

41ST PARLIAMENT



Public Accounts Committee

Report 6

**BUS FAIR**

*The report of the inquiry into the Student Transport Assistance Policy framework*

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Presented by  
Mrs L.M. O'Malley, MLA

August 2022

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# Public Accounts Committee

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## Bus Fair

### The report of the inquiry into the Student Transport Assistance Policy framework

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Report No. 6

Presented by

**Mrs L.M. O'Malley, MLA**

Laid on the Table of the Legislative Assembly on 18 August 2022

## **Inquiry Terms of Reference**

The Public Accounts Committee will inquire into the current Student Transport Assistance Policy framework within the current budget parameters, in particular:

- a) the eligibility criteria for students to qualify for transport assistance, including:
  - i. nearest appropriate school;
  - ii. access to spurs; and
  - iii. inclusion of social, community, and economic and financial factors;
- b) the types of transport assistance and entitlements to be provided to ensure students can undertake an appropriate education;
- c) the relevance of existing policies, practices and rules that are applied in delivering the transport assistance arrangements;
- d) the assessment process when evaluating the safety of bus stops and routes;
- e) the implication of the National Disability Insurance Scheme on the delivery of transport assistance for students attending Education Support facilities;
- f) the contractual arrangements with service providers, including the appropriateness of current school bus contracts, and payment arrangements, and previous contractual arrangements and the manner in which they were created;
- g) the resourcing of the School Bus Services division within the Public Transport Authority; and
- h) the appropriateness of the Conveyance Allowance as an alternative to transport assistance.

The Committee will report on the outcome of this inquiry to the Legislative Assembly by 31 August 2022.

## Chair's Foreword

In tabling this 6th report of the Public Accounts Committee (the Committee) titled **Bus Fair – The report of the inquiry into the Student Transport Assistance Policy framework** I begin by commending the efforts and professionalism throughout the inquiry process of my Committee colleagues, the Member for Cottesloe and Deputy Chair Mr David Honey MLA, Member for Darling Range Mr Hugh Jones MLA, Member for Mirrabooka Ms Meredith Hammat MLA, Member for Victoria Park Ms Hannah Beazley MLA and the Member for Roe Mr Peter Rundle MLA who was co-opted to the Committee for this inquiry. I express my sincere thanks on behalf of the Committee to our staff Principal Research Officer Ms Alison Sharpe and Research Officer Ms Michele Chiasson.

The inquiry which led to the report I now table began on the 18th August 2021 when the Minister for Transport asked the Legislative Assembly to refer the current Student Transport Assistance Policy (STAP) framework to the Committee for review.

Parliamentary referrals to a standing committee are relatively rare underlining the importance of this topic to the Parliament and the public's interest. This is not the first inquiry or review into student transport assistance, more commonly known as 'school bus services' in Western Australia but it is arguably the most comprehensive since the state government began providing the service in 1918.

Throughout the course of this inquiry the Committee received more than 200 submissions, undertook regional travel prior to COVID-19 restrictions to Darkan, Dumbleyung, Narrogin, Wagin as well as Jarrahdale. I would like to take this opportunity to extend the Committee's sincere thanks for the hospitality we experienced by those we met with and their wonderful communities. The Committee conducted 25 hearings both virtual and in-person and although conducted during a time of COVID-19 imposed interruption and challenged the commitment and diligence applied by the Committee, and the willingness, enthusiasm and forthrightness of witnesses and submitters has led to a report which meets the objectives of the Terms of Reference laid out in the referral to inquire into the STAP framework.

These being the eligibility criteria for students to qualify for transport assistance, the types of transport assistance and entitlements to be provided to ensure students can undertake an appropriate education, the relevance of existing policies, practices and rules that are applied in delivering the transport assistance arrangements, the assessment process when evaluating the safety of bus stops and routes, the implication of the National Disability Insurance Scheme (NDIS) on the delivery of transport assistance for students attending Education Support Facilities, the contractual arrangements with service providers, including the appropriateness of current school bus contracts, and payment arrangements, and previous contractual arrangements and the manner in which they were created, the resourcing of the School Bus Services

division within the Public Transport Authority and the appropriateness of the Conveyance Allowance as an alternative to transport assistance.

The subject matter was very personal and emotive for some of the submitters and witnesses and on behalf of the Committee I would like to acknowledge and thank the many parents, carers, community members and advocacy groups for their participation. To the contractors and small business owners, government departments and agencies, your evidence was also crucial to the work of the Committee, thank you.

Our investigation of the STAP (school bus service) found it to be complex and at times contentious, but we also found it to be highly valued by those who access it. The following chapters will expand on the STAP and its features. However, I think it pertinent to look at two of its key features here of equal importance and foundational to the STAP, they are that it delivers a service which is highly valued by those who have access to it and this service is delivered at a cost to government. Throughout this inquiry we have asked many questions based on principles of service, access and value (economic and social) for money. Important questions that needed asking and the answers evaluated, including is it fair? is it accessible? is it equitable? and is it delivering value for money? These questions and more were asked in relation to eligibility criteria, existing policies, practices and rules of delivery, safety and practicality of bus stops and routes, the impact of the NDIS on Education Support Facilities, contractual arrangements and Conveyance Allowance. There are examples of where the STAP is working well but what we found on balance was that some things need to change. However, before going forward to the findings and recommendations contained in this report, it is appropriate to take a brief look at the history and some previous inquiries and reviews across the 100 years of school bus services in Western Australia.

Initially provided by the Department of Education, school bus services began in 1918 with 10 services in operation by 1938. The service grew as a result of the 1940s 'school consolidation' policy, that is, having fewer, larger schools in rural areas. In 1957, the first inquiry into the school bus service was undertaken by a select committee of the Legislative Council. They found five key features of school consolidation which drove the State Government's provision of school transport assistance. These were, school consolidation provides better educational opportunities for students, and the policy should remain for both educational and economic reasons. Both the government and parents have an obligation to get children to school. Children should not be travelling undue distances to school, spur running (where a portion of the route is off the main route) should be avoided or minimised and bus contractors should make a living out of the contract as well as earn enough money to replace the bus when it comes to the end of its life.

By that time, 17,500 students were being bused to school on 468 contract routes and 92 subsidised services. Since then, the service has grown and evolved, but the five key features of school consolidation which drove the school bus services policy in the 1950s continue to influence the policy and how it is administered to this day. In the mid 1990's

an internal review by the Department of Education determined this was not a 'core function' for the Department, and responsibility was shifted to the Department of Transport. Today, school bus services are delivered by the Public Transport Authority (PTA), with the School Bus Services (SBS) team of 32 FTEs responsible for managing and administering the student transport assistance program, while the service is delivered by school bus contractors. During the 2020-2021 financial year, SBS provided transport assistance to 25,878 students, managed 869 school bus contracts delivering 967 separate services, 807 to mainstream schools and 160 to Education Support Facilities, administered Conveyance Allowance payments for 2,010 students. During that period, 10.2 million student trips were made, covering 32.8 million kilometres. The total cost of delivering the service for one year was \$127 million, comprising; \$120.8 million in school bus contractor payments, \$1.7 million in conveyance payments, \$4.1 million in staff and administration costs. This equates to a subsidy of \$4,216 per rural student attending a mainstream school, and \$9,429 per education support student. It is essential that the Committee has knowledge and understanding of this information in relation to both our primary function as the Public Accounts Committee as well as in relation to the Terms of Reference of this inquiry.

Attempts to balance the fiscal constraints of providing an efficient bus service over a significant geographical area, with the importance of getting children to school safely and the expectations of families, communities and contractors, have inevitably ended up with some stakeholders being dissatisfied with the school bus service. While some parents believe the government is responsible for transporting their children to school, the government's intention is 'to provide a reasonable level of transport assistance' equitably and efficiently. It could be that these competing priorities have contributed towards the number of reviews and inquiries into student bus services over the years. It is noteworthy that many of the issues brought to our attention during this inquiry have been raised time and time again, without finding a resolution that totally satisfies everyone. This is looked at in more detail within this report.

However, I will make specific comment on the issue of contracting arrangements which is a particularly contentious issue. This became a dominate feature of this inquiry with a significant focus of the Committee's time and energy spent on this area. Such was the commitment of all Committee members to ensure that we had taken all possible aspects, views and evidence of this critical element into account in our deliberations that additional scrutiny was prioritised throughout. It is the substantive view of the Committee that a single form of contract which is competitive, open, transparent and accessible and prioritises local regional content can provide better economic and social value for money for the state government and regional communities.

Finally, much has changed in the 100 years since the commencement of school bus services in Western Australia. Technology, community expectations, cultural and environmental factors and many other things have altered the way in which we farm and the towns and communities which rely on agriculture as a way of life. They have had

to adapt to survive and in many cases are thriving despite the challenges. This inquiry has allowed me as it has for other members of the Committee to reflect fondly on our experiences of catching the bus from our farms and small towns during our school years. But I also acknowledge that when I return to my small hometown, I see that the numerous surrounding small dairy farms which were home to an average of five kids apiece have been replaced by big broadacre crop megafarms or dairy businesses with smaller and fewer families. We have heard similar stories during this inquiry. What hasn't changed though is the importance and value placed on school bus services by those who access or seek to access it. The Committee believe that the report we have tabled here today and the recommendations within it can provide a pathway to improving this vital service for all stakeholders.



MRS L.M. O'MALLEY, MLA  
CHAIR



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## Executive Summary

The State Government has been providing transport assistance to school students for over 100 years. The service is highly valued by many rural communities and, more recently, by families of students attending Education Support Facilities. From 10 services in 1938, to 967 services in 2021, the school bus service has grown far beyond what anyone involved in the early days of the service could have imagined. Today, the school bus service is delivered in accordance with the *Student Transport Assistance Policy and Operational Guidelines* (STAP), which is managed and administered by School Bus Services (SBS), a division of the Public Transport Authority (PTA).

The growth of the school bus services can be attributed to growing populations, changes in rural demographics, changes to education policies and the expansion of transport assistance policies, amongst other things. As the school bus service has grown, the service has been reviewed at intervals to ensure that it continues to meet policy objectives, and is delivered efficiently and effectively.

Prior to this inquiry, the most recent review of eligibility for the school bus service was reported on in 1999. Since that time, there have been policy and operational changes which have affected how and to whom school bus services are provided. These changes, as well as changes in rural demographics, have contributed to growing discontent from some stakeholders with the way the school bus service operates. To address these concerns, the Minister for Transport requested the Legislative Assembly refer to the Public Accounts Committee (Committee, we or us) an inquiry into the Student Transport Assistance Policy framework in August 2021. The Terms of Reference for the inquiry can be found on page i.

The issues raised throughout this inquiry were both complex and emotive. This was evident in the Committee receiving over 200 submissions. In addition, we heard from over 70 people from around the state both in person and virtually. We were fortunate to travel to 5 regional communities at the end of 2021 and meet people with experience of student transport assistance. Unfortunately, due to COVID-19 related public health measures in place during March and April 2022 the Committee conducted virtual hearings with regional stakeholders rather than undertake further travel.

Having carefully considered the evidence received, this report makes 82 findings and 40 recommendations. The recommendations are intended to address stakeholders' concerns, whilst also considering the financial and logistical issues of delivering a school bus service over a state the size of Western Australia. One of the key issues discussed throughout the report is the need for improved communications and consultation between SBS, parents and carers, students, school bus contractors, and local communities, and is reflected in many of the findings and recommendations.

In Chapters 2 to 5 the Committee examines the eligibility criteria for transport assistance for rural students attending mainstream schools, and the operation of the Complimentary Passengers policy. We also reviewed the eligibility criteria for students attending Education Support Facilities, and the potential impact of the National Disability Insurance Scheme

(NDIS). Further, we discuss the appropriateness and adequacy of the Conveyance Allowance as an alternative to bus transport, the application process, and the provision of transport assistance outside the policy.

In relation to the eligibility criteria, the main concerns of stakeholders were in relation to the criterion that students must be attending their Nearest Appropriate School to receive transport assistance. Many parents and carers believe this criterion is too restrictive, and want their children to be eligible to receive transport assistance to attend any school of their choice.

While the Committee understands families' aspirations to receive transport assistance for their children to attend their school of choice, we believe providing this level of transport assistance would be cost prohibitive and create significant logistical issues. However, we have made several recommendations in Chapter 2 that will provide families with some flexibility in which school their children attend, whilst also giving due regard to budgetary constraints.

In particular, to provide continuity of schooling we have recommended that some students should be eligible to receive transport assistance to attend a senior high school from year 7. We also recommend that SBS take social, economic, financial and community factors into account when determining what is the Nearest Appropriate School for families who live a similar distance from two or more schools.

Despite comprising less than 20% of students accessing transport assistance across the State, the Committee received a significant amount of evidence regarding the STAP's Complimentary Passengers policy. In accordance with this policy, students who are ineligible to receive transport assistance may be allocated a seat on a bus if there is spare capacity on a bus, and minimal additional cost to SBS in providing the service. On balance, the Committee thinks the Complimentary Passengers policy should not be changed. Concerns with this policy and our reasons for taking this position are discussed in Chapter 2. Some of the other recommendations made throughout this report, if implemented, will result in some students who are currently Complimentary Passengers becoming eligible to receive transport assistance.

In Chapter 3, we discuss the eligibility criteria for students attending Education Support Facilities. The Committee received limited evidence in relation to the eligibility criteria, with the key concerns of stakeholders being the availability of buses with appropriate modifications, and how the NDIS will affect the provision of transport assistance.

Although the majority of students receive transport assistance by way of bus transport, some will receive the payment of a Conveyance Allowance, a financial contribution towards the cost of parents and carers transporting their children to and from school or a bus stop. In Chapter 4 we discuss the circumstances in which families will receive a Conveyance Allowance. While the majority of people would prefer a seat on a bus, we have concluded that the Conveyance Allowance is an appropriate alternative to bus transport. However, we believe the Conveyance Allowance rate should be reviewed.

Chapter 5 examines how families can apply for student transport assistance, and makes suggestions about how SBS could improve this process. Some stakeholders raised concerns about how SBS advertises the application process and the times it takes to make decisions; however, the biggest concerns raised were around the perceived inconsistency with approvals and the absence of a formal appeals process. The Committee believe a formal appeals process should be established to address these concerns.

Chapter 5 also discusses the benefits of introducing a formal complaints management process to specifically deal with complaints regarding the conduct of bus contractors, bus drivers and SBS representatives.

The second half of our report focuses on the logistics of providing student transport assistance, including the determination of bus routes and stops, school bus contracting arrangements and managing student behaviour on buses.

The need for SBS to improve its consultation and communication with the local communities is discussed in Chapter 6. The STAP contains a number of factors that SBS should consider when determining school bus routes and the location of bus stops. However, the evidence suggests SBS accessing local knowledge will benefit contractors, drivers, families and students by assisting to create more efficient bus routes, which better meet the needs of the community. We discuss how local knowledge could be accessed through local community advisory groups.

In Chapter 6 we also discuss some key issues raised in relation to determining school bus routes, including minimum passenger numbers, bus trip duration, and spurs. We note the importance of forward planning to inform future bus service requirements and the need to clarify the role local government authorities have in bus stop construction and maintenance.

Arguably the most contentious and complex issue the Committee inquired into is the contracting arrangements for school bus services, examined in Chapter 7. School bus services contracting arrangements have been subject to many reviews and recommendations over the years, with resulting changes to contract terms.

Many of the same issues canvassed in previous reviews have been raised in this one, including the reimbursement for fixed costs where school bus contractors undertake charter work, and what return on investment rate is appropriate. Most importantly, the key issue of contention between the government and bus contractors is how contracts are entered into, and their term. School bus contractors favour the security of tenure inherent with in perpetuity contracts, while the State Government favours a tender process that is generally consistent with the Western Australian Procurement Rules.

The Committee considered what a 'good contract' would look like, and believe it should be fair, transparent and provide safe school bus transport. In particular, the Committee considers school bus contracts should be awarded through a tender process which focuses on value for money, that is that contracts are not simply awarded based on cost, but that social, economic and environmental factors, such as delivering strong regional economies and creating jobs within WA, are taken into account.

Chapter 7 also examines the relationship between bus contractors and SBS, which stakeholders advised has been deteriorating in recent years for a variety of reasons. It is important that SBS and school bus contractors have a good working relationship, and we recommend a communications protocol is developed to help improve this relationship. Other recommendations throughout our report, such as introducing a complaints management process and seeking greater local knowledge in determining bus routes and stops, may also assist to improve SBS and school bus contractor relationships.

The eighth and final chapter notes the need to clarify the roles and responsibilities for managing student behaviour on school buses to ensure student safety. School bus contractors and drivers hold primary responsibility for managing student behaviour, however contractors suggested they were not consulted when the Behaviour Management Guidelines were established, and are concerned with the level of responsibility these guidelines require of them. We recommend the PTA engage with a broad range of stakeholders to ensure the Behaviour Management Guidelines are appropriate. Chapter 8 also recommends the PTA clarifies the roles and responsibilities of bus drivers and other bus staff.



## **Ministerial Response**

In accordance with Standing Order 277(1) of the Standing Orders of the Legislative Assembly, the Public Accounts Committee directs that the Minister for Transport, Minister for Education, and Minister for Disability Services report to the Assembly as to the action, if any, proposed to be taken by the Government with respect to the recommendations of the Committee.



# Findings and Recommendations

## Chapter 1 – School bus services are in need of review

### Recommendation 1

Page 7

The Minister for Transport and Minister for Education should ensure the Public Transport Authority and Department of Education work together so that the recommended changes to the *Student Transport Assistance Policy and Operational Guidelines* are implemented with due regard to education policy, to ensure transport assistance is provided effectively and efficiently.

## Chapter 2 – The eligibility criteria for rural students attending mainstream schools need to be updated

### Finding 1

Page 15

It would be impractical to provide transport assistance for all rural students to attend a school of their choice.

### Finding 2

Page 17

Minimising the number of times students have to change schools minimises the risk of students disengaging from their education.

### Finding 3

Page 17

Providing transport assistance to enable some students to attend their nearest senior high school from year 7 will reduce the number of times some students change schools.

### Recommendation 2

Page 17

The Minister for Transport and Minister for Education should consider the cost and educational impacts of the Public Transport Authority updating the *Student Transport Assistance Policy and Operational Guidelines'* Nearest Appropriate School eligibility criterion for rural students attending mainstream schools so that students who complete Year 6 in a primary school that is not part of a district high school are eligible to receive transport assistance to attend their local district high school or their nearest senior high school for years 7 to 12.

### Recommendation 3

Page 17

Subject to the outcome of the consideration in Recommendation 2, the Minister for Transport should ensure the Public Transport Authority implement the changes to *Student Transport Assistance Policy and Operational Guidelines'* Nearest Appropriate School eligibility criterion for rural students attending mainstream schools so that students who complete Year 6 in a primary school that is not part of a district high school are eligible to receive transport assistance to attend their local district high school or their nearest senior high school for years 7 to 12 for the commencement of the 2024 school year if possible.

**Finding 4** **Page 18**

Students should continue to be eligible to receive transport assistance to attend their Nearest Appropriate primary School.

**Finding 5** **Page 19**

The *Student Transport Assistance Policy and Operational Guidelines* eligibility criteria do not need to incorporate educational opportunity considerations.

**Recommendation 4** **Page 19**

The Minister for Transport and Minister for Education should ensure the Public Transport Authority and Department of Education work together to regularly review the list of Approved Specialist Programs and Gifted and Talented Education Programs in the *Student Transport Assistance Policy and Operational Guidelines* so that it accurately reflects all schools offering these programs.

**Finding 6** **Page 21**

Some social, economic, financial and community factors are important considerations when determining which school is the Nearest Appropriate School.

**Recommendation 5** **Page 21**

The Minister for Transport should ensure the Public Transport Authority consider how the *Student Transport Assistance Policy and Operational Guidelines'* Nearest Appropriate School eligibility criterion for rural students attending mainstream schools can take into account social, economic, financial and community factors where a family resides a similar distance from two or more schools.

**Finding 7** **Page 22**

It is not necessary to expand the eligibility criteria in relation to non-government schools.

**Finding 8** **Page 23**

Students attending their nearest appropriate non-government school should continue to be eligible to receive transport assistance, provided they meet the other eligibility criteria under the *Student Transport Assistance Policy and Operational Guidelines*.

**Finding 9** **Page 24**

Inconsistencies between the Department of Education's local intake areas and the Public Transport Authority's Nearest Appropriate School eligibility criterion for providing transport assistance has left students eligible for transport assistance to schools they are not able to enrol in as they do not meet the Department of Education's local intake area requirements.

**Recommendation 6****Page 24**

The Minister for Transport and Minister for Education should ensure the Public Transport Authority and Department of Education work together to provide transport assistance under the *Student Transport Assistance Policy and Operational Guidelines* to students attending a school when they reside in the local intake area for that school, where one exists.

**Finding 10****Page 25**

In some areas, students are eligible to receive transport assistance via bus that will drop them at a central location from which they must catch a public bus to their Nearest Appropriate School. A student would not be eligible to receive transport assistance to attend a school other than their Nearest Appropriate School, even though the school bus would still drop the student at the same central location.

**Recommendation 7****Page 25**

The Minister for Transport should ensure the Public Transport Authority update the administration of the *Student Transport Assistance Policy and Operational Guidelines* so students who alight at a central point in a town centre, and are required to make their own way to school, are eligible to receive transport assistance whether they go to their Nearest Appropriate School or another school in that town.

**Finding 11****Page 26**

Implementing a fare system to enable students to receive transport assistance to attend a school other than their Nearest Appropriate School is not appropriate.

**Finding 12****Page 26**

Children attending kindergarten may be eligible to receive transport assistance, provided they meet the other eligibility criteria.

**Finding 13****Page 27**

It is appropriate for parents or carers to determine whether their kindergarten-aged child is competent to catch a school bus without parental supervision.

**Finding 14****Page 28**

The eligibility criterion requiring students to use transport assistance regularly is appropriate, provided the Public Transport Authority continue to apply the criterion flexibly.

**Finding 15****Page 29**

The criterion that students must live at least 4.5 kilometres from their Nearest Appropriate School to be eligible to receive transport assistance is appropriate.

**Finding 16** **Page 32**

Transport assistance under the *Student Transport Assistance Policy and Operational Guidelines* should only be provided to rural students attending mainstream schools who live outside Public Transport Areas.

**Finding 17** **Page 32**

The Public Transport Authority could improve its consultation and communication with affected families and other stakeholders in areas which may become part of a Public Transport Area.

**Recommendation 8** **Page 32**

The Minister for Transport should ensure the Public Transport Authority provide families and bus contractors who may be affected by the termination of a school bus service due to the expansion of a Public Transport Area with at least one year's notice of the proposed expansion of the Public Transport Area, and at least six months' notice of a decision to expand a Public Transport Area that will result in the termination of bus services. Changes should only take effect at the start of a school year.

**Finding 18** **Page 36**

Although the Complimentary Passengers policy is imperfect, it is preferable that students, who do not meet the eligibility criteria, are able to access transport assistance on a complimentary basis rather than not at all. As such, the Complimentary Passengers policy should remain as is.

**Finding 19** **Page 37**

It is appropriate for School Bus Services provide out of policy transport assistance to families on a case-by-case basis and for a limited duration.

### **Chapter 3 – The eligibility criteria for students attending Education Support Facilities need refining**

**Finding 20** **Page 40**

The provision of transport assistance to students attending Education Support Facilities, as defined under the *Student Transport Assistance Policy and Operational Guidelines*, is appropriate.

**Finding 21** **Page 43**

There are not enough buses with appropriate modifications available to transport students to Education Support Facilities. This may affect how transport assistance is provided to Eligible Students.

**Recommendation 9** **Page 43**

The Minister for Transport should ensure the Public Transport Authority work towards ensuring school buses with appropriate modifications are available for students attending Education Support Facilities.

**Finding 22****Page 43**

To determine eligibility to receive transport assistance, the Public Transport Authority relies on meeting the first eligibility criterion, enrolment in an Education Support Facility, to determine whether a child meets the second eligibility criterion of 'not be able to competent to make their own way to their facility safety'.

**Recommendation 10****Page 43**

The Minister for Transport should ensure the Public Transport Authority update the *Student Transport Assistance and Operational Guidelines* to remove the eligibility criterion of 'not be able or competent to make their own way to their facility safely' for students attending Education Support Facilities.

**Finding 23****Page 44**

The eligibility criterion to regularly attend an Education Support Facility and to use their approved transport service is appropriate, provided the Public Transport Authority are flexible in not removing the services from students with explained absences, such as being in hospital.

**Finding 24****Page 44**

Section 6 of the *Student Transport Assistance Policy and Operational Guidelines* on students attending Education Support Facilities contains some inconsistencies and is difficult to understand.

**Recommendation 11****Page 45**

The Minister for Transport should ensure the Public Transport Authority updates Section 6 of the *Student Transport Assistance Policy and Operation Guidelines* to capture the additional eligibility criteria as listed on the School Bus Services webpage, and improve the explanation of what each criterion is and how it is assessed.

**Finding 25****Page 46**

It is unclear how the National Disability Insurance Scheme will affect the provision of transport assistance to both students attending Education Support Facilities, and those attending mainstream schools.

**Finding 26****Page 47**

School bus services stakeholders have a range of concerns about the potential implications of the National Disability Insurance Scheme on the provision of transport assistance.

