

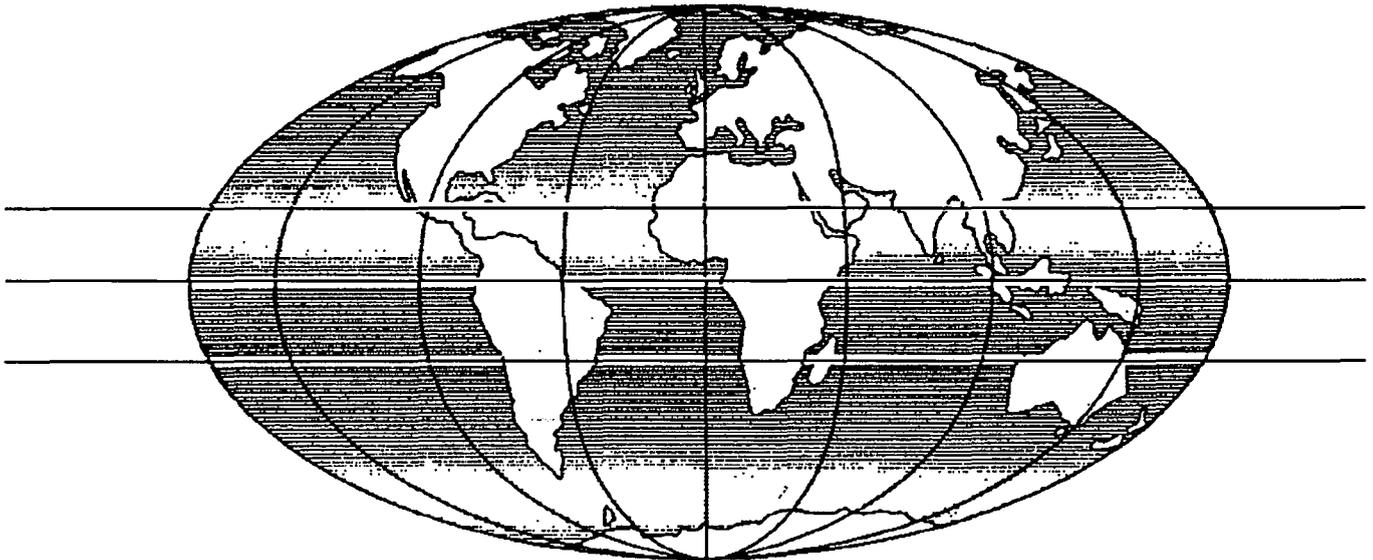


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# Reprint

**TITLE The effect of institutional changes on stage bus performance in Harare, Zimbabwe**

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## **The effect of institutional changes on stage bus performance in Harare, Zimbabwe**

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This paper discusses the reasons for and objectives of the Government of Zimbabwe's decision in 1988 to invest and participate directly in the provision of urban stage bus services in the major towns and cities of Zimbabwe. The initial effects of this institutional change in ownership are discussed in respect of Harare, the capital of Zimbabwe. Assessment is made of the (short term) effects of that decision in terms of the operational and financial performance as well as service quality provided by the Zimbabwe United Passenger Company in Harare.

### **1. Introduction**

The role of Government in the stage bus public transport sector continues to be a source of contention and debate in both the developed and developing world especially in respect of ownership and regulation. For example, in the U.K. the Transport Act (1985), which came into effect in October 1986, and a separate Local Government Act (1985) affected not only the ownership and provision of stage bus services in urban areas greatly but also financial factors such as fare increases and level of subsidy paid to operators. The 1985 Transport Act was largely designed to introduce competition and a commercial environment to the U.K. public transport sector in place of regulation and public ownership.

The effects have been mixed, with substantial reductions in the cost of operations (Gwilliam 1989) but a decline (unexpectedly) in bus patronage despite improved service levels (White 1989). Another aspect has been the continued growth of urban minibus operations which have generally flourished in the de-regulated environment (Watts *et al.* 1990, White *et al.* 1992).

The debate about ownership and control has also been a source of contention in the developing world (White 1981, Walters 1979, Transurb Consult-Inrets 1991). For a considerable time international aid agencies, such as the World Bank, have encouraged and supported the provision of stage bus services by private operators within a less-regulated environment (World Bank 1986). Despite this, many public transport operations in the developing world continue to be under public ownership and regulation is extensive (Transurb Consult-Inrets 1991). Increasingly, however, the trend both for public transport services, as well as other industries, has been marked by a

gradual move to the private sector from state control. Recently this trend has been accelerated throughout the African sub-continent under various Economic Structural Adjustment Programmes that Governments are implementing with assistance from the International Monetary Fund and the World Bank. Thus, a wide spectrum of ownership and control exists in the urban public transport sector varying from completely nationalized public sector companies (parastatals) to the private sector with various permutations in between.

Against this world-wide trend, the Government of Zimbabwe, during the 1980s, made a decision to invest and participate in a number of key sectors of the economy. In 1988 it became the majority shareholder (51%) in the Zimbabwe United Passenger Company (ZUPCO), the only legally authorized operator of urban stage bus services in the country. ZUPCO was established to incorporate all the United Transport Group's (UTG) Zimbabwe passenger transport operations (which previously were wholly owned subsidiaries of the UTG) into a single company jointly owned by UTG and the Government of Zimbabwe.

This paper discusses the reasons for and objectives of the Government of Zimbabwe's decision to invest directly in the provision of urban stage bus services. It also assesses the (short term) effects in terms of operational and financial performance as well as service levels of the company both before and after 1988.

The present research is a natural extension of earlier work in medium-sized Indian cities (Fouracre and Maunder 1986, 1987) and in African cities (Maunder 1990) carried out by the Overseas Centre, Transport Research Laboratory (TRL) where the effects of regulation and ownership were investigated. Harare was one of five African cities studied by Maunder and has, since 1990, been the subject of intensive study by a joint TRL and Department of Physical Planning (DPP) research team.

