

**Table 2 - Estimated deficits of the LPT companies operating in the Regions with an ordinary statute (thousand millions lire)**

<i>Year</i>	<i>Total expenses</i>	<i>Total proceeds</i>	<i>FNT contributions</i>	<i>Special State contributions</i>	<i>Residual Deficit</i>
1987	6,788	1,843	4,052	-	893
1988	7,387	1,924	4,214	-	1,249
1989	8,158	2,045	4,020	285	1,809
1990	8,859	2,041	4,201	481	2,136
1991	9,523	2,266	4,411	258	2,588
1992	9,809	2,515	4,764	-	2,530
1993	8,498	2,172	5,009	380	937
1994	8,364	2,357	5,061	-	946
Total	67,386	17,164	35,731	1,404	13,087

*Source:* Ministry of Transport and Navigation (1997)

Globally, however, we can conclude that all the efforts taken during the first part of the nineties that tried to balance the accounts throughout the sector had only a partial effect as they manage to reduce the build-up of the deficit (see table 2, years 1993-1994), but never managed to bring its value near to the balance. The structural nature of the unbalanced budget of the this sector has been apparent to the government authorities dealing with the public transport, and it is reasonable to believe that further reductions of this deficit would become more and more difficult to handle without any deep reforms, or eventual increase of the public funds. It was necessary to interrupt a situation that became more and more unbearable, that carried on for over 15 years and that periodically received Government action to partially repair the deficit. If we add to this the problem of the public transit systems that are increasingly failing to satisfy the local mobility requirements, for which we will give more details in the following paragraph where we analyse the evolution of the transport demand, it is easy to perceive that the problem was not solved with a simple rationalisation of individual aspects or a suitable mix of interventions on specific questions. The matter was indeed an institutional design problem requiring a structural re-organisation of the rules regulating the LPT sector.