

Summary

Increase in revenue required per bus category for a average age complying contract (100km and 4 hours per day for 201 contract days per year)																	
Cost type	Driver of cost	Category 1				Category 2				Category 3				Category 4			
		DAFGS - eligible		DAFGS - ineligible		DAFGS - eligible		DAFGS - ineligible		DAFGS - eligible		DAFGS - ineligible		DAFGS - eligible		DAFGS - ineligible	
		% change	\$ change	% change	\$ change	% change	\$ change	% change	\$ change	% change	\$ change	% change	\$ change	% change	\$ change	% change	\$ change
Annualised Cost of Capital	Market value of bus and 10yr governm	-1.4%	-64	-1.4%	-64	-1.0%	-165	-1.0%	-165	-3.0%	-465	-3.0%	-465	-3.1%	-592	-3.1%	-592
Bus related costs	Consumer price index (CPI), wage aw	3.3%	517	3.4%	516	3.3%	565	3.6%	559	3.5%	803	3.5%	803	3.5%	926	3.5%	926
Driver related costs per hour	Award increase, SGC, workers comp	3.9%	701	3.9%	701	3.9%	701	3.9%	701	3.9%	701	3.9%	701	3.9%	701	3.9%	701
Driver related costs per day	Award increase, SGC, workers comp	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Fuel related costs	CPI fuel component increase	11.8%	304	9.2%	304	11.8%	357	9.2%	357	11.8%	362	9.2%	362	11.8%	462	9.2%	462
Other distance related costs	CPI and award wage increase	3.1%	79	3.1%	79	2.9%	102	2.9%	102	2.9%	141	2.9%	141	3.0%	140	3.0%	140
Risk premium	Weighted average bus cost and risk ra	-2.4%	-31	-2.4%	-31	-2.4%	-83	-2.4%	-83	-2.4%	-217	-2.4%	-217	-2.4%	-273	-2.4%	-273
Spare bus allowance and ACC and risk on Spares(10%)	Average bus cost and interest rates	-1.6%	-9	-1.6%	-9	-1.8%	-25	-1.8%	-25	-2.8%	-68	-2.8%	-68	-2.9%	-86	-2.9%	-86
NET ADDITIONAL REVENUE REQUIRED PER BUS		3.2%	1,496	2.5%	1,495	2.5%	1,452	2.5%	1,446	1.6%	1,257	1.6%	1,257	1.4%	1,277	1.4%	1,277
GST applicable			150		150		145		145		126		126		128		128
TOTAL ADDITIONAL REVENUE REQUIRED PER BUS		3.2%	1,646	2.5%	1,645	2.5%	1,597	2.5%	1,591	1.6%	1,382	1.6%	1,382	1.4%	1,405	1.4%	1,405

ITS MODEL
EXAMPLE: 100km/4hr/201days

	2002								2003							
	BASE YEAR - 2002 BCA SURVEY DATA								2002 BCA SURVEY DATA UPDATED							
	Category 1 Eligible	Category 1 Not eligible	Category 2 Eligible	Category 2 Not eligible	Category 3 Hino Eligible	Category 3 Hino Not eligible	Category 4 Mercedes Eligible	Category 4 Mercedes Not eligible	Category 1 Eligible	Category 1 Not eligible	Category 2 Eligible	Category 2 Not eligible	Category 3 Hino Eligible	Category 3 Hino Not eligible	Category 4 Mercedes Eligible	Category 4 Mercedes Not eligible
(Eligible refers to DAFGS)																
1. TO BE INPUT BY OPERATOR																
a. Kilometres per day	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
b. Hours per day	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
c. Number of contract days	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00	201.00
2. Cost components dependant on operator inputs																
a. Fuel related costs	\$0.129	0.164	0.151	0.193	0.153	0.195	0.196	0.250	\$0.144	0.179	0.169	0.211	0.171	0.213	0.219	0.273
b. Bus related costs	\$15,442	15,152	17,127	15,685	22,649	22,649	26,490	26,490	\$15,959	15,667	17,691	16,244	23,451	23,451	27,415	27,415
c. Other distance related costs	\$0.128	0.128	0.177	0.177	0.240	0.240	0.235	0.235	\$0.132	0.132	0.182	0.182	0.247	0.247	0.242	0.242
d. Driver related costs - per hour	\$22.127	\$22.127	\$22.127	\$22.127	\$22.127	\$22.127	\$22.127	\$22.127	\$22.999	\$22.999	\$22.999	\$22.999	\$22.999	\$22.999	\$22.999	\$22.999
- per day	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304	\$10.304