**Recommendation 12****Page 47**

The Minister for Disability Services should ensure the Department of Communities notes the concerns stakeholders raised during this inquiry about how the transition to the National Disability Insurance Scheme will affect the provision of transport assistance.

## Chapter 4 – The Conveyance Allowance is an appropriate alternative to bus transport

### Finding 27

Page 52

The Conveyance Allowance is an appropriate, and in some cases much needed, alternative to school bus transport.

### Finding 28

Page 52

Families who agree to accept a Conveyance Allowance are removed from the waitlist for bus transport.

### Recommendation 13

Page 52

The Minister for Transport should ensure the Public Transport Authority updates how it administers the *Student Transport Assistance Policy and Operation Guidelines* so families can receive a Conveyance Allowance and keep their child on a waitlist to receive transport assistance by way of a seat on a bus.

### Finding 29

Page 53

The current Conveyance Allowance appears to have increased at less than the Consumer Price Index over the last 10 years.

### Recommendation 14

Page 53

The Minister for Transport should ensure the Public Transport Authority review the Conveyance Allowance to ensure it is based on a contemporary benchmark, adjusted in line with the Consumer Price Index, and the basis for adjustments is transparent.

## Chapter 5 – The application process can be improved

### Finding 30

Page 59

School Bus Services does not have a formal process in place to enable parents or carers to appeal School Bus Services' decisions.

### Finding 31

Page 60

Parents and carers wanting to appeal School Bus Services' decisions have sought external assistance from their local community groups, school bus contractors, associations, school representatives and the Department of Education, their local members of Parliament, and the Minister for Transport.



**Recommendation 15****Page 60**

The Minister for Transport should ensure the Public Transport Authority establishes a formal appeals process to enable parents and carers to appeal a decision made by School Bus Services in administering the *Student Transport Assistance Policy and Operational Guidelines*.

The Public Transport Authority should ensure the appeals process is transparent and independent of the original decision maker. Where appropriate, representatives of the Department of Education should be consulted.

The Public Transport Authority should provide all applicants with information about the availability of an appeal and the appeals process.

All appeals should be finalised within defined timeframes.

**Finding 32****Page 61**

The Public Transport Authority commences advertising the school bus service in September each year and encourages parents and carers to apply by the end of November for the following school year.

**Finding 33****Page 61**

The Public Transport Authority could improve how it advertises the school bus service to ensure new parents and carers are aware of the service.

**Recommendation 16****Page 61**

The Minister for Transport should ensure the Public Transport Authority improves its school bus service advertising campaign by liaising with the Department of Education to provide all relevant information regarding the school bus service and the application process to local schools who can forward the information to families enrolled at the school.

**Finding 34****Page 63**

The majority of work the Public Transport Authority undertakes to determine school bus timetables and routes occurs in the week before the school year begins. Routes and timetables can take three to four weeks to settle as late applications are processed.

**Finding 35****Page 63**

Some families do not receive confirmation of their children being allocated a seat on a school bus until days before the start of the school year.

**Finding 36****Page 63**

Delays in finalising school bus routes can be problematic for local governments who may need to build new bus stops and undertake safety checks for existing bus stops at short notice and during January when staff may be on leave.

**Finding 37****Page 64**

Families who speak languages other than English, parents or carers with a disability or with low-literacy may have difficulty applying for student transport assistance.

**Recommendation 17****Page 64**

The Minister for Transport should ensure the Public Transport Authority updates the application and its guidance for student transport assistance, making it more accessible to families by:

- having information available in languages other than English
- developing a Plain English application
- allowing applicants to save their application and complete it later.

**Finding 38****Page 65**

Integrated Care Plans are developed by School Bus Services, or bus contractors if one has not been supplied by School Bus Services. This has led to some students having more than one plan in place.

**Recommendation 18****Page 66**

The Minister for Transport should ensure the Public Transport Authority establishes a process to provide students' Integrated Care Plans to the appropriate bus contractor at the earliest possible time.

**Finding 39****Page 68**

The Public Transport Authority does not have a complaints management process to specifically deal with complaints regarding the conduct of bus contractors, bus drivers or School Bus Services' representatives.

**Recommendation 19****Page 68**

The Minister for Transport should ensure the Public Transport Authority establishes a complaints management process specific to School Bus Services. This process should include information about the types of complaints that can be resolved by School Bus Services staff, and when complaints should be escalated to management or a dedicated complaints management team.

## **Chapter 6 – Local knowledge should be applied in determining bus routes and stop locations**

**Finding 40****Page 71**

School Bus Services' use of mapping programs to determine bus routes may contribute to impractical bus routes and therefore discontent amongst stakeholders.

**Finding 41****Page 74**

Improved consultation and communication between School Bus Services and local communities when determining bus routes and identifying bus stop locations may lead to more efficient bus routes and stops that could better meet the needs of each community.

**Finding 42****Page 76**

Since the Public Transport Authority took responsibility for administering the *Student Transport Assistance Policy and Operational Guidelines*, School Bus Advisory Committees no longer have a formal role in determining how school bus services are delivered. Approximately five School Bus Advisory Committees remain, but they have a limited advisory capacity only.

**Finding 43****Page 77**

Historically, school principals have had a formal role as the local bus service coordinators. Many school principals still informally provide families with assistance in relation to the provision of school transport assistance.

**Finding 44****Page 77**

The information and knowledge school principals have about the families who attend their schools, the local community and future student numbers, would be valuable to School Bus Services.

**Finding 45****Page 78**

Bus contractors are often a great source of local knowledge regarding school bus routes and stop locations.

**Recommendation 20****Page 78**

The Minister for Transport should ensure the Public Transport Authority consults and communicates with School Bus Advisory Committees, where they exist or are established by local communities in the future.

**Finding 46****Page 80**

The minimum number of passengers required to establish a service, and for a service to continue operating, is appropriate.

**Finding 47****Page 81**

It is appropriate that Complimentary Passengers are not counted by School Bus Service when they assess whether a school bus service has enough passengers to continue operating.

**Finding 48****Page 81**

School Bus Services could improve its consultation and communication with communities and school principals if bus services are to be amalgamated or terminated.

**Finding 49****Page 82**

School Bus Services could improve its short and long term forecasting for future patronage.

**Recommendation 21****Page 82**

The Minister for Transport should ensure the Public Transport Authority improves the short term and long term planning for School Bus Services to better anticipate the number of students who will require transport assistance in the forward years. Better planning will inform whether a new bus service is required or if an existing bus service should be terminated, amalgamated, or continue to run with fewer than minimum numbers for a short time.

**Finding 50****Page 84**

A maximum bus journey time of 90 minutes is a key principle in providing transport assistance.

**Finding 51****Page 85**

School Bus Services' flexible approach in applying the maximum spurs distance policy remains appropriate for determining bus routes and stop locations.

**Finding 52****Page 86**

It is appropriate for School Bus Services to prioritise students who already have a seat on a bus service over new students to the service.

**Finding 53****Page 87**

School Bus Services rarely approves school buses to be driven onto private property for the purposes of collecting students or as a bus turn around point.

**Recommendation 22****Page 87**

The Minister for Transport should ensure the Public Transport Authority seeks legal advice from the State Solicitor's Office to determine any insurance implications that may arise if school buses drive onto private property for the purposes of transporting students to school.

Depending on the legal advice received, the Public Transport Authority should consider allowing school buses to be driven on to private property when all parties agree and the bus route is more efficient.

**Finding 54****Page 90**

Whenever practical, School Bus Services will provide families with a farm gate bus stop. However, at times it is more efficient for a group of students residing within a 2.5km radius to use a common bus stop.

**Finding 55****Page 92**

Local Governments have responsibility for evaluating the safety of bus stops for local rural and regional roads. However, the *Student Transport Assistance Policy and Operational Guidelines* does not provide guidance on how safety is to be assessed.

**Finding 56** **Page 92**  
Local government authorities do not receive any specific funding to cover the cost of school bus stop construction or maintenance.

**Recommendation 23** **Page 92**  
The Minister for Transport should ensure the Public Transport Authority provides all local government authorities with relevant guidance on the safety requirements of bus stops and the roles and responsibilities for assessing them.

**Recommendation 24** **Page 92**  
The Minister for Transport should ensure the Public Transport Authority clarifies with local governments their obligations for bus stop construction and maintenance.

## **Chapter 7 – Contracting arrangements are contentious**

**Finding 57** **Page 98**  
Competitive tendering of bus contracts is generally consistent with the Western Australia Procurement Rules.

**Finding 58** **Page 99**  
Some of the Public Transport Authority's practices may limit the involvement of smaller contractors in tendering processes.

**Finding 59** **Page 99**  
Administrative errors in the Public Transport Authority's tendering processes may have contributed to a deterioration in the relationship between the Authority and school bus contractors.

**Finding 60** **Page 101**  
The Public Transport Authority currently reimburses school bus contractors for all of their fixed costs, regardless of whether the contractors are generating revenue from engaging in bus charters.

**Finding 61** **Page 101**  
It is unclear how much charter work most bus contractors engage in.

**Recommendation 25** **Page 102**

The Minister for Transport should ensure the Public Transport Authority, in consultation with BusWA, determines the amount of charter work school bus contractors engage in, and who the charter work is being done for, by surveying a representative sample of school bus contractors.

If school bus contractors are generating a material amount of revenue from non-school and non-community organisations charter work, the Public Transport Authority should investigate options to apportion the amount of fixed costs it pays to school bus contractors, in consultation with BusWA.

**Finding 62** **Page 103**

The Return on Investment calculation should not be changed at this time.

**Finding 63** **Page 107**

School bus contractors prefer long-term or in perpetuity contracts.

**Finding 64** **Page 109**

Relocating school bus contracts provides greater security for school bus contractors.

**Finding 65** **Page 113**

Different contracting arrangements has led to variation in drivers' wages, and confusion about how 'blending' wages relates to the requirement to 'pass through' wages to drivers.

**Finding 66** **Page 113**

There is confusion about how the 'pass through' wages requirement operates, particularly when bus contractors 'blend' wage amounts they are reimbursed under different contracting arrangements.

**Recommendation 26** **Page 113**

The Minister for Transport should ensure the Public Transport Authority reviews the practice of 'blending' wages across contract types and if and how this may distort the transparency and competitiveness of a tendered contract.

The Public Transport Authority should also clarify with school bus contractors and drivers how the 'pass through' wages requirement of some contracts operates in practice.

**Finding 67** **Page 116**

The Western Australian Social Procurement Framework emphasises the importance of considering social, economic and environmental priorities when awarding contracts, in particular opportunities for regional Western Australians and small and local businesses.

**Finding 68** **Page 116**

The Public Transport Authority could improve its transparency around the application of the *Buy Local Policy 2022* to school bus contract tendering processes.

**Recommendation 27****Page 118**

The Minister for Transport should ensure the Public Transport Authority implement the Western Australian Social Procurement Rules, including the *Buy Local Policy 2022*, in procuring school bus services. This includes focusing on value for money, emphasising the importance of taking social, economic and environmental factors into account when awarding school bus contracts.

**Finding 69****Page 119**

Consistent school bus contracting arrangements would be fairer and more equitable.

**Finding 70****Page 119**

Allowing tendered school bus contracts to be relocated may allay some contractors' concerns about the term of tendered contracts being the 'life of bus' rather than contracts existing in perpetuity.

**Recommendation 28****Page 119**

The Minister for Transport should ensure the Public Transport Authority seek legal advice regarding transitioning from the Evergreen Contract Model to a Tendered Contract Model.

Depending on the outcome of the legal advice, the Public Transport Authority should work with the school bus industry to provide a lengthy period of transition.

**Recommendation 29****Page 119**

The Minister for Transport should ensure the Public Transport Authority provides the opportunity for Tendered Contract Model contracts to be relocated if viable.

**Finding 71****Page 121**

Many contractors find the requirement to submit a Temporary Distance Variation complex and onerous, particularly as the calculations are determined by the Public Transport Authority and are not visible to bus contractors.

**Recommendation 30****Page 121**

The Minister for Transport should ensure the Public Transport Authority makes the Temporary Distance Variation calculation available to bus contractors, and consults with BusWA to determine if improvements could be made or the calculation and reporting simplified.

**Recommendation 31****Page 121**

The Minister for Transport should ensure the Public Transport Authority completes a review to determine the major causes of distance variations captured by the Temporary Distance Variation calculation. If a majority of variations can be correlated with the number of days a bus does not run, consideration should be given to removing the requirement to complete the Temporary Distance Variation, and simply adjusting contractor payments on the basis of days when the bus does not run.

**Finding 72****Page 122**

There is inconsistency in systems for monitoring contractual compliance in different types of contracts.

**Recommendation 32****Page 122**

The Minister for Transport should ensure the Public Transport Authority updates its contractual arrangements to ensure consistency in processes for monitoring contractual compliance for school bus services.

**Finding 73****Page 123**

The Public Transport Authority have an audit schedule to monitor the completion of safety and compliance audits, however there is some evidence that audits have not been conducted in accordance with contractual requirements.

**Recommendation 33****Page 123**

The Minister for Transport should ensure the Public Transport Authority conducts regular safety and compliance audits for school bus services. The Public Transport Authority should report these findings to the Minister for Transport regularly.

**Finding 74****Page 124**

School bus inspections should be consistent with other bus inspection methods.

**Finding 75****Page 126**

Some stakeholders are unclear about their roles and responsibilities in the event of an emergency.

**Recommendation 34****Page 126**

The Minister for Transport should ensure the Public Transport Authority reviews its emergency and safety management documentation, in consultation with the Department of Education, to ensure that those involved in providing school bus services are clear about their roles and responsibilities in the event of an incident or emergency.

**Finding 76****Page 129**

School bus contractors report experiencing poor communication methods from School Bus Services.

**Finding 77****Page 131**

School Bus Services can improve its communication and relationships with school bus contractors.



**Recommendation 35****Page 131**

The Minister for Transport should ensure the Public Transport Authority supports School Bus Services staff to improve their communication with school bus contractors through the development of a communications protocol with clear response and resolution guidelines. School Bus Services should be sufficiently resourced to ensure staff have the time to consult and communicate well.

**Chapter 8 – Student behaviour management roles and responsibilities need to be clarified****Finding 78****Page 136**

School bus contractors were not engaged during the development of the Behaviour Management Guidelines. They are concerned about the level of responsibility required of them and their drivers and how this may affect student safety.

**Recommendation 36****Page 136**

The Minister for Transport should ensure the Public Transport Authority engages with a broad range of stakeholders, in particular bus contractors and drivers, to ensure the Behaviour Management Guidelines are appropriate.

**Finding 79****Page 137**

Some stakeholders are confused about who is responsible for providing bus staff with instruction, information and training relating to appropriate student behaviour management principles.

**Recommendation 37****Page 137**

The Minister for Transport should ensure the Public Transport Authority clarifies with bus contractors their responsibilities for providing bus staff with training in how to manage student behaviour.

The Public Transport Authority should develop comprehensive training materials for managing student behaviour and ensure bus contractors are providing bus staff with consistent information and appropriate training.

**Finding 80****Page 138**

A bus aide may accompany bus drivers on school buses as required, however they might not have appropriate skills to support the students and meet their needs.

**Recommendation 38****Page 138**

The Minister for Transport should ensure the Public Transport Authority consults with school bus contractors, bus aides and Education Support Facility representatives to determine if and how the roles and responsibilities of bus aides need to change, and if additional training is required.

**Finding 81****Page 139**

Bus monitors are rarely approved by School Bus Services, despite requests from bus contractors experiencing poor student behaviour on their buses.

**Recommendation 39****Page 139**

The Minister for Transport should ensure the Public Transport Authority clarifies the role of school bus monitors and when they may be used.

**Finding 82****Page 140**

The Behaviour Management Guideline set out some of the behaviours bus drivers are required to exhibit, and actions they are required to undertake. However, the *Student Transport Assistance Policy and Operational Guidelines* lacks guidance in relation to what avenues stakeholders have available to address poor bus contractor or bus driver conduct.

**Recommendation 40****Page 141**

The Minister for Transport should ensure the Public Transport Authority updates the *Student Transport Assistance Policy and Operational Guidelines* to include information regarding the conduct of school bus contractors and drivers and what avenues are available to stakeholders if these requirements are not being met.

# Chapter 1

## School bus services are in need of review

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**We... have experienced ongoing frustrations in navigating a framework which is clearly out of touch with regional WA and the needs of the people and communities within it... we strongly believe the current framework does not reflect the changes to regional WA since the last review in 1999, and subsequently poor and unfair decisions are being made with regard to bus allocation, to the detriment of families and communities.**

Closed Submission

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The State Government has been providing school students with transport assistance for over 100 years. The service is much needed and highly valued by many rural communities where students are attending mainstream schools, and by families in the metropolitan area and larger regional centres whose children attend Education Support Facilities. However, as the comment opening this chapter indicates, it is a service not without its critics, from some of the families who rely on the service to transport their children to school, to some of the bus contractors and drivers whose responsibility it is to get those children to school safely.

Concerns raised by stakeholders are varied. Many parents and carers argue the overarching policy, the *Student Transport Assistance Policy and Operational Guidelines*, is flawed and in need of modernising. Others suggested School Bus Services (SBS), the team within the Public Transport Authority (PTA) responsible for managing the government's provision of transport assistance, need to improve their administration of the STAP. Many bus contractors are also unhappy with their contracting arrangements, and the State Government's preference for the Tendered Contract Model.

The growth of these concerns in recent years lead the Minister for Transport to ask the Legislative Assembly of Western Australia to refer the STAP framework to the Public Accounts Committee (Committee, we or us) for review on 18 August 2021. A copy of the Terms of Reference can be found on page i.

The Committee's inquiry is the most significant review of the State Government's provision of school transport assistance in over 20 years. A summary of the inquiry process of which can be found in Appendix Two.

This report makes a range of findings and recommendations in relation to the STAP, how it is administered, and contracting arrangements. We have made these findings and recommendations after considering stakeholders' evidence and the issues raised in detail. We have also had regard to the evolution of transport assistance over the last century, and the findings and recommendations of previous reviews and inquiries, many of which addressed concerns similar to those raised by stakeholders in this inquiry.

## The origins of school bus services

The State Government has been providing student transport assistance, known as 'school bus services' in Western Australia for 100 years.<sup>1</sup> The service was first provided by the Department of Education in 1918<sup>2</sup>, with the aim of bringing children to nearby schools, rather than having to build small schools closer together. By 1938 there were 10 services operating.<sup>3</sup>

The service grew as a result of the 1940s 'school consolidation' policy, that is, having fewer, larger schools in rural areas. In 1957, the Legislative Council established a Select Committee to inquire into school bus services. The Select Committee identified five key features of school consolidation which drove the State Government's provision of school transport assistance. These were:

- School consolidation provides better educational opportunities for students, and the policy should remain for both educational and economic reasons.
- Both the Government and parents have an obligation to get children to school.
- Children should not be travelling undue distances to school.
- Spur running (where a portion of the route is off the main route) should be avoided or minimised.
- Bus contractors should make a living out of the contract as well as earn enough money to replace the bus when it comes to the end of its life.<sup>4</sup>

With the closure of schools came an expectation, or promise, depending on who you asked, that the Government would be responsible for transporting children to school. The 1957 Select Committee found that, prior to the Department of Education's school consolidation policy, parents had accepted responsibility for getting their children to school. Parents argued that the policy had been introduced for the benefit of government, not families, and opposition to school closures was offset by promises of transport. By the time the Select Committee inquired it was too late to reverse this expectation, but it lamented there had been no clear definition of 'adequate transport'.<sup>5</sup>

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1 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 7.

2 Joint Review Committee, *Report of the Joint Review of the Standard Rate Index Components and Contract Statement*, Western Australia, October 1993, p. 1.

3 Select Committee appointment by the Legislative Council, *School Bus Contracts and the Curtailment of School Bus Routes and the Method of the Education Department in Regard to the Same*, 26 November 1957, p. 6.

4 *ibid.*

5 *ibid.*

By 1957, 17,500 students were being bused to school on 468 contract routes and 92 subsidised services.<sup>6</sup> The then Director General of the Department of Education noted the growth of the services had become 'too heavy a burden'. The report noted:

'Parents were expecting a service which was going to call at the door to pick up youngsters and in that way it was getting out of hand.'<sup>7</sup>

Since then, the service has grown and evolved, but the five key features of school consolidation which drove the school bus services policy in the 1950s continue to influence the policy and how it is administered today.

### **School bus services are provided in accordance with the *Student Transport Assistance Policy and Operational Guidelines***

This inquiry focused on the *Student Transport Assistance Policy and Operation Guidelines* (STAP), which sets out the scope of certain types of transport assistance for school students. The STAP explains how certain students who attend school in Western Australia can access State Government funded transport assistance by way of transport by an 'Orange' school bus, or the payment of a Conveyance Allowance where no bus has been, or can be, provided. It sets out the eligibility criteria for rural students attending mainstream schools, and students attending Education Support Facilities, to access transport assistance. It also contains Behaviour Management Guidelines, which set standards for student conduct and explains how these standards will be enforced.

The STAP also contains operational guidelines. These include things such as how bus routes will be designed, varied, extended and reviewed, and some boundary requirements such as the minimum number of passengers needed for a service to commence, or the maximum journey time allowed. It also sets out the roles and responsibilities of various stakeholders involved in school bus services.

Importantly, the STAP notes:

'The strategic management and administration of the Government's Student Transport Assistance Program is both complex and costly. The Government's intention is to provide a reasonable level of transport assistance to all Eligible Students throughout Western Australia.'

The STAP sets the parameters for provision of school bus services, by stating the Government's Policy Objectives. The four policy objectives are:

- 'To ensure Eligible Students have reasonable access to school;

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6 Select Committee appointment by the Legislative Council, *School Bus Contracts and the Curtailment of School Bus Routes and the Method of the Education Department in Regard to the Same*, 26 November 1957, p. 6.

7 *Ibid.*

- To provide Transport Assistance to Eligible Students to enable them to attend their nearest government or non-government school offering an appropriate year or level of study and which is of an appropriate religious denomination or ethos to the student (with special consideration being given to the needs and capacities of students attending Education Support Facilities;
- To ensure that the Transport Assistance provided to students is appropriate, safe, cost-effective and fair; and
- To ensure that school bus contractors provide safe and high quality services to Eligible Students.<sup>8</sup>

The Committee thinks these objectives generally provide a sound basis for the provision of transport assistance. However, we note that stakeholders disagree about what amounts to 'reasonable access', and it is this disagreement that has contributed to the inquiry being held. Throughout the report we make findings and recommendations for changes to the STAP and how it is administered, based upon what the Committee thinks is reasonable.

Many stakeholders raised concerns in relation to the second objective, which is to provide students with transport assistance to their Nearest Appropriate School. While the Committee agrees with the general concept of this objective, we believe the definition of Nearest Appropriate School needs to be updated. We discuss this in detail in Chapter 2.

The STAP also includes a list of operational principles which guide how transport assistance is provided. These are:

- 'Parents/carers are responsible for ensuring their children attend school and, where relevant, for confirming their children's capacity to travel on public or the 'Orange' school bus service.
- Parents/carers should be prepared to travel a reasonable distance to transport their children to and from school or a bus/transport service.
- Student Transport Assistance Policy will be applied in a manner that is reasonable, equitable and aims to meet the needs of individual communities.
- Transport assistance will be provided according to published eligibility criteria and an entitlement framework.<sup>9</sup>

The Committee agrees with these operational principles, noting the importance of providing out of policy transport in certain circumstances.

### **The Public Transport Authority provides the school bus service**

Prior to 1996, the Department of Education administered the school bus service. An internal review determined this was not a 'core function' for the Department, and responsibility was shifted to the Department of Transport.<sup>10</sup> The Department of Education continued to play a

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8 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 10.

9 *ibid.*, pp. 10-11.

10 Submission 182, Public Transport Authority, p. 4.

formal role in administering the STAP until 2012, when the role of Coordinating Principals ceased<sup>11</sup> (see further discussion in Chapter 6).

Today, school bus services are delivered by the PTA, with the SBS team of 32 FTEs<sup>12</sup> responsible for managing and administering the student transport assistance program, while the service is delivered by school bus contractors.<sup>13</sup> During the 2020-2021 financial year, SBS:

- provided transport assistance to 25,878 students
- managed 869 school bus contracts delivering 967 separate services, 807 to mainstream schools and 160 to Education Support Facilities
- administered Conveyance Allowance payments for 2,010 students.<sup>14</sup>

During that period, 10.2 million student trips were made, covering 32.8 million kilometres. The total cost of delivering the service for one year was \$127 million, comprising:

- \$120.8 million in school bus contractor payments
- \$1.7 million in Conveyance Allowance payments
- \$4.1 million in staff and administration costs.

This equates to a subsidy of \$4,216 per rural student attending a mainstream school, and \$9,429 per student attending an Education Support Facility.<sup>15</sup>

The SBS team is comprised of 13 Contract Officers, each covering a specific region within Western Australia. Each of the 13 Contract Officers essentially have two functions: administering the STAP and contract management. The 13 Contract Officers are allocated into three teams (Northern, Southern and Metro), each supervised by a Team Leader.<sup>16</sup> All of these staff are supervised by the Operations Manager who has 'operational edict' to deal with contract management and is ultimately responsible for delivering school bus services in accordance with the STAP.<sup>17</sup>

SBS also has a Business Services team responsible for ensuring business systems support the operational requirements, maintaining the SBS website, the online application process, and the contractor administration portal.<sup>18</sup> Finally, the Mapping team is responsible for mapping every school bus route in the State, producing over 7,000 maps (reflecting route variations) during each school year.<sup>19</sup>

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11 Submission 138, Department of Education, p. 1.

