this investigation?</p>	<p>The limited area suitable for settlement in Switzerland of around 13,000 km² together with a highly developed economy and high standard of living leads to strong land use pressure. The urbanization of Switzerland is very advanced in spite of the lack of large metropolises. The population density in the conurbation strip of the Swiss Plateau allows a highly developed infrastructure including that for public transport.</p> <p>In terms of land use strategies:</p> <p>The Swiss Federal Council produced the Sustainable Development Strategy in March 2002. The strategy adopts a wide-ranging approach and aims to integrate the principles of sustainable development across the board, in every sector of policy.</p> <p>Action Area 7 of the Strategy addresses Spatial and Settlement Development. This acknowledges that spatial processes are of major relevance to sustainable development.</p> <p>The Strategy highlights the problem of providing ‘resource saving’ transportation within ever expanding built-up areas, and states that the Federal Council has responded in various ways. One was the publication in 1996 of the Swiss Planning Policy Guidelines which established a new overall strategic framework for Swiss spatial development policy. Goals and action were set out on spatial and regional planning which was expressly oriented towards sustainable development.</p> <p>With reference to planning urban areas the Swiss Planning Guidelines state that <i>“the network of towns must be extended by creating regional expanded towns and growth points close to important rail junctions. Towns must be renewed from the centre by encouraging a mixture of uses and offering opportunities for economic development. Attractive town centres with public areas and open spaces easily accessible to pedestrians should be made a priority to improve the quality of life for residents. Easily accessible local recreation areas should be</i></p>



	<p><i>provided. Urban sprawl should be kept in check and conurbations should be spatially structured. To this end, centres of conurbations should be improved, and residential areas should be protected against losses of quality residential space and should be provided with an efficient infrastructure."</i></p>
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Research Report: United Kingdom

RESEARCH QUESTION	RESPONSE
<p>1. Government Structure</p> <p>a. What are the levels of government in UK, and what is the division of powers and relationships between these levels?</p>	<p>The United Kingdom is a unitary (centralized) state with only one recognized government. However, the United Kingdom is a system in transition. While the majority of the power remains in the hands of the government at Westminster (a Constitutional Monarchy very similar to the Canadian and Australian systems) recently power has been devolved away from the centre to governments in Wales, Scotland and Northern Ireland. These governments were created by the national government and could be dissolved at any time, unlike Canadian provinces or US states. The government in London is therefore responsible for transportation issues for example, and transfers some of these responsibilities to local governments.</p> <p>English local government is made up of single tier Unitary Authorities and two-tier County Councils with District/Borough Councils.</p> <p>London also has its own government under a Mayor. This system replaced the previous regional authority, which was the Government Office for London - a branch office of (for transport purposes) what was, at the time, the Department for Transport, Local Government and the Regions (DTLR) - governing roads functions; and London Transport, with its board selected directly by central Government, managing buses and underground. Both old and new systems keep/kept control of rail largely in the hands of central government, through the Strategic Rail Authority (SRA), although the Mayor now has powers to issue "instructions and guidance" to the SRA, which it is obliged to note - but not necessarily to act upon.</p> <p>The lower tier of government in London - the 32 Borough Councils (e.g. Croydon) and the Corporation of the City of London - has not changed in extent, but its autonomy has been slightly further restricted compared to the previous system, where implementation of cross-boundary transport projects was much more dependent on voluntary co-operation between authorities (and consequently varied considerably depending on how well the Boroughs in question related with one another).</p> <p>Northern Ireland</p> <p>A devolved administration with an Assembly comprising 108 MLAs existed when the transportation strategy was developed.</p> <p>The tier below central government is represented by 26 District Councils - though they have no powers in relation to transportation.</p>
<p>b. Who has jurisdiction regarding urban transportation in UK?</p>	<p>Overall national policy and UK Government. Rail is governed by the Strategic Rail Authority. Everything else is at the Local Government level.</p> <p>For Scotland, the national government in London deals with UK transport matters of national/international importance, such as regulation of road signs, or vehicle licensing. Virtually all other</p>



	<p>transport matters have been devolved to the Scottish Parliament. Under Parliament, there exist unitary Local Authorities (LA). The Scottish Parliament deals with strategic roads, air and sea and the LAs deal with local issues. The Strategic Rail Authority (SRA) has control of rail issues for all of the UK but deals with Scottish matters in partnership with the Scottish Executive.</p> <p>LA's control all roads and social bus services, and parking in urban areas. Bus companies run services on a commercial basis. LA's must apply to the Scottish Parliament for capital funding for large schemes. They are also given a basic block grant which LAs decide how to split.</p> <p>In London, Transport policies for London are set out in the Mayor's Transport Strategy (available at www.london.gov.uk) and these policies are supposed to be implemented through the business plan produced by Transport for London (TfL), the executive regional transport agency, which controls strategic roads, buses and LRT. Boroughs must produce local Transport Delivery Plans, whose objectives and programmes - for local roads - must be consistent with those of the Mayor's Transport Strategy and the TfL Business Plan; if they are not, TfL does not give the Borough in question very much money to implement their plans. Buses are run under franchise to TfL. The Underground is still in the control of the central Government through London Transport. The Central Government is concluding public-private partnership (PPP) contracts for the upgrade and maintenance of the tube and, once these are completed, control will pass to the Mayor.</p> <p>In Wales, the transport functions of the Welsh Assembly Government are as follows:</p> <p>Transport Policy / Funding</p> <p>Funding to the Assembly is based on a format. Increases in GB budgets are reflected in a settlement for Wales as a whole. The Assembly Government then decides how to allocate its budget between functions.</p> <ul style="list-style-type: none">➤ Grants and funding for specific schemes and programmes. Includes Transport Grant, grants for local bus services, support of regional consortia, safe routes to school, freight facilities and regional travel coordinators.➤ Transport Devising and implementing transport policy for Wales. Includes responsibilities under the Road Traffic Reduction Act 1998 for deciding whether to set a target in Wales.➤ Framework (2000) is a summary of transport policies.➤ Approval of workplace parking and road user charging schemes. <p>Trunk Roads</p> <p>Management of all trunk roads in Wales (via agents).</p> <p>Review of designation of roads as trunk roads.</p>
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	<p>Design and implementation of schemes to improve trunk roads.</p> <p>Local Transport Plans</p> <ul style="list-style-type: none"> • Under Transport Act 2000 to issue guidance on role and format of LTPs including power to designate when LTPs should be reviewed - subject to a maximum gap of 5 years. • Because of the different method of funding Local Government in Wales (i.e. non-hypothecated funds) LTPs are not directly related to funding as has been the case in England. The Assembly Government does, however, link Transport Grant to LTPs. <p>Public Transport</p> <ul style="list-style-type: none"> • Direct funding of some services such as the north-south rail service. • Traffic Commissioner is responsible for bus and HGV licensing and regulation and is not under the control of the Assembly Government. • Main rail functions are the responsibility of the Strategic Rail Authority and not the Assembly Government. • Assembly Government is funding the free concessionary fares policy. • Regulations on Bus Quality Partnerships; Approval of Bus Quality Contracts.
<p>c. What are UK's national objectives for urban transportation?</p>	<p>Objectives are generally the same at national and local level, including:</p> <ul style="list-style-type: none"> ▪ To promote healthy environment, healthy economy and higher quality of life. ▪ To promote sustainable transport and reduce the use of the car. ▪ To work in partnership with key stakeholders in businesses. ▪ To achieve value for money. <p>Northern Ireland</p> <p>The Regional Development Strategy (see 2.a.) has four Strategic Planning Guidelines relating to transportation:</p> <ul style="list-style-type: none"> ▪ To develop a Regional Strategic Transport Network based on key transport corridors, to enhance accessibility to regional facilities and services; ▪ To extend travel choice for all sections of the community by enhancing public transport; ▪ To integrate land use and transportation; and ▪ To change the regional travel culture and contribute to healthier lifestyles. <p>The Regional Development Strategy (see 2.a.) has three specific Strategic Planning Guidelines relating to urban transportation within</p>



	<p>the Belfast Metropolitan Area:</p> <ul style="list-style-type: none">▪ To develop and enhance the Metropolitan Transport Corridor Network;▪ To improve the public transport service in the Belfast Metropolitan Area; and▪ To manage travel demand within the Belfast Metropolitan Area. <p>Wales The overall Vision of the Welsh Assembly is to facilitate within 10 years a transport system that:</p> <ul style="list-style-type: none">▪ Delivers agreed thresholds of accessibility and information for users;▪ Provides strategic mobility within environmental and health benchmarks for regeneration and other economic aims;▪ Changes travel patterns and transport usage and, where appropriate, reduces the need to travel by motor vehicles by integrating with land-use planning;▪ Is consistent with the real needs of people living in different parts of Wales and with differing abilities to afford travel;▪ Charges the traveller a fair reflection of the costs of making a journey; financial, social and environmental; and▪ Is adaptable to the developing needs of Wales. <p>In London, the objectives of the Mayor's transport strategy are:</p> <ul style="list-style-type: none">▪ Reducing traffic congestion.▪ Overcoming the backlog of investment on the Underground so as to safely increase capacity, reduce overcrowding, and increase both reliability and frequency of services.▪ Making radical improvements to bus services across London, including increasing the bus system's capacity, improving reliability and increasing frequency of services.▪ Better integration of the National Rail system with London's other transport systems to facilitate commuting, reduce overcrowding, increase safety and move towards a London-wide, high frequency 'turn up and go' Metro service.▪ Increasing the overall capacity of London's transport system by promoting: major new cross-London rail links including improving access to international transport facilities, improved orbital rail links in inner London; and new Thames river crossings in east London.▪ Improving journey time reliability for car users, which will particularly benefit outer London where car use dominates, whilst reducing car dependency by increasing travel choice.▪ Supporting local transport initiatives, including improved access to town centres and regeneration areas, walking and cycling schemes, Safer Routes to School, road safety improvements, better maintenance of roads and bridges, and improved co-ordination of streetworks.▪ Making the distribution of goods and services in London more reliable, sustainable and efficient, whilst minimising negative environmental impacts.
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	<ul style="list-style-type: none"> ▪ Improving the accessibility of London’s transport system so that everyone, regardless of disability, can enjoy the benefits of living in, working in and visiting the Capital, thus improving social inclusion. ▪ Bringing forward new integration initiatives to: provide integrated, simple and affordable public transport fares; improve key interchanges; enhance safety and security across all means of travel; ensure that taxis and private hire vehicles are improved and fully incorporated into London’s transport system; and provide much better information and waiting environments.
<p>2. National Urban Transportation Policy Framework/ Strategy</p> <p>a. What is the legislative standing of UK’s framework/strategy for urban transportation, and what is the framework’s current status?</p>	<p>The 1998 Transport White Paper set out policies which were subsequently put into practice by the 10-Year Plan published by the Government in 2000.</p> <p>The Government aims to ensure that the Plan provides the most cost-effective and efficient means of delivering its transport strategy and that it takes account of new pressures and developments. It is likely that the first review will take place at the time of the next Government spending review. The Environment, Transport and Regional Affairs Committee will wish to consider the Plan, as part of its scrutiny of the Department of Environment, Transport, and the Regions’ (DETR) expenditure, administration and policy. To provide additional independent scrutiny, the Commission for Integrated Transport will be asked to report regularly on progress against the objectives and outcomes that the Plan sets out, and to identify what, if any, further policy measures would help to secure them.</p> <p>In Scotland, objectives are contained within strategy documents published by Scottish Parliament. Each urban authority works within these and produces a five year Local Transport Strategy, which is revised each year and monitored.</p> <p>Northern Ireland The NI Regional Transportation Strategy 2002-2012 is a non-statutory daughter document to the statutory document ‘Regional Development Strategy for Northern Ireland 2025’ made under the “The Planning (Amendment) (Northern Ireland) Order 2003”.</p> <p>Both the RDS (published in 2001) and the Regional Transportation Strategy (published in 2002) will be reviewed at five year intervals.</p> <p>London The London Government Act (1999), which came into effect that year, set up a new structure of transport governance in the capital. Effectively, Greater London - which stretches from Heathrow in the west to Upminster in the east, and Enfield in the north to Croydon in the south - is the only region in Great Britain with its own tier of statutory, directly elected regional government with responsibilities for transport and land use. The government in question is the Mayor, whose Executive powers are scrutinised by the Greater London Assembly. However, the powers of the Assembly are limited to scrutiny, requiring changes in the Mayor’s budget, and a power of impeachment. All other regional powers rest directly with the Mayor.</p>



