



Bus SA Annual Report to 30 June 2018



Welcome to the
Bus and Coach
Association SA
Annual Report
2018

Board

President

Ben Romanowski
(29/11/2016 – present)

Vice President

Dean McGinty
(29/11/2016 - present)

Board Members

Ashley Barnes
(from 13/02/2018)
Mark Dunlop (to 13/02/2018)
Jared Kent (from 17/05/2018)
Stephen Lucas
Dean McGinty
Stephen Nesbitt
Ben Romanowski
Jim Scott (to 31/12/2017)
Maureen Sullivan
Philip Walker

Executive Director

Lauran Huefner
(04/10/2013 – present)

SA Councillor to the Bus Industry Confederation (BIC) and the Australian Passenger Transport Industrial Association (APTIA)

Ben Romanowski
(30/11/2016 – present)

Auditor

Moore Stephens
(formerly Hayes Knight)

Suite 515, 147 Pirie Street
Adelaide SA 5000

www.bussa.asn.au

A woman with dark hair tied back, wearing a blue button-down shirt, is shown in profile from the chest up. She is smiling and holding a gold-colored smartphone to her ear with her right hand. The background is blurred, showing other people in a social setting.

PRESIDENT'S REPORT

From an excitement perspective, the 2018 State Election probably ended up something of a fizzer after showing much promise in late 2017 for some upset results. Much of this related to the poor showing from SA Best after Nick Xenophon was even considered as a possible Premier until they ran too thin and failed to garner any lower house seats at all.

As a result, the Liberal Party finally achieved Government, and with a comfortable margin. In a twist of fate, the only Shadow Minister not affirmed as Minister in their portfolio was in Planning, Transport and Infrastructure, with Stephan Knoll appointed rather than David Pisoni.

After many years of working with David through our work and that of the BIC, it has proven much more difficult to gain access to Minister Knoll. In fact it is our understanding that, at the time of this report, few industry bodies have met with the Minister. Much as we respect that a Government in office for the first time in what is close to a generation will have teething problems, we are hopeful that Government will soon see fit to seek out counsel from industry and meet our hardworking members.

Of great interest to us, and something we hope the Minister will provide clarity on, is a key election promise of the new government: to introduce a South Australian Public Transport Authority. However, at the time of writing we know little to nothing about this apart from what has been published in the media. We cannot buy in or promote the Government's vision – because we do not know what it is.

As you well know, business confidence comes from security about the future – but at this time it is hard to be confident. We can only hope that this is simply a lull before a flurry of positive outcomes.

On other matters, the Board conferred Life Membership upon two former operators and Presidents of the Association during 2018.

The first is Tony Townsend of Townsend's Bus Travel. Tony sold his business to Peter Pickering of BusBiz early this financial year, and now has settled into life as a grape grower, tour guide and solar farmer. In recognition of his work on behalf of the industry, the Board was delighted to confer Life Membership.

The other retirement was of Jim Scott, also a former President of the Association. Jim saw the Association through a difficult period a few years' back and made a significant effort in finding ways to keep calm minds during the reinvention of the Association to Bus SA. He is now enjoying not having to develop and deliver tours.

On behalf of the Board I congratulate and thank both Tony and Jim.

The Board also underwent other changes, apart from Jim's retirement. Mark Dunlop of Keolis Downer accepted a role in the Hunter Valley for Keolis Downer, and consequently from early 2018 his position on the Board was taken by Ashley Barnes. Also joining the Board in 2018 was Jared Kent of Spencer Gulf Coaches in Port Pirie. I congratulate and thank both of the new members, and wish Mark well in his new role.

As a final note, we have a dedicated Board who take time to improve our industry and I would like to thank them for their time and efforts during the 2018 year.

Ben Romanowski
President
July 2018



*Of great interest to us,
and something we hope
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government: to introduce
a South Australian
Transport Authority*

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EXECUTIVE DIRECTOR'S REPORT

This has been a challenging year, punctuated by my own health issue that slowed me during the very last part of the year. Despite this I believe we have achieved a great deal, although there are significant challenges ahead with the political climate not providing any certainty despite a change in Government.

Moving People Pirie

Announced by Minister Mullighan at the 2017 Conference, it took until November 2017 to get the pilot of a Regional Accessibility Committee underway in Port Pirie. Local MP, Geoff Brock, has been a strong advocate and help in gaining this commitment.

To encourage local buy-in, we chose to take the name of Moving People Pirie and this has helped to garner support from a wide range of stakeholders in the private and public sectors, including health, the taxi service, other bus operators and community services organisations.

