



**Córas Iompair Éireann**

Chairman's Office  
Heuston Station  
Dublin 8  
D08 E2CV  
Oifig an Chathaoirligh  
Stáisiún Heuston  
Baile Átha Cliath 8  
D08 E2CV  
Tel/Guthán: + 353 1 703 4991  
Web: [www.cie.ie](http://www.cie.ie)

7<sup>th</sup> July 2020

Ms. Aileen Fallon  
Committee Clerk (Work Programme)  
Special Committee on Covid-19 Response  
Leinster House  
Dublin 2 D02 XR20

**Re: Impact of COVID-19 on Public Transport**

Dear Ms Fallon,

Thank you for the invitation to make a written submission to the Special Committee on Covid-19 Response.

As Ireland's largest transport provider, I am pleased to attach CIÉ's submission. The submission addresses the impact of Covid-19 on passenger volumes, operations and consequent financial implications.

Looking to the future, the submission confirms CIÉ's commitment to building on the strong collective response of public transport stakeholders to the COVID-19 emergency by ensuring that public transport continues to play a central role in the short and long-term rebuild and recovery of society and the economy.

Our submission highlights how the recovery can be a sustainable one. The group is committed to playing its role in delivering Ireland's climate action targets. The CIÉ Group's Sustainability Strategy 2020 represents a coordinated plan of action to be delivered by the CIÉ Group of Companies, including Dublin Bus, Iarnród Éireann and Bus Éireann.

If the Special Committee has any further queries, I would be pleased to address them through correspondence or in person.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Fiona Ross', is written over a horizontal line.

Fiona Ross  
Chairman CIÉ



**Córas Iompair Éireann**

**Special Committee on COVID-19  
Response- Submission:**

**Impact of COVID-19 on Public Transport**

**Date: 7th July 2020**



# 1 INTRODUCTION

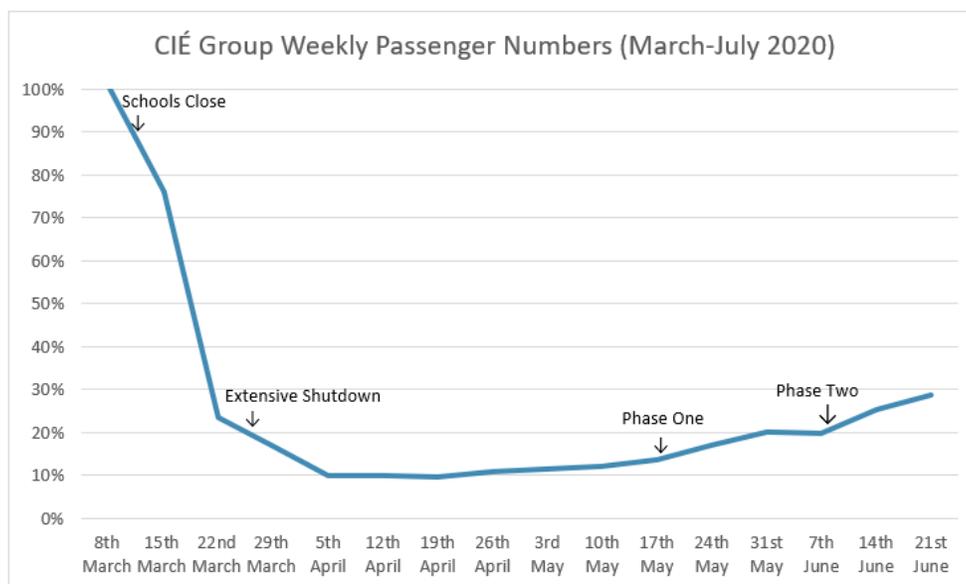
The CIÉ Group of companies, Dublin Bus, Iarnród Éireann and Bus Éireann form the largest provider of public transport services in Ireland, carrying over 280 million passengers in 2019. The Group welcomes the opportunity to make a submission to the Special Committee in their efforts to ascertain the impact of COVID-19 on public transport. This submission reflects the views of the CIÉ Group and is intended to be read in conjunction with the submissions of the CIÉ operating companies.

