

DOES MATILDA WANT TO DANCE WITH UNCLE SAM? :
THE RELEVANCE OF INNOVATIVE AMERICAN IDEAS FOR
CURBING RISING URBAN TRANSPORT COSTS IN AUSTRALIA

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ABSTRACT: *The mushrooming costs of urban public transport and prevailing fiscal conditions should precipitate a major reappraisal of urban public transport in Australia. Throughout the world a number of cities are questioning the relevance of traditional urban public transport arrangements (e.g. the 'Big Bus Bang' in the United Kingdom). Stemming from this process in the United States are a wealth of innovative ideas that promise to increase resource efficiency (with or without subsidies). These ideas for redesigning and restructuring urban public transport involve changes in organisation and novel ways of financing systems. How relevant are they to Australian cities?*

INTRODUCTION

Who'll come a-waltzing Matilda, my darling,
Who'll come a-waltzing with me?

A.B. [Banjo] Paterson

Cities in Australia and the United States have much in common -- the 15 per cent difference in car ownership in favour of the latter is barely noticeable. Trip origins and destinations in both sets of cities are now widely dispersed with the largest residential shopping and employment centres being located in the outer suburbs. Observers in both countries are questioning the relevance of conventional urban public transport arrangements focused on the Central Business District; they are also taking note of the fall-out from the 'Big Bus Bang' in Great Britain (Bayliss, 1986; Blundred, 1986; Brown, 1986; London Transport International, 1986). This reappraisal has been prompted by the diminishing market for conventional transport services. Buses, trains and trams operating on fixed routes, set schedules and fixed fares worked well when most jobs and homes were located in the inner cities, a large proportion of the population lived within easy reach of bus, train and tram routes, and trip destinations were focused on the central area. As exemplified by the relocation of office and high technology employment to new suburban megacentres, these conditions no longer apply.

Emerging from this reappraisal in the United States of interest to Australians is a new conception of how urban public transport systems should function in the future. Central to this conception are the principles of choice, diversity and competition. This new perspective recognises that the urban transport market is not monolithic but is highly segmented, requiring different types of services for different client groups (i.e. by destination, time of day, age group, price elasticity of demand and level of comfort) (cf. Commonwealth Bureau of Roads, 1976). The view also acknowledges that in an environment isolated from local control and competition, centralised public transport systems are increasingly being challenged as unresponsive, inefficient and inflexible. In response to this situation in the United States, prompted by the phased withdrawal of federal funding and practical limits to state and local government finance, there is recognition that urban transport will have to depend on partnerships between the public and private sectors. These public-private partnerships have generated wealth of innovative ideas that promise to increase resource efficiency (with or without subsidy). As shown in Table 1, these ideas for redesigning urban public transport involve:

- (a) changes in organisation;
- (b) novel ways of financing systems; and

Table 1 Forging public-private partnerships between government agencies and the private sector

Decision process	Joint action	Results
Restructured institutions	* separating policy from operation	* organisation to address mobility goals
	* organisation in the private sector	* goals that include the private sector
Financing	* shared risk-taking - the joint venture	* quality transport system
Delivery	* performance contracts	* improved mobility
	* creating more than a ride	* efficient & effective services

Source: Adapted from Rice Center (n.d.).

- (c) an expansion in the private operation of transport services.

Our intention is to summarise these ideas by drawing heavily on the literature on public-private partnerships. Particular attention is focused on papers produced by the Joint Center for Urban Mobility at the Houston-based Rice Center (n.d., 1982, 1983, 1985a,b), Lave (1985), Orski (1985a,b, 1986) and Hoel (1986) and discussing their relevance, albeit briefly, to redesigning urban public transport in Australia which is similarly burdened by escalating operating costs -- subsidies for all modes reaching \$890 million in 1984-85 (see Amos, 1985; Scrafton and Starrs, 1987). The end-result may contribute to a broader discussion of how to restructure urban public transport systems in a way that better responds to current needs and fiscal realities.

ORGANISATIONAL CHANGES

Suggested organisational changes have focused on three questions: (i) is it desirable to incorporate within a single agency both sponsorship (planning, financing, arranging) and the supply (operation) of public transport; (ii) should a single organisation be the sole supplier for a metropolitan area; and (iii) what should be the relationship between the public and private sectors?

A Single Agency?