CALCULATION OF REVENUE REQUIRED PER BUS

	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1. COSTS																
Bus related costs	15,442	15,152	17,127	15,685	22,649	22,649	26,490	26,490	15,959	15,667	17,691	16,244	23,451	23,451	27,415	27,415
Driver related costs per hour	17,790	17,790	17,790	17,790	17,790	17,790	17,790	17,790	18,491	18,491	18,491	18,491	18,491	18,491	18,491	18,491
Driver related costs per day	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071
Fuel related costs	2,585	3,300	3,036	3,875	3,078	3,929	3,935	5,023	2,889	3,604	3,392	4,232	3,440	4,291	4,397	5,485
Other distance related costs	2,569	2,569	3,548	3,548	4,821	4,821	4,726	4,726	2,648	2,648	3,650	3,650	4,963	4,963	4,866	4,866
	40,457	40,882	43,571	42,969	50,409	51,260	55,012	56,100	42,057	42,481	45,296	44,688	52,415	53,267	57,240	58,329
2. REQUIRED RETURN																
ACC including risk free interest	4,655	4,655	10,579	10,579	15,745	15,745	19,020	19,020	4,591	4,591	10,414	10,414	15,280	15,280	18,428	18,428
Risk premium	1,275	1,275	3,401	3,401	8,931	8,931	11,236	11,236	1,244	1,244	3,319	3,319	8,714	8,714	10,963	10,963
spare bus allowance and ACC & risk on Spares(10%)	593	593	1,398	1,398	2,468	2,468	3,026	3,026	584	584	1,373	1,373	2,399	2,399	2,939	2,939
	6,523	6,523	15,378	15,378	27,143	27,143	33,281	33,281	6,419	6,419	15,106	15,106	26,393	26,393	32,330	32,330
NET REVENUE REQUIRED PER BUS	46,980	47,405	58,949	58,347	77,552	78,403	88,293	89,381	48,476	48,900	60,401	59,794	78,808	79,660	89,570	90,659
GST APPLICABLE	4,698	4,740	5,895	5,835	7,755	7,840	8,829	8,938	4,848	4,890	6,040	5,979	7,881	7,966	8,957	9,066
TOTAL REVENUE REQUIRED PER BUS	51,678	52,145	64,844	64,182	85,307	86,244	97,122	98,320	53,324	53,790	66,441	65,773	86,689	87,626	98,527	99,725
Change									3.19%	3.15%	2.46%	2.48%	1.62%	1.60%	1.45%	1.43%

INSTITUTE OF TRANSPORT STUDIES MODEL

For the year **2003**

	Category 1
1. TO BE INPUT BY OPERATOR	
a. Kilometres per day	100
b. Hours per day	4.00
c. Number of contract days	201
d. Eligible for DAFGS	<input type="checkbox"/> Click if yes
Total revenue required per bus	53,324
GST Component	4,848
Net revenue required per bus	48,476

2. Cost components dependant on operator inputs

a. Fuel related costs	\$0.144
b. Bus related costs	\$15,959
c. Other distance related costs	\$0.132
d. Driver related costs - per hour	\$22.999
- per day	\$10.304

CALCULATION OF REVENUE REQUIRED PER BUS

1. COSTS

Bus related costs	\$15,959
Driver related costs per hour	\$18,491
Driver related costs per day	\$2,071
Fuel related costs	\$2,889
Other distance related costs	\$2,648

	\$42,057

2. REQUIRED RETURN

ACC including risk free interest	\$4,591
Risk premium	\$1,244
spare bus allowance and ACC & risk on Spares	\$584

	\$6,419

NET REVENUE REQUIRED PER BUS \$48,476

GST APPLICABLE \$4,848

TOTAL REVENUE REQUIRED PER BUS \$53,324

Notes

Annual inflation (Sydney CPI)	3.91%
10 year bond rate	5.65%
Risk premium	7.81%
CPI fuel component	9.21%
Spare bus allowance + ACC & risk on Spare	10.00%

INSTITUTE OF TRANSPORT STUDIES MODEL

For the year **2003**

	Category 2
1. TO BE INPUT BY OPERATOR	
a. Kilometres per day	100
b. Hours per day	4.00
c. Number of contract days	201
d. Eligible for DAFGS	<input type="checkbox"/> Click if yes
Total revenue required per bus	66,441
GST Component	6,040
Net revenue required per bus	60,401

2. Cost components dependant on operator inputs

a. Fuel related costs	\$0.169
b. Bus related costs	\$17,691
c. Other distance related costs	\$0.182
d. Driver related costs - per hour	\$22.999
- per day	\$10.304