12 John Bailly, Manager, School Bus Services, Public Transport Authority, *Email*, 27 July 2022, p. 1.

13 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of hearing*, 26 November 2021, p. 3.

14 Submission 182, Public Transport Authority, p. 3.

15 *ibid.*

16 *ibid.*

17 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of hearing*, 26 November 2021, p. 4.

18 Submission 182, Public Transport Authority, p. 3.

19 *ibid.*

To administer the STAP, Contract Officers assess applications for transport assistance to determine whether a student is eligible. If eligible, the Contract Officer will assign a student a seat on a bus, or provide the family with a Conveyance Allowance, depending on the family's preference and the availability of a bus seat. Ineligible students may also be allocated a bus seat as a Complimentary Passenger. Contract Officers must also determine bus routes and stops, in consultation with local governments, and liaise with families, contractors and sometimes schools to ensure everyone is aware of who is getting on the bus, when and where. As queries arise from families in relation to eligibility, routes and stops, amongst other things, Contract Officers are the first port of call to address these.

Additionally, Contract Officers are also responsible for contract management. Amongst other things, they are responsible for administering contracts, including liaising with contractors about administrative requirements and remuneration, and tendering new bus contracts.

The Contract Officers' role appears to be quite large. Although it would vary by region, on average, Contract Officers look after 2,000 students and 74 bus routes each.

### **The Department of Education provides some assistance to the Public Transport Authority in its delivery of student transport assistance**

Although the Department of Education no longer has a formal role in administering the STAP, departmental staff still regularly assist and liaise with SBS staff in managing school bus services, and support families seeking to access the service. The PTA advised that SBS have a close working relationship with Department of Education staff, particularly when it comes to how a Department of Education decision may affect the provision of transport assistance.<sup>20</sup>

The STAP notes the primary role of the Department of Education is to focus on delivering educational outcomes for students. However, Department of Education staff will liaise with SBS regarding changes to education policy that may affect the provision of school bus transport, such as school openings or closures. Further, Department of Education regional offices set school intake areas, so may contact SBS in relation to the provision of transport assistance for students attending schools outside specific areas<sup>21</sup> (see Chapter 2).

*'The inquiry is an opportunity to ensure that decisions regarding SBS are influenced by education policy settings and the needs of students.'*

*- Department of Education,  
Submission 138*

The Department of Education also assisted SBS to develop the STAP's Behaviour Management Guidelines that set out the expectations of student behaviour on buses, and the roles and responsibilities of various parties that provide school bus services.<sup>22</sup> The STAP notes that SBS and the Department of Education may share information in relation to

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20 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 2.

21 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, pp. 60-61.

22 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 48.



student behaviour management. Further, schools may assist students to uphold the STAP Code of Conduct, and help to manage breaches of the Code (see Chapter 8).<sup>23</sup>

Although the Department of Education role in relation to the provision of transport assistance is limited under the STAP, the Committee receive a lot of evidence throughout the suggesting many principals and teachers are still providing assistance to families. For example, education staff may help parents and carers throughout the application process, providing assistance to complete the application form, and in some instances may advocate for families seeking to overturn SBS decisions on eligibility for, or access to, the school bus service. We discuss this further in Chapters 5 and 6.

Considering Department of Education policies may impact the PTA's management and administration of the STAP, and also that school staff often provide advice and assistance to families accessing transport assistance, it is important the Department of Education and PTA communicate and consult with each other to ensure transport assistance is provided effectively and efficiently. As such, we recommend that the PTA and Department of Education work together when implementing the recommendations we make throughout this report to ensure the PTA can continue '[f]acilitating a service which is essential to the education of students...'<sup>24</sup>.

#### **Recommendation 1**

The Minister for Transport and Minister for Education should ensure the Public Transport Authority and Department of Education work together so that the recommended changes to the *Student Transport Assistance Policy and Operational Guidelines* are implemented with due regard to education policy, to ensure transport assistance is provided effectively and efficiently.

### **The school bus service is highly valued by those who access it...**

The school bus service is highly valued, particularly in rural communities. The Committee received numerous comments from stakeholders advising us of the necessity of the service, and how much it is appreciated by families. Some comments included:

'Firstly, I'd like to say we really value our School Bus Service. We live on a farm 9km from the school in town, and it is a really helpful service – particularly on days when things are really busy. We know the kids can get back to the farm safely and walk up to the shearing shed or similar to meet with us parents or their uncle or grandfather. The kids also really enjoy travelling on "their" school bus. We also really appreciate that it is a free service.'<sup>25</sup>

'I have children who currently catch the Orange school bus from the Bullsbrook hills area. This is an important resource for our area as there is no public transport and as we live 5km away from the closest school [it] provides an essential service in ensuring that they maintain their school attendance. Our bus driver/service

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23 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 48.

24 Submission 138, Department of Education, p. 3.

25 Submission 50, Ella Maesepp, p. 1.

provides an important role to the development of the kids in the area by allowing them to learn about transport, independence and making lifelong friendships as being on rural properties doesn't always allow for socialising.<sup>26</sup>

'As a mother of 4 children who use student transport every day I would like to express my gratitude that such a fantastic service exists for country kids. I feel it is very important that my children can travel to a chosen school in a very safe and non intimidating environment, travelling on a bus with only school children. It is also great to have one-on-one contact with the bus driver, should the need arise.'<sup>27</sup>

'We believe it is a highly valued service that operates in rural WA and outer Metro areas. The Orange school bus service is the best in the world due to its service and safety record complimented by the modern fleet of buses servicing the industry.'<sup>28</sup>

### **...But many submitters believe the service is in need of change**

However, while many submitters are grateful for the school bus service, they also believe there are issues with the STAP and how the service is provided. For example:

'Whilst we are eternally grateful we have this service to provide transport to school for our children, we believe it is frightfully flawed, ruthlessly mechanical in its procedures and totally unrelatable to the needs of most families involved.'<sup>29</sup>

'The government needs to consider orange school bus services as a critical investment in the education of our future generations rather than having a clawing back dollar (\$) mentality that ultimately compromises on student safety and the future of the industry.'<sup>30</sup>

'Education is an important cornerstone of a society's economic prosperity and should be supported and enabled at every effort. The current framework for transport assistance does not meet these requirements at a basic level.'<sup>31</sup>

'We believe the valuable and long serving system of school bus transport is being systematically eroded by the Public Transport Authority and School Bus Services to the detriment of children's safety and the service of tax payers in this state.'<sup>32</sup>

### **A significant challenge for the Committee**

The attempts to balance the fiscal constraints of providing an efficient bus service over a significant geographical area, with the importance of getting children to school safely and the expectations of families, communities and contractors, have inevitably ended up with some stakeholders being dissatisfied with the school bus service. While some parents believe the government is responsible for transporting their children to school, the

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26 Submission 156, Natalie Morris, p. 1.

27 Submission 197, Cheree White, p. 1.

28 Submission 181, Name withheld, p. 1.

29 Submission 132, Name withheld, p. 1.

30 Submission 124, Shire of Westonia, p. 2.

31 Submission 51, Name withheld, p. 1.

32 Submission 192, Kimberly Littleton & Patricia Littleton, p. 1.

government's intention is 'to provide a reasonable level of transport assistance' equitably and efficiently.<sup>33</sup>

This tension may be why, during its operation, the school bus service has been subject to a number of reviews and inquiries, some focusing on the policy, some focusing on contracting, and others, including this one, trying to improve the whole system. Appendix Three contains brief summaries of previous reviews of which the Committee is aware.

These reviews showed us that many of the issues brought to our attention during this inquiry have been raised time and time again, without finding resolutions acceptable to all stakeholders. For example, stakeholders' differing views on the level of transport assistance the State Government should provide has been a key theme throughout this inquiry, consistent with the 1957 Select Committee's consideration of what amounts to a 'reasonable level' of transport assistance for the government to provide.

The need for greater communication and consultation by the entity administering the STAP was another major theme throughout the Committee's inquiry, and one that was dealt with by the 1957 Select Committee, and also as part of the 1999 *Review of Transport Assistance for Students*<sup>34</sup>, known as the Morrell Review. Both reviews recommended greater consultation with local communities through the formation of School Bus Advisory Committees comprised of local community members. We discuss this further in Chapter 6.

In addition to matters considered in previous inquiries, many stakeholders considered the STAP has become outdated, failing to keep up with the changing nature of regional communities in the last two decades. Others argued the policy is inflexible and not responsive to the nuances and complexities of people's lives. Some stakeholders raised concerns about the administration of the STAP, lamenting the lack of Department of Education involvement since responsibility for administering the policy transitioned to the PTA, and suggested metropolitan-centric SBS staff make decisions without understanding or appreciating rural life.

A key concern of school bus contractors is the State Government's 2017 shift away from 'in-perpetuity' contracts to a Tendered Contract Model. They argued the lack of security of tendered contracts leads to a less effective and less safe service. In reviewing current contracting arrangements, we considered historical contracting models, and the various reviews conducted. Many contractors also consider that SBS do not provide them with adequate support, do not listen to contractors, and could improve their communication. Contractors key concerns are discussed in Chapter 7.

***'There is, and always will be, a natural tension between the cost of delivering the services and the outcomes that communities seek.'***

*- Martin White, Public Transport Authority*

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33 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 7.

34 Morrell, Barbara, *Review of Transport Assistance for Students: Final Recommendations Report*, State Government of Western Australia, January 1999.

## Chapter 1

We thank all of our submitters and witnesses for sharing their stories with us, and engaging with the inquiry so that we might make recommendations for improvements to the provision of student transport assistance. The Committee has carefully considered the evidence it received, and in the following 7 chapters make recommendations to improve the school bus service. We have addressed the key themes stakeholders raised with regards to, the eligibility criteria to receive transport assistance including Nearest Appropriate School, the Conveyance Allowance, the application process, communication and consultation, contracting arrangements and student behaviour management, with regard to providing an efficient school bus service within budgetary constraints.

## Chapter 2

# The eligibility criteria for rural students attending mainstream schools need to be updated

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**'Feedback from WACSSO affiliates indicates that the eligibility criteria must be reviewed.'**

WA Council of State School Organisations, Submission 157

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To receive transport assistance under the *Student Transport Assistance Policy and Operational Guidelines* (STAP), a student must meet the eligibility criteria for either rural students attending mainstream schools, or for students attending Education Support Facilities. If a student meets the eligibility criteria, they may receive transport assistance in the form of bus travel to and from school, or the payment of a Conveyance Allowance if bus transport is not available or viable. Students who do not meet the eligibility criteria may still receive transport assistance on a bus to and from school as a Complimentary Passenger if there is a seat available on the bus, and the government incurs minimal additional cost in transporting the student.

One of stakeholders' key arguments made throughout this inquiry was that the STAP's eligibility criteria are inappropriate. Stakeholders' suggested the criteria are inflexible and outdated, and resulted in the State Government dictating which school a child would attend. Further, some stakeholders did not support the Complimentary Passengers policy, noting that Complimentary Passengers were often uncertain about whether they would receive transport assistance, and for how long.

Submitters and witnesses suggested the eligibility criteria should be broadened so that more children would receive transport assistance. Some evidence advocated for the eligibility criteria to be completely removed, so that all students would be eligible to receive bus transport to any school they wanted to attend. If this was to occur, there would be no such thing as a Complimentary Passenger, removing the uncertainty for those currently in this group.

Further, while some families appreciated the value of receiving a Conveyance Allowance instead of bus transport, many parents and carers found a monetary allowance to be a poor substitute for their children being transported to school every day. It was also suggested that the value of the allowance was insufficient when compared to the costs incurred by families in transporting their children to school.

The Committee considered the concerns raised by submitters and witnesses in great detail. Across this and the next two chapters we discuss the:

- eligibility criteria for rural students attending mainstream schools, and the operation of the Complimentary Passengers policy (Chapter 2)

- eligibility criteria for students attending Education Support Facilities, including the potential impact of the National Disability Insurance Scheme (Chapter 3)
- appropriateness and adequacy of the Conveyance Allowance (Chapter 4)
- provision of transport assistance outside the STAP (Chapter 2).

### **Eligibility criteria – Rural students attending mainstream schools**

The STAP provides that rural students are eligible to receive transport assistance from School Bus Services (SBS) if they meet the following criteria:

- 'Be enrolled at their Nearest Appropriate School,
- Be enrolled in a pre-compulsory or compulsory education period,
- Regularly attend their school and use the 'Orange' School Bus approved for that student
- Reside more than 4.5 km from their nearest school, and
- Reside outside a designated Public Transport Area.'<sup>35</sup>

We discuss each of the criterion below.

#### **Criterion 1: Be enrolled at their Nearest Appropriate School**

Under the Nearest Appropriate School criterion, eligibility to receive transport assistance is defined by reference to the distance a child resides from a school, and whether a school is 'appropriate', which has several elements that may vary depending whether the school is government or non-government.

The STAP defines a child's Nearest Appropriate School as being the Appropriate School that is 'closest to the student's normal place of residence as measured by the shortest practical road route.'<sup>36</sup> This measurement is taken from the gate or point of entrance/exit onto the property that is the nearest to the school.

The Nearest Appropriate School could be the nearest appropriate government school or the nearest appropriate non-government school, if a family chooses to send their child to a non-government school.<sup>37</sup> For a government school, the STAP defines an Appropriate School as one which has the relevant year of study for a student. For a non-government school, an Appropriate School is one which has the relevant year of study for the student, and is of a religious denomination or ethos appropriate to the student. Further discussion on eligibility to receive transport assistance when attending a non-government school can be found below.

There are specific and limited circumstances in which the Nearest Appropriate School criterion does not apply. The criterion does not apply to:

- rural secondary students in years 11 and 12 who:

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35 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 16.

36 *ibid.*

37 *ibid.*

The eligibility criteria for rural students attending mainstream schools need to be updated

- enrol at an alternative school to access curriculum pathways and programs specific to their needs
- engage in an alternative education program e.g. TAFE/RTO.
- rural students who have been selected into a Department of Education registered Approved Specialist Program or Gifted and Talented Education Program.<sup>38</sup>

In rare situations, a student can reside equidistant from two Appropriate Schools that have existing transport services. In these instances, SBS will only offer transport assistance to one of the schools, usually determined by the closest bus route to the student's residence.<sup>39</sup>

***Many submitters argue that the concept of Nearest Appropriate School needs to be more flexible***

The vast majority of submissions the Committee received as part of its inquiry advocate for the expansion of, and flexibility within, the definition of Nearest Appropriate School, and how the eligibility criterion is applied.<sup>40</sup> Submitters argue that whether a school is 'appropriate' is not just dependent on whether it provides the relevant year of study for a child, but on a whole range of factors. Some of the factors raised by submitters include:

- access to a continuous education<sup>41</sup>
- availability of facilities, resources and activities at school<sup>42</sup>
- school social and cultural environment<sup>43</sup>
- school size including cohort population<sup>44</sup>
- access to after school activities<sup>45</sup>
- connection to a local community other than where their children's Nearest Appropriate School is located<sup>46</sup>
- effect on children's and families' emotional and mental health<sup>47</sup>
- effect on the economic and social productivity of a local community<sup>48</sup>
- the dynamics of regional living<sup>49</sup>

*'...parents, rather than the SBS, should be making the determination on an 'appropriate' school for their children.'*

*- Great Southern Grammar,  
Submission 125*

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38 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, pp. 19-20.

39 *ibid.*, p. 22.

40 For example: Submission 178, Dennis Sutton, p. 1; Submission 58, Katherine Macnamara, pp. 1-3; Submission 28, Kelly-Anne Murray, p. 1; Submission 202, BusWA, p. 14.

41 Cr Graeme Peirce, Councillor, Shire of West Arthur, Darken WA, *Briefing*, 29 November 2021.

42 For example: Submission 142, Name withheld, p. 1; Submission 64, Lisa Pitman, p. 1; Submission 10, Susan Sodsai, p. 1.

43 Submission 187, Rod and Nikki Carthew; Graham and Meryl Carthew, p. 1.

44 Submission 58, Katherine Macnamara, p. 3; Submission 141, Leanne Watts, p. 1.

45 *ibid.*

46 *ibid.*

47 Submission 35, Matthew Bell, p. 1.

48 Closed submission.

49 Submission 35, Matthew Bell, p. 1.

- the school not being located in the same local government area as a family's residence<sup>50</sup>
- a bus not being available to transport a student to their Nearest Appropriate School.<sup>51</sup>

Parents and carers want to be able to choose which school is the most appropriate for their child and family based on factors including those listed above.

SBS is aware of parents', carers' and other stakeholders' concerns. It advised the Committee it will try to mitigate families' concerns through providing students with access to transport assistance as Complimentary Passengers (discussed further below).

The Public Transport Authority (PTA) noted while the policy position on Nearest Appropriate School has been consistent throughout the history of the provision of school bus services in Western Australia, parents and carers are increasingly challenging the STAP as they want their children to receive transport assistance to attend their 'school of choice'.<sup>52</sup> The PTA suggested this is partly due to a growing disconnect between the STAP framework and Department of Education policies. While the STAP framework has remained substantially the same since the 1999 *Review of Transport Assistance for Students*<sup>53</sup> (Morrell Review), there have been significant changes to the education environment. For example, the *School Education Act 1999* guarantees a child a place at a school if the child resides within the school boundary, while also allowing schools to take students from outside their boundary if the school has spare capacity.<sup>54</sup> The PTA suggested this change in policy led to schools specialising in different areas to create a point of difference to attract additional students.<sup>55</sup> This contributes to parents' and carers' desire to send their children to a school which may be perceived to provide more opportunities to their children, but is not their Nearest Appropriate School.<sup>56</sup>

The PTA advised the Committee that '[b]oth sides of government have previously considered whether to change the student eligibility to allow for school of choice (noting this would still need to be time restricted) however, the prohibitive cost (in the order of tens of millions of dollars per annum) has proved a barrier each time.'<sup>57</sup>

The Committee understands rural families' aspirations to receive transport assistance for their children to attend their school of choice. However, the Committee accepts the PTA's advice that providing families with transport assistance for their children to attend any school of their choosing would be cost prohibitive, as well as create significant logistical issues. For these reasons, the Committee does not recommend amending the eligibility criteria to provide transport assistance to students to attend any school of their choice.

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50 Submission 112, Name withheld, p. 1.

51 Submission 27, Kylea Garnett p. 2; Closed briefing.

52 Submission 182, Public Transport Authority, p. 1.

53 Morrell, Barbara, *Review of Transport Assistance for Students: Final Recommendations Report*, State Government of Western Australia, January 1999.

54 *School Education Act 1999*, (Western Australia), s. 78.

55 Submission 182, Public Transport Authority, p. 16.

56 *ibid.*

57 *ibid.*



**Finding 1**

It would be impractical to provide transport assistance for all rural students to attend a school of their choice.

Instead, the Committee favours amending the eligibility criteria for rural students attending mainstream schools in key areas to provide families with some flexibility in choosing which school their children attend, while giving due consideration to budgetary constraints. These recommended amendments are discussed below.

***The definition of Nearest Appropriate School should be amended to allow for continuity of schooling for some high school students***

The Committee received evidence from submitters and witnesses alike about the importance of students receiving a seamless education, as far as possible. However, disruption to the continuity of education can be caused by the STAP's eligibility criteria, in particular how Nearest Appropriate School is defined.

Under the STAP, a student is eligible to receive transport assistance to their Nearest Appropriate School. For kindergarten to year 6, this will likely be a student's local primary school. If the student lives closer to a district high school than a senior high school, the student will be eligible to receive transport assistance to attend the district high school from years 7 to 10, and then a senior high school for years 11 and 12. For students who want or need to catch a school bus to school, the STAP is effectively requiring the student to change schools twice.

Evidence suggested that reducing the number of times a student changes schools minimises the risk of students disengaging from their education. For example, the Shire of Pingelly advised the Committee that students in Pingelly, whose Nearest Appropriate School for years 7 to 10 is a district high school, are twice as likely to leave school at the end of year 10 or before compared to the average Western Australian student.<sup>58</sup> Local government representatives suggested that students choose to enter the workforce, rather than starting at a new school in year 11. In some cases, students who do not go on to year 11 and 12 end up truanting, creating social issues for the community.<sup>59</sup> The Department of Education also suggested that there is a degree of risk that students will leave school as a result of changing from one school to another, and so it was preferable to minimise the number of changes.<sup>60</sup> It noted that many parents choose to send their children to senior high schools, even where it is not their Nearest Appropriate School, rather than the nearer district high school.<sup>61</sup>

Both the Department of Education and PTA support expanding the STAP eligibility criterion to provide transport assistance to students to attend their choice of either their nearest district high school or their nearest senior high school at the completion of Year 6 at a

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58 Submission 109, Shire of Pingelly, p. 1.

59 Cr Jackie McBurney, Deputy President, Shire of Pingelly, *Transcript of Evidence*, 9 March 2022, pp. 3-4.

60 Lisa Rodgers, Director General, Department of Education, *Transcript of Evidence*, 25 February 2022, pp. 3-4.

61 Submission 138, Department of Education, p. 4.

primary school.<sup>62</sup> For the Department of Education, it is also a matter of equity. They note that there are currently 463 year 7 to 10 students who, either as Complimentary Passengers or by exception, bypass district high schools to attend senior high schools, but estimate there may be 2,000 to 3,000 more students who would like to but do not have access to transport assistance under the STAP.<sup>63</sup>

In 2015, the two agencies investigated the feasibility of expanding the transport network to improve educational outcomes, including allowing the option for seamless secondary education. They identified an additional 61 new buses at a cost of \$9.4 million would be required to provide transport assistance for all students in Years 7 to 10 to attend a senior high school.<sup>64</sup> More recently the PTA estimated that such a change in the eligibility criterion may cost around \$2 million today, noting further costing would be required.<sup>65</sup>

Not all submitters were in favour of expanding the eligibility criterion in this way. The Western Australian District High School Administrators' Association wants to limit access to school bus services for students not attending their local school. They argue the current policy (which provides complimentary transport assistance to students to attend senior high schools) devalues the services provided by the local district high school.<sup>66</sup> They also advised the Committee that many students are choosing to stay at district high schools to complete years 11 and 12, due to the availability of educational opportunities including community programs and wraparound support.<sup>67</sup> There may also be improvement in student engagement due to less travel time.<sup>68</sup>

After reviewing the evidence, the Committee is recommending that students who complete Year 6 in a primary school that is not part of a district high school, should be eligible to receive transport assistance to attend either a district high school, where it is their Nearest Appropriate School under the current STAP, or their nearest senior high school. This recommendation is based on the benefits of continuity in schooling, and the risks associated with changing schools for year 11. The recommendation is not a comment on district high schools' quality of education available, or the readiness of students who attend years 7 to 10 at a district high school to attend year 11 and 12 at a senior high school. District high schools are an important educational provider for students in rural areas, and the Committee acknowledges the hard work of district high school educators and administrators in providing these opportunities. The Committee acknowledges this proposed change in policy may result in students bypassing some district high schools altogether, which may impact

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62 Submissions 138, Department of Education, p. 5; 182, Public Transport Authority, p. 16.

63 Pamela Moss, Director, Public Schools Planning, Department of Education, *Transcript of Evidence*, 25 February 2022, p. 11.

64 Submission 182, Public Transport Authority, p. 17.

65 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 13.

66 Submission 97, Western Australian District High School Administrators' Association, p. 2.

67 Adrian Lister, Treasurer, Western Australian District High School Administrators' Association, *Transcript of Evidence*, 23 March 2022, p. 3.

68 Kevin Brady, President, Western Australian District High School Administrators' Association, *Transcript of Evidence*, 23 March 2022, p. 4.

The eligibility criteria for rural students attending mainstream schools need to be updated

the viability of some district high schools.<sup>69</sup> This will be a matter for the Department of Education to manage in the future.<sup>70</sup> It is important that district high schools continue to provide education to students who prefer a local schooling option.

#### **Finding 2**

Minimising the number of times students have to change schools minimises the risk of students disengaging from their education.

#### **Finding 3**

Providing transport assistance to enable some students to attend their nearest senior high school from year 7 will reduce the number of times some students change schools.

#### **Recommendation 2**

The Minister for Transport and Minister for Education should consider the cost and educational impacts of the Public Transport Authority updating the *Student Transport Assistance Policy and Operational Guidelines' Nearest Appropriate School* eligibility criterion for rural students attending mainstream schools so that students who complete Year 6 in a primary school that is not part of a district high school are eligible to receive transport assistance to attend their local district high school or their nearest senior high school for years 7 to 12.

#### **Recommendation 3**

Subject to the outcome of the consideration in Recommendation 2, the Minister for Transport should ensure the Public Transport Authority implement the changes to *Student Transport Assistance Policy and Operational Guidelines' Nearest Appropriate School* eligibility criterion for rural students attending mainstream schools so that students who complete Year 6 in a primary school that is not part of a district high school are eligible to receive transport assistance to attend their local district high school or their nearest senior high school for years 7 to 12 for the commencement of the 2024 school year if possible.

