

Question on Notice

No. 979

Asked on Friday, 8 June 2007

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

QUESTION:

With reference to Transit Australia trading as Sunbus Company of Townsville which has been the subject of a number of allegations including driver fatigue, safety issues and vehicle roadworthiness—

- (1) For each financial year since 2001 to date (reported separately), what is the level of government funding provided to this company to operate a public transport service for Townsville?
- (2) What audit regime is undertaken to ensure that the company is meeting its contractual agreement?
- (3) What checks and balances does the government have in place to monitor the performances and quality of all companies funded to provide public transport services?

ANSWER:

Queensland Transport (QT) advises that the Townsville Office has instituted a working group comprised of QT officers, Sunbus management, Sunbus drivers and a representative of Workplace Health and Safety to investigate driver complaints and revise Sunbus operating schedules to ensure that adequate running time is provided to drivers. All the operating schedules used by Sunbus in Townsville are compiled in accordance with award conditions.

- (1) For each financial year since 2001 to date (reported separately), what is the level of government funding provided to this company to operate a public transport service for Townsville.

Funding for Transit Australia:

Year	\$
2001-02:	\$1 832 075
2002-03	\$1 475 179
2003-04	\$1 554 414
2004-05	\$3 787 587
2005-06	\$4 197 092

The funding figures, above, include accessible bus funding, interest funding, top up and service funding. Figures for 2006-07 are estimates only and not finalized yet.

Reference to the above table shows a very significant increase (of \$2.2m over 2003-04) in the level of Government investment in the Townsville network in 2004-05. A 2004 election commitment was to invest in some major improvements to services in the Townsville network.

Improvements included:

- new routes 8, 9 and 1x (Express route) were introduced in December 2004; and
- new route 10 introduced in April 2005.

As a result of these and other improvements patronage in Townsville has grown by 372 000 passenger trips per annum since 2003-04. Total patronage has increased from 1.12m passengers in 2003-04 to 1.5m passengers in 2006-07.

(2) What audit regime is undertaken to ensure that the company is meeting its contractual agreement?

The audit regime to ensure that holders of service contracts meet their contractual obligations is two tiered.

1st tier – Legislative Requirement

Mid Term Review

Section 46 of the *Transport Operations (Passenger Transport) Act 1994* (the Act) - 'Review of holder's performance' requires that a service contract holder's performance must be reviewed as nearly as practicable to the middle of the term of their service contract (commonly referred to as a mid term review).

Section 46 also requires that the mid term review must include a market based needs assessment. To this end, Queensland Transport (QT) conducts on bus surveys of passengers so that the traveling public can express their view as to whether the contract holder's performance has been satisfactory or not.

End of Term Review

Further, section 62 'Offer of new service contract' prevents QT's chief executive from offering a new service contract to a contract holder whose performance has not been satisfactory.

2nd tier – Service Contract Requirement

The second tier of the audit regime is contained in the service contract between Queensland Transport (QT) and the operator, Transit Australia.

Service contracts set out the level of performance required from contract holders both operationally (through specifying the services to be provided) and from a customer service perspective. Clause 7 'Customer Service', for example, requires contract holders to: provide convenient access for the public to make inquiries; ensure timetables are available; maintain complaints registers which record not only the public's complaints but also the actions taken by the contract holder in response to each complaint.

Clause 13 Compliance with Laws is a standard clause in all service contracts in regional Queensland and obliges contract holders to comply with the provisions of the Act and all other applicable laws. Clause 13 obliges contract holders to comply with laws relating to, for example, driver fatigue, safety issues and vehicle roadworthiness.

QT ensures that all the requirements set out for contract holders are being met through formal processes conducted during both mid term and end of term reviews. In addition, QT maintains close, ongoing business relationships with service contract holders, including Transit Australia to ensure they are meeting their contractual obligations.

The Townsville service contract has a term of seven years. The current contract was issued in November 2002 and has an expiration date of November 2009. In Townsville the last of a series of mid term reviews was conducted in 2006. The overall level of passenger

satisfaction was 3.6 (out of a grading of between 0 and 5). QT advises that 3.6, out of 5, is a sound result.

As well as demonstrating that they have satisfied their contractual obligations contract holders are also required to hold correct Operator Accreditation to ensure that they are qualified to hold a service contract.

In addition, passenger transport vehicles are subject to a roadworthiness inspection every six months.

If it is evident that there are roadworthiness issues with the vehicles operated by contract holders QT compliance officers conduct a Public Transport Audit to ascertain the reasons for poor performance and require the contract holder to take appropriate remedial action to correct the situation.

In addition to the six monthly roadworthiness checks in June 2007, QT imposed an Interim Maintenance Audit (IMA) on the Sunbus fleet in Townsville. The IMA was conducted, without notice to Sunbus, during a working period so that no opportunity was given to Sunbus to "window dress" their vehicles safety. An IMA can be directed, at anytime, if it is suspected that vehicle safety is an issue.

QT advise that the results of the IMA indicate that they consider that the Sunbus vehicles are in an overall good condition and that issues are addressed in a timely way. If the honourable member has any specific information about the safety of vehicles, I would encourage him to provide those details so that they can be thoroughly investigated by Queensland Transport.

(3) What checks and balances does the government have in place to monitor the performances and quality of all companies funded to provide public transport services?

A key performance measure used by the Government to assess the benefits of its investment is growth in patronage. In this regard, Townsville has seen a substantial increase in patronage from:

- 1.12 million passengers in 2003-04; to
- an estimated 1.5 million passengers in 2006-07.

This is an additional 372 000 passengers, which equates to a 31% increase.

This exceptional growth in patronage highlights the success of the Government's investment in public transport in Townsville.

The Beattie Government's investment in improvements to public transport in Townsville, delivered from April 2005, includes:

- increase in operational funding for buses of \$2.34m each year between 2001-02 and 2006-07.
- rise in annual bus kilometres of 550 000 kms;
- increase in annual timetabled hours a rise of 20 000 hours; and
- seven new accessible buses added to the fleet.

The Government has also committed \$12.1m to roll out an exciting new initiative for passenger transport services in regional Queensland called *qconnect*. Major initiatives currently being implemented under *qconnect* are:

- standardising bus fares to make them more equitable with South East Queensland;
- wheelchair accessible taxis in regional Queensland;
- introduction of secure taxi ranks in regional areas; and
- trial of late night security on buses in Townsville.

The introduction of standardised bus fares and zones will see some significant reductions in bus fares in Townsville, particularly the longer distance fares. It will also allow greater integration between services and make bus travel easier and seamless.

To cope with the expected boost to patronage from the introduction of new fares, QT is also providing financial assistance for the acquisition of five new low floor, air conditioned, accessible buses in Townsville.

Further investments in Townsville are also being made to extend the bus network into new residential precincts and to further improvements the existing network.