CALCULATION OF REVENUE REQUIRED PER BUS

1. COSTS

Bus related costs	\$17,691
Driver related costs per hour	\$18,491
Driver related costs per day	\$2,071
Fuel related costs	\$3,392
Other distance related costs	\$3,650

	\$45,296

2. REQUIRED RETURN

ACC including risk free interest	\$10,414
Risk premium	\$3,319
spare bus allowance and ACC & risk on Spares	\$1,373

	\$15,106

NET REVENUE REQUIRED PER BUS \$60,401

GST APPLICABLE \$6,040

TOTAL REVENUE REQUIRED PER BUS \$66,441

Notes

Annual inflation (Sydney CPI)	3.91%
10 year bond rate	5.65%
Risk premium	7.81%
CPI fuel component	9.21%
Spare bus allowance + ACC & risk on Spare	10.00%

INSTITUTE OF TRANSPORT STUDIES MODEL

For the year **2003**

<u>Category 3</u>	
1. TO BE INPUT BY OPERATOR	
a. Kilometres per day	100
b. Hours per day	4.00
c. Number of contract days	201
d. Eligible for DAFGS	<input type="checkbox"/> Click if yes
Total revenue required per bus	86,689
GST Component	7,881
Net revenue required per bus	<u>78,808</u>

2. Cost components dependant on operator inputs

a. Fuel related costs	\$0.171
b. Bus related costs	\$23,451
c. Other distance related costs	\$0.247
d. Driver related costs - per hour	\$22.999
- per day	\$10.304

CALCULATION OF REVENUE REQUIRED PER BUS

1. COSTS

Bus related costs	\$23,451
Driver related costs per hour	\$18,491
Driver related costs per day	\$2,071
Fuel related costs	\$3,440
Other distance related costs	\$4,963

	\$52,415

2. REQUIRED RETURN

ACC including risk free interest	\$15,280
Risk premium	\$8,714
spare bus allowance and ACC & risk on Spares	\$2,399

	\$26,393

NET REVENUE REQUIRED PER BUS \$78,808

GST APPLICABLE \$7,881

TOTAL REVENUE REQUIRED PER BUS **\$86,689**

Notes

Annual inflation (Sydney CPI)	3.91%
10 year bond rate	5.65%
Risk premium	7.81%
CPI fuel component	9.21%
Spare bus allowance + ACC & risk on Spare	10.00%

INSTITUTE OF TRANSPORT STUDIES MODEL

For the year **2003**

Category 4

1. TO BE INPUT BY OPERATOR

a. Kilometres per day	100
b. Hours per day	4.00
c. Number of contract days	201
d. Eligible for DAFGS	<input type="checkbox"/> Click if yes

Total revenue required per bus	\$98,527
GST Component	\$8,957
Net revenue required per bus	\$89,570

2. Cost components dependant on operator inputs

a. Fuel related costs	\$0.219
b. Bus related costs	\$27,415
c. Other distance related costs	\$0.242
d. Driver related costs - per hour	\$22.999
- per day	\$10.304

CALCULATION OF REVENUE REQUIRED PER BUS

1. COSTS

Bus related costs	\$27,415
Driver related costs per hour	\$18,491
Driver related costs per day	\$2,071
Fuel related costs	\$4,397
Other distance related costs	\$4,866

	\$57,240

2. REQUIRED RETURN

ACC including risk free interest	\$18,428
Risk premium	\$10,963
spare bus allowance and ACC & risk on Spares	\$2,939

	\$32,330

NET REVENUE REQUIRED PER BUS \$89,570

GST APPLICABLE \$8,957

TOTAL REVENUE REQUIRED PER BUS \$98,527

Notes

Annual inflation (Sydney CPI)	3.91%
10 year bond rate	5.65%
Risk premium	7.81%
CPI fuel component	9.21%
Spare bus allowance + ACC & risk on Spare	10.00%

