

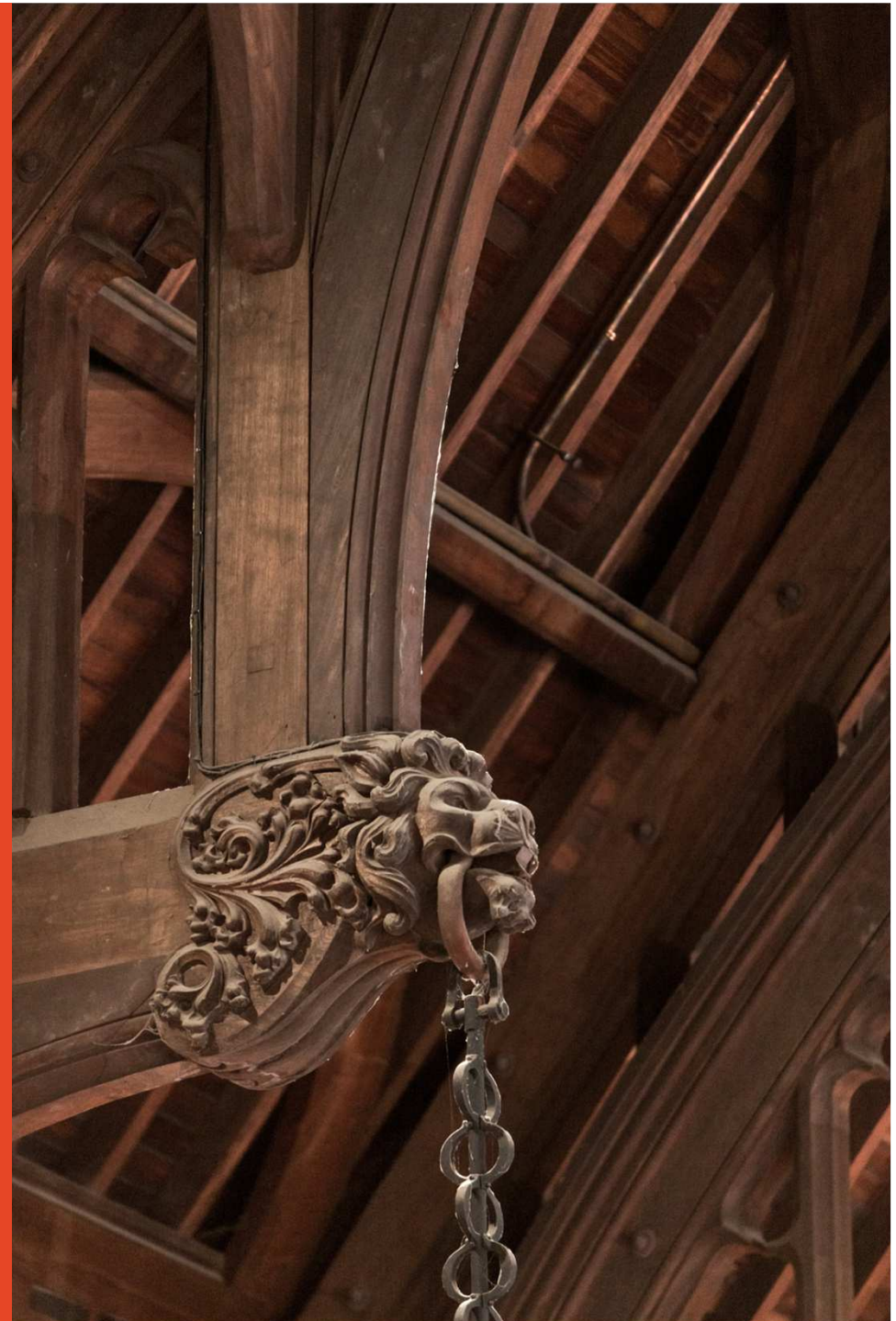
Big Themes and Big Challenges

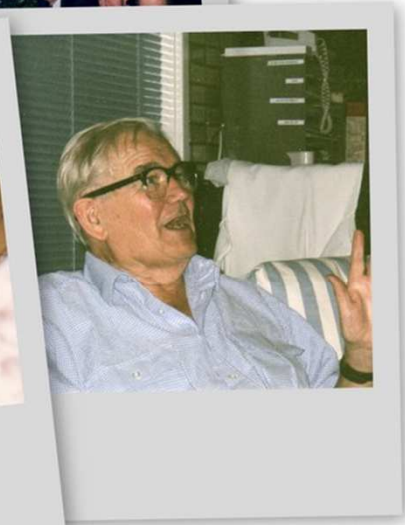
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Presented by

David A. Hensher

Director, Institute of Transport and Logistics Studies
The University of Sydney Business School
The University of Sydney NSW 20016 Australia





26 Years of Contributions

In the Beginning – Thredbo 1

- The theoretical rationale for a particular basis of service supply (e.g., regulation, deregulation, tendering, area franchises etc.).
- The international experiences with different operating regimes.
- The current context of practice within a particular nation.
- The reasons for change from the status quo, and in particular how to realise the ultimate objective; public gain or private profit?

