

Question on Notice

No. 1358

Asked on Wednesday, 1 November 2006

MS NOLAN asked the Minister for Transport and Main Roads (MR LUCAS)—

QUESTION:

With reference to the outstanding success of TransLink-

- (1) How are operator bus purchases financed under the TransLink funding model?
- (2) By operator, indicating the local government areas serviced, what is the level of the Government funding in the financial year immediately before TransLink and in each subsequent years to the present?
- (3) What is the level of ongoing operational contribution for TransLink by each local government in south east Queensland?
- (4) By operator, indicating the local government area services, what is the level of bus services provided in the financial year immediately before TransLink and in each of the subsequent years to the present?
- (5) By operator, what is the number of buses in the fleet for each of the years of TransLink?

ANSWER:

I thank the Honourable Member for her questions. She is correct in saying the Queensland Government's TransLink initiative has been an outstanding success. In the first year since the introduction of TransLink and integrated ticketing on 1 July 2004, patronage surpassed expectations, with journeys up by 9.9% on the same period of the previous year.

Further to this increase, more than 151 million passenger trips were recorded in 2005-06; an increase of over 11% compared to 2004-05. That is 27.9 million extra passengers each year on the system. Sustained double digit patronage growth on this scale is unprecedented in Australia.

Q1 How are operator bus purchases financed under the TransLink funding model?

To deliver TransLink services, TransLink provides funding to bus operators for the use of their vehicles. This funding meets the cost of interest and depreciation. Standard buses are depreciated over 15 years with a 10% residual or, if purchased older than 10 years, depreciation is based on life from date of purchase to age 25.

Interest is calculated annually on the depreciated value using the Commonwealth Government 10 year bond rate plus 2%. There is currently an agreement with operators to pay interest at the rate of 8%.

In effect, the State Government is providing all contracted operators with capital and depreciation funding on all buses used for TransLink services. This includes all existing

and all new buses introduced since the commencement of TransLink, as outlined in part 5 of the answer to this question. However, it should be noted that buses are paid for in proportion to their use in providing TransLink services. For example, if a bus is used 80% of the time to provide TransLink services and 20% of the time for private charter, the Queensland Government will pay 80% of the cost.

The only exception is Brisbane Transport. Brisbane Transport buses are funded on the basis of a lease equivalent payment. Under this arrangement, bus costs are calculated at a 10 year lease rate with a 20% residual. TransLink funds a base number of buses to replace the existing fleet as they reach the end of their economic life as well as buses to cater for growth.

Under these arrangements, a small number of the total number of buses is paid for by the Brisbane City Council. However, between the introduction of TransLink and June 2006, the Queensland Government has funded 111 new buses and the cost of 665 existing buses for Brisbane Transport.

Q2 By operator, indicating the local government areas serviced, what is the level of the Government funding in the financial year immediately before TransLink and in each subsequent years to the present?

Government funding and the local government areas serviced are detailed in the table below. It should be noted that the increase in government funding for TransLink services relate to general increases in costs, a decrease in approximately 60 percent of fares associated with the introduction of integrated ticketing and an almost 20 percent increase in service levels as outlined in the table under part 4 of this answer. It should also be noted that with the introduction of TransLink, the State assumed the revenue risk and began collecting the fare box revenue. Post TransLink figures do not subtract fare revenue.

Operator	Local Govt Area	Before TransLink 2003/2004 Actual	After TransLink 2004/2005 Actual	After TransLink 2005/2006 Actual	After TransLink 2006/2007 Budget
Brisbane City Ferries	Brisbane City		8,958,778	10,453,473	11,021,776
Brisbane Transport	Brisbane City	31,823,861	102,043,956	116,037,592	130,663,397
Mt Gravatt Bus Service	Brisbane City		1,521,049	2,478,046	1,918,556
	Subtotal	31,823,861	112,523,783	128,969,111	143,603,729
Bribie Island Coaches	Caboolture Shire	987,164	1,641,247	2,139,469	2,177,153
Caboolture Bus Lines	Caboolture Shire	1,071,226	1,799,213	2,079,618	2,678,512
	Subtotal	2,058,390	3,440,460	4,219,087	4,855,665
Surfside Bus Lines	Gold Coast City	11,320,480	30,399,487	37,467,303	43,449,128
	Subtotal	11,320,480	30,399,487	37,467,303	43,449,128
Daddows ¹	Ipswich City		96,129	3,802	
McCaffertys ¹	Ipswich City		460,748	25,839	
Star Radio ¹	Ipswich City		12,000	1,568	
Westside (Railbus) ¹	Ipswich City			148,729	143,640
Westside Bus Co	Ipswich City	3,012,545	5,549,862	7,355,153	7,563,989
	Subtotal	3,012,545	6,118,469	7,535,091	7,707,629

