

Request for Costing an Election Commitment

Name of proposal:	100 new electric buses
Person requesting costing:	Shane Rattenbury
Date of request:	8 October 2024
Summary of proposal:	<ul style="list-style-type: none"> • Increase the bus fleet with 100 new electric buses for the new Woden Depot to grow the bus fleet to 550 buses and deliver more bus services; • Hire hundreds more Bus Drivers to increase reliability and frequency of weekday and weekend bus services; • Deliver 20 minute weekday bus frequencies for all suburban services by 2026 (6am to 8pm Monday to Friday) and 30 minute weekend frequency by 2027 by negotiating optional working week flexibility in the ACTION Enterprise Agreement when it is renegotiated in 2026; • Build dedicated bus lanes for our busiest bus corridors, starting with Belconnen to the City, ANU to Constitution Place and the Cotter Road/ John Gorton Drive (target delivery 2027); • Build two additional bus depots in Mitchell and West Belconnen to continue to grow the bus fleet by more than 300 additional buses by 2030; • Improve bus stops across Canberra including better paths, more bus shelters, seating, bike racks, and lighting (rolling upgrades each year); • Expanding equitable public transport access by providing free bus and light rail services at all times for concession card holders and under 18s.
Issue the proposal will address:	Lack of bus frequency an impediment to public transport uptake.
Proposal's public announcement details (media release or policy statement published on a party website) ¹ :	Transport Policies ACT Greens

¹ As per Part 2, section 5 of the *Election Commitments Costing Act 2012*

What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

Increase the bus fleet with 100 new electric buses for the new Woden Depot to grow the bus fleet to 550 buses and deliver more bus services;

Invest \$100m in 100 new electric buses for the new Woden Depot to grow the bus fleet to 550 buses and deliver more bus services;

Buying these as soon as possible with hope of delivering from 2026 –

Cost: \$100m for 100 buses – average electric bus cost is around \$1m in line with recent contracts (<https://www.tenders.act.gov.au/contract/view?id=206292>)

Hire hundreds more Bus Drivers to increase reliability and frequency of weekday and weekend bus services;

50 existing suburban bus routes which currently run every 30 minutes will be running at frequencies of every 20 minutes, this will require 2 additional services per hour to operate these routes (i.e. in each direction).

Delivering these services between 6am and 8pm Monday to Friday will require more than 200 additional FTE bus drivers be hired; at an estimated cost of around \$108,000 PA per driver with additional costs for increased maintenance, fuel, insurance and related costs included in this estimate.

Cost: \$50m PA for 200+ additional FTE bus drivers to deliver more bus services from 2026/27 (assumes weekday costing of \$108K for 200 drivers + a uplift for weekend costings and administration, based on data from

https://www.cityservices.act.gov.au/_data/assets/pdf_file/0015/2301225/Annual-Report-2022-23-TCCS-Accessible_7.pdf#page=126)

Deliver 20 minute weekday bus frequencies for all suburban services by 2026 and 30 minute weekend frequency by 2027 by negotiating optional working week flexibility in the ACTION Enterprise Agreement when it is renegotiated in 2026;

The assumption is that we will deliver buses every 30 minutes on weekends by hiring more bus drivers and renegotiating the ACTION enterprise agreement in 2026 to enable optional permanent weekend work for bus drivers, making the job more supportive for many drivers who find mandatory Monday to Friday permanent working arrangements don't suit them. This cost is included in the \$50m PA above

Build dedicated bus lanes for our busiest bus corridors, starting with Belconnen to the City, ANU to Constitution Place and the Cotter Road/ John Gorton Drive.

Investment will be made in:

- Belconnen Town Centre to the City via UC, Northside Hospital (R2, R3 and R4)
- ANU to Constitution Avenue via City Bus Interchange and Legislative Assembly Stop
- Molonglo to Adelaide Avenue (R7 and R10)

The Greens estimate costs of approximately \$100m of capital funding for these projects, and would provision this funding to commence these projects over the following four years.

Build two additional fully electric bus depots in Mitchell and West Belconnen to continue to grow the bus fleet by more than 300 additional buses by 2030;

To ensure we keep growing the bus fleet beyond the planned 100 additional buses at Woden we will build two new additional bus depots on Canberra's Northside to keep our bus fleet growing and ensure we can not only maintain our planned 20 minute weekday frequencies, but keep improving services into the future.

Cost: \$5m for early planning and design of bus depots and identified sites in Mitchell (Section 54, Block 3) and West Belconnen (Adjacent the Canberra Substation on Parkwood Road)

Local improvements and more school services

Our plan to buy 100 electric buses will allow us to make all suburban services run every 20 minutes on weekdays, that will benefit people all over Canberra but there's local areas which need targeted improvements.

We expect to also have extra bus capacity, beyond the 20minute service frequency, to make targeted service improvements where they're needed most, including:

-Turning the 32 into a Rapid Bus running every 15 minutes, recognising it's the busiest route that isn't currently at Rapid frequency

More School Services to help more kids and parents choose public transport

A full-sized local bus for Ginninderry, recognising the growing suburb needs a full public transport service.

Better busways in Belconnen, ANU to Constitution Avenue and Molonglo to Adelaide Avenue.

