

Report

Relative Weightings
in the Bus Industry
Cost Index (BICI)



Prepared for:

IPART

V 967

October 2007

DOCUMENT CONTROL SHEET

Version/ Revision No	File name (& path)	Prepared by (author)	Reviewed by	Approved by	Version date
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DISTRIBUTION HISTORY

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MANAGEMENT SUMMARY

This purpose of this review is to assess the actual costs of a sample of non-metropolitan bus operators holding commercial contracts and to determine a weighting for each category of costs as a percentage of total costs specified in the Bus Industry Cost Index (BICI). The weighting must be applicable to all non-metropolitan bus operators on commercial contracts for the next five years. The number of operators and time period for which costs are reviewed must be sufficient to provide a representative sample of the ongoing costs of non-metropolitan bus operators on commercial contracts.

Indec Consulting has conducted a survey of regional commercial bus contract holders and received thirty five responses, twenty nine of which were included in the analysis.

A number of alternative methods of determining the BICI weights from the survey data have been tested. Indec Consulting has formed the view that all methods yield similar results and that there is no material difference in the BICI weights calculated from the different methods.

The conclusion of this review is that the most appropriate method of establishing the BICI is on the basis of weighted averages of the survey results, adjusted to reflect commercial contract related expenses only.

Indec Consulting has established that operator size does appear to have some impact on relative expenditures and BICI weights. A different set of BICI weights could therefore be established for each operator size category. However, Indec Consulting has been advised that a single set of weights will be applied to all regional operators. Given the single BICI weight scenario, the review considers that the weighted average costs of the 29 respondent operators included in this analysis are a realistic representation of the cost relativity experienced by the total population of regional bus operators.

The recommended BICI weights which are the outcome of this review are summarised in the right hand column in the table below. The recommended weights are based on the relative weighted average costs of 29 operators that responded to the survey and are included in the analysis. The recommended weights exclude management fees and amortisation of goodwill.

Goodwill amortisation expenses reported by some operators have been excluded from the analysis on the basis that such expenses were not representative of the total population of operators and are typically associated with acquisition of other bus companies or businesses.

Item Category	2006 BICI (Current)	2007 BCA Submission	2007 Survey Weighted Average Commercial only
People Costs			
*Salaries & Wages (\$)	40.24%	40.78%	40.65%
*Workers Compensation (\$)	3.56%	3.62%	2.12%
*Payroll Tax (\$)	2.19%	2.22%	2.04%
*Superannuation (\$)	2.43%	2.22%	3.48%
Total People Costs (\$)	48.42%	48.84%	48.28%
Bus Fuel & Lubricants			
*Fuel - Diesel Costs (\$)	12.58%	11.85%	11.09%
Lubricants Costs (\$)			0.32%
Total Bus Distillate Costs (\$)	12.58%	11.85%	11.41%
Bus Repairs and Maintenance			
Tyres & Tubes (\$)	0.97%	0.99%	0.93%
Service	4.75%	4.87%	4.78%
*Total Bus Repairs and Maintenance Costs (\$)	5.72%	5.86%	5.71%
Bus Insurance & Registration Costs			
*Bus Registration (\$)	0.65%	1.68%	1.08%
*Bus Comprehensive Insurance (\$)	1.31%	1.32%	0.86%
*Green Slips (\$)	1.75%	0.65%	0.90%
Total Bus Insurance and Registration Costs (\$)	3.71%	3.65%	2.83%
Capital Costs - Bus			
Total Capital Costs - Bus (\$)	16.27%	16.47%	18.55%
Other Costs			
*All Other Costs (\$)	13.30%	13.33%	13.22%

**Results of the 2007 Survey – BICI Weights
(columns may not total due to rounding)**

Management fees reported by some operators were excluded from the analysis because such expenses were not representative of the total population of operators. Another issue was that no detail was provided on the management services provided and given the narrow time frame for this review, there was insufficient time to clarify the details and substance of the reported fees.

Indec Consulting would like to thank the operators who participated in the survey and provided the data for the analysis and review of the relative weightings of the BICI.

1. INTRODUCTION

The Independent Pricing and Regulatory Tribunal (IPART) is currently reviewing the industry cost indices used for regulating non-metropolitan private bus fares (the Bus Industry Cost Index – BICI). As part of its review, the Tribunal will re-consider the relative weightings of costs with the BICI.

This scope of this review is to:

- ▶ review the actual costs of a sample of non-metropolitan bus operators on commercial contracts. The number of operators and time period for which costs are reviewed must be sufficient to provide a representative sample of the ongoing costs of non-metropolitan bus operators on commercial contracts;
- ▶ determine a weighting for each category of costs specified in the Bus Industry Cost Index (BICI), as a percentage of total costs, based on the cost information reviewed. The weighting must be applicable to all non-metropolitan bus operators on commercial contracts for the next five years;
- ▶ liaise with the Tribunal, the Ministry of Transport and the Bus and Coach Association to ensure that the sample of operators is appropriate, given the current process of rural and regional bus funding reforms and the expected transfer of operators from the current commercial contracts onto new bus contracting arrangements;
- ▶ summarise its methodology, findings and recommendations in a report, which will be made available for public consultation by the Tribunal;
- ▶ present a short overview of its methodology, findings and recommendations to stakeholders at a public hearing; and
- ▶ attend Tribunal meetings, if required.

Where possible, the report should specify any cost items included in the 'other' category and to provide separate weights for any cost items considered to be significant. Any cost items included in the BICI but not incurred by operators should be given a zero weight. Where cost items could fall into more than one category, the report should specify which category costs are included in and why.

The cost categories included in the Bus Industry Cost Index (BICI) are set out in table 1.1.

Costs included in Bus Industry Cost Index (BICI)

	Current weight in BICI
Bus Capital Costs (monthly lease payments)	16.26
People costs	
- Wages	40.23
- Superannuation	3.56
- Pay roll tax	2.19
- Workers Compensation	2.43
<i>Total for people costs</i>	<i>48.42</i>
Bus Insurance & Rego	
- Green slips	1.75
- Comprehensive Insurance (per \$1,000)	1.31
- Registrations	0.65
<i>Total for bus insurance and rego</i>	<i>3.71</i>
Bus Lubricants (distillate)	12.58
Bus Repairs and Maintenance	
- Service	4.75
- Tyre list price	0.97
<i>Total for bus repairs and maintenance</i>	<i>5.72</i>
Other costs	13.30
Total Costs	100.00

Table 1.1 Costs included in BICI – 2006
(columns may not total due to rounding)

2. METHODOLOGY

The methodology adopted in this review consisted of three key elements:

- ▶ a survey of non-metropolitan bus operators holding commercial contracts;
- ▶ consideration of the impact of non-commercial contracts held by the surveyed non-metropolitan operators holding commercial contracts; and
- ▶ review and consideration of other relevant reports, submissions and data sourced from IPART and the NSW Ministry of Transport.