The Committee also received evidence that families wanted access to transport assistance for their primary school aged children to attend a school other than their Nearest Appropriate primary School.<sup>71</sup> As set out above, providing families with transport assistance for their children to attend their school of choice would come at significant financial cost and create logistical issues in organising bus transport. This is particularly the case for primary schools, as there are many more rurally located primary schools than senior high schools.

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69 Kevin Brady, President, Western Australian District High School Administrators' Association, *Transcript of Evidence*, 23 March 2022, p. 7.

70 Submission 138, Department of Education, p. 6.

71 For example: Pamela Moss, Director, Public Schools Planning, and Martin Clery, Executive Director, Statewide Services, Department of Education, *Transcript of Evidence*, 25 February 2022, pp. 9-10; Submission 112, Name withheld, p. 1; Submission 141, Leanne Watts, p. 1.

Further, the Committee believes that families should be encouraged to send their children to their local primary school.<sup>72</sup> Good local schools contribute to flourishing local communities.<sup>73</sup> One submitter also noted children who are educated outside of their local community may not identify as being part of the local community, which may have implications into the future.<sup>74</sup> The Department of Education also advised that although district high schools may not offer a seamless high school experience, the majority of primary schools are resourced to provide the full primary school curriculum.<sup>75</sup>

*'...children that are educated out of town generally end up playing sport out of town, attend social functions out of town and parents shop out of town, which impacts our wider community.'*

*- Kondinin Resource Centre,  
Submission 145*

For these reasons, the Committee is not recommending the eligibility criteria be changed to provide families with transport assistance for their children to attend their primary school of choice. The Committee notes that some of the recommendations in this report may result in families being eligible to receive transport assistance for their child to attend a primary school other than their Nearest Appropriate School, as currently defined.

**Finding 4**

Students should continue to be eligible to receive transport assistance to attend their Nearest Appropriate primary School.

***The definition of Nearest Appropriate School should incorporate more specialist programs, but not general quality of education concerns***

Under the STAP, transport assistance will be provided to all year 11 and 12 students who enrol in a school that is not their Nearest Appropriate School for the purpose of accessing curriculum pathways and programs to suit their specific needs. Students in years 7 to 10 may also be eligible to receive transport assistance if they are selected to attend a school operating an Approved Specialist Program or a Gifted and Talented Education Program.<sup>76</sup> However, this only applies to programs offered at a limited number of schools that are specifically listed in the STAP. In applying the eligibility criterion, the PTA advised that the 'level of education and curricula offered at individual schools... currently has no bearing when determining transport assistance eligibility. Additionally, Appropriate School has never been determined on the basis of special programs (i.e. International Baccalaureate) or the perceived lack of opportunities in education.'<sup>77</sup>

72 Submission 138, Department of Education, p. 2; Submission 83, Don Pegrum, p. 1.

73 Martin Clery, Executive Director, Statewide Services, Department of Education, *Transcript of Evidence*, 25 February 2022, pp. 9-10; Submission 102, Shire of Kondinin, p. 1.

74 Submission 76, Name withheld, p. 2.

75 Martin Clery, Executive Director, Statewide Services Department of Education, *Transcript of Evidence*, 25 February 2022, p. 9; Submission 90, Lorraine Ardagh, p. 1; Submission 91, Thomas Henderer, p. 1.

76 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, pp. 19-20.

77 Submission 182, Public Transport Authority, p. 1.

The eligibility criteria for rural students attending mainstream schools need to be updated

Many submitters suggested that students should be eligible to receive transport assistance to a school, which is not their Nearest Appropriate School, on the basis that the school will provide their children with more educational opportunities or a better quality of education. In some cases submitters argued that students should receive transport assistance to attend a school which offers a specialist programs<sup>78</sup> or has more courses or subject choices which expanded educational opportunities<sup>79</sup>. For others, there was a more general concern that some schools have fewer facilities or opportunities than others<sup>80</sup>, particularly when it came to district high schools.<sup>81</sup>

Although the Committee understands parents' frustrations that there may be less, either perceived or actual, educational opportunities at their children's Nearest Appropriate School, we do not believe the eligibility criteria to receive transport assistance should be expanded to account for the curricula offered at individual schools.

#### **Finding 5**

The *Student Transport Assistance Policy and Operational Guidelines* eligibility criteria do not need to incorporate educational opportunity considerations.

#### **Recommendation 4**

The Minister for Transport and Minister for Education should ensure the Public Transport Authority and Department of Education work together to regularly review the list of Approved Specialist Programs and Gifted and Talented Education Programs in the *Student Transport Assistance Policy and Operational Guidelines* so that it accurately reflects all schools offering these programs.

#### ***The definition of Nearest Appropriate School should take social, economic, financial and community factors into account***

In rural and regional areas, families are often connected to a town or centre, which although it may not be their closest town geographically, can form part of their identity.<sup>82</sup> This town may be where the family has social and family connections, where they shop, access health care and attend community or recreational events, and where a family member works.<sup>83</sup> If families are only eligible to receive transport assistance for their children to attend a school outside of their community:

*'...for us it is very important to be able to stay within the community that we live in. Living rurally is already very isolating as it is...'*

*- Kendall Wickstein*

- Children may experience isolation from friends, family and historical connections.<sup>84</sup>

78 Submission 179, Shepherdson Transport, p. 1.

79 Submission 114, Western Australian Local Government Association, p. 5; Submission 101, Shire of Morawa, p. 3.

80 Submission 142, Name withheld, p. 1.

81 Cr Jackie McBurney, Deputy President, Shire of Pingelly, *Transcript of Evidence*, 9 March 2022, p. 2.

82 Closed submission.

83 Submission 128, Kendall Wickstein, pp. 1-2.

84 *ibid.*, p. 1.

- Children may have limited ability to engage in local sporting clubs and other extra-curricular or recreational activities.<sup>85</sup>
- Families may experience a financial burden if one parent needs to resign from their work to transport their children to and from school, or children are sent to boarding school.<sup>86</sup>
- Families may have less access to support networks.<sup>87</sup>
- Families may have limited access to necessary services, such as speech therapy or medical facilities.<sup>88</sup>
- Regional areas may experience difficulty attracting new people to the region.<sup>89</sup>

Some submitters were also concerned that their children were only eligible to receive transport assistance to a school in a neighbouring local government area.<sup>90</sup>

The Committee received a lot of evidence that social, economic, financial and community factors were relevant to parents and carers in choosing the school their children should attend. We also received persuasive evidence from stakeholders about the importance of the school bus service in transporting children to school. Combining these considerations, the Committee agrees it is desirable for SBS to take social, economic, financial and community factors into account when determining what is an Appropriate School for the purpose of receiving transport assistance.

The question becomes how this can be achieved consistently and equitably. The Committee considered the possibility of developing a list of factors SBS could take into account, and what evidence families would need to provide, to establish a connection to a particular community. We noted difficulty in clearly defining factors for families to understand and SBS to interpret consistently. We also thought the inclusion of some factors and not others may be considered arbitrary, and having to provide evidence of the relevance of a factor becomes burdensome on families applying for transport assistance.

In its submission, the PTA suggested an alternative to the current Nearest Appropriate School criterion could be to group schools together as part of a local community or cluster. Students would be eligible to receive transport assistance to attend any of the clustered schools, rather than just the geographically nearest.<sup>91</sup> Routes would still be constrained by the 90 minute rule (see Chapter 6) but students would be more likely eligible to receive transport assistance to attend a school in the town where their family has existing connections.<sup>92</sup>

The Committee considers that, where a family resides a similar distance from two or more schools, SBS should take account of social, economic, financial and community factors in

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85 Submission 91, Thomas Henderer, p. 1.

86 For example: Submission 64, Lisa Pitman p. 2; Submission 83, Don Pegrum, p. 1; Submission 46, Chelsea Mott, p. 2.

87 Katherine Macnamara, *Transcript of Evidence*, 28 March 2022, p. 4.

88 Submission 151, Philippa Gooding p. 3; Submission 58, Katherine Macnamara, p. 1.

89 Closed briefing.

90 For example: Submission 34, Ross Chappell, p.1; Submission 112, Name withheld, p. 1; Submission 133, Sally Sprigg, p. 1; Submission 159, Name withheld, p. 1.

91 Submission 182, Public Transport Authority, p. 18.

92 Submission 182b, Public Transport Authority, p. 11.

determining to which school a family receives transport assistance. SBS should consult with local communities, including families, local governments, school bus contractors and the Department of Education, to determine how social, economic, financial and community factors can be taken into account consistently and equitably. SBS are to give regard to connections already existing in the provision of government services in the regions, for example, regional education areas, local government areas, and planning areas.

#### **Finding 6**

Some social, economic, financial and community factors are important considerations when determining which school is the Nearest Appropriate School.

#### **Recommendation 5**

The Minister for Transport should ensure the Public Transport Authority consider how the *Student Transport Assistance Policy and Operational Guidelines'* Nearest Appropriate School eligibility criterion for rural students attending mainstream schools can take into account social, economic, financial and community factors where a family resides a similar distance from two or more schools.

#### ***The definition of Nearest Appropriate School should not be changed in respect of non-government schools***

Under the STAP, students attending non-government schools are eligible for transport assistance to their nearest school that 'provides the relevant year of study for the student concerned and is of a religious denomination or an ethos appropriate to that student.'<sup>93</sup> The STAP notes that, 'for the purposes of determining Appropriate School there is no distinction between schools of the same religious faith in terms of a school's ethos, charter or culture.'<sup>94</sup> The PTA explained the STAP 'does not differentiate religious faiths or non-denomination schools by specific teaching methodologies or ethos. Schools of the same Christian faith are treated the same, creating an equitable application of the policy between private schools (of the same faith) and also between public and private school students.'<sup>95</sup>

The PTA advised the Committee that '[s]ince the implementation of the Morrell Review there has been a considerable push by non-government schools to be provided with government funded school bus transport for school of choice outcomes.'<sup>96</sup> This sentiment was evident in several submissions that argued for greater choice, stating students should be eligible for transport assistance to a school that aligns with their religious denomination and ethos.<sup>97</sup> One submission suggested the current application of the STAP 'discriminates against students who hold religious convictions of being Christian-Non Denominational.'<sup>98</sup>

While the Committee appreciates that there may be differences in religious ethos between non-government schools that may contribute to families wanting their children to attend

93 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 16.

94 *ibid.*, p. 12.

95 Submission 182, Public Transport Authority, p. 1.

96 *ibid.*, p. 17.

97 Submission 49, Brad Spaanderman, p. 1; Submission 125, Great Southern Grammar, pp. 1 and 3.

98 Closed submission.

one school over another, it does not consider the eligibility criteria to receive transport assistance should be expanded to account for individual school ethos. Students receiving transport assistance to attend non-government schools already exercise greater choice than most students who attend government schools who are only eligible for transport assistance to attend their Nearest Appropriate School. With regards to budgetary constraints and logistical issues, the Committee does not think it appropriate to further expand the eligibility criteria in relation to non-government schools.

**Finding 7**

It is not necessary to expand the eligibility criteria in relation to non-government schools.

The Committee received evidence suggesting it was inequitable for the PTA to provide any transport assistance to children attending non-government schools.<sup>99</sup> One submitter suggested it has had a 'detrimental effect on local public schools through resourcing and course programming'.<sup>100</sup> Several submitters and witnesses thought that some families were choosing to send their children to a non-government school in a different town for perceived educational advantage rather than because they wanted their children to receive a religious education.<sup>101</sup> Children would be eligible to receive transport assistance as this non-government school was the Nearest Appropriate School of the religious ethos. Meanwhile, students who attended government schools would only be eligible for transport assistance if they attended the school in the local town.<sup>102</sup>

Submitters suggested various alternatives, including:

- Families should require supporting evidence of religiousness to receive transport assistance to a non-government school.<sup>103</sup>
- Non-government schools should supply their own bus to transport their students.<sup>104</sup>
- Students attending non-government schools should only be provided with transport assistance if the non-government school is located near a government school, so a bus can be shared.<sup>105</sup>

The PTA suggested that if a non-government school had students from outside its catchment area, the school should be required to provide its own charter bus to transport those students to and from school.<sup>106</sup> At an estimated cost of \$35 million in the 2020-21 financial year<sup>107</sup>, it could be argued that removing non-government school students' access to

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99 Submission 97, Western Australian District High School Administrators' Association, p. 3.

100 Submission 137, Hon Martin Aldridge, MLC, Member for the Agricultural Region, p. 2; Submission 99, Gingin District High School Board, p. 1.

101 Submission 97, Western Australian District High School Administrators' Association, p. 4; Closed submission.

102 Cr Jackie McBurney, Deputy President, Shire of Pingelly, *Transcript of Evidence*, 9 March 2022, p. 6.

103 Submission 97, Western Australian District High School Administrators' Association, p. 3.

104 Closed briefing.

105 Submission 97, Western Australian District High School Administrators' Association, p. 3.

106 Submission 182, Public Transport Authority, p. 18.

107 Submission 182c, Public Transport Authority, p. 2.



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transport assistance would alleviate budgetary pressures on SBS, allowing it to provide more services to students attending government schools.

Having weighed the evidence before it, the Committee is not recommending any change to the eligibility criteria to receive transport assistance for students attending non-government schools. While some submitters alleged that some parents are choosing to send their children to non-government schools for non-religious reasons, it would be inappropriate and impractical for the PTA to attempt to 'assess' a family's motivation for their children attending a non-government school. Further, providing transport assistance only to those attending non-government schools that are 'near' a government school would make the STAP more complex to understand and administer. Overall, the Committee does not want to reduce the existing level of government transport assistance that many families rely upon.

#### **Finding 8**

Students attending their nearest appropriate non-government school should continue to be eligible to receive transport assistance, provided they meet the other eligibility criteria under the *Student Transport Assistance Policy and Operational Guidelines*.

#### ***The definition of Nearest Appropriate School should be amended for consistency with the Department of Education's local intake areas***

The Committee was advised of inconsistencies between schools which students could attend in accordance with the Department of Education 'local intake areas' and schools for which students would be eligible to receive transport assistance.<sup>108</sup> In one example, a family was eligible to receive transport assistance for their child to attend their Nearest Appropriate School, however the family did not live in the local intake area of that school, and the school was not taking out of boundary enrolments. The family lived in the intake area for another school, but were not eligible to receive transport assistance to that school, as it was not their Nearest Appropriate School.<sup>109</sup>

The Isolated Children's Parents' Association noted there is 'no correlation between the areas of responsibility for school bus Contract Officers and Educational Regional and Local Offices'<sup>110</sup>, which are involved in defining schools' local intake areas. They suggested the Department of Education need to consider the availability of, and eligibility for, transport assistance when defining local intake areas.<sup>111</sup>

The Committee considers the above scenario is an unintended consequence of the definition of Nearest Appropriate School in the STAP. It should be rectified by expanding the definition of Nearest Appropriate School to include schools for which students reside in the local intake area, when a local intake area has been defined.

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108 Submission 117, Sandra Manser, p. 1.

109 Submission 39, Name withheld, p. 1.

110 Submission 140, Isolated Children's Parents' Association of Western Australia, p. 8.

111 *ibid*.

**Finding 9**

Inconsistencies between the Department of Education's local intake areas and the Public Transport Authority's Nearest Appropriate School eligibility criterion for providing transport assistance has left students eligible for transport assistance to schools they are not able to enrol in as they do not meet the Department of Education's local intake area requirements.

**Recommendation 6**

The Minister for Transport and Minister for Education should ensure the Public Transport Authority and Department of Education work together to provide transport assistance under the *Student Transport Assistance Policy and Operational Guidelines* to students attending a school when they reside in the local intake area for that school, where one exists.

***The definition of Nearest Appropriate School should be amended where students are dropped at a central point in town then catch public transport to their school***

Some students who receive bus transport assistance to attend school in Albany alight at a terminus in the middle of town. Students then catch public transport or otherwise make their way from the terminus to their school.<sup>112</sup> Although all students are dropped at the same one or two central locations, students are only eligible to receive transport assistance if they are attending their government or non-government Nearest Appropriate School.

In this scenario, the Committee assumes there would be no additional financial cost for SBS if a student, who was otherwise eligible to receive transport assistance to attend their Nearest Appropriate School in Albany, attended a different school in Albany. As the students are dropped at a central point and must make their own way from that point to their school using public transport or other means, the time and financial cost of getting from the central drop off point to their school falls on the student, and not on SBS. As such, the Committee recommends that transport assistance should be provided to all students who would be eligible to receive transport assistance to their Nearest Appropriate School in Albany, regardless if the student is attending their Nearest Appropriate School or another school.

This recommendation is based on transport assistance being provided to a central point in town, from which students must find their own way to school. It is not a suggestion that students should be eligible to receive transport assistance to a school which is not their Nearest Appropriate School in broader circumstances. Nor is it a suggestion that students should be provided with transport assistance directly to their school where the current arrangement has students being dropped at a central location. If multiple bus services bring students into town, and these have different central terminuses, it is up to SBS to determine which service a student is allocated to, and where the central drop off location is, having regard only to the students geographically Nearest Appropriate School, and not the school which the student is actually attending.

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112 Emma Franklin, Deputy Principal, Great Southern Grammar, *Transcript of Evidence*, 10 March 2022, p. 3.

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The Committee only received evidence of this scenario occurring in Albany. The recommendation will also apply to other towns in which this situation occurs.

#### **Finding 10**

In some areas, students are eligible to receive transport assistance via bus that will drop them at a central location from which they must catch a public bus to their Nearest Appropriate School. A student would not be eligible to receive transport assistance to attend a school other than their Nearest Appropriate School, even though the school bus would still drop the student at the same central location.

#### **Recommendation 7**

The Minister for Transport should ensure the Public Transport Authority update the administration of the *Student Transport Assistance Policy and Operational Guidelines* so students who alight at a central point in a town centre, and are required to make their own way to school, are eligible to receive transport assistance whether they go to their Nearest Appropriate School or another school in that town.

#### ***Students should not be charged a fare to access transport assistance***

The Committee noted a large amount of the evidence received supported greater flexibility in the eligibility criteria such that families would receive transport assistance to send their children to any school of their choice. We were also cognisant of the need to consider budgetary constraints. Some stakeholders suggested that students not attending their Nearest Appropriate School could pay a fare to receive transport assistance to a school of their choice.<sup>113</sup>

Recommendation 3 of the Morrell Review proposed students who chose to attend their school of choice would be required to pay a concession fare.<sup>114</sup> The recommendation was not implemented.

The PTA indicated there were a number of difficulties with implementing a fare concession system. These included:

- Fare paying families may expect individualised, guaranteed transport from their residence to school.
- Fare paying students may compromise bus route efficiency to the detriment of Eligible Students.
- Expanding the provision of transport assistance to fare paying student may drive up the cost of providing transport assistance to Eligible Students.
- Administrative costs of managing the policy may increase.<sup>115</sup>

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113 Submission 168, Name withheld, p. 2; Londa Finlayson, Wagin WA, *Briefing*, 30 November 2021.

114 Morrell, Barbara, *Review of Transport Assistance for Students: Final Recommendations Report*, State Government of Western Australia, January 1999, p. 5.

115 Submission 182b, Public Transport Authority p. 7.

The Committee accepted the reasons put forward by the PTA, and are not recommending fares should be charged to students receiving transport assistance.

**Finding 11**

Implementing a fare system to enable students to receive transport assistance to attend a school other than their Nearest Appropriate School is not appropriate.

**Criterion 2: Be enrolled in a pre-compulsory or compulsory education period**

To be eligible for transport assistance under the STAP, students must be enrolled in a pre-compulsory or compulsory education period.<sup>116</sup> Education periods are defined under the *School Education Act 1999*. Currently, the pre-compulsory education period is from the beginning to the end of the year in which a child reaches the age of 4 years and 6 months.<sup>117</sup> The compulsory education period is currently from the beginning of the year in which the child reaches the age of 5 years and 6 months, until the end of the year in which the child reaches the age of 17 years and 6 months, or until the child reaches the age of 18, whichever happens first.<sup>118</sup>

The Department of Education may grant exceptions so children outside of these minimum and maximum age limits can attend pre-compulsory or compulsory education. However, the STAP defines the eligibility to receive transport assistance with reference to the education periods as defined in the *School Education Act 1999*, without the allowance for exemptions, which effectively places age limits on who is eligible for transport assistance.<sup>119</sup>

Although some stakeholders believed children attending kindergarten were not eligible to receive transport assistance, and were provided transport assistance as Complimentary Passengers only<sup>120</sup>, the PTA confirmed kindergarten students have been eligible to receive transport assistance since December 2011.<sup>121</sup> To enrol in kindergarten, children must be 4 years old by 30 June in the year they will be attending kindergarten.<sup>122</sup> Children in kindergarten will therefore meet the pre-compulsory education period definition.

**Finding 12**

Children attending kindergarten may be eligible to receive transport assistance, provided they meet the other eligibility criteria.

One submitter raised concerns about whether kindergarten students are mature enough to travel on a school bus.<sup>123</sup> The STAP notes that approval of a student's entitlement to travel on an 'Orange' school bus does not imply that it would be appropriate for a student to travel

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116 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 16.

117 *School Education Act 1999*, (WA), s. 5.

118 *ibid.*, s. 6.

119 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 16.

120 Submission 133, Sally Sprigg, p. 1;

121 Submission 182c, Public Transport Authority, p. 1.

122 Department of Education, *Enrolling in school*, accessed 10 June 2022, <<https://www.education.wa.edu.au/enrolling-in-school>>.

123 Submission 195, Name withheld, p.1.

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unaccompanied. Further, it is the responsibility of the parent or carer to decide whether their child is capable of travel, and they must acknowledge that responsibility in the application process.<sup>124</sup> The Committee considers this is an appropriate approach.

**Finding 13**

It is appropriate for parents or carers to determine whether their kindergarten-aged child is competent to catch a school bus without parental supervision.

**Criterion 3: Regularly attend their school and use the ‘Orange’ School Bus approved for that student**

To be eligible to receive transport assistance under the STAP a student must use their approved school bus on average at least 60% of the time, or six trips in a five day school week.<sup>125</sup> The STAP notes that ‘what constitutes acceptably regular travel may vary according to the individual circumstances of the student or their school’.<sup>126</sup> For example, kindergarten students typically attend fewer than 5 days per week, and often finish at lunchtime when buses do not operate so do not receive bus transport from school to home. They will still likely meet this criterion even though they take fewer than six trips on a school bus.<sup>127</sup>

The majority of evidence received regarding regularity of travel called for greater flexibility to help accommodate irregular attendance at school and/or use of the school bus due to:

- shared custody arrangements<sup>128</sup>
- extra-curricular activities<sup>129</sup>
- school of Isolated and Distance Education students and Vocational Education and Training students attending school only on days when required<sup>130</sup>
- parents’ or carers’ working arrangements.<sup>131</sup>

The PTA said it only enforces the regular use eligibility criterion if the bus is at capacity and students are waitlisted for a seat on the bus. It also advised that a family who is not meeting the minimum requirements on a bus service will be given advanced warning that their child may lose their seat.<sup>132</sup> Some submitters suggested SBS should be liaising with contractors to monitor which students are using the bus service<sup>133</sup>, to ensure students are attending regularly, so empty seats can be filled by students on the waitlist.

The Committee supports the PTA’s approach. It is sensible to prioritise the provision of a seat on a bus to students who will utilise the service more frequently. We also note the STAP

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124 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 20.

125 *ibid.*, p. 17.

126 *ibid.*, p. 16.

127 *ibid.*, p. 20.

128 Closed submission.

129 Closed briefing.

130 Submission 190, Ian Harrower, p. 2.

131 Submission 50, Ella Maesepp, p. 1.

132 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 20.

133 Closed briefing.

provides flexibility in the application of this eligibility criterion to accommodate students' individual circumstances, as well as granting out of policy transport assistance (see below) so as not to disadvantage a student who will not be catching the same bus as regularly, for example, due to a shared custody arrangement. We consider this a sufficient amount of flexibility within the policy.

**Finding 14**

The eligibility criterion requiring students to use transport assistance regularly is appropriate, provided the Public Transport Authority continue to apply the criterion flexibly.

**Criterion 4: Reside more than 4.5km from their nearest school**

To be eligible to receive transport assistance under the STAP, children must reside more than 4.5km from their school, measured by the shortest practical road route. Further, the distance is taken from the gate or point of entrance/exit of the property on which the student resides that is nearest to the school.<sup>134</sup> The PTA considers it is reasonable for families living 4.5km or less from their school to make their own arrangements to get their children to school. It considers most metropolitan families would travel similar distances to their local schools.<sup>135</sup>

While one submitter suggested the minimum distance should be increased<sup>136</sup>, others, mostly bus contractors, suggested that the requirement should be removed, or at least the distance reduced.<sup>137</sup> The latter argued that rural roads can be more hazardous than those in metropolitan areas, due to the amount of traffic, regularity of large trucks, high speed limits and lack of verges and footpaths, all of which can endanger children walking or riding to school.<sup>138</sup> They also note it is unreasonable to expect children, especially young children, to walk up to 4.5km, which could take up to an hour.<sup>139</sup> Finally, although students who live less than 4.5km from the school are often provided transport assistance as Complimentary Passengers (discussed below), receiving transport as a Complimentary Passenger is not guaranteed and their seat on the bus may be lost if an Eligible Student needs it.<sup>140</sup>

The Committee considered the 'minimum distance' criterion in other Australian jurisdictions. In Victoria, students must reside 4.8km or more from school<sup>141</sup>, and in South Australia students must reside more than 5km from school to be eligible to receive transport

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134 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 17.