It is too soon to make a final assessment as to Government involvement in the provision of stage bus services in Harare as at the time of writing it was only 4 years since the institutional change, but an interim assessment is possible based on a number of indicators illustrated and discussed below.

## 2. City characteristics

Harare is the capital, the commercial and administrative centre and the seat of government in Zimbabwe. The present population of Greater Harare is estimated to be approximately 1.5 million and as such has grown at an annual average rate of 8% since 1982. Zimbabwe's motor vehicle ownership per 1000 population has increased from 39 in 1986 to 41 in 1991 (International Road Federation 1987, Zimbabwe Ministry of Transport 1992). In urban centres it will be considerably higher than these national averages. Although personal car ownership has also increased over the same period, actual usage may be declining, especially during the past two years, as the cost of owning and operating a vehicle has increased dramatically. In Harare, for example, the

Table 1. Modal split (%).

Year	Stage bus	Emergency taxi	Meter taxi	Motor car and cycle	Cycle	Walk	Other
1988	18	7	0.5	30	1.5	42	1
1991	24	10	1	16	1	45	3
1992	31	9	1	17	5	36	1

Source: TRL/DPP Household Surveys, 1988-92.

use of motor cycles and cars for trip-making has approximately halved, whilst the stage bus has increased in importance (see table 1). Walking continues, however, to be the major travel mode though its importance is clearly diminishing as the city expands in area.

### **3. Historical developments of public transport provision in Harare**

Historically, the provision of conventional stage bus public transport services in Harare (formerly Salisbury) can be divided into three distinct phases:

- (a) pre-1980;
- (b) 1980 to mid-1988;
- (c) post mid-1988.

Prior to 1980, urban stage bus services were operated by the Salisbury United Omnibus Company (SUOC) which was a subsidiary of the United Transport Overseas Services (UTOS) which in turn was a wholly-owned subsidiary of the United Transport Group, a U.K.-based company. Thus SUOC was privately-owned. The company operated under a franchise agreement between SUOC and Salisbury City Council, giving them the right as sole supplier of stage bus services in Greater Salisbury (within a 26-km radius from the Central Post Office).

The franchise agreement included the provision of a guaranteed 20% return on capital employed. The structure and level of fares were negotiated and agreed by the two parties. At the end of each financial year, the Local Authority met the difference in the event that the 20% return on capital was not achieved and this occurred on numerous occasions. Clearly, the Local Authority played a significant role in the provision of stage carriage services during this period.

In April 1980, Zimbabwe (formerly Rhodesia) became an independent state. SUOC was renamed the Harare United Omnibus Company (HUOC). Since 1980 the Government of Zimbabwe has pursued a policy targeted at redressing the socio-economic imbalances which existed prior to 1980. Emphasis was placed on controlling certain key sectors of the economy which were regarded as vital. Public transport stage bus services were clearly regarded as one such sector.

During the period 1980 to mid-1988 a number of decisions were made; of prime importance were the following:

- (a) the determination of fares became the responsibility of Government and not that of the Local Authority, notwithstanding the fact that the latter remained as a signatory to the franchise agreement;
- (b) an agreement in principle to review fares annually;
- (c) the cessation of subsidies in 1981, which principally were viewed as a disincentive for management to achieve optimum results;
- (d) the temporary legalization in 1982 of the informal sector 'Emergency Taxis' as they are popularly known in Zimbabwe. The emergency taxi provides a shared taxi service on designated routes; it has a legal carrying capacity of 7 passengers but overloading is common.

Thus, the period 1980 to mid-1988 was a time in which Government played a considerable role in regulating the urban public transport sector. There emerged a tripartite structure of Operator, Local Authority and Government. The Local Authority involvement was reduced to the provision of infrastructure such as bus stands and shelters, with key decisions being made solely by Government.

During the latter half of 1988, Government made an important (policy) decision to participate directly in the urban public transport sector by acquiring a 51% shareholding in ZUPCO. The other 49% shareholding continues to be held by the UTG.

Public transport was regarded as a key and strategic sector in which Government's participation was necessary for determining the sector's future development. There was also concern regarding the level of service that was being provided (as the fleet was ageing and vehicles past their economic lifetime were not being replaced); hence, one of Government's objectives was to ensure that an adequate and efficient public transport system was provided for the residents of Greater Harare. Government participation in this sector was meant to resolve problems that were being faced daily by the urban commuters.

An important aspect to the new partnership was a 'Management Agreement' which gave UTG the responsibility of managing ZUPCO for a period of six years without any direct Government involvement in the day-to-day operations of the company. The management agreement was implemented to provide continuity by taking advantage of UTG's experience in managing stage bus services world-wide. It also enabled ZUPCO to embark on a management training programme to ensure adequate management would be available in the future.

Following direct participation by Government in October 1988, a new franchise agreement between the Government and ZUPCO was agreed. The Authorized Area was extended from 26 km to a 30-km radius from the city centre, reflecting the growth of the city.

Following Government participation greater emphasis was placed on the acquisition of buses and spare parts. Government ensured wherever possible the availability of foreign currency for such purchases. Participation also enabled Government to have a clear understanding of the operational and financial difficulties experienced by ZUPCO, particularly with respect to raising revenue whose only source is passenger fares. Consequently, the post-1988 period has seen frequent fare adjustments.

#### **4. Operational and service quality performance**

In this section, the trends in operational, financial and service quality are discussed with comparisons highlighted between the three distinct time periods, but specifically between the 'pre' and 'post' 1988 periods.

##### *4.1. Fleet expansion and modernization*

Between 1976 and 1991/92 the fleet of the former UTG subsidiary and its successor the ZUPCO Harare Division grew from 394 in 1976 to 823 buses by 1991/92, an average increase of approximately 7.3% per annum. However, there have been significant differences in fleet growth during the three periods. Prior to 1980, the fleet grew by an average of approximately 7% per annum. Between 1981 and 1987/88 the fleet increased by an average of only 3.8% per annum. Post-1988 to the present, the fleet has expanded by approximately 8.7% per annum.

