

Transport Revolution

Launched in spring 2010, the 'Transport Revolution' is a development programme which has revolutionised Finnish transport-policy thinking and policy lines in just two years. It was drafted against a backdrop of slowing economic and productivity growth and cost pressures created by population ageing; trends which all require an increasingly strong public sector.

Labour productivity growth can no longer be generated by doing more, but by doing things differently, in a smarter way than before. Courage is needed at administrative levels to question the current practices and processes. Besides this, enthusiasm is required to find new solutions to increasingly complex problems cutting across administrative boundaries. State administration was not designed to initiate innovation but to maintain stability and existing structures. Assuming the new role is challenging, but it is by no means impossible. For transport administration to truly become an enabler and producer of innovation, we must strive to develop our operating culture and mindset in a goal-oriented way, allowing the hidden potential to be unlocked. The Transport Revolution aims at opening our eyes and making us rethink. The challenge is how to achieve 'better with less'.

In preparing for the transport agency reform of 2010, it was detected that the operations of transport administration entailed a significant potential for boosting productivity and effectiveness. At the same time, it was also realised that in order to go forward, the new role of transport administration needed to be elucidated, a new mindset adopted and a new-type of operating culture created.

The first phase of the Transport Revolution was a mind chart completed in spring 2011. Commissioned by several ministries, it was drafted by a broad-based group of experts comprising the representation of key actors in the field of urban and transport planning. The mind chart outlines the main content of a new approach to urban and transport policy, and explains what the new approach means in practice.

History has to be acknowledged in order to prepare for what is to come. The mind chart begins by looking back to the post-war era which is where the paradigm of our current transport policy, and to some extent that of other countries too, took shape. This era was in very physical terms characterised by reconstruction, industrialisation, construction of infrastructure needed by industry, together with the second wave of urbanisation and the growth of suburban municipalities. Car traffic began to increase rapidly. For decades, transport policy was concentrated on building and improving transport infrastructures. Private cars have long been the starting point for all transport policy planning, with increasing traffic volumes accepted and taken for granted.

In order to succeed, businesses must review their operating logic in the changing settings from time to time. For organisations, doing the wrong things is by no means the most disastrous - continuing to do the things that were once right is. Current transport policy and approach to it were correct and efficient in an industrial society building up new infrastructure. We have an advanced transport network and a reasonably wide range of services; our transport system works in quite a satisfactory way. The operating environment, however, has gone through a fundamental transformation in half a century. Key questions for the future include: How do we develop and use our infrastructure in a way boosting competitiveness, growth and attractiveness? How do we do this using the viewpoints, skills, and innovation of the different parties involved? How do we share the advantages and disadvantages together with the profits and costs they generate? Transport infrastructure and services, and the entire transport system, do not constitute an end in themselves. They should be seen as means to safeguard sustainable growth and well-being in our entire society.

The mind chart illustrates the main content of a new approach to transport and urban policy. Premised on cross-administrative cooperation, user-orientation, service level thinking and strategic agility, transport policy will become an increasingly integral part of social policy.

- Transport policy will be based on a political decision on the service level of publicly-funded travel and transport, without administrative obstacles or boundaries between modes of transport or infrastructure. It is the public sector's 'performance guarantee' to users.
- Implementation of the service level will make diverse and efficient use of a range of measures, technologies and innovations, including action to reconcile land use and transport, and to manage demand.
- The skills and innovation potential of businesses will be utilised to the full. New procurement practices will create incentives for businesses to work out effective solutions, based on the users' needs, to transport-related challenges and problems.
- Users are, instead of being passive objects, actively involved in the planning, implementation and development of services.
- Public and market-based services complement each other. On the basis of overall supply, users can put together a service package that suits their own needs; information and communications technology supports the provision of these services.
- Far-reaching strategic goals and operative agility of transport policy merge to become strategic agility - the ability to quickly respond to varying needs while furthering the strategic goals.

The approach and mindset at the core of the Transport Revolution have been a success. New 'revolutionary' ideas are strongly present in the Government Programme, and particularly in the Transport Policy Report, submitted to Parliament by the Government in spring 2012. This was no accident. The experimental projects implemented as part of drafting the report had an important role to play in this regard.

The experiments were practical cases, carried out in the course of a few months, and their purpose was to provide support and assistance to the ministerial working group responsible for drafting the report. The Government Programme had already given the working group a clear mandate for reforming transport policy: 'The challenges of public finances, improvement of national competitiveness, climate policy, changes in the economic structure, and the safeguarding of services all require more efficient and effective means for the development of the transport system.'

The projects were aimed at bringing the ideas of the Transport Revolution to a more tangible level, testing the usefulness of the new mindset and operating models, and assessing the benefits gained. Some of the experiments exceeded all expectations. In one case, the new mindset and approach enabled the development solution of a main road section to be implemented at half the original cost. With the solution being reassessed with user needs in mind, the cost-effectiveness of the measure increased significantly. Another case proved that annual savings worth several million euros to tax payers can be achieved by organising passenger transport services produced with public funding in a new way, without compromising the service level. A third case, for its part, showed that if the public sector and

businesses engage in new type of cooperation, an infrastructure development project can generate clear and direct benefits to the businesses and municipalities in the impact area concerned, and to the entire region, improving their competitiveness in a sustainable way.

In just two years, the Transport Revolution has profoundly changed the mindset, and even the content, of Finnish transport policy. Efficiency and effectiveness in transport policy can be boosted by cross-administrative cooperation, service level thinking, customer-orientation, smart and responsible use of resources, innovation-orientation and strategic agility. The Transport Policy Report complements these by a large number of development policies and assignments by the Government which will help direct the existing mindsets and approaches towards new goals.