

PUBLIC TRANSPORT AUTHORITIES AND COVID-19 IMPACT AND RESPONSE TO A PANDEMIC

MARCH | 2020

INTRODUCTION

Over the past week, governments around the world have been responding to COVID-19 in real time with profound implications for the public transport sector.

*The impact on public transport has been three-fold: **reduced patronage, operational impacts, and emerging financial issues.***

This report looks into the early impacts observed on the public transport sector as a result of the pandemic, building upon our recent report that highlighted the front line response from transport operators worldwide.¹



IMPACT ON PUBLIC TRANSPORT

PATRONAGE

TRANSIT USAGE

Early estimates suggest that the drop has been as much as 80-90% in major cities in China, Iran and the U.S., and depending on the city/route as much as 70% for some operators in the U.K.² Even then, the peak trough in ridership is yet to hit major public transport operators in many cities. Where operations continue to be provided to support those working in essential industries and other essential travel, the marked drop in patronage could be expected to also support social distancing policies.

The drop in public transport patronage can be attributed to four main drivers that are distinctive yet interdependent in terms of their impact:

- **Government regulation:** As the COVID-19 pandemic tightens its grip around the world, and the World Health Organisation (WHO) pushes the message of social distancing – governments worldwide have taken a number

of measures. Some governments have suspended public transport completely (e.g., in Wuhan, China),³ many have placed restrictions on the use of public transport for essential travel only (e.g., California, US and many cities in Italy)^{4,5} and others are urging the public to stagger their travel, and practice social distancing (e.g., in Australia).⁶

➤ **Public perception:** As the messaging around social-distancing becomes more pervasive, people around the world are changing their behaviour in the way they use public transport. Many are following government guidelines and using public transport for essential travel only, and others are avoiding all perceived crowded spaces including public transport. There are multiple articles, blogs, and Q&A in the media aimed at addressing public concerns about using public transport. The majority of the concerns relate to people's perception on how safe public transport might be for their daily commute – should or shouldn't they use public transport amidst this outbreak?

➤ **Shift in work practices:** Employers around the world are stepping up social distancing as part of their business continuity plans. Many businesses continue to operate virtually by having their employees work from home. For example, large tech companies, including Facebook, Google, Twitter, and Amazon were quick to implement remote working policies for their employees worldwide. Twitter has made working from home mandatory.⁷ Other businesses have implemented a “Team A Team B” approach of splitting teams in two, where only one team works in the office at a given point of time.

➤ **Mode shift:** Many commuters around the world have turned to alternative “personal” modes of transportation such as cycling (including bike share), rideshare, driving and walking. The focus on limiting inter-personal contact is also reflected in the decision made by Uber and Lyft to suspend pooled rides in the US and Canada.⁸ Modal shift has been supported by local authorities and politicians in an effort to reduce person-to-person spread of coronavirus. As an example, in **NYC**, ridership on Citi Bike, the Lyft-owned bike share program, grew by 67% with 517,768 trips in the first 11 days of March 2020 compared with 310,132 during the same period last year.⁹ In **Bogota**, the government opened c.76km of temporary bike lanes to reduce crowding on public transport.¹⁰ In **London**, National Health Service (NHS) workers will be given a code that waives the 24-hour access fee for the London bike share scheme. Journeys under 30 minutes will be free, with docking stations near hospitals

being prioritised to ensure a regular supply of bikes. **Transport for London (TfL)** has also temporarily suspended all road user charging schemes in London to help critical workers move around London during the COVID-19 crisis.¹¹ In Brisbane, however, Lime e-scooters have pulled their scooters back to base amid the outbreak to reduce the risk of transmission amongst those who share the scooters.¹²

OPERATIONAL IMPACT

SERVICE REDUCTIONS

As mentioned above, governments worldwide have imposed service reductions. At the same time, many operators have also reduced the frequency of public transport services as a result of dwindling ridership amid the COVID-19 outbreak, and in some cases as a precaution to protect their staff.

Transport for London (TfL), for example, has reduced its service to enable London's critical workers to make essential journeys, suspending the Waterloo and City line from 27 March 2020 and further suspending ‘Night Tube’ service and the ‘Night Overground’ service on Friday and Saturday nights.¹³ By end of March 2020, up to 40 London Underground stations that do not interchange with other lines will be closed and London buses will have fewer services.¹³ Similarly, in Manchester, Transport for Greater Manchester announced plans to reduce bus, train, and tram services as passenger numbers fall.¹⁴

Within the first few days of reduced services, it has been widely reported that this has led to overcrowded trains in London, especially during peak hours. In response, TfL continues to urge the public to only make essential journeys during this period.¹⁵ This will be supported by the UK Government's decision to implement a complete lockdown from 24 March 2020.