The methodology is dealt with in detail in the following sections.

2.1. Survey

In consultation with the Tribunal, the NSW Ministry of Transport and the Bus and Coach Association, a survey form and guide was developed for non-metropolitan bus operators and a review was conducted to establish the 2007 population of those operators.

In 2007, the population of non-metropolitan operators holding commercial contracts consisted of 78 separate entities. Survey forms were sent by email, post or fax to all entities and followed up by phone and email.

The survey form incorporated data requests which were designed to provide additional detail on the costs included in the BICI category 'Other Costs'. Additional detail on salaries and wages and operational data was also sought for the purpose of checking the reality of survey responses. More detailed information also assisted with understanding cost variations between operators and with establishing BICI weights which more accurately reflect operator's 'true' costs. To assist operators, mandatory fields were marked with a red asterisk (*). However, operators were requested to complete all sections of the survey form if the information was readily available.

Following the receipt of completed survey forms, reality checks in the form of ratio unit cost analysis were performed. The reality checks formed the basis for follow up with a number of respondent operators to clarify survey details. A copy of the survey form and guide is attached in Appendix A.

2.2. Impact of Non-Commercial Contracts

The matter of surveying a representative number of operators was discussed with the Independent Pricing and Regulatory Tribunal (IPART), the NSW Ministry of Transport (MoT), the NSW Bus and Coach Association (BCA) and various advisors. In particular, it was noted that potential distortion may arise from regional commercial contract holders also operating non-commercial contracts. The BCA stated that it would not be possible for such operators to separate costs relating to commercial contracts from those associated with non-commercial contracts.

The potential distortion due to regional commercial contract holders also operating non-commercial contracts was investigated. This investigation was based on work done previously by Indec Consulting on preliminary regional funding models, a review of the PWC model and previous metropolitan and regional commercial contract holder survey work completed for the MoT based on the 2001/02 year. The methodology used to allocate surveyed operator costs into commercial and non-commercial contract related costs relied on the non-commercial payments data base. In simple terms, the non-commercial variable payments made to the surveyed operators were assumed to reflect actual costs. The payments made to each surveyed operator were deducted from their individual reported costs in each category and the balance was deemed to represent the commercial contract cost. On this basis, variable payments for driver related costs were deemed to reflect bus hourly costs, the sum of the variable distance related payment and cleaning costs payment were deemed to represent kilometre costs and the overheads payment were assumed to reflect bus overhead costs. Bus and non-bus capital expenses including depreciation and interest were separately estimated.

Ten of the 29 current survey responses included in the analysis were from regional operators which held commercial contracts only. To separate costs of commercial contract services from non-commercial contract services in the analysis of this survey, the following methodology was used for regional operators included in the analysis which held both commercial and non-commercial contracts. The survey responses included information on annual bus hours and kilometres. The non-commercial data base provided by the NSW Ministry of Transport contained details of daily kilometres and bus hours. Based on the Ministry's standard of 201 days per annum, the annual vehicle kilometres and hours were computed and subtracted from the total annual kilometres and bus hours provided by respondent regional operators holding both commercial and non-commercial contracts.

Hourly costs including driver and administration wages & salaries were then proportionally adjusted to separate commercial contract expense from total reported expense in those categories.

Kilometre based costs including mechanic's wages, bus distillate and lubricant costs and bus repairs and maintenance expense were also adjusted proportionally to the ratio of commercial to total vehicle kilometres in order to separate commercial contract expense from total reported expense in those categories. For the three operators included in the analysis which only reported wages and payroll on-costs in aggregate, wages and salary expense, total wages and payroll on-costs were adjusted proportionally to the ratio of commercial to total bus hours.

The non-commercial data base also provided the number of non-commercial contracts held by each regional operator. Indec Consulting understands that each non-commercial contract covers one bus. The number of non-commercial buses or contracts was subtracted from the total number of buses reported by respondent regional operators holding both commercial and non-commercial contracts. Expenses typically related to the number of buses including bus insurance, capital and registration costs, and all other costs (overheads) were then proportionally adjusted to separate commercial contract expense from total reported expense in those categories.

2.3. Relevant Reports and Submissions

Indec Consulting has considered the Transport Issues paper released by IPART in August 2007¹ and the submission by the BCA dated 17 September 2007.

Indec Consulting notes that the bus capital costs are specified as the monthly repayment on a five-year loan used to finance the purchase and fitting of the bus. The interest rate used is that of a 10-year bond rate, and the principal of the loan is determined as the price of a 'Mercedes 0405NH/0500 Chassis and Custom Coach body'². The methodology intended to be used for the purpose of this review of BICI weights was two-fold:

- ▶ the survey form provides for operators reporting actual costs and the analysis checks capital costs per bus;
- ▶ the survey form provides for operators reporting the insured or market value and average age of the vehicle fleet as a basis for estimating average capital costs likely to be incurred by operators; and

The BCA submission recommends the BICI weights detailed in Table 2.3.1.

¹ Transport Issues Paper: 'Review of cost indices for non-metropolitan buses and private ferries, Alternative approaches to calculating the Bus Industry Cost Index and Commercial Vessel Association Cost Index', IPART, August 2007'.

² Ibid.

2007 BCA Submission – BICI Weights

Bus Capital Costs (monthly lease payments)	16.47
People costs	
- Wages	40.78
- Superannuation	3.62
- Pay roll tax	2.22
- Workers Compensation	2.22
<i>Total for people costs</i>	<i>48.84</i>
Bus Insurance & Rego	
- Green slips	1.68
- Comprehensive Insurance (per \$1,000)	1.32
- Registrations	0.65
<i>Total for bus insurance and rego</i>	<i>3.65</i>
Bus Lubricants (distillate)	11.85
Bus Repairs and Maintenance	
- Service	4.87
- Tyre list price	0.98
<i>Total for bus repairs and maintenance</i>	<i>5.86</i>
Other costs	13.32
Total Costs	100.00

**Table 2.3.1 BCA Submission – BICI Weights
(columns may not total due to rounding)**

The weights detailed in table 2.3.1 have been compared with the survey results in section 3.5.