Thredbo 1 (1989)

- Breaking the Nexus Between Service and Subsidy
- The Cost Savings Associated with Alternative Forms of Market Arbitration
- Mini-buses as a Major Technological Enhancement to Aid Performance and Service
- Competitive Contracting
- Travelcards and Other Inter-modal Ticketing
- Performance and productivity

Thredbo 2 (1991)

- Intervention strategies – market and other
- Progress in contracting and tendering (UK, NZ, Sweden, Australia)
- Frameworks for inter-modal rivalry (incl pricing and road pricing in particular and role of subsidy)
- New ways to encourage competitive efficiency
- Political acceptability of reform agendas
- Management training for incumbents and potential entrants
- Recognising the broader themes of transport reform (including land use)
- Emerging interest in performance measurement and monitoring

Thredbo 3 (1993)

- Contestability – especially whether competition in the market or for the market
- Ownership
 - Why should govt own and /or operate public transport
 - They should be regulating and not providing
 - Strong view that they should not be the direct service provider
- How do you give incentives to operators to perform better?
 - The beginning of incentive-based contracts
- Transparency of contract information, especially winning price etc

Thredbo 4 (1995)

- Full benefits of public transport need to be measured
 - Are we focusing too much on cost efficiency
 - What about service effectiveness?
- Response to diverse and changing markets
- Passenger transport is not an island
 - Consideration of public transport must always be set in the context of society's access and mobility needs and the land use patterns associated with these.
- T4 detected an overemphasis on cost-minimization ('doing the thing right') at the expense of user requirements ('doing the right thing') – still alive today in many jurisdictions (but latest Singapore CT is pleasing)

Thredbo 5 (1997)

- The STO framework starts to emerge (but not called that)
- Incentive based contracts growing in interest
- Weighing up the balance of perceived market and government failures to determine the degree of government intervention required in the market place.
- The role of the informal sector
 - The beginning of developed vs. developing economy context differences
- Need often for constitutional reform and legislative amendments as first steps (e.g., South Africa 20 yrs ago)
- Service Quality becoming more pressing
 - One key issue was whether quality required regulation, that is to say if quality was important would not the market already be providing it?
The majority view appeared to be that regulation was required
 - SQI emerges

Thredbo 6 (1999)

- Tidying up CT process: 5 steps have to be dealt with in the implementation process leading to competitive tendering:
 - stimulating competition (can it be done other ways?),
 - making clear what you want,
 - getting what you want,
 - getting what you paid for (risk), and
 - next time round (how much can be gained?).
- STO formally presented
- Emerging interest in Negotiated Contracts (cf. CT)
 - Sustainability of CT
 - Benchmarking being promoted
 - Recognising what operators have/do not have control over
 - Need to proper studies to Cf CT and NC
- Quality Partnerships highlighted

Thredbo 7-9 (2001)

- Trusting Partnerships
- Continuing debate of CT, NC and Deregulation
 - Has the competitive model played out well or not?
- Role of regulator vs. operator
- **shift the focus to institutional performance**, rather than on operator performance.
- Service quality and performance measurement and monitoring
- The informal sector – ways to tidy it up and to promote its values
 - Moderate Capacity Vehicles (MCV) was a term used by a Workshop to cover a very wide range of vehicle, service, operation and organisational types. This includes *collectivos* in South America, *marshrutki* in Russia and CIS, *Demand Responsive Transport* and *Paratransit* in Europe and North America, *Taxis* in South Africa, and many forms of service in South-East Asia.

- Locations in transition – specific challenges for such countries

Recurrent Themes so Far in Thredbo Series

- the balance between the influence of the neo-classical and Austrian schools of economic thought,
 - the neo-classical school can be portrayed as weighing up the balance of perceived market and government failures to determine the degree of government intervention required in the market place.
 - the Austrian School - presumption is against government intervention on the basis that economic information can only be revealed by market mechanisms and the need for a profit motive to ensure innovation
- the choice of regulatory system,
- the need to match competition and ownership policies to local circumstances (e.g., type of service, government capacity, and stage of development),
- the potential for regulatory cycles to occur, and
- the desire for improved integration within the transport sector and with other sectors

Thredbo Recurrent Themes

- **STO**: The strategic, tactical and operational framework for understanding contracts
- **SQI** and customer engagement
- **Trusting Partnerships**
- Contract Design
- Contract Incentives
- Regulator Competency
- Competition Policy and Control of Assets
- Social Issues and the Informal Sector
- Reliable Data
- Regulatory Cycle
- The bigger picture – policy and planning

Thank You

