

Influence of the Fare Funding Type on Public Transport Demand – Case of Pilsen

Miroslav PLEVNÝ¹

Abstract: The contribution deals with the evaluation of the influence of the change of the fare amount on the size of the demand for the urban public transport. In this context, it also deals with the impact of this change on the size of the sales of a relevant transport company. The assumption is that the primary task of the municipal transport company is to transport as many passengers as requested by the contracting authority. Like this, the transport company will comply with the definition of the city public transport as a public service from the long-term sustainability point of view with regard to the limited funds provided from public sources. Possibilities of funding public city transport are compared 1) with a hundred percent, 2) partial and 3) zero amount of subsidy with regard to different sizes of the elasticity of demand. Comparisons are made on the basis of a simplified assumption of changes only in the prices of the individual types of tickets.

¹Associate Professor, Engineer PhD., University of West Bohemia in Pilsen; Faculty of Economics; Department of Economics and Quantitative Methods; Plzeň, Czech Republic; e-mail: plevny@kem.zcu.cz