<p>b. What are the overall objectives for the framework/strategy?</p>	<p>The Government's 10-year Plan states that it "will deliver or contribute to the achievement of the following targets in the DETR's Public Service Agreement:</p> <ul style="list-style-type: none"> • to reduce road congestion on the inter-urban network and in large urban areas in England below current levels by 2010 by promoting integrated transport solutions and investing in public transport and the road network. • to increase rail use in Great Britain (measured in passenger kilometres) from 2000 levels by 50% by 2010, with investment in infrastructure and capacity, while at the same time securing improvements in punctuality and reliability. • to increase bus use in England (measured by the number of passenger journeys) from 2000 levels by 10% by 2010, while at the same time securing improvements in punctuality and reliability. • to double light rail use in England (measured by the number of passenger journeys) by 2010 from 2000 levels. • to cut journey times on London Underground services by increasing capacity and reducing delays. Specific targets will be agreed with the Mayor after the Public Private Partnership has been established. • to improve air quality by meeting our National Air Quality Strategy targets for carbon monoxide, lead, nitrogen dioxide, particles, sulphur dioxide, benzene and 1-3 butadiene. • to reduce greenhouse gas emissions by 12.5% from 1990 levels, and move towards a 20% reduction in carbon dioxide emissions by 2010. • to reduce the number of people killed or seriously injured in Great Britain in road accidents by 40% by 2010 and the number of children killed or seriously injured by 50%, compared with the average for 1994-98." <p>Summary of other 10 Year Plan targets and indicators:</p> <p>Rail</p> <ul style="list-style-type: none"> • a significant increase in rail freight's share of the freight market by 2010. We believe it ought to be possible to increase market share to 10% by 2010 from 7% now - an 80% increase in rail freight - provided the rail freight companies can deliver improvements in performance and efficiency. <p>Local transport</p> <ul style="list-style-type: none"> • by 2010, to triple the number of cycling trips compared with a 2000 base. • to achieve a one-third increase in the proportion of households in rural areas within about 10 minutes walk of an hourly or better bus service by 2010.
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	<p>Industry targets announced at the Bus Summit (November 1999) and which will be reviewed in 2001:</p> <ul style="list-style-type: none"> • Bus reliability: by June 2001, no more than 0.5% of services cancelled for reasons within operator's control. • Bus fleet: bring down average age of buses to eight years by June 2001. <p>We expect local authorities to set targets for bus punctuality in their local transport plans during the period covered by their first full LTPs. We will monitor bus passenger satisfaction.</p> <p>London</p> <ul style="list-style-type: none"> • Rail overcrowding: reduce overcrowding to meet the SRA standards by 2010. <p>Passenger satisfaction with London Underground services will be monitored.</p> <p>Roads</p> <ul style="list-style-type: none"> • maintain our strategic road network in optimum condition. • provide sufficient resources to local authorities to halt the deterioration in the condition of local roads by 2004 and to eliminate the backlog by the end of the Plan period. <p>For local roads, we will work with local authorities on the development of benchmark profiles for reducing congestion on different types of local roads, and publish a report on the feasibility of such benchmarks by autumn 2001. The benchmark profiles would relate to different areas and reflect different local needs.</p> <p>Other We will monitor changes in:</p> <ul style="list-style-type: none"> • Modal share for passenger journeys covering car, public transport modes, cycling and walking. • Freight intensity: change in overall freight traffic and lorry traffic relative to GDP.
<p>c. What are the key components of the framework/ strategy in terms of legislation / regulation?</p>	<p>Has powers for LA's to introduce road user charging and workplace parking levy. Has powers to introduce tolls on national roads.</p> <p>The Plan established the Strategic Rail Authority and the Rail Regulator.</p> <p>Northern Ireland</p> <ul style="list-style-type: none"> ➤ the introduction of a Railway Safety Bill; ➤ a review of the relevant provisions of the Transport Act (NI) 1967; ➤ the review and initiation of changes to roads legislation to streamline the statutory process for preparing major road schemes; and ➤ a feasibility study of the decriminalisation of parking offences. <p>Wales</p> <p>Welsh Assembly Government urban transport strategy elements (examples):</p> <ul style="list-style-type: none"> • Transport Framework for Wales



	<ul style="list-style-type: none"> • Planning Policy Wales • Wales Spatial Plan • Road Safety Strategy for Wales • Safe Roads, Safe Communities • The Strategy for Older People in Wales • A Winning Wales, The National Economic Development Strategy • Walking and Cycling Strategy for Wales • Community Transport in the Welsh Transport Network • Enforcement of Vehicle Emissions Standards by Local Authorities 				
<p>d. What are the key components of the framework/strategy in terms of spending programs?</p>	<p>The level of total private investment and public expenditure that we believe is necessary over the next ten years is £180 billion. We expect this to be made up as follows:</p> <p>Total spending: Public investment £64.7bn Private investment £56.3bn</p> <p>Total £121.0bn Public resource/revenue £58.6bn</p> <p>Total £179.7bn</p> <p>Within this total we envisage public and private capital investment of £121 billion - an increase of almost 75% in real terms compared with the last ten years. This investment will be delivered through partnership between the public and private sectors - working supportively, investing together, to modernise our transport system for the benefit of all. The forecast allocation of capital investment is:</p> <p>Private Public</p> <p>Rail £34.3bn £14.7bn Strategic roads £2.6bn £13.6bn London £10.4bn £7.5bn Local transport £9.0bn £19.3bn Other £9.7bn</p> <p>Total £56.3bn £64.7bn</p> <p>Of the total of £180 billion, the Plan envisages that public expenditure over the next ten years will be £132 billion. Public expenditure over the period of the Spending Review (i.e. 2001/02 to 2003/04) increases by a total of £8 billion compared with 2000/01 plans.</p> <p>Northern Ireland The strategy sets down the following indicative levels for bidding within the recommended total of £3500m for 10 years:</p> <p><u>Modes:</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Strategic roads 19%</td> <td style="width: 50%;">Other roads 44%</td> </tr> <tr> <td>Bus 18%</td> <td>Rail 14%</td> </tr> </table>	Strategic roads 19%	Other roads 44%	Bus 18%	Rail 14%
Strategic roads 19%	Other roads 44%				
Bus 18%	Rail 14%				



	<p>Walking & Cycling 2% Rapid Transit 3%</p> <p><u>Areas:</u></p> <p>Urban 40% Other 60%</p>
e. What are the key components of the framework/strategy in terms of fiscal policies?	<p>In advance of the publication of the Plan the Government established the principle of hypothecation, ring-fencing revenues from fuel duty increases and local congestion charging or workplace parking schemes solely for investment in transport.</p> <p>It also set out a long-term and integrated strategy for British shipping and brought forward legislation to introduce a tonnage-based system of corporation tax for ship operators. A key feature of the tonnage tax is the associated minimum training obligation that is designed to regenerate our maritime skills base by requiring companies to train sufficient seafarers to meet their future manpower needs.</p> <p>In Wales, the Value-Added Tax (VAT) -the UK sales tax- is not levied on rail or bus fares.</p>
f. What are the key components of the framework/strategy in terms of knowledge dissemination?	<p>Government documents were issued setting out the 10 year plan. The plan was published on the Government website as well.</p> <p>In Northern Ireland, the proposed Regional Development and Regional Transportation Strategies were both subjected to extensive consultation with key stakeholders from the business, voluntary, community and government sectors. The development of the Regional Transportation Strategy took account of feedback from the consultation, a specific conference, and the strategic directions and underlying principles of the Strategy were adopted following a debate in the NI Assembly.</p>
g. What are the key components of the framework/strategy in terms of the role of the national government as a landowner?	N/A.
h. What are the key components of the framework/strategy in terms of relationship to other policy priorities/ frameworks/ strategies?	<p>Set within other Government priorities and EU policies. Re. such things as social exclusion, global warming, etc. In Northern Ireland, as well as being developed against the five national objectives for transport, the strategy was assessed for impacts in relation to three supporting analyses:</p> <ul style="list-style-type: none"> ➤ distribution and equity; ➤ affordability and financial sustainability; and ➤ practicality and public acceptability.
i. How does the framework/strategy take into account regional and local needs and objectives, and what is the	<p>Government has agencies at the regional level that interact with Local Authorities. The main strategic road network is run by the Highways Agency. Local Authorities have to submit Local Transport Plans and progress reports on them. There is also a range of indicators on which they have to report and are ranked in a league table.</p>



<p>relationship of the national framework to other levels of government in UK?</p>	<p>Note: England has been split into Regions. These have a different meaning in Wales. Wales has been sub-divided into 4 Regions. South East Wales consists of 10 Unitary Authorities. These have formed themselves into a voluntary South East Wales Transport Alliance (Sewta). The Assembly pays a transport grant to Sewta for a range of transport infrastructure schemes in preference to dealing with individual local authorities. Sewta also has its own Transport Strategy which the Assembly expects to be the context for each local authority's Local Transport Plan. This is additional to the Assembly's own Transport Framework for Wales. The Assembly pays regard to UK policy where appropriate.</p>
<p>j. What were the drivers for its establishment (what was the context it was developed in)?</p>	<p>The precursor to the 10 Year Plan was the Government's White Paper on the Future of Transport - A New Deal for Transport: Better for Everyone, which was published in 1997 shortly after the current Government came into power. An extract from the Forward to the document follows:</p> <p><i>There is now a consensus for radical change in transport policy. The previous Government's green paper paved the way with recognition that we needed to improve public transport and reduce dependence on the car. Businesses, unions, environmental organisations and individuals throughout Britain share that analysis. This White Paper builds on that foundation.</i></p> <p><i>For the last two decades, the ideology of privatisation, competition and deregulation has dominated transport policy. Bus and rail services have declined whilst traffic growth has resulted in more congestion and worsening pollution.</i></p> <p><i>This White Paper fulfills our manifesto commitment to create a better, more integrated transport system to tackle the problems of congestion and pollution we have inherited. It is timely. In its Green Paper the previous Government recognised that we could not go on as before, building more and more new roads to accommodate the growth in car traffic. With our new obligations to meet targets on climate change, the need for a new approach is urgent.</i></p> <p><i>As a car driver, I recognise that motorists will not readily switch to public transport unless it is significantly better and more reliable. The main aim of this White Paper is to increase personal choice by improving the alternatives and to secure mobility that is sustainable in the long term.</i></p> <p><i>Better public transport will encourage more people to use it. But the car will remain important to the mobility of millions of people and the numbers of people owning cars will continue to grow. So we also want to make life better for the motorist. The priority will be maintaining existing roads rather than building new ones and better management of the road network to improve reliability.</i></p> <p><i>More bus lanes, properly enforced, will make buses quicker and more reliable. Even a small increase in the numbers of bus passengers will transform the economics of the bus industry, allowing higher levels of investment in new buses and new and more frequent services.</i></p>



This White Paper isn't just about national policy. Local transport plans will create a partnership between local councils, businesses, operators and users. Local initiatives such as safer routes to schools will give parents more confidence in letting their children make their own way. CCTV cameras in car parks and bus stations will make users, especially women, feel safer.

We have had to make hard choices on how to combat congestion and pollution while persuading people to use their cars a little less - and public transport a little more. And we have devised imaginative new ways of raising money from transport for better transport. That is the New Deal for transport which I believe the country wants.

The last transport White Paper was a generation ago. But the economy, technology and attitudes to transport and the environment are changing so rapidly that we should not wait another generation before a new White Paper. The new Commission for Integrated Transport will bring together transport users, the private sector, local authorities and others to make recommendations to Ministers.

This White Paper reflects the Government's commitment to giving transport the highest possible priority. We now look to others - companies, individuals, employees and local authorities - to join us in shaping a new future for sustainable transport in the UK.

In Northern Ireland, the main factors influencing the need for change in transportation investment were:

- historic under investment in transportation infrastructure and services;
- a growing awareness of the links between access to transport and social need;
- Northern Ireland's poor road safety record;
- demographic forces which work against the design of efficient public transport services;
- economic forces which work towards greater car ownership and car use;
- trends in availability and costs of transport; and
- trends in the use of different modes of transport.

The National Assembly for Wales was set up in 1999 following a referendum. It established its own policy within the UK / European Union context.

The regional organisations in Wales were driven by the inter-acting political relationships between local authorities and the NAW / WAG.

There has been a long history of co-operation between 14 local authorities and their predecessors in South Wales. These now form two regions - Sewta (10 local authorities) and the South West Wales Integrated Transport Consortium or SWWITCH (4 local authorities). There still remains at least one forum for SWWITCH and Sewta to discuss common issues to the two regions.



