

Reform of Scheduled Public Transport Financials

October 2009

Contracting Principles

1. Primary source of revenue is sales of tickets
2. Affordable and accessible Fares
3. Government to fix Fares
4. Government fixes minimum routes.
Operator can add (but not reduce) on own initiative

Contracting Principles

5. Operator responsible for:

- a. re-investment
- b. public information
- c. efficient ticketing

6. Government to:

- a. promote priority to public transport
- b. provide high quality infrastructure (bus lanes, termini, park and ride, etc.)

Business Model Parameters

- a) Government to guarantee the **first year** of operation to cover risk of transition
(€0.47 for every ticket sold less than 2008 levels)
- b) From year two, **the risk** is all on operator
- c) Government fixes **ticket rates**

Business Model Parameters

- d) Bidders to claim for **operating subsidy**;
 - Bidders to offer a fee to Government when service becomes profitable
 - **Ten-year** contract.

Fares – All Services

Validity Period	Adult €	Student €	Children & O A Ps €
2 hour tkt	1.30	1.30	0.30
Day tkt	2.10	2.10	0.50
If purchased prior to 08:00	1.40	1.40	0.50
7 Day tkt	14.00	14.00	9.80
30 Day tkt	30.00	21.00	30.00
90 Day tkt	85.00	60.00	85.00



Fares – Feeder and Gozo Services

Validity Period	Adult €	Student €	Children & O A Ps €
2 hour tkt	0.65	0.65	0.20
Day tkt	1.10	1.10	0.30
If purchased prior to 08:00	0.70	0.70	0.30
7 Day tkt	7.00	7.00	4.90
30 Day tkt	18.00	12.00	18.00
90 Day tkt	42.5	30.00	42.50

Categories of Passengers



Frequent Travellers

Pensioners

Students

**Occasional Adult
Travellers**

Comparison on All Services



Frequent Travellers

Prepaid 3 month & 1 month tickets

Average **Decrease**
3 month ticket €0.02
per day

Average Increase
1 month ticket €0.04
per day

Discounted day ticket purchased before 8:00 a.m.

Average Increase
Adult €0.02 per day

Comparison on All Services



Pensioners

Average **Decrease**
€0.07 per day

Comparison on All Services



Students

Prepaid 1 month & 3 month tickets

3 month ticket
average **decrease**
of 0.03 per day

1 month ticket
average zero change

Comparison on All Services



Occasional Adult Travellers

Average Increase
€0.34 per day

Go as you please!

A day ticket costing €2.10 will have **no travel restrictions**. Used for more than one return trip it will be **cheaper** than the current rates.

Discounted day ticket purchased before 8:00 a.m.

Average Increase
Adult €0.02 per day

Car Ownership costs



	Group A €	Group B €	Group E €
Purchase Price (on the Road)	12,810	15,140	23,290
Annual Cost	1,831	2,164	3,328
Maintenance and Insurance	590	679	1,077
Fuel	525	604	918
Road Licensing	75	100	220
Total Cost	3,021	3,546	5,543
Daily Cost (365 days)	8.27	9.71	15.18
Daily Cost (350 days)	8.63	10.13	15.84

Assuming a useful life of a car to be 7 years

Fare Structures

- All fares are regulated by the Authority
- Infants under the age of 3 travel for free
- Children between the age of 3 and 10 will pay the same discounted fares as holders of *Kartanzjan*
- Student fares will apply to persons between the age of 11 and 16 and persons who are enrolled in full time courses in Malta for over three months

Fare Structures

- A 'Feeder' ticket allows passengers to board any feeder bus without restrictions within the validity period
- An 'All Services' ticket allows passengers to board any bus except Night Services within the validity period
- All Gozo Services are categorized as Feeder Services
- No charges will be levied for instruments that aid mobility

Sale of Tickets

- Payment of tickets on-line
- Ticketing machines
- Various other ticket availability modes

Trasport aħjar bil-prezz tal-lum

