

SundayTribune
Business

On the buses
Why getting €8m
didn't make John
O'Sullivan happy
Interview *B3*



WEEKLY CHANGE

ISEQ	-1.7%
FTSE	-0.2%
DOW	-0.3%
NASDAQ	-0.3%

Why war is good for
Halliburton
Feature *B6*

Will firms rush to the new
Irish exchange?
Feature *B5*

Aircoach to seek €110m school bus contract

Paul O'Kane

PRIVATE BUS operator Aircoach wants the right to bid for the state's €110m school bus contract, and is considering taking a complaint to force the Department of Education to open the contract up to competition.

Aircoach, which operates services to Dublin Airport, is owned by Britain's biggest

bus and rail operator First Group, the second-largest operator of yellow school buses in America and Canada's third-largest school bus operator. First Group has about 18,000 school buses in North America and carries about 1m school children every day.

Bus Eireann has held the Irish school bus contract since 1967, but Aircoach man-

aging director John O'Sullivan said there is no justification for the contract not being put out to a formal tender process.

"The Department of Education has simply given the contract to Bus Eireann but the contract should be the subject of a competition," he said. Aircoach is set to examine its options to force the government to open the contract

to proper competition. "It's one of the things we are going to be looking at," he said.

The cost of providing a school bus service to rural pupils has doubled since 1997 and cost the Department of Education €110m last year. At present, about several hundred Bus Eireann buses - with an average age of more than 16 years - are used for the service. The state-owned

bus company also leases vehicles from private bus operators. "I have five children and I wouldn't be happy to send them to school on 16-year-old buses," O'Sullivan said.

Last week it emerged that a confidential Department of Education and Science report has recommended that the parents of 40,000 primary school pupils who

use the school bus service be charged fees of up to €150 a year for the provision of transport.

At present, the service is free for primary school pupils while older children are charged €150 per year. The report, which has yet to be formally released, said this charge should be increased to €250 per year.

O'Sullivan said that given

the age of the fleet used to carry school children and the safety concerns that have raised about school buses "you have to ask what are you paying for and what you are getting".

From next year, seat belts will have to be used on school buses that are fitted with them, but many of the buses currently used to transport pupils do not have suitable

seats for the fitting of seat belts. The cost of carrying out such work on such aged buses has been deemed uneconomic.

First Group already has yellow buses on trial in Britain and O'Sullivan said the company would be happy to run a similar project here. "Let's do a pilot project and see the economics of it," he added.