The main challenge for the trial is that it was given 12 months from 1 November to show its value. This is a very short time frame given that this also included setting up, arranging administrative support, and finding stakeholders who would be willing to put in time and effort to make things work.

In late October we appointed Michelle Pole to act as Mobility Coordinator, and Jared Kent, operator of Spencer Gulf Coaches, agreed that Michelle could operate out of his Port Pirie depot. Port Pirie Regional Council and Red Cross have generously provided meeting spaces when required.

At the end of the financial year this initiative was starting to show some promise, with some 555 trips made using a combination of access bus and people mover, as well as trips arranged on other available resources. We are confident the project has great merit, and we are actively exploring ways to keep this initiative delivering for Port Pirie after 31 October 2018.

I'd like to thank Spencer Gulf Coaches for providing office space for our operation, as well as representatives from the following organisations for providing staff time to the Committee:

Des's Cabs

Hanley Passenger Service

Port Pirie Regional Council

Port Pirie Regional Hospital

Red Cross

Suburban Taxis

TLap

Upper North Passenger Service

Moving People SA 2025 Agenda – a State Election Policy Briefing Document

From late in 2017 I commenced a program of visiting the MPs and candidates for the electorates in which our members reside and operate.

The document we presented for this was called the Moving People SA 2025 Agenda, which was itself a simplified version of our longstanding policy document, Moving People SA.

The following is the list of electorates we visited to meet State Election Candidates:

Badcoe	Chaffey	Flinders
Frome	Hammond	Heysen
Kavel	Lee	Mt Gambier
Narungga	Stuart	Unley

Interestingly these are all Liberal, apart from 1 Labor and 2 Independents. We can hope that some of our ideas and policies are in the thoughts of these now Government members. It is our intention to re-visit these politicians in the next year, and on a regular basis after that.

The development of the Moving People SA 2025 Agenda was an evolution of our previous policy work, with a list of 10 specific items that we believe would be beneficial to any government in advance mobility in South Australia. Many of the policy positions will be very familiar as we continue to recommend practical and effective solutions. The MPSA 2025 Agenda is attached to this Annual Report.

Membership

Membership remains a difficult space as ever. Due to retirements and business sales (which result in fewer operators), our membership numbers have dropped again. This appears to be the ongoing state of industry representation across Australia, although ours remains the smallest membership base in Australia.

We will continue through 2019 to invest in the value of the membership.

Financials

The Association Balance Sheet is strong on the back of an excellent Enfield auction result late in the 2017 year. This was invested in a term



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EXECUTIVE DIRECTOR'S REPORT (CONT)

deposit for the balance of the financial year, although the Board will look at finding better ways to leverage this over 2019. The financials for 2018 will therefore show a strong result, based on the write up in the value of the Enfield property.

Furthermore, much as the P&L benefited from the Grant provided to fund a Regional Accessibility Committee trial in Port Pirie, this is effectively income that must be fully expended in the effort to achieve the work of the RAC, meaning it has no net effect on the profitability of the Association.

Sustainability therefore remains a challenge for the Association on the back of declining operator numbers. This means that we will continue struggle to generate enough revenue to meet our activities on an ongoing basis, and the underlying result in 2018 (a small loss) reflects this.

This remains a primary interest for the Board into 2019 and we will continue to seek new revenue sources and ways to structure the Association to ensure its ongoing viability.

Communications

In 2018 Bus SA distributed 6 Member Alerts covering the breadth of information that we feel is of use and interest. We will continue to send these.

We also sent 255 messages through our social media channels, including Twitter. We now have over 208 followers of our Twitter feed, and we believe our network is garnering worthwhile content from our information.

Bus Industry Confederation National Conference - November 2017

Hobart was the very pleasant location for the BIC 2017 Conference which was based on the "Mobility As A Service" (MaaS) mantra.

The conference explored how MaaS was evolving around the globe and looked at how some of these models could be applied in Australia. There were entertaining views of the world put forward (for example Graham Currie articulated that we already have autonomous vehicles called trains), with many perspectives given airtime.

The general conclusion was that there are many opportunities to improve how industry delivers mobility services, but that this is not simply a technology matter, it is also one of contracting and governance. These last 2 issues will become increasingly important as the way we integrate mobility evolves.

The conference also provided excellent social activities, including the Big Arvo Out at Morilla Estate and MONA. I strongly encourage a visit to Hobart – it's a great place to see, especially in November.

We also thank SURA for providing another Achiever Award. This year's winner was Michael Suto of Buslink SA.