The general view now propagated in the United States is that government transport agencies should function as policy-makers that decide which services are required and determine that they are delivered by others in the most cost-effective manner. Such an arrangement would overcome the conflicts of interest where the private sector is controlled by a government agency which, in turn, is an operator. This conflict occurs in Australian cities where public agencies function as both policy-maker and operator. A division between arranging for services and supplying them is perhaps long overdue in Australia. Although attention in the United States, notably Chicago, Newport News (Penn.), San Francisco, San Diego and Minneapolis-St Paul, has been focused on bus operations there is no reason why state-run railways and tramways should not be considered candidates for organisational restructuring.

A Sole Provider?

There is now a widely-held belief in the United States, as instanced in Minneapolis-St Paul, Kansas City and the District of Columbia, that regulations designed to preserve a transit monopoly for an entire metropolitan area should be waived to permit community transit by local government as a way of improving responsiveness and quality of service. Large-scale, government-owned bus systems in the United States are seen to be less efficient and more costly to operate than smaller-scale, decentralised systems. Within Australia, State Governments are the sole providers of urban mass transit in Adelaide, Perth and Newcastle, and the Federal Government in Canberra. (Brisbane is the only centre with an elected metropolitan government though the State operates the railways). The substitution of these centralised services by a patchwork of uncoordinated systems in Australian cities would be controversial. Even if there is no fragmentation of ownership, however, there is an opportunity for a single government-owned organisation to be run on regional lines as smaller-scale systems are generally more efficient, less costly to operate and more sensitive to community needs.

Public or Private?

Finally, there is the question of changes in the relationship between the public and private sector. The growing financial burden of the provision of public transport by government-operators has prompted the conviction in the United States that urban transport is a cooperative task. By contracting for service with private operators there is scope for improving the efficiency and lowering the cost of some services. Besides providing a more competitive and market-oriented environment for public transport services private sector involvement also raises the possibility of a greater variety of financing arrangements and funding sources. Unlike the United States, the private sector has been retained in some Australian cities notably in Wollongong, where it is the sole supplier of bus transport, and in Melbourne, Sydney and, to a lesser extent in Brisbane, where it provides primarily outer suburban bus services. If United States practice was sustained in Australia, however, a more active role would not only be accorded to private transport operators but also to business leaders and land developers. Advocates for organisational change in the United States base their arguments on the premise that governments will no longer have the required finances to respond to all transport needs, making it necessary for the private sector to become a partner in meeting these requirements (see Weiner, 1984).

FINANCING

Novel ways of reintroducing private participation in transport and financing range from cost saving measures, through debt-financing techniques to alternative funding sources, including property-owner involvement in local transport, business involvement in downtown transport and community-based and cooperative transport. As outlined by Hoel (1986: iii), these innovative techniques concentrate on capturing some of the economic benefits resulting from public transport improvements (i.e. user charges, indirect beneficiary investments and attempts to increase private sector involvement via joint venture efforts or by raising capital).

Developer and Property-owner Involvement

Private developers in United States cities are no longer able to rely on public funding to underpin their projects and are being encouraged by local government incentives to assume some transport investment responsibilities. Developers and property-owner participation has involved: impact fees, special benefit assessments, negotiated transport agreements, transit improvements and transport system management programs for private suburban centres (Table 2). These transport commitments by developers are secured by case-by-case negotiations involving a mixture of: 'carrots', such as reduced parking space in exchange for carpooling and vanpooling programs; 'sticks' based on discretionary permits requiring plans for adequate public transport provision; and voluntary initiatives such as

Table 2 Developer and property-owner involvement
in urban transport

Method	Assessment	Example
Development impact fees	Contribution to road improvements adjacent to development sites affected by generated traffic	San Diego, Ca. Palm Beach Co., Fla
Special benefit assessments	Property owners assessed share of total cost of specific improvement based on front footage, lot area & land value	Pedestrian mall (e.g. Minneapolis) Miami Downtown People Mover
Negotiated transport agreements	Stipulate specific off-site transport improvements to be financed or provided in-kind by developer	Irvine Company, Orange Co., Ca., \$US 60 mill. to improve transport
Transit improvements	Financial participation in construction & modernisation of transit facilities	New York station reconstruction
Transport system management in suburban megacentres (population 20-30,000)	Handcrafted transport management program (including carpools, vanpools, shuttle buses, circulation services, parking management & short-term car rental)	South Coast Plaza, Orange Co., Ca. — 'the busiest mall in the US'

Source: Based on Rice Center (1985a); Orski (1985a,b).

transport programs on university campuses. Enforcement and monitoring of developer commitments are achieved by covenants on land, contracts, occupancy permits, performance bonds and one-time fees. Traditionally, in Australia private developers have considered urban transport as a public responsibility to be financed by local, State or Federal government. Could developers be convinced in a period of fiscal restraint for State and local government to play a bigger part in financing urban public transport in Australia?