3. SURVEY RESULTS

A total of thirty five responses were received, twenty nine of which have been included in the analysis. Two operator responses have been discarded due to incomplete data. One entity was excluded on the basis that it is not a regional operator. Three more responses were received late and are being processed. Indec Consulting anticipates that the impact of these additional three operators on the analysis will be negligible. Indec Consulting considers the number of entities that responded and were included in the analysis provides a representative sample of the population of non-metropolitan operators holding commercial contracts. The survey results cover the fiscal 2006/07 year only. The BICI weights calculated from the 2007 survey are summarised in sections 3.1 and 3.2 respectively. Details of the BICI weights by operator calculated from the survey results are attached in Appendix B.

3.1. Adjustments to Survey Data

Following preliminary analysis of survey data received, a number of respondent operators were contacted to clarify survey details. Adjustments fell into a number of categories which are outlined below.

- ▶ Reported fuel expense had to be adjusted for a number of operators to remove the fuel rebate of 18.51 cents per litre. All fuel costs included in the analysis exclude the fuel rebates. Some adjustments were made to fuel volume estimates for operators that have holding tanks and buy fuel in bulk.
- ▶ Some operators reported amortisation expense relating to goodwill. For the purpose of this analysis goodwill amortisation expenses have been removed on the basis that such expenses are typically associated with acquisition of other bus companies or businesses.
- ▶ Adjustments to non-bus interest expense were made for some operators to account for debt not associated with the operation of the contracted services and other anomalies,
- ▶ For the purpose of this review, reported management fees were not included in the analysis. There were three key reasons for removing management fees from the analysis:
 - Reported management fees were very substantial in some entities and no detail was provided on the services provided for the fees. Given the narrow time frame there was insufficient time to clarify the substance of the fees;
 - reported management fees were not representative of the group;

- some respondents had included management fees in the cost category 'people costs' and/or entered them twice, in the 'management fees' cost category and in the cost category 'people costs';
 - when reported management fees were included in the analysis, the resultant BICI weights vary significantly from the BICI weights proposed in the 2007 BCA submission.
- ▶ Three operators included in the analysis only reported wages and payroll on-costs in aggregate. Disaggregation of wages and salary expense, total wages and payroll on-costs for the drivers, mechanics and cleaners, and administration staff cost categories were estimated by applying average ratios derived from operators which did provide the this level of detail.
- ▶ Five operators included in the analysis reported paying no payroll tax. The five operators in question are small operators with a payroll which is below the threshold (payroll tax exemption applies). Indec Consulting has established that the impact on the BICI weights is negligible. No adjustments to reported payroll tax survey data have therefore been made.
- ▶ Reported depot rent was adjusted for one operator to remove charges relating to depots not required to deliver the contracted services.

3.2. Simple Average

Table 3.2.1 contains the simple average of 29 of the 32 respondent operators/entities holding non-metropolitan contracts. The results in Table 3.2.1 are based on both commercial and non-commercial contract expenses.

Results of the 2007 Survey – BICI Weights (Simple Average)

Bus Capital Costs (monthly lease payments)	19.46
People costs	
- Wages	38.47
- Superannuation	3.19
- Pay roll tax	1.53
- Workers Compensation	1.80
<i>Total for people costs</i>	<i>44.99</i>
Bus Insurance & Rego	
- Green slips	0.97
- Comprehensive Insurance (per \$1,000)	1.15
- Registrations	1.24
<i>Total for bus insurance and rego</i>	<i>3.36</i>
Bus Lubricants (distillate)	11.13
Bus Repairs and Maintenance	
- Service	5.06
- Tyre list price	1.20
<i>Total for bus repairs and maintenance</i>	<i>6.26</i>
Other costs	14.78
Total Costs	100.00

**Table 3.2.1 Results of the 2007 Survey – BICI Weights
(columns may not total due to rounding)**

The advantage of using a simple average of the survey results is that the result is not skewed by over representation of large operators.

3.3. Weighted Average

Table 3.3.1 contains the weighted average of 29 of the 32 operators/entities holding non-metropolitan contracts. The results in Table 3.3.1 are based on both commercial and non-commercial contract expenses.

Results of the 2007 Survey – BICI Weights (Weighted Average)

Bus Capital Costs (monthly lease payments)	19.36
People costs	
- Wages	39.28
- Superannuation	3.36
- Pay roll tax	1.97
- Workers Compensation	2.05
<i>Total for people costs</i>	<i>46.67</i>
Bus Insurance & Rego	
- Green slips	0.94
- Comprehensive Insurance (per \$1,000)	0.90
- Registrations	1.12
<i>Total for bus insurance and rego</i>	<i>2.96</i>
Bus Lubricants (distillate)	11.48
Bus Repairs and Maintenance	
- Service	4.81
- Tyre list price	0.93
<i>Total for bus repairs and maintenance</i>	<i>5.74</i>
Other costs	13.80
Total Costs	100.00

**Table 3.3.1 Results of the 2007 Survey – BICI Weights
(columns may not total due to rounding)**

The differences in BICI weights based on a weighted average vary little from those based on a simple average. The weighted average does not materially differ from the simple average results. The advantage of using a weighted average of the survey results is that the result reflects the relative size of operators.

3.4. Weighted Average – Commercial Contracts

Table 3.4.1 contains the weighted average of 29 of the 32 operators/entities holding non-metropolitan contracts. The results in Table 3.4.1 are based on commercial contract expenses only. The methodology of separating commercial contract expense from total expense incurred by operators holding both commercial and non-commercial contracts is described in section 2.2. Of the 29 current survey responses included in the analysis, 19 were from regional operators which held both commercial and non-commercial contracts.

Results of the 2007 Survey – BICI Weights
(Weighted Average – Commercial Contract Expenses only)

Bus Capital Costs (monthly lease payments)	18.54
People costs	
- Wages	40.65
- Superannuation	3.48
- Pay roll tax	2.04
- Workers Compensation	2.12
<i>Total for people costs</i>	<i>48.28</i>
Bus Insurance & Rego	
- Green slips	0.90
- Comprehensive Insurance (per \$1,000)	0.86
- Registrations	1.08
<i>Total for bus insurance and rego</i>	<i>2.83</i>
Bus Lubricants (distillate)	11.41
Bus Repairs and Maintenance	
- Service	4.78
- Tyre list price	0.93
<i>Total for bus repairs and maintenance</i>	<i>5.71</i>
Other costs	13.22
Total Costs	100.00

Table 3.4.1 Results of the 2007 Survey – BICI Weights
Commercial Contract Expenses only
(columns may not total due to rounding)

There are marginal differences in BICI weights based on a weighted average for commercial contract related expenses only and those based on commercial and non-commercial contract expenses.