135 Submission 182b, Public Transport Authority p. 15.

136 Submission 46, Chelsea Mott, p. 1.

137 Submission 38, Katie Ward, p. 1; Submission 147, Name withheld, p. 1.

138 For example: Submission 165, Carol McDonald, p. 1; Submission 178, Denis Sutton, p. 1; Submission 192, Kimberly Littleton & Patricia Littleton, p. 1; Submission 202, BusWA, p. 15.

139 Submission 165, Carol McDonald, p. 1.

140 Submission 165, Carol McDonald, p. 1; Submission 178, Denis Sutton, p. 1; Submission 192, Kimberly Littleton & Patricia Littleton, p. 1; Submission 202, BusWA, p. 15.

141 Department of Education (Victoria), *School Bus Program*, 18 March 2022, accessed 16 June 2022, <<https://www2.education.vic.gov.au/pal/school-bus-program/print-all#criteria-determining-eligibility-for-the-school-bus-program>>.

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assistance<sup>142</sup>. In Queensland, the minimum distance varies depending on whether the student attends primary school, 3.2km away, or secondary school, 4.8km away.<sup>143</sup>

The Committee asked the PTA if it was practical to have different minimum distances for primary and high school students. The PTA was not in favour of this approach, suggesting it could result in siblings in the same family having different entitlements to transport assistance, or different families on the same street with children of different ages having different entitlements.<sup>144</sup>

This Committee acknowledges that having different minimum distance requirements for primary and high school students may improve eligibility for transport assistance in some instances, but could create discontent for what could be perceived as inconsistencies in the policy. It also notes that the existing minimum distance requirement is consistent with the equivalent requirements in other Australian jurisdictions. As such, the Committee is not recommending any change to the eligibility requirement that students must live at least 4.5km from school to receive transport assistance.

#### **Finding 15**

The criterion that students must live at least 4.5 kilometres from their Nearest Appropriate School to be eligible to receive transport assistance is appropriate.

#### **Criterion 5: Reside outside a designated Public Transport Area**

Under the STAP, to be eligible to receive transport assistance as a rural student attending a mainstream school, a student must reside outside a Public Transport Area.<sup>145</sup> A Public Transport Area is an area designated by the PTA, viewable on a map on the SBS website<sup>146</sup>, in which the government operates 'subsidised and controlled public transport networks'<sup>147</sup>. The STAP states that residents living within Public Transport Areas have reasonable access to public transport, and so are not eligible for transport assistance under the STAP.<sup>148</sup> To operate both public transport and school bus services within the one area would duplicate services.<sup>149</sup>

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142 Department of Education (South Australia), *School transport policy*, Government of South Australia, 1 February 2022, p. 6.

143 Department of Transport and Main Roads (Queensland), *School Transport Assistance Scheme*, 20 July 2022, Queensland Government, accessed 10 August 2022, <<https://www.qld.gov.au/transport/public/school/school-transport-assistance/school-transport-assistance-schemes>>.

144 Submission 182b, Public Transport Authority, p. 15.

145 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 17.

146 School Bus Services, *Public Transport Area Maps*, accessed 12 June 2022, <<https://www.schoolbuses.wa.gov.au/TransportAssistance/RelatedInformation/PublicTransportAreaMaps.aspx>>.

147 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 17.

148 *ibid.*

149 Martin White, Executive Director, Transport System, Regional Town Bus Services and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 18.



The Committee received evidence about the expansion of a Public Transport Area to encompass the community of Jarrahdale, meaning students in that area would no longer be eligible to receive transport assistance under the STAP. A summary of the situation in Jarrahdale is contained in Box 2.1 below.

**Box 2.1: The expansion of the Perth Public Transport Area to include Jarrahdale**

Jarrahdale based families accessing transport assistance under the STAP were advised by letter, dated 9 June 2021<sup>150</sup> that the Perth Public Transport Area was being expanded to incorporate Jarrahdale as of 19 July 2021.<sup>151</sup> From Term 3, 2021, 'Orange' school buses would no longer be provided, and students would need to catch public transport to school. After community outcry, the Minister for Transport agreed to provide a longer transition period, until Term 1, 2022, to allow Jarrahdale residents to prepare and find alternative transport for their children. In September 2021, the Jarrahdale families were advised that the transport assistance provided in Jarrahdale would remain unchanged until the Committee's inquiry concluded.<sup>152</sup>

The Committee received submissions from stakeholders in the Jarrahdale area who were concerned about the loss of the 'Orange' school bus, which they believe is a valuable community service.<sup>153</sup> These submissions raised a number of issues, including:

- Public transport buses are not designed for travelling at 80km per hour on country roads; 'Orange' school buses are safer as each student gets to sit down and wear a seatbelt.<sup>154</sup>
- Public transport is impersonal; the 'Orange' school bus drivers know each of the students.<sup>155</sup>
- Students will have to walk too far, in some cases more than 1.6km, to catch public transport from the public stop instead of from the school bus stop closer to their residence.<sup>156</sup>
- Students will have to pay to use public transport, instead of the free school bus service.<sup>157</sup>
- There are not enough timetabled services to accommodate all of the students currently catching the 'Orange' school buses.<sup>158</sup>

Witnesses also advised the Committee that the PTA had not consulted with the Jarrahdale community regarding the expansion of the Public Transport Area, and they were given no warning about the boundary change or the removal of the school bus service.<sup>159</sup>

The SBS team noted it liaised extensively with Transperth, the team that provides public transport in the Jarrahdale area, so that the public transport bus stops were near wherever the school bus services' buses picked up students.<sup>160</sup> PTA representatives also advised that there was a lot of misinformation in the Jarrahdale community about the frequency of public transport services.<sup>161</sup>

150 Submission 182b, Public Transport Authority, p. 21.

151 Submission 2, Jane Scott, p. 1.

152 Closed briefing.

153 Submission 54, Alan Rose, p. 1.

154 For example: Submission 2, Jane Scott, p. 1; Submission 54, Alan Rose, p. 1.

155 Submission 2, Jane Scott, p. 1.

156 *ibid.*

157 Martin White, Executive Director, Transport System, Regional Town Bus Services and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 17.

158 Submission 2, Jane Scott, p. 1; Martin White, Executive Director, Transport System, Regional Town Bus Services and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 17.

159 Closed briefing.

160 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 17.

161 Martin White, Executive Director, Transport System, Regional Town Bus Services and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 17.



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The PTA explained that it periodically expands Public Transport Areas to meet the demands of urban sprawl. As more people move to areas on the fringe of existing Public Transport Areas, these residents start to call for public transport services. The PTA responds by providing transport services, which expand over time through greater demand and greater use. At a certain point, the PTA will determine that the level of public transport is sufficient to support the area without the need for the separate provision of school bus services, and the Public Transport Area boundary is expanded.<sup>162</sup>

The PTA understands that families that use the school bus service may see the expansion of the Public Transport Area, and subsequent cancellation of school bus services, as a backwards step. However, it argued that, overall, a community gets a better outcome with the provision of public transport services available to the whole community, rather than just the school bus services which is only available for Eligible Students.<sup>163</sup>

The Committee understands the PTA bases its decision to designate an area as part of a Public Transport Area on factors unrelated to the provision of school bus services, and thus this decision falls outside of the STAP. Therefore, we consider the decision falls outside the scope of this inquiry, notwithstanding that the PTA's decision may result in families losing their eligibility to receive transport assistance under the STAP.<sup>164</sup>

The relevant consideration for the Committee in relation to this eligibility criterion is whether students should be eligible to receive transport assistance only if they reside outside of a Public Transport Area, or whether some or all students who reside inside a Public Transport Area should be eligible to receive transport assistance.

The intent of the school bus service is to reduce the burden on families living in rural areas who would otherwise have to travel vast distances to drop their children off at school each day.<sup>165</sup> It is not a service designed to provide free and individualised transport assistance to all students attending school across Western Australia. To provide an equivalent service to students in non-rural areas would be costly and logistically burdensome for the government, and duplicate the existing provision of public transport. On this basis we consider the criterion to live outside a Public Transport Area is appropriate for determining access to transport assistance.

Further, the Committee does not think it would be appropriate for some communities located inside a Public Transport Area to receive transport assistance under the STAP, while other communities do not. To do so would build inconsistency and unfairness into the policy.

However, the PTA should improve its communication and consultation with recipients of transport assistance under the STAP who are at risk of losing the service due to the expansion of a Public Transport Area. Improved communication and consultation will

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162 Martin White, Executive Director, Transport System, Regional Town Bus Services and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 16.

163 *ibid.*

164 *ibid.*

165 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 7.

address some of the concerns witnesses raised during this inquiry, including the misinformation around bus stops and bus timetables, as well as provide local advice on the best location for public transport bus stops. Further, the PTA should provide more notice to affected families of the date of removal of school bus services.

The Committee considers families receiving transport assistance should be informed of the potential expansion of a Public Transport Area at least one year before the termination of school bus services, so that families have the opportunity to provide feedback on the PTA proposal. Further, families should be provided with no less than six months' notice of a PTA decision to expand a Public Transport Area that results in the cancellation of school bus services, so families with more time to make alternative arrangements. The change should only take effect at the start of a new school year to minimise disruption.

**Finding 16**

Transport assistance under the *Student Transport Assistance Policy and Operational Guidelines* should only be provided to rural students attending mainstream schools who live outside Public Transport Areas.

**Finding 17**

The Public Transport Authority could improve its consultation and communication with affected families and other stakeholders in areas which may become part of a Public Transport Area.

**Recommendation 8**

The Minister for Transport should ensure the Public Transport Authority provide families and bus contractors who may be affected by the termination of a school bus service due to the expansion of a Public Transport Area with at least one year's notice of the proposed expansion of the Public Transport Area, and at least six months' notice of a decision to expand a Public Transport Area that will result in the termination of bus services. Changes should only take effect at the start of a school year.

## The Complimentary Passengers Policy

The STAP provides the opportunity for students who do not meet the eligibility criteria, including because they are not attending their Nearest Appropriate School, to still receive transport assistance. Known as Complimentary Passengers, SBS may approve a student to have an otherwise spare seat on a bus, provided there is limited additional cost to SBS in providing the student with transport assistance. Routes will not be altered for Complimentary Passengers. In practice this means Complimentary Passengers will generally board and alight at bus stops used by eligible passengers.<sup>166</sup>

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<sup>166</sup> Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 34.

The eligibility criteria for rural students attending mainstream schools need to be updated

### **Complimentary Passengers are generally not eligible to receive transport assistance as they are not attending their Nearest Appropriate School**

Currently, 16.6% of students who receive government funded transport assistance are classified as Complimentary Passengers.<sup>167</sup> The proportion of Complimentary Passengers has remained relatively stable over the years.<sup>168</sup>

The PTA advised the Committee that Complimentary Passengers are generally not eligible to receive transport assistance as they are not attending their Nearest Appropriate School, for whatever reason.<sup>169</sup> As shown in Table 2.1 below, regions with larger populations tend to have a higher proportion of Complimentary Passengers. Further, the proportion of Complimentary Passengers increases closer to larger population centres where parents or carers' have more schools to choose from. Some buses servicing the Perth metropolitan fringe can have up to 40% Complimentary Passengers.<sup>170</sup>

**Table 2.1: Breakdown of government transport assistance provide to students by status and region**

Region	Eligible	Complimentary	Out of Policy and Grandfathered	Department of Education funded contracts
Gascoyne	134	7 (5%)		
Goldfields Esperance	953	180 (14%)	4	131
Great Southern	2,483	751 (23%)	100	
Kimberley	757	92 (11%)		
Metropolitan	3,620	634 (13%)	15	547
Mid-West	1,393	198 (12%)	8	
Peel	1,565	383 (20%)	8	
Pilbara	455	10 (2%)		
South West	5,560	1,160 (17%)	200	69
Wheatbelt	3,553	871 (20%)	37	
<b>Total</b>	<b>20,473</b>	<b>4,286</b>	<b>372</b>	<b>747</b>
<b>Percentage</b>	<b>79.1%</b>	<b>16.6%</b>	<b>1.4%</b>	<b>2.9%</b>

Source: Submission 182, Public Transport Authority, p. 2.

Note: Out of policy eligibility is generally approved for compassionate and compelling reasons.

Grandfathered entitlements occur for example as a result of a newly commissioned school which alters the eligibility of existing students receiving transport assistance.

Department of Education funded contracts sit outside the *Student Transport Assistance Policy* and have not been considered as part of this inquiry.

167 Submission 182, Public Transport Authority, p. 2.

168 Submission 182b, Public Transport Authority, p. 12.

169 *ibid.*

170 *ibid.*

## Stakeholders had a number of concerns about the Complimentary Passengers policy

Despite comprising a relatively small proportion of students being provided with transport assistance, we received a significant amount of the evidence about the Complimentary Passengers policy. Concerns included that Complimentary Passengers:

- may lose their seat on the bus if an Eligible Student needs it<sup>171</sup>
- will have to travel to meet the bus at an Eligible Student's bus stop.<sup>172</sup>
- are reliant upon Eligible Students accessing the bus run.<sup>173</sup>
- are not counted in assessing the viability of bus routes with low eligible passenger numbers or determining what size bus should operate on a particular route.<sup>174</sup>

*'... in some ways we have become the good guys with the complimentary policy and we let people bypass, but in other ways we have become the bad guys for the people who are in a local town and want to send their children to the local primary school and feel that it is suffering because other children are allowed to move away.'*

*- Martin White, Public Transport Authority*

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Several submissions, many from bus contractors, recommended abolishing the Complimentary Passengers policy in favour of all students being eligible for transport assistance.<sup>175</sup> The Isolated Children's Parents' Association suggested that Complimentary Passengers access to a bus service should be 'grandfathered' so that, once provided with a seat on a bus, they retain that seat even if an Eligible Student subsequently wants a seat on the bus.<sup>176</sup> They also suggested Complimentary Passengers should be taken into account for planning purposes, which is discussed in Chapter 6.

Other submitters were in favour of tightening the Complimentary Passengers policy. Stakeholders in the Kondinin community were not in favour of students being given Complimentary Passenger status on a bus that takes students away from the local primary school, particularly as there was no bus available to take children to the local primary school.<sup>177</sup> Some suggested the Complimentary Passengers policy should not operate to transport primary school students away from a town which has its own primary school.<sup>178</sup>

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171 Submission 96, Renee Jenkin, p. 1.

172 Submission 173, School Bus Logistics Pty Ltd, p. 2.

173 Closed briefing.

174 Submission 140, Isolated Children's Parents' Association of Western Australia, p. 3.

175 For example: Submission 124, Shire of Westonia p. 1; Submission 178, Dennis Sutton, p. 1; Submission 181, Name withheld, p. 1; Submission 188, Regional Transit, p. 3.

176 Submission 140, Isolated Children's Parents' Association of Western Australia, p. 3.

177 Submission 84, Kondinin Parents and Citizens, p. 2; Submission 102, Shire of Kondinin, pp. 1-2.

178 Submission 84, Kondinin Parents and Citizens, p. 2.

**Box 2.2: Kondinin school bus services**

Due to insufficient student numbers, there is currently no school bus service that directly services Kondinin Primary School. When new people to the area enquire about transport to school, they are advised they could access a bus taking students to the district high school as a Complimentary Passenger. This bus has its depot in Kondinin, so students located in Kondinin are on the existing bus route.

Kondinin stakeholders believe the current arrangement has a significant impact on the student numbers at the local primary school, which impacts school funding and the resources that can be provided at the school.

Source: Submission 84, Kondinin Parents and Citizens; Submission 102, Shire of Kondinin.

The Western Australian District High Schools Administrators' Association argued access to transport assistance as a Complimentary Passenger should be limited to when there is a justifiable educational reason, including social and emotional issues.<sup>179</sup>

The PTA is aware that the Complimentary Passengers policy has positive aspects, as well as challenges. During a hearing Mr White noted:

'We would argue that it is a very good policy and a very bad policy. It is very good because it allows us to maximise the utilisation of the school buses. They are an expensive asset, the state spends a lot of money, so basically the complimentary policy allows us to take an empty seat and allow a child who would not otherwise be eligible to use that seat. It is a very bad policy because, over time... there becomes an expectation that that child will stay on the bus. We oftentimes get faced with those difficult situations where a genuinely eligible child comes along and displaces a child who is a complimentary child.'<sup>180</sup>

**On balance, the Complimentary Passengers policy should not be changed**

The Committee recognises that families whose children receive transport assistance as Complimentary Passengers may face challenges. However, we agree with the general principle that providing transport assistance to Complimentary Passengers should not result in an additional cost for SBS, nor should bus routes be varied or travel times be significantly increased to accommodate Complimentary Passengers. They are, by definition, not eligible for transport assistance. By providing them with assistance, SBS is attempting to provide flexibility and accommodate individual preferences for families, as well as maximise the use of school bus assets. To prioritise Complimentary Passengers through seat allocation, grandfathering or adding additional stops and travel time, would disadvantage Eligible Students.

We do not agree with suggestions that would limit students' access to transport assistance as Complimentary Passengers. The Committee understands that many students do not meet the eligibility criteria to receive transport assistance because they choose to attend a school other than their Nearest Appropriate School. Although providing all students with transport assistance no matter which school they attend is not financially or logistically viable, for

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179 Submission 97, Western Australian District High School Administrators' Association, p. 2.

180 Martin White, Executive Director, Transport System, Regional Town Bus Services and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 26 November 2022, p. 7.

reasons set out above, the Committee supports parents and carers' being able to choose to which school they send their children, noting that they may not be eligible to receive government transport assistance but may be provided with transport as Complimentary Passengers.

As such, the Committee makes no recommendation to change the current operation of the Complimentary Passengers policy. We note that some of the other recommendations made throughout this report, in particular those in relation to continuity of schooling and taking social, economic, financial and community factors into account, if implemented, will result in some students who are currently Complimentary Passengers becoming eligible to receive transport assistance.

**Finding 18**

Although the Complimentary Passengers policy is imperfect, it is preferable that students, who do not meet the eligibility criteria, are able to access transport assistance on a complimentary basis rather than not at all. As such, the Complimentary Passengers policy should remain as is.

**Transport assistance is sometimes provided outside of the policy**

In exceptional circumstances, SBS may agree to provide transport assistance to a family that does not meet the eligibility criteria. Applications for out of policy transport assistance will be assessed on a case-by-case basis. Applicants will need to provide supporting documentation to demonstrate the bona fide need to receive transport assistance outside the policy.<sup>181</sup> Some of the reasons SBS may approve out of policy transport assistance include:

- court order/shared custody
- medical support/response
- illness of a parent or carer, or other compassionate grounds
- initial administrative error - SBS then grandfather the arrangement to avoid detriment to the family/student
- education recommendation from the Department of Education or a school
- school at capacity and no longer accepting enrolments.<sup>182</sup>

*'...we will be operationally as flexible as we can without breaking the rules totally.'*

*- Martin White, Public Transport Authority*

Approvals to provide out of policy transport assistance will initially be limited to 12 months, with extensions possible. The STAP also notes that SBS will work towards phasing out unauthorised out of policy transport assistance.<sup>183</sup>

181 Submission 182b, Public Transport Authority, p. 6.

182 Submission 182b, Public Transport Authority, p. 6.

183 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 29.

The eligibility criteria for rural students attending mainstream schools need to be updated

The Committee received some evidence about perceived inconsistency in decision making by SBS in providing transport assistance to some families and not to others.<sup>184</sup> While some submitters want greater flexibility in the policy, others believe that the STAP is too open to interpretation.<sup>185</sup> As submitters are often unaware of other families' circumstances, it is unclear whether the perception of inconsistency in decision making is to do with deciding whether a student meets the eligibility criteria, the operation of the Complimentary Passengers policy, the granting of out of policy assistance, all of these or something else entirely. The Committee considers the perception of inconsistency most likely arises from the operation of the Complimentary Passengers policy, discussed above, and providing out of policy transport assistance.

Although it may contribute to discontent among families who use or want to use the school bus service, the Committee supports SBS granting out of policy transport assistance to those who need it for compelling reasons. Due to the individual circumstances resulting in these requests, it is difficult to compare one family's situation to another. SBS confirmed that out of policy requests are generally authorised by the Operations Manager, but can be escalated to the SBS Manager if necessary, for consistency of decision making.<sup>186</sup>

**Finding 19**

It is appropriate for School Bus Services provide out of policy transport assistance to families on a case-by-case basis and for a limited duration.

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184 Submission 134, Name withheld, p. 1; Karen Harrington, Darkan WA, *Briefing*, 29 November 2021; Pamela Moss, Director, Public Schools Planning, Department of Education, *Transcript of evidence*, 25 February 2022, p. 11.

185 Closed briefing.

186 John Bailly, Manager, School Bus Services, Public Transport Authority, Email, 16 June 2022, p. 1.





## Chapter 3

### The eligibility criteria for students attending Education Support Facilities need refining

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**‘Clear, well-resourced strategies must be in place to help address the additional challenges that students living with disability face. Reliable and appropriate student transport to school is essential and one of the strategies that improve a student’s access to education.’**

WA Council of State School Organisations, Submission 157

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#### Eligibility criteria – students attending Education Support Facilities

Government and non-government Education Support Facilities offer a wide range of support programs and facilities for students with special needs, including intellectual and physical disabilities. Some students will be capable of making their own way to school; this is encouraged where possible. However, if their intellectual or physical disability prevents students making their own way to school, School Bus Services (SBS) will provide Eligible Students with transport assistance.<sup>187</sup>

Under the *Student Transport Assistance Policy and Operational Guidelines* (STAP), students who attend Education Support Facilities will be eligible to receive transport assistance if they meet the following criteria:

- ‘Be enrolled at a Government or non-Government Education Support Facility;
- Not be able or competent to make their own way to the facility safely;
- Be regularly attending the facility and using their approved transport service.’<sup>188</sup>

The SBS website contains additional eligibility criteria that a student must be under 19 years of age, and must attend the ‘closest appropriate government (including a [Language Development Centre]) or non-government facility to a student’s residence’.<sup>189</sup>

The Committee discusses each of these criterion below.

#### **Criterion 1: Be enrolled at a Government or non-Government Education Support Facility**

Under the STAP, a student will be eligible to receive transport assistance if they are attending an Education Support Facility. Education Support Facility is the collective term for education support schools and centres. The STAP glossary defines these as follows:

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187 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 36.

188 *ibid.*

189 School Bus Services, *Education Support Students*, undated, accessed 16 June 2022, <<https://www.schoolbuses.wa.gov.au/TransportAssistance/WhosEligible/EDSupportStudents.aspx>>.

‘Education support schools are primarily focused on students with intellectual disabilities, and generally cater for students with the greatest level of disability and support requirement.’

‘Education support centres are usually located on the same campus as a mainstream school but usually operate independently and under separate administration. Students attending a centre may be integrated into the mainstream school for some programs.’

The STAP specifically notes students who require additional support but attend mainstream schools under an inclusive education program are not eligible to receive transport assistance. However, transport assistance may be provided to a student with high needs on a case-by-case basis.<sup>190</sup> The Department of Education noted that the majority, about 57%, of students with a disability enrol in their local mainstream school. The Department suggested that it would be more beneficial, and more equitable, if these families also had access to transport assistance.<sup>191</sup>

The Public Transport Authority (PTA) previously provided transport assistance to students attending education support schools, centre and units. An education support unit was a classroom within a mainstream school that provided additional support to students with some disabilities. Some years ago, the Department of Education shifted its policy of separate education support units, to one of inclusive schooling. Students who had been in education support units were now in mainstream classrooms, with additional funding to provide extra support to the child as needed. With the policy shift, the PTA ceased providing transport assistance to students that had attended an education support unit.<sup>192</sup>

The Committee suggests the criterion to be enrolled in a government or non-government Education Support Facility is suitable in its current form, and does not need to be expanded to capture students with a disability who attend mainstream classrooms. However, we acknowledge support provided under the National Disability Insurance Scheme in the future may interact with this criterion. This is discussed further below.

**Finding 20**

The provision of transport assistance to students attending Education Support Facilities, as defined under the *Student Transport Assistance Policy and Operational Guidelines*, is appropriate.

***Closest appropriate government or non-government facility***

The STAP states that the Department of Education will consider the suitability of an Education Support Facility based on an assessment of a student and their needs. If there are several facilities that are appropriate to the needs of a particular student, SBS will provide

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190 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 13.

191 Submission 138, Department of Education, pp. 6-7.

192 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Hearing*, 26 November 2021, p. 21.

transport assistance to the nearest facility where the student resides within its Transport Catchment Area.<sup>193</sup>

SBS defines Transport Catchment Areas for Education Support Facilities, including Language Development Centres, in consultation with the Department of Education. Catchment area maps are available on the SBS website.<sup>194</sup> Catchment areas apply in the same way for students attending non-government facilities.<sup>195</sup>

In some cases, the Department of Education may determine that it is not in the best interests of the student to attend the facility nearest to their residence. A Department of Education district office can make a formal request to SBS that the student be eligible to receive transport assistance to a facility other than their nearest facility.<sup>196</sup> The STAP provides a number of reasons why it may be in the interest of a student to attend a facility other than their closest facility. These are set out in Table 3.1.

