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economics

AN UPDATE ON THE ISSUES FACING THE PRIVATE BUS AND COACH SECTOR IN IRELAND

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INTRODUCTION

Since the last report in June 2020, trading conditions for the private bus and coach sector have deteriorated significantly and 2021 is likely to turn out be a worst trading year than 2020. The survival of many operators is now on the line and there is a distinct danger that the vital services that the sector provides will be seriously undermined. Incomes have collapsed, the fleet is depreciating in value as vehicle stand in parking lots, and the balance sheets of many operators are becoming unsustainable. The sector did not get sufficient support in 2020, and without a significant increase in funding in 2021, a serious crisis will result, with very negative economic and social consequences.

Coach touring companies and private bus operators are vital providers of private scheduled bus services, international tours, school transport and private hire. There are 1,721 coach operators in Ireland, who carry over 75 million passengers per year, supporting 11,457 jobs all over the country, and contributing €400 million to the overall economy.

The private bus and coach sector has been in serious difficulty since March 2020 as a result of COVID-19. However, the situation for the sector has deteriorated considerably since September, and with serious restrictions likely to remain in place for some months to come, it is clear that the operating environment in 2021 will be at least as difficult as in 2020. The prospects for any meaningful recovery in the sector are still some time away. The harsh reality is that the challenges facing the sector are immense and are growing in magnitude.

Operators in the sector are in serious trouble and survival for many is now a significant challenge. Private operators play a crucial role in providing essential transport services and solutions. These include scheduled services all over the country, school transport, airport transfers, and private hire to include day tours, extended touring, incentive travel, sporting events, concerts, and golf tours.

Apart from the vital services that private bus and coach operators provide, there are strong environmental reasons for ensuring the survival of the sector. There are numerous benefits from encouraging people to leave their cars and avail of bus services. Buses compliant with Euro VI, support lower transport emissions, which is a key element of Ireland's environmental obligations; they help alleviate traffic congestion; and they provide every member of the community with equal access to public services. Capital outlay for buses is minimal compared to other transport modes such as trains and light rail systems.

It is clear that the commercial bus and coach sector is a vital part of Ireland's transport, tourism, and environmental management system. It makes a very strong economic contribution, and makes a significant contribution to employment all over the country. Its operating environment has become even more difficult since summer 2020, and it is clear that the financial supports to date are totally inadequate to enable the sector to survive and fulfil such an important role in the Irish economy and Irish society.

Without an adequate number of private coach and bus operators, it will be very difficult to rebuild Ireland's international tourism sector, and restaurants and other hospitality

businesses, and tourism attractions around the country will suffer as a result; scheduled services will suffer; and vital school bus services will come under serious pressure. It is incumbent on Government to provide as much funding as is necessary to help operators survive until normal levels of activity can re-commence.

The supports given to the private bus and coach sector to date through the €10 million Coach Tourism Business Continuity Scheme are inadequate. Operators are not allowed avail of the CRSS or the Tourism Business Continuity Scheme.

It is essential that more Government financial support is given to the sector in order to ensure its survival. The following proposals are suggested to save the sector and ensure that it survives with sufficient capacity to fulfil its vital role in Irish economic and social life.

- A Financial Support Mechanism based on Self-Certified turnover for 2019 costing €42.5 million in a full year.
- Wage Subsidy Scheme
- Credit Moratorium/Forbearance
- Fuel Rebate Scheme

Private bus and coach operators are in serious trouble due to COVID-19, and the survival of many operators is now under serious threat. The sector needs to be supported as it will play a key role in re-building tourism; improving regional connectivity; and providing a valuable school delivery service.

THE CONTRIBUTION OF PRIVATE COACH & BUS OPERATORS

The economic contribution of the private bus and coach sector is very significant, and it fulfils a vital role in the Irish economy and Irish society.

- There are 1,721 coach operators in Ireland, with 9,264 vehicles.
- Private operators offering scheduled services, coach tourism, school transport, and private hire, provide over 75 million passenger journeys per year.
- The private operators support 11,457 jobs all over the country.
- The sector pays €164 million to the Exchequer in various taxes.
- The sector invests around €80 million per annum in new stock.
- Coach tourism contributed €400 million to the economy in 2018
- The sector had total turnover of €617 million in 2018.