New models have been introduced following Government participation. Five M.A.N. articulated 180-passenger capacity buses (popularly known locally as train buses) and 100 minibuses have been acquired. The ageing Leyland Valiants and Mercedes buses have been scrapped, leaving a fleet comprising DAF-615 and 825's, Toyota and Mazda minibuses and M.A.N. train buses at the present time.

Clearly, in terms of the growth and modernization of the fleet, Government's participation appears to have been positive. Experience from elsewhere suggests that

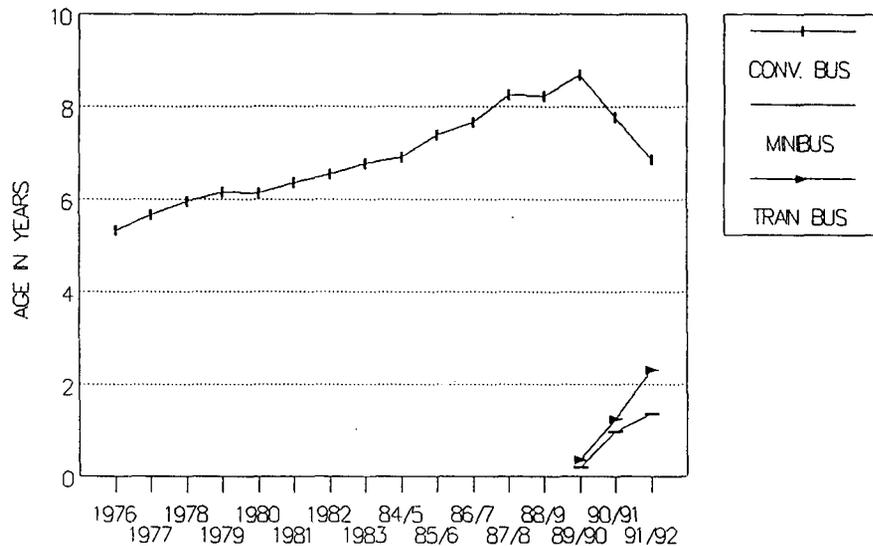


Figure 1. Average fleet age by vehicle type.

Government involvement often leads to a deterioration in the fleet size and age of the fleet (Transurb Consult-Inrets 1991); for example this occurred in Zambia and Tanzania following nationalization of the urban bus fleet.

However, the average annual 7.3% increase in fleet size since 1976 needs to be assessed against the potential demand for public transport services in Harare during the same period. Just like many other cities of the developing world, the demand for public transport services in Harare has been growing at an unprecedented rate, primarily due to an increase in the urban population. The growth in population, at an approximate average 8.0% per annum since 1982, is in excess of the rate at which the bus fleet has expanded over the same period. For example, in Harare in 1982 there were 0.7 buses per 1000 population; by 1987 this had declined to 0.51, and by 1990 to 0.41. However, the rapid fleet expansion which occurred during 1991/92 raised the ratio to 0.55, but this is still substantially lower than the figure for 1982. The fleet acquisition programme has clearly not kept abreast of population growth.

The average age of conventional buses increased throughout the period 1976–1989/90 and only declined from 1990/91 when ZUPCO, at Government's insistence, started scrapping over-aged vehicles and replacing them with new acquisitions. During the latest operational year (1991/92) the fleet has been expanded considerably. The conventional bus fleet age currently averages 6.9 years (see figure 1) which is approximately two years younger than the 'peak' 8.7 years reached during 1989/90.

Minibuses and the five M.A.N. train buses were first acquired during the year 1989/90. The continued acquisition of minibuses since then has kept their average age lower than that of the train buses, to which there have been no additions. The average age of the total fleet up to 1989/90 was identical to the conventional bus fleet. Since then with the inclusion of the M.A.N. train and minibuses, the age of the total fleet has declined and currently (1991/92) is 6.2 years, a reduction of one year on the previous year and two years in 1989/90. This reduction is a measure of the substantial acquisition and scrapping policy of the last two operational years undertaken by ZUPCO.

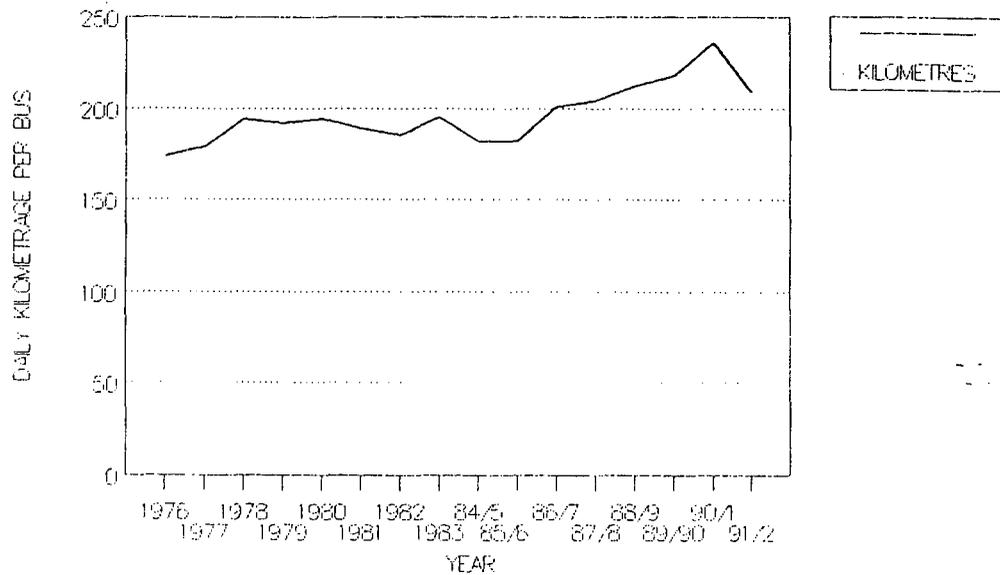


Figure 2. Average daily kilometres per bus.