Below we wish to highlight to the Committee the impact of the COVID-19 pandemic on:

- Passenger volumes
- Financial impact
- Positive repercussions
- The role of public transport in the recovery

# 2 IMPACT OF COVID-19 ON PASSENGER VOLUMES

The impact of COVID-19 on public transport is evidenced by the dramatic decline in passenger numbers from the beginning of March of this year, when passenger numbers fell from over 4.5 million weekly passengers to below 500,000 weekly passengers in April. Passenger numbers entered a low period alongside the announcement of extensive movement restrictions on the 29<sup>th</sup> March.



(Figure 1, CIÉ Group Weekly Passenger Numbers (March-July 2020), 100% represents 4.5 million weekly passengers the figure from the week ending on the 8<sup>th</sup> of March)

Following the (90%) decline in weekly passenger numbers during March and April, passenger numbers have remained low as citizens complied with national public health advice on movement restriction and with public transport being reserved for the use of essential workers only during the crisis period. Within Phase 1 of the Government roadmap for the reopening of society and business, passenger numbers increased marginally and remained under 30% of previous average weekly volumes, throughout Phase 2. The Government roadmap has now moved to Phase 3 since 29<sup>th</sup> June 2020, allowing for up to 50% capacity onboard public transport vehicles alongside requirements for mandatory wearing of face coverings. Passenger numbers have recently risen to above 30% of pre-Covid levels during the early stages of Phase 3.

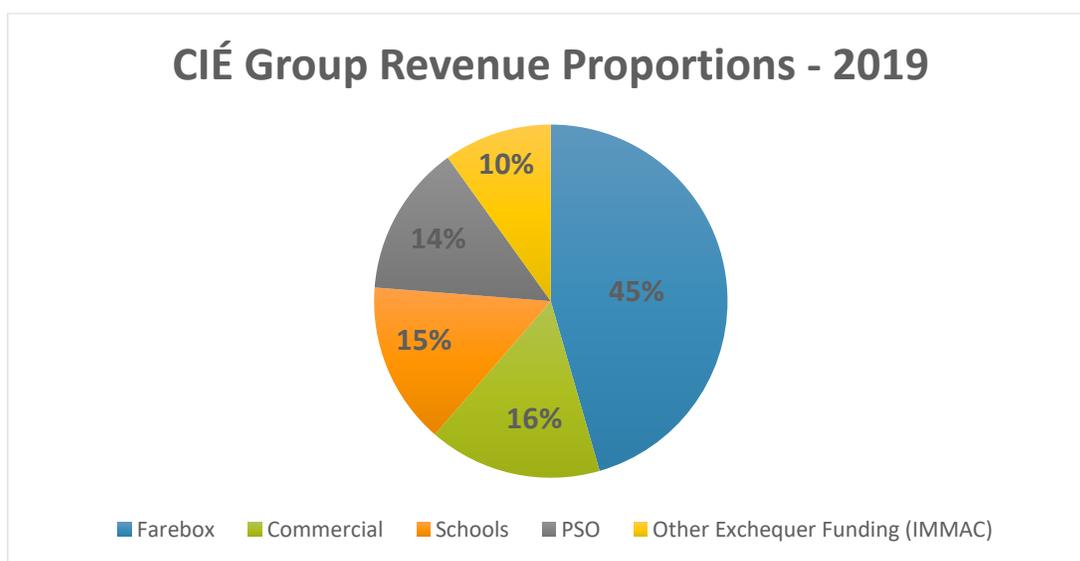
### 3 FINANCIAL IMPACT

The onset of the economic and social shutdown coupled with public transport services reserved for essential workers only, has meant that the impact on the financial performance of the CIÉ Group has been significant. The Group’s three main revenue streams are outlined below:

- Farebox revenue from both Public Service Obligations (PSO) Services and Commercial Services
- PSO subvention payments
- Property and Advertising

#### 3.1 OVERVIEW OF CIÉ GROUP REVENUE PROPORTIONS

Farebox and commercial revenue represents approximately 60% of total annual revenue for the CIÉ Group, with the remainder stemming from PSO Services. As a result, the drop in passenger numbers caused by the COVID-19 emergency has had an acute impact on Group revenue.