3.5. Comparisons

A comparison of the 2007 survey results with the current BICI and the 2007 BCA submission has been carried out and is summarised in Table 3.5.1. The comparison demonstrates that the various methods of calculating the BICI weights do not lead to materially different weights. The BICI weights in Table 3.5.1 are based on the analysis excluding reported management fees.

Item Category	2006 BICI (Current)	2007 BCA Submission	2007 Survey Simple Average	2007 Survey Weighted Average	2007 Survey Weighted Average Commercial only
People Costs					
*Salaries & Wages (\$)	40.24%	40.78%	38.48%	39.28%	40.65%
*Workers Compensation (\$)	3.56%	3.62%	1.80%	2.05%	2.12%
*Payroll Tax (\$)	2.19%	2.22%	1.53%	1.97%	2.04%
*Superannuation (\$)	2.43%	2.22%	3.19%	3.36%	3.48%
Total People Costs (\$)	48.42%	48.84%	44.99%	46.67%	48.28%
Bus Fuel & Lubricants					
*Fuel - Diesel Costs (\$)	12.58%	11.85%	10.79%	11.16%	11.09%
Lubricants Costs (\$)			0.35%	0.33%	0.32%
Total Bus Distillate Costs (\$)	12.58%	11.85%	11.13%	11.48%	11.41%
Bus Repairs and Maintenance					
Tyres & Tubes (\$)	0.97%	0.99%	1.20%	0.93%	0.93%
Service	4.75%	4.87%	5.06%	4.81%	4.78%
*Total Bus Repairs and Maintenance Costs (\$)	5.72%	5.86%	6.26%	5.74%	5.71%
Bus Insurance & Registration Costs					
*Bus Registration (\$)	0.65%	1.68%	1.24%	1.12%	1.08%
*Bus Comprehensive Insurance (\$)	1.31%	1.32%	1.15%	0.90%	0.86%
*Green Slips (\$)	1.75%	0.65%	0.97%	0.94%	0.90%
Total Bus Insurance and Registration Costs (\$)	3.71%	3.65%	3.36%	2.96%	2.83%
Capital Costs - Bus					
Total Capital Costs - Bus (\$)	16.27%	16.47%	19.46%	19.36%	18.55%
Other Costs					
*All Other Costs (\$)	13.30%	13.33%	14.78%	13.80%	13.22%

**Table 3.5.1 Comparison of the 2007 Survey Results
Excluding Reported Management Fees
(columns may not total due to rounding)**

The comparison highlights that the BICI weights calculated using a weighted average for commercial contract expense only, closely matches both the current 2006 BICI and the BCA submission.

3.6. Management Fees

As previously stated in section 3.1, for the purpose of this review, reported management fees were not included in the analysis. The 2007 survey results, including management fees, has been compared with the current BICI and the 2007 BCA submission in Table 3.6.1. The comparison demonstrates that if the reported management fees are included, there are some significant differences in the resultant BICI weights and both the current 2006 BICI weights and the BICI weights proposed in the 2007 BCA submission. Based on these differences and on the issues previously covered in section 3.1, the reported management fees were excluded from the analysis.

Item Category	2006 BICI (Current)	2007 BCA Submission	2007 Survey Simple Average	2007 Survey Weighted Average	2007 Survey Weighted Average Commercial only
People Costs					
*Salaries & Wages (\$)	40.24%	40.78%	36.74%	37.59%	38.97%
*Workers Compensation (\$)	3.56%	3.62%	1.71%	1.96%	2.03%
*Payroll Tax (\$)	2.19%	2.22%	1.45%	1.89%	1.95%
*Superannuation (\$)	2.43%	2.22%	3.05%	3.22%	3.34%
Total People Costs (\$)	48.42%	48.84%	42.95%	44.66%	46.29%
Bus Fuel & Lubricants					
*Fuel - Diesel Costs (\$)	12.58%	11.85%	10.26%	10.68%	10.63%
Lubricants Costs (\$)			0.34%	0.31%	0.31%
Total Bus Distillate Costs (\$)	12.58%	11.85%	10.60%	10.99%	10.94%
Bus Repairs and Maintenance					
Tyres & Tubes (\$)	0.97%	0.99%	1.16%	0.89%	0.89%
Service	4.75%	4.87%	4.89%	4.60%	4.58%
*Total Bus Repairs and Maintenance Costs (\$)	5.72%	5.86%	6.05%	5.49%	5.47%
Bus Insurance & Registration Costs					
*Bus Registration (\$)	0.65%	1.68%	1.20%	1.08%	1.03%
*Bus Comprehensive Insurance (\$)	1.31%	1.32%	1.10%	0.86%	0.82%
*Green Slips (\$)	1.75%	0.65%	0.93%	0.90%	0.86%
Total Bus Insurance and Registration Costs (\$)	3.71%	3.65%	3.24%	2.83%	2.72%
Capital Costs - Bus					
Total Capital Costs - Bus (\$)	16.27%	16.47%	18.47%	18.53%	17.78%
Other Costs					
*All Other Costs (\$)	13.30%	13.33%	18.69%	17.50%	16.80%

**Table 3.6.1 Comparison of the 2007 Survey Results
Including Reported Management Fees
(columns may not total due to rounding)**

3.7. Influence of Operator Size

The influence of operator size has been analysed by stratifying the survey results into operator size categories. Operators were firstly ranked in order of total contract payments to provide an estimate of total population by size category.

Respondent operators were ranked in accordance with total expense. The results of this analysis summarised in Table 3.7.1. indicate that operator size does influence the expense distribution and the resultant BICI weights.