Laidley (Railbus)	Laidley Shire			616,691	651,816
	Subtotal	0	0	616,691	651,816
Logan City Bus Service	Logan City	4,671,003	9,681,941	14,654,498	16,536,072
	Subtotal	4,671,003	9,681,941	14,654,498	16,536,072
Park Ridge Transit	Logan City / Beaudesert Shire	2,294,561	3,412,241	5,723,616	6,344,598
	Subtotal	2,294,561	3,412,241	5,723,616	6,344,598
Sunshine Coast Sunbus	Maroochy Shire / Caloundra City / Noosa Shire	3,318,358	11,099,303	15,044,461	15,923,675
Buslink	Maroochy Shire / Caloundra City / Noosa Shire	4,678,476	5,796,986	7,517,776	8,333,151
	Subtotal	7,996,834	16,896,289	22,562,237	24,256,826
Kangaroo Bus Lines Thompson Bus Service	Pine Rivers Shire Pine Rivers Shire	2,099,780 806,751	3,965,811 1,896,035	4,916,897 2,117,090	6,319,127 2,417,470
	Subtotal	2,906,531	5,861,846	7,033,987	8,736,597
Hornibrook Bus Lines	Redcliffe City	2,585,935	5,614,604	7,635,323	8,667,737
	Subtotal	2,585,935	5,614,604	7,635,323	8,667,737
Veolia	Redlands Shire	4,936,937	8,771,574	10,851,768	12,785,103
	Subtotal	4,936,937	8,771,574	10,851,768	12,785,103
	Total	73,607,077	202,720,964	247,268,712	277,594,900
QR Citytrain	Over many local government areas	277,314,024	373,433,995	381,485,100	466,561,900
	Total including rail	350,921,101	576,154,959	628,753,812	744,156,800
Total Fare Revenue			177,316,045	196,797,043	217,518,500
Net Expenditure		350,921,101	398,838,914	431,956,769	526,638,300

¹ Daddows, Star Radio and McCaffertys held rail-bus contracts with TransLink. These contracts ended during 2005-06 and were replaced by a contract with Westside (Railbus) and Laidley (Railbus).

Q3 What is the level of ongoing operational contribution for TransLink by each local government in South East Queensland?

	2005-06
Gold Coast	2,000,000
Brisbane City Council	48,877,000
Noosa Shire	41,477¹

¹ (Only for special events and it varies)

Q4 By operator, indicating the local government area services, what is the level of bus services provided in the financial year immediately before TransLink and in each of the subsequent years to the present?

		2003-04	2004-05	2005-06	2006-07
Operator	Local Government	Services (km)	Services (km)	Services (km)	Services (km)
Brisbane Transport Brisbane Bus Lines	Brisbane City Brisbane City	35,200,000	36,400,000	37,628,738	40,204,114
Mt Gravatt Bus Service	Brisbane City	-	666,798	666,798	666,798
Bribie Island Coaches	Caboolture Shire Caboolture Shire	623,918	644,001	702,689	702,689
Caboolture Bus Lines	Redcliffe City	375,419	386,419	412,236	412,236
Hornibrook Bus Lines	Pine Rivers Shire	1,976,824	2,003,451	2,336,139	2,336,139
Kangaroo Bus Lines	Pine Rivers Shire	893,534	1,037,834	1,101,025	1,101,025
Thompson Bus Service	Pine Rivers Shire	568,129	591,529	642,539	642,539
Logan City Bus Service	Logan City	3,359,190	3,359,190	4,418,341	4,595,225
Park Ridge Transit	Logan City / Beaudesert Shire	1,400,608	1,429,972	1,399,045	1,450,442
Veolia	Redlands Shire	2,951,806	2,951,806	3,291,649	3,385,399
Westside Bus Co	Ipswich City	1,906,801	2,404,324	2,959,335	3,355,756
Sunshine Coast Sunbus	Maroochy Shire / Caloundra City / Noosa Shire	4,116,546	4,599,172	5,276,239	5,546,329
Buslink	Maroochy Shire / Caloundra City / Noosa Shire	1,334,200	1,364,258	1,444,533	1,444,533
Surfside Bus Lines	Gold Coast City	9,169,760	9,319,983	10,692,775	10,804,788
TOTAL		63,876,735	67,158,737	72,972,081	76,648,012

(Services include School route)

Q5 By operator, what is the number of buses in the fleet for each of the years of TransLink?

(1) Fleet at 1 July 2004

Operator_Name	Count
Bribie Island Coaches	14
Buslink Queensland	110
Caboolture Bus Lines	18
Logan City Bus Service	69
Veolia	71
Hornibrook Bus Lines	40
Kangaroo Bus Lines	42
Mt Gravatt Bus Service	27
Park Ridge Transit	54
Sunshine Coast Sunbus	46
Surfside Bus Lines	289
Thompson Bus Service	31
Westside Bus Co	56
Grand Count	867

BT Fleet Size at 1 July 2004 **733**

Total Bus Fleet **1600**

(2) Fleet Size at 1 July 2005

Operator_Name	Count
Bribie Island Coaches	19
Buslink Queensland	109
Caboolture Bus Lines	22
Logan City Bus Service	82
Veolia	71
Hornibrook Bus Lines	45
Kangaroo Bus Lines	48
Mt Gravatt Bus Service	29
Park Ridge Transit	57
Sunshine Coast Sunbus	57
Surfside Bus Lines	315
Thompson Bus Service	33
Westside Bus Co	62
	949

BT Fleet Size at 1 July 2005 **757**

Total Bus Fleet **1706**

(3) Current Fleet Size (31/10/2006)

Operator_Name	Count
Bribie Island Coaches	20
Buslink Queensland	121
Caboolture Bus Lines	24
Logan City Bus Service	96
Veolia	82
Hornibrook Bus Lines	53
Kangaroo Bus Lines	54
Mt Gravatt Bus Service	33
Park Ridge Transit	75
Sunshine Coast Sunbus	75
Surfside Bus Lines	337
Thompson Bus Service	35
Westside Bus Co	68
Grand Count	1073

BT Fleet Size at 1 July 2006 784

Total Bus Fleet **1857**