**Table 3.1: Reasons why a student may attend an Education Support Facility other than their geographically nearest facility**

Reason	Description
Educational reasons	Attending a different facility may optimise the educational opportunities available to individual students, in line with the Government's 'Students at Educational Risk' policy. It is not related to a parents' or carers' school preference.
Reasons of balance	It may be appropriate for a student to attend a different facility depending on the gender, age, year of student and disability of an individual relative to the other students attending the facility.
Access to early intervention programs	Students may benefit from attending programs designed to identify and address potential disabilities as early as possible. In these circumstances students are offered a Conveyance Allowance as the dispersion of students, age and short-term nature of programs make the provision of a bus service unviable.
Assistance for country students in major metropolitan areas	Country students who temporarily live in a metropolitan area so they can attend an Education Support Facility may be eligible to receive transport assistance. Assistance will normally be in the form of a Conveyance Allowance.

Source: Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020 pp. 39-40.

The Committee received limited evidence in relation to the appropriateness of this criterion. Instead, stakeholders' main concerns were around the lack of buses with adequate facilities that were provided to transport students to their closest appropriate education facility (discussed below). On the evidence it received, the Committee considers this criterion

193 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 36.

194 School Bus Services, *Education Support Students*, undated, accessed 16 June 2022, <<https://www.schoolbuses.wa.gov.au/TransportAssistance/WhosEligible/EDSupportStudents.aspx#Education-Support-Facilities-3>>.

195 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020 p. 37.

196 *ibid.*, p. 39.

appropriate, mainly due to the Department of Education's involvement in determining when it is in the best interest of a student to attend a facility that is not their closest appropriate facility.

***There are not enough buses with appropriate modifications available***

Although students may meet the eligibility criteria to receive transport assistance to an Education Support Facility, the Committee heard that often there are not enough buses with appropriate modifications available to transport all Eligible Students.<sup>197</sup>

The Western Australia Education Support Principals and Administrators' Association (WAESPAA) noted there are frequently insufficient spaces on bus transport, or the route taken does not cover the area where the student lives, even when the student wants to attend their closest appropriate school.<sup>198</sup> They also advised the majority of education support centres are serviced by buses that do not have disability access, disadvantaging students who use a wheelchair<sup>199</sup> or have mobility issues.<sup>200</sup>

WAESPAA also noted that the majority of accessible buses transport students to education support schools, with fewer transporting students to education support centres.<sup>201</sup> The Department of Education also noted that there are relatively few wheelchair accessible buses in the Education Support Facility transport system, and none of these service regional areas.<sup>202</sup> Education representatives were concerned about the 'agility of the existing bus fleet to respond to changing need'.<sup>203</sup>

The PTA acknowledged some of its buses are not equipped with adequate facilities to transport students in wheelchairs, but noted that many families with children who use a wheelchair prefer to be paid a Conveyance Allowance.<sup>204</sup> It advised there are challenges to fitting out smaller buses to be wheelchair accessible, as much of the seating capacity would be lost if space for a wheelchair was included.<sup>205</sup> It is also a costly exercise to retrofit a bus to accommodate a wheelchair, a cost which is initially paid by the bus contractor, then reimbursed by the PTA.<sup>206</sup> The PTA also said it has focused on routes likely to have a higher requirement for wheelchair accessible transport, and over time seek to improve its capacity across the board, noting it was about balancing accessibility and efficiency.<sup>207</sup> Where buses

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197 Submission 103, Western Australia Education Support Principals and Administrators' Association, p. 1.

198 *ibid.*

199 *ibid.*

200 Deborah Taylor, President, Western Australia Education Support Principals and Administrators' Association, *Transcript of Evidence*, 16 March 2022, p. 2.

201 *ibid.*

202 Pamela Moss, Director, Public Schools Planning, Department of Education, *Transcript of Evidence*, 25 February 2022, pp. 13-14.

203 Stuart Percival, Director, Disability and Inclusion, Department of Education, *Transcript of Evidence*, 25 February 2022, pp. 4-5.

204 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, pp. 23.

205 *ibid.*, pp. 21-22.

206 *ibid.*, pp. 21-22; Submission 182c, Public Transport Authority, p. 3.

207 John Bailly, Manager, School Bus Services and Mark Burgess, Managing Director, Public Transport Authority, *Transcript of hearing*, 26 November 2021, pp. 21-23.

The eligibility criteria for students attending Education Support Facilities need refining

cannot be modified to accommodate the needs of students, a Conveyance Allowance will be paid.<sup>208</sup>

Although the PTA says its working towards improving accessibility on its buses, at least one witness suggested that bus accessibility is getting worse, not better.<sup>209</sup> The Committee considers the PTA should speed up its work towards improving its capacity for wheelchair accessible transport for students attending Education Support Facilities.

#### **Finding 21**

There are not enough buses with appropriate modifications available to transport students to Education Support Facilities. This may affect how transport assistance is provided to Eligible Students.

#### **Recommendation 9**

The Minister for Transport should ensure the Public Transport Authority work towards ensuring school buses with appropriate modifications are available for students attending Education Support Facilities.

#### **Criterion 2: Not be able or competent to make their own way to the facility safety**

The PTA advised they make no assessment of competency to determine whether a student meets this eligibility criterion. Instead, SBS 'accepts that if a child is enrolled in an Education Support Centre or School then they are not able or competent to make their way independently to school.'<sup>210</sup>

It would seem that this criterion is redundant, as meeting the first criterion guarantees this criterion is also met. The Committee considers it should thus be removed.

#### **Finding 22**

To determine eligibility to receive transport assistance, the Public Transport Authority relies on meeting the first eligibility criterion, enrolment in an Education Support Facility, to determine whether a child meets the second eligibility criterion of 'not be able to competent to make their own way to their facility safety'.

#### **Recommendation 10**

The Minister for Transport should ensure the Public Transport Authority update the *Student Transport Assistance and Operational Guidelines* to remove the eligibility criterion of 'not be able or competent to make their own way to their facility safely' for students attending Education Support Facilities.

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208 Submission 138, Department of Education, p. 1.

209 Deborah Taylor, Western Australia Education Support Principals and Administrators' Association, *Transcript of Evidence*, 16 March 2022, p. 2.

210 Submission 182c, Public Transport Authority, p. 1.

**Criterion 3: Be regularly attending the facility and using their approved transport service**

To receive transport assistance, students attending Education Support Facilities must attend the facility using their transport service at least 60% of the time the school requires the student to attend. Students who cannot travel to school regularly will only be approved for transport assistance in exceptional circumstances. This approval may be limited to the student being a Complimentary Passenger.<sup>211</sup>

As for rural students attending mainstream schools, SBS will only enforce the regular use eligibility criterion if the bus is at capacity and there are students waitlisted for a seat on the bus.<sup>212</sup> The PTA advised that students attending an Education Support Facility who spend lengthy periods in hospital, would need to be absent substantially longer than three weeks before they were at risk of losing their assigned seat, despite Committee members hearing anecdotes to the contrary.<sup>213</sup>

The Committee was reassured to hear students attending Education Support Facilities would not lose their seat due to long absences. As such, we believe this is an appropriate criterion in its current form. However, the anecdotes of seats being lost, which the PTA suggested should not have been lost, indicate the importance of the PTA providing families accessing transport assistance with an avenue for appeal or complaint for such decisions. This is discussed in Chapter 5.

**Finding 23**

The eligibility criterion to regularly attend an Education Support Facility and to use their approved transport service is appropriate, provided the Public Transport Authority are flexible in not removing the services from students with explained absences, such as being in hospital.

There appears to be some inconsistency between the eligibility criteria to receive transport assistance to attend Education Support Facilities as contained within the STAP, and that published on the SBS website. Further, the STAP was a little unclear as to the description of the eligibility criteria and how these are assessed. We suggest section '6. Students Attending Education Support Facilities' of the STAP could be redrafted to clearly state what the eligibility criteria are, and how these are defined and assessed.

**Finding 24**

Section 6 of the *Student Transport Assistance Policy and Operational Guidelines* on students attending Education Support Facilities contains some inconsistencies and is difficult to understand.

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211 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 37.

212 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 20.

213 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 20.

### Recommendation 11

The Minister for Transport should ensure the Public Transport Authority updates Section 6 of the *Student Transport Assistance Policy and Operation Guidelines* to capture the additional eligibility criteria as listed on the School Bus Services webpage, and improve the explanation of what each criterion is and how it is assessed.

## The National Disability Insurance Scheme may affect the provision of transport assistance to students attending Education Support Facilities

The National Disability Insurance Scheme (NDIS) provides support to people with disabilities, their carers and families. Its main component is providing individualised funding packages to eligible people with a disability for ‘reasonable and necessary’ supports that are not funded under mainstream services. Participation is uncapped and not means-tested.<sup>214</sup> The Committee was advised the core objective of the NDIS is to ensure ‘that individuals have choice and control over how they select their services and supports to facilitate their participation in the community’.<sup>215</sup>

The NDIS is administered by the Commonwealth Government, with the Western Australian Government providing funding by way of:

- cash payments, by the Department of Communities to the National Disability Insurance Agency, and
- the provision of in-kind supports by state government agencies.<sup>216</sup>

In-kind supports are programs that are delivered by State Government agencies that should be delivered by the NDIS in accordance with nationally agreed principles.<sup>217</sup> These arrangements are in place to ensure that the State is reimbursed for its in-kind service delivery to NDIS recipients, and so that NDIS recipients continue to receive the support services whilst transitioning from historical funding and service delivery arrangements to the NDIS.<sup>218</sup>

Specialist School Transport, i.e. provision of transport assistance under the STAP, is one of the in-kind programs which continues to be provided by the State Government. In February 2020, the Federal Government’s Community Safety and Family Support Cabinet Subcommittee determined that state governments must continue to provide Specialist School Transport until at least 2023. This is due to there being ‘insufficient NDIS market maturity to deliver equivalent services and pending national policy decisions’.<sup>219</sup>

The approach to Specialist School Transport under the NDIS remains under policy consideration.<sup>220</sup> In January 2022, the PTA advised that discussions on the bilateral

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214 Carers Australia, *What is the NDIS?*, undated, accessed 16 June 2022, <<https://www.carersaustralia.com.au/information-for-carers/ndis/ndis-and-carers/>>.

215 Closed submission.

216 Closed submission.

217 Closed submission.

218 Closed submission.

219 Closed Submission.

220 Submission 182, Public Transport Authority, p. 19.

agreement proposed by the Commonwealth and headed by the Department of Communities on behalf of the State Government were due to recommence on 28 January 2022.<sup>221</sup> By June 2022, the State Government was still preparing to negotiate to determine the ‘scope of transport assistance to be provided and funding to be allocated’.<sup>222</sup> The PTA does not expect negotiations with the Commonwealth will be completed before the end of the year.<sup>223</sup>

The PTA noted the State Government’s service response can ‘only be finalised once this national policy program has been concluded and there is certainty and clarity around how Specialist School Transport programs will be made available to NDIS participants’.<sup>224</sup> As such, the implications of the NDIS on the provision of transport assistance to students attending Education Support Facilities is, at this stage, unclear.

**Finding 25**

It is unclear how the National Disability Insurance Scheme will affect the provision of transport assistance to both students attending Education Support Facilities, and those attending mainstream schools.

**Stakeholders’ concerns about the impact of the NDIS on the provision of student transport assistance**

There are currently around 1,700 students with special needs who access the ‘Orange’ school bus network to attend an Education Support Facility.<sup>225</sup> Stakeholders raised a number of concerns about the prospect of the NDIS assuming responsibility for the provision of transport assistance. The most common concern was that transport assistance would be “uber-ised”, with students being provided with more individualised transport rather than on a bus with other students.<sup>226</sup> Stakeholders appreciated this might allow for greater choice in which educational facility a child eligible to receive support under the NDIS would attend.<sup>227</sup> However, greater individualisation of transport assistance could create logistical problems at schools with only limited drop-off and pick-up times and locations.<sup>228</sup>

Submitters also noted:

- Students with disabilities currently receiving transport assistance to Education Support Facilities benefit from the routine provided. An NDIS demand-responsive model would not provide this routine.<sup>229</sup>

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221 Submission 182b, Public Transport Authority, p. 18.

222 John Bailly, Manager, School Bus Services, Public Transport Authority, Email, 17 June 2022, p. 1.

223 Submission 182b, Public Transport Authority, p. 18.

224 Submission 182, Public Transport Authority, p. 19.

225 *ibid.*

226 Submission 178, Dennis Sutton, p. 3; Submission 202, BusWA, Appendix.

227 Deborah Taylor, President, Western Australia Education Support Principals and Administrators’ Association *Transcript of Evidence*, p. 6.

228 Submission 103, Western Australia Education Support Principals and Administrators’ Association, p. 2; Submission 198, Ivo Grubelich, p. 4.

229 Submission 178, Dennis Sutton, p. 3.



The eligibility criteria for students attending Education Support Facilities need refining

- Students outside the school bus transport system may be vulnerable to abuse and parents and carers are 'unlikely to entrust their child to a one-person transport arrangement under the NDIS'.<sup>230</sup>
- Schools already struggle with the additional work the NDIS has created and adding transport would make it 'impossible'.<sup>231</sup>

The PTA was also concerned about the transport assistance they may be expected or required to provide under the transition to the NDIS. While the NDIS is designed to deliver tailored solutions for individuals with disabilities, the PTA is not resourced to provide bespoke travel with individualised care arrangements.<sup>232</sup> Further, there is a cohort of students who are unable to travel on the school bus network because their 'medical needs are so great' or their 'behavioural needs are so challenging'.<sup>233</sup> The PTA is concerned about the Commonwealth Government's proposal that NDIS recipients not using the 'Orange' bus services due to their medical needs or behavioural issues should be catered for by the State Government.<sup>234</sup> It is the State's view that the 'Commonwealth should be responsible for bespoke transport solutions with individualised health care support'.<sup>235</sup>

The Committee notes the current discussions between the Department of Communities and the Commonwealth Government in relation to the provision of Specialist Student Transport under the NDIS. Without a clearer understanding of the substance of these discussions and potential policy decisions, the Committee is not in a position to comment further on this topic. However, the Committee suggests that the Department of Communities take note of the concerns stakeholders have raised as part of this inquiry so that these can inform the discussions and policy decisions in this area.

#### **Finding 26**

School bus services stakeholders have a range of concerns about the potential implications of the National Disability Insurance Scheme on the provision of transport assistance.

#### **Recommendation 12**

The Minister for Disability Services should ensure the Department of Communities notes the concerns stakeholders raised during this inquiry about how the transition to the National Disability Insurance Scheme will affect the provision of transport assistance.

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230 Submission 198, Ivo Grubelich, p. 4.

231 Submission 103, Western Australia Education Support Principals and Administrators' Association, p. 2.

232 Submission 182, Public Transport Authority, p. 19.

233 Martin White, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 19.

234 Submission 182b, Public Transport Authority, p. 19

235 *ibid*, p. 19



## Chapter 4

### The Conveyance Allowance is an appropriate alternative to bus transport

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**Whilst feedback indicates that many parents are grateful for the funding assistance, the preference is always to access a school bus. This is because the time school transport [takes] has the most significant impact on families.**

WA Council of State School Organisations, Submission 157

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#### Conveyance Allowance

Some students who are eligible to receive transport assistance under the *Student Transport Assistance Policy and Operational Guidelines* (STAP) will receive a Conveyance Allowance, rather than transport to and from school on a bus. This may be due to a family's preference, or it may be that there is no seat on a bus available.

A Conveyance Allowance is a monetary payment School Bus Services (SBS) makes to families as an alternative to receiving transport on a school bus. The Conveyance Allowance contributes towards the costs of a parent or carer transporting their children to school or to meet a school bus en-route in their private vehicle. The amount of the Conveyance Allowance is not designed to reimburse a family for the full cost of owning and operating their private vehicle.<sup>236</sup>

Further, the Conveyance Allowance:

- will not be paid if a student resides within 2.5km of the bus route, or 4.5km of their Nearest Appropriate School.<sup>237</sup>
- entitlement is subject to SBS determining that it is the appropriate transport assistance to be provided to a student.
- is normally paid only for travel undertaken specifically for the purpose of taking students to and from school. For example, a student whose parent or carer drops them at school on the way to work is unlikely to be entitled to a Conveyance Allowance.
- can only be claimed for journeys actually undertaken.
- cannot be used to offset school fees, including the provision of a charter bus.<sup>238</sup>

The Conveyance Allowance is calculated by multiplying the Conveyance Allowance rate by the number of kilometres a family drives from home to school or a bus stop and vice versa, capped at 50 kilometres per leg, for each day the student attends school. Students attending

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<sup>236</sup> Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 30.

<sup>237</sup> *ibid.*

<sup>238</sup> *ibid.*, p. 31.

half days at kindergarten may be eligible for a Conveyance Allowance for the return lunchtime trip.<sup>239</sup>

The Conveyance Allowance rate was initially based on the RAC's Car Running Cost Schedule published on 30 June 2002, which factored in running costs of fuel, tyres, repairs and maintenance.<sup>240</sup> It does not include elements of vehicle purchase price, depreciation, interest, registration or insurance.<sup>241</sup> The rate is adjusted annually in line with the Consumer Price Index – Transportation Group (Perth), although will not be reduced if the Consumer Price Index (CPI) contracts. The Conveyance Allowance was 19.89 cents per kilometre in July 2011. It is currently 22.04 cents per kilometre, an increase of 11.8%.<sup>242</sup>

During 2020-21, the SBS team administered Conveyance Allowance payments for 2,010 students whose parents or carers transport them to and from school (1,413), or to meet a school bus en-route (597).<sup>243</sup> A regional breakdown is included in the Public Transport Authority's (PTA) second supplementary submission. The regions with the students receiving a Conveyance Allowance are Metropolitan, Wheatbelt, South West, and Peel.<sup>244</sup> The total expenditure on Conveyance Allowances was \$1.65 million, for 7.7 million kilometres.<sup>245</sup>

### **The Conveyance Allowance is an appropriate alternative to bus transport**

The PTA advised the Committee that '[f]amilies generally receive a Conveyance Allowance where there are insufficient student numbers to justify a bus service, an existing bus service has no available seats, or the student is required to travel some distance to meet the bus route.'<sup>246</sup> In some cases, families may request a Conveyance Allowance over bus access as it provides increased flexibility<sup>247</sup> and, for example, because they have a specially modified personal vehicle.<sup>248</sup> When requested, the PTA was unable to advise the Committee how many families receive the Conveyance Allowance due to a bus not being available to their Nearest Appropriate School. They advised that gathering this information would require screening of individual Conveyance Allowance decisions, which would be time consuming and resource intensive.<sup>249</sup>

The Committee received compelling evidence from one witness in a regional area who received the Conveyance Allowance. This family's high needs child has significant behavioural issues, meaning they could not safely travel on a bus with other children. As such the family requested transport assistance by way of a Conveyance Allowance, which subsidised significant private transport costs. Without the allowance, the family could not

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239 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 30.

240 Submission 182c, Public Transport Authority, p. 2.

241 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 30.

242 Submission 182c, Public Transport Authority, p. 2.

243 Submission 182, Public Transport Authority, p. 1; submission 182b, Public Transport Authority, p. 5.

244 Submission 182b, Public Transport Authority, p. 5.

245 Submission 182, Public Transport Authority, p. 24.

246 Submission 182b, Public Transport Authority, p. 6.

247 *ibid.*

248 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Hearing*, 26 November 2021, p. 23.

249 Submission 182b, Public Transport Authority, p. 6.

afford to transport their child to and from school, and the child's disability means that home schooling is not an option. This witness's open and honest testimony demonstrated the importance and value of the Conveyance Allowance.<sup>250</sup>

Other submitters, too, were grateful for funding assistance, but noted their preference for bus transport.<sup>251</sup> Some submitters were less appreciative and considered the Conveyance Allowance was a poor alternative to a school bus service. One noted families do not want money, they want bus transport.<sup>252</sup> In some cases family dynamics, such as a family not owning a vehicle or a single parent or carer having to work, mean that families rely on bus transport to get their children to school.<sup>253</sup> In rural areas, parents and carers whose children do not have a seat on a bus may spend a significant amount of time driving children to and from school. This may mean one parent cannot work, financially burdening families and leading to the loss of skilled and essential workers in small towns and communities.<sup>254</sup> One submitter suggested that the Conveyance Allowance should be scrapped entirely, and all students provided with bus transport.<sup>255</sup>

Families eligible for transport assistance to Education Support Facilities also have concerns about the appropriateness of the Conveyance Allowance. One submitter wrote of families from Perth's eastern suburbs who were provided with a Conveyance Allowance rather than bus transport for their children to attend the Mosman Park School for Deaf Children. This appears to be because the journey time would have been above 90 minutes (see further discussion in Chapter 6).<sup>256</sup> Another submitter noted that receiving a Conveyance Allowance rather than bus transport was a particular concern for working parents of neurodiverse children, who may not be as able to be dropped off early and wait for school to start as a neurotypical child might.<sup>257</sup>

Other submitters suggested SBS has a preference for providing a Conveyance Allowance to children, rather than bus transport<sup>258</sup> and are using the allowance to restrict access to bus transport.<sup>259</sup>

The Committee considers the Conveyance Allowance an appropriate, and in some cases much needed, alternative to bus transport assistance. This is particularly so where a child cannot, for whatever reason, be safely transported by bus. Although bus transport is generally preferred, in situations where there is no bus serving an area/school, or where an existing bus is at capacity, the allowance provides at least some reimbursement of the additional costs borne by the families who otherwise meet the eligibility criteria.

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250 Closed hearing

251 Submission 157, WA Council of State School Organisations, p. 6.

252 Submission 35, Matthew Bell, pp. 1-2; Closed briefing.

253 Anne Fairbanks, Vice President, WA Council of State School Organisations, *Transcript of Evidence*, 25 February 2022, p. 5.

254 Submission 128, Kendall Wickstein, p. 7.

255 Submission 178, Dennis Sutton, p. 6.

256 Submission 157, WA Council of State School Organisations, p. 6.

257 Submission 103, Western Australia Education Support Principals and Administrators' Association, p. 2.

258 Closed submission.

259 Submission 63, Veronica Bertola, p. 1.

**Finding 27**

The Conveyance Allowance is an appropriate, and in some cases much needed, alternative to school bus transport.

***Families should be able to receive the Conveyance Allowance and remain on a waitlist for bus transport***

Western Australia Education Support Principals and Administrators' Association advised that if a student is eligible to receive transport assistance, but there is no available seat on a bus, families can choose to either go on a waitlist or take a Conveyance Allowance. If a parent or carer chooses a Conveyance Allowance, their child is taken off the waitlist. Many families who chose the Conveyance Allowance would prefer bus transport, but this will no longer be offered to them. It also means that demand for a bus service may be understated.<sup>260</sup>

We think families should be able to accept a Conveyance Allowance and choose to remain on a waitlist for bus transport. This will allow families access to their preferred mode of transport assistance, should a seat on the bus become available. It will also provide SBS with a better indication of demand for bus transport in areas where buses are not provided or are at capacity, enabling it to better plan for the future and provide a better service.

**Finding 28**

Families who agree to accept a Conveyance Allowance are removed from the waitlist for bus transport.

**Recommendation 13**

The Minister for Transport should ensure the Public Transport Authority updates how it administers the *Student Transport Assistance Policy and Operation Guidelines* so families can receive a Conveyance Allowance and keep their child on a waitlist to receive transport assistance by way of a seat on a bus.

**The amount of the Conveyance Allowance should be reviewed**

At 22.04 cents per kilometre, families argue the amount of Conveyance Allowance they receive does not cover the actual cost of transporting children to school.<sup>261</sup> Submitters recommended that the rate be reviewed<sup>262</sup> to incorporate rising costs, in particular fuel costs.<sup>263</sup>

During the 2020-21 financial year, SBS provided transport assistance to 25,878 students attending mainstream schools and Education Support Facilities, at a cost of \$127 million.<sup>264</sup> This is a subsidy of \$4,216 per mainstream student and \$9,429 per student attending an Education Support Facility.<sup>265</sup> SBS also administered Conveyance Allowance payments for

260 Submission 103, Western Australia Education Support Principals and Administrators' Association, p. 2.

261 For example: Submission 128, Kendall Wickstein, p. 7; Submission 140, Isolated Children's and Parents' Association of Western Australia, p. 3; Submission 190, Ian Harrower, p. 5.

262 Submission 128, Kendall Wickstein, p. 7.

263 Submission 140, Isolated Children's and Parents' Association of Western Australia, p. 3.

264 Submission 182, Public Transport Authority, p. 3.

265 *ibid.*

2,010 students, at a cost of \$1.7 million in conveyance payments.<sup>266</sup> This is an average cost of \$845 per student, noting that students receiving a Conveyance Allowance to meet a bus en-route would also receive assistance by way of bus transport. Although the actual cost per student of each of these modes of transport assistance would vary significantly, for example the maximum Conveyance Allowance a family can receive is \$8,600 per year, bus transport is, on average, significantly more expensive than the Conveyance Allowance.

The Committee agrees that the rate of the Conveyance Allowance should be reviewed. We accept the rate of the allowance is not intended to fully reimburse families for the cost of transporting their children to school. However, the current rate appears to have increased at less than CPI over the past 10 years.<sup>267</sup> The Committee was unable to independently source the original benchmark (the RAC's Car Running Cost Schedule published on 30 June 2002). We were also unable to easily source the increases in the Consumer Price Index – Transportation Group (Perth) from 2002. We consider families may also have difficulty in determining whether the Conveyance Allowance has increased in accordance with CPI.