(Figure 2, CIÉ Group Revenue Proportions – 2019)



CIÉ welcomes the Government's ongoing support to fund PSO services against such large falls in revenue. Such support is crucial in order to maintain PSO services.

### 3.2 IMPACT ON COMMERCIAL SERVICES

The impact on gross revenue from the fall off in passenger volumes across PSO services, was further compounded by the shrinking of revenue from commercial services in the CIÉ Group.

Commercial services include:

- Expressway (Bus Éireann's express inter city services)
- Airlink (Dublin Bus' express airport services)
- DoDublin (Dublin Bus' tours operations)
- Rail Freight (Iarnród Éireann's services for the Bulk Freight, Intermodal and Freight Forwarding markets)
- Rosslare Port (Iarnród Éireann are the Port Authority for Rosslare Europort)
- CIÉ Tours (the largest single generator of inward tourism from the USA to Ireland)

Revenues from commercial services totalled €213m in 2019, however forecasted revenues for 2020 are expected to fall by 60% of 2019 revenues.

CIÉ welcomes the Government support measures for licensed bus services announced in June.

### 3.3 RETAIL TENANTS AND ADVERTISING SEVERELY IMPACTED.

The contraction in economic activity and the immediate impact of the lockdown led to a closure of almost all retail units at stations with almost all springtime advertising campaigns pulled.

We are encouraging our retail tenants to reopen to both provide services and improve the ambience of our stations. By the end of June, many of our retail tenants had reopened or were planning to do so. Retail tenants have been advised that account will be taken of the severe impact of COVID-19 on the operation and turnover of their businesses as and when the full impact can be established.

## 4 POSITIVES FROM THE COVID-19 CRISIS

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### 4.1 COLLECTIVE RESPONSE TO THE PUBLIC HEALTH CRISIS

The response from Government, the NTA and our staff ensured that PSO services were maintained throughout the lockdown period. Public transport services carried tens of thousands of essential workers every day, while we also operated dedicated services for hospital staff.

Our staff, union representatives and management worked to implement comprehensive sanitisation and safety measures to protect customers and staff. Supported by the national communications plan for COVID-19 public guidance, transport services were safely reserved for essential workers.



The Group played its role in communicating the public health campaign by providing free advertising for the HSE and to the Samaritans.

## 4.2 KEEPING STAFF AND PASSENGERS SAFE

Of particular note, has been the success of the Group in containing and protecting staff from infection. Despite continued operations, the CIÉ Group experienced low rates of COVID-19 infection amongst staff and drivers and zero fatalities, in contrast to public transport workers in other European countries.

This has been achieved by implementing comprehensive and regular sanitisation measures, the provision of protective equipment and the implementation of enhanced safety protocols. Our staff have demonstrated a willingness to respond and facilitate changing work practices to ensure passenger safety.

The response from Government and stakeholders has been dynamic and effective. The implementation of mandatory face masks on public transport is providing mitigating measures that enable increased passenger volumes and rebuilds confidence in public transport.

## 4.3 SUSTAINABLE TRAVEL AND CLIMATE ACTION

In the initial stages of the lockdown, the dramatic reduction in private car use and shift to more sustainable transport modes such as cycling and walking, demonstrated that climate action strategies and urban congestion can be tackled with low cost, rapidly deployed measures.

The provision of sustainable transport options needs to be prioritised for the reopening of the economy, if we are to meet Climate Action targets and to avoid gridlock from congestion. There is an opportunity to follow the lead of over 150 cities and states globally that have taken rapid action to reallocate public space for pedestrians and cyclists. The pandemic has allowed authorities to repurpose space to allow for physically-spaced walking and cycling and to allow for the deployment of light individual transport lanes and shared micro-mobility. Local authorities in Ireland are taking this opportunity to prioritise active travel, which could provide a step change for providing safe, sustainable transport modes and encourage modal shift.

