



## PRESS RELEASE

### **Strong and sustainable economic growth is impossible without investment in transport infrastructure**

**Brussels, 25 January 2012**

**On the occasion of The World Economic Forum Annual Meeting in Davos, the International Association of Public Transport (UITP) wishes to emphasize that strong and sustainable economic growth is impossible without investing in transport infrastructure. Cities generate the majority of economic activity. This is where investments should be made. Public transport as a sector is also a major driver of the economy.**

Rapidly growing cities are now a global phenomenon. As essential hubs, cities are drivers for economic development. Cities and businesses are suffering from congestion. In capital cities such as Brussels, businesses have begun to leave the city centre because of extra hours lost in the traffic every day. In Europe, congestion costs account for 1% of GDP. Local and regional authorities should be supported in investing in infrastructure.

#### **Public transport supports economic growth**

Public transport brings people to work, it increases economic productivity and facilitates the creation of new activities by providing access to them. In Switzerland for example, every euro value created from public transport is linked to a further **value creation of 4 EUR in the total economy**. In the EU-27, the public transport sector contributes between **130 and 150 billion EUR** to the economy every year, which represents **1-1.2%** of the EU's GDP.

Public transport is a job provider in the whole supply chain: operators, authorities and the industry. In many major cities, operators are the largest job provider. On a global level, public transport operators alone currently provide 7 million jobs worldwide. By doubling the public transport market share worldwide by 2025, as recommended by UITP, operators would create **7 million additional jobs** (provided annual labour productivity increases by 1%). At EU-27 level, public transport operators account for **1.2 million jobs** and about **2 million jobs** in the entire supply chain (supply industry, authorities and operators).

*"It is indeed true that we have to solve the current crisis by reducing our costs whenever possible. Public transport is doing its homework in this respect by reviewing its business model, but we should not jeopardize the future,"* said Alain Flausch, UITP Secretary General.

*"Maintaining a high level of investments in public transport infrastructures is an absolute must today. It is not the time to cut spending on infrastructure if we want to be and remain the preferred mode of transport of our citizens when the economic growth shall be back"*

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#### **Note to Editors**

The International Association of Public Transport (UITP) is the international network of public transport authorities and operators, policy decision-makers, scientific institutes and the public transport supply and service industry. It is a platform for worldwide cooperation, business development and the sharing of know-how between its **3,400 members from 92 countries**. UITP is the global advocate of public transport and sustainable mobility, and the promoter of innovations in the sector. Visit our website [www.uitp.org](http://www.uitp.org)

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