



The Competition Authority
An tÚdarás Iomaíochta

Sustainable Transport Consultation,
Department of Transport,
Transport House,
Kildare St,
Dublin 2.

May 13th, 2008

Re: Public Consultation on Sustainable Travel and Transport

Dear Sir/Madam,

The Competition Authority welcomes the opportunity to comment on the Department's public consultation document. The Authority is available to meet the Department to discuss these comments in greater detail if required.

The consultation document describes the various issues relating to sustainable travel and transport in Ireland, the aim being to lead to a *Sustainable Travel and Transport Action Plan* in 2008. Sustainable transport is concerned with the movement of people and goods in a manner that improves quality of life and ease of access. Public transportation is identified as being a key factor in the promotion of sustainable transport in Ireland.

The Authority broadly welcomes the document, but is concerned that it does not identify competition as a measure to be considered in promoting more sustainable transport services – particularly city bus services. Competition has a significant role to play in addressing many of the issues raised in the document, for example, the following questions (posed in Section 4.3 of the Consultation Document):

- How can existing bus and rail services be improved for customers?
- In addition to the investment in Transport 21, what other measures are needed to improve and expand services?
- How should these improved and expanded services be funded?
- What further measures are needed to improve transport integration?

On numerous occasions in the past, the Competition Authority has stressed the benefits of opening up city bus services to private competition. Doing this would not mean a free-for-all. For example, one possible would involve inviting all bus

Parnell House, 14 Parnell Square, Dublin 1, Ireland.

Tel: +353 1 804 5400 ■ **LoCall:** 1890 220 224 ■ **Fax:** +353 1 804 5401 ■ www.tca.ie

operators – be they privately or publicly owned - to compete for licences to provide specific bundles of bus routes, while meeting set standards, for a specific period of time. Competition encourages operators to provide their services in the most cost effective way, while standards of safety, cleanliness and comfort can be effectively controlled through the tendering process. This leads to improvements in access and quality, the two key determinants of sustainable transport. It also ensures that funding of public transport is appropriately targeted and not wasted.

The proposed establishment of a Dublin Transport Authority presents an opportunity to open up city bus services to competition. The Competition Authority is keen that the Department should stress the positive role that competition can play in delivering sustainable transport options and would like to see the issue of competition being adequately addressed in the forthcoming *Sustainable Travel and Action Plan*.

The Authority is at the Department's disposal to discuss any of the issues raised.

Yours sincerely,

Declan Purcell
Member of the Competition Authority
Director, Advocacy Division