

Bus Éireann operates a range of public transport services throughout Ireland. It runs:

- Expressway coach services linking major cities and towns
- city services in Cork, Galway, Limerick and Waterford
- local bus services in rural areas
- Eurolines coach services to Britain with connections to all parts of Europe
- a nationwide parcels delivery service by bus.

Bus Éireann is also responsible for the operation of the school transport system.

The company is a subsidiary of the State public transport authority Córas Iompair Éireann (CIE). The other two subsidiaries are Iarnród Éireann (Irish Rail) and Bus Átha Cliath (Dublin Bus). Bus Éireann's staff of 2,500 operates a fleet of over 1,300 vehicles from eleven main depots.

This case study will cover the involvement of Bus Éireann in the National Development Plan (NDP). In a foreword to the plan the Minister for Finance, Charlie McCreevy says that 'the vision of the National Development Plan is to ensure that Ireland will remain competitive in the global international market place and that the fruits of our economic success will be shared more equally at regional level and throughout society.' Bus Éireann has a crucial role to play in this vision.



A modern air conditioned Volvo/Plaxton coach of Bus Éireann Expressway fleet, operating on the Galway/Limerick/Cork route. This is the latest route to be upgraded with an hourly frequency throughout the day, linking the three cities of the west coast corridor.

CUSTOMER NEEDS

Since its formation in 1987, Bus Éireann has been expanding and developing its services to meet the changing needs of customers. These needs have altered significantly in recent years as a result of rapid economic growth. Economic growth has put a strain on the country's infrastructure such as roads and the public transport system. There are more people at work and they tend to travel greater distances to places of employment. The number of cars on the roads has increased significantly resulting in widespread traffic congestion.

One of the main aims of the Government's current *National Development Plan* is to improve the country's economic and social infrastructure. This infrastructure involves roads, public transport, water services, waste water treatment, solid waste management, telecommunications, energy networks, health and educational facilities and housing. Within the overall plan Bus Éireann has a major role to play in the area of public transport.

NATIONAL PLANNING - THE BACKGROUND

The Government makes an impact on the economy when it levies taxes and spends money. In Ireland about a third of the national income is raised in taxes but even that is relatively low by international standards.

Much of the money raised in taxation is spent on the day-to-day running costs of governing the country. It is used to pay civil servants, teachers, gardaí etc. and some of it is redistributed in social welfare payments such as pensions and unemployment benefits. Those payments are known as *current* spending. The Government also spends money on projects such as roads, schools, airports, hospitals, and local authority housing. This is known as *capital* spending because it creates assets that will yield a return in the future.

When a company invests money in a new factory or on new machinery it expects to make a profit from the use of the new assets. A government may take a broader view. Improving a road may not yield a direct return to the government, unless of course it is a toll road. However, by helping to speed traffic flow it can lower the cost of transporting people and goods. This results in a benefit for businesses and for the public in general.

The projects involved in development are often very large. They take years to complete and will be yielding a return for many more years. So capital spending needs to be planned well in advance. In Ireland it has been common to draw up five or seven years plans.

There was a national plan covering the period from 1989 to 1993 while another ran 1994 to 1999. Both of those plans were financed mainly by the European Structural Fund, which is provided by the EU by way of grants.

Most of the money for the latest plan, however, will be raised by the Government through taxation. About £85 out of every £100 to be spent will come from the *Exchequer*. In Ireland that term is used to describe the financial resources available to the Government while in Britain it is the name given to what in Ireland is known as the Department of Finance. The European Union will be contributing only about £12 out of every £100 spent. This reflects the fact that Ireland has become a wealthier country and no longer qualifies for high levels of EU grant aid.

A VISION FOR THE FUTURE

The National Development Plan published in November 1999 outlines how the Government intends to invest over £40 billion (£40,000 million) during the seven years from 2000 to 2006. This is equivalent to about £11,000 per head of population.

A key objective of the plan is to increase the capacity of Ireland's economy to produce more and to employ more people. That involves providing cheaper and more efficient services to business – services such as transport and telecommunications. It also involves educating and training a more skilled workforce and providing for their needs in areas such as housing and health care.