ITEM CATEGORY	SUMMARY (COMMERCIAL ONLY)			
	VERY LARGE	LARGE	MEDIUM	SMALL
People Costs				
*Salaries & Wages (\$)	42.10%	40.12%	40.03%	38.41%
*Workers Compensation (\$)	2.69%	1.30%	1.90%	1.52%
*Payroll Tax (\$)	2.55%	1.93%	1.58%	0.48%
*Superannuation (\$)	3.28%	4.07%	3.69%	2.83%
Total People Costs (\$)	50.61%	47.42%	47.20%	43.24%
Bus Fuel & Lubricants				
*Fuel - Diesel Costs (\$)	10.64%	13.30%	10.89%	9.77%
Lubricants Costs (\$)	0.18%	0.62%	0.35%	0.38%
Total Bus Distillate Costs (\$)	10.83%	13.92%	11.23%	10.15%
Bus Repairs and Maintenance				
Tyres & Tubes (\$)	0.79%	0.86%	1.06%	1.76%
Service	3.70%	5.70%	6.13%	5.66%
*Total Bus Repairs and Maintenance Costs (\$)	4.49%	6.56%	7.18%	7.42%
Bus Insurance & Registration Costs				
*Bus Registration (\$)	0.84%	0.98%	1.52%	1.46%
*Bus Comprehensive Insurance (\$)	0.64%	0.93%	1.05%	1.50%
*Green Slips (\$)	1.04%	0.71%	0.70%	1.36%
Total Bus Insurance and Registration Costs (\$)	2.52%	2.62%	3.27%	4.31%
Capital Costs - Bus				
Total Capital Costs - Bus (\$)	20.49%	16.29%	16.57%	20.03%
Other Costs				
*All Other Costs (\$)	11.06%	13.18%	14.55%	14.86%

Total Weights	100.00%	100.00%	100.00%	100.00%
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**Table 3.7.1 Analysis of the 2007 Survey results by Operator Size
(columns may not total due to rounding)**

In particular, it appears that as a proportion of total costs small operators incur lower wages costs and higher bus maintenance and bus insurance and registration expense than larger operators.

3.8. Other Costs

Indec Consulting has conducted an analysis of the costs included in the BICI cost category 'Other'. The purpose of this analysis is to provide separate weights for any cost items considered to be significant.

3.8.1. Other Costs Including Management Fees

If management fees are included, the most significant cost item in this category consists of depot rent and property related rates and taxes which total 26.54% of expense in the BICI category 'Other'. The BICI weight for this expense item is 4.46%. The second most significant expense consists of management fees which totals 24.56% of expense in the BICI category 'Other'. The BICI weight for management fees is 4.12%. The third largest expense item is non-bus capital which amounts to 9.79% of expense in this BICI expense category. The BICI weight for non-bus capital expense is 1.64%

The BICI weights in this section are based on a weighted average based on commercial contract expenses only.

3.8.2. Other Costs Excluding Management Fees

If management fees are excluded, the most significant cost item in this category consists of depot rent and property related rates and taxes which total 35.19% of expense in the BICI category 'Other'. The BICI weight for this expense item is 4.65%. The second largest expense item is non-bus capital which amounts to 12.98 of expense in this BICI expense category. The BICI weight for non-bus capital expense is 1.72% The third largest expense item is non-bus capital which amounts to 7.51% of expense in this BICI expense category. The BICI weight for non-bus capital expense is 0.99%

The BICI weights in this section are based on a weighted average based on commercial contract expenses only.

3.9. Ratio Analysis

Extensive ratio analysis was conducted to form the basis for reality checks and for following up operators to clarify survey data.

The analysis demonstrated that there are some significant differences in fleet age, operating conditions and service profiles among regional operators. The average:

- ▶ operating speed varies from approximately 22 to 45 km/hr. There is also a significant difference between the average speed of commercial contract services of around 31 km/hr and non-commercial contract services which was estimated to be in excess of 43 km/hr;
- ▶ spare bus ratio for commercial contracts was 18% and reported to range from 5% to 68%;

- ▶ fleet age is approximately nine years and ranges from seven to fourteen years;
- ▶ annual distance a commercial bus travels is approximately 31,000 kilometres per annum compared to less than 25,000 kilometres per year for a non-commercial bus;
- ▶ utilisation of a commercial bus is marginally over 1,000 hours per year compared to 570 hours for a non-commercial bus;
- ▶ insured or market value of a bus is reported to be \$131,000 and ranges from \$85,000 to over \$200,000 per bus;
- ▶ insured or market value of depots and offices is reported to be \$55,000 per bus and ranges from less than \$8,000 to over \$155,000 per bus;
- ▶ insured or market value of equipment is reported to be around \$9,500 per bus and ranges from less than \$1,000 to just under \$30,000 per bus;
- ▶ capital cost for a bus is \$20,000 and ranges from \$6,000 to \$86,000 per bus. It should be noted that some operators financed their entire fleet with operating leases whereas other operators did not;

The variations in unit costs and in operating differences appear to have little bearing on the BICI weights.

4. CONCLUSIONS AND RECOMMENDATIONS

The conclusion of this review is that the most appropriate method of establishing the BICI is on the basis of weighted averages of the survey results, adjusted to reflect commercial contract related expenses only. Indec Consulting has established that operator size does appear to have some impact on relative expenditures and BICI weights. A different set of BICI weights could therefore be established for each operator size category. However, Indec Consulting has been advised that a single set of weights will be applied to all regional operators. Given the single BICI weight scenario, the review considers that the weighted average costs of the 29 respondent operators included in this analysis are a realistic representation of the cost relativity experienced by the total population of regional bus operators. The recommended BICI weights which are the outcome of this review are summarised in the right hand column in Table 4.1.

Item Category	2006 BICI (Current)	2007 BCA Submission	2007 Survey Weighted Average Commercial only
People Costs			
*Salaries & Wages (\$)	40.24%	40.78%	40.65%
*Workers Compensation (\$)	3.56%	3.62%	2.12%
*Payroll Tax (\$)	2.19%	2.22%	2.04%
*Superannuation (\$)	2.43%	2.22%	3.48%
Total People Costs (\$)	48.42%	48.84%	48.28%
Bus Fuel & Lubricants			
*Fuel - Diesel Costs (\$)	12.58%	11.85%	11.09%
Lubricants Costs (\$)			0.32%
Total Bus Distillate Costs (\$)	12.58%	11.85%	11.41%
Bus Repairs and Maintenance			
Tyres & Tubes (\$)	0.97%	0.99%	0.93%
Service	4.75%	4.87%	4.78%
*Total Bus Repairs and Maintenance Costs (\$)	5.72%	5.86%	5.71%
Bus Insurance & Registration Costs			
*Bus Registration (\$)	0.65%	1.68%	1.08%
*Bus Comprehensive Insurance (\$)	1.31%	1.32%	0.86%
*Green Slips (\$)	1.75%	0.65%	0.90%
Total Bus Insurance and Registration Costs (\$)	3.71%	3.65%	2.83%
Capital Costs - Bus			
Total Capital Costs - Bus (\$)	16.27%	16.47%	18.55%
Other Costs			
*All Other Costs (\$)	13.30%	13.33%	13.22%

4.1 Results of the 2007 Survey – BICI Weights (columns may not total due to rounding)

The recommended weights are based on the relative weighted average costs of 29 operators that responded to the survey and are included in the analysis. The recommended weights exclude management fees and amortisation of goodwill.

