

Cheaper public transport and distributional effects

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It is those with an income under 700,000 NOK per year who increase their use of public transport the most when public transport becomes free in Stavanger. For Oslo and Akershus, we find the opposite effect, that is, it is those with higher incomes (over 700,000 NOK per year) who change their behavior the most when public transport becomes significantly cheaper. It is difficult to know with certainty why income has different effects in these areas.

Reducing income inequality is often used as an argument for introducing cheaper public transport. In this report, we examine which income groups respond the most to cheaper public transport by analyzing data from Oslo, Akershus, and Stavanger. The data from Oslo and Akershus come from an experiment in which a random sample of residents was offered cheaper single tickets. In Stavanger, the data was collected through two surveys sent to residents in connection with the introduction of free public transport in the summer of 2023.

We find that those with an income under 700,000 NOK per year change their behavior the most when public transport becomes free in Stavanger in the fall of 2023. In Oslo and Akershus, however, we observe the opposite effect; it is those with the highest income (over 700,000) who show the greatest behavior changes when public transport becomes significantly cheaper. It is difficult to determine with certainty why income has different effects in these areas. There are very few Norwegian studies to compare the results with. The studies that do exist primarily examine how different income groups travel within a given fare system. In this report, we study how different income groups respond to significantly cheaper tickets. We recommend conducting more studies to more confidently determine how changes in ticket prices affect different income groups and the use of public transport.