The private coach and bus sector delivers several essential services to the economic and social life of Ireland:

- I. Coach tourism – the sector provides bus and coach tours on both a fixed route and an ad-hoc basis to both foreign and domestic tourists, for tours of varying lengths. This is an essential part of Ireland’s tourism offering. In 2019, over 2 million tourists were carried by private operators and generated revenues of €400 million. The private bus and coach sector is a vital component of Ireland’s tourism product.
- II. Private Hire – includes the provision of transport services corporates, conferences, incentive coach tours, sporting fixtures, school trips, social outings, weddings, and travel clubs. Specific service provides 7.4 million kms of service.
- III. Scheduled Services – private bus operators offer commercial services on most interurban routes in the country, subject to obtaining a passenger road licence from the NTA. Commercial operators cover 93 million kms of service.

There are two types of scheduled service operating in the State.

- 1) P.S.O. which are funded by the National Transport Authority (NTA). These have continued to operate. In 2018, 33 million passengers availed of the service at a cost to the exchequer of €58 million. Through extra funding provided by the Government we expect the figure to rise to €140 million this year.
- 2) The second type of service are Commercial Services. There are 631 commercial route licences issued and operated by commercial bus operators. These are mostly suspended at present due to Government recommendations and social distancing rules, making them unviable to operate. Some operators have entered into temporary PSO contracts with the NTA for the operation of these licenced routes since September 2020. These services are funded on a cost recovery basis only after deduction of fares and other supports received. Operators have received no Government funding to date. In 2018, 27 million passenger journeys were carried

out. These operators need at least a 65 per cent passenger occupancy rate due to the low fare structure that exists in Ireland, which is the second lowest in Europe behind Finland.

- IV. School Transport. The School Transport Scheme (STS) has been in operation since 1967. The STS now transports 120,000 pupils to school on a daily basis. Schoolchildren make over 40 million journeys every school year, travelling 100 million kilometres on 7,000 routes to and from school. The operation of the STS has been administered by Bus Éireann since its inception. It has evolved over time, and today, 90 per cent of services are contracted out to the private sector. It is estimated that there are 4,500 privately owned vehicles providing vital school transport services on a contract basis, which amounts to 87 per cent of the total fleet used in the provision of school transport services. In 2019, 41 million school journeys were made under the contractual programme, of which almost 36 million were provided by private operators, covering in excess of 100 million kms of service.

AN UPDATE ON BUSINESS CONDITIONS FOR THE PRIVATE BUS AND COACH SECTOR

The background for the private coach and bus sector has been extremely difficult since March 2020, and shows no sign of abating. Since the limited opening up of the economy last summer, the country has been subsequently subjected to increasingly stringent restrictions. In September, Dublin and Donegal moved to Level 3 restrictions; the whole country moved to Level 3 on 6th October; and on 19th October the whole country moved to Level 5. On 1st December there was an easing of restrictions to Level 3, but at the end of December the country moved back to Level 5 until 31st January, but this has now been extended to at least 5th April, with some suggestions that the current level of restrictions could last until at least May, and significant restrictions will last well beyond that. It is clear that international tourism will not resume in 2021, and 'staycation' is likely to be the holiday norm instead in many other EU countries.

All activities of the sector have been affected in a disastrous manner. There is no coach tourism; scheduled services are barely operating; there are no sporting events attended by spectators; and while the schools were re-opened from September through to Christmas, they were closed again in January, and are re-opening on a scaled and very gradual basis.

There are 631 licensed routes operated by commercial bus operators. Around 50 per cent of routes have been included in the temporary PSO category since September and have been supported by the NTA on a cost recovery basis. There is no opportunity for operators to make a profit for reinvestment in their businesses. Services such as events like concerts, matches and day tours are not being supported, as well as many direct coach services to Dublin Airport.

For those passenger transport companies operating, Level 5 restrictions imply a carrying capacity of 25 per cent.

