

**Submission by the
Coach Tourism and Transport Council of Ireland**

To

Department of Transport, Tourism and Sport

On

Tourism Policy

Coach Tourism and Transport Council

The CTTC is the representative body for Ireland's coach touring companies, and Ireland's private bus operators. It promotes Ireland's top independent coach hire operators. The CTTC's members are experts in all types of coach hire and transport solutions including: airport transfers, day tours, extended touring, incentive travel, golf tours, school transport and provision of scheduled services. In addition to long distance scheduled services, many of the CTTC's members also operate licensed bus services in towns and cities throughout Ireland.

All CTTC members are family-owned companies with a combined fleet of over 1,000 coaches, employing over 2,000 people directly. The CTTC comments and makes representation regularly on matters of concern to its members such as public transport, school transport, the coach tourism sector and the tourist industry generally.

The members of the Coach Tourism and Transport Council (CTTC) operate in conformity with criteria agreed between the CTTC and Fáilte Ireland. These criteria include compliance with specified quality standards for coaches with all the relevant licensing and other statutory requirements. Their 64 members comprise the vast majority of touring coach operators in Ireland.

Tourism

Tourism is an important driver of economic activity for Ireland. As well as being our longest-standing source of service export earnings, it also directly and indirectly supports employment across the country, both urban and rural. Tourism is central to the Government's economic recovery programme with the focus on growing export earnings and employment through the sector. The scope for State investment in tourism will remain constrained for the foreseeable future therefore it is critical to maximise the return from tourism in the long term.

There has been a 5.4% increase in overseas visits to Ireland for the first half of 2013 compared to January-June 2012. In order to sustain and increase this growth, future tourist policy must include key drivers and effective prioritisation of the industry to support cost competitiveness, improve service quality as well as developing attractions and specific niches/products to ensure visitor "experience" to Ireland is unique and worth repeating.

Coach Tourism

There were 284,000 overseas coach tourists to Ireland in 2011 contributing an estimated €191 million to the Irish economy (Fáilte Ireland, Coach Tourism in Ireland 2013). It is fair to say that coach tourism contributes hugely to the regional distribution of spending power, the sustainability of hotels across Ireland and spreads demand across the off-peak periods.

Coach Holiday tours are an important component of the tourism market for a number of Reasons:

- No other tourism ‘product’ achieves the same regional distribution of trips. This is an important attribute at a time when the prevailing trend towards short-stay city breaks works against spreading tourists’ spending power across all regions.
- Some 86% of coach tourists stay in hotels across Ireland and contribute to the sustainability of our hotel stock at a time when many hotels are struggling to stay in business.
- The seasonal spread of coach tourists across the shoulder season is relatively good which means that they contribute well to the sustainability of tourism SMEs throughout the year and they improve the year round utilisation of Ireland’s tourism infrastructure
- It suits older tourists. On average 56% of coach tourist were aged 55 or older, but the age profile varies by source market.
- In terms of activities engaged, 90% of coach tourists actively engage with Irish culture and visit sites of historical interest which again improves the utilisation of Ireland’s existing tourism infrastructure.

Tourism Marketing:

Coach tours offer a unique product within the tourism sector in that they offer quality transport to tourist destinations throughout Ireland which would be inaccessible through public transport provision in a safe, affordable and flexible manner. As stated above 56% of tourists from 55 years and upwards partake in coach tour holidays, this age profile both domestically and internationally has significant disposable income and there is an urgent requirement for Failte Ireland and Tourism Ireland to set aside a specific marketing budget to aggressively target this market segment and also the group tourism sector where there is significant potential for growth. To support this and any other marketing initiatives the State needs to play a role or subsidise skills training, ensuring that the needs of both workers and enterprises are met in a way that supports long-term growth.

Tourism Product Development:

In order for a product to develop there must be adequate infrasture to meet current and future needs. With the concentration of arrivals at Dublin Airport the vast majority of tourists begin their sightseeing activity in the capital. Parking facilities at Dublin Airport are overcrowded, through poor management certain scheduled service operators are leaving vehicles for undue periods of time with no censure due to poor policing by the D.A.A.,. Current parking facilities are too distant from Terminal 2 this has the affect of providing a negative tourism experience