	<p>The National Assembly of Wales does not have independent legislation making powers, unlike the Scottish Assembly. The Welsh Assembly Government is seeking additional powers through Parliament, to obtain similar powers currently available to the Greater London Authority (it is its own Assembly and a Mayor of London). If the Welsh Assembly Government obtains these powers this year it will allow them to take over functions or direct the use of existing local authority functions with the power of legislative backing.</p>
<p>k. Could you describe the process that was used? Who were the participants in its development, in government and through public consultation? What was the timeframe for the development process?</p>	<p>The process incorporated full consultation at all levels of public sector, private sector and the general public. The plan was developed over three years.</p> <p>In Northern Ireland, the overall development of the strategy was based on the Guidance on the Methodology for Multi-Modal Studies, an objective-led approach to seeking solutions to transport-related problems, supplemented and complemented by two further analyses: an Equality Impact Assessment; and a Health Impact Assessment.</p> <p>Participants in the development process included politicians, representatives from other Government departments and key stakeholder groups in the business, voluntary and community sectors.</p> <p>The methodology followed and the resulting strategy was quality assured by an independent Panel of Experts.</p> <p>Extensive public consultation was a feature of the strategy development, which was completed within a two-year timeframe.</p> <p>The Assembly adopted the underlying principles and strategic direction of the Regional Transportation Strategy following a debate.</p> <p>In Scotland, the process was driven internally by the Transport Directorate of the Scottish Executive on behalf of the Scottish Parliament. The Directorate published a consultation document for comment by all, then the final document. It was developed over a period of 1-2 years.</p>
<p>l. What have been the successes of the framework/strategy?</p>	<p>More money has been put into transport and it focused LA's on their programmes.</p> <p>In Northern Ireland, the strategy has resulted in a significant uplift in funding for roads, sustainable modes of transport and public transport (see also 2.m.) and a more justifiable strategic investment plan across all land based transportation modes.</p>
<p>m. What are the failures of the framework/strategy?</p>	<p>The plan has not produced delivery of transport projects and is still slow. This is the Government's top priority.</p> <p>In Northern Ireland, the transportation strategy, published in 2002, will be subject to review at five-yearly intervals, at which times the successes and failures will be determined. However, early indications are that the Strategy should have been more decisive regarding the future of the non-core rail network.</p>



<p>n. Were/are there any inter-jurisdictional issues/tensions? If so, what were/are the issues, why did/do they exist, and how were/are they managed?</p>	<p>For Northern Ireland, the region has a land border with the Republic of Ireland. The (continuing) arrangements for practical co-operation on cross-border regional planning and transportation issues were to the mutual benefit of both jurisdictions. The National Development Plan and the Strategic Review of Railways in the Republic of Ireland informed the development of the Northern Ireland development and transportation strategies.</p> <p>Representatives of the Republic of Ireland Transportation Authorities were consulted during the development of the Strategy.</p>
<p>3. Governance Models a. Which levels of government have a role or responsibility for local transit and roads?</p>	<p>Local public transport and local roads are controlled at the local Government level. However, in many cases public transport is run by private companies, i.e. bus, with rail networks operated on a route franchise basis and the rail network run by a new not for profit company called 'Network Rail' which has replaced Railtrack.</p> <p>In Northern Ireland, Roads Service, an agency of the Department for Regional Development, acts as the sole road authority in Northern Ireland, extending to walking and cycling issues. The Department for Regional Development also regulates public transport (bus and rail) which is operated by a publicly owned public transport company.</p>
<p>b. Which levels of government have a role or responsibility for active transportation?</p>	<p>Improvements to cycle and footpath networks are generally a local responsibility, with the exception of the National Cycle Network, the planning and implementation of which is driven by Sustrans, a sustainable transportation charity. Sustrans works on practical projects to encourage people to walk, cycle and use public transport in order to reduce motor traffic and its adverse effects. Sustrans' flagship project is the National Cycle Network, creating 10,000 miles of routes throughout the UK.</p> <p>In Northern Ireland, as per 3a above.</p> <p>For Wales, improvements to cycle and footpath networks are generally a local responsibility, with the exception of the National Cycle Network as described above.</p>
<p>c. Which levels of government have a role or responsibility for transportation demand management (TDM) strategies?</p>	<p>Policy is developed at Westminster government level and powers to levy road user charges are passed by Act of Parliament. All TDM strategies are implemented at local government level.</p> <p>In Northern Ireland, as per 3.a. above, as well as the Department of the Environment's Planning Service.</p>
<p>d. Which levels of government have a role or responsibility for intelligent transportation systems (ITS)?</p>	<p>At the National level, the Westminster government looks after policy development and ITS related to the strategic national road network. All other local ITS, including for public transport, happens at local level.</p> <p>In Northern Ireland, as per 3a above.</p> <p>For Scotland, ITS is the responsibility of the Scottish Parliament, specifically ITS policy development and as related to the strategic national road network. All other local ITS schemes, including those for public transport, are the responsibilities of local authorities.</p>



<p>e. Which levels of government have a role or responsibility for education and awareness campaigns?</p>	<p>Both the Westminster government and local Government are involved, the former for national campaigns, the latter for local campaigns.</p> <p>In Northern Ireland, this is the responsibility of the central government - both Roads Service on behalf of the Department for Regional Development and the Department of the Environment, the latter having responsibility for road safety education and awareness.</p>
<p>f. Which levels of government have a role or responsibility for the safety and security of urban transportation?</p>	<p>The 10 Year Plan states that safety is a top Government priority. An associated document covering road safety called 'Tomorrows Roads - Safer for Everyone' was published at the same time as the Plan.</p> <p>Ultimate responsibility rests with the Secretary of State for Transport. Beneath him all levels of Government have varying degrees of responsibility.</p> <p>In Northern Ireland, as per 3.a. above, together with the Department of the Environment's Driver and Vehicle Testing agency, the Health and Safety Executive for Northern Ireland and Her Majesty's Railways Safety Inspectorate.</p>
<p>g. Which levels of government have a role or responsibility for environmental policies?</p>	<p>The UK National Government, through the Department of the Environment, Food and Rural Affairs and The Environment Agency, a Government agency that works to protect the environment, has overall responsibility for environmental policy and protection, often enacting EU Directives re Environmental Impact Assessment, Ramsar Sites, etc.</p> <p>Regional and local authorities reflect EU and UK environmental policies on their own.</p> <p>In Northern Ireland, the UK central government remains responsible for environmental policy concerns.</p>
<p>h. Which levels of government have a role or responsibility for urban freight/goods movement?</p>	<p>Parliament is responsible at the national level for national policies and initiatives, local Government for local applications.</p> <p>In Northern Ireland, as per 3.a. above, together with the Department of the Environment's Driver and Vehicle Licensing agency.</p> <p>In Wales, the different levels of Government produce policy for freight, however this is relatively limited since the movement of freight is largely in the hands of the private rail freight companies, air shippers, sea shippers and the large range of road based haulers and distribution companies.</p> <p>Highway Authorities have powers that can affect road freight, such as setting weight restrictions, time limits on access, etc.</p>
<p>i. Which levels of government have a role or responsibility for inter-modal activities?</p>	<p>The Westminster government is responsible at the national level for national policies and initiatives, local Government for local applications.</p> <p>Grants given by national government for inter-modal facilities.</p> <p>In Northern Ireland, as per 3a above.</p>



<p>j. Which levels of government have a role or responsibility for research and development/ innovation for urban transportation?</p>	<p>At national Government level, the Department for Transport (DfT) and DTI.</p> <p>In Northern Ireland, as per 3a above.</p> <p>In Wales, there is a Government Research programme through the individual Government Departments covering a wide range of topics (e.g. Personal Rapid Transit in Cardiff was part paid for by the Department of Trade and Industry).</p>
<p>k. Which levels of government have a role or responsibility for other aspects of urban transportation?</p>	<p>In England, Local Authorities take on the majority of the residual responsibilities.</p> <p>In Northern Ireland, as per 3a above.</p> <p>Note on railway structure:</p> <p>The SRA provides overall direction and leadership for Britain’s railways. It lets and manages passenger franchises, develops and sponsors major infrastructure projects, manages freight grants, publishes an annual Strategic Plan, and is responsible for some aspects of consumer protection.</p> <p>Most large urban areas in England and Scotland have a Passenger Transport Authority (made up of groups of local authorities) each of which has a Passenger Transport Executive to carry out day to day operations / work.</p> <p>There is a national organisation for rail consumers.</p> <p>There is an Office of the Rail Regulator to oversee how companies operate and this also includes Her Majesties Rail Inspectorate.</p> <p>Passenger services are run by Train Operating Companies (TOC). TOCs are franchised by the SRA.</p> <p>Rolling stock is largely owned by leasing companies (Rolling Stock Companies - ROSCOs), however an increasing amount of rolling stock has been leased from other sources, such as manufacturers.</p> <p>Network Rail manages the rail infrastructure. Much of the track maintenance is contracted out to Infrastructure companies.</p>
<p>l. Are any of these roles and responsibilities related to specific government objectives i.e. congestion relief, economic growth?</p>	<p>In Wales, there is an increasingly strong need to set objectives, targets, milestones and adopt (if not already adopted) project management.</p> <p>Government expects local authorities to provide better monitoring of the work they undertake through a system of “best value” and “continuous improvement”. Systems are in place for these. The relationships between objectives at different levels of government are expected to be explained and relevant. See Cardiff Council website to view the Local Transport Plan, Annual Progress Reports for further information.</p> <p>http://www.cardiff.gov.uk/traffic/internet/paulcarter/transportation%20policy.htm</p>
<p>m. What are the reasons for the development and use of this model?</p>	<p>N/A.</p>



<p>n. How has the model evolved/ changed since implementation?</p>	<p>N/A.</p>
<p>o. How is the governance structure accountable and transparent?</p>	<p>LOCAL GOVERNMENT RE-ORGANIZATION</p> <p>Local Government across Britain was set a challenge by the Government to modernise its structures and organisation. In Cardiff, the Authority welcomed this challenge as it provided an opportunity to build on the successes already achieved and enabled Members and Officers to continue improving the quality of life for everybody who lives in, works in, or visits our City.</p> <p>Since the local elections in May 1999, the County Council has undertaken a major restructuring exercise. The Authority's decision-making processes have undergone fundamental changes to ensure that the process is more open, accountable and subject to efficient scrutiny.</p> <p>NEW DECISION-MAKING PROCESS</p> <p>One of the ways in which the Council has responded to the debate on Modernisation in Local Government in Wales is to introduce a new decision-making process based upon a "Cabinet" of eight Members with responsibility for the overall policy direction of the Council.</p> <p>The Council has also replaced its traditional committee structure with a system of Scrutiny Committees, which scrutinise, monitor and review the effectiveness of the Council's performance in the provision of services against its stated policies and objectives.</p> <p>SCRUTINY</p> <p>The Scrutiny Function is at the heart of ensuring that Local Government is modernised effectively and imaginatively, and:</p> <ul style="list-style-type: none"> • informs/reviews Executive's plans, policies and decisions; • helps to ensure accountability, encourages innovation and good practice; • adds value to other services; • supports and enhances corporate working; • ensures a customer focus.
<p>p. What representation/ responsibilities do national officials have? How are operational issues such as conflict of interest and board composition addressed?</p>	<p>N/A.</p>



<p>4. Policy and Governance Reviews: Evaluation Exercises</p> <p>Have there been any recent reviews of the policy framework and governance models in response to transportation issues?</p>	<p>No; still working through the delivery of the 10 year plan. Railway industry is currently being reviewed because it has too many organisations, costs rising sharply and lack of delivery.</p> <p>In Scotland, a consultation document was recently issued by the Scottish Executive. The document offers a proposal to form a national transport agency and regional boards, with the main focus of the agency to deliver large transport projects.</p>
<p>5. Financing Urban Transportation</p> <p>a. What sources of funding exist to support urban transportation in UK?</p>	<p>Government grants, capital and revenue, to Local Authorities.</p> <p>Rail - rail regulator sets access charges that Network Rail can charge operating companies. SRA determines finances to Network Rail. London congestion charges.</p> <p>In Northern Ireland, funds are sourced mainly from the UK central government, and are supplemented by developers' contributions, car parking receipts and European Union grants with funds also levered through public private partnerships.</p> <p>In Scotland, the UK government allocates a block grant to the Scottish Parliament, which in turn allocates a single capital amount to local authorities plus a revenue block grant. Scottish Parliament also has an integrated transport fund that asks for bids from local authorities.</p> <p>In London, the Mayor has the power to raise revenue to fund transport operations and investment, through an additional precept on the council tax levied in each Borough. S/he also has the power to raise revenue through congestion charging schemes, such as the program currently in place in the central area.</p> <p>Key schemes are as follows:</p> <ul style="list-style-type: none"> ▪ Road user charging (to be implemented 2003). ▪ Improved and cheaper bus services (being implemented). ▪ Improved bus priority on key routes, through the London Bus Initiative (in process of implementation - NB this is dependent on co-operation of Boroughs where the routes run on non-TfL roads). ▪ Pedestrianisation of major areas e.g. Trafalgar Square north side. ▪ Public transport interchange strategy - in implementation. ▪ Vauxhall Cross re-modelling - 25% reduction in vehicle capacity to bring about improved pedestrian and cyclist environment and better interchange. ▪ CrossRail (at planning stage - £180 million planning costs) - joint SRA/TfL scheme to allow east-west running of heavy rail trains under central London. ▪ Thameslink - still in planning stages (SRA/train operator scheme) - to allow increased north-south heavy rail running across central London.