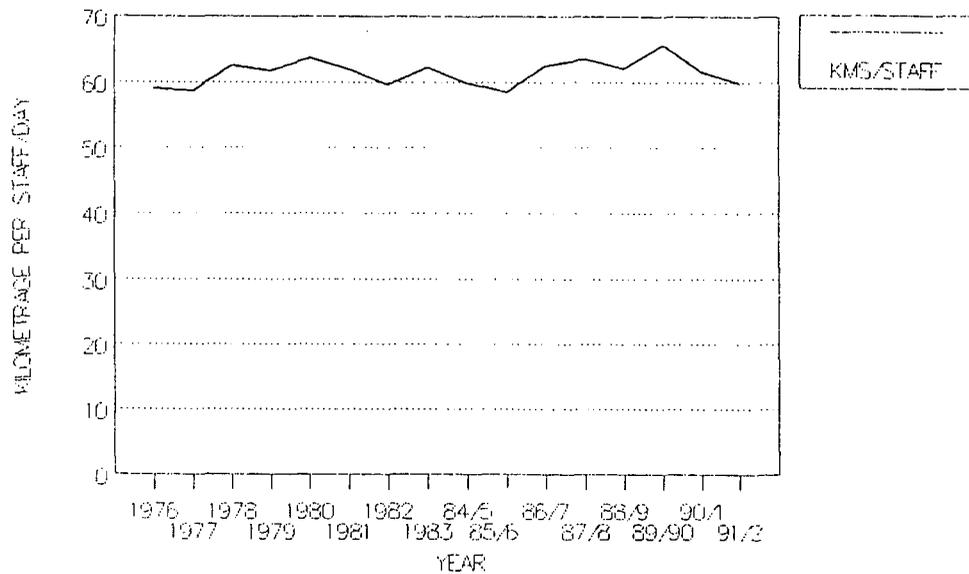


Figure 3. Kilometrage per employee daily.

#### 4.2. Kilometrage operated

The total annual kilometrage operated by ZUPCO's Harare Division has increased from 25 million km in 1976 to 62.8 million during 1991/92, an increase of 151% over the entire period. For the year 1987/88 the total kilometrage amounted to 49.6 million; hence, since Government involvement there has been an increase of 13.2 million km, equal to a 26.6% increase, the major part taking place during the years 1989/90–1990/91 (+ 5.1 million km). The total kilometrage operated includes revenue earning and dead kilometrage; the latter are kilometres operated for which no revenue paying passengers are carried. Dead kilometrage was not recorded until 1987/88, when it amounted to at

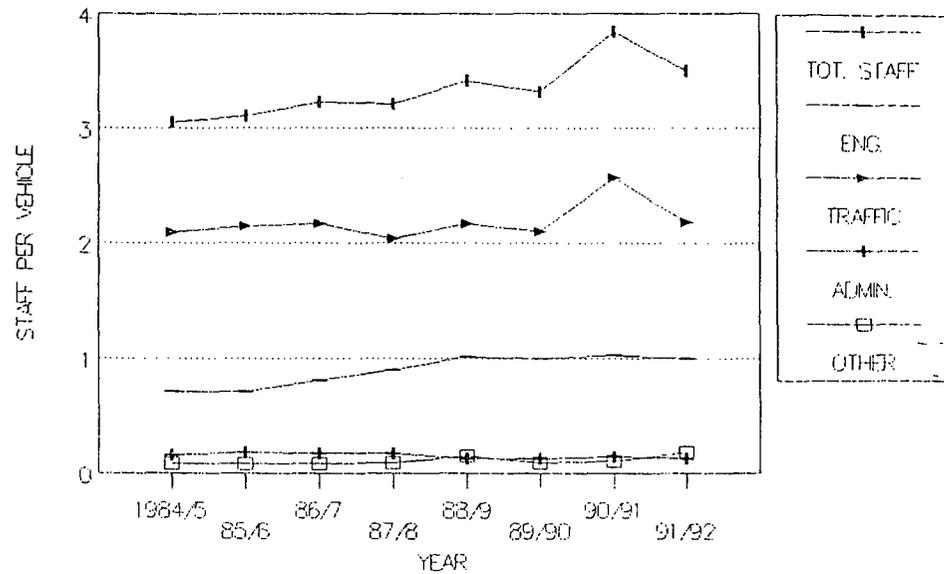


Figure 4. Staff per vehicle.

least 20% of the total kilometres operated. For the year 1990/91 it had declined to 17% and for 1991/92 it had further declined to 15%.

Daily kilometrage per bus, a measure of vehicle productivity, is illustrated in figure 2. It has been increasing annually from 174 km in 1976 to 236 km in 1990/91. However, during 1991/92 it declined to 209 km daily. This decline is due to a critical shortage of drivers, resulting in insufficient manpower to operate an annual 18% increase in fleet size. The amount of daily kilometrage per employee (see figure 3) has fluctuated around 60 km throughout the 15-year period and the number of staff per 10 000 km has been equally stable at around 0.45 throughout the same period.

#### 4.3. Staffing levels

Figure 4 illustrates the staff per bus figure for the period 1984/85–1991/92. The trend in total staff per bus rose marginally between 1984/85–1989/90 but then rapidly increased to 3.84 but has since declined to 3.5 during 1991/92. The increase during 1990/91 was due to an increase in traffic staff as is shown by the traffic component curve. During 1991/92 the fleet increased by 18% whereas total staff increased by only 7.8%. Thus there has been a decline in overall staff per bus and specifically in terms of the traffic component. Traffic personnel make up 60% of total staff compared to 28.5% for engineering personnel. Both administration and engineering staff/bus ratios have remained constant over the last four operational years. The traffic component, however, has fluctuated due to the shortage of drivers over the last few years, which has resulted in HUOC establishing its own Driver Training School. A substantial number of drivers were employed during 1990/91 but considerable numbers have since left the company. It is hoped that with a newly-introduced driver incentive scheme, the loss of drivers will be stemmed and indeed former experienced drivers will be attracted back to the company.