Basically, the business model of the sector has been seriously damaged, and the damage is continuing. The situation has got considerably worse since the last assessment of the sector was carried out in June 2020. Operators have suffered a colossal drop-off in bookings and cancellations, which means that they are haemorrhaging millions in overheads, and they are earning little revenue. This situation is seriously threatening the viability of a large segment of the sector. If operators are forced out of businesses permanently, this will have serious consequences for tourism, scheduled services, and school services, when there is a return to economic and social normality.

A survey of Coach and Bus operators in January 2021, which was updated at the end of February, gives a good insight into the current status of the sector. It paints a very clear and bleak picture of prospects for the sector in 2021. Unfortunately, based on what is happening the sector at the moment due to the ongoing stringent COVID-19 restrictions, it is difficult to envisage a different future, such are the challenges facing the sector at the moment.

KEY TAKEAWAYS IN JANUARY 2021 SURVEY

- The Average Age of the Fleet – 27.6 per cent answered 1 to 3 years; 46.6 per cent 4 to 6 years; and 25.9 per cent 6 years plus.
- Business Fleet Depreciation – 45.6 per cent answered up to €500,000; 33.3 per cent between €500,001 and €1 million; and 21.1 per cent over €1 million.
- In relation to the transport landscape in 2021, 3.4 per cent believed it is positive; 25.9 per cent negative; and 70.1 per cent believed the outlook is bleak.
- In relation to investment in the business in 2021, 32.8 per cent responded that they will, but 67.2 per cent will not.
- In relation to staff retention, 57.6 per cent expect to lay off staff in 2021. Of those who expect to lay off staff, 47.8 per cent expect to reduce workforce by less than 25 per cent; 32.6 per cent by between 25 and 50 per cent; 15.2 per cent by between 50 and 75 per cent; and 4.3 per cent expect to lay off more than 75 per cent of the workforce.
- In relation to government funding for extra cleaning provision for cleaning and sanitization in order to comply with COVID-19 guidelines, 30.5 per cent of respondents believed they are adequate; and 69.5 per cent believe they are inadequate.
- In relation to marketing spend on tourism pre COVID-19, 54.5 per cent of respondents spent up to €20,000; 16.4 per cent spent between €20,000 and €50,000; 12.7 per cent spent between €50,000 and €100,00; and 16.4 per cent spent over €100,000.
- 89.8 per cent of respondents believed Irish private bus and coach operators are at a disadvantage compared to UK operators due to VAT inequities.
- In relation to Brexit, 86 per cent of respondents believed that the UK exit from the EU will impact negatively on the industry; and just 14 per cent believe it will have a positive impact.

KEY TAKEAWAYS IN LATE-FEBRUARY 2021 SURVEY

The survey conducted in late February contains the following highlights:

- In relation to coach tourism, 84 per cent of respondents said that business has declined by over 95 per cent; 10 per cent said between 70 and 95 per cent; and 6 per cent said less than 50 per cent.
- In relation to private hire business, 92 per cent of respondents said that turnover is down by more than 95 per cent.
- In relation to coach tourism, 56 per cent of respondents said they have availed of Government supports. Just 2 per cent of respondents from private hire sector have received Government support. Just 16 per cent of all respondent said that Government supports are adequate, and 40 per cent of respondents are either dissatisfied or very dissatisfied with Government support for the sector.

- The survey clearly highlights the dramatic impact of COVID-19. 76 per cent of respondents said that pre-pandemic, the outlook for their business was very positive.
- Without Government support, 90 per cent of respondents said that they would be forced to reduce supply or close part of the business. 95.5 of those who said they would reduce supply or close part of the business said it would be the coach tourism part of the business that would be affected.
- 40% of respondents said they plan to sell their fleet this year, with 72 per cent citing no prospect of business returning in 2021 as the main causal factor; 52 per cent cited no funding support from Government; and 40 per cent said fixed costs are too great in light of non-activity as a result of the pandemic.

Both surveys highlight in stark fashion the problems facing the private bus and coach sector, and the very real threat to its survival.

Business volumes will remain under significant pressure. Of particular relevance is the fact that international tourism will not come back in 2021.