<p>b. How are the funds distributed?</p>	<p>Through yearly Government settlement to Local Authorities.</p> <p>In Northern Ireland, funds are distributed in accordance with the priorities established by RTS, its subsidiary transport plans and the Corporate Plan of the transport provider (Translink).</p>
<p>c. Who decides what projects receive funding?</p>	<p>At national level and large LA projects - Government. At local level LA's within their budget.</p> <p>In Northern Ireland, allocations to the Department for Regional Development are determined by the Secretary of State and the Minister for Finance (in the UK central government). Whilst transport plans are approved by Ministers in consultation with local councils and other interest groups, Roads Service and DRD Transport Policy Division allocate funds to the highways and public transport projects.</p>
<p>d. How are projects prioritized?</p>	<p>According to National/Government priorities as set out in 10 year plan.</p> <p>In Northern Ireland, highway projects are prioritised based on a cost / benefit analysis, public transport projects are prioritised by the Department for Regional Development and Translink in compliance with the Regional Transportation Strategy and its associated Transport Plans.</p>
<p>e. To what extent is cost recovery possible e.g. public support, pricing principles?</p>	<p>In Northern Ireland, car parking in urban areas is charged on the basis of recovering the costs associated with the provision of such spaces. Capital public transport projects are overwhelmingly funded by public monies; these are subject to full economic appraisal, including cost benefit analysis.</p>
<p>f. What efficiency measures are used, if any?</p>	<p>Range of indicators that LA's have to report on.</p> <p>In Northern Ireland, car parking costs are reviewed annually as part of the tariff review, and form the basis of the cost per car parking space calculated for each car park.</p> <p>In Scotland, local authorities have indicators to report on and progress reports to submit updating the Scottish Executive on the progress of their Local Transport Strategies.</p>
<p>g. Are funds provided for operating expenses? If yes, to whom are they given, why are they given, and how much is spent?</p>	<p>In Scotland, yes, through revenue grants to LA's.</p> <p>Operating subsidy given to rail including through SRA for social services. LA's give bus subsidies for same thing. Rest is funded through private transit companies.</p> <p>In Northern Ireland, operating costs are provided through the Bus Operators Grant, as well as the Fuel Duty Rebate and Bus Challenge Subsidy, which are given to transport operators to help provide socially necessary routes.</p> <p>The Transport Programme for People with Disabilities and the Rural Transport fund is also available to support the transport needs of specific communities.</p> <p>Approximately £12-13 million (excluding Public Services Obligation for railways) is provided annually.</p> <p>In Wales, approximately £2million/year is allocated for Cardiff.</p>



<p>h. What types of projects are funded/managed e.g. infrastructure (expansion projects and/or state-of-good repair needs), transit rolling stock, TDM initiatives, ITS, public education, awareness campaigns, etc.?</p>	<p>Infrastructure, ITS, TDM, public education - yes.</p> <p>Rolling stock is usually funded through ongoing investment by the private transit companies. Some projects for transit will include an element for increased rolling stock.</p> <p>In Northern Ireland:</p> <ul style="list-style-type: none"> ➤ Infrastructure (refurbishment, repair and upgrades, with particular emphasis on safety issues). ➤ Rolling stock (vehicle and plant including the purchase of buses). ➤ Information systems (management and customer). <p>In Wales, bids are largely for infrastructure works, including ITS & TDM.</p>
<p>i. If transit rolling stock is funded, what types of vehicles are eligible and why? What parameters/criteria exist for funding rolling stock?</p>	<p>Depends on project needs.</p> <p>Rolling stock is usually funded through ongoing investment by the private transit companies. Some projects for transit will include an element for increased rolling stock</p> <p>In Northern Ireland, the replacement of obsolete stock (train and bus), plus meeting health and safety standards and EU legislation is supported.</p>
<p>j. Are there any other conditions/ policy leverage criteria attached to spending programs?</p>	<p>In Northern Ireland, all EU funded projects must comply with programme objectives, criteria and conditions, as set out by the EU.</p>
<p>6. Urban Transportation as a Priority</p> <p>a. From the perspective of the national government could you describe where urban transportation issues would rank in terms of a priority?</p>	<p>Top or near the top in transport priorities.</p> <p>Biggest issue at the minute is delivery - things not happening fast enough.</p> <p>In Northern Ireland, transportation issues, including urban transportation issues, share the upper quartile of priorities with education, health and water.</p>
<p>b. Was solving urban transportation ills a priority for the current government - was it part of the election platform? Was it referenced in an agenda-setting national address or other mechanism for setting government priorities?</p>	<p>In Northern Ireland, solving transportation ills was a priority for the NI Assembly. It formed part of the election platform of individual candidates, and it was referenced in setting priorities.</p>



<p>7. Other Issues Are there any other issues that may be relevant to this investigation?</p>	<p>For Northern Ireland, it should be noted that the transportation strategy is being outworked by three transport plans which are (in March 2004) under development. One of these transport plans deals with transportation issues in the main urban area in Northern Ireland the Belfast Metropolitan Area is almost complete.</p>
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Research Report: United States of America

RESEARCH QUESTION	RESPONSE
<p>1. Government Structure</p> <p>a. What are the levels of government in the United States, and what is the division of powers and relationships between these levels?</p>	<p>The United States is governed by a federal government, fifty states, 39,000 general purpose local governments (counties, municipalities and townships), and 44,000 special local governments, of which a third are school districts. The United States Constitution recognises only the federal government and the states. State constitutions recognise local governments and provide for a variety of ways that state legislatures can regulate local governments. The United States is a relatively decentralized federal system. States finance approximately three quarters of spending from their own sources.</p> <p>The federal government provides few direct domestic services (e.g. farm price supports, the Postal Service, medical care for veterans), and the federal role is typically limited to funding partner and/or regulator.</p> <p>No large metropolitan region is covered by a single local general-purpose government, and most include scores of municipalities and special districts. Several contiguous urban regions straddle multiple state boundaries. Though regions have no standing under state or federal constitutions, a few metropolitan areas consolidated local governments in the 1970s, and proposals for further consolidation are occasionally made.</p> <p>State governments play a major role in service delivery, including the direct provision of highway construction, prisons, social institutions, colleges and universities, parks, some policing functions, and other services. State legislatures mandate requirements affecting local governments but may not provide compensatory funding.</p> <p>Local governments are not based directly on the U.S. Constitution, but rather through State Charters. Local governments are heavily involved in service delivery, including elementary and secondary schools, local roads and most public transportation systems including airports and public transit, and other urban services.</p> <p>Legally a city is a municipal corporation that has been chartered by the state to exercise certain defined powers and provide certain specific services. There are two kinds of such charters: special and general-act charters. A special-act charter applies to a certain named city (for example, New York City) and lists what that city can and cannot do. A general-act charter applies to a number of cities that fall within a certain classification, usually based on city population. For example, in some states all cities over 100 000 population will be governed on the basis of one charter.</p> <p>In accordance with the legal principle known as Dillon's rule, the terms of these charters are to be interpreted very narrowly. Under this rule, a municipal corporation can only exercise the powers expressly given it or those powers necessarily implied by, or essential to the accomplishment of the powers which the state legislature has specifically given the city by law or charter. In contrast, a home-rule charter, in effect in some larger cities, reverses Dillon's rule and allows the city government to do anything that is not prohibited by the charter or in conflict with state law.</p>



	(Excerpted largely from <i>Managing Across Levels of Government</i> - United States Organization for Economic Co-operation and Development (OECD) 1997)
<p>b. Who has jurisdiction regarding urban transportation in the United States?</p>	<p>Federal</p> <p>The federal role in transportation tends to be indirect, usually through funding and funding-related requirements. Environmental legislation also influences the federal role in transportation and is closely tied to national funding programs.</p> <p>Federal rules require that highways, mass transit and other transportation facilities and services be planned and implemented consistent with an overall plan of urban development. Transportation facilities must also comply with approved plans for regional and state transportation network accessibility. Responsibility for development of these plans is delegated to state departments of transportation and Metropolitan Planning Organizations (MPOs).</p> <p>The United States Department of Transportation (USDOT) is responsible for the administration of federal funding programs. Two departments, or administrations, are responsible for a majority of the programs and funding: the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA). Other departments, such as the Federal Railroad Administration and the National Traffic Highway Safety Administration operate as part of the USDOT.</p> <p>The FHWA is responsible for highway and street-related programs and funding. The FHWA has, however, delegated a majority of the responsibility for the administration of programs and funding to each state's department of transportation. Unlike FHWA, the FTA administers most of the Federal Government's transit programs internally.</p> <p>State</p> <p>States are responsible for state-wide transportation plans and programs and coordination with MPO's on regional planning issues. States also have responsibility for environmental issues. Each State's air quality agency is tasked with determining how best to achieve the Clean Air Act's (CAA's) goals, and with developing State Implementation Plans (SIPs) for achieving health-based air quality standards. In some States, local air quality agencies and MPOs also play a major role in air quality planning.</p> <p>States manage and maintain interstate and state highways, as well as operating ferry services considered adjunct to highway networks.</p> <p>MPO</p> <p>MPOs are organizations that engage in regional planning for an urban area, with a governing body selected by the local governments within the area. MPOs are required, by federal law, for urbanized areas with more than 50,000 people. There are two major types of MPOs. The most common is a council of governments (COGs), which may have several functions in addition to its transportation planning role, such as growth management and dealing with economic issues. A COG is a cooperative organization of local governments that send one or more delegates to the council, typically a mayor, city council member, or county supervisor. A second type of MPO is a freestanding entity devoted solely to transportation planning. For this type of MPO, members of the governing board may be appointed by local or state elected officials, or may be delegates as in the COGs. In smaller urban areas, MPOs may be housed within the county or state government.</p>



With a few exceptions, MPOs are not official units of government, do not deliver public services, operate major public facilities, or expend funds of their own. Rather, they are cooperative, voluntary intergovernmental organizations. The primary purpose of an MPO is to serve as a regional forum for local governments, working with state transportation interests, ports and local transit agencies, to resolve growth and transportation issues. A component of this is the programming effort that compiles and prioritizes regionally significant projects proposed by state and local agencies. MPOs hold responsibility for preparing a three-year Transportation Improvement Program (TIP), and a long-range Metropolitan Transportation Plan (MTP). All federally funded transportation projects within the region must be consistent with the MTP and included in the TIP. MPOs develop a transportation plan in cooperation with member agencies and the member agencies carry out the plan's elements in the priority reflected in the TIP. The TIP must be approved by the MPO and the Governor, and a conformity determination must be made by the FHWA and the FTA. The regional TIP becomes part of the Statewide Transportation Improvement Program (STIP). The metropolitan planning process must explicitly consider and analyze, as appropriate, 7 broad categories of planning factors identified in the Transportation Efficiency Act for the 21st Century (TEA-21) that include economic vitality, safety and security, accessibility and mobility options, environmental protection, energy conservation promotion, and quality of life improvements, system integration and connectivity, efficient system management and operations, and preservation of the existing system.

MPOs have also been granted primary authority over two categories of federal funds: the Congestion Management and Air Quality Improvement Program (CMAQ) and the regional component of the Surface Transportation Program (STP). Operating budgets for MPOs are largely based on federal and state grants, but also include dues from member jurisdictions.

Development of MPOs

Some form of metropolitan planning has been a requirement of national transportation policy for over 30 years. The rapid suburbanization and highway development that followed World War II raised new regional planning issues in terms of land use and transportation infrastructure. Prior to this, responsibilities for infrastructure were neatly divided between state and local agencies and the associated planning issues were for the most part contained within their jurisdictions.