#### 4.4. Accidents and breakdowns

Figure 5 shows the number of accidents per 100 000 km and the number of breakdowns per 10 000 kilometres. The data are the monthly average per quarter for

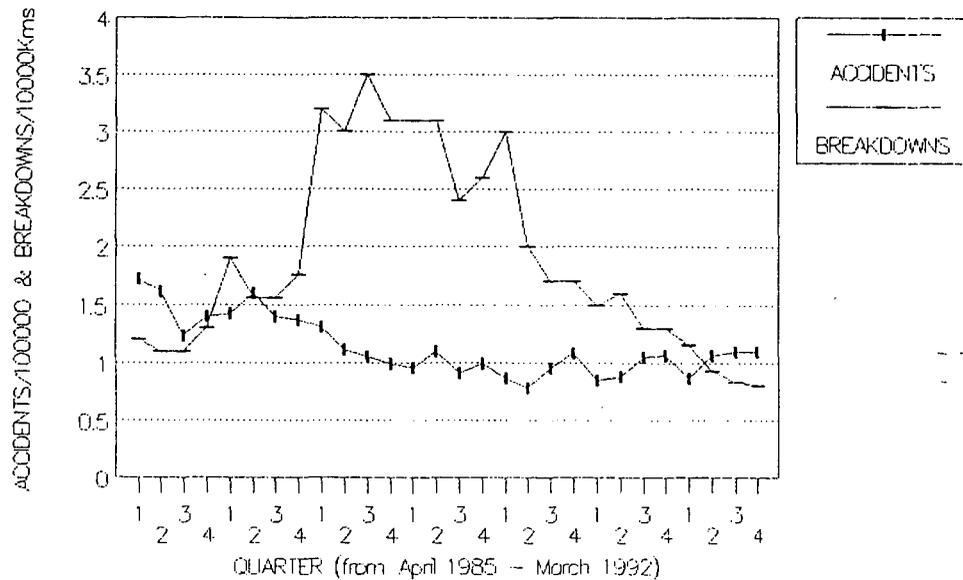


Figure 5. Accidents/100 000 km and breakdowns/10 000 km.

both sets of data. The accident rate, including both injury and non-injury accidents, illustrates a gradual decline over the entire period to the first quarter of 1991/92; however, during the last three quarters of 1991/92 it has shown a disturbing marginal rising trend. This possibly reflects the recent induction of new, relatively inexperienced drivers. However, the accident rate is still considerably lower than during the first quarter of 1985/86 when there were fewer operational vehicles and drivers.

The breakdown rate per 10 000 km has been erratic, rising sharply during the year 1987/88 to 3.5 per 10 000 km and then showing an almost continuous decline to 0.8, the average being 0.93 for the year 1991/92. During the operational year 1991/92 the reduction was marked, declining from 1.3 to 0.8 in the last quarter, a reduction of 38%. The decline is a clear result of the scrapping and replacement of over-aged vehicles by new and more reliable ones. The rate at the end of 1991/92 was less than a quarter of the rate during the whole of 1987/88.

#### 4.5. Service quality

Service quality or level of service provided can be measured in different ways. One key indicator of service quality is the average waiting time that a passenger incurs prior to boarding. The TRL/DPP first commenced waiting time surveys in Harare in May 1988 (Maunder 1990) just prior to direct Government involvement. Since April 1990 these surveys have been repeated on a quarterly basis throughout the network. Figure 6 illustrates the average passenger waiting time by time of day, from May 1988 to May 1992. The October 1991 results are atypical because the survey was implemented following the sudden enactment of tough safety regulations pertaining to the nationwide operation of heavy goods vehicles and public service vehicles following a long distance bus disaster in which 90 passengers were killed.

Generally the trend over the period is of declining passenger waiting times (i.e. improved service levels) during both peak and off-peak time periods. Thus, in May 1988 the weighted average waiting time was 36 minutes; in May 1992, four years later, it had declined to 22.8 minutes, a reduction of 37.0%. During the same period the maximum individual waiting time had declined from 4 hours to approximately 2 hours.

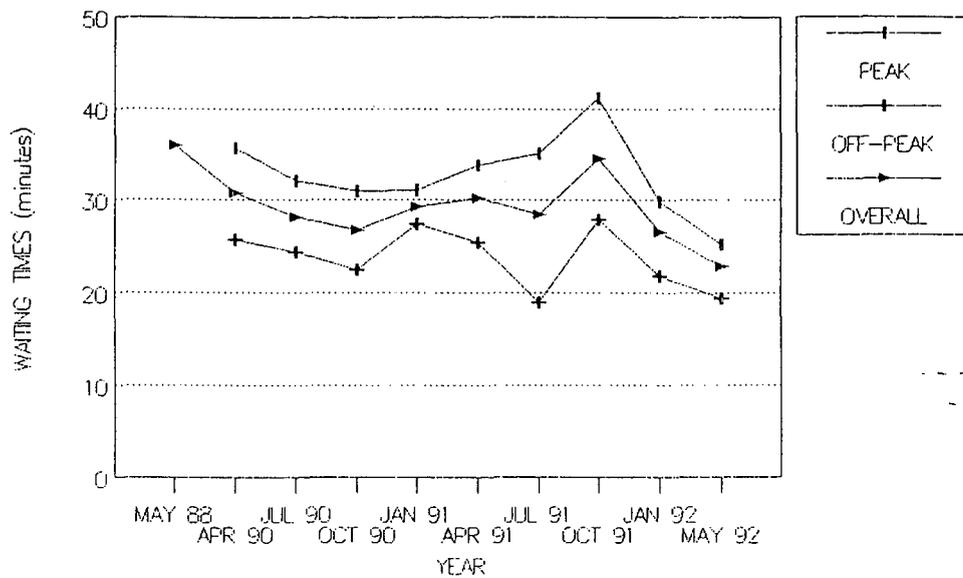


Figure 6. Average waiting times.

