# TRANSPORT USER AS AN INSTRUMENT OF ECONOMIC GROWTH, EFFICIENCY AND EFFECTIVENESS<sup>1</sup>

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This article focuses on the transport user. It assume, that the transport user is an instrument of economic growth, the efficiency and effectiveness. An efficient and effective transport system can significantly support the economic growth.

Industry expects an effective and efficient transport system to support sustainable economic growth and enable it to compete in state, national and global markets. It expects an interconnected system of roads, rail, pipelines, ports and airports to ensure products reach markets quickly, efficiently and in good condition.

Transport users are important economic agents from this point of view. Because people are creators of markets, are inputs to production and consumers of goods and services. The transport task in relation to people is therefore complex. Transport user is so very important part of the transportation planning process.

This article will try to resume basic aspects and important areas influenced by the force of transport user.

Key words: Transport User, Economic Growth, Efficiency, Effectiveness

#### 1 Introduction

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#### The transport task

As mentioned above, transport is a very important part of socio-economic system. And the efficient and effective transport system can significantly support the economic growth. Transport enables people to access places of employment and consumption points, serves as an intermediate good by enabling transactions, it facilitates various social objectives. Last but not least, it is a consumption good itself, for example, when people drive for pleasure or consider the journey as part of an experience. So transport must meet the requirements from many areas and subjects. Transport is often a catalyst for economic growth, employment and social development in regional centres and remote communities. The high costs of providing transport means that tailored approach is needed to meet the transport needs of communities with available resources. The transport system also supports economic growth by connecting people to goods and services. It also connects people to places of employment, education and training and creates jobs in infrastructure delivery and transport services. Industry also expects effective connections between areas of economic activity now and in the future. It sees an integrated approach to planning for economic land uses and transport as an important part of securing long-term economic growth. The availability, costs, travel time and reliability of the transport system impact on industry competitiveness. It is also an important factor in attracting industry investment to chosen areas, which increases economic activity, jobs and revenue. The transport tasks are nowadays quickly changing. The ongoing challenge is to make best use of resources and look for innovative ways of financing and securing more funding.

#### **Transport user and E-business**

Nowadays the E-business is changing the transport task. The trend towards increased e-business has important consequences for the transport system. As a result of e-business, companies are beginning to operate with reduced inventories, more orders, smaller order sizes and more customisation. Transport logistics will change to delivering smaller quantities of goods more often-in just-in-time processes. Transport decision makers need to respond to this challenge by gaining an understanding of the commodity flows in the freight task and identifying and managing the transport impacts on the community. E-business changed also the transport user behaviour. It is not necessary to travel anymore, when you can just "click" and the good will come to you. But it also generates new transport journeys, means of transport and transportation ways. The more the user use E-business, the more he use also transport, but it generates differences between passenger and freight transport. Transport market changes and also the competition. Not only individual transport but also freight transport is the competitor to public passenger transport. And the transport system is not flexible enough to react on such changes.

### Health, safety and security

A transport system that maintains and enhances the health, safety and security of users and the wider community is exactly what transport users require. The community and visitors expect a safe and secure transport network. They want a network that reduces transport-related injuries and deaths on the road and rail network, on waterways and in the air and they do not esteem it a privilege to travel safety and secure, but as the platitude. People want to feel safe, and want the transport system and its surroundings designed in a way that enhances safety and security for people and their property. This is particularly important for those who use public transport, walk, cycling or have restricted mobility. People also want streets to be safe places for children to walk and cycle. The safe transport of bulk and dangerous goods, and the safe operation of freight vehicles, is also very important not only to the user, but also to the whole community. The community also wants the transport system protected from security risks, such as terrorism and the distribution of terrorist materials. Transport users realized that the choices they make about transport can affect their health and by choosing active modes of transport, people can improve their personal health

and fitness. Transport users are nowadays also concerned about the impacts of vehicle emissions on air quality and human health.

#### Alternatives to transport solutions and environmental responsibility

The environment is not just something to be protected anymore, but also an economic asset. It is also one of aspect taken into account during the transport user decision-making process. It may play even play title role in transport behaviour. Integrating transport with the environment can achieve broader goals. For example, transport access can enhance the value of specific environmental features, such as a tourist drive through an area of natural beauty. This becomes the more problematic, the more tourists are travelling. The increasing role of tourism in economy system will increase demand for safe and convenient access to regional attractions. The bulk of visitor travel occurs by car, which increases the need for good signage, rest stops and access to attractions. These are also important in cycling or travelling area. International tourists can face additional challenges - particularly if they are unfamiliar with the language, road rules, road conditions (for example, sharing with road trains) and vast distances between towns in remote areas of the state. This may raise awareness and appreciation of a feature, which can help make it easier to protect. It is necessary to consider alternatives to transport solutions. Non-transport solutions can be equally effective in providing access. By understanding the nature of people's accessibility needs, planners can make sure they engage the right stakeholders in finding the most cost-effective solution – and this may not be a transport solution. For example, providing access to essential services, such as doctors, emergency services and education in rural and remote locations, can be achieved by non-mobile means of access (for example, video links to specialist doctors). Alternatively, communities can be designed in ways that make it easy for people to walk, cycle or catch public transport to fulfil their daily needs and interact with other community members.

