

Changes to Travel Scheme will seriously reduce Country Bus Services

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- All the floated changes to free school travel will require reduction in services.
- Reducing the eligibility criteria will result in reduced operator revenue. Bus Reform (new Contracts) has reset operator revenue and service levels and proven there is no fat for reduction without dramatic reduction in services.
- BusNSW calls on the Government to meet with the Industry so they understand the importance of Country Bus Services which are in jeopardy under the Treasurer's Mini Budget.
- The benefits of the free School Student Travel Scheme are significant for NSW communities by facilitating choice of school and providing the backbone of all country bus services, not only students.
- The Industry has just gone through 5 years of review and the eligibility criteria for free school travel was not questioned because of the impact on the State, particularly country communities.
- Even requiring a parent contribution will reduce the number of students traveling on buses which will in turn reduce the services to be provided.
- In the Metro area operators receive a per kilometer rate for school services but will need to redesign their school services if fewer students apply for travel.

Background

The NSW private bus industry is a very efficient provider of services. Our costs are substantially lower than comparable services run by Government in NSW and other states. Costs are comparable to industry best practice.

A cut would have a significant impact on all country services – not just school bus services. This is because of the accepted practice of cross subsidy in Rural & Regional areas. Funding for SSTS is used as a base to provide other fare paying services in rural NSW.

We have had the Unsworth Report, the Parry Report and at least 5 years of bus reform and now they want to start again? The Bus Reform process highlighted the difficulties that the industry had and recommended substantial increases to payments to ensure viability of the industry.

The changes would mainly target rural & regional NSW bus services.

A \$50 million cut to SSTS would destroy many, if not all, NSW country bus operations. SSTS scheme is a \$300 million scheme – not \$600 million as reported by the papers. A 20% cut to the scheme would be devastating.

Buses are a very effective and low cost method of carrying school children. Buses produce less greenhouse gas emissions per passenger kilometer than any other form of transit – including trains, trams and cars. (BITRE presentation BIC conference 2008)

There are substantial safety issues taking away something that is considered a right – parents won't pay, the child will turn up to catch the bus.

The Government is considering expanding the Pensioner Excursion Ticket in rural areas, but these changes will effectively reduce the services they could travel on.

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