Coach Connections Summit, National School Bus Summit - June 2018, Canberra

Following up from the 2017 Coach Connections Summit, the BIC introduced a combined Coach Connections and National School Bus Summit in 2018.

The Coach Connections Summit covered significant territory, looking at where tourism is developing and what

likely outcomes to expect over the future years. Sessions also focused on how to attract and work with export markets, opportunities within regional grants, and accessibility standards for coaches. The Summit concluded with discussion on the "Long Distance, Charter and Express Policy" that is under development by the BIC and will be launched in the 2019 year. The Policy sets some aspirational goals for the industry and will become an excellent future reference.

The National School Bus Summit sought to highlight the similarities and differences between the various states and the way in which we all service schools. The take away from these sessions appears to be that, although there are some interesting factors to learn from each other, there does not appear to be much interest in developing a system that is more unified. In other words each state will continue to do it the way they do it. It is not likely that the School Bus Summit will occur again for some time.

At this time it is not clear whether Coach Connections will be repeated in 2019, although there appears to be reasonably strong interest.

Bus SA State Conference 2018

Unfortunately due to my unexpected illness that was diagnosed in April, the Board agreed to postpone the 2018 Conference. We will ensure that the 2019 Conference is therefore all the more memorable.

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EXECUTIVE DIRECTOR'S REPORT (CONT)

Key Events Attended

Over the course of the year, Bus SA represented you at the following activities and events, including:

- BusVic Maintenance Conference and Expo, Melbourne, July 2017
- Thredbo Series, Stockholm, August 2017
- Australasia Bus and Coach Expo, Gold Coast, September 2017
- BIC Conference, Hobart, November 2017

2 018/2019 – Future activities

There are a few main issues to note for the coming year.

- The reinvention and continuation of the Regional Accessibility Committee trial in Port Pirie. Much as the Government grant ceases at the end of October 2018, we will be exploring how to keep aspects of the project operational after this date
- Government relationship building will need to refocus. As time passes we expect that we will be able to hold productive and effective discussions with Government. We will restart our efforts in meeting with MPs and briefing them on our policies.
- Association sustainability will be an important issue for the Board, and there will likely be some reworking of how we do what we do during the 2019 year. Chairman of BIC Wayne Patch's annual report that is included with this Annual Report highlights that change needs to occur.

I would like to acknowledge Celina Annich who left us in March for other opportunities. She has been very effective and helpful in delivering on our vision during 2018.

As a final note I would like to thank the people who support our activities over the course of the year, including our President, Ben Romanowski, and Deputy, Dean McGinty and the Board. Although 2018 was personally a challenging year, I believe we still made good progress and I look forward to continuing to help our industry in its ongoing development during 2019. during 2018.

Lauran Huefner
Executive Director
July 2018

Association sustainability will be an important issue for the Board, and there will be some reworking of how we do what we do during the 2019 year.

BIC Chairman, Wayne Patch, also highlights that change needs to occur in his Chairman's Report

The Moving People SA

2025 Agenda

Background

In 2013, Moving People SA articulated a vision of 2030 to support South Australians and their communities through increasing mobility options, increasing standards and simplifying contractual arrangements. That document highlighted the challenge facing SA as our population ages and moves from Adelaide to regional areas and as a policy setting piece remains relevant today. It pointed out that these future challenges can be met and dealt with now through updated and forward thinking.

The Bus SA Moving People 2025 Agenda is designed as a stepping stone to meet that 2030 challenge. It articulates in more detail specific policy decisions that Members of Parliament can take that will improve the day to day lives of South Australians and be done over the next 7 years. It looks at what settings can be put in place that will support Government's broader vision for the development and improvement of South Australia.

Our focus is necessarily on the regions of South Australia. The past 30 years of politics in our State has left our regions with low to negligible service, barely meeting minimum social and service obligations. This is an opportunity for all politicians, regardless of political persuasion. We can, and must do better. It is our aim through our work to show our Parliament the solutions to these problems.

Our State is ageing. That is known. We also know that tree and sea change is driving more and more retirees to country areas. These people will not return to major cities, let alone Adelaide, and they cannot afford to. We need to understand their needs in the coming decades and facilitate their mobility as they stop using their private car. Driving these retirees in cars is only part of the solution – we need a robust, well thought out system and network that allows country people to easily move themselves most of the time. Bus SA 2025's Agenda moves our mobility in this direction.