Costs

METHODOLOGY FOR ASCERTAINING THE COSTS INCURRED BY NON-COMMERCIAL CONTRACT OPERATORS IN NSW
The ITS Model

CPI	3.91%
CPI - fuel component	9.21%

Category	Post-GST costs 2002 - BASE YEAR								CPI applied	Input tax credit allowed	2003 Costs								
	Category 1		Category 2		Category 3 Hino		Category 4 Mercedes				Category 1		Category 2		Category 3		Category 4		
	Eligible	Not eligible	Eligible	Not eligible	Eligible	Not eligible	Eligible	Not eligible			Eligible	Not eligible	Eligible	Not eligible	Eligible	Not eligible	Eligible	Not eligible	
Fuel	0.1286	0.1642	0.1510	0.1928	0.1531	0.1955	0.1957	0.2499	9.21%	Yes	0.1437	0.1793	0.1688	0.2106	0.1711	0.2135	0.2188	0.2729	
<i>Change</i>											11.8%	9.2%	11.8%	9.2%	11.8%	9.2%	11.8%	9.2%	
Distance related costs																			
Oil	0.0089	0.0089	0.0116	0.0116	0.0195	0.0195	0.0159	0.0159	3.91%	Yes	0.0093	0.0093	0.0120	0.0120	0.0203	0.0203	0.0165	0.0165	
Repairs & maintenance																			
-Inhouse labour	hours	912	912	5730	5730	6144	6144	7616	7616	Yes	912	912	5730	5730	6144	6144	7616	7616	
	wage cost/h	19.9929	19.9929	19.9929	19.9929	19.9929	19.9929	19.9929	19.9929		20.0779	20.0779	20.0779	20.0779	20.0779	20.0779	20.0779	20.0779	
-External		0.0310	0.0310	0.0523	0.0523	0.0674	0.0674	0.0644	0.0644	3.91%	Yes	0.0311	0.0311	0.0525	0.0525	0.0677	0.0677	0.0647	0.0647
<i>Change</i>		0.0879	0.0879	0.1126	0.1126	0.1529	0.1529	0.1548	0.1548		0.0914	0.0914	0.1171	0.1171	0.1589	0.1589	0.1609	0.1609	
		0.1278	0.1278	0.1765	0.1765	0.2399	0.2399	0.2351	0.2351		0.1317	0.1317	0.1816	0.1816	0.2469	0.2469	0.2421	0.2421	
											3.1%	-25.4%	2.9%	2.9%	2.9%	2.9%	3.0%	3.0%	
Bus related costs																			
Cleaning hours		121.43	121.43	129.61	129.61	191.04	191.04	173.73	173.73			121.43	121.43	129.61	129.61	191.04	191.04	173.73	173.73
Wage rate		17.05	17.05	17.05	17.05	17.05	17.05	17.05	17.05			17.81	17.81	17.81	17.81	17.81	17.81	17.81	17.81
Administration hours		113.50	101.86	135.23	77.40	116.98	116.98	146.68	146.68			113.50	101.86	135.23	77.40	116.98	116.98	146.68	146.68
Wage rate		24.93	24.93	24.93	24.93	24.93	24.93	24.93	24.93			25.03	25.03	25.03	25.03	25.03	25.03	25.03	25.03
Non-driver labour		4,900	4,610	5,581	4,140	6,174	6,174	6,619	6,619			5,004	4,713	5,694	4,246	6,332	6,332	6,767	6,767
<i>Change</i>												2.1%	2.2%	2.0%	2.6%	2.6%	2.2%	2.2%	
Associated staff costs		293	293	329	329	560	560	517	517	3.91%	Yes	304	304	342	342	582	582	538	538
BCA membership		255	255	253	253	251	251	246	246	3.91%	Yes	265	265	263	263	261	261	256	256
Bus insurance comprehensive		580	580	692	692	1,028	1,028	1,400	1,400	3.91%	Yes	603	603	719	719	1,068	1,068	1,455	1,455
Bus registration		528	528	599	599	665	665	795	795	3.91%	No	548	548	622	622	691	691	827	827
Communications		434	434	535	535	560	560	666	666	3.91%	Yes	451	451	556	556	581	581	692	692
Depot Cleaning Costs		259	259	482	482	462	462	485	485	3.91%	Yes	269	269	501	501	480	480	504	504
Depot Costs		904	904	1,377	1,377	4,876	4,876	6,547	6,547	3.91%	Yes	940	940	1,431	1,431	5,067	5,067	6,803	6,803
Financial management costs		1,032	1,032	1,181	1,181	1,512	1,512	1,440	1,440	3.91%	Yes	1,072	1,072	1,228	1,228	1,571	1,571	1,496	1,496
Green slip		1,019	1,019	1,102	1,102	1,150	1,150	1,168	1,168	3.91%	Yes	1,059	1,059	1,145	1,145	1,195	1,195	1,214	1,214
Hire replacement bus		346	346	346	346	346	346	349	349	3.91%	Yes	360	360	360	360	360	360	362	362
HVIS costs		102	102	120	120	167	167	142	142	3.91%	Yes	106	106	125	125	174	174	147	147
Maintenance facility		856	856	1,203	1,203	1,055	1,055	1,286	1,286	3.91%	Yes	889	889	1,251	1,251	1,096	1,096	1,337	1,337
Off Street Parking		330	330	330	330	330	330	332	332	3.91%	Yes	343	343	343	343	343	343	345	345
Office supplies		305	305	353	353	393	393	556	556	3.91%	Yes	316	316	366	366	408	408	578	578
Other		586	586	133	133	191	191	212	212	3.91%	No	609	609	138	138	199	199	220	220
Other insurance		321	321	579	579	549	549	562	562	3.91%	Yes	333	333	602	602	571	571	584	584
Property costs		1,608	1,608	942	942	1,176	1,176	1,529	1,529	3.91%	No	1,670	1,670	979	979	1,222	1,222	1,589	1,589
Signs and advertising		31	31	36	36	53	53	134	134	3.91%	Yes	32	32	38	38	55	55	139	139
Survey vehicle		539	539	720	720	912	912	1,251	1,251	3.91%	Yes	560	560	748	748	948	948	1,300	1,300
Utilities		216	216	234	234	239	239	253	253	3.91%	Yes	225	225	243	243	249	249	263	263
		10,542	10,542	11,546	11,546	16,475	16,475	19,871	19,871			10,955	10,955	11,997	11,997	17,120	17,120	20,649	20,649
Total bus related costs		15,442	15,152	17,127	15,685	22,649	22,649	26,490	26,490			15,959	15,667	17,691	16,244	23,451	23,451	27,415	27,415
<i>Change</i>												3.3%	3.4%	3.3%	3.6%	3.5%	3.5%	3.5%	3.5%