Passengers can (on average) board the first bus arriving at the stand during the off-peak and the second bus during the peak period. The fleet expansion policy has enabled more buses to be operational during the peak period. In addition, the operation of 100 minibuses currently operated on short distance routes ensures a high frequency service being offered on highly trafficked routes. This minimizes passenger waiting time and allows passenger choice between the conventional service or the minibus at a higher fare.

The scrapping and replacement policy has ensured that over-aged vehicles have now been replaced by more reliable and productive buses that are operated throughout the entire day, rather than just the peak period. This has, as a consequence, enabled management to increase the minimum fleet utilization during the off-peak from a low 35% during May 1988 to the present 48%. It has also produced average passenger waiting time reductions during the off-peak period.

Passenger attitudes and opinions are also a useful guide as to the level and quality of service offered. As a result, passengers have frequently been interviewed during the last two years by the TRL/DPP Project Team.

In January 1991 (operational year 1990/91) and again in May 1992 (operational year 1992/93) passengers were asked to give their opinion of the stage bus service. Figure 7 shows the two years' results and illustrates a considerable change in passenger opinion. For instance, in 1991, 62% classified the service as 'Poor' or 'Bad', whereas

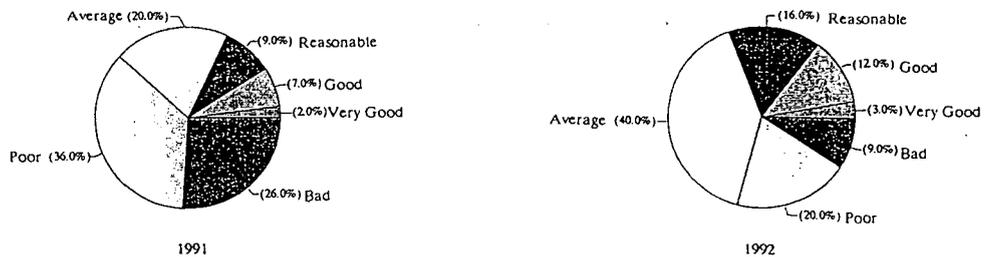


Figure 7. Passenger opinion of stage bus service in Harare.

in 1992 only 29% similarly classified the service. 'Average' or 'Reasonable' were terms used by 29% of the sample in 1991 but used by 56% in 1992. Fifteen per cent classified the service as 'Good' or 'Very Good' in 1992 compared with only 9% in 1991. It would therefore appear that passengers are of the opinion that within the intervening period the service has improved considerably. This opinion was reinforced when 56% of the sample interviewed in May 1992 suggested that 'more buses were operational than in the past', leading to 'reduced passenger waiting times', as was illustrated in figure 6.

However, when the same passengers were asked in May 1992 whether the service had improved or deteriorated since Government intervention (1988), their responses were as follows: improved, 36%; same, 29%; deteriorated, 35%. There were approximately equal numbers of passengers who were of the opinion that the service had deteriorated or improved since 1988. In the passenger's opinion there have been two major service improvements since 1988. The first being the introduction of minibuses and the second the expansion of the conventional bus fleet. In terms of passengers citing a deterioration since 1988 the major responses were 'a continuing inadequate supply of buses' and 'unreliable scheduling'.

### 5. Financial performance

Total costs have increased by almost 24 times between 1976 and 1991/92 and by 360% between 1985/86 to 1991/92. During the latter period, cost factors such as depreciation and interest have increased by 800%, tyres, tubes and spares by 570%, and the cost of purchasing a new conventional bus by 300%; thus the company has been particularly hit by escalating operational costs. The operational costs per bus have increased by 255% in this period while the Consumer Price Index has increased by approximately 200%.

Figure 8 shows the trend in factor costs as a percentage of total costs over the period 1985/86 to 1991/92. Fuel and lubricants (imported) were declining in importance during the period 1985/86 to 1989/90. Then, perhaps due to the Gulf Crisis, they increased marginally in importance during 1990/91 and this trend has continued; they now contribute 20.7% of total costs. During the period 1987/88 to the present, spare parts,

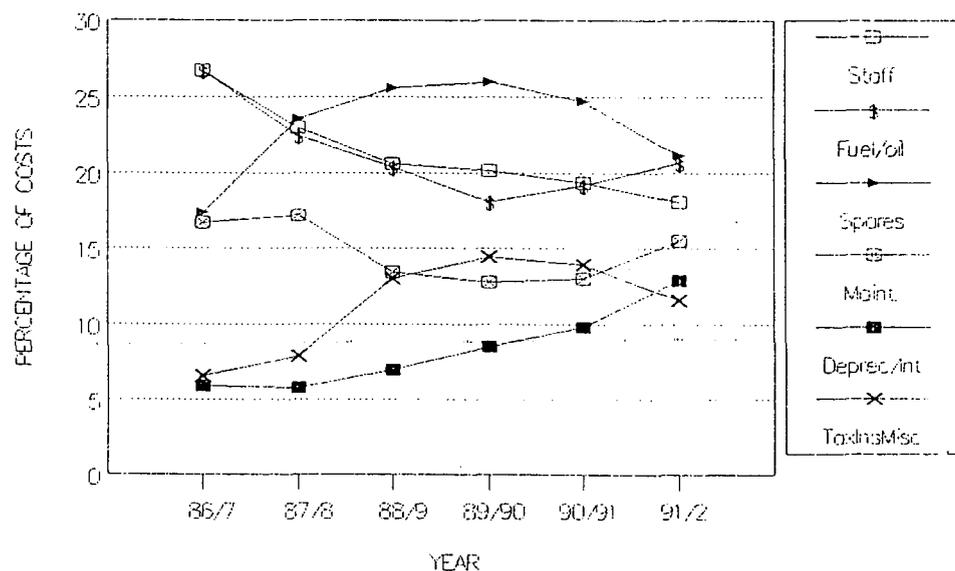


Figure 8. Operational costs (%).