SBS should consider reviewing the Conveyance Allowance to ensure that it is based on a contemporary benchmark, and adjusted in accordance with CPI. SBS should ensure the basis for adjustments is transparent. The review should also consider how other jurisdictions calculate their Conveyance Allowance. The outcome of the review, including how the rate is calculated and why particular costs are included or excluded, should be made public.

**Finding 29**

The current Conveyance Allowance appears to have increased at less than the Consumer Price Index over the last 10 years.

**Recommendation 14**

The Minister for Transport should ensure the Public Transport Authority review the Conveyance Allowance to ensure it is based on a contemporary benchmark, adjusted in line with the Consumer Price Index, and the basis for adjustments is transparent.

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266 Submission 182, Public Transport Authority, p. 3.

267 Australian Bureau of Statistics, *Consumer Price Index, Australia*, Commonwealth of Australia, June 2022, accessed July 2022, <<https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release#data-download>>.





## Chapter 5

### The application process can be improved

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**'I will talk to a parent when they first come to me around making the application, what the process might look like and how important it is to reapply if they do not get what they want. Quite often, one of my school officers will actually sit with them and help them fill in the form as they are going.'**

Deborah Taylor, Western Australian Education Support Principals and Administrators' Association

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It is important that those entitled to receive transport assistance under the *Student Transport Assistance Policy and Operational Guidelines* (STAP) are aware of their entitlement and know how to access it. Inquiry stakeholders raised concerns about the process for applying to receive student transport assistance, as well as other decisions made by School Bus Services (SBS) staff in administering the STAP. Some submitters advised the Committee that families were sometimes unaware of the school bus services application process, while others were concerned about the length of time it took for certain decisions to be made. Of particular concern was when stakeholders advised families do not have an avenue to appeal a SBS decision, other than raising their concerns with the initial decision maker, who is unlikely to reverse their decision. This has led to some families seeking assistance from community groups or their local members of Parliament to have SBS reassess their position, sometimes with favourable outcomes for families.

This chapter discusses the transport assistance application process, including advertising, decision making time frames and, in particular, the need to introduce an independent appeals process. We also discuss how the provision of student transport assistance may improve through the introduction of a complaints management process.

#### How parents and carers can apply for transport assistance

Under the STAP a parent or carer may apply for transport assistance to a rural mainstream school or Education Support Facility on behalf of a student by either completing:

- an online application form and submitting it via the SBS website, or
- a manual form and posting it to the SBS Branch in Perth.<sup>268</sup>

Once their application is submitted, an applicant is issued with a family ID, which allows them to track their application online.<sup>269</sup> A SBS Contract Officer assesses each application against the STAP eligibility criteria to determine if an applicant is eligible for student

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268 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, pp. 28 and 41.

269 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 5; School Bus Services, *View Application Status*, October 2018, accessed 31 May 2022, <<https://schoolbuses.wa.gov.au/TransportAssistance/OnlineServices/TrackYourApplication.aspx>>.

transport assistance. SBS may request clarification or additional information to determine whether the eligibility criteria have been met.<sup>270</sup>

The Contract Officer also determines the type of assistance each eligible applicant will receive, either bus transport or a Conveyance Allowance, and the location of the bus stop the student will use, based on a number of factors. For mainstream rural applications these factors include:

- numbers and residential distribution of existing Eligible Students
- Department of Education advice and community planning regarding schools and education facilities
- the presence and relevance of existing public transport services
- the adequacy of existing 'Orange' school bus services, the routes of those services and the current journey times of those route
- how long existing school bus services are expected to be needed
- the most efficient arrangement of existing school bus services now and in coming years.<sup>271</sup>

For students applying for transport to Education Support Facilities, SBS will consider:

- the locations of the student's residence and the Education Support Facility which they attend, and the length of the journey between them
- whether the student can physically be placed in a school bus
- whether the student's disability is of a type that requires modification of a school bus to accommodate them
- the competence of the student to use the type of transport available
- whether the student's disability is associated with behaviour that is likely to endanger the safety of the student, other students, the driver or bus aide
- the likelihood of the student needing medical attention during the journey
- the types of roads and the distribution of the student population.<sup>272</sup>

The Contract Officer will notify the applicant whether they have been assessed as eligible to receive transport assistance. The Contract Officer may also advise the applicant of the type of assistance they will be receiving, and provide details of the bus route and bus stop.<sup>273</sup> Depending on when the application is processed, it is not always possible to provide these additional details until after all applications have been assessed.<sup>274</sup>

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270 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, pp. 28 and 41.

271 *ibid.*, pp. 28-29.

272 *ibid.*, p. 42.

273 Submission 182b, Public Transport Authority, p. 4.

274 *ibid.*

Once students are allocated to a bus route, the Contract Officer will liaise with the school bus contractor to determine the timetable and confirm bus stop allocations.<sup>275</sup> Bus stops are usually located at the gate of a family's property, a common location for multiple students, or at the end of a spur.<sup>276</sup> After the bus routes are confirmed, the bus contractors will notify the families of students pick-up and drop-off times.<sup>277</sup>

A student who is not eligible for transport assistance to a particular school may be offered a seat on a bus service as a Complimentary Passenger (see Chapter 2). When there is known limited capacity on a bus route, Complimentary Passengers may not be advised they have a seat on the bus until closer to the start of the school year in case an Eligible Student requires the seat.<sup>278</sup>

### **The application process for school bus services could be improved**

Submitters and witnesses raised a number of concerns about various aspects of the application process with the Committee, in particular:

- There is no formal appeals process if SBS finds an applicant ineligible, or does not allocate the applicant a seat on a bus.<sup>279</sup>
- Families are unaware of the school bus services or how to apply for it.<sup>280</sup>
- SBS can take a long time to advise applicants of the outcome of their applications, or provide information about what service they have been allocated.<sup>281</sup>
- The application is inaccessible for certain families.<sup>282</sup>

The Committee addresses each of these below.

### **There is no formal appeals process for decisions made in relation to the STAP**

The Committee received evidence from a variety of stakeholders about SBS's decision making in relation to applications for transport assistance. In some instances, applicants considered SBS Contract Officers made incorrect decisions when they were assessed as ineligible for transport assistance, or were not approved for a particular bus stop location.<sup>283</sup>

Other stakeholders suggested SBS Contract Officers were inconsistent in their decision making.<sup>284</sup> Some submitters suggested the STAP is applied selectively when SBS staff are

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275 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 4.

276 Submission 182a, Public Transport Authority, p. 1.

277 Submission 182b, Public Transport Authority, p. 4.

278 *ibid.*

279 Submission 20, Name withheld, p. 1.

280 Pania Turner, President, WA Council of State School Organisations, *Transcript of Evidence*, 25 February 2022, p. 4.

281 Closed submission; Closed briefing.

282 Anne Fairbanks, Vice President, WA Council of State School Organisations, *Transcript of Evidence*, 25 February 2022, p. 7.

283 For example: Submission 134, Name withheld, p. 1; Deborah Taylor, President, Western Australian Education Support Principals and Administrators' Association, *Transcript of Evidence*, p. 3; Daniel McDougall, Dumbleyung WA, *Briefing*, 30 November 2021.

284 Submission 189, KP & BG Brooks, p. 2.

assessing and providing transport assistance to students<sup>285</sup>, with families being provided with different advice.<sup>286</sup> One submitter went so far as to claim the inconsistency between SBS Contract Officers is 'massive'.<sup>287</sup>

Although stakeholders may be unhappy with an SBS decision, or believe it was made in error, there is no formalised process for applicants to appeal a decision of an SBS Contract Officer. When an SBS Contract Officer advises an applicant that they are, for example, not eligible to receive transport assistance, the written advice contains no information on how the applicant could seek review of the decision if they are dissatisfied with it or believe SBS made the decision in error.<sup>288</sup>

Some applicants try to informally appeal the decision by phoning SBS or writing to the SBS Contract Officer who made the decision. As there is no formal process, attempts at appealing the decision will generally be dealt with by the same SBS Contract Officer who made the original decision<sup>289</sup>, who is unlikely to reverse it. Appeals may sometimes be dealt with by more senior staff within SBS and the Public Transport Authority (PTA), or ultimately the Minister for Transport.<sup>290</sup>

Some applicants seek external assistance in appealing SBS decisions from their local community group, school bus contractor, associations, representatives of schools and the Department of Education, their local member of Parliament, or the Minister for Transport.<sup>291</sup>

The Committee visited several communities where parents, school bus contractors, schools and local governments work together to achieve outcomes that benefit the students and the local communities. For example, if an application for transport assistance is rejected in Dumbleyung a local bus contractor facilitates a meeting with the school, parents, bus contractors and the Shire of Dumbleyung to assist the applicant to appeal the decision.<sup>292</sup> This group has had some success. For example, this group helped a parent engage their local member and the Regional Executive Director from the Department of Education to assist with successfully overturning a decision by SBS to retract a previously approved bus stop.<sup>293</sup>

The PTA have confirmed there is no formal appeals process.<sup>294</sup> They argue there is no grounds for applicants to appeal a decision that SBS staff have made consistently with the STAP eligibility criteria. For example, if a student is found to be not eligible to receive transport assistance to attend a school which is not their Nearest Appropriate School, a parent or carer may be unhappy with the decision, but it has been made in accordance with

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285 Submission 134, Name withheld, p. 1.

286 Closed submission.

287 Closed submission.

288 Submission 182b, Public Transport Authority, np. (attachments).

289 Daniel McDougall, Dumbleyung WA, *Briefing*, 30 November 2021.

290 Submission 182c, Public Transport Authority, p. 6.

291 For example: Submission 151, Philippa Gooding, pp. 4-5; Submission 157, WA Council of State School Organisations, p. 6; Thomas Henderer, Representative, Kondinin School Board, *Transcript of Evidence*, 9 March 2022, p. 7.

292 Closed briefing.

293 Philippa Gooding, Dumbleyung, *Briefing*, 30 November 2021.

294 John Bailly, Manager, School Bus Services, Public Transport Authority *Transcript of Evidence*, 23 February 2022, p. 19

the STAP.<sup>295</sup> However, the PTA also accepts people are within their rights to ‘make an appeal for further consideration’.<sup>296</sup> They noted that in some instances a decision may have been made without enough information provided in the initial application, so these can be resolved when further information is provided.<sup>297</sup> Further, they advised there is some flexibility within the policy<sup>298</sup>, as well as the possibility that assistance could be provided on an out of policy basis (see Chapter 2).

The Committee was impressed with how communities came together to provide support to families who were seeking to have decisions reviewed. However, we believe families should not have to go to such lengths. While the PTA noted there is flexibility within the STAP, it does not always seem to be captured in the initial decision. It is also concerning that it appears those who seek external advocacy were more likely to have an SBS decision overturned than those who did not access these avenues. This potentially creates inequity as not everyone can rely on activism or has access to the level of advocacy seemingly required to review a decision of SBS.

The Committee believes there should be a formal appeals process where parents and carers can put forward the reasons why they believe an SBS decision about the provision of transport assistance should be overturned.<sup>299</sup> Introducing an appeals process provides an avenue for families to have their concerns heard by someone other than the original decision maker. This will also help address concerns around inconsistent decision making between SBS staff, and will reduce the inequity that may arise if families have to rely on the advocacy of a community group or the influence of their local member of Parliament.

The Committee recommends the PTA establish a formal appeals process to review a decision made by an SBS Contract Officer under the STAP. The Committee suggests a good appeals process should be independent and transparent, with the person making the decision on appeal separate from the original decision maker. Information about the availability of an appeal should be provided to all applicants, and should be simple for applicants to access. The PTA should aim to finalise appeals within an advertised short but realistic timeframe.

### **Finding 30**

School Bus Services does not have a formal process in place to enable parents or carers to appeal School Bus Services’ decisions.

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295 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 26.

296 John Bailly, Manager, School Bus Services, Public Transport Authority *Transcript of Evidence*, 26 November 2021, p. 25.

297 *ibid.*

298 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 3.

299 Kendall Wickstein, *Transcript of Evidence*, 29 March 2022, p. 2.

**Finding 31**

Parents and carers wanting to appeal School Bus Services' decisions have sought external assistance from their local community groups, school bus contractors, associations, school representatives and the Department of Education, their local members of Parliament, and the Minister for Transport.

**Recommendation 15**

The Minister for Transport should ensure the Public Transport Authority establishes a formal appeals process to enable parents and carers to appeal a decision made by School Bus Services in administering the *Student Transport Assistance Policy and Operational Guidelines*.

The Public Transport Authority should ensure the appeals process is transparent and independent of the original decision maker. Where appropriate, representatives of the Department of Education should be consulted.

The Public Transport Authority should provide all applicants with information about the availability of an appeal and the appeals process.

All appeals should be finalised within defined timeframes.

**Some families are unaware of the school bus service, despite SBS advertising**

Beginning in September each year, SBS will advertise the school bus service, and encourage parents and carers to lodge their applications by the end of November.<sup>300</sup> The advertising includes:

- A message on the SBS website, noting there may be a delay in processing applications received after November, which may affect access to a school bus for the start of Term 1.
- An email to all metro education support schools and larger mainstream regional schools encouraging them to communicate to families the need to apply for transport assistance, including a flyer for use in school newsletters, emails, websites, or social media.
- A media statement.
- An email to all families currently registered with SBS, especially families with students in year 6 who need to apply for transport assistance to secondary school.
- Advertising in local newspapers.<sup>301</sup>

Despite this advertising, the Committee heard that some new parents remained unaware of the school bus service or how to access it.<sup>302</sup> One witness said there is no clear guidance from SBS for those who have not accessed the service about how to apply for a seat on a bus.<sup>303</sup> Another witness advised there was no regional newspaper in their town so people were not aware of the service or the associated application process.<sup>304</sup> They suggested SBS

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300 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 5; submission 182b, School Bus Services, Public Transport Authority, p. 4.

301 Submission 182b, Public Transport Authority, pp. 3-4.

302 Pania Turner, President, WA Council of State School Organisations, *Transcript of Evidence*, 25 February 2022, p. 4.

303 Closed transcript.

304 Closed transcript.

should advertise through local governments or the Department of Education so the information can be passed on through local schools.<sup>305</sup>

The Committee agrees with this suggestion. We believe SBS could improve its advertising campaign by liaising with the Department of Education to ensure all schools are provided with information about the school bus service and the application process that can be forwarded to new families who have enrolled their child at the school.

**Finding 32**

The Public Transport Authority commences advertising the school bus service in September each year and encourages parents and carers to apply by the end of November for the following school year.

**Finding 33**

The Public Transport Authority could improve how it advertises the school bus service to ensure new parents and carers are aware of the service.

**Recommendation 16**

The Minister for Transport should ensure the Public Transport Authority improves its school bus service advertising campaign by liaising with the Department of Education to provide all relevant information regarding the school bus service and the application process to local schools who can forward the information to families enrolled at the school.

**Timing of decisions made during the application process**

SBS encourages families to apply by November for transport assistance for the following year, however, families can apply to access student transport assistance at any time in the 12 months preceding when they want the assistance to begin.<sup>306</sup> Applying earlier does not result in preferential access to a spot on a school bus.<sup>307</sup> Applicants may be advised of the outcome of their application faster when the application is made outside of peak times.<sup>308</sup>

SBS advises that it will process applications within 10 business days.<sup>309</sup> However, actual processing time can vary depending on the volume and complexity of applications, other business activities and staff availability.<sup>310</sup> On average SBS processes 500 applications per

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305 Closed transcript.

306 School Bus Services, *Application for Transport Assistance*, October 2018, accessed 37 May 2022, <<https://schoolbuses.wa.gov.au/TransportAssistance/OnlineServices/ApplicationForTransportAssistance.aspx>>.

307 Martin White, Executive Director, Transperth System, Regional Town Bus Service and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 6.

308 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 5.

309 School Bus Services, *How to Apply*, 2018, accessed 20 June 2022, <<https://www.schoolbuses.wa.gov.au/TransportAssistance/OnlineServices/Howtoapply.aspx>>.

310 Submission 182b, Public Transport Authority, p. 3.

month, but during the peak period from November to March SBS Contract Officers will assess over 4,300 applications.<sup>311</sup>

The Committee was advised of instances where families were not informed of their bus service details until close to the commencement of the new school year.<sup>312</sup> We heard from one submitter who suggested it is commonplace for families to be notified of their pick up and drop off times the night before a new school term is about to commence.<sup>313</sup> This uncertainty can cause angst for families trying to plan for the school year, particularly those seeking a complimentary seat to send their child to a school other than their Nearest Appropriate School.<sup>314</sup> Some stakeholders believe the lack of certainty as to whether their child has a seat on a bus may lead parents or carers to leave the local school or send their children to boarding school.<sup>315</sup>

Potential Complimentary Passengers will often be placed on a waitlist while Eligible Student passenger numbers are determined, and while bus routes and timetables are worked out. Although one submitter suggested Complimentary Passengers can remain on a waitlist for extended periods of time, in some cases up to two years<sup>316</sup>, the PTA advised that applicants generally wait days or weeks before they get a seat. They also noted the number of students waitlisted for months or more is minimal compared to the number of students accessing transport assistance.<sup>317</sup>

The PTA advised the Committee that Complimentary Passengers are normally allocated spare seats on a bus on a 'first in, best dressed' basis. However, if a potential Complimentary Passenger has a sibling on the bus who is eligible to receive transport assistance, then the Complimentary Passenger's application will be prioritised over other potential Complimentary Passengers' applications.<sup>318</sup> The Committee considers this is a reasonable approach to take.

The Committee also heard evidence from a parent advising they waited 64 days to be advised that their application for a school bus stop was rejected, and a further five months for the issue to be satisfactorily resolved.<sup>319</sup> Further, a local government advised the Committee that it often received requests for a new bus stop or to undertake safety checks during January, when staff were often on leave, which may lead to delays in stop approval and construction.<sup>320</sup>

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311 Submission 182b, Public Transport Authority, p. 3; John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 4.

312 John Bailly, Manager, School Bus Services, Public Transport Authority *Transcript of Evidence*, 26 November 2021, p. 6.

313 Closed submission.

314 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 6.

315 Karen Harrington, Darkan WA, *Briefing*, 29 November 2021; Closed briefing.

316 Closed Submission.

317 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 6.

318 *ibid.*, p. 7.

319 Submission 51, Name withheld, p. 2.

320 Closed briefing.



The PTA advised that, due to the timing of when applications are received, it can often not finalise bus routes and stops until shortly before the beginning of the school year. It also noted the first 3 to 4 weeks of the year can be disrupted as the PTA deals with late applications and may need to modify bus routes for new students.<sup>321</sup> The PTA appreciates this is inconvenient for parents and carers, but noted they are unable to set the routes and timetables, or offer complimentary seats on routes nearing capacity, until they have a firm understanding of Eligible Student numbers.<sup>322</sup>

**Finding 34**

The majority of work the Public Transport Authority undertakes to determine school bus timetables and routes occurs in the week before the school year begins. Routes and timetables can take three to four weeks to settle as late applications are processed.

**Finding 35**

Some families do not receive confirmation of their children being allocated a seat on a school bus until days before the start of the school year.

**Finding 36**

Delays in finalising school bus routes can be problematic for local governments who may need to build new bus stops and undertake safety checks for existing bus stops at short notice and during January when staff may be on leave.

The Committee appreciates families' frustrations in awaiting notification that their child has been allocated a seat on a bus that may not come until shortly before the beginning of the term. However, it also accepts SBS staff face challenges in assessing a large number of applications in the months preceding the beginning of a school year, particularly when applications are being received in December and January. We also understand that SBS does not want to advise parents or carers their child has a seat as a Complimentary Passenger on a bus nearing capacity if there is a risk that the child may lose the seat if an Eligible Student is allocated to the bus.

The Committee makes a number of recommendations throughout this report that may improve certainty and reduce parents' and carers' concerns. For example, in Chapter 2, the Committee recommended some changes to the eligibility criteria which, if implemented, would likely result in more students being eligible to receive transport assistance, resulting in fewer students receiving transport assistance as Complimentary Passengers.

**The written application needs to be more accessible**

SBS encourages families to apply for transport assistance via its website. When the Committee viewed the website, it appeared the application was only available in English. We also noted the form must be completed in one session, which may be challenging for some applicants who are unfamiliar with the process and do not have all the necessary supporting

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321 John Bailly, Manager, School Bus Services, Public Transport Authority *Transcript of Evidence*, 26 November 2021, p. 6.

322 *ibid.*

evidence immediately available. For example, an applicant may not know the shortest practical distance from the student's home to the school or where the closest existing bus stop is located.<sup>323</sup> Also, families may not be aware of the additional supporting documentation required when applying for out of policy assistance, for example, evidence of ongoing medical treatments or guidance from the Department of Education.<sup>324</sup>

The Western Australian Education Support Principals and Administrators' Association (WAESPAA) echoed this concern with regard to families seeking transport assistance for students attending Education Support Facilities. These families may have English as another language, have a disability themselves or come from a low socioeconomic environment, which may make it more difficult for them to apply for transport assistance.<sup>325</sup> According to WAESPAA, schools often have to assist with applications.<sup>326</sup>

The Committee is concerned it may be difficult for some families to complete the application form unaided. The Committee notes there is help available under the 'contact us' section of the website, however it took a little while to find and we are not aware of how much assistance SBS will provide to individuals to complete the application form.

The Committee believes SBS could take some steps to make the application process more accessible. Firstly, applicants should be able to save the application before it is submitted, in case they need to gather further supporting information. Secondly, SBS should develop a plain English application process. Finally, SBS should liaise with the Office of Multicultural Interests to develop ways to make the application process more accessible for people with languages other than English.

**Finding 37**

Families who speak languages other than English, parents or carers with a disability or with low-literacy may have difficulty applying for student transport assistance.

**Recommendation 17**

The Minister for Transport should ensure the Public Transport Authority updates the application and its guidance for student transport assistance, making it more accessible to families by:

- having information available in languages other than English
- developing a Plain English application
- allowing applicants to save their application and complete it later.

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323 School Bus Services, *Application for Transport Assistance*, October 2018, accessed 1 June 2022, <<https://schoolbuses.wa.gov.au/TransportAssistance/OnlineServices/ApplicationForTransportAssistance.aspx>>.

324 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 13.

325 Submission 103, Western Australian Education Support Principals and Administrators' Association, p. 1.

326 *ibid.*

### Integrated care plans

Under the STAP, an Integrated Care Plan (ICP) Request Form must be completed for relevant students when submitting an application for transport assistance.<sup>327</sup> The form gives consideration to medical conditions, physical mobility impairments and behaviour management issues to determine suitability for transport whether on a mainstream or education support bus service.<sup>328</sup> If transport assistance is approved, an ICP will be completed. It will include information about the 'student's requirements, condition and any action required by bus staff in the event of an emergency'.<sup>329</sup>

BusWA raised concerns that parents or carers may not disclose all relevant information, particularly relating to behaviour issues, on the ICP Request Form for fear transport assistance will not be approved.<sup>330</sup> They suggested this information and the student's medical records should be provided only after an application has been approved.<sup>331</sup> The Committee disagrees with this suggestion. Consideration of the information disclosed on an ICP Request Form is important to the determination of the type of transport assistance that can or should be provided. Providing the information after eligibility to receive transport assistance has been determined will only lead to a delay in the allocation of a seat on a bus or the Conveyance Allowance.

One submitter advised the Committee that contractors will often complete their own ICPs for students. In some cases this is because SBS has not provided a student's ICP<sup>332</sup>, but in other cases a child may end up with multiple ICPs.<sup>333</sup> BusWA also suggested information regarding students' medical conditions should be provided to bus operators in advance of the service commencing so the necessary arrangements can be put in place.<sup>334</sup>

To ensure bus operations are aware of all ICPs in place, and to avoid duplication, SBS should provide ICPs to bus contractors at the earliest possible time. If an ICP has not been created for a child on a bus, SBS and the contractor need to work together to ensure information is only collected from the family once and only one ICP is created. Both SBS and the contractor should have a copy of the ICP.

#### Finding 38

Integrated Care Plans are developed by School Bus Services, or bus contractors if one has not been supplied by School Bus Services. This has led to some students having more than one plan in place.

327 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 39.

328 *ibid.*

329 School Bus Services, *Integrated Care Plan Request*, October 2015, accessed 29 June 2022, <[330 Submission 202, BusWA, p. 27.](https://www.schoolbuses.wa.gov.au/Portals/0/SBS/PDF/Integrated%20Care%20Plan%20Request%20Form%20Final.pdf#:~:text=%E2%80%A2%20The%20Integrated%20Care%20Plan%20%28ICP%29%2C%20which%20is,without%20the%20prior%20written%20consent%20of%20the%20PTA.></a>></p></div><div data-bbox=)

331 *ibid.*, pp. 27-28.

332 Closed transcript

333 Submission 179, Shepherdson Transport, p. 4.

334 Submission 202, BusWA, pp. 29-30.

**Recommendation 18**

The Minister for Transport should ensure the Public Transport Authority establishes a process to provide students' Integrated Care Plans to the appropriate bus contractor at the earliest possible time.

**SBS should improve communication with families and communities**

In addition to the concerns raised in evidence about the lack of a formal appeals process, submitters and witnesses provided evidence suggesting SBS could improve its communication of important information to communities, local governments and families.<sup>335</sup>

The Committee received evidence suggesting SBS needs to improve its customer service.<sup>336</sup> One submitter advised that an SBS representative they dealt with was 'short, rude and completely unempathetic'<sup>337</sup>.