The groundwork for the establishment of MPOs was set by the Highway Act of 1962 that made federal aid for areas with populations of 50,000 or more contingent on the development a three-C planning process (Continuing, Comprehensive and Cooperative). The 1973 Highway Act officially established MPOs by dedicating a portion of the Highway Trust Fund for each state to creating these agencies. In general, however, MPOs were fairly weak institutions in carrying out this oversight role in the 1960s and 1970s.

In the 1980s, they were weakened as the Reagan administration sought to lessen the role, in general, of the federal government, and allowed the states to define the specific role of the MPOs. During this period MPOs compiled project lists with little consideration given to funding constraints. While MPO approval was required for projects to receive federal funds, in reality it only gave MPOs veto power. MPOs are a voluntary organization and therefore this authority is largely meaningless. Moreover, final allocation of federal funds



	<p>remained with the states.</p> <p>The standing of MPOs was increased with the passage of the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991. Funding for MPO operations was doubled, MPOs were made lead authorities for selecting projects for certain categories of federal funding, and state and MPO cooperation was required for the remaining funds. This increased the power of MPOs relative to state departments of transportation, particularly with the increased level of funding flowing through the MPOs.</p> <p>In addition, each MPO was required to approve only a set of projects that could be funded from realistically anticipated revenues and had to consider a range of economic, environmental and societal goals (with a strong multi-modal emphasis). MPOs were also granted primary authority over two new categories of federal funds: the Congestion Management and Air Quality Improvement Program (CMAQ) and the regional component of the Surface Transportation Program (STP).</p> <p>Despite these changes, MPOs still have difficulty defining clear regional mandates and are often seen as a forum for “washing” federal funds. They remain as volunteer and consensus-based organizations, most funding is still distributed through the state (only 6% of funds are sub-allocated to MPOs), states have greater political power than any one regional agency, and state Governors and DOTs have veto power over MPO-selected projects.</p> <p>Local</p> <p>Local jurisdictions, including cities and counties, are responsible for maintaining, constructing, and managing most urban transportation infrastructure within their area of authority, including streets, bridges, and bicycle and pedestrian facilities. Cities and counties are sometimes responsible for transit service, and in many states have inherited, officially or unofficially, urban sections of state highways. Also found at the local level are special purpose districts including transit agencies and port authorities.</p>
<p>c. What are the United States’ national objectives for urban transportation?</p>	<p>US urban transportation objectives are contained in the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), and are discussed in detail below.</p>
<p>2. National Urban Transportation Policy Framework/ Strategy</p> <p>a. What is the legislative standing of the United State’s framework/strategy for urban transportation, and what is the framework’s current status?</p>	<p>The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) set the national strategy for urban transportation and governs all federal highway and transit funding. ISTEA funded highway, highway safety, transit, and other surface transportation programs for a six-year period.</p> <p>The Act was reauthorized and refined as the Transportation Efficiency Act for the 21st Century (TEA-21) in 1998 and is currently (March 2004) in the reauthorization process as SAFETEA. TEA-21 and the draft reauthorized version maintain the essential underpinnings of ISTEA in terms of policy, institutional framework and basic funding array, but have evolved over time responding to changing political priorities and new policy directions.</p>



<p>b. What are the overall objectives for the framework/ strategy?</p>	<p>ISTEA had the objective of greater coordination and efficiency of transportation movement among modes. The overall vision the Act provided for U.S. Transportation policy states that:</p> <p><i>It is the policy of the United States to develop a National Intermodal Transportation System that is economically sound, provides the foundation for the nation to compete in the global economy, and will move people and goods in an energy efficient manner. The National Intermodal Transportation System shall consist of all forms of transportation in a unified, interconnected manner, including a transportation system of the future. (Intermodal Surface Transportation Efficiency Act, Section 2).</i></p> <p>The benefits ascribed to this approach include:</p> <ul style="list-style-type: none"> ▪ Lowering overall transportation costs by allowing each mode to be used for the portion of the trip to which it is best suited; ▪ Increasing economic productivity and efficiency, thereby enhancing the nation's global competitiveness; ▪ Reducing congestion and the burden on overstressed infrastructure components; ▪ Generating higher returns from public and private infrastructure investments; ▪ Improving mobility for the elderly, disabled, isolated, and economically disadvantaged; and ▪ Reducing energy consumption and contributing to improved air quality and environmental conditions.
<p>c. What are the key components of the framework/ strategy in terms of legislation/ regulation?</p>	<p>Major themes of the ISTEA legislation include: Mobility and Access for People and Goods; System Performance and Preservation; and Environment and Quality of Life. The legislation was built on the understanding that the Interstate Highway System is largely complete, and that system preservation rather than construction was the priority. It also recognized changing development patterns in relation to transportation infrastructure, the economic and cultural diversity of metropolitan areas, and the need to provide metropolitan areas with more control over transportation. ISTEA attempted to strengthen planning practices and coordination between States and metropolitan areas and between the private and public sectors. A major emphasis of ISTEA was also its comprehensive view of transportation that included all modes - a major shift from previous transportation policy.</p> <p>New concepts introduced by ISTEA and subsequently codified through federal legislation included:</p> <ul style="list-style-type: none"> ▪ Management Systems (congestion, intermodal, public transportation, safety, etc.); ▪ Evaluation factors and the constraint of preparing financially feasible long range transportation plans; ▪ A shift to a multi-modal and intermodal transportation orientation, which affected planning processes and the allocation of funds; ▪ Creation of the Transportation Enhancements program to specifically fund bicycle/pedestrian, livability and accessibility improvements; ▪ Creation of the New Starts program for transit investments, and the requirements for completion of Major Investment Studies (MIS) to thoroughly examine benefits, impacts and costs of large federally-funded transportation projects (requirements for MIS was eased under TEA-21); ▪ Linkage of the Clean Air Act air quality requirements with transportation projects (CMAQ program and conformity process);



- Innovative finance;
- Emphasis on meaningful public involvement (subsequently expanded with the 1998 Presidential Order on Environmental Justice); and,
- New tools and research to improve system efficiency and linkages between land use and transportation.

ISTEA and TEA-21

TEA-21 maintained the basic structure and funding programs of ISTEA with minor overall changes. Major debate centred on funding levels and distribution of funds among the states. Perhaps the most significant changes were a guaranteed minimum return gas tax dollar to the contributing states and the creation of a “firewall” between the Highway Trust Fund and the general fund that guaranteed minimum funding levels. Prior to TEA-21, funding for surface transportation programs competed on a yearly basis against other needs. Other changes under TEA-21 include:

- Increase in overall funding from \$158 billion over six years to \$218 billion over six years.
- Reworked funding categories.
- Changes in the planning process: replaced the stand alone Major Investment Study requirement of FHWA/FTA’s joint planning regulation with a directive that, for federally funded highway and transit projects, analyses under the planning provisions of the Act and NEPA be integrated. It exempted MPO plans and programs as actions addressed by NEPA. Planning factors for MPOs were consolidated from 16 to 7 broad areas, and a requirement for public involvement during plan certification review was added.
- Added a requirement for MPO, State, and transit agencies to cooperate in the development of financial estimates that support plan and TIP development.
- Added option of identifying additional projects for illustrative purposes that would be included in plans and TIPs if reasonable additional resources were available.
- Removed barriers that prevented employers from offering a choice among transportation benefits.
- Extended the Disadvantaged Business Enterprises (DBE) program.
- Strengthened safety programs across the Department of Transportation (DOT).

SAFETEA

Like TEA-21, it is anticipated that SAFETA will maintain the basic direction established under ISTEA with only minor changes. Changes proposed include:

- Increasing funding. As of March 2004, the Senate proposed \$318 Billion over six years while the House was at \$375 billion. President Bush has stated that he will veto anything over \$256 Billion for the six-year term.
- Greater emphasis and funding for safety with a doubling of funding by the creation of a new categorical program.
- Reducing the number of discretionary highway and transit programs and replacing them with formula program (reduces federal involvement in project selection).
- A focus on expediting project delivery including provisions such as strengthening the current law that establish time frames for resource agencies to conduct environmental reviews and grant permits and a new



	<p>Infrastructure Performance and Maintenance Program that directs \$1 billion per year to ready-to-go projects that are able to spend the funds within six months.</p> <ul style="list-style-type: none"> ▪ Greater emphasis on performance measures including a ridership-based Performance Incentive Program for transit and a program to reward states that improve their safety performance. ▪ Greater emphasis on freight including dedicating a portion of National Highway System (NHS) funds for highway connections between the NHS and intermodal freight facilities and allowing STP funds to be used for publicly owned intermodal freight transportation projects that address economic, congestion, security, safety, and environmental issues associated with freight transportation gateways. <p>Related legislation includes the Clean Air Act and Congestion Mitigation and Air Quality Improvement Program (CMAQ), and the 1998 Presidential Order on Environmental Justice (also referred to Environmental Equity) that mandates that no person or group of people should shoulder a disproportionate share of the negative environmental impacts resulting from the execution of this country's domestic and foreign policy programs including development of transportation infrastructure.</p>
<p>d. What are the key components of the framework/strategy in terms of spending programs?</p>	<p>Federal funds are distributed to the states through a variety of categorical programs. These include the Highway Trust Fund (which is comprised of the Highway Account and the Mass Transit Account) and other funds that are made available to states on a formula basis.</p> <p>The following is a summary of several key federal programs under the existing TEA-21 funding program:</p> <ul style="list-style-type: none"> ▪ Surface Transportation Program (STP) - flexible funds available for a variety of projects including mass transit, pedestrian and bicycle facilities, as well as roads and highways. ▪ Congestion Mitigation and Air Quality (CMAQ) Program - can only be used for transportation-related air quality projects in non-attainment areas and are limited to those that contribute to a region's ability to attain federal Clean Air Act standards. ▪ Transportation Enhancement Activities (TEA) - (at least 10% of STP funds) can only be used for transportation-related projects that enhance quality of life in or around transportation facilities including scenic beautification, historical preservation, and bicycle and pedestrian facilities. <p>The funds provided through the above three programs cannot be used for ongoing transit operating assistance. Dedicated federal transit funding is available through several programs including:</p> <ul style="list-style-type: none"> ▪ Transit Capital Investment Grants and Loans Program - provides capital funds for new fixed guideway systems and extensions of existing systems. ▪ Urbanized Area Formula Grants Program - provides transit capital and operating assistance for urban areas with populations over 50,000. Large urban areas (over 200,000 population) cannot use these grants for operating assistance, but can use them for preventive maintenance.



	<p style="text-align: center;">Figure 1: TEA-21 highway program apportionments, 1998–2002</p> <p style="text-align: center;"><small>Source: Surface Transportation Policy Project analysis of FHWA federal notices: N4510 Series www.fhwa.dot.gov/legregs/directives/notices.htm</small></p>
<p>e. What are the key components of the framework/strategy in terms of fiscal policies?</p>	<p>TEA-21 revenues come from the federal gas tax, along with taxes on truck and tire sales, and taxes on alternative fuels. The 1997 reauthorization saw the implementation of a “firewall” that ensures that that on an annual basis, tax revenues deposited into the Highway Trust Fund are spent on transportation improvements and not mixed with the general fund. The act provides guaranteed and predictable spending levels over 6-year authorization period. TEA-21 initiated greater funding equity between states with guarantees on minimum returns of tax dollars that individual states send to the federal government.</p>
<p>f. What are the key components of the framework/strategy in terms of knowledge dissemination?</p>	<p>The Transportation Research Board (TRB) is a division of the National Research Council, which serves as an independent advisor to the federal government and others on scientific and technical questions of national importance. The mission of the Transportation Research Board is to promote innovation and progress in transportation through research.</p> <p>The TRB undertakes a number of activities designed to support dialogue and information exchange among researchers, practicing transportation professionals, and others concerned with transportation through:</p> <ul style="list-style-type: none"> ▪ Standing Technical Committees - addresses all modes and aspects of transportation; ▪ Annual Meetings - typically attracts 9,000 transportation professionals from the United States and abroad; ▪ Publications - TRB publishes and disseminates reports and peer-reviewed technical papers on research findings; ▪ On-Line Data and Information - TRB operates of an on-line computerized file of transportation research information; ▪ Response to Inquiries - TRB responds to specific requests from state transportation departments and other sponsors for information concerning transportation research and practice; ▪ Field Visit Program - TRB technical staff make annual visits to administrators and professional staff of all state transportation departments, many academic institutions, and other transportation-related agencies to exchange information concerning research and practice on a one-to-one basis; and ▪ Special Studies - TRB conducts special studies on transportation policy issues at the request of the U.S. Congress and government agencies.