And Adelaide needs to improve too. We believe investment is need to improve the amenity and functionality of the existing network, and particularly focus on the through corridors in the city. Worldwide trends in mobility indicate that governments are moving more and more towards door to door services and that people are willing to pay. This is especially true where the efficiency of the personal car is diminishing. These circumstances are coming to pass in Adelaide and we should plan for them.



10 DRIVING POLICIES FOR THE 2025 AGENDA

The following 10 proposals tackle structural, economic and social issues, as well as productivity issues, by underpinning existing government goals.

They are all part of the challenge to deliver improved mobility for South Australians. We have divided these into 3 areas: City, Regional and Standards and Safety

CITY

NETWORK OPTIMISATION PLAN

Focus on efficiency within the CBD. We support the Adelaide City Council in its aim to work with the State Government to establish a clearly identifiable public transport interchange in the heart of the City, which caters for over 90% of bus services and the City tram route by:

- developing Currie and Grenfell streets between Hindmarsh and Light squares as a bus transit street
- redesigning King William Street between Victoria Square and North Terrace to prioritise trams and buses
- improving pedestrian connections to and within the interchange

FIRST AND LAST MILE: BIKES ON BUSES AND ON DEMAND TRIALS

A Bikes on buses trial will allow Adelaide Metro buses to be better integrate with other public transport modes and will help grow bus patronage by improving amenity. Patrons will be able to ride their bike to a bus stop and bring it to their destination, increasing their mobility and the flexibility of the network.

There is also opportunity to conduct a trial of on demand morning and afternoon peak services that could provide door-to-door connectivity to the existing trunk networks. This could work with small buses in specific suburbs bringing patrons to and from super stops and other points including train stations. This has been trialled successfully overseas.



REGIONAL

BY 2025 BE INVESTING AT LEAST \$70 PER REGIONAL RESIDENT ON A REGIONAL MOBILITY NETWORK

Bus SA research during 2016 discovered that there are limited options available to regional South Australians should they wish to travel between regions or even inside their region. We also benchmarked the investment made in other states and concluded \$70 per regional resident to be an achievable target for SA. This investment needs to focus on network development and integration that provides services for a decent span of hours at a reasonable frequency. We know country people are quite undemanding— but they currently have poor services at best. We can and should do better.

ROLL OUT REGIONAL ACCESSIBILITY COMMITTEES (RACs) ACROSS THE STATE.

The research referred to above found there is a role needed to coordinate mobility access for people in regional towns by providing practical ground level support to those people. This is a mobility solution for locals by locals, integrating all transport modes for travelers within a geographic area as a mobility solution. RACs are cheap and efficient ways to help people move around SA.

PRIVATISE DECD YELLOW FLEET OPERATION

The current yellow fleet is inflexible and run by school principals and school managers. Added to this the increased burden of Chain of Responsibility Law compliance from 2018 and there are considerable benefits for Government and communities in utilising private sector skills to deliver professional school bus services. The cost of privatisation is difficult to attribute as the existing spend has not been divulged by DECD or in the Budget Papers, but it is our view that the additional cost of compliance with COR laws by DECD would be much higher than engaging the private sector to either manage the existing fleet or outright deliver services.

ALLOW CHILDREN INSIDE 5KM ZONE TO TRAVEL ON SCHOOL BUSES

We believe there should be flexibility in School Transport Policy to allow children inside 5km zone to travel or change eligibility zone for school travel to, say, 3 km or some other suitable distance. This should be cost neutral – making use of existing vacant/unused seats. The School Card could be used as the determinant of who can travel inside the zone. There is no need for school buses to travel with empty seats – they should be used as a community resource at all times.

Standards and Safety

ESTABLISH MINISTER'S PASSENGER TRANSPORT FORUM

There is no forum for those businesses that move people to directly and regularly engage with their Minister. We propose an annual forum be held that brings together the taxi, chauffeured vehicle, community transport and bus to raise specific issues with the Minister. Bus SA is willing to convene and administer this activity in collaboration with government sector.

INTRODUCE OPERATOR ACCREDITATION REGIME

Bus SA has long advocated for the establishment of an operator accreditation regime that sets minimum standards for bus operators, regardless of whether they are government contractors or not, or whether they operate in the community sector. It is our view that bus passengers should expect the same level of safe operation regardless of how their ride is paid for. Operator accreditation would take the form of a safety management system that covers business operation, vehicle maintenance and driver management. This is increasingly important as the revised Chain of Responsibility Laws take effect from July 2018. The program would be minimal cost to the government as it would need to change the regulatory environment and provide governance, whilst industry can lead the process and administration of compliance.