Fuel

	Fuel price cents/litre	Category 1		Category 2		Category 3 Hino		Category 4 Mercedes	
		Eligible	Not eligible	Eligible	Not eligible	Eligible	Not eligible	Eligible	Not eligible
2002 - BASE YEAR									
Total cost including GST, excluding DAFGS	93.97								
Cost per kilometre		0.1806	0.1806	0.2121	0.2121	0.2150	0.2150	0.2749	0.2749
Total cost excluding GST, excluding DAFGS									
GST credit (cents/litre)	8.54								
Cost per kilometre		0.1642	0.1642	0.1928	0.1928	0.1955	0.1955	0.2499	0.2499
Total cost excluding GST, including DAFGS									
DAFGS (cents/litre)	18.51			18.51		18.51		18.51	
Cost per kilometre		0.1286	0.1642	0.1510	0.1928	0.1531	0.1955	0.1957	0.2499
Change									
2003									
CPI fuel component	9.21%								
Total cost including GST, excluding DAFGS	102.6164								
Cost per kilometre		0.1972	0.1972	0.2316	0.2316	0.2348	0.2348	0.3002	0.3002
Total cost excluding GST, excluding DAFGS									
GST credit (cents/litre)	9.33								
Cost per kilometre		0.1793	0.1793	0.2106	0.2106	0.2135	0.2135	0.2729	0.2729
Total cost excluding GST, including DAFGS									
DAFGS (cents/litre)	18.51			18.51		18.51		18.51	
Cost per kilometre		0.1437	0.1793	0.1688	0.2106	0.1711	0.2135	0.2188	0.2729
Change		11.8%	9.2%	11.8%	9.2%	11.8%	9.2%	11.8%	9.2%

Wages

CALCULATION OF WAGE RELATED COSTS

	Rate	Amount				Base
	applicable	\$	\$	\$	\$	
Labour costs per hour in dollars:		Driver	Mechanic	Admin.	Cleaner	
Weekly rate		601.6	525.20	627.50	466.00	
A.Hourly rate (38hour week)		15.8316	13.8211	16.5132	12.2632	
B.Casual Loading rate	varies	2.3747	2.0732	3.3026	1.8395	A
C.Holiday loading rate	8.33%	1.5172	1.3245	1.6513	1.1752	A + B
D.Long service leave rate	1.67%	0.3040	0.2654	0.3309	0.2355	A + B
E.Superannuation	9.00%	1.7751	1.5497	1.9320	1.3750	A + B + C
F.Payroll tax	6.00%	0.0000	0.0000	0.0000	0.0000	A + B + C
G.Workers compensation	5.49%	1.1959	1.0440	1.3016	0.9263	A + B + C + D + E
Total		22.9985	20.0779	25.0317	17.8147	

DAILY COSTS

Dual capacity allowance		9.0000			
Payroll tax	6.00%	0.00			
Superannuation	9.00%	0.81			
Workers compensation	5.49%	0.49			
Total		10.30			

Inputs

INPUTS

Current year		
CPI		3.91%
CPI-fuel component		9.21%
Bond rate		5.65%
Risk premium		7.81%
Economic life	cat. 1&2	10 years
	cat. 3&4	16 years
Residual rate	cat. 1&2	15.00%
	cat. 3&4	5.00%
Spare bus allowance and ACC & risk on Spares rate		
		10.00%

CONSUMER PRICE INDEX

The Sydney Consumer Price Index published quarterly by the Australian Bureau of Statistics (Table 1) has been used as the basis for estimating increases in bus and distance related costs.