for tourists even before they begin their holiday. A designated waiting area for tour coaches in close proximity to Terminal 2 with a monitored service to allow pick up and drop off of passengers would alleviate this problem. Unlike most European capitals, Dublin does not have a designated coach parking facility fit for purpose to satisfy the requirements of all parties the reverse in the case with the erosion of coach parking spaces in Marlborough and Nassau streets as a result of the new Luas line. At present coach operators experience difficulties on a daily basis in finding parking spaces in the city centre at all times of the year and particularly during the peak summer months. These difficulties are further compounded by the lack of coach parking at major event venues such as Croke Park, the National Convention Centre, the Aviva Stadium, the O2 and the Grand Canal Theatre. There is in excess of 80 cruise ship visiting Dublin Port on an annual basis, in order to shuttle passengers from these ships there is a requirement of up to 50 coaches to transfer 1900 passengers to City Centre locations with no clearly designated pick up or drop off areas for these passengers. Similarly key tourist destinations such as Killarney, Limerick, Drogheda, Dundalk, and Belfast are without suitable parking infrastructure.

Implementing Policy and Service Delivery Mechanisms:

The formation and implementation of future tourist policy needs to be a whole of government approach not solely limited to the Department responsible for the sector state, along with other inclusion agencies and local authorities who play an important role in developing and delivering the tourism experience. This all inclusive approach could contribute significantly to ensuring the coach tourism industry is an equal footing with its competitors in the following:

1. Investment Stimulation: During the period 2008 to 2013 the purchase of new touring coaches has dropped dramatically. This has resulted in an ageing tour coaching fleet. The current capital allowances policy inadequately reflects real coach depreciation and should be reviewed. A special capital allowance of 50% of the cost of new and second hand vehicles up to two years old for fiscal years 2014 2015, and 2016 should be introduced in order to stimulate re-fleeting by coach providers and ensure highest possible quality standards.

2. The 6/12 Day Rule for Coach Drivers: Under EU regulations coach drivers can only work for six consecutive days on a domestic tour, but may work for 12 consecutive days on an international tour. The 6/12 Day Rule: regulations state that a 12 day rule applies only to drivers “engaged in single occasional service(s) of international carriage of passengers”, with a six day rule for domestic carriage. The 6/12 day rule has had serious consequences for coach touring within the Republic. The purpose of the six day domestic rule is to safeguard against driver fatigue and the availability of the 12 day option for international journeys is contradictory in this respect.

A derogation of this day rule would remove the particular anomaly regarding ‘international’ travel on the island of Ireland, which was most likely an unintended consequence of the

European regulation. This would eliminate a handicap on the coach touring industry in the Republic.

3. Personalised Number Plates: The introduction of private registration plates for touring coaches would enable operators based in the Republic to compete on a more equal basis with coaches from Northern Ireland and Great Britain.

4. Vat: UK and Northern Ireland based coach operators are zero rated for charging Vat but can claim back all their Vat inputs giving them a significant cost advantage. This arises as operators in the Republic of Ireland are Vat exempt and unable to claim back their vatable inputs.

Strategic Direction for Tourism:

Separate Ministry:

A senior minister should be appointed to this portfolio as tourism is of critical importance to state in the generation of revenues and creation of employment.

Airlines:

It is imperative that the government 25% stake in Aer Lingus be maintained as competitiveness, inward transport policy and its operation are very important for the future development of the industry.

Agency Bodies

Consideration to be given to reamalgamating Failte Ireland (FI) and Tourism Ireland (TI) thereby reducing administration costs and freeing additional financial resources to deliver increased national product development and worldwide tourism promotion.

Statistical Information

Coach tourism figures need to be made available in a more timely manner in order that coach tour operators can access market trends and adopt their products and services accordingly. There needs to be a comprehensive review of methodology used in the production of statistical information and better communication with the relevant stakeholders to provide data that will improve decision making and performance in the various tourist sectors.

Conclusion

Coach tourism is an important driver of economic activity for Ireland it has been a longstanding source of domestic and export earnings, and directly and indirectly supports employment across the country, both urban and rural. The industry has a proven track record in the delivery of a quality product that is safe, affordable and flexible. The seasonal spread of coach tourists contributes well to the sustainability of tourism SMEs throughout the year and they improve the year round utilisation of Ireland's tourism infrastructure. There is an urgent need for stimuli to main quality standards in the coach tourism sector. Better management of coach parking facilities in the main gateway to the country and the restoration of parking facilities in its capital would greatly improve access and lead to positive tourist experiences.

By implementation of the marketing, product development and policy initiatives outlined in our submission the coach tourism sector can fulfil its potential to deliver significant growth and contribute to competitive and sustainable tourism industry in the future.