ALLOW PRIVATE BUS INSPECTIONS

Whilst we acknowledge the Government has recently undertaken a process to privatise all heavy vehicle inspections, Bus SA still calls for the opportunity to offer private bus inspections through Road Safety Inspections, an existing business that undertakes this work in Victoria. This process can lift standards and support our views on operator accreditation at no direct cost to Government.

BUS SAFETY WEEK

This initiative would promote the good safety record of bus and a theme of bus safety being 'a shared responsibility'. The initiative would focus on: shared roads (giving way to buses, school bus stop safety); differences between accredited and registered operators; encourage correct safety behaviours on and around buses (respect for staff, wearing seat belts, ramifications of anti-social behaviour). Bus Safety Week could also be the flagship for a further program of school safety seminars in which every public school is able to access an education program for their school students. These would occur every 2 -3 years. We believe this is a very worthwhile investment by government

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BIC CHAIRMAN'S REPORT

The 2011 BIC Conference in Fiji was a watershed for those who remember because it started a discussion about future industry representation and what the rationalisation of operators in our major cities would mean for State Associations and BIC membership.

I was elected Chairman of the BIC at the AGM that year and as predicted during our conference deliberations a lot of change has occurred in our industry during the past 7 years. Bus numbers in Australia have grown but operator numbers have declined. We have continuing growth in national and multi-national operator involvement and declining involvement in the smaller family owned and operated businesses in the sector. We also have the “elephant in the room” which is the multi-faceted disruption phenomenon which is challenging our businesses at their very roots with new ideas and technologies about mobility.

As 2019 will be my last year as BIC Chairman I thought it important to look back in order to look forward and see where we are heading from an Industry perspective.

One thing is certain the research, policy development and advocacy of the BIC has seen a Federal Government move from one of the few western developed economies not to be directly involved in public transport to now having both major political parties and the Greens adopting portfolios and policies that have seen the injection of billions of dollars into public transport infrastructure. More money has been invested in the last 5 years than since Federation in 1901.

This fundamental change in policy thinking is a magnificent achievement and as Albo has said on a number of occasions, “BIC was ahead of the game on the need for federal government involvement in our cities and public transport”. Only recently the Federal Minister for Cities publicly stated and formally wrote to the BIC about the important contribution we as an industry have made to the national debate. In recognition the Minister has included BIC as a member of his key advisory panels, the Cities Reference Group.

BIC's extensive research, policy development and advocacy work is becoming more relevant to state, territory and local governments, which as a direct result of never before seen levels of investment in public transport infrastructure by the Federal Government in our cities and regions, has seen state and territory governments investing in new services and increased number and frequency of services. It is not a coincidence that most of the seven state and territory government transport agencies are members of the BIC and our relationship with the rest is very good.

The national nature of transport law (NHVR and NTC) and IR (APTIA) has seen the BIC lead Industry and coordinate the Industry management of the many issues that impact our business every day.

The Bus Australia Network made up of the BIC and State Associations has been a great initiative to send a united industry message to all levels of government, but disappointingly not all have been as forthcoming with support for this important initiative in a time a changing industry most needs it.

The next decade of change is already confronting us. Mobility as a Service (MaaS) has arrived in the form of "On Demand", "First and Last" mile service trials and "Autonomous" vehicle trials all of which will impact our industry like never before. These disruptors will necessitate fundamental changes to what we have done traditionally for decades as an industry sector.

It is an understatement to say that Industry representation today is more important than ever in our history and united Industry representation on a national front is vital. The discussions in Fiji in 2011 have helped us in the last seven years but the fundamental changes to the make-up and nature of the industry in the future means our national and state representation must be more strategic, better coordinated, united and based on the most effective use of available resources to provide support and relevance to every operator and supplier in every state and territory regardless of their primary industry sector.

These changes in Industry make up mean that the Operator, Supplier and Association relationships is vastly different than a decade ago, different even since Fiji. Suppliers support for and expectations of Industry representation has also changed. The Bus Australia Network as a group needs to come to grips with this and guarantee a long term working relationship that supports industry representation and suppliers marketing budgets.

I will step down as Chairman in Canberra in November in 2019 and I hope that each State Association board will work with me over the next year to deliver the best industry representative model for our industry and that Executive Directors of the States actively engage their Boards and the BIC to do so.

Wayne Patch
Chairman
Bus Industry Confederation



*It is an understatement
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on a national front is
vital*

We acknowledge our Partners for 2017/2018

GOLD PARTNERS



SILVER PARTNERS



BRONZE PARTNERS



Bus Australia Network