**NB. Year = from March

Headline CPI **N.B. June to December equals previous year. **Uses Sydney, All groups CPI figure from RBA

	June	September	December	March	% change	Bond rate	Date
1996				119.1			
1997	119.9	120.2	120.4	120.6	1.3%	7.48%	30-May-97
1998	120.2	119.8	120.1	120.7	0.1%	5.53%	21-Jul-98
1999	121.4	121.9	122.4	122.6	1.6%	6.26%	15-Jun-99
2000	123.0	124.1	124.7	125.8	2.6%	6.53%	22-May-00
2001	127.0	131.6	132.2	134.0	6.5%		
2002	135.0	135.4	136.6	137.3	2.4%		
2003	138.8	139.6	140.4	142.1	3.5%		
Adjustment factors							
2001	1.0000	1.0300	1.0295	1.0290			
2002	1.0284	1.0256	1.0249	1.0242			
2003	1.0235			1.0202			

Adjusted CPI

	June	September	December	March	% change
2000	123.0	124.1	124.7	125.8	
2001	127.0	127.8	128.4	130.2	3.5%
2002	131.4	132.1	133.4	134.0	2.9%
2003				139.3	3.9%

Forecast CPI for March 2002 quarter

	% change		
	March	June	2001/02
Westpac	0.6%	0.4%	2.2%
ANZ	0.4%	0.6%	2.0%
RBA expectation	Within expected trading range (2%-3%) within next 6 quarters		
Average	0.5%	0.5%	

CPI - private motoring - fuel component

	June	September	December	March	% change over year	from ABS 8 city weighted average data
2002			139.5	139.4		
2003	149.9	148.1	150.8	163.7	9.21%	

REAL RATE OF INTEREST

10 year Government Bond Rate from RBA website - <http://www.rba.gov.au/Statistics/OP10_update.xls>

2001	6.12%	21-May-01
2002	6.32%	28-Mar-02
2003	5.65% average for period 1 April 2002 to 31 March 2003 (from RBA website)	

RISK PREMIUM

the risk premium afforded large stock market listed companies and the risk incurred through the necessity of leasing or hire purchasing the main capital asset

risk premium afforded large stock listed companies: (from IPART and ACCC publications)

2002	6.00%
2003	6.00%

the difference between the five year fixed term business loan or lease rate and the real rate

	loan/lease rate	loan/lease rate - real rate of interest
2003	7.45%	1.81%

Risk premium

2003	7.81%
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ANNUALISED CAPITAL COST (ACC) AND RISK FACTOR WORKING - NON COMM. CAT. 1, 2003

green = need to input data for each new year

blue = final result

FYI - PREVIOUS YEARS FACTORS - MANUAL ENTRY

FACTORS	
This year	2003
Real rate of interest	5.65%
Economic life	10
Residual rate	15.00%
Typical vehicle	Toyota Commuter
Risk factor	7.81%
CPI	3.91%

FACTORS			
Year	2002	2003	2004
Real rate of	0.0632		
Economic life	10		
Residual rate	0.15		
Typical vehicle	Toyota Commuter		
Risk factor	0.08		
CPI	0.029301		

CAPITAL COST	age of vehicle															
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2002	39,400	27,000	25,000	21,000	19,000	16,500	14,000	12,000	11,000	9,000	8,000	7,000	6,000	4,000	3,250	1,500
2003	39,400	27,000	25,000	21,000	19,000	16,500	14,000	12,000	11,000	9,000	8,000	7,000	6,000	4,000	3,250	1,500
2004																

ACC	age of vehicle															
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2002	4,619.45	3,421.31	3,465.48	3,234.02	3,317.40	3,358.52	3,459.44	3,838.53	5,122.72	8,133.48	0.00	0.00	0.00	0.00	0.00	0.00
2003	4,474.60	3,322.63	3,374.47	3,157.65	3,248.06	3,297.65	3,406.59	3,791.08	5,074.68	8,082.06	0.00	0.00	0.00	0.00	0.00	0.00
2004																