#### The many costs of transport

There are many costs of the transport system, including:

- the costs of providing the transport system such as capital, operating and maintenance costs or the costs of funding services under public transport contracts
- the costs of using the transport system such as fares and operating costs
- the costs the transport system imposes on the economy, society and environment such as congestion, safety, amenity, cultural heritage, noise, emissions, health and erosion
- the costs of an inadequate transport system such as impacts on industry competitiveness, the cost of goods and services, and liveability

#### Liveability, connectivity and cultural heritage

Transport users have a strong interest in improving residential amenity, aesthetics and local connectivity. People want to avoid the negative impacts of the transport system on community liveability. For example, they do not want transport infrastructure to cut communities off from each other and from basic goods and services. Interconnected streets and transport systems make it easy for people to get around and connect with others in the community. The built environment (including transport infrastructure) can also foster a sense of place within communities. People want communities designed in a way that creates a strong local identity and values and respects different cultures and cultural heritage. The use of materials, landscaping, construction methods and design should be compatible with the culture, climate and character of communities. Communities also use the transport system for recreational purposes. They use transport facilities like cycling routes and walking paths for recreation, and use the transport system to get to open space and recreational areas. People expect to have a say in transport planning and decision making to achieve better outcomes. By engaging the community, decision makers

can gain a better understanding of community needs, priorities and expectations. Cultural heritage is about what people value in society and what makes groups and communities distinctive. It includes Indigenous, shared and natural cultural heritage. Some of the ways cultural heritage matters can be identified include assessing existing records and reports, undertaking field investigations and consulting with stakeholders. Transport planners should work with native title stakeholders when undertaking transport planning.

# 2 The target and how to meat it

The aim of transport planners is to support good economic, social and environmental outcomes for current and future generations. They must take into account all above mentioned, if they want to have the user friendly, effective and an efficient transport system. Above mentioned conditions and areas highlights the relationship between transport and good economic, environmental and social outcomes for the community. While tradeoffs across economic, social and environmental factors are an inevitable part of the decision-making process, inappropriate tradeoffs can result in unsustainable outcomes. In making choices, decision makers need to consider:

- how to trade-off economic, social and environmental benefits, costs, risks and opportunities in a balanced way
- how to best contribute to good short- and long-term outcomes
- how to avoid, mitigate or offset negative impacts
- how to make it financially responsible.

#### **Consider transport-system performance**

To consider transport-system performance and the whole-of-life economic, social and environmental consequences of options by assessing the performance of the current transport system and matching this against future needs and desired outcomes, decision makers can assess the ability of the system to respond to these needs. They can then look for ways to improve the performance of the transport system. Good decision making relies on understanding the implications of doing nothing compared with taking alternative courses of action. It is important to identify all impacts and evaluate them as well as possible. These impacts should be considered on a whole-of-life basis (delivery, operation, maintenance, rehabilitation, disposal etc.) and include economic, environmental and social benefits and costs.

#### Meeting government, industry and community

Basic steps to adopt a holistic perspective to meeting government, industry and community needs and values are ground in understanding the needs and values of governments, industry and the community is at the core of good transport planning. These needs and values are not just transport related. It is about finding the balance that best meets the needs of the transport system and the broader system that transport affects or is affected by – for example, land use, industry growth, community liveability. It will not always be feasible to account for all of the impacts that particular actions may have, but it is about planning from a position of knowledge. A good knowledge base allows decision makers to make informed choices at every stage and on all fronts, not just from a transport perspective.

### Make financially responsible planning decisions

You can find a number of aspects to financial responsibility – achieving best value for money, ensuring financial sustainability of the organisation and its funding partners, and ensuring the accountable and transparent management of financial resources.

Financial responsibility is about directing resources to the areas of greatest need and greatest benefit. This means selecting the most cost-effective way of achieving the desired outcomes and priorities.

Solutions also need to be financially sustainable for the organisation and its funding partners. Financial sustainability is frequently achieved by matching solutions to available or predicted funding, reallocating existing funding to better match priorities and the greatest areas of need and securing additional funding or finding innovative ways to deliver solutions – for example, through public-private partnerships. Any funding assumptions, constraints and opportunities that could influence the planning exercise or its outcomes should be explained to stakeholders. In addition those stakeholders who potentially have a funding role should be engaged early in the process.

#### Share the benefits and costs of the transport system

It is necessary to recognize whether transport users should have relatively easy and safe access to the essential services they need. The benefits and costs of the transport system should be shared equitably within and across current and future generations. The costs of a transport system that provides this should be shared fairly across society – it should be affordable and equitable.

Affordability is also important to industry and business investment, viability, productivity and growth.