The plan also envisages spreading economic development more evenly throughout the country providing extra help to regions with lower per capita income. It is also intended to spread the gains of economic growth more equitably through programmes aimed at helping disadvantaged

people in society. These include education, access to housing, local and community development, family and childcare services.

There are three main areas of activity covered by the National Development Plan:

- **Economic and social infrastructure** covering roads, transport, water and waste management, coastal protection, energy, social and affordable housing and health facilities.
- **Employment and human resources** which includes measures to improve education and skills, encourage entrepreneurship and promote a greater equality of access to jobs.
- **Productive sector measures** which involve providing grant aid and direct spending in the industrial, agricultural, tourism and fisheries sectors. Some of the money will be directed towards encouraging research, technological development and innovation. There will also be an emphasis on helping Irish firms to develop and expand while attracting more overseas firms to site here.

Bus Éireann has an important role to play in the development of the country's economic and social infrastructure.

ECONOMIC AND SOCIAL INFRASTRUCTURE

A little over half of the total expenditure will be spent on improving economic and social infrastructure. The broad breakdown of the proposed spending is outlined in the table.



Bus Éireann's first city service buses to be part-funded under the National Development Plan are Volvo Wright low-floor vehicles which can accommodate 45 seated and 27 standing passengers. They also have a wheelchair space and are fully accessible to people who are mobility impaired.

EXPENDITURE PLANNED FOR ECONOMIC AND SOCIAL INFRASTRUCTURE

Category of spending	Total amount allocated for the seven year period 2000 to 2006
	(£ million)
National roads	£4,700
Public transport	£2,334
Water and waste management	£2,495
Coastal protection	£35
Energy	£146
Social and affordable housing	£6,000
Health facilities	£2,000
Total	£17,710

The plan outlines how developments will take place in the following areas which involve Bus Éireann directly:

National roads

It is very important that the roads come up to world class standards. It is intended to improve the main roads all over Ireland and to bring them up to motorway or dual carriageway standard by 2006. Improvements are also planned for most other national primary routes and a range of secondary roads. These improvements to the road network will facilitate the ongoing development of the Bus Éireann network.

Public transport

Much of the spending in this category will be centred on the greater Dublin area including a substantial enhancement and expansion of bus services. Outside of Dublin there is to be significant investment in the mainline train system, improvements in regional bus services and in the public transport services in Cork, Limerick, Galway and Waterford. The plans include provision for the continuing replacement and re-equipment of the Bus Éireann fleet.

BUS ÉIREANN AND THE PLAN

Over the seven years of the plan Bus Éireann intends to invest a total of £180 million by:

- adding 417 (additional) vehicles to its fleet, an increase of 66 per cent
- replacing 386 vehicles
- making improvements to bus stations and customer facilities.

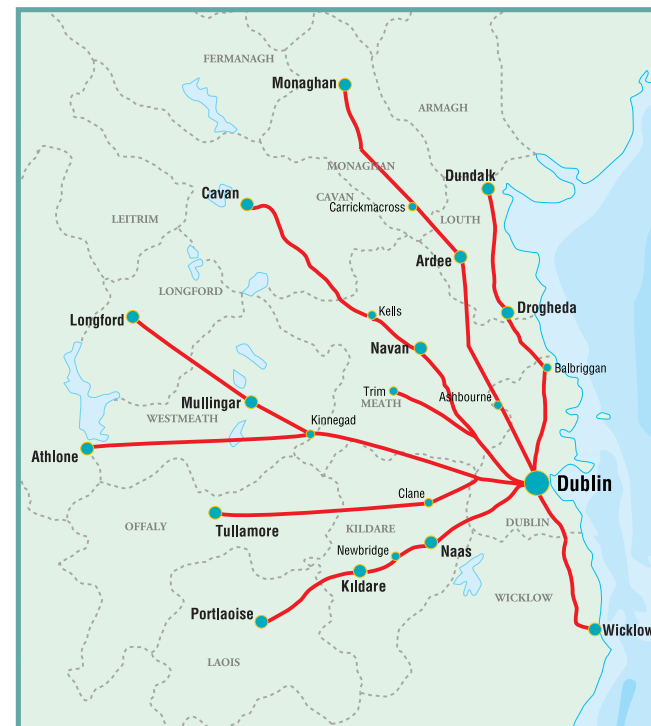
The investments will cover the company's operations in the greater Dublin area, provincial cities and in the regions.