SUPPORTS FOR THE SECTOR TO DATE

Coach Tourism Business Continuity Scheme

The July 2020 Stimulus Package announced a €10m Coach Tourism Business Continuity Scheme in recognition of the difficult challenges the coach tourism sector faces, and to assist its survival through the pandemic. This scheme relates to coaches involved in coach tourism for incoming tourists. The scheme is administered by Fáilte Ireland, and eligible businesses had to apply between 15th October and 5th November 2020. Under the terms of the scheme, the total payment cannot exceed the revenue lost due to the impact of COVID-19 from 13th March 2020 to 31st December 2020, or the EU Temporary Framework cap of €800,000, whichever is the lower.

The amount received under this scheme will not even cover vehicle depreciation. It is estimated that the market has seen at least a 50 per cent reduction in coach values since September 2020.

The average grant available only covers less than 3 monthly repayments for a coach.

In January 2021, the Government announced an extension of the temporary support measures for commercial bus services for an initial period of three months, with an option to extend support on a monthly basis thereafter. The support package is restricted to operators where a clear public interest justification supports such intervention and is targeted at compensating the gap between specified costs and revenue generated on the services.

It is estimated by the Department of Transport that the support will assist a total of 66 licensed commercial operators throughout the country. The support being provided falls into two categories, direct award contracts for almost all of the large commercial bus operators and grant aid for what are typically smaller operators. A total of 18 direct award contracts and 48 grant aid contracts have been concluded with the NTA. The services that are supported include all of the major inter-city and commuter services, many of which had been suspended in the early months of the pandemic. A number of vital city, town and rural services are also receiving support to ensure that they can continue to operate.

School Transport Support

The school bus operators are being paid 50 per cent of the contracted prices during the period when schools are not operating. The Government allocated €11.5 million for COVID PPE measures for the School Transport System. It is argued that this funding has not been allocated fairly across the system, with private operators getting less than 50 per cent of the funding, despite the fact that 90 per cent of services are contracted out to the private sector.ⁱ

School and scheduled services are getting some support, but those operators who provide private services to transport children to school are getting no support. Even if the schools were fully open, these services are now financially impossible to operate given the

restrictions in place. Without support many will go pout of business and a valuable component of the school bus service will disappear.

The Employment Wage Subsidy Scheme (EWSS)

The EWSS is an economy-wide enterprise support that focuses primarily on business eligibility. It provides a flat-rate subsidy to qualifying employers based on the number of eligible employees on the employer's payroll and gross pay to employees. The business must experience a 30 per cent reduction in turnover or customer orders between 1st July and 31st December 2020; and COVID-19 must be the cause of the business disruption. From 1st January 2021, the period to be reviewed to determine eligibility for EWSS is 1st January to 30th June 2021.

The Covid-19 Restrictions Support Scheme

The COVID-19 Restrictions Support Scheme (CRSS) was announced in Budget 2021. The CRSS was introduced to support businesses significantly affected by restrictions introduced to combat the COVID-19 pandemic. The support is available to eligible businesses who carry on a business activity that is impacted by COVID-19 restrictions. The business must have been required to prohibit or considerably restrict customers from accessing their business premises. Generally, this refers to COVID-19 restrictions at Level 3, 4 or 5 as explained in the Government's Plan for Living with COVID-19. Certain businesses may qualify for the support where lower levels of restrictions are in operation.

The specific restrictions applying to businesses are provided for in regulations made by the Department of Health. Eligible businesses can make a claim to Revenue for a payment known as an Advance Credit for Trading Expenses (ACTE). An ACTE is payable for each week business is affected by the restrictions. The CRSS is set to continue until 30th June 2021. Private bus and coach operators are not eligible for the CRSS.

The Tourism Business Continuity Scheme

A €55 million business continuity Scheme was launched by Fáilte Ireland in February 2021. This scheme is intended to provide support to providers of certain tourism services who have been unable to qualify for assistance under the CRSS. The first phase is open to applications from businesses in the following categories who meet the eligibility criteria:

- Outdoor activity providers.
- Tourism golf courses.
- Hop-on Hop-off bus tours.
- Cruise hire companies.
- Boat tour operators.
- Visitor attractions not eligible for CRSS.
- Caravan and camping / outdoor accommodation.

CTTC members are not eligible for this scheme or the CRSS, due to the €10 million Coach Tourism Business Continuity Scheme.