The concept of sustainability recognises that the needs of the current generation should be met without compromising the ability of future generations to meet their own needs. Even when a program or piece of infrastructure has a relatively short life span, it is important to consider the long-term impacts and opportunities that result – for example, over 30 to 50 years. In this way, the benefits and costs of transport can be shared equitably across generations.

#### Make best use of existing transport infrastructure and services first

More of infrastructure may not be the solution. Problems caused by peak period congestion in urban areas often lead to calls for more road capacity. However, there may be more effective ways to respond. For example, a major source of traffic can be parents driving children to school. One solution would be to expand road capacity. Another would be to ensure children have safe access to school through a series of smaller measures that may be more cost effective. This could include improving walking and cycling access to schools, promoting car pooling, and educating parents and children about travel choices. New infrastructure and services are often seen as a solution to existing problems. However, existing infrastructure and services should operate as efficiently as possible before new infrastructure or services are provided. When new infrastructure or services are necessary, they should complement the existing network. There are many ways to optimise operational efficiency, extend the life of existing infrastructure and reduce the need for additional investment, including:

- managing the demand for travel
- applying new technologies for example, real-time travel information, traffic management, freight and fleet management, and electronic toll collection
- managing the use of infrastructure and services for example, controlling local access points to freight routes and providing priority for vehicles such as public transport
- managing land uses

Making best use of existing infrastructure and services first does not mean planning for only short-term needs. Early planning for future land uses and transport corridors can help to make best use of infrastructure and services in the long term. By preserving strategic transport corridors and protecting them from incompatible uses and development, future generations will also be well placed to make best use of infrastructure and services.

### Manage demand and influence travel choices for people and goods

Simply responding to the growing demands on the transport system is not a sustainable long-term solution. An important part of transport planning is finding ways to influence and manage demands on the transport system to make best use of the system, reduce the need to continually expand capacity and limit the negative impacts of transport. A key way of achieving this is to influence land use. Efforts to manage demand and influence travel choices can lead to fewer trips, shorter trips and more trips by public transport, walking and cycling. It can also help to make best use of existing infrastructure and services. Take public transport for example. Public transport offers a choice of mode for many people, including those without regular access to a car. If more people use these services, a greater cost recovery can be achieved. In addition, public transport can offer the most cost-effective way of moving large numbers of people to key destinations – for example, to get people to work in major centres or to service major events.

#### Choices about the mode for freight are equally important

Businesses transporting freight will usually make a commercial decision on the mode they use based on the direct costs they face. These direct costs exclude external costs such as effects on the safety, health or amenity of communities, effects on other transport system users, or effects on other industries. Sometimes these external costs are high. For example, in some cases the external costs of a road-freight solution may be higher than the difference in direct freight costs between road and rail. In these cases, a change in mode from road to rail would result in a net reduction in total costs to the community.

## Planning across "Public-private partnerships"

The state government has guidelines for public-private partnerships (PPP). Benefits for the public sector include a transfer of risk to the private sector and adoption of private sector management skills, innovation and efficiencies through a long term and output-based contractual arrangement. The infrastructure and service delivery methodology used to obtain a value-for-money outcome is based on the assessment of cost, affordability and priority, tested to ensure the public interest is fully protected. By pursuing PPPs, the state government aims to optimise the level of infrastructure expenditure through the responsible use of the resources of the public and private sectors. There is a strong link between PPPs and integrated transport planning. Integrated transport plans will be an essential resource in prioritising candidate PPP projects, while PPPs may be an appropriate delivery mechanism for major projects identified in plans.

#### 3 Conclusion

Many factors influence the transport users needs and behaviour. But these factors design the planning steps and they need to be flexible enough to respond to and deal with these factors. Some of the key issues influencing the nature, design and timeframes of the planning exercise are discussed briefly here. Because of their influential nature, they also appear, in different forms, in each of the separate steps. Data and information collection should be linked to the nature and level of decision to be made. Strategic decisions may not have intensive data needs. However, if a decision is needed to proceed with construction of a major road proposal, comprehensive data and analysis is required. The availability, quality and scope of data and information required will influence the length of the planning process and the confidence in its findings. Managing risks and opportunities is a very important part of transportation decision-making process. Risks and opportunities need to be managed throughout the entire planning process, as well as during implementation.

For each risk and opportunity, decision makers need to understand the likelihood of it occurring, its consequences and any measures to mitigate the risks or capitalise on the opportunities. Where decisions

depend on assumptions that cannot be verified, they should be tested using different weights and values for these assumptions. Where there are fundamental differences on aims, preferred solutions or implementation, it may be necessary to review the planning process or seek a political decision. This situation can arise, for example, where there are different regional and local priorities or objectives. Good planning is iterative by nature. The progress and success of the planning exercise should be reviewed regularly to determine if each step has achieved what it set out to do and if adjustments are needed. The success of implementation should also be reviewed regularly to determine if adjustments are needed – including the success of outputs. The transport user and his needs should be taken into account on all levels of transport planning and decision-making.

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