Table 3 Business involvement in managing downtown transport

Task	Assistance	Example
Clarifying /identifying problems & solutions	Provisions of information to predict travel demand	Los Angeles Transportation Task Force (government & business)
Assisting public sector in packaging projects	Businesses use their political power	Downtown Council of Minneapolis lobbying for light rail transit at- or above grade
Direct role in implementation	Encouragement of ride sharing & parking management	Ridesharing program in Los Angeles fringe car parking & pedestrian skyway in Minneapolis
Financial support	Financing of transport improvements in part or totally	Financing of CBD circular bus for one year in Los Angeles; promotion of value capture on Wilshire Corridor of IA Metro Rail (25% cost)
Monitoring transport process	Representation on downtown business committees	Santa Clara Co. Manufacturing Group in San Jose, Ca. funded poll of Bay Area voters re- gas levy for local transport revenue

Source: Based on Rice Center (1985a); Orski (1985a,b).

Business Involvement in Downtown Transport

Self-interest of business organisations in the United States has motivated their interest in the transport activities to, from and within the Central Business District. Prompted by peak-hour congestion generated by high-density employment centres the business sector has been involved with government agencies in supporting specific, low-cost improvements within a local area transport management framework that promises to decrease congestion and increase mobility (e.g. changes to pedestrian movements, light rail transit, mass transit, carpooling and parking). As illustrated in Table 3,

Table 4 Community-based and cooperative transport

Mechanisms	Objectives	Example
Civic & neighbourhood associations	Serve targeted groups (e.g. handicapped, aged or sick)	New York City contract for supplementary above minimum
Homeowners' associations	Deed-based covenants ensure all property owners join self-assessing associations	Fairfax Co., Va. two apartment complexes operate shuttle buses
Cooperative arrangements	Non-profit co-ops run commuter buses	Colombia, Maryland, co-op runs 123 commuter buses
Mobility clubs	Organised primarily for elderly using part-time drivers	Ardmore, Penn., Point-to-Point Club (US\$ 8 per hour; US\$10 annual fee)
Transport management associations	Voluntary associations formed by employers, developers, shopping centre managers etc.	El Segundo/LAX international airport carpool & vanpool for workers, bike paths & reversible lanes

Source: Based on Rice Center (1985a); Orski (1985a,b)

business organisations have assisted government agencies and transport suppliers in: (a) clarifying or identifying problems areas and potential solutions; (b) assisting the public sector with decision-making and lobbying; (c) playing a direct role in implementation; (d) financial support; and (e) monitoring the transport process. Clearly, cooperative public-private sector partnerships exist in Central Business Districts in Australia but their American counterparts have demonstrated how these arrangements can be formalised.

Community-based and Cooperative Transport

Community groups and voluntary organisations are now supplying transport services that were previously the exclusive preserve of government agencies. As outlined in Table 4, some city governments are contracting civic and voluntary associations and homeowners' associations to provide wider services than those supplied for the handicapped and elderly. In other cities, community transport

cooperatives are forming 'clubs' to provide downtown services and businesses are creating voluntary associations to provide transport services to major suburban centres and ex-urban areas without public transport. Within Australia there are several examples of civic and neighbourhood associations and 'mobility clubs' providing services for the handicapped and elderly but instances of homeowner associations, commuter buses and transport management associations are difficult to find.

Private Participation in Transport Financing

As traditional revenue sources in the United States are not generating sufficient funds government sources are seeking private sector participation. Apart from cost-saving measures, attempts are being made to supplement traditional revenue sources with alternative funding sources and debt-financing techniques.

Alternative sources. These alternatives are based on the principle that the cost of transport improvements should be borne by the beneficiaries -- direct users, indirect users (real estate developers) and the community-in-general. Techniques for capturing the value of economic benefits to these groups involve user charges (e.g. motor vehicle fees, tolls, commercial parking fees, and taxes on motor fuels), indirect beneficiary assessments and attempts to increase private participation in public projects by either joint development efforts or raising private capital (Hoel, 1986: iii). As user charges (and advertising and concessions) are generally well-developed in Australia attention is focused on indirect users and the possibilities for increased private sector involvement.