The period of low car use had a dramatic impact on air quality within cities. Significant improvements in the air quality across urban areas in Ireland and globally were observed. The impact of poor air quality has been brought to light; and not only have cities globally experienced immediate improvement in air quality but also data collected has demonstrated a correlation between poor air quality and the severity of COVID cases. The data accumulated is enabling an understanding of measures required to improve air quality. The CIÉ Group is working with the multi-stakeholder Urban Traffic-related Air Pollution working group to improve air quality in cities.

# 5 FUTURE REVENUE

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Farebox revenue levels and the level of future PSO subvention required will be dependent on demand and supply. It is difficult to forecast short to medium term demand for public transport and when demand will return to pre-COVID levels.

Evidence from countries that have progressed to near complete re-opening is outlined below.

Country	Demand	Supply
<b>Austria</b> 65%	Austria re-opened much of society relatively early on May 15 <sup>th</sup> .  'Wiener Linien' the main public transport operator in Vienna has seen a return to 65% of pre-COVID passenger numbers.	One-metre distancing and mandatory face coverings required onboard public transport.  The public are advised to adhere to one metre distancing onboard public transport, where possible.
<b>New Zealand</b> 70%	New Zealand have removed all remaining restrictions as of July 8 <sup>th</sup> .  Auckland Transport has seen a return to 70% of pre-COVID passenger numbers.	Face coverings are not required, and capacity has returned to 100% with no requirement for physical distancing.
<b>Norway</b> 70%	Despite maintaining some restrictions nationally, the Public Transport Organising Authority 'Ruter' in Oslo has reported a return to 70% of pre-Covid levels.	There is no requirement to wear facemasks while on public transport in Norway.  However, the use of public transport is discouraged unless for essential travel. Capacity remains slightly restricted (no exact capacity figure available)
<b>Belgium</b> 50%	From the 8th of June, the country entered its '3rd Phase' of relaxation, allowing nearly all activities and businesses to reopen.  STIB-MIVB the public transport operator in Brussels reports a return to 50% of pre-Covid passenger numbers.	Facemasks are mandatory on public transport in Belgium.  Public transport in Belgium is operating at approximately 85-90% of its usual service capacity.

*(Figure 2, Demand and Supply Evidence from Austria, New Zealand, Norway and Belgium, Source: International Association of Public Transport (UITP))*

## 6 THE RECOVERY AND REBUILD FROM THE COVID-19 EMERGENCY

The public transport network represents national infrastructure that can facilitate economic recovery, climate action and the wellbeing of the population in the recovery and rebuild from the COVID-19 emergency.

The network underpins economic activity and plays a critical role in supporting buoyant rural economies and regional development. Public transport represents a key enabler of a 'just recovery' from the COVID-19 emergency, by facilitating equality of access to opportunity, through the provision of an affordable, accessible transport. Public transport is inherently sustainable, in terms of scale-efficiency and greenhouse gas emissions per passenger, enabling climate action progress.



Pre-COVID-19 the transport sector acted as the second largest contributor to national Greenhouse Gas Emissions (approximately 20% of total) in Ireland. Transport demand rising significantly as the country emerged from the previous economic downturn (2008-11), coupled with an overreliance on the private car (was responsible for 74% of all journeys in Ireland) had also led to widespread congestion. Such trends were not only mis-aligned with Ireland's climate action targets, but also had knock-on effects on the health and wellbeing of our population as well as economic productivity.

The Climate Action Plan 2019 and the new Programme for Government foresee ambitious targets for emission reduction for the transport sector. The commitment to 'a fundamental change in the nature of transport in Ireland' as outlined in the new Programme for Government would be undermined should the dependency on private car use dramatically increase, with the heightened perception of risks from use of public transport. This can be circumvented through continued and committed investment in public transport and a focus on building confidence in services, by industry stakeholders.