Goodwill amortisation expenses reported by some operators have been excluded from the analysis on the basis that such expenses were not representative of the total population of operators and are typically associated with acquisition of other bus companies or businesses.

Management fees reported by some operators were excluded from the analysis because such expenses were not representative of the total population of operators. Another issue was that no detail was provided on the management services provided and given the narrow time frame for this review, there was insufficient time to clarify the details and substance of the reported fees.

Indec Consulting would like to thank the operators who participated in the survey and provided the data for the analysis and review of the relative weightings of the BICI.

APPENDIX A

Survey Form and Guide



IPART BUS INDUSTRY COST INDEX (BICI) SURVEY NON-METROPOLITAN BUS OPERATORS WITH COMMERCIAL BUS CONTRACTS IN NSW			
Operator (Entity):			
Commercial and Non Commercial Contracts held by this Entity (please list contract numbers):			
*Address:			
*Name:			
*Title:			
*Telephone:			
*E-mail or Fax :			
			*Actual 2006/07
People Costs			
Drivers			
Wages (\$)			
Workers Compensation (\$)			
Payroll Tax (\$)			
Superannuation (\$)			
Mechanics, Cleaners & Re-fuellers			
Wages (\$)			
Workers Compensation (\$)			
Payroll Tax (\$)			
Superannuation (\$)			
Administration			
Salaries & Wages (\$)			
Workers Compensation (\$)			
Payroll Tax (\$)			
Superannuation (\$)			
Total Costs			
*Salaries & Wages (\$)			
*Workers Compensation (\$)			
*Payroll Tax (\$)			
*Superannuation (\$)			
Total People Costs (\$)			
Bus Fuel & Lubricants			
*Fuel - Diesel Costs (\$)			
Lubricants Costs (\$)			
Total Bus Distillate Costs (\$)			
Bus Repairs and Maintenance			
Tyres & Tubes (\$)			
Bus Parts & Consumables (\$)			
Contracted Maintenance & Repairs (\$)			
*Total Bus Repairs and Maintenance Costs (\$)			

Bus Insurance & Registration Costs			*Actual 2006/07
*Bus Registration (\$)			
*Bus Comprehensive Insurance (\$)			
*Green Slips (\$)			
Total Bus Insurance and Registration Costs (\$)			
Capital Costs - Bus			
Interest Bus (\$)			
Depreciation Bus (\$)			
Amortisation Bus (\$)			
Bus Operating Leases (interest) (\$)			
Bus Operating Leases (depreciation/capital) (\$)			
Total Capital Costs - Bus (\$)			
Other Costs			
Other People Costs (\$)			
Other Bus Running Costs (\$)			
Depot & Office Rent or Rent Equivalent Costs (\$)			
Accounting, Consulting, Legal and Marketing expense (\$)			
Cash Collection (\$)			
Information Technology & Communications (\$)			
Non- Bus Insurance (\$)			
Management Fees (\$)			
Motor Vehicle Expenses (Non-Bus) (\$)			
Rates & Taxes (property related) (\$)			
Repairs & Maintenance (Non-Bus) (\$)			
Staff related expenses incl. training and recruitment (\$)			
Ticketing and Timetables (\$)			
Interest Non-Bus (\$)			
Depreciation - Depot (\$)			
Depreciation - Other (\$)			
Amortisation - Goodwill (\$)			
Amortisation - Other (\$)			
Bus Overhead Other (\$)			
*All Other Costs (\$)			
Operational and Asset Information			
*Annual Diesel Usage (litres)			
*Vehicle Kilometres including dead running (km)			
*Bus Hours (hrs)			
*Total Number of Buses			
*Number of Peak Buses			
*Average Age of Bus Fleet (years)			
Bus Depreciation Period (years)			
*Insured or Market Value of Bus Fleet (\$)			
*Insured or Market Value of depot/office (\$)			
*Insured or Market Value of equipment (\$)			

BICI Survey Form (mandatory fields marked with red asterisk)

IPART BICI BENCHMARKING SURVEY

NON-METROPOLITAN BUS OPERATORS WITH COMMERCIAL BUS CONTRACTS IN NSW

Introduction

The purpose of this survey is to collect information required by the Independent Pricing and Regulatory Tribunal (IPART) for its review and reconsideration of the relative weights used in the periodic calculation of the Bus Industry Cost Index (BICI). A covering letter from IPART is attached.

This document provides guidance notes to assist Bus Operators to complete the survey forms included in the MS Excel spreadsheet titled *IPART BICI Survey Form*.

Please ensure that you read this document before proceeding to complete the survey forms.

It is requested that you e-mail to bus.survey@indec.com.au. Alternatively printed copies of the completed survey forms can be forwarded to Indec Consulting, Level 6, 446 Collins Street, Melbourne VIC 3000 or via facsimile on (03) 9670 2998.

[Please complete and forward survey by no later than 19 October 2007.](#)

All financial details must be rounded to the nearest dollar or to the nearest thousand dollars if estimated. All and only those revenues and costs directly associated with the provision of bus services in accordance with Regular Passenger Service Accreditation must be included in the survey forms.

All direct and overhead costs, inputs (bus hours, bus kilometres, number of buses, etc.) relating to LD&T Service Accreditation and any activity carried out by your business that is not directly associated with the operation of the contracted bus services must be excluded from the survey. Please ensure that the 'Actual' information provided for the 2006/07 financial year reconciles with your financial accounts for that period.

To assist operators, mandatory fields have been marked with a red asterisk (*). However, operators are requested to complete all sections of the survey form if the information is readily available. More detailed information will assist with understanding cost variations between operators and result in BICI weights which more accurately reflect operator's true costs.

Should you have any questions or require any assistance, please do not hesitate to contact Jim Kewley or David Gotze at Indec Consulting in Melbourne on (03) 9670 2778.

People Costs

Wages, Workers Compensation, Payroll Tax and Superannuation should include the costs of all permanent full-time and part-time staff and any casual employees employed directly by the operator.

Drivers' Wages (\$) means those costs directly associated with permanent, casual and agency drivers.

Mechanics, Cleaners & Re-fuellers' Wages (\$) should include labour costs directly associated with maintenance, refuellers and bus cleaning personnel,

Administration Salaries & Wages includes all staff costs associated with bus operations (including scheduling, rosters, depot management, etc.) and staff costs associated with finance, human resources and payroll, information technology and general management. Administration Salaries & Wages should also include the fees, salaries, wages and on-costs associated with Directors and shareholders irrespective of their level of involvement in the day-to-day operations of the business. Where owners work for the business but do not receive a salary or wage, equivalent wages and salary costs should be included and [details of hours and assumed hourly market rate should be provided](#).