GREATER DUBLIN

Partly because of the high price of houses in Dublin, many people who work in the capital have chosen to live further away from the centre.

They commute long distances to and from work each day. As a result the greater Dublin area is now considered to extend as far as Dundalk and Cavan to the north and Portlaoise and Wicklow to the south.

The greater Dublin area is shown in the map below:



Over the course of the seven-year plan, Bus Éireann will invest £45 million on 147 new coaches, extensive improvements of passenger facilities including Dublin's Busáras and on the provision of new facilities in some of the towns growing around Dublin, such as Newbridge, Navan and Kells. These areas are now known as satellite towns.

This year £8 million is being spent on 40 new commuter coaches for the Dublin area.

There is a growing demand for commuter services into Dublin and towns throughout Leinster. Bus Éireann's market research revealed that the public wanted more bus services leaving at more regular intervals. Extra services are planned for all the main radial routes into Dublin with buses leaving every 15 minutes during peak times and every 30 minutes at off-peak times.

This year new services are being introduced on the Cavan, Navan, Dundalk, Portlaoise, Wicklow, Edenderry and Drogheda routes into Dublin increasing passenger capacity by 30 per cent. As a result of these changes Bus Éireann will be running 45 return services a day between Drogheda and Dublin, for example, and 40 services between Navan and Dublin.

The company is also planning more *orbital* services. They will connect areas around Dublin as opposed to the more traditional services that run in and out of the city. There will also be more services to Dublin Airport, new bus routes within satellite towns and additional *park and ride* facilities where commuters can park their cars and then travel by bus into Dublin.

PROVINCIAL CITY SERVICES

A total of £52 million is to be spent on improving bus services in Cork, Limerick, Galway and Waterford. The strategy involves replacing the existing fleet with low floor wheelchair accessible vehicles, upgrading existing routes and introducing new ones. There are also plans to use computer systems to make it easier to buy tickets and get information on timetables.

REGIONAL SERVICES

A significant expansion of regional services is envisaged under the plan with £84 million to be invested, some of it on buying 396 new vehicles. The expansion is already under way. Intercity services are now more



For city service routes with lower demand levels, a shorter version of the Volvo Wright bus has 37 seats and standing room for 18 passengers. It is also fully accessible with a wheelchair space.

frequent than they were. There are hourly services to and from Dublin on the Galway and Limerick routes and between Galway and Cork. Some 30 new rural services have been introduced to promote economic and social development in rural areas. New customer facilities have been provided in Waterford, Limerick, Tralee and Athlone. Similar projects are planned for the remaining six years of the plan.

It is clear that with its planned investment of £180 million Bus Éireann will be making a major contribution to the public transport objectives of the Government National Development Plan 2000 to 2006.

Bus Éireann's website address is: www.buseireann.ie

TASKS AND ACTIVITIES

- 1 Describe how an efficient public transport system can aid economic development.
- 2 (a) Illustrate the market changes for Bus Éireann in the Dublin area and suggest three reasons why demand has increased.
(b) Describe how Bus Éireann plans to meet the extra demand.
- 3 Explain the terms:
 - (a) infrastructure
 - (b) current spending
 - (c) capital spending
 - (d) orbital.
- 4 Explain the justification for the spending of money on roads when there is no obvious financial benefit to the government.
- 5 Visit the Irish Times website at www.Irish-times.com. Search the archive for articles dealing with the National Development Plan.
- 6 Explain what is meant by the exchequer. Why is the British minister for finance called the Chancellor of the Exchequer?
- 7 Outline two reasons why national planning is important.
- 8 Identify two links between infrastructural improvements and Bus Éireann's plans.


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