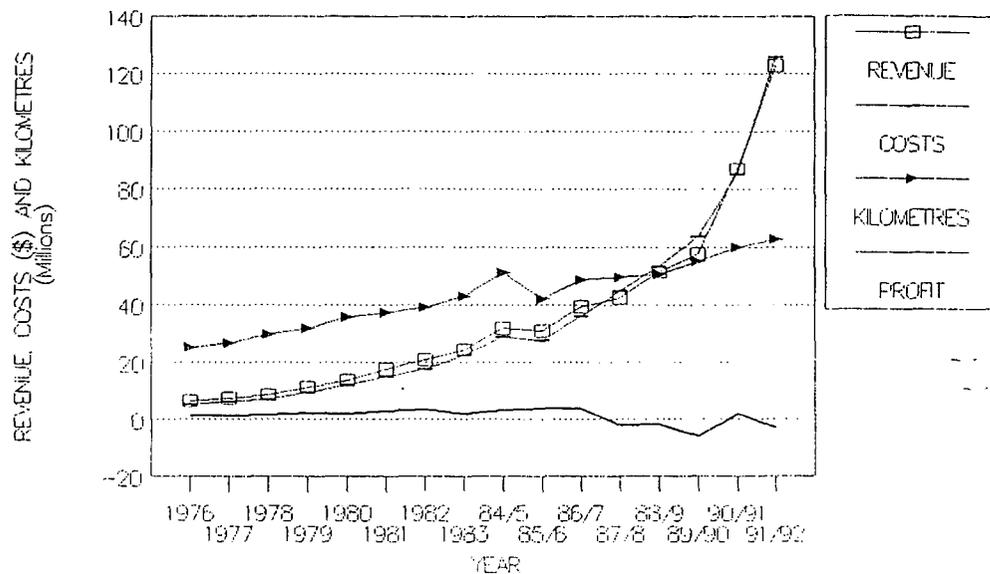


Figure 9. Financial and operational performance.

including tyres and tubes, continue to be the major cost component. However, the percentage of these costs has declined in line with the bus scrapping and replacement policy.

Depreciation and interest show a marked rising trend and they will continue to increase in actual and percentage terms as new buses are procured by ZUPCO. The cost of new vehicles increased by 73% between April 1991 and January 1992. During the operational year 1991/92, when 164 new DAF-825's and minibuses were delivered, the depreciation and interest factor rose significantly from 9.8% to 12.9% (an increase of 32%) and is now no longer the least important cost factor.

Figure 9 illustrates annual revenue, costs, profitability and kilometres operated throughout the period 1976 to 1991/92. The revenue, costs and kilometre curves illustrate a general rising trend over the period. This would be expected as the fleet increased in size; however, revenue and costs have risen significantly over the last three operational years when inflationary factors in the economy have been significant.

Revenue was always in excess of costs between 1976 and 1986/87. During the next three operational years (1987/88–1989/90) costs rose faster than revenues, probably because only one fare increase was granted during the three-year period (in April 1988) and thus losses ensued. Two fare increases were granted by Government during 1990/91, which restored a modest profitability. Subsequently, with substantial increases in costs (total costs increased by 48% between 1990/91 and 1991/92) and one fare increase of approximately 30% being granted by Government, losses ensued during 1991/92 once more.

Clearly, the cost of renewing and expanding the fleet, the cost of spare parts and fuel (all imported) plus general inflationary factors in the economy and the increase in kilometrage operated have all increased costs substantially, despite improvements in productivity. Government recently demonstrated a willingness to increase fares, but the increases in the past have lagged behind spiralling costs and thus losses have ensued. Quarterly fare increases have already been granted by Government for the present operational year (1992/93) in a bid to ensure a return to full cost recovery and a viable return on capital employed. However, in the present economic climate existing

passengers may well opt to travel by cheaper modes, e.g., cycle or emergency taxi or even walk, if the fares become prohibitively high. Recent results from fare elasticity of demand surveys carried out by the TRL/DPP Project Team suggest that passenger demand is relatively inelastic only for distances in excess of 15 km.

As might be expected, the rate of return on capital employed was positive though declining between 1976 through 1986/87, with the return ranging from 23% to as low as 7% in 1983. Since 1987/88 the rate of return has plunged to a negative 14.3% during 1989/90 but recovered to a positive 3% during 1990/91. Once again, however, during 1991/92 it returned to a negative 3.9%.

## 6. Conclusions

This paper has examined the short-term impact of direct Government participation in the provision of stage bus services in Harare. Although it is only 4 years since Government involvement, certain trends appear to be emerging.

It is evident that Government's participation has assisted in improving the level of service offered to the travelling public. The fleet size as well as its composition has increased and this has contributed to:

- (a) a gradual reduction in average passenger waiting time—since 1988, passenger waiting time has declined by 36.6% despite the fact that more passengers are currently travelling than in the past;
- (b) a significant reduction in the number of breakdowns per 10 000 km operated over the last three years—the rate which at present equates to an average 0.93 per 10 000 km is attributed to the scrapping and replacement policy implemented during the post 1988 period;
- (c) a high level of fleet availability during the peak period has been maintained and the off-peak fleet utilization has increased—the latter has risen from 35% prior to 1988 to the present 48%, a clear indication of the productivity of new vehicles which are capable of operating throughout the day;
- (d) a gradual reduction in dead kilometrage as the new buses replace the old ageing models, which were mainly used for split duties and hence garaged for most of the day due to their unreliability; and
- (e) a considerable improvement in bus productivity in terms of daily kilometrage operated although this has recently declined marginally due to a critical shortage of experienced drivers.

However, improvements in the level of service (appear to) have been achieved at a cost. Most of the buses have been acquired through increased borrowing, thus affecting the financial viability of ZUPCO's Harare Division. Clearly, whilst the level of service improves, the financial performance seems to be deteriorating.

The post mid-1988 situation differs greatly from the 1980–1988 period when the stage bus company was in a favourable financial position; however, during the earlier period very few buses were purchased so that the fleet increasingly aged and deteriorated.