Proportion of vehs by age (from survey data)	
2002	0.00% 5.88% 11.76% 0.00% 23.53% 11.76% 5.88% 11.76% 5.88% 23.53%
2003	0.00% 5.88% 11.76% 0.00% 23.53% 11.76% 5.88% 11.76% 5.88% 23.53%
2004	

ACC weighted average by age	
2002	0.00 201.25 407.70 0.00 780.56 395.12 203.50 451.59 301.34 1,913.76
2003	0.00 195.45 397.00 0.00 764.25 387.96 200.39 446.01 298.51 1,901.66
2004	

TOTALS			
	TOTAL_ACC	RISK	TOTAL REV. REQUIRED
2002	4,654.83	1,275.29	5,930.12
2003	4,591.22	1,244.29	5,835.51
2004	0.00	0.00	0.00

ANNUALISED CAPITAL COST (ACC) AND RISK FACTOR WORKING - NON COMM. CAT. 2, 2003

green = need to input data for each new year

blue = final result

FY1 - PREVIOUS YEARS FACTORS - MANUAL ENTRY

FACTORS	
This year	2003
Real rate of interest	5.65%
Economic life	10
Residual rate	15.00%
Typical vehicle	Toyota Coaster
Risk factor	7.81%
CPI	3.91%

FACTORS			
Year	2002	2003	2004
Real rate of	0.0632		
Economic life	10		
Residual rate	0.15		
Typical vehicle	Toyota Coaster		
Risk factor	0.08		
CPI	0.029301		

CAPITAL COST		age of vehicle														
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2002	83,000	69,000	62,000	54,000	46,000	40,000	35,000	32,000	26,000	22,000	18,000	12,000	9,000	7,000	6,000	5,000
2003	83,000	69,000	62,000	54,000	46,000	40,000	35,000	32,000	26,000	22,000	18,000	12,000	9,000	7,000	6,000	5,000
2004																

ACC		age of vehicle														
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2002	9,731.33	8,743.34	8,594.39	8,316.06	8,031.60	8,141.87	8,648.59	10,236.09	12,108.24	19,881.84	0.00	0.00	0.00	0.00	0.00	0.00
2003	9,426.19	8,491.17	8,368.70	8,119.67	7,863.71	7,994.30	8,516.47	10,109.55	11,994.70	19,756.15	0.00	0.00	0.00	0.00	0.00	0.00
2004																

Proportion of vehs by age (from survey data)		age of vehicle														
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2002	5.56%	7.41%	3.70%	11.11%	9.26%	20.37%	9.26%	12.96%	5.56%	14.81%						
2003	5.56%	7.41%	3.70%	11.11%	9.26%	20.37%	9.26%	12.96%	5.56%	14.81%						
2004																

ACC weighted average by age		age of vehicle														
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2002	540.63	647.65	318.31	924.01	743.67	1,658.53	800.80	1,326.90	672.68	2,945.46						
2003	523.68	628.98	309.95	902.19	728.12	1,628.47	788.56	1,310.50	666.37	2,926.84						
2004																

TOTALS			
	TOTAL_ACC	RISK	TOTAL REV. REQUIRED
2002	10,578.63	3,401.48	13,980.11
2003	10,413.65	3,318.78	13,732.43
2004	0.00	0.00	0.00

ANNUALISED CAPITAL COST (ACC) AND RISK FACTOR WORKING - NON COMM. CAT. 3, 2003

green = need to input data for each new year

blue = final result

FYI - PREVIOUS YEARS FACTORS - MANUAL ENTRY

FACTORS

This year	2003
Real rate of interest	5.65%
Economic life	16
Residual rate	5.00%
Typical vehicle	MAN/Hino
Risk factor	7.81%
CPI	3.91%

FACTORS

Year	2002	2003	2004
Real rate of	0.0632		
Economic lif	16		
Residual rat	0.05		
Typical vehic	MAN/Hino		
Risk factor	0.08		
CPI	0.029301		

CAPITAL COST

		age of vehicle																							
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
2002	238,100	210,000	195,000	170,000	150,000	130,000	125,000	115,000	80,000	75,000	65,000	58,000	50,000	45,000	42,000	39,000	30,000	25,000	20,000	15,000	10,000	7,000	5,000	5,000	
2003	238,100	210,000	195,000	170,000	150,000	130,000	125,000	115,000	80,000	75,000	65,000	58,000	50,000	45,000	42,000	39,000	30,000	25,000	20,000	15,000	10,000	7,000	5,000	5,000	
2004																									