	<p>Currently, the TRB administers two major research programs sponsored by other organizations: the National Cooperative Highway Research Program (NCHRP), which is sponsored by the state transportation departments and the Transit Cooperative Research Program (TCRP), which is sponsored by the Federal Transit Administration.</p> <p>Initiated in 1962, the NCHRP conducts applied, user-oriented research that produces results intended to improve engineering, operational, and management practices. The TCRP, established in 1992, covers research topics related to all phases of public transportation.</p> <p>The FTA supports research and technical assistance through grant programs, research and technical assistance, training and professional development courses and training through the National Transit Institute, New Starts Workshops, Construction Roundtable FTA, and the State Program Managers Meeting.</p> <p>The FHWA serves as an "in-house consultant" for training and learning, providing access to assistance and expertise to all of FHWA including the Local Technical Assistance Program (LTAP) and National Highway Institute. Specific funding programs also serve a research and dissemination function, and include the Value Pricing Pilot Program and the Intelligent Transportation Systems (ITS) program.</p>
<p>g. What are the key components of the framework/strategy in terms of the role of the national government as a landowner and employer?</p>	<p>No specific policies are relating to the role of government as landowner, other than The Federal Lands Highway Program that provides access to and within National Forests, National Parks, Indian Lands and other public lands by administering the Federal Lands Highway, Emergency Relief and Defence Access Roads Programs.</p> <p>ISTEA recognized the connection between transportation and land use. Federal land use strategies are implicit in ISTEA and TEA-21's general planning factors. MPOs in their planning process are required to consider projects and strategies that will support the economic vitality of the metropolitan areas and increase accessibility and mobility options available to people. TEA-21 explanatory material states that "...metropolitan planning organizations are encouraged to consider the interaction between transportation decisions and local land use decisions appropriate to each area."</p> <p>Through the MPOs, federal transportation dollars are available to help finance changes to local land use plans to make them better integrated with transportation. TEA-21 also established a new grant program called Transportation and Community and System Preservation (TCSP), which provides funds for local jurisdictions to address urban sprawl. Communities can use TCSP funds, known as "Smart Growth" grants, to address interrelated problems involving transportation, land development, environmental protection, public safety, and economic development. The grants are available for efforts that coordinate transportation and land use planning; reduce environmental impacts; and ensure efficient access to jobs, services, and trade centers.</p> <p>In 2000, Executive Order 13150 (and subsequent legislation) initiated the Mass Transportation and Vanpool Transportation Fringe Benefit program for federal employees. As a pilot project, employees within the capital region and nationwide employees of the Departments of Transportation (DOT), Energy (DOE) and the Environmental Protection Agency (EPA) are offered a benefit equal to their commuting costs (up to \$100) in the form of passes or vouchers. Federal employees outside the capital region can elect to reduce their pre-tax</p>



	<p>income by an amount equal to their transit or vanpool expenses up to \$100 per month. Other incentives can include flex-time, preferential parking for carpools or vanpools, or priority access to agency-provided dependent care facilities.</p>
<p>h. What are the key components of the framework/strategy in terms of relationship to other policy priorities/frameworks/strategies?</p>	<p>ISTEA was linked to environmental issues, as transportation’s impact on the environment is seen as a major concern. ISTEA served as an implementation tool for:</p> <ul style="list-style-type: none"> ▪ Clean Air Act, ▪ Title VI of the Civil Rights Act (requiring consideration of disparate impacts of federal spending and decisions on minorities), ▪ Presidential Order on Environmental Justice, and ▪ Americans with Disabilities Act (ADA).
<p>i. How does the framework/strategy take into account regional and local needs and objectives, and what is the relationship of the national framework to other levels of government in the United States?</p>	<p>ISTEA changed intergovernmental relations. State and local officials won new flexibility in moving federal funds among transportation modes, such as highways, rail and bus systems, and bicycle paths. MPOs who had traditionally participated in setting funding priorities for transportation improvements in each urban region were empowered to directly choose how a significant share of the available federal funds would be spent, including those funds that can be used most flexibly. The framework established by ISTEA is essentially a top-down policy framework that allows for bottom-up prioritization and implementation.</p>
<p>j. What were the drivers for its establishment (what was the context it was developed in)?</p>	<p>The passage of ISTEA was a major shift in federal transportation policy away from highway construction to a focus on maintenance of the system, transportation needs of urban areas, and the integration of all modes. Factors that contributed to the change in policy included a largely built-out interstate system, the neglect of many transit systems, worsening traffic congestion with regional implications, the environmental movement of the 1970s, an increased attention paid to air quality in urban areas, a backlash against highway construction and its impact on urban areas, and the advocacy efforts of non-highway transportation interests.</p> <p>The impacts of highway construction on urban areas, specifically, lead to a number of protests which, in turn, ensured greater public participation as a cornerstone of the ISTEA legislation. It is generally acknowledged that an ISTEA equivalent may have emerged a decade earlier had it not been for the Reagan administration’s aversion to a larger federal government role in the transportation sector.</p>
<p>k. Could you describe the process that was used? Who were the participants in its development, in government and through public consultation? What was the timeframe for the development process?</p>	<p>Leading up to ISTEA’s establishment, the American Association of State Highway and Transportation Officials (AASHTO) created a Transportation Alternative Group that included representation from groups interested in the reauthorizing of federal transportation programs. However, policy disagreements within AASHTO lead some groups, particularly citizen and public interest groups, to withdraw from the Transportation Alternatives Group.</p> <p>Subsequently, a coalition of design interests, bicycle advocates, environmentalists, planning professionals and other related interest groups came together as the Surface Transportation Policy Project (STPP), and played a major role in drafting the legislation that became ISTEA. The coalition, which now includes approximately 175 affiliated groups, advertises itself as focusing upon the needs of people, rather than automobiles, and working for</p>



	<p>policies through which transportation serves communities.</p> <p>Many of the major players of STPP had legislative experience gained from work related to the Clean Air Act, and as a result were well placed to develop the transportation legislation they saw as intimately related to their cause.</p> <p>Strategically, STPP focused on how money was spent and less so on how much was needed and how it should be distributed. Working through the Senate with Senator Monihan as an advocate, STPP pre-empted legislation ASSHTO was working on through the Transportation Committee of the House of Representatives. ASSHTO and the “highway lobby” became embroiled in discussion of funding levels and technical details, missing the significance of the effort playing out in the Senate.</p>
<p>l. What have been the successes of the framework/strategy?</p>	<p>The successful passage of ISTEA was based on:</p> <ul style="list-style-type: none"> ▪ Groups organized around broad principles of reform rather than special interests. Special interest groups could not have moved their agenda forward without major structural changes; ▪ A strategy to leave highways alone, support an increase in overall spending, while increasing support for other modes and environmental issues; ▪ Diversionary tactics were used whereby the major debate focused on the allocation of funding among states, rather than on funding priorities between highway, transit and other modes; ▪ A compromise between all levels of government; ▪ Certainty of funding over 6-year period; ▪ A focus on performance rather than facilities (away from capacity and vehicle mobility to transportation access and quality of life in communities); ▪ A link to environmental issues, as transportation and the environment were seen as significant, intertwined concerns - the Act built on and served as an implementation tool for the Clean Air Act; ▪ Transit and non-motorized modes were major winners as previously no federal funds were available; ▪ A general change in mindset of the planning and engineering profession, whereby transit and other modes had a much greater influence; ▪ Flexibility in funding transit from traditional highway sources or vice versa, and different types of projects including bus acquisition, alternative fuel projects, etc.; and ▪ A top down initiative setting an overall policy framework, supported by a bottom up planning and coordination effort. <p>The 1997 reauthorization also saw provisions added to ensure a new funding formula whereby states were guaranteed to receive back what they contributed in gasoline taxes. Arguably, however, this only worked due to the late 1990’s economic upswing, thus increasing the Federal tax revenue pool. As with ISTEA, agreement on TEA-21 was facilitated with greater funding flexibility. Further, a “firewall” was created between highway funds and general funds, so gas tax revenue would only go to transportation projects.</p>
<p>m. What are the failures of the framework/strategy?</p>	<p>Failures of TEA-21/ISTEA policy regime include:</p> <ul style="list-style-type: none"> ▪ The lack of immediate progress, as the natural lag and momentum of institutions was difficult to overcome; ▪ New funding programs took a significant time to put into operation due



	<p>to slow professional uptake and established 'pipeline' projects that were still moving forward;</p> <ul style="list-style-type: none"> ▪ Many state laws continue to limit gas tax revenues being spent on highway projects; ▪ With a few exceptions, ISTEA did not mandate change; ▪ MPOs particularly in small areas have had trouble meeting new demands; ▪ A skills gap to address new needs; ▪ An exhaustive focus on the MPO role, yet in reality they controlled a relatively small amount of the overall transportation dollars flowing into a state; ▪ The legislation was a compromise and did not go far enough (also cited as why it was successfully implemented); ▪ MPOs lack any land use authority, and therefore land use issues played out dependant on state policy, and not always in harmony with urban transportation efforts. States with stronger growth management polices fared better; ▪ No real interest in strengthening MPOs at the federal level and the MPO-state relationship remains problematic; ▪ Tension between local agencies and the states. When state revenues were increasing, there was general support of new state programs. When states cut back on local assistance or attempted to download responsibilities without providing adequate funding, tensions between states and local government increased accordingly; ▪ With new funding and authority, MPOs and state departments of transportation took the lead as agents of change, while the FHWA failed to change with the legislative mandate; and ▪ Despite increased authority MPOs are still viewed as ineffective. MPOs must consider all interests including those of the state, the DOT, cities and counties, with MPOs role really one of forum for discussion rather than a critical approval authority.
<p>n. Were/are there any inter-jurisdictional issues/tensions? If so, what were/are the issues, why did/do they exist, and how were/are they managed?</p>	<p>Inter-jurisdictional tensions occur, as in other countries, on the borders of jurisdictional authority. In the US this is particularly an issue because of the large number of local jurisdictions and their relative autonomy. State governments focus within the limits of their transportation rights-of-way. For example, the interface between highways and local streets is always an issue. DOTs typically want to maintain the efficiency of the facility while local agencies wish to avoid traffic spilling into communities. Traffic control (particularly ramp meters) has become a serious inter-jurisdictional issue.</p> <p>Where multiple jurisdictions come together, such as in the vicinity of ports, roles and responsibilities are not always clearly defined and problems often remain unaddressed.</p> <p>Tensions/conflicts also arise:</p> <ul style="list-style-type: none"> ▪ Between regional, state and local objectives and priorities; ▪ Through different perspectives on equity and the distribution of funds; ▪ Through the challenge of obligation federal funds. To obligate funds local jurisdictions must have approvals in place and be ready to move forward. In some cases an MPO or state may 'poach' funds if it appears the local agency will not be able to obligate within the required timeframe. Rather than lose the federal funding the state may assign it to another project that can move ahead within the federally-defined timeframe;



	<ul style="list-style-type: none"> ▪ Between MPOs and their state DOT as roles sometimes overlap; ▪ State DOT areas of oversight tend to be in rural areas and therefore urban issues are less of a priority. ▪ As a result of the reevaluation of funding formulas among states, as was seen during the 1997 reauthorization; and ▪ As congressional earmarks undermine local decision making.
<p>3. Governance Models</p> <p>a. Which levels of government have a role or responsibility for local transit and roads.</p>	<p>Transit agencies are organized as locally controlled special-purpose governments or fall within the purview of local cities or counties, depending on the provisions of state law. Special-purpose governments may form through intergovernmental agreements whereby cities and counties may enter into agreements to establish a joint transit commission, or a metropolitan transit authority may be created through a referendum and adoption of consenting ordinance.</p> <p>Commuter rail governance structures can vary, and include:</p> <ul style="list-style-type: none"> ▪ State DOT: e.g. MARC (Maryland), New Jersey Transit, Connecticut DOT ▪ Commuter Rail Operating Agency: e.g. METRA (Chicago), Metro North and Long Island Railroad (New York) ▪ Regional Transit Authority: e.g. SEPTA (Philadelphia), MBTA (Boston) ▪ Joint Powers Board or Authority: e.g. CalTrain (Northern California), Tri-Rail (South Florida) ▪ Inter-Governmental Agreements: e.g. Virginia Railway Express (Northern Virginia) <p>For example, current Metro bus service for the City of Madison is owned and operated by the City. Other local governments and educational institutions in the region “purchase” service from the City.</p> <p>In Seattle, Metro King County is responsible for regional services including transit. The transit authority precursor of Metro (a special purpose entity) merged with King County in an effort to enhance accountability. In addition, two other special purpose transportation entities authorized under state law include Sound Transit for regional bus service (beyond King County), and the Popular Monorail Authority charged with building, owning, operating and maintaining the new monorail system.</p> <p>In the Charlotte-Mecklenburg region, a Transit Governance Interlocal Agreement was established in 1999 between Charlotte, Cornelius, Davidson, Huntersville, Matthews, Mecklenburg County, Mint Hill and Pineville. This agreement defined the relationships and mechanisms that guide the planning of the transit system, the allocation of the sales tax and the implementation of the Transit/Land Use Plan. This agreement also created a policy board and an advisory group. Under the Transit Governance Interlocal Agreement, the City of Charlotte is responsible for administration of the transit system. The system operates as a department within the City, doing business as CATS.</p> <p>Generally speaking, responsibility for local roads rests solely with Cities and Counties within their respective jurisdiction. Counties generally hold responsibility for roads outside of incorporated areas. A common trend has many state roads, particularly those with more urban characteristics, being downloaded, officially or unofficially to the local jurisdictions. MPOs may influence the decision-making process to the extent that local jurisdictions are seeking federal funds for improvements.</p>