The Government of Zimbabwe is currently implementing an Economic Structural Reform Programme for the country. This entails a movement away from a regulated towards a de-regulated economy, where market forces are expected to play a greater role. With respect to urban public transport no change has taken place at the time of writing. There are, however, indications that despite the apparent success of government participation a more competitive environment may be allowed in the urban transport

sector enabling other private operators to compete with ZUPCO. ZUPCO's Harare Division may well respond by consolidating its resources and provide high frequency services on a considerably reduced but profitable network.

#### Acknowledgments

The work presented in this paper forms part of the research programme of the Overseas Centre (Programme Director: Dr J. Rolt) of the Transport Research Laboratory. The findings are part of a joint programme of work undertaken by the Urban Transport Unit of the Department of Physical Planning (Director: J. M. Zamchiya) and the Transport Research Laboratory. The paper is published by kind permission of the Director of the Department of Physical Planning and the Chief Executive of the Transport Research Laboratory. Any views expressed in this paper are not necessarily those of the U.K. Department of Transport or the Zimbabwe Department of Physical Planning. Extracts from the text may be reproduced except for commercial purposes, provided the source is acknowledged.

#### Foreign summaries

Cet article décrit les raisons et les objectifs de la décision, prise en 1988 par le Gouvernement du Zimbabwe, de participer financièrement et de contribuer au bon fonctionnement d'un réseau public d'autobus dans les principales villes du Zimbabwe. Les premiers effets de cette initiative sont examinés dans le cas de Harare, la capitale du pays. Il est procédé en particulier à une évaluation (à court terme) du fonctionnement, des résultats financiers et de l'amélioration de la qualité du service offert par la Compagnie Unifiée des Transports de Voyageurs du Zimbabwe à Harare.

Dieser Artikel stellt die Gründe und Zielsetzungen der Regierung von Zimbabwe im Jahre 1988 dar, in die Versorgung mit städtischen Bus-Diensten in größeren Städten von Zimbabwe zu investieren und sich zu beteiligen. Die anfänglichen Auswirkungen dieser institutionellen Veränderung in den Eigentumsverhältnissen werden dann am Beispiel von Harare, der Hauptstadt Zimbabwes, erörtert. Die kurzfristigen Effekte dieser Entscheidung werden im Hinblick auf das Leistungsangebot und die finanziellen Erfordernisse sowie auf die Bedienungsqualität, die durch die Zimbabwe United Passenger Company in Harare angeboten wird, bewertet.

Este trabajo discute las razones y objetivos detrás de la decisión de invertir y participar directamente en la provisión de servicios de buses urbanos en los principales pueblos y ciudades, que tomó el gobierno de Zimbabwe en 1988. Se discuten los efectos iniciales de este cambio institucional en la propiedad de los servicios, haciendo referencia a Harare la capital del país. Se evalúan los efectos de corto plazo de la decisión en términos del desempeño operacional y financiero, así como también de la calidad de los servicios proveídos por la compañía Zimbabwe United Passenger Company en Harare.

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#### Editorial suggestions for further reading

- DARBÉRA, R., 1993, Deregulation of urban transport in Chile: what have we learned in the decade 1979–1989? *Transport Reviews*, 13 (1), pp. 45–59.

Urban bus operation in Chile is totally deregulated. This is the only example in the world where access to the urban bus transport market is totally free, and where the government does not exercise any control over the fares. This policy has been implemented progressively since 1979. Ten years later, it is possible to draw some conclusions from the experience. To summarize these conclusions, one could say that (i) the impact of deregulation has been almost exactly the opposite of what was expected: fares have risen and the diversity of services has been reduced, (ii) the reasons for this discrepancy lie less in the action of a cartel than in the specifics of urban transport supply and (iii) there is probably more to be expected from a refined deregulation policy, taking into account these specifics, than from a drive back to the traditional regulation system.

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- DEMPSEY, P. S., 1988, The empirical results of deregulation: a decade later, and the band played on. *Transportation Law Journal*, 17 (1), pp. 31–100.

This article examines the experience of interstate transportation deregulation, and the likely impact that additional deregulation would have. It focuses on several of the areas in which there has been a significant adverse impact: (1) economic efficiency; (2) pricing; (3) service; and (4) safety. In addition, the question of federal preemption of intrastate transportation, and the experience of intrastate deregulation in the few states which have followed the federal lead are briefly explored. Also examined is the question of whether more deregulation is in the public interest, and if economic regulation is to be retained, what form it should take. The article concludes with an analysis of the public interest in transportation—the policy objectives essential to accomplish social and economic goals beyond allocative efficiency. The major domestic transport modes examined are airlines, railroads, and bus and trucking companies.

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- GOMEZ-IBÁÑEZ, J. A., and MEYER, J. R., 1990, Privatizing and deregulating local public transport: lessons from Britain's buses. *Journal of the American Planning Association*, 56 (1), pp. 9–21.

The British Transport Act of 1985 ordered one of the most radical efforts to privatize and deregulate local public services in a developed country. With the exception only of companies serving the Greater London metropolitan area, all public companies in Great Britain were reorganized as for-profit corporations; any bus company could offer any unsubsidized (commercial) bus services simply by giving local authorities notice; and local authorities could supplement the commercial services with subsidized ones but only through competitive bidding among the newly privatized carriers. This article examines the experience of the first two years of the new British policy and argues that it offers important and generally hopeful, lessons about the potential for privatizing and deregulating local buses and other services in the United States and elsewhere.

(Authors)

MAUNDER, D. A. C., 1990, The impact of bus regulatory policy in five African cities. Transport and Road Research Laboratory Report RR 294, Crowthorne, U.K.

The regulation and control of the bus industry is a long debated topic. Proponents of free competition seek complete relaxation of controls on the grounds that market forces will generate an efficient and effective service. Others seek varying levels of control and government involvement because of perceived imperfections in market forces, and loss in social welfare. This report examines the extent to which variation in the level of regulation affects public transport performance, and any resulting effect on travel patterns. The case-study material comes from five African cities, in the population range 0.4–1.5 million, whose public transport demonstrates a range of regulatory controls and development options.

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