

## **2. BACKGROUND**

### **2.1 Background Details**

The passenger transport model in Ireland is based upon the Transport Act of 1932 which is overseen by the Department of Transport. This has resulted in the vast majority of routes and public service transport contracts being operated by two State companies (viz. Bus Eireann and Dublin Bus) with only minimal involvement by private bus and coach operators.

For over forty years the 'School Transport System' contract has been awarded to just one company, Bus Eireann, without a tendering process. The way in which this particular contract is presently awarded will undoubtedly be challenged by large operating bus and coach companies both foreign and national; one such company has publicly stated its intention to tender for the School Transport System contract.

It is clear that after years of lobbying and representations, reports and submissions on behalf of the Irish private bus and coach hire operator seeking inclusion and ownership of Ireland's transport infrastructure, that these did not work. A new approach needs to be adopted in order to challenge the monopoly position which currently exists. There is an urgent need to position a company which will be capable of tendering for major government transport contracts on behalf of individual bus and coach operators in Ireland.

The government will be forced to put the School Transport System contract out to a competitive tendering process as pressure mounts from both multinational and national transport companies. A new Irish owned company is needed to compete for this contract if we are to retain this asset in Ireland.

It is hoped to secure for Irish bus and coach operators the 'intellectual' property required to operate and manage large transport contracts such as the School Transport System contract and to further take advantage of the inevitable changes that will come about in the Irish transport industry