COVID-19 AND THE TOURISM ECONOMY

Private coach and bus operators play a very important role in Ireland's tourism economy. Coach tourism is a very substantial market segment in the overall Irish tourism product, and not just a form of transport. It consumes a wider range of tourism products and services than most other segments. It carries coach passengers across the land, giving employment not just to coach tour operators, but also to hotels, visitor centres, restaurants, bars and other small enterprises. In 2018, coach tourism helped to contribute €400 million to the Irish economy.

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.

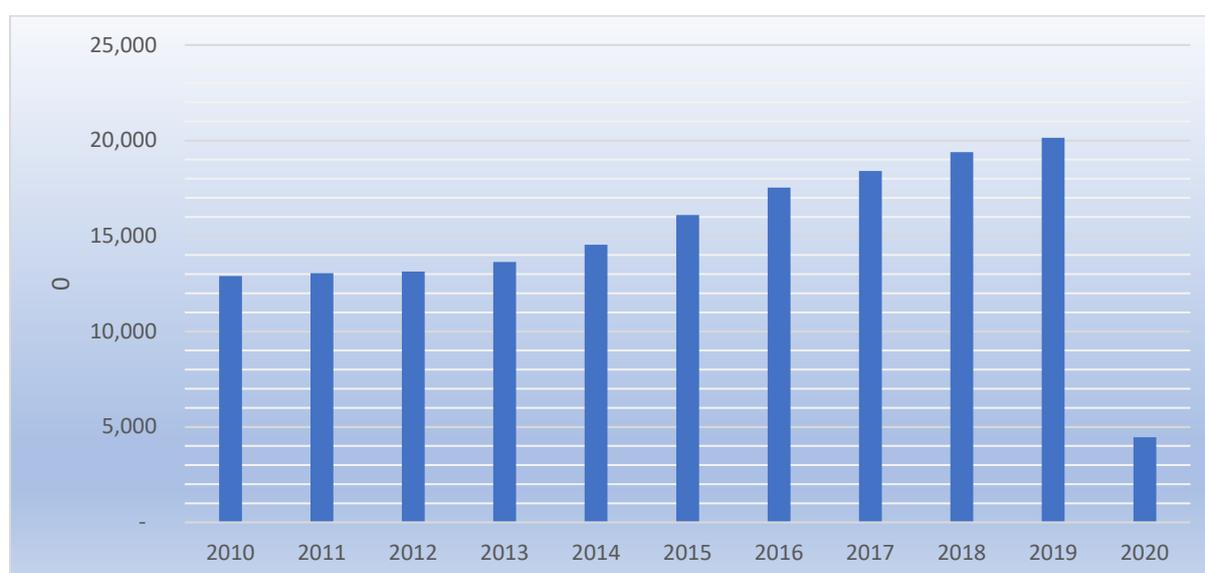
THE SIGNIFICANCE OF TOURISM TO THE IRISH ECONOMY

Global tourism has been one of the most significant casualties of COVID-19 since March 2020. Due to a combination of stringent restrictions on travel and a reluctance to travel, global tourist numbers have fallen dramatically.

Ireland has not been immune to these global trends. In March 2020, the collection of tourism statistics at air and sea ports was suspended due to COVID-19. The CSO still collects statistics on persons arriving into Ireland through ports and airports. These arrivals are not necessarily related to tourism, but they provide a clear insight into the collapse in travel numbers.

In 2020, just 4.46 million persons arrived in Ireland from overseas, which is 77.9 per cent down on 2019. 69 per cent of this total arrived in the first quarter of the year.

Figure 1: Overseas Passenger Arrivals into Ireland



Source: CSO

Tourism makes a very significant contribution to overall economic activity in Ireland, but its key characteristic is the economic and employment contribution it makes to parts of the country where economic activity is not strong outside of the peak tourism season. The bulk of businesses in the tourism sector are SMEs, with many being family-owned.

COVID-19 and the associated restrictions have had and are continuing to have a detrimental impact on Ireland's tourism sector. Domestic tourism has been seriously constrained by the varying levels of restrictions that have been in place since March 2020, and international tourism has died a death.

