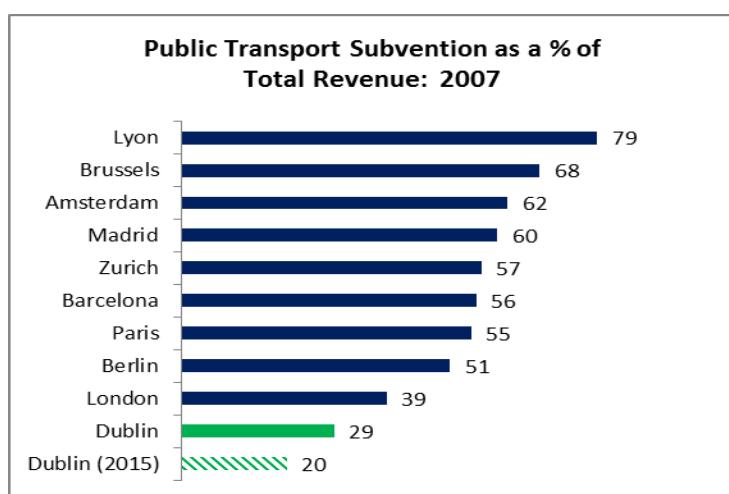


## The Public Transport Crisis in Dublin

September 2016

Public Transport in Ireland is in a financial crisis. By European comparison, Ireland devotes relatively low levels of public support. This results in poorer services and higher fares which drive up traffic congestion. This is an unnecessary burden on workers, households, businesses, the environment and our quality of life. We need new policies and a new vision for transport in Dublin – and we will need the investment to match it.

Irish investment in Dublin public transport compares poorly with other EU cities as measured by the level of public subvention.<sup>1</sup>



Irish public transport suffers from one of the lowest levels of state support in Europe.

Unfortunately, the data lags but at the height of the speculative boom, the subvention to Dublin Bus fell well behind other major European cities. Since then, the subvention has fallen even further, as a percentage of total revenue.

To put these percentages in perspective, the subvention in 2007 was €85.6 million. Were the subvention to rise to the average of the other cities (approximately 58 percent), it would have meant an increase of approximately €200 million for the company.

Ireland's under-investment is a long-term phenomenon. A 2000 study<sup>2</sup> shows Dublin with the third lowest bus subvention level compared with over 50 European cities.

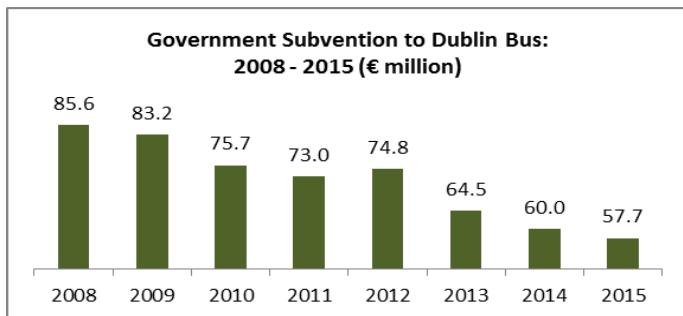
Even during the boom years, there was chronic under-investment in public transport service.

<sup>1</sup> EMTA, Comparative study of the public transport financing and of the fare policy in different metropolitan areas of Europe 2010: <http://www.emta.com/spip.php?article750> and Deloitte, Cost and Efficiency Review of Dublin Bus and Bus Éireann 2009: <http://www.transport.ie/sites/default/files/node/add/content-publication/Cost%20and%20Efficiency%20Review%20of%20Dublin%20Bus%20and%20Bus%20%C3%89ireann.%20January%202009.pdf>. Paris includes both a general subvention and a dedicated tax on businesses which is ring-fenced for public transport.

<sup>2</sup> Comparison of Subvention Levels for Public Transport Systems in European Cities: <http://www.dttas.ie/sites/default/files/node/add/content-publication/Comparison%20of%20Subvention%20Levels%20for%20Public%20Transport%20Systems%20in%20European%20Cities.pdf>

## Eight Years of Cuts

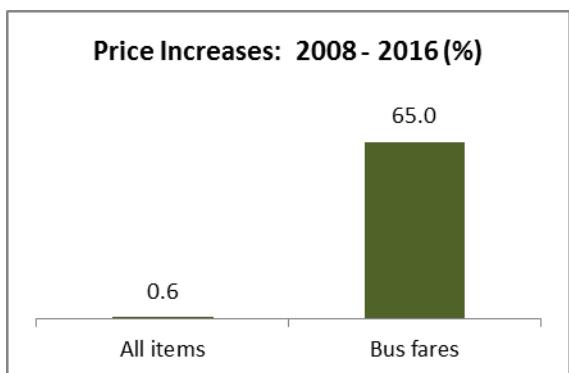
Since the start of the recession the subvention to Dublin has been cut substantially.



Since 2008 the subvention has been cut by €28 million or 32.6 percent. Even in 2015, with public spending increases and tax cuts, the Government continued to cut supports to public transport in Dublin.

## Imposing Costs on Households and Dublin Bus Workers

The cuts in the public subvention imposes costs on Dublin Bus workers and on households. Workers suffer from stagnating wages and cuts in employment and working conditions. Households also suffer – through reductions in services and, in particular, fare increases.



Between 2008 and 2016, prices<sup>3</sup> in the consumer economy rose by less than 1 percent. Bus fares, however, rose by 65 percent – at a time when wages have been stagnating and social protection

rates have been cut.

Since 2008 the public subvention to Dublin Bus has been cut by €28 million, or nearly a third.

Households have suffered cuts to public transport – not only through reduced services but an extraordinary 65% increase in bus fares.

## Reaching the European Average

The medium-term goal should be to increase the public subvention to Dublin Bus to 50 percent of total revenue. This would leave us about average in European terms. In 2015 the public subvention to Dublin Bus was €57.7 million. To reach the European average would require a subvention of €230 million – an increase of €172 million. If this were phased in over a five-year period, it would require an average annual increase of €35 million.

Not only would this facilitate investment in new and innovative services and improve working conditions in Dublin Bus, it would set the foundation for an economically efficient city, it would help create a sustainable, living city for all.

To reach the European average would require an increase of €172 million in the public subvention to Dublin Bus.

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<sup>3</sup> CSO Database, Consumer Price Index:

<http://www.cso.ie/px/pxeirestat/Statire>SelectVarVal/Define.asp?mantable=CPM13&PLang=0>