Bus Fuel & Lubricants

Fuel – Diesel annual consumption should be expressed in litres and distillate costs should include the cost of diesel used by buses only.

Bus Repairs and Maintenance

Tyres & Tubes expense (\$) should exclude the cost of internal labour.

Bus Parts & Consumables (\$) should only include parts and consumable costs relating to the maintenance and repair of buses

Contracted Maintenance & Repairs (\$) should only include those labour and non-labour costs relating to the maintenance and repair of buses performed by an external party.

Bus Insurance & Registration Costs

Bus Comprehensive Insurance should only include the cost of comprehensive insurance premiums for Buses.

Other Costs

Other People Costs means any wages and salaries expense not included in the cost categories provided for under the heading 'People Costs' above.

Other Bus Running Costs means any costs incurred in running buses other than on fuel, lubricants, tyres & tubes, maintenance including labour and bus insurance.

Depot & Office Rent or Rent Equivalent Costs (\$) means the annual rent paid for depot facilities and for any office accommodation that is not located within or as part of a depot (stand-alone office accommodation). If the premises are owned, include a nominal rent based on market rates for comparable premises. [Details of assumed market rates should be provided.](#)

Accounting, Consulting, Legal and Marketing Expense should only include those payments made to external parties for the provision of accounting, consulting or legal services and include the costs of advertising (print, radio and/or television) and promoting the services provided by the operator. Website costs and any direct contributions to advertising or promotional campaigns should be included in these costs. On-bus advertising costs for the preparation and production of signage displayed on buses and from which the operator derives advertising revenue should also be included

Cash Collection includes the costs of cash collection, reconciliation and banking where a contractor provides these services.

Information Technology & Communications Expense should include system and call costs for the communication between the depot(s) and buses, whether by radio or mobile phone and the system and call costs for all other non-operational telecommunications. Information Technology costs should exclude IT expenses arising from ticketing software, systems and equipment (ticketing systems costs should be included under 'Ticketing & Timetables' expense category).

Non-Bus Insurance expense should include all insurance premium expenses other than bus insurance. Examples include public liability, depot and equipment, and director's and officer's liability insurance.

Management Fees include payments to related parties such as a holding company or corporate head office. Costs included here must relate to services rendered which are relevant to the delivery of bus services and must be based on a reasonable market price

Motor Vehicle Expenses includes the cost of fuel, servicing and maintaining depot vehicles and any motorway or bridge tolls incurred by these vehicles. The expense associated with any motor vehicle that is provided as part of a salary package should be included within Administration Salaries & Wages.

Rates & Taxes (property related) (\$) are to include all local and state government taxes and rates for offices, depots and land used for the storage of buses required for the sole purpose of delivering the contracted bus services. Specifically, rates and taxes property surplus to requirements or not related to the delivery of the contracted bus services must be excluded.

Staff Related Expenses incl. Training & Recruitment includes staff uniforms, staff amenities, etc. and only incorporates those costs paid to external parties for the training and recruitment of staff.

Ticketing and Timetables includes the consumables used in ticketing machines (eg. paper, ink, etc.) and should also include the external production, printing and distribution costs associated with pre-printed tickets and timetables. The costs associated with maintaining the ticketing software and systems, including the storage and maintenance of information relating to routes and fares should also be included under this category.

Capital Costs – Non-Bus should include the interest, depreciation and amortisation costs of assets other than the bus fleet assets, but directly related to the provision of bus services (i.e. plant and equipment, depot buildings, etc.). Interest should include any interest payable on monies borrowed or credit provided, and the interest component of any non-bus financing leases. Amortisation should include the depreciation associated with any non-bus financing leases.

Bus Overhead Other means the balance of all operating costs not captured in the above cost categories or in the other line items listed below under Capital Costs.

Non-Bus Capital Costs should include the interest, depreciation and amortisation costs of assets other than the bus fleet assets, but directly related to the provision of bus services (i.e. plant and equipment, depot buildings, etc.). Interest should include any interest payable on monies borrowed or credit provided, and the interest component of any non-bus financing leases. Amortisation should include the depreciation associated with any non-bus financing leases.

Operational and Asset Information

Fuel – Diesel annual consumption should include diesel used by buses only and be expressed in litres.

Vehicle Kilometres are the total annual kilometres travelled for each year including all service and charter kilometres and dead running.

Bus Hours should be expressed in terms of the period from the time that buses leave a depot until their return. If no bus hour statistics are available, Bus Hours may be calculated by subtracting your estimate of the total hours that drivers spend in the depot from Attendance Hours or alternatively bus hours may be extracted from the driver rostering system.

Total Number of Buses means the total number of buses allocated to the provision of services, excluding any buses or coaches used for tours or charters operated as part of LD&T Service Accreditation.

Number of Peak Buses means the maximum number of vehicles in operation at any one time to provide Scheduled Route Services and Dedicated School Services, excluding any buses or coaches used for tours or charters operated as part of LD&T Service Accreditation.

Average Age of Bus Fleet (years) means the fleet average of all bus ages measured in years from the original built dates to 31 December 2006. Average Age calculations should be in accordance with the Passenger Transport Board's requirements as per the commercial contracts.