<p>b. Which levels of government have a role or responsibility for active transportation?</p>	<p>Active transportation is addressed in federal transportation funding programs. States pass specific legislation and are responsible for long-range state transportation plans that include active transportation, implementation of pedestrian and bicycle facilities on sites under state control, and development of funding criteria. MPOs undertake planning efforts, develop criteria and distribute CMAQ and STP funds.</p> <p>Local governments are responsible for planning and implementation of active transportation facilities.</p>
<p>c. Which levels of government have a role or responsibility for transportation demand management (TDM) strategies?</p>	<p>TDM is addressed in federal transportation funding programs. States pass specific legislation, are responsible for long-range state transportation plans that include TDM, implement state programs, and develop funding criteria. MPOs undertake planning efforts, develop criteria and distribute CMAQ and STP funds. Local governments are responsible for planning and implementation.</p> <p>For example, Washington State passed the Commute Trip Reduction law in response the federal Clean Air Act. The CTR requires major employers to provide programs that encourage employees to carpool. Responsibility for coordination with employers is at the local level.</p>
<p>d. Which levels of government have a role or responsibility for intelligent transportation systems (ITS)?</p>	<p>ITS was a primary research focus of ISTEA. Under TEA-21, a new emphasis was placed on ITS deployment through a new discretionary funding program. The federal government directly reviews and selects ITS projects. TEA-21 also directed the Secretary of Transportation to establish a list of ITS standards for national interoperability. ITS projects using Highway Trust Funds must use applicable ITS standards and protocols and must conform to the National ITS Architecture.</p> <p>MPOs can act as a forum for coordination and development of ITS projects and establishment of funding criteria. Local jurisdictions also prepare their own ITS plans, consistent with the national architecture.</p>
<p>e. Which levels of government have a role or responsibility for education and awareness campaigns?</p>	<p>Education and awareness campaigns are found mostly at the state and local level, with the exception of the Environmental Protection Agency (EPA), utilizing both federal and local funding.</p> <p>Most federal transportation education programs are environment related and are housed under the EPA. The EPA has a number of programs including promotion of Earth Day, Clear Skys, encouraging smart growth, Green Communities, and Best Workplaces for Commuters.</p> <p>FHWA and FTA do not do much with regard to education. Their focus is on providing services and funding to state and local government. They make funding available to the local level for public outreach. There are exceptions such as the Scenic Byways program and security tips and information for aviation users.</p>
<p>f. Which levels of government have a role or responsibility for the safety and security of urban transportation?</p>	<p>NHTSA's Research and Development (R&D) program serves as a foundation to support the Agency's goal to reduce motor vehicle injuries and fatalities.</p> <p>The recently established Department of Homeland Security is the new umbrella organization for security issues with the Transportation Security Administration focusing on transportation specific issues.</p>



<p>g. Which levels of government have a role or responsibility for environmental policies?</p>	<p>In the US, there is a strong history of devolution of public policy to state and local governments. A major exception is environmental policy. The federal government holds responsibility for major environmental policies with the National Environmental Policy Act (NEPA) being the umbrella legislation.</p> <p>Environmental policies and legislation have significant influence on the activities of state and local agencies. A NEPA process and clearance is required for projects that involve federal actions, federal funds or that require federal permits. On transportation projects, typically the FHWA or FTA will act as lead agency for the federal government. The Environmental Protection Agency (EPA) and the Council on Environmental Quality (CEQ) act as oversight agencies.</p> <p>In addition, the Environmental Protection Agency, like other federal agencies, prepares and reviews NEPA documents. However, EPA has a unique responsibility in the NEPA review process. Under the Clean Air Act, the EPA is required to review and publicly comment on the environmental impacts of major federal actions, including actions which are the subject of Environmental Impact Statements. A host of other agencies have jurisdiction regarding environmental permits, including the Army Corps of Engineers for Wetland issues and the National Oceanic and Atmospheric Agency (NOAA) for fisheries and endangered issues.</p> <p>The authority to actually list species as threatened or endangered is shared by the National Marine Fisheries Service (NMFS), which is responsible for listing most marine species, and the Fish and Wildlife Service (FWS).</p> <p>States will sometimes have individual environmental legislation - such as Washington, California, and to some extent Florida - but most do not. State DOTs typically act as clearinghouses on environmental issues, review projects for conflicts with state policy or legislation, and act as liaisons between local authorities and the federal government.</p> <p>Local jurisdictions typically have their own environmental regulations, either to implement state or federal requirements or to address specific localized issues.</p>
<p>h. Which levels of government have a role or responsibility for urban freight/goods movement?</p>	<p>Federal, state and local responsibility for urban freight remains ill-defined in the US. Three major influences shape federal and local responsibilities for freight issues. At the federal level, freight issues are generally associated with road building and the National Highway System (NHS), without much emphasis on special provisions for freight. ISTEA did not create a funding program specifically for freight or rail-freight projects. The funding flexibility of ISTEA, however, made it possible to fund certain types of freight projects and the Office of Intermodalism was empowered to serve as an advocate for freight projects.</p> <p>At the state and local level, planners are limited by statute to the area over which they have jurisdiction, which is often at odds with the national or international scope of the freight system. ISTEA and TEA-21 have been somewhat successful in focusing state and federal attention on freight issues, although freight investment must compete with other, broader infrastructure investments in the process. The acts provided few specific tools for execution and an appropriate federal role remains outstanding. Finally, there is natural tension between the government's role and emphasis on process, analysis and consultation with the largely private freight industry as users of the freight transportation system.</p> <p>ISTEA and TEA-21 addressed modal funding boundaries but did not break down</p>



	<p>the institutional barriers facing states and MPOs trying to work across state and local lines. Greater roles related to freight are emerging for state DOTs and MPOs. MPOs in Chicago, Columbus, San Francisco, and New York were early leaders in examining local freight needs and working with the freight community to solicit input on freight transportation improvements. In the State of Washington, the DOT created the FastCorridor Program to bring together local agencies and the private sector and identify needs and funding responsibilities (including private sector participation).</p> <p>Federal economic deregulation has also shaped the transportation picture in the US, particularly in the railroad industry. The Staggers Act of 1980 allowed railroads to negotiate directly with shippers for services, more readily set rates, and enter and exit markets. Deregulation of trucking prompted an explosion in the number of interstate motor carriers, increasing from 18,000 in 1975 to over 500,000 in 2000.</p>
<p>i. Which levels of government have a role or responsibility for inter-modal activities?</p>	<p>A major emphasis of the aptly named Intermodal Surface Transportation Efficiency Act (ISTEA) was a new focus on all modes of transportation. Intermodality permeates the funding programs and, as with other programs, is implemented at the state and local level.</p> <p>At the federal level, the Office of Intermodalism was established in 1992 within the Office of the Secretary of Transportation and is responsible for coordinating Department of Transportation projects, programs and policies involving more than one mode of transportation. ISTEA required that states develop and implement an Intermodal Management System (IMS) that identifies intermodal facilities, performance measures, strategies and action plans.</p>
<p>j. Which levels of government have a role or responsibility for research and development/ innovation for urban transportation?</p>	<p>All levels of government participate in research, development and innovation. As with other funding programs, federal funding programs generally support local actions. In addition, there are specific federal roles in research and technology pilot programs. Research activities are conducted under the direction of FHWA, as well as FTA, FMCSA, NHTSA, and RSPA, depending on the specific research effort. National research tends to focus on issues and opportunities that transcend state or local boundaries. FTA research funding elements related to urban transportation include:</p> <p>National Planning and Research funds, which are used by FTA for research, development, testing and information transfer of innovative transit technologies and services. The four priority areas of research are:</p> <ul style="list-style-type: none"> (a) safety and security systems; (b) bus innovations, including bus rapid transit, ITS, clean fuels, and hybrid-electric and fuel cell technology; (c) infrastructure and asset protection technologies; and (d) dissemination of new knowledge to expand U.S. transit industry professional capacity and participation in global markets. <p>State Planning and Research funds are used for a variety of purposes such as planning, technical studies and assistance, demonstrations, management training and cooperative research.</p> <p>The Transit Cooperative Research Program (TCRP) promotes operating effectiveness and efficiency by providing peer reviewed information for the transit industry to help develop and apply the latest in technology and operating techniques.</p>



k. Which levels of government have a role or responsibility for other aspects of urban transportation?	N/A.
l. Are any of these roles and responsibilities related to specific government objectives i.e. congestion relief, economic growth?	Yes. Federal agency responsibilities and funding programs have evolved to meet the requirements of the ISTEA legislation and the federal government objectives established in the legislation. See above for a fulsome discussion of the Federal bodies created to implement the ISTEA and TEA-21 legislation.
m. What are the reasons for the development and use of this model?	The ISTEA/TEA-21 funding approach leaves a great deal of autonomy for state and local governments. Local control and a limited federal government role have been a major theme in American politics. Regional planning efforts are the current losers in this arrangement, as regional government bodies are quite limited in authority.
n. How has the model evolved/ changed since implementation?	Starting with ISTEA, and continued with TEA-21, MPOs received greater powers. The Federal government in SAFETEA is proposing to send more decision-making authority to the local level.
o. How is the governance structure accountable and transparent?	Legislation moves through the House and Senate and is open to public debate.
p. What representation/ responsibilities do national officials have? How are operational issues such as conflict of interest and board composition addressed?	<p>Senators and members of the house are elected at the state level and represent their constituents in the legislature. While not directly involved in administration issues, they have a substantial impact through state and federal earmarks.</p> <p>Elected officials are not directly involved in transportation administration nor do they sit on boards. They do, however, appoint administration staff. FHWA and FTA Administrators are directly appointed by the president with the advice and consent of the Senate. The administrator reports directly to the Secretary of Transportation. Deputy Federal Highway Administrators are appointed by the Secretary, with the approval of the President. Assistant Federal Highway Administrators are appointed in the competitive service by the Secretary, with the approval of the President.</p>