A step-change in investment into public transport infrastructural projects will be necessary to deliver the capacity required for Ireland to achieve a modal shift to sustainable transport modes. The delivery of the planned investment in public transport infrastructure through Project Ireland 2040, alongside supply and demand side management initiatives that support mass modal shift will be required. An acceleration of the planned decarbonisation of the public transport system, through the implementation of low emission fuel technologies, will also be a crucial step in achieving ambitious national and sectoral climate targets.

The priority transport investment projects which will provide a step change to enable a real alternative to the private car include:

- Delivery of Project Ireland 2040 and key transport infrastructure projects, including:
  - Implementation of bus prioritisation and modernisation projects including BusConnects in Dublin and regional cities.
  - National Train Control Centre.
  - DART Expansion, including major fleet orders, electrification, and network enhancement
  - Development of proposals to enhance the role of rail in regional cities
  - Conversion of existing Intercity fleet to hybrid operation
- Accelerated investment in low emission vehicles to transition to a near zero emissions bus fleet.
- Development of public transport hubs connecting modes (Rail, LUAS, DART, Park & Ride).
- Development of high-density development in proximity to public transport hubs.
- Continued support from Government and regulatory bodies for initiatives at operating company level aimed at achieving equal access to public transport for all citizens.
- Broadening of city bike schemes to reflect the wider commuter patterns.
- Investment in IT solutions to support modal shift and integrated sustainable transport options.

Internationally, public transport providers have responded effectively to manage fleet capacity and customer communications with the assistance of IT platforms and real time data analysis. IT solutions are being used to manage both supply and demand of services offering passengers accurate, real-time, location-based transport information. Big data services are enabling dynamic planning and service scheduling and are yielding transit patterns analysis in real time.



Passenger empowerment is facilitated with integrated trip planners with smart payment systems, where real time information for services, crowding indicators and trip planning across multi-modes of transport are available.

## 7 THE ROLE OF THE CIÉ GROUP IN ECONOMIC RECOVERY AND DELIVERING A STEP CHANGE IN PUBLIC TRANSPORT PROVISION

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The CIÉ Group is committed to building on the strong collective response of public transport stakeholders to the COVID-19 emergency by ensuring that public transport continues to play a central role in the short and long-term rebuild and recovery of society and the economy.

The group is committed to playing its role in delivering Ireland's climate action targets, the U.N. Sustainable Development Goals (SDGs) in supporting the strategic objectives of the National Development Plan 2018-27, the National Planning Framework and regional development plans. In this vein, the CIÉ Group's [Sustainability Strategy 2020](#) represents a coordinated plan of action to be delivered by the CIÉ Group of Companies, including Dublin Bus, Iarnród Éireann and Bus Éireann to achieve these aims.

For many, the use of public transport is essential for access to education, employment or basic public services like health care. The CIÉ Group values the importance of delivering on our public service obligations.

As one of the largest landowners in Ireland the CIÉ Group is committed to using Group property to enhance transport-orientated development in line with objectives of the National Development Plan for compact growth and spatial planning. This includes, where possible, integrating active travel infrastructure and micro-mobility innovation into our properties and network. Our aim is to improve the efficiency and experience of the full journey by enabling an integrated multimodal sustainable transport network.

Focusing on the global challenge of tackling climate change, we aim to become a fully sustainable and circular business and are working closely with our partners, as part of a national integrated approach, to deliver low-carbon public transport services and promote sustainable mobility. We have an ambitious plan to achieve our public sector climate targets for carbon reduction and energy efficiency across rail and bus services.

Together with our partners: The Department of Climate Action, Communications Networks and Transport, the NTA, NewEra and Local Authorities, the CIÉ Group will work to develop the public transport network, support enterprise and employment, and extend the provision of a vital service across the population and commercial sector as we progress through the national economic and societal recovery.