Cost: included in overall plan to raise bus fleet and drivers.

Improve bus stops across Canberra including better paths, more bus shelters, seating, bike racks, and lighting;

Comfortable bus stops are essential for getting more people using buses, Canberra's weather can vary widely from cold mornings to hot days, wind, rain and more. This is why

it's essential to ensure high-quality bus shelters that protect from sun, wind and rain.

These bus shelters should also contribute to people feeling safe at night, this requires lighting to help people see.

People also find it hard to walk, ride or roll to our bus stops and often can't park bikes at bus stops when commuting except within town centres and busy rapid bus stops.

The ACT Greens will invest significantly in improving our bus stops by improving path connections to bus stops, undertaking kerb upgrades, adding more bus shelters, lighting, seating and bike racks to Canberra's bus stops.

Cost: \$5m PA, a 5x increase on recent years

(<https://www.tenders.act.gov.au/contract/search?keywords=%22Bus+Stop+upgrades%22>)

Expanding equitable public transport access by providing free bus and light rail services at all times for concession card holders and under 18s;

We will extend free public transport to more groups, including;

- Expanding free public transport to pension and concession card holders regardless of the time of day;
- Making public transport free for under 18s and allowing school students to use their school card to tap on and off our transport system to ensure we're still collecting this important journey data to improve services;
- Giving part-time tertiary students access to the reduced fares that full time tertiary students receive;

Cost: \$6m PA, estimated based on 6m boardings PA for concession card holders and school students assuming \$1 per boarding (\$1.61 ordinary fee but this assumes some boardings are free transfers and an amount of off-peak free travel already being utilised).

Summary costings

\$100M for 100 buses by 2026 (Federal funding assumed at 50 per cent + borrowing as necessary for this key asset)

\$100M for busways (Federal funding assumed at 50 per cent + borrowing as necessary for these key assets)

\$5M to plan two new depots for Mitchell & West Belconnen (Federal funding assumed at 50 per cent + borrowing for these key assets)

\$50M PA for 200 + more drivers and supporting costs from 2026/27

\$5M PA for paths, lighting, shelters (of which 50 per cent + borrowing may be recoverable for these key assets)

\$6M PA for free travel

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?

	2024-25	2025-26	2026-27	2027-28	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue^(a)					
Expenses^(a)	-6,000	-6,000	-56,000	-56,000	-124,000
Capital^(a)	-35,000	-105,000	-75,000	-5,000	-200,000
Depreciation^(a)					
Offset - Expenses^(a)					
Offset - Capital^(a)	17,500	52,500	37,500	2,500	100,000
Full-time equivalent employees		200	200	200	

(a) A negative number indicates a decrease in revenue or an increase in expenses, depreciation or capital outflows. A positive number indicates an increase in revenue or decrease in expenses, depreciation or capital inflows. The expenses row is not to include depreciation costs.

Has any specific information or data been utilised in generating the proposal? Please provide links or attach information/data sources referenced.

See links above.

Where relevant, is funding for the proposal to be demand driven or a capped amount?

N/A

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements?
Yes – for bus purchases and bus related infrastructure (paths, lighting, shelters) and bus lanes.
Will funding/the cost require indexation?
Yes.
Who will administer the proposal?
MPA/TCCS.
How will the proposal be administered?
TCCS will need to take operational responsibility for delivering the policy, with assistance from MPC for construction and Procurement ACT. Consideration needs to be given to how we design procurement to ensure the best possible value for money from bus acquisition. Given the falling cost of battery technology, we expect Procurement ACT to help TCCS negotiate effectively to deliver a value for money procurement.
Is the proposal part of a broader package? If so, please identify the other elements of the package.
Yes – see Transport Policies ACT Greens
Has an allowance been made for expenses necessary to support the implementation of this proposal?
<ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
See above
Will the proposal generate savings or offsets? If so, please quantify any savings or offsets.
Yes, \$100m in offsets on capital from proposed matched federal funding, as outlined in the offsets line of the costings summary,
Has the proposal been previously costed by an external (third) party? If so, will a copy of this material, including any assumptions, be made available to Treasury?

N/A
What are the community impacts associated with the proposal? Who and how many people will be affected?
All bus users and potential transport switchers, as well as road users who will face short term disruption from bus lane construction.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
Procurement, recruitment, timetabling. MPA and TCCS to manage.
What is the intended implementation date of the proposal?
Deliver 20 minute weekday bus frequencies for all suburban services by 2026 and 30 minute weekend frequency by 2027 by negotiating optional working week flexibility in the ACTION Enterprise Agreement when it is renegotiated in 2026.
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc.
Free travel for U18s, pension card holders and concession card holders, and upgrades to local infrastructure (bus shelters, paths, lighting) to commence in 2024/25 and continue throughout the forward estimates. Bus lane construction and bus procurement to commence immediately, ramping up in 2025/26, and to be completed by 2026/7. Driver and associated costs of additional procurement to ramp up to full scale by 2026/27. Early planning and design of bus depots and identified sites in Mitchell (Section 54, Block 3) and West Belconnen (Adjacent the Canberra Substation on Parkwood Road) by 2027/8.
Will the proposal cease, and if so, when?
N/A.
Is there any additional information relevant to this proposal?
N/A.