

## **BIC Column – September 2013**

### **The Next 25 Years and What it Means for You**

With this being the special 25<sup>th</sup> Anniversary edition of Australasian Bus and Coach we thought it would be fitting to write a special column for this occasion.

With the 25 year theme in mind this month's column is about BIC's vision for the next 25 years of the bus and coach industry in Australia, how the changing nature of the passenger transport task will grow our business and what it means for the people and businesses who weave the fabric of our industry.

The next 25 years to 2040 will be a challenging, but rewarding time for the bus industry. The growing and changing nature of Australia's population and demographics will put us at the front and centre of moving people in our major cities and regions and addressing a growing passenger transport task.

In 2011 at the conclusion of the BIC National Conference I took a look at our industry in 2050 and the key issue that emerged is that we will be servicing at least double the current number of passenger kilometres we currently serve.

That figure, from the Australian Treasury was a very conservative estimate and based on changes in demand for public transport and population figures since that prediction was made I think we are more likely to reach the doubling by 2030.

The bus will be the legs of public transport systems in major cities, including our capitals and growing second cities like Newcastle in NSW, Geelong in Victoria and the Gold Coast in Queensland.

As these cities grow and populations become denser the bus will link people between major activity centres in our cities, providing travel between suburbs that will become a bigger part of people's lives as more concentrated populations turn our suburbs into villages.

Congestion and fuel prices will play a part in this return to the village model for suburban development. Congestion is expected to cost the economy \$20 billion by 2020 and fuel prices are expected to be beyond the \$2 per litre mark at that time.

There is already evidence that congestion and rising fuel costs have had an impact on travel choices. From 2007 onwards there has been a spike in peak travel by public transport in almost all of our capital cities, added to that there has been a decrease in the number of kids of driving age getting their license.

This situation is not unique to Australia and has been described as the "peak car" phenomenon by Australian researchers that have looked into it.

The idea of "peak car" is that car use has reached its peak in terms of overall growth in the developed world and the rate of growth will continue to slow until there will be less people driving, as a percentage of the population, than there are currently within the next few decades.

The challenge for the bus industry will be to stay ahead of the game in our lobbying to government. This means developing policies that will facilitate an open and honest discussion about how we pay for the bus services of the future.

Through our Moving People policies the BIC has called for an overhaul of how we price transport, this includes comprehensive road pricing, and as we move towards a doubling of the bus service task the BIC will have the blueprint ready for government to pay for better infrastructure and more frequent bus services in our cities.