



DEPARTMENT OF TRANSPORTATION

NEWS

URBAN MASS TRANSPORTATION ADMINISTRATION WASHINGTON, D.C. 20590

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Contact: Joe Marshall
Phone: (202) 426-4043
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SECTION 5 IMPACT REPORT

The U.S. Department of Transportation's Urban Mass Transportation Administration (UMTA) today released a report assessing recent trends in transit operating performance and the impact of the first 18 months of Federal operating assistance extended to urbanized areas under Section 5 of the Urban Mass Transportation Act of 1964 as amended.

The report analyzes the role of the formula allocated funds in the overall financing of local mass transit operations; reviews recent changes in the level of transit service and transit ridership; and examines the trends in transit operating costs and productivity.

The survey has found that fare box revenues typically cover about 45 percent of total transit operating expenses, local and State subsidies contribute another 35 percent, and the Federal assistance makes up the remaining 20 percent of the operating expenses.

The report notes that while transit labor productivity in terms of revenue hours per employee, for example, has remained fairly constant throughout the past 15 years, system productivity in terms of riders per employee or riders per vehicle mile has declined significantly due to declining levels of transit ridership.

Unit operating costs, e.g. operating cost per vehicle hour, have risen substantially due to the rapid escalation in wages in the transit industry and due to the high labor intensiveness of transit operations (in 1975 total labor costs represented 80.6 percent of the pre-tax operating expenses on the industry). At the same time the growth of operating revenues has been modest, increasing by 42 percent while operating expenses have increased by 174 percent in the last 15 years.

Copies of the report are available from the UMTA Office of Public Affairs, Room 9330, 400 Seventh Street S.W., Washington, D.C. 20590. The phone number is (202) 426-4043.

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