The economic and financial contribution from tourism is very significant, and it is correctly regarded as one of Ireland's most important indigenous sectors. It is a sector that employs around 260,000 workers in total, which is equivalent to 11 per cent of total employment in the economy. However, the most important attribute of the sector is that much of this employment is in rural areas, where not a lot else tends to happen outside of the peak tourism season. It also makes a very significant contribution to the Exchequer.

In 2019, international and domestic tourism was worth €9.5 billion to the economy. Overseas visitors spent €5.2 billion in the economy; visitors from Northern Ireland spent €402 million; carrier receipts totalled €1.8 billion; and domestic tourists spent €2.1 billion. In 2019, a record 10.8 million overseas visitors came to Ireland and spent €5.6 billion (excluding carrier fares).

Failte Irelandⁱⁱ estimates that every €1 million of tourism expenditure supports 27 tourism jobs; and that for every euro spent on tourism (domestic and overseas), 23 cent is generated in tax. The Exchequer collects around €2.2 billion from tourism related activities.

Government clearly believes that tourism will have to play an important role in rebuilding the Irish economy. However, the COVID-19 restrictions put in place disproportionately affect activities that are an integral part of the tourism product; and without those businesses it will be very difficult to rebuild the sector and regain its substantial economic contribution. The private bus and coach operators represent a very good example of one of those businesses sectors that is now in serious trouble.

The private bus and coach sector carried 2 million tourists in 2019, which is equivalent to 18.5 per cent of total overseas visitors to the country.

The private bus and coach sector has suffered dramatic losses since March 2020. It is vital that the sector is supported to the greatest extent possible, because without private bus and coach operators, it will prove very difficult to rebuild Ireland's tourism economy. The real problem now is that international tourism will not recover in 2021 and so the financial pressure on operators is getting significantly worse.

THE REQUIRED ASSISTANCE FOR PRIVATE BUS AND COACH OPERATORS

Private bus and coach operators play a very fundamental economic and social role in Ireland. They operate valuable scheduled services around the country; they have become a vital component of the school bus services; they are an integral and essential part of the Irish tourism product; and they provide a valuable service to many people through private hire services. These businesses are in serious trouble and without adequate financial aid and support from Government, many of those businesses will not survive, and there will not be sufficient capacity to deliver the vital services that the sector delivered up to March 2020.

Prior to COVID-19, the private bus and coach sector was involved in a low margin activity in most cases, and the shock from COVID-19 has threatened to push many operators out of business. The reality is that if a significant number of private operators are forced out of business, many scheduled services will disappear; there will be inadequate transport infrastructure to bring children to school; and the recovery of the tourism sector will be seriously undermined.

Regional and rural economies would be most affected by such an outcome as bus and coach operators provide significant regional employment, but they also service the transport needs of rural towns and the cities around the country; they transport children from rural areas to schools; and they transport many tourists to the various attractions all over the country. Rural areas have considerably more dependence on tourism and so they are particularly vulnerable to COVID-19 and it will be essential to rebuild the tourism sector as quickly as possible.

The bus and coach sector will have to be an integral part of this re-building process. To ensure the survival of the bus and coach sector, it is essential that several supports and policy changes are delivered.

Since the crisis commenced in March 2020, operators have reduced their costs where possible. Programmes such as the COVID-19 Wage Subsidy Scheme have helped to defray some costs, but many operators continue to augment staff wages. Other costs have reduced, for instance, fuel costs have fallen to zero, some insurance costs have been deferred and some fixed costs (such as loan repayments) have been parked. However, there are underlying costs which are still being incurred by the operators, such as repayments on vehicles, commercial rates, overheads such as garage equipment, cleaning equipment and training, and some insurance costs. With the collapse in revenues, these costs are pushing operators closer and closer to insolvency. In addition, the effective life of coaches will be reduced by up to two years because of the crisis, and while some loan repayments have been delayed, the vehicles continue to depreciate in value. A further risk to the value of stock is that those UK operators who have ceased trading will flood the Irish market with cheap second-hand vehicles.

The costs of an operator have been disaggregated and the percentage of each accounted for by each item is shown in Table 1 below, along with an estimate of the level of costs which are still being incurred.