APPENDIX B

Detail Survey Results – BICI Weights

Survey Data	1	2	3	4	5	6	7	8	9	10	11
People Costs	x	x	x	x	x	x	x	x	x	x	x
Drivers											
Total People Costs (\$)	40.46%	49.08%	46.21%	51.87%	55.01%	44.07%	50.09%	41.53%	39.66%	52.04%	37.02%
Bus Fuel & Lubricants											
*Fuel - Diesel Costs (\$)	11.53%	10.72%	11.48%	11.13%	8.02%	13.13%	9.85%	12.29%	14.83%	7.83%	13.89%
Lubricants Costs (\$)	1.20%		0.32%	0.35%	0.43%	0.32%		0.38%	1.39%	0.35%	
Total Bus Distillate & Lubricant Costs (\$)	12.73%	10.72%	11.81%	11.48%	8.45%	13.45%	9.85%	12.68%	16.22%	8.17%	13.89%
Bus Repairs and Maintenance											
Tyres & Tubes (\$)	2.79%	0.66%	1.11%	0.82%	0.82%	0.94%	0.48%	1.30%	0.93%	1.08%	0.66%
Service	3.45%	2.87%	9.92%	4.12%	4.49%	4.18%	3.51%	3.78%	11.51%	5.11%	5.47%
*Total Bus Repairs and Maintenance Costs (\$)	6.24%	3.53%	11.03%	4.94%	5.31%	5.12%	3.99%	5.08%	12.44%	6.19%	6.13%
Bus Insurance & Registration Costs											
*Bus Registration (\$)	1.94%	0.76%	1.06%	0.95%	0.97%	0.97%	0.83%	1.59%	1.44%	0.67%	0.17%
*Bus Comprehensive Insurance (\$)	1.63%	0.68%	0.92%	0.54%	0.65%	0.77%	0.72%	1.27%	1.73%	1.37%	1.55%
*Green Slips (\$)	1.80%	0.73%	0.98%	1.09%	1.27%	0.84%	0.79%	1.33%	0.63%	0.83%	
Total Bus Insurance and Registration Costs (\$)	5.36%	2.17%	2.96%	2.58%	2.90%	2.59%	2.34%	4.19%	3.80%	2.88%	1.72%
Capital Costs - Bus											
Total Capital Costs - Bus (\$)	24.76%	25.24%	11.66%	16.61%	4.77%	20.77%	26.29%	8.79%	20.47%	16.74%	26.26%
Other Costs											
*All Other Costs (\$)	10.44%	9.26%	16.33%	12.51%	23.57%	14.00%	7.43%	27.73%	7.40%	13.99%	14.97%
Weights % Check	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Survey Data	12	13	14	15	16	17	18	19	20	21	22
People Costs	x	x	x	x	x	x	x	x	x	x	x
Drivers											
Total People Costs (\$)	56.83%	36.39%	56.69%	45.61%	33.65%	45.43%	51.49%	44.61%	47.90%	48.22%	48.38%
Bus Fuel & Lubricants											
*Fuel - Diesel Costs (\$)	7.45%	10.96%	11.73%	10.03%	8.73%	10.12%	11.01%	8.48%	9.98%	15.32%	10.75%
Lubricants Costs (\$)	0.68%	0.22%	0.40%	0.26%	0.22%		0.45%	0.56%	0.18%	0.29%	
Total Bus Distillate & Lubricant Costs (\$)	8.12%	11.18%	12.13%	10.28%	8.95%	10.12%	11.46%	9.04%	10.16%	15.62%	10.75%
Bus Repairs and Maintenance											
Tyres & Tubes (\$)	0.72%	0.51%	0.60%	1.15%	1.63%	0.96%	0.58%	1.23%	4.16%	0.91%	0.96%
Service	2.68%	2.60%	2.39%	4.16%	2.33%	4.16%	5.11%	9.91%	4.20%	4.35%	2.72%
*Total Bus Repairs and Maintenance Costs (\$)	3.40%	3.11%	3.00%	5.31%	3.96%	5.11%	5.68%	11.14%	8.37%	5.26%	3.69%
Bus Insurance & Registration Costs											
*Bus Registration (\$)	0.61%	1.28%	0.62%	1.88%	1.68%	0.80%	0.98%	1.26%	1.49%	0.84%	0.78%
*Bus Comprehensive Insurance (\$)	0.57%	0.85%	0.71%	1.26%	1.57%	0.80%	1.11%	1.72%	1.68%	1.06%	0.76%
*Green Slips (\$)	0.74%	0.77%	0.81%	0.92%	1.06%	1.58%	1.27%	1.81%	1.43%		0.74%
Total Bus Insurance and Registration Costs (\$)	1.93%	2.90%	2.14%	4.06%	4.31%	3.17%	3.36%	4.79%	4.60%	1.90%	2.28%
Capital Costs - Bus											
Total Capital Costs - Bus (\$)	20.80%	21.23%	9.80%	18.73%	18.49%	25.23%	15.06%	21.31%	20.08%	13.96%	26.55%
Other Costs											
*All Other Costs (\$)	8.91%	25.20%	16.23%	16.00%	30.64%	10.93%	12.95%	9.11%	8.89%	15.05%	8.36%
Weights % Check	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Survey Data	25	27	28	29	30	31	32	Simple Average (excluding operators not marked "x")	Weighted Average (excluding operators not marked "x")	Commercials Only Weighted Average (excluding operators not marked "x")
People Costs	x	x	x	x	x	x	x			
Drivers										
Total People Costs (\$)	24.14%	54.88%	34.63%	49.07%	49.36%	33.94%	36.53%	44.99%	46.67%	48.28%
Bus Fuel & Lubricants										
*Fuel - Diesel Costs (\$)	12.63%	13.24%	11.51%	10.17%	9.46%	8.49%	8.04%	10.79%	11.16%	11.09%
Lubricants Costs (\$)	0.31%	0.28%	0.54%		0.23%		0.66%	0.35%	0.33%	0.32%
Total Bus Distillate & Lubricant Costs (\$)	12.94%	13.52%	12.05%	10.17%	9.69%	8.49%	8.70%	11.13%	11.48%	11.41%
Bus Repairs and Maintenance										
Tyres & Tubes (\$)	0.96%	1.67%	1.24%	0.71%	2.85%	1.89%	0.54%	1.20%	0.93%	0.93%
Service	8.11%	3.21%	11.12%	1.61%	9.85%	6.26%	3.57%	5.06%	4.81%	4.78%
*Total Bus Repairs and Maintenance Costs (\$)	9.07%	4.88%	12.37%	2.32%	12.70%	8.15%	4.12%	6.26%	5.74%	5.71%
Bus Insurance & Registration Costs										
*Bus Registration (\$)	3.84%	1.06%	0.99%	0.76%	1.08%	2.89%	1.89%	1.24%	1.12%	1.08%
*Bus Comprehensive Insurance (\$)	1.27%	1.00%	1.11%	0.74%	2.00%	0.68%	2.66%	1.15%	0.90%	0.86%
*Green Slips (\$)	0.57%	1.57%	1.01%	0.70%	1.43%		1.39%	0.97%	0.94%	0.90%
Total Bus Insurance and Registration Costs (\$)	5.68%	3.62%	3.11%	2.20%	4.50%	3.57%	5.95%	3.36%	2.96%	2.83%
Capital Costs - Bus										
Total Capital Costs - Bus (\$)	16.78%	13.43%	28.15%	26.72%	9.73%	36.33%	19.66%	19.46%	19.36%	18.55%
Other Costs										
*All Other Costs (\$)	31.39%	9.67%	9.69%	9.52%	14.03%	9.52%	25.04%	14.78%	13.80%	13.22%
Weights % Check	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%