*'Communication is poor, they either don't respond at all, respond very slowly and mostly don't actually address the issue.'*

*- Colin Tapper, Submission 113*

Other submitters raised concerns about the lack of transparency and open communication from SBS staff when administering the STAP.<sup>338</sup> For example, representatives of the Jarrahdale community advised us of the lack of public consultation from SBS regarding the cancellation of the school bus service and the lack of information clarifying the proposed replacement service.<sup>339</sup> In another instance, a family were advised they were being removed from a particular bus route, but were not given any further information about what route they would be placed on.<sup>340</sup> The perceived lack of care for customers and the need for SBS to be more proactive in its communication led one submitter to call for a major cultural shift within SBS.<sup>341</sup>

The Committee was concerned to hear the concerns raised about some SBS staff. We believe the introduction of a complaints management process may address some of these concerns, which we discuss below. We make further comment in relation to SBS's customer service, consultation and communication in Chapters 6 and 7.

**A complaints management process may assist to address some of the concerns raised**

The PTA advised the Committee that it has a PTA-wide complaints management policy that applies to all of its lines of business; there is no separate policy specific to school bus services.<sup>342</sup> This may contribute to the variety of avenues people can, and do, use, to complain about the provision of school bus services under the STAP.

<sup>335</sup> For example: Submission 81, Janet Repacholi, p. 1; Closed briefing; Closed submission.

<sup>336</sup> Submission 113, Colin Tapper, p. 1.

<sup>337</sup> Submission 121, Scaddan Primary School P&C, p. 2.

<sup>338</sup> Submission 128, Kendall Wickstein, p. 5; Submission 147, Name withheld, p. 1.

<sup>339</sup> Closed briefing.

<sup>340</sup> Closed submission.

<sup>341</sup> Submission 113, Colin Tapper, pp. 1-2.

<sup>342</sup> Mark Burgess, Managing Director, Public Transport Authority and John Bailly, Manager, School Bus Services, Public Transport Authority *Transcript of Evidence*, 23 February 2022, p. 19.

Complaints can be made directly to the PTA via several mechanisms, including directly to SBS staff either by phone or email, via the PTA's Infoline, or by using an online complaints form on the PTA and SBS websites. These complaints will initially be received by, or allocated to, SBS Contract Officers for resolution. If they are unable to resolve the complaint, or the complainant is unsatisfied with the outcome, the complaint will be escalated to the Team Leader, the Operations Manager or Manager of School Bus Services if required.<sup>343</sup>

Complaints may also be made to the Department of Education, for example a regional departmental representative, who then contacts SBS to seek a resolution. Some complainants will contact their local member of Parliament for assistance, while others will go directly to the Minister for Transport to resolve their issue.<sup>344</sup> It is unclear who within SBS initially deals with complaints made via third parties.

In a typical school year, SBS representatives have 1,200 to 1,800 conversations with parents that include some aspect of a complaint.<sup>345</sup> In addition, 60 complaints were received via the Minister for Transport in 2021, up from 42 complaints in 2020.<sup>346</sup> A further 43 comments were received via the PTA's comments line in 2020-21, however this includes both commendations and complaints.<sup>347</sup> These figures include complaints raised in relation to eligibility to receive transport assistance.<sup>348</sup> For the purposes of this report we classify complaints of this nature as an appeal (discussed above).

The Isolated Children's Parents' Association advised the Committee 'within the current STAP there are no details in relation to the avenue for parents or carers should they have any concerns regarding the safety of their children, breaches of the code of conduct or operational guidelines by bus contractors or drivers'.<sup>349</sup> They argue the need for a 'defined process to maintain a balanced procedure'.<sup>350</sup> A number of stakeholders echoed the need for a defined complaints management process to address these and other concerns.<sup>351</sup>

The Committee agrees with stakeholders and considers that the SBS should develop a complaints management process specific to school bus services. Although we do not want it to become more complicated to make a complaint, the number and variety of complaint avenues currently available may lead to confusion amongst stakeholders about how, and where, to complain. It also makes it difficult for SBS to keep track of complaints, including whether complaints of a similar nature are being made which may indicate a larger or more systemic issue. Implementing a complaints management process will assist SBS to handle

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343 Submission 182b, Public Transport Authority, p. 7.

344 *ibid.*, p. 6.

345 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 27.

346 *ibid.*, p. 26.

347 *ibid.*, p. 27.

348 Submission 182c, Public Transport Authority, p. 6.

349 Submission 140, Isolated Children's and Parents' Association of Western Australia, p. 5.

350 *ibid.*

351 For example: Sally Brindal, President, Isolated Children's and Parents' Association of Western Australia, *Transcript of Evidence*, 25 February 2022, p. 2; Pania Turner, President, WA Council of State School Organisations, *Transcript of Evidence*, 25 February 2022, p. 7; Lisa Rodgers, Director General, Department of Education, *Transcript of Evidence*, 25 February 2022, p. 12.

complaints consistently, ensuring the outcome of the complaint is not dependent on to whom it is made.

A streamlined complaints management process should contain information about the types of complaints that can be dealt with by a Contract Officer, and which complaints should be escalated to management or a dedicated complaints management team. This team could be the same team that deals with appeals. All SBS stakeholders, including parents and carers, contractors, local governments and Department of Education representatives, should be provided with information about the complaints management process.

**Finding 39**

The Public Transport Authority does not have a complaints management process to specifically deal with complaints regarding the conduct of bus contractors, bus drivers or School Bus Services' representatives.

**Recommendation 19**

The Minister for Transport should ensure the Public Transport Authority establishes a complaints management process specific to School Bus Services. This process should include information about the types of complaints that can be resolved by School Bus Services staff, and when complaints should be escalated to management or a dedicated complaints management team.

## Chapter 6

### Local knowledge should be applied in determining bus routes and stop locations

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Planning routes, maps and google earth are a great tool but sometimes you need to go out and physically see for yourself and drive the intended route. Not all roads are year round all weather access (the shortest way is not always the best way). Local knowledge should be listened to when planning.

Ross Chappell, Submission 34

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Many stakeholders raised concerns about how the Public Transport Authority (PTA) develops bus routes, including stop locations. Witnesses noted School Bus Services (SBS) relied heavily on mapping programs, with limited consultation with local communities who may have suggestions to improve routes. This chapter discusses how the PTA might consult more effectively with local communities to address these concerns. It also considers some key issues in relation to the PTA's policy on bus routes, including forward planning, maximum journey time, spurs, and the buses entering private property as part of the bus route.

The Committee also collected evidence that stakeholders are concerned about the PTA's policy on bus stop approvals, in particular where a bus stop should be located. The role local governments have in approving bus stop locations was also raised, as well as the time and cost burden on local governments which construct and maintain bus stops and routes is also included in this chapter.

#### How school bus service routes are determined

Under the *Student Transport Assistance Policy and Operational Guidelines* (STAP) contract school bus services follow routes approved by SBS. The STAP notes bus routes should be designed to pick up and drop off students in the safest, most practical and efficient way.<sup>352</sup> To do this, SBS considers the:

- number of students being dropped off and picked up at school
- forecast student numbers
- actual and forecast residential distribution of students
- distribution of existing school bus services in the area
- road distances between residences and bus stops
- walking distances between bus stops and school
- number of transfers required between home and school

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<sup>352</sup> Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 76.

- in-vehicle travel time, including transfers between vehicles
- arrival and departure times of the service in relation to the start and finish times of school.<sup>353</sup>

The PTA noted while student transport assistance is entitlement-based, there is an expectation that the service is run efficiently.<sup>354</sup> Accordingly, SBS continuously monitors existing school bus services. Where a service is under-utilised it may be withdrawn, redesigned or have the seating capacity changed.<sup>355</sup>

### **Many submitters are unhappy with SBS's reliance on mapping programs to determine bus routes and stops**

Under the STAP, accurate and up-to-date route mapping is critical for safety, timeliness and to ensure bus contractors are remunerated correctly.<sup>356</sup> To determine bus routes, SBS's small Geographic Information System spatial team maps all bus routes using the State Land Information Platform.<sup>357</sup> Using this technology allows SBS to produce over 7,000 maps (reflecting route variations) during each calendar year.<sup>358</sup>

Many submitters suggested Perth-based staff using mapping programs to create bus routes and allocate stops is inappropriate, and that SBS should rely on local knowledge.<sup>359</sup> They argued SBS's reliance on mapping programs could lead to impractical bus routes, jeopardising safety and negatively affect local communities.<sup>360</sup> Comments from submitters included:

- 'The lack of understanding of routes, stop locations, and road conditions lead to waste in resources, overpayments and a loss of common sense.'<sup>361</sup>
- Maps do not take into account road surfaces and conditions that can be unsafe, particularly if poor weather adversely affects the roads making them impassable or unable to travel on at normal speeds.<sup>362</sup>
- Maps do not show the physical topography of stop locations<sup>363</sup>, which can result in unsafe stops being allocated.<sup>364</sup>

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353 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 76.

354 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 6.

355 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 76.

356 *ibid*, p. 82.

357 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 12.

358 Submission 182, Public Transport Authority, p. 3.

359 Submission 82, Cherie Fry, p. 1; Submission 178, Dennis Sutton, p. 2.

360 Submission 82, Cherie Fry, p. 1; Submission 129, Name withheld, p. 1.

361 Submission 51, Name withheld, p. 2.

362 For example: Submission 140, Isolated Children's and Parents' Association of Western Australia, p. 6; Submission 128, Kendall Wickstein, p. 6; Submission 203, Name withheld, p. 1.

363 Submission 63, Veronica Bertola, p. 1.

364 Submission 132, Name withheld, p. 3.



- There have been inconsistencies in distances determined by the mapping program and the odometer reading on the school bus. These inconsistencies could impact eligibility for families living close to the minimum 4.5km distance from the school.<sup>365</sup>
- Bus routes designed by the mapping program have directed bus drivers through trees<sup>366</sup>, across median strips<sup>367</sup>, and on roads that have been gazetted but not yet built.<sup>368</sup>
- SBS personnel should reside in regional areas to better understand the local conditions.<sup>369</sup>

The PTA noted while they do use a mapping program to determine the best bus route<sup>370</sup>, they require bus operators to run the route and let SBS know if they have any concerns.<sup>371</sup> SBS also accepts feedback from parents or carers and will liaise with the local council or with Main Roads to organise an assessment to address concerns.<sup>372</sup> The PTA reiterated their end goal is to have safe and reliable bus routes.<sup>373</sup>

Some submitters acknowledged SBS liaised with bus contractors to determine a suitable stop location or route alteration.<sup>374</sup> However, others suggested there is often no or limited consultation with bus contractors.<sup>375</sup> One submitter suggested physical inspections of all proposed bus stops should be undertaken before approval to ensure safety for children, contractors and other road users.<sup>376</sup>

The Committee appreciates the benefits and practicality of using mapping programs in a state as large as Western Australia. However, we believe greater use of local knowledge could help address the concerns submitters raised about the shortcomings of determining bus routes and stops using mapping programs. Although some bus contractors provide feedback on bus routes and stops, greater local knowledge could be accessed through effective communication and meaningful consultation with others within the local community. We discuss this further below.

#### **Finding 40**

School Bus Services' use of mapping programs to determine bus routes may contribute to impractical bus routes and therefore discontent amongst stakeholders.

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365 Submission 64, Lisa Pitman, p. 1.

366 Closed briefing.

367 Submission 190, Ian Harrower, p. 3.

368 Submission 202, BusWA, p. 30.

369 Submission 113, Colin Tapper, p. 1.

370 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 10.

371 Submission 182a, Public Transport Authority, p. 1.

372 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 2.

373 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 10.

374 Submission 190, Ian Harrower, p. 3.

375 For example: Submission 173, School Bus Logistics Pty Ltd, p. 8; Submission 190, Ian Harrower, p. 3; Submission 202, BusWA, p. 42.

376 Submission 63, Veronica Bertola, p. 1.

**Effective communication and consultation with local communities would address stakeholder concerns about bus routes and stops**

Stakeholders agreed that local knowledge and consultation is necessary to determine the safest, most common sense routes and bus stop locations<sup>377</sup>, but this is not reflected in the STAP, or in SBS's administration. The STAP is generally silent on whether, and how, SBS should consult in relation to the determination of a route or bus stop. Consultation is only specifically mentioned in relation to the review of a single service route, or an area review of multiple service routes.<sup>378</sup> For these types of reviews, the STAP provides SBS will engage with School Bus Advisory Committees (see below), contractors and schools to ensure all affected parties have the opportunity to discuss any concerns.<sup>379</sup>

SBS advised the Committee that it does attend meetings with schools, parents or carers, and other community groups on a case-by-case basis.<sup>380</sup> However, it has no regularly planned engagement with school bus communities, given the limited human resources and scope of activities undertaken within SBS.<sup>381</sup> The PTA advised the Committee that visits to locations where school bus services operate usually occur once every two years. Visits may happen more frequently if there are a large number of buses in one area, or due to community need.<sup>382</sup>

While some submitters were content with the level of consultation on school bus matters<sup>383</sup>, many others considered an effective consultation process to determine bus routes is lacking.<sup>384</sup> Submitters commented:

- Where consultation is deemed to have occurred, it does not allow for community feedback to influence predetermined actions.<sup>385</sup>
- One contractor had not been consulted once in their 18 years of operation.<sup>386</sup>
- SBS may focus on numbers, whereas the community will consider how long children will be on the bus, how kindy and non-kindy days will affect the routes, and take this into account for future planning.<sup>387</sup>
- Stakeholders are not included in the bus stop approval process.<sup>388</sup>
- SBS conducts its formal service route reviews with little or no consultation.<sup>389</sup>

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377 For example: Submission 82, Cherie Fry, p. 1; Submission 129, Name withheld, p. 1; Submission 154, Abigail Farina, pp. 1-2; Submission 181, Name withheld, pp. 1-2.

378 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 83.

379 *ibid.*

380 Submission 182b, Public Transport Authority, p. 3

381 *ibid.*

382 Submission 182b, Public Transport Authority, p. 1.

383 Submission 174, Brad Black & Sally Hepburn, p. 1.

384 Submission 147, Name withheld, p. 1.

385 Submission 157, WA Council of State School Organisations, p. 8.

386 Submission 178, Dennis Sutton, p. 2.

387 Submission 67, Salmon Gums Primary School, p. 1.

388 Submission 63, Veronica Bertola, p. 1.

389 Submission 157, WA Council of State School Organisations, p. 8.

Several submitters suggested local working groups are needed to advocate for those who access transport assistance<sup>390</sup>, and should look at bus stops and routes to ensure they are the most effective.<sup>391</sup> However, there were differing ideas about who should participate. One submitter suggested either the school or parenting body should be contacted to advise on bus routes.<sup>392</sup> Other submitters suggested local governments should be involved in these meetings<sup>393</sup>, or in some cases take the lead as a conduit between SBS, families and contractors.<sup>394</sup> Some submitters did not want bus contractors involved, believing they may be biased as they would be paid more if their route was longer.<sup>395</sup>

The Committee met with one working group in Dumbleyung, comprising parents, contractors, the local government and others. All present found the working group to be beneficial. It has assisted families with various aspects of accessing the school bus service.<sup>396</sup> Although this model works in Dumbleyung, it may not be appropriate for all communities<sup>397</sup>, depending on a number of factors, including the availability of stakeholders to participate and community relationships.

The PTA suggested that, if there is to be local involvement or advice provided by some sort of committee, they would want a State Government representative to be at the centre of consultation to 'defend the State's interests'. However, they did not think there was enough to do to allocate a full time SBS staff member.<sup>398</sup> The PTA also questioned whether a parent or contractor would have a sufficient degree of independence, and did not think the Department of Education would want to play a major role, as it did in the past (discussed below).<sup>399</sup>

It is the Committee's view that SBS needs to improve its consultation and communication with local communities when determining bus routes. Local knowledge will benefit bus contractors, bus drivers, families and students by assisting to create more logical and efficient bus routes and stop, which better meet the needs of the community.

The Committee sees the benefits of local community advisory groups. We are impressed by the advocacy we witnessed in the regions, most notably the working group in Dumbleyung. However, we agree the approach taken in Dumbleyung may not translate to other areas. We discuss below how community advisory groups may be beneficial.

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390 Closed hearing.

391 For example: Submission 128, Kendall Wickstein, p. 3; Submission 129, Name withheld, p. 1; Submission 181, Name withheld, p. 1.

392 Submission 82, Cherie Fry, p. 1.

393 Submission 181, Name withheld, p. 1.

394 Closed briefing.

395 Submission 140, Isolated Children's and Parents' Association of Western Australia, p. 6.

396 Submission 151, Philippa Gooding, p. 5; Closed briefing.

397 Londa Finlayson, Wagin WA, *Briefing*, 30 November 2021

398 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 26 November 2022, p. 12.

399 *ibid.*

**Finding 41**

Improved consultation and communication between School Bus Services and local communities when determining bus routes and identifying bus stop locations may lead to more efficient bus routes and stops that could better meet the needs of each community.

***School Bus Advisory Committees improve local consultation and communication***

When the Department of Education was responsible for providing school bus services most operational aspects of bus service delivery were performed at the local level.<sup>400</sup> School Bus Advisory Committees (SBACs) played a functional role in determining how school bus services were delivered. They considered applications for new bus services or variations to existing contract bus services, applications for other means of conveying children to school, and other matters affecting the efficiency of bus services.<sup>401</sup>

Since administration of the STAP was shifted away from the Department of Education in 1995, many of the tasks that SBACs undertook have now been centralised. Today, the PTA believes much of a SBAC's role is redundant.<sup>402</sup> This is reflected in the STAP, which states, 'since the Department of Education formally withdrew its support for the administration of transport assistance, the function of [SBACs] is no longer required'.<sup>403</sup>

Today approximately five SBACs remain.<sup>404</sup> As they have no longer have an official role under the STAP they act in an informal and advisory capacity only.<sup>405</sup> SBS is not obliged to attend SBACs' meetings, but may accept an SBAC's feedback on services in their area.<sup>406</sup> Whether the feedback is implemented is entirely up to SBS<sup>407</sup>, however they have demonstrated a willingness to listen. Recently, the Hyden SBAC raised concerns about the removal of a school bus service and, based on that input, the process has been delayed for the foreseeable future.<sup>408</sup>

The STAP notes transport assistance policy must be applied uniformly and equitably across the state<sup>409</sup>, and SBACs must consider issues carefully, and scrutinise requests that appear to be outside of policy.<sup>410</sup> Sometimes community groups may put forward solutions that are in the best interest of their community, but not always consistent with the STAP, and

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400 Submission 182b, Public Transport Authority, p. 17.

401 *Education Regulations 1960 [repealed]*, s. 270.

402 Submission 182b, Public Transport Authority, p. 17.

403 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 89.

404 Submission 182b, Public Transport Authority, p. 3.

405 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 89.

406 Submission 182b, Public Transport Authority, p. 3.

407 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 89.

408 Submission 182b, Public Transport Authority, p. 17.

409 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 89.

410 *ibid.*, p. 89.

budgetary considerations.<sup>411</sup> SBS will only approve out of policy assistance in exceptional circumstances.<sup>412</sup>

The Isolated Children's and Parents' Association (ICPA) noted there is consensus amongst rural communities that the withdrawal of the Department of Education's support in administering the STAP has caused disconnect between families, the Department and SBS.<sup>413</sup> It suggested that, without the administrative support of the Department of Education, some SBACs feel their voices are left unheard and their advisory role to SBS is not recognised.<sup>414</sup> They advised there is no proactive communication from SBS to SBACs, rather communication only occurs when SBACs approach SBS.<sup>415</sup>

They, and other submitters, are in favour of reintroducing SBACs to advise on bus routes and other matters.<sup>416</sup> Submitters agreed SBACs can aid communication between families, school communities and SBS, and assist it to make well informed decisions.<sup>417</sup>

The WA Council of State School Organisations (WACSSO) suggested SBACs can be a 'powerful tool', if they are accessible.<sup>418</sup> It sees SBACs as a 'first port of call' for parents and carers to voice their concerns about the administration of the STAP, and to act as facilitator between families, SBS and bus contractors.<sup>419</sup>

The PTA is not against reintroducing SBACs, in some form, but it suggested local consultation must be balanced by administrative efficiencies.<sup>420</sup> It also suggested that SBACs could focus on determining bus route efficiencies and identifying future families for the purposes of maintaining appropriate bus passenger capacity.<sup>421</sup> However, it does not think SBACs should be involved in complaints management or determining bus stop locations, as these are already managed internally and in conjunction with local governments; an additional layer of process is not needed.<sup>422</sup>

Where SBACs do exist, parents and carers seeking to connect with them advised there was often have no way to get in touch, and no available information on who sits on the committee or how one could join.<sup>423</sup> WACSSO suggested committee contact information should be made available on the SBS website.<sup>424</sup>

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411 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, *Transcript of Evidence*, 23 February 2022, p. 17.

412 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 89.

413 Submission 140, Isolated Children's and Parents' Association of Western Australia, pp. 5-6.

414 *ibid.*

415 *ibid.*

416 *ibid.*, pp. 6-7;

417 Closed submission.

418 Pania Turner, President, WA Council of State School Organisations, *Transcript of Evidence*, 25 February 2022, p. 4.

419 *ibid.*

420 Submission 182b, Public Transport Authority, p. 17.

421 *ibid.*

422 *ibid.*

423 Submission 157, WA Council of State School Organisations, p. 8

424 *ibid.*

The Committee agrees that SBS should work with SBACs where they exist or are established by local communities in the future as they provide concerned individuals with a forum for advice, advocacy and reliable contact with SBS representatives. They may also provide SBS with much needed local knowledge, and with people on the ground in local communities to advertise the availability of the bus service and when applications are due, as well as assist SBS in its forward planning due to their greater knowledge of family demographics.

In the Committee's view, it is appropriate that SBACs would be an advisory group only, with SBS retaining decision making authority. The functions of a School Bus Advisory Committee should be to:

- Provide relevant local knowledge to School Bus Services on matters including school bus routes and stop locations.
- Provide advice to and advocate on behalf of concerned individuals.
- Act as the local community contact for School Bus Services.

Establishing SBACs should be community led, and participating in them should be voluntary. Ideally, SBACs should contain representatives from different groups within the community, including parents and carers, bus contractors, local governments and school representatives. The role of school representatives is discussed further below. SBS's Contract Officers should work with SBACs and take their feedback into account in decision making.

**Finding 42**

Since the Public Transport Authority took responsibility for administering the *Student Transport Assistance Policy and Operational Guidelines*, School Bus Advisory Committees no longer have a formal role in determining how school bus services are delivered. Approximately five School Bus Advisory Committees remain, but they have a limited advisory capacity only.

***Schools may choose to participate in School Bus Advisory Committees***

Previously, school principals used to act as local bus service coordinators. This formal function ceased when the PTA took over responsibility for providing school transport assistance<sup>425</sup>; however, many school principals still informally provide families with assistance in relation to the provision of school transport assistance.<sup>426</sup>

The Department of Education favoured reducing the role of school principals in providing school bus services. The (now) Director General suggested SBACs became troublesome, often focusing on a few individuals rather than the greater community good with principals requiring 'very sophisticated negotiation skills'.<sup>427</sup> She 'would be incredibly reticent to ask

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425 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 3.

426 *ibid.*, p. 4.

427 Lisa Rodgers, Director General, Department of Education *Transcript of Evidence*, 25 February 2022, pp. 12-13.

principals to chair or lead' SBACs as it is outside their function which is to lead education and learning within their schools.<sup>428</sup>

The Western Australian District High School Administrators' Association advocated for local consultation without unnecessarily imposing on the workload of school leaders.<sup>429</sup> They suggested removing the requirement for SBACs has been helpful for principals and deputy principals, and there is no appetite to reinstate this role, or to have formal consultative structures in place for managing school bus routes.<sup>430</sup>

However, ICPA noted the local knowledge and experience of school principals is invaluable in assessing road distances and suitability for bus routes and bus stops.<sup>431</sup> It suggested parents and carers felt they had a connection to the school bus system through their local school and without this connection, parents and carers are unsure what to do if there is an issue regarding the bus, driver, contractor or route.<sup>432</sup> Other submitters also supported regional education offices and school principals taking on a greater role in administering the STAP.<sup>433</sup>

The Committee understands the formal role of school principals in the provision of school transport assistance was burdensome and time consuming. We are aware there are already significant demands on school principals, and are not suggesting they take a role in supporting the provision of school bus services. However, many school principals already support families to access school bus services, and often have valuable knowledge, for example about prospective student numbers, which would benefit the PTA when determining the viability of routes with low patronage.

**Finding 43**

Historically, school principals have had a formal role as the local bus service coordinators. Many school principals still informally provide families with assistance in relation to the provision of school transport assistance.

**Finding 44**

The information and knowledge school principals have about the families who attend their schools, the local community and future student numbers, would be valuable to School Bus Services.

***Bus contractors may participate in School Bus Advisory Committee***

Submitters were divided as to whether bus contractors should be involved in providing feedback on bus routes and stops. Some suggested contractors should be involved as they are the best source of information regarding suitability of a bus stop or route.<sup>434</sup> Many

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428 Lisa Rodgers, Director General, Department of Education *Transcript of Evidence*, 25 February 2022, p. 12.

429