In the **US** the fall in ridership has led to service cuts across major cities: for example, the Metro in Washington DC announced a cut in services on the subway with trains running every 12 minutes, a drop from every four to eight minutes during rush hour.¹⁶ While the New York City subway, the largest transit system in the U.S. carrying more than five million people every weekday remains in operation, people are advised to avoid using the service where possible.⁹

“If you can stay home, do it. We’re here to get nurses, doctors, child care workers, first responders, transit workers, and anyone else who needs us where they need to go. Remember: Take care of one another.”

- MTA

Major **EU** metro operators have also reduced or suspended their services. For example, in Rome, the service is running at summer timetable with a daily closure at 9pm and in Naples the line is closed at 8pm daily. In Valencia, Spain, the service has been reduced by 35% on working days and weekend night service has been completely suspended. In Berlin, Germany, U55 is no longer in operation.¹⁷

CASH HANDLING

Advice from health authorities across some nations has been to avoid cash transactions, including on public transport, and instead consider making contactless payments to minimise chances of physical contact.¹⁸ Within that context, Chinese banks were ordered to disinfect cash before issuing it to the public, money was removed from high-risk sites such as hospitals, and cash transfers between Chinese provinces was banned in February 2020.¹⁹ In Nottingham UK, commuters are being urged to use the custom app for payments instead of cash.²⁰ In New Zealand, cash fare payment was suspended on public transport – buses and trains in Wellington, and buses in Auckland from 23 March 2020.²¹ In Brisbane, buses and ferries operated by Brisbane Transport moved to cashless payments only from 25 March 2020.²²

VEHICLE BOARDING AND CAPACITY MANAGEMENT

Additional steps are being taken to protect front line public transport staff and passengers. For example, from 19 March 2020, TransLink in Vancouver, **Canada**, moved to a rear door boarding model for all passengers other than those with mobility difficulties, suspended all fare payment and prohibited the use of seats close to the bus operator on some services.²³

Recently, new measures have also been introduced in Melbourne, **Australia** where commuters won’t be able to access the front row of seats on trams and many buses, and the inquiry holes on tram drivers cabins will be sealed off in an effort to provide the drivers distance from the public.²⁴

Many operators have taken measures to improve social distancing on the services that are in operation. For example, the **Beijing**

Metro ensures that commuters sit on every other seat on trains to reduce loads to c. 50% of capacity and support social distancing.¹⁵

FINANCIAL IMPACT

There is no doubt that the decline in passenger numbers has led to increased financial pressure on public transport operators, specifically those who carry patronage risk.

In the **UK**, Transport for London’s (TfL) forecast suggests that the impact of the COVID-19 outbreak could be a reduction in passenger income of up to £500m.²⁵ Train companies under franchise agreements with the Department for Transport have a range of contractual obligations which govern ticket pricing, train frequency and payments to the government to run services on parts of the rail network.

In response to the crisis, the Department for Transport has suspended the operation of its franchise agreements with its train operators and have agreed six-month Emergency Measures Agreements. These agreements will suspend the normal financial mechanisms of franchise agreements, transferring all revenue and cost risk to the government. Operators will continue to run day-to-day services for a small, pre-determined management fee.²⁶

Transportation for America, an advocacy group for mass-transit in the U.S., has asked the government for c.\$13b for commuter train and bus systems as part of the stimulus, and New York’s Metropolitan Transit Association (MTA) has requested a \$4b bailout. Large operators like NYC’s MTA gets up to 53% of its revenue from passenger fares and BART in San Francisco gets up to 74% of its revenue from riders.²⁷

“We are bracing for a huge financial impact due to ridership declines, as well as due to reductions in other sources of revenue, from parking meters to the sales tax to hotel occupancy taxes”

- SFMTA.²⁸

CONCLUSION

Over the past week, the responses of Government to COVID-19 have essentially been moving in real time with profound implications for the public transport sector.

Public transport continues to play a crucial role around the world in meeting the mobility needs of those working in essential industries and supporting essential travel. Four key factors have contributed to significant reductions in public transport demand around the world: government regulation, public perception, shift in work practices and increased use of “personal” transport.

Provided services are maintained, reduced demand for public transport services will support social distancing policies introduced around the world, augmenting the stringent policies introduced by authorities in terms of disinfection and sanitisation, workforce monitoring, access control, business continuity plans, and communication.

Auckland Transport in New Zealand has drawn many of these initiatives together by moving to a reduced timetable from 26 March 2020, comparable to that delivered on a standard weekend. However, these services will only be available to those working in essential services, for medical reasons or to access essential services (e.g. getting to the supermarket or moving essential goods). All public transport will be free and essential workers will be required, where practicable, to carry appropriate identification.

FURTHER INFORMATION

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UITPANZ would like to acknowledge the support of Mark Streeting, Partner, L.E.K. Consulting Australia, in preparing this paper for its Australian and New Zealand members m.streeting@lek.com

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