Table 1: Breakdown of Costs

Item	Average	Costs Avoided by COVID-	COSTS INCURRED
Drivers	26%	21%	5%
Other	7%	5.5%	1.5%
Fuel	20%	20%	
Maintenan	7%	3.5%	3.5%
Fixed Costs	23%	18%	5%
Other	9%	7%	2%
Profit	8%	8%	
Total	100%	83%	17%

Source: Hannigan Advisory

A Financial Support Mechanism based on Self-Certified turnover for 2019

It is proposed that each coach owner would inform the Department of their turnover for coach tourism and private hire for 2019. A subsidy of 17 per cent of this amount, in line with the ongoing costs identified in Table 1 above, would be claimed by each operator involved in coach tourism.

The turnover of the entire industry is estimated at €620 million. Of this, approximately €180 million comes from school transport, approximately €170 million from scheduled services and up to €20 million from HSE contracts runs and local-link type services. By subtracting these elements from the €620 million overall industry turnover, this means that the turnover from coach tourism and private hire is €250 million. Applying the 17 per cent figure to this €250 million would indicate a yearly subsidy requirement of €42.5 million.

The outlook for the remainder of 2021 season is disastrous. International tourism, sporting events requiring spectator transport, and other private hire is unlikely to recover in 2021. Therefore, it is proposed that the subsidy payment would be made for a 12-month period from 1st of January 2021 until the 31st of December 2021.

Wage Subsidy Scheme

The wage subsidy scheme needs to be retained until the end of 2021 or until turnover returns to at least 75 per cent of its pre-COVID levels.

Credit Moratorium/Forbearance

A forbearance/moratorium scheme by financial institutions needs to be in place until the middle of 2022. This is essential because it will take a long time for business conditions to return to more normal and sustainable levels. This extension cannot have any adverse impact on the credit rating of the business. This is particularly important for bus and coach

operators, as the capital investment required is very significant, and consequently debt levels in the sector are very significant.

The Government's credit guarantee scheme cannot be used for refinancing of loans, and the interest rates on the facility are too high. This scheme needs to be altered to address the needs of small businesses that are currently in serious financial trouble and need liquidity support to survive.

Fuel Rebate Scheme

The provision of passenger transportation services in Ireland is VAT exempt. This means that the provision of these services is not subject to VAT, but the providers of such services are not entitled to deduct VAT incurred on costs, other than the limited VAT 71 refund scheme for the purchase of certain tour buses. Operators in Northern Ireland provide a zero-rated passenger service, and thus are able to deduct VAT incurred on costs. CTTC estimates that this places Irish operators at a €50 million cost disadvantage relative to operators in Northern Ireland.

One way of alleviating some of this cost disadvantage would be to increase the fuel rebate scheme. There is scope to increase the diesel rebate to 15c per litre, while still complying with minimum taxation levels in the Energy Tax Directive.

Coach operators believe that such a fuel rebate would help their survival and efficiency, and would enable more services to be provided, thereby taking more cars off the road, and in that way help the environmental agenda.

CONCLUSION

The proposed measures will be required to enable the capacity in the bus and coach sector survive this crisis. At a minimum, the pre-COVID level of capacity will be needed to help tourism re-build; transport children to school; run adequate scheduled services; and satisfy the demand for private bus hire.

In the Programme for Governmentⁱⁱⁱ the parties of Government made several commitments that will only be deliverable if there is a vibrant and profitable private bus and coach sector. The commitments include:

- ‘Protect and expand regional connectivity and connectivity between towns and villages in rural Ireland’.
- ‘Address pinch points for buses and expand priority signalling for buses and Real Time Passenger Information’.
- Give greater priority to bus services by expanding Quality Bus Corridors, and consider the introduction of Bus Rapid Transit Services’.
- Tourism is to be placed at the centre of the National economic Plan, in recognition of the fact that tourism is one of Ireland’s most significant economic sectors, and that it is a significant source of local employment and regional development.
- Accelerate sustainable transport plans for schools. This will involve completion of the review of the School Transport Scheme to seek better outcomes and reduce car journeys.

There is a recognition by the parties of Government, that the private operators are an integral part of the transport network in Ireland.

The fact is that the private bus and coach operators are in serious trouble due to COVID-19 and the survival of many operators is now under serious threat. The sector needs to be supported as it will play a key role in re-building tourism; improving regional connectivity; and providing a valuable school delivery service.

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