The techniques for capturing the value of benefits to indirect users are often difficult to apply (Johnson and Hoel, 1986). Nevertheless, local jurisdictions in the United States have imposed development impact fees on real estate development and placed special benefit assessments on properties benefiting from their proximity to a station or shopping mall (e.g. South California Rapid Transit District) which are used to finance bonds for transport improvements (Table 5). In addition, they have used tax incentives derived from public transport improvements (e.g. Embarcadero Station in San Francisco) and dedicated taxes to improve transport services (three-ninths of 1 per cent beer tax in Birmingham, Alabama, and half of 1 per cent sales tax in Los Angeles County). Apart from private donations and subsidies for the provision of roads and transport services (e.g. rehabilitation of San Francisco's historic central areas and incorporation of transit centre within shopping precinct at Newport Beach, California), the remaining alternative is to generate revenue from leasing development rights and facilities: space above, below or at-grade with railway stations and highways. Of all these techniques in the United States the dedicated tax has had the most revenue potential. Yet, together with the special assessment district and taxation increment levies, it would probably be the most

Table 5 Alternative funding sources

Source	Mechanism	Example
Development fees	Charges or other conditions imposed upon developments to mitigate or compensate for impact of project	Transit development fee San Francisco
Special benefit assessment districts	Some or all of costs borne by properties benefiting from project	Eighteen planned districts in San Francisco
Property tax increments	Projected increases in property tax revenues used for bonds to finance public transport improvements	Embarcadero Station San Francisco
Dedicated taxes	Dedicated taxes are considered to be a mechanism for community-at-large (e.g. sales and property taxes)	Los Angeles taxing the County 1/2 % sales tax for rail transit
Private donations & subsidies	Monetary or property donations for capital improvements or extension of services	Newport Beach, Ca., land for transit centre & donation for shuttle bus
Leasing development rights & facilities	Eminent domain power of public entities used to obtain air & subsurface rights in excess of those for which land was condemned	Leasing-joint development project for Southern California Rapid Transit District

Source: Based on Rice Center (1985), Hoel (1986).

difficult to apply in Australia. Indeed, the Australian States have many examples of private donations and subsidies, variants of development impact fees and the leasing of development rights and facilities. The importance of land and air rights is illustrated by the Adelaide Station Environs Redevelopment and the Victoria Central Project in Melbourne (see Rimmer 1987a for further details).

* Adelaide Station Environs Redevelopment (ASER): As the environs of the Adelaide railway station were not realising their full commercial potential the South Australian Government used its powers in 1984 to alienate what was once parkland and remove the railway land from planning and building controls exercised by the City of Adelaide (South Australian Parliament No. 31 of 1984). It has agreed to the \$160million redevelopment of the site through a joint venture between the Japanese construction company, Kumagai Gumi, and the South Australian Superannuation Fund Investment Trust (SASFIT). The completed project will comprise the 400 room Hyatt International Hotel, a convention centre housing 2500 delegates, a commercial office tower, a multi-storey carpark and a casino. The joint venturers provided A\$20 million in equity and Kumagai Gumi supplied a further A\$66 million loan over seven years and SASFIT \$56 million over forty years. Project and construction management will be carried out by a joint company involving Kumagai Gumi and the Adelaide-based consultancy firm Pak-Poy and Kneebone Pty Ltd. The end-result will be a highly commercial development designed to maximise returns from financial investment.

In competitive real estate, as instanced by the Victoria Central Project in Melbourne, developers are leasing air space in return for the advantages associated with the particular site.

* The Victoria Central Project, Melbourne: The Victorian Government's Victoria Central project is an office-tourism-retail complex that is being built above the Museum underground station by Kumagai Gumi. When finished the project was intended to rise eighty-four storeys -- the largest building in the Southern Hemisphere with a glass atrium tall enough to encase a historic shot tower. It was also to include about 200 specialty shops, a large discount store and a giant 'people mover' and was expected to employ 7500 people. Although it has been scaled down to seventy-two and then forty-six levels the Victoria Central Project is one way of providing a steady and dependable stream of income during the life of the lease.