ACC

		age of vehicle																							
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
2002	22,876.92	20,972.71	20,326.89	18,585.61	17,296.42	15,916.21	16,379.82	16,286.61	12,394.19	12,908.91	12,684.18	13,194.62	13,808.68	16,087.97	21,860.57	39,391.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2003	21,844.32	20,071.04	19,497.80	17,869.64	16,670.36	15,378.12	15,866.20	15,816.89	12,068.71	12,604.07	12,419.03	12,955.47	13,597.72	15,889.10	21,655.59	39,142.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2004																									

Proportion of vehs by age (from survey data)

2002	3.85%	1.92%	3.85%	5.77%	11.54%	1.92%	13.46%	13.46%	7.69%	7.69%	15.38%	7.69%	1.92%	1.92%	1.92%	0.00%
2003	3.85%	1.92%	3.85%	5.77%	11.54%	1.92%	13.46%	13.46%	7.69%	7.69%	15.38%	7.69%	1.92%	1.92%	1.92%	0.00%
2004																

ACC weighted average by age

2002	879.88	403.32	781.80	1,072.25	1,995.74	306.08	2,204.98	2,192.43	953.40	992.99	1,951.41	1,014.97	265.55	309.38	420.40	0.00
2003	840.17	385.98	749.92	1,030.94	1,923.50	295.73	2,135.84	2,129.20	928.36	969.54	1,910.62	996.57	261.49	305.56	416.45	0.00
2004																

TOTALS

	TOTAL_ACC	RISK	TOTAL REV. REQUIRED
2002	15,744.58	8,713.94	24,458.52
2003	15,279.88	8,713.94	23,993.82
2004	0.00	0.00	0.00

ANNUALISED CAPITAL COST (ACC) AND RISK FACTOR WORKING - NON COMM. CAT. 4, 2003

green = need to input data for each new year

blue = final result

FYI - PREVIOUS YEARS FACTORS - MANUAL ENTRY

FACTORS

This year	2003
Real rate of interest	5.65%
Economic life	16
Residual rate	5.00%
Typical vehicle	Merc OH1418 to 2 yr old, Merc 1725L for new - 1 yr old
Risk factor	7.81%
CPI	3.91%

FACTORS

Year	2002	2003	2004
Real rate of	0.0632		
Economic lif	16		
Residual rat	0.05		
Typical vehic	Merc OH1418 to 2 yr old, Merc 1725L for new - 1 yr old		
Risk factor	0.08		
CPI	0.029301		

CAPITAL COST	age of vehicle	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
2002	238,100	210,000	195,000	170,000	150,000	130,000	125,000	115,000	105,000	95,000	85,000	80,000	75,000	70,000	65,000	60,000	50,000	45,000	40,000	30,000	20,000	10,000	10,000	10,000	
2003	238,100	210,000	195,000	170,000	150,000	130,000	125,000	115,000	105,000	95,000	85,000	80,000	75,000	70,000	65,000	60,000	50,000	45,000	40,000	30,000	20,000	10,000	10,000	10,000	
2004																									

ACC	age of vehicle	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
2002	22,876.92	20,972.71	20,326.89	18,585.61	17,296.42	15,916.21	16,379.82	16,286.61	16,267.37	16,351.29	16,587.00	18,199.47	20,713.02	25,025.73	33,831.84	60,602.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2003	21,844.32	20,071.04	19,497.80	17,869.64	16,670.36	15,378.12	15,866.20	15,816.89	15,840.18	15,965.15	16,240.28	17,869.62	20,396.58	24,716.37	33,514.60	60,219.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2004																									

Proportion of vehs by age (from survey data)	2002	3.95%	9.21%	11.84%	11.84%	9.21%	7.89%	6.58%	5.26%	7.89%	9.21%	3.95%	5.26%	3.95%	1.32%	1.32%	1.32%								
	2003	3.95%	9.21%	11.84%	11.84%	9.21%	7.89%	6.58%	5.26%	7.89%	9.21%	3.95%	5.26%	3.95%	1.32%	1.32%	1.32%								
	2004																								

ACC weighted average by age	2002	903.04	1,931.70	2,407.13	2,200.93	1,593.09	1,256.54	1,077.62	857.19	1,284.27	1,506.04	654.75	957.87	817.62	329.29	445.16	797.40								
	2003	862.28	1,848.65	2,308.95	2,116.14	1,535.43	1,214.06	1,043.83	832.47	1,250.54	1,470.47	641.06	940.51	805.13	325.22	440.98	792.36								
	2004																								

TOTALS	TOTAL_ACC	RISK	TOTAL REV. REQUIRED	
	2002	19,019.62	11,236.11	30,255.73
	2003	18,428.07	10,962.93	29,391.00
	2004	0.00	0.00	0.00