<p>4. Policy and Governance Reviews: Evaluation Exercises</p> <p>Have there been any recent reviews of the policy framework and governance models in response to transportation issues?</p>	<p>At the federal level, policy and governance reviews occur every six years within the reauthorization process surrounding ISTFA: starting in 1991 with ISTFA, 1997 with TEA-21, and the current review playing out as SAFETEA. These are not formal reviews and evaluations of policy and governance structures but rather are more complex and untidy lobbying efforts surrounding funding levels, equity, and decision-making authority.</p> <p>It should be noted that many of the elements of the existing governance structure, such as the role of the MPO, can be traced back to the 1959 Advisory Commission on Intergovernmental Relations (ACIR) that was tasked with exploring new government structures and policies to address suburban growth problems and improve the coordination of federally funded projects and programs.</p>
<p>5. Financing Urban Transportation</p> <p>a. What sources of funding exist to support urban transportation in the United States?</p>	<p>At the federal level, urban areas are eligible for most categories of TEA-21 funding with the exception of those specifically designated as rural. Population is a major criterion for many funding programs and most funds are directed at urban areas.</p> <p>Distribution by population was one strategy used to address equity issues within the original ISTFA legislation. Based on the ISTFA legislation, STP funds are distributed among the States based on each state's lane-miles of Federal-aid highways, total vehicle-miles traveled, and estimated state contributions to the Highway Account. 80% of these funds are then reserved for sub-state distribution of which 62.5% goes to areas based on population. Additional criteria, including population (such as "urban centres"), may be used at the local level during project selection.</p> <p>In addition, CMAQ funds are generally distributed to states and regions based on a formula that considers an area's population by county and the severity of its air quality problems. Urban area specific funding sources include:</p> <p>CMAQ - funding transportation projects in non-attainment and maintenance areas (related to air quality) that reduce emissions, with the amount of funding based on population, maintenance/attainment designation and air pollution severity factor; and</p> <p>STP - flexible funding for projects on any federal-aid highway, including the NHS, bridge projects, public road, transit capital projects, and intercity bus terminals and facilities.</p> <p>Federal aid transit programs include Section 5303 development of plans and programs for urbanized areas and section 5307, with most of the grant program going to urbanized areas with populations of 50,000 or more. Criteria include that funds must be used for capital, ADA operating, or preventative maintenance for urban areas with populations over 200,000.</p> <p>The current SAFETEA proposal suggests that the Federal Transit Administration (FTA) programs would be restructured into three major areas: Urbanized Area Formula Grants; Major Capital Investments; and State-Administered Programs.</p>
<p>b. How are the funds distributed?</p>	<p>Under TEA-21, almost 93% of federal highway funds are delivered to the States through the core formula grant programs. The remainder are discretionary programs or congressional earmarks. Under TEA-21, 1,850 earmarks were referred to as "high priority" projects.</p>



	<p>Formula grants (sometimes known as block or categorical grants) employ a predetermined formula to accomplish distributive goals. Discretionary or project grants are allocated on a competitive basis by the FHWA and congressional earmarks are funds received by a specific recipient or program. With TEA-21, states are guaranteed a return of 90.5% of the taxes they contribute to the Trust Fund.</p> <p>Urban and rural population data are used extensively in federal transportation formula grant programs administered by the Federal Highway Administration and Federal Transit Administration. Highway Planning and Construction programs and other surface transportation grants employ an array of transportation-related factors for allocating funds. Highway funds are allocated according to states' road and highway length and usage, as well as diesel fuel usage (in an attempt to account for freight traffic), with a small factor also included to help states with small populations relative to usage. Mass transit evaluations are also based in part on urbanization and population levels.</p> <p>National Highway System funding is based on three weighted factors: 25 percent on a state's share of total lane miles of principal arterial routes (not including interstates), 35 percent on the share of total vehicle miles traveled, 30 percent on the share of diesel fuel consumed, and 10 percent on sparseness of population versus road mileage.</p> <p>For the Surface Transportation Program, the Department of Transportation weights federal-aid highway lane mileage at 25 percent, lane mileage actually traveled at 40 percent and the state's relative contributions to the highway trust fund (other than for transit) for the most recent fiscal year at 35 percent.</p> <p>The Interstate Maintenance program is based equally on three factors—interstate lane miles (33 percent), miles traveled (33 percent), and highway trust fund contributions (33 percent).</p> <p>The Congestion Mitigation and Air Quality (CMAQ) program distributes funds to states on the basis of the share of population living in air pollution "non-attainment and maintenance" areas as determined by the U.S. Environmental Protection Agency (EPA).</p> <p>In addition to formulas based on these factors, the Highway Planning and Construction account includes an overall minimum guarantee, which seeks to prevent any state from receiving less than a certain minimum return (90.5 cents for every dollar paid in) on its contributions to the highway trust fund.</p> <p>Discretionary programs represent special funding categories where FHWA solicits projects candidates and selects projects for funding based on applications received. Each program has its own eligibility and selection criteria established by law, regulation, or administratively.</p> <p>Discretionary programs include: Bridge Corridor Planning and Development and Border Infrastructure (Corridors & Borders), Ferry Boats, Innovative Bridge Research and Construction, National Historic Covered Bridge Program, ITS Deployment Program, Interstate Maintenance, Public Lands Highways, Scenic Byways, Transportation and Community and System Preservation Pilot Program, Transportation Infrastructure Finance and Innovation Act (TIFIA) and Value Pricing Pilot Program.</p>
<p>c. Who decides what projects receive funding?</p>	<p>The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) are the two primary federal agencies, under the US Department of Transportation, that are involved in the funding process. The FHWA administers the highway programs, while the FTA assists in the</p>



	<p>development of improved mass transportation facilities. With the exception of a few limited discretionary programs, these agencies typically do not recommend which projects receive transportation funds.</p> <p>For distribution, funds either fall in a category that is distributed by population or in a category distributed in accordance with a state’s discretionary rules of distribution (“state flexible”). Each year the states instruct MPO’s, Regional Transportation Planning Offices (RTPO’s) and county lead agencies what portion of their respective distribution of the “population” driven funds must be spent in large or small communities, and identify the portion that is applicable to the local NHS routes. The state and each regional body develop procedures and criteria for selecting projects that fall under their jurisdictional responsibility.</p> <p>In urbanized areas with populations over 200,000, the decision on the transfer of flexible funds is made by the Metropolitan Planning Organization (MPO). In areas with populations under 200,000 the decision is made by the MPO in cooperation with the State DOT. In rural areas, the transfer decision is made by the State DOT. MPOs are the designated recipients of STP funds and CMAQ funds, and make decisions on programming based on Regional Transportation Plans and discussions with transportation partners.</p>
<p>d. How are projects prioritized?</p>	<p>At the state level, projects are prioritized by the state DOT, MPOs, and county lead agencies according to criteria established for individual grants programs. Similarly, federal discretionary programs have associated funding criteria. Congressional earmarks, or high priority projects, are determined by congress. State level earmarks are also identified.</p> <p>Projects, therefore, are prioritized through both a technical and political process. An ongoing challenge at the MPO level is that while prioritization processes are in place, they remain largely unconstrained. To be eligible for federal funding, projects must be identified in a plan and project lists tend to become ‘shopping lists’ as opposed to succinct ‘must have’ priority lists.</p>
<p>e. To what extent is cost recovery possible e.g. public support, pricing principles?</p>	<p>With limited exceptions, federal highway funding may not be used for toll facilities, particularly on the interstate system. Value pricing of highway and simple toll roads are receiving more attention in recent years as agencies seek to close funding gaps. In support of this, the FHWA has instigated the Value Pricing Pilot Program that supports the development, operation and evaluation of pilot tests of innovative road and parking pricing projects. Public support seems most favourable where tolls and pricing is associated with new capacity that provides an alternative to existing congested facilities, or where tolls are associated with a new facility such as a bridge or tunnel.</p> <p>Traditional cost recovery exists through transit and ferry farebox revenue.</p>
<p>f. What efficiency measures are used, if any?</p>	<p>Efficiency measures are found amongst funding criteria for most programs, both at the national and local levels. Projects are usually justified on a review of mobility improvements, environmental benefits, cost-effectiveness and operating efficiencies.</p>
<p>g. Are funds provided for operating expenses? If yes, to whom are they given, why are they given, and how much is spent?</p>	<p>CMAQ funds can be used for the operating expenses associated with traffic monitoring, management, and control systems if such expenses can be shown to have air quality benefits.</p> <p>Funds are available for the rehabilitation and operation of historic transportation buildings, structure or facilities, including historic railroad facilities and canals.</p>



	<p>The FTA provides federal funding specifically for transit capital and operating under its various Sections. Operating expenses may be claimed by rural and small urban areas. For urbanized areas with populations of 200,000 or more, however, operating costs are not eligible expenses.</p>
<p>h. What types of projects are funded/managed e.g. infrastructure (expansion projects and/or state-of-good repair needs), transit rolling stock, TDM initiatives, ITS, public education, awareness campaigns, etc.?</p>	<p>TEA-21 encompasses a wide-range of programs addressing all areas of transportation, including infrastructure expansion, interstate maintenance, preventative transit maintenance, transit rolling stock, TDM, and ITS. In addition, many funding programs have flexibility in what they may be used for.</p> <p>Maintenance of non-interstate facilities is funded at the local level.</p>
<p>i. If transit rolling stock is funded, what types of vehicles are eligible and why? What parameters/criteria exist for funding rolling stock?</p>	<p>FTA's Bus and Bus Related (5309) funding program provides for new and replacement buses and facilities, modernization of existing rail systems, and new fixed guideway systems.</p> <p>The New Starts program funding is available for rail and light rail projects, or for buses associated with fixed guideways.</p> <p>The FTA categorical funding program known as the Clean Fuels Formula Grant program is intended to assist transit operators finance the purchase or lease of low-emissions buses and related equipment and to construct alternative fuelling facilities.</p> <p>As part of the SAFETEA reauthorization process, APTA is recommending the creation of a new aging bus replacement program for rural areas and for urban areas of populations less than one million.</p>
<p>j. Are there any other conditions/ policy leverage criteria attached to spending programs?</p>	<p>Yes, a complex array of policy direction and criteria.</p>
<p>6. Urban Transportation as a Priority</p> <p>a. From the perspective of the national government could you describe where urban transportation issues would rank in terms of a priority?</p>	<p>Urban transportation issues could be described as ranking in the middle ground in terms of a national priority. Significant funding is used for urban transportation projects, and traffic congestion remains consistently in the public mind. It is an issue of ongoing debate during the reauthorization of transportation funding (and usually without much interest expressed by the general public).</p> <p>Transportation is often linked to the economy and job development (although transportation is not a significant economic strategy of the current administration despite a strong focus on the economy). Government administrations affect the priority given to urban transportation. Traditionally, the Republican party has been associated with suburban and rural America while the Democrats are more closely associated with urban America.</p>



<p>b. Was solving urban transportation issues a priority for the current government - was it part of the election platform? Was it referenced in an agenda-setting national address or other mechanism for setting government priorities?</p>	<p>No, urban transportation issues are essentially absent from the policy stance of the current Bush administration and in the previous and current election platforms. The administration's approach has been a continuation of existing policies. While SAFETEA, the latest reauthorization of ISTEA, will likely be reauthorized after some delay and temporary extensions of TEA-21, President Bush has stated he will veto any proposal over \$256 billion for the six-year term, though the Senate and House are currently discussing \$318 billion and \$375 billion respectively.</p> <p>In the 2000 election, the Gore campaign had specific policy objectives in relation to transportation. Urban areas and transportation issues were a strong focus of the Clinton administration. It should be noted, however, that the current SAFETEA proposal suggests that the Federal Transit Administration (FTA) programs would be restructured into three major areas: Urbanized Area Formula Grants; Major Capital Investments; and State-Administered Programs.</p>
<p>7. Other Issues Are there any other issues that may be relevant to this investigation?</p>	<p>A peculiarity of the US governance model is the existence of an "initiative process" whereby citizens may initiate and ratify amendments to their state constitutions and legislation, effectively bypassing the legislature. Approximately 23, mostly western states, incorporate an initiative process. Proposition 13 in California, passed more than 20 years ago, was essentially a tax revolt that had major impacts on school funding. More recently in Washington state, a series of initiatives have targeted transportation funding. In particular, initiative I-695 sharply reduced the vehicle excise tax that was a major element of state transportation funding. In some instances state-wide initiatives have overridden local voter-approved funding measures.</p> <p>Conversely, the Seattle Popular Monorail project has its roots in a local initiative, which approved a \$1.29 billion, 14-mile monorail project with largely local funding, ironically with a sharp increase in the vehicle excise tax. (The City of Seattle proper has a population of about 600,000).</p> <p>General observation</p> <p>The federal government has maintained a relatively indirect role in transportation through the provision of funding and some regularity measures principally aimed at requiring a formal planning process at the state and local level. This is in contrast to the substantial federal regulatory involvement in environmental issues. The success of the American system is the strong leadership role the federal government has taken in transportation, the diversity of interests it has been able to accommodate in the ISTEA legislation, and the substantial autonomy afforded to state and local jurisdictions. The weakness remains regional planning issues, despite a strengthening of MPOs roles under more recent legislation. An ongoing challenge of this arrangement has been the distribution of funding on an "equity" basis rather than by greatest need or other prioritization system. This has been described as the "peanut butter" approach whereby funding is spread as evenly as possible.</p> <p>The primary focus of governance discussions at the regional level is the desire to move to an approach that balances equity issues while funding regionally identified projects, also known as the "chunky peanut butter" model. To some extent federal and state earmarks address this issue by funding larger regional projects that would not otherwise be initiated. For example, in Seattle Sound Transit, a comparatively new regional transportation provider was jump-started with a \$500M federal earmark.</p>