Debt-financing. Debt-financing involves a government agency in attempting to spread payment for major capital improvements over time to match revenue flows. In the United States, for example, manufacturers provide funds to government agencies to purchase equipment by offering attractive loans or loan guarantees from banks or other financial institutions; foreign suppliers may also be able to draw on low-cost loans from export-import banks (EF Hutton & Company Inc., 1986). Similar facilities are available in Australia as witnessed by mining railways, monorails, road tunnels and the proposed Darwin-Alice Springs railway and high speed rail links; these provide examples of borrowing, equity contributions (i.e. joint development rights discussed above) and current revenues (i.e. pay-as-you-go). Thus, a brief examination is made of the Sydney Harbour Tunnel and the Very Fast train to illustrate the range of private financing available for constructing transport facilities.

* Sydney Harbour Tunnel: Subsurface rights and toll financing can be a significant source of revenue as witnessed by the four-lane Sydney Harbour tunnel to be built by Kumagai and its local partner, Transfield Ltd (with Westpac's Merchant Banking Division acting as financial adviser and financier). Kumagai and Transfield will be the only shareholders in the Sydney Harbour Tunnel Co., which will construct, own and operate the tunnel for 30 years from completion in 1992 before it reverts at no cost to the State; a separate Transfield-Kumagai Joint Venture will build the tunnel for the Sydney Harbour Tunnel Co. for \$408 million at 1986 values (which over the five year life of the project will increase at 8 per cent to total \$530 million). The joint venturers will put \$7 million equity in the Sydney Harbour Tunnel Company and subscribe A\$40 million in capital loans. The major source of funds will come from the New South Wales Government which will be lending A\$223 million (equivalent to the tolls paid on the Sydney Harbour Bridge over the construction period between 1987 and 1992). The interest-free loan will be paid in monthly installments and will not be repayable until the end of the thirty-year construction period in the year 2022. In addition, Westpac has agreed on behalf of the Sydney Harbour Tunnel Company to underwrite the issue of inflation-indexed, thirty-year tunnel bonds for \$394 million at intervals over the construction period. An additional \$113 million for servicing the bonds will be added to the total cost of \$665 million when the tunnel is opened (a figure that includes start-up costs of \$22 million).

An 'ensured revenue stream agreement' will provide the Sydney Harbour Tunnel Company's project revenue. Under this arrangement the Tunnel Company will not only keep tunnel receipts but will receive a guaranteed cash flow based on agreed projections of tunnel and bridge traffic (minus tunnel receipts). Initially, the \$0.20 southbound bridge toll will be increased to \$1 inflation-indexed in 50 cents increments from 31 May 1987 (prompting fears that the toll could reach an estimated A\$30 by the time the tunnel reverts to the State in thirty years). By 1992, when the bridge is completed, the toll is expected to be \$1.50 for both the bridge and the tunnel. This agreement is renegotiable if inflation exceeds set limits: 6.5 - 8 per cent annually between 1987 and 1991; 2.5 - 5 per cent 1992-2001; and 1 - 4 per cent 2012-21 (McDonald, 1987). Although the Tunnel Company would not be able to realise a surplus at the lower levels of inflation established under this agreement it would be able to meet cost and repay bonds as it would not have to repay the \$223 million loan. At the upper level of inflation the Tunnel Company would make a gross surplus of \$1.2 billion on 1986 values but would net \$18 million after repaying the loans and servicing the bonds. These prospects suggest that the joint venturers may endeavour to dispose of the tunnel to other interests after its completion. The State, however, would gain considerable revenue if high levels of inflation occur and tolls are indexed to inflation but may have to pay \$4 million per year if cross-harbour traffic falls below 10 per cent of forecast demand.

The next example carries us beyond urban transport but illustrates how the private sector may be galvanised into contemplating funding projects in an era when federally-financed rail projects is virtually over.

* Very Fast Train: The 'Very Fast Train' would link Sydney and Canberra in one hour and Canberra and Melbourne in two hours. Kumagai Gumi, through its subsidiary Kumagai (NSW) Pty Ltd, is also involved in this massive \$3.6 billion project. On this occasion, it is in a joint venture with TNT Management Pty Ltd and Elders IXL Ltd that promises to change the Australian urban system. Although the initial feasibility study is still in progress the idea fits well with the Japanese financial and engineering community which has been active in propagating high speed trains (e.g. Sumitomo have suggested one between Los Angeles and San Diego). No doubt, these sources could be tapped to support urban public transport.

These examples suggest that the private sector can be convinced that they should share some of the burden of providing transport infrastructure in Australia. The corollary, however, is that the private sector will want a greater say in the transport planning process before decisions are made.

DELIVERY

As the organisational changes and novel ways of financing transport systems in the United States have been described attention can be focused on the private operation of transport in American cities as it holds further suggestions for restructuring Australian public transport. Although some relief has been afforded by conventional strategies, such as cutbacks in services, fare increases, advertising and increases in labour productivity, Orski (1985a) has highlighted contracting as a means of redesigning urban transport services. If these were adopted the urban public transport system of the future would comprise a network of conventional buses and trains operating along densely populated corridors with more flexible alternatives meeting particular needs.

Contracting

Instead of trying to be the exclusive provider of all urban transport services much emphasis has been focused on the benefits of government agencies contracting out less remunerative services to the private buses (Teal, Giuliano and Moriok, 1986) and taxis (Rosenbloom, 1985). Incidentally, work by Wallis (1983) on the relative cost advantages of private buses over public buses in Australia is often quoted to lend international support to contracting in American cities. An analysis of peak-hour private bus operations in seven major metropolitan areas in the United States by the Urban Mobility Corporation (1985) also points to significant opportunities for converting publicly-operated transit services into unsubsidised

operations (see also Kemp and Kirby, 1985). A scheme in Los Angeles involves transferring publicly-operated vehicles to major corridors from eighteen routes and allowing private buses to operate on them. Drawing its inspiration from United States experience, the Victorian Ministry of Transport and later the Metropolitan Transit Authority negotiated with the Bus Proprietors' Association of Victoria to develop a contract arrangement (though a tendering process has yet to be established). Further progress in contracting could be made in Australian cities by relaxing regulations governing taxicabs to permit greater use of shared-ride taxis, fixed route taxis and taxipooling -- a step towards taxi-buses and bus-taxis that bridge the gap between the two modes. In charting out America's future Orski (1985a) has drawn specific attention to the pivotal roles that could be played by the commuter bus and paratransit services.

Commuter bus

'Club buses' in Chicago, Los Angeles, New York and San Francisco illustrate contracting for peak hour express commuter services. Each club specifies the pick-up and delivery points, collects dues and makes monthly payments to the transport agency. Other jurisdictions purchase the buses and lease out the buses to private operators. Although there are few Australian equivalents it could be an area for experimentation.

Paratransit

The replacement of fixed route buses with small privately-operated vehicles (taxis or minibuses) is another strategy that has gained widespread acceptance in the United States from Lexington in Massachusetts to Santa Fe in New Mexico. Such paratransit systems have been touted as practical solutions for satisfying the off-peak and low density needs of Australia's major cities. These paratransit systems, however, have far greater potential and could be: (i) a metropolitan-wide service; (ii) a supplier of high quality services during peak periods; (iii) a complement to conventional transit (i.e. a feeder service); and (iv) a specialised service for particular market needs (Bureau of Transport Economics and Director General of Transport South Australia, 1980; Rimmer, 1987b).

A major barrier to the growth of private transport in the United States, however, has been the contractual obligations to labour. Any contraction of the public sector has had to be managed in way that has been sensitive to the rights of workers and avoided massive lay-offs. Worker cooperatives have been highlighted in the United States as one way of converting public monopolies into competitive employee-owned private corporations. Will labour be an insurmountable barrier to the restructuring of urban public transport in Australian cities or can some similar accommodation be made?

CONCLUSION

The development of public-private partnerships in the United States has produced an array of techniques for organising, financing and delivering services. In particular, they have: highlighted the potential role of the real estate developer in sharing the costs of land use-transport development with government agencies; pinpointed the possible function of the businessman in resolving transport management problems within the Central Business District; emphasised the scope for further community involvement in supplying neighbourhood services; and the opportunities for bankers to finance transport infrastructure and operators. Collectively, these public-private partnerships also offer a range of contacts for government agencies. Can greater private sector involvement offer more diverse transport services in Australian cities that are more sensitive to the disparate needs of users?

Many of the techniques used in the United States are not new in an Australian context -- there are several parallels or close variants. The lessons from the United States, however, is that a mechanism has been established to codify and detail these public-private partnerships. The Joint Center for Mobility Research -- a program of the Rice Center in Houston -- was established in 1982 to develop public-private partnerships aimed at resolving mobility problems. In the process the Joint Center has documented many examples in its research reports of how services and facilities have been supplied by public-private partnerships. Since 1985, these examples have also been reported in Private Sector Briefs -- an ongoing series of summary case studies (Rice Center, 1985c). If this mechanism was applied in Australia we would not only learn from each other about innovative techniques but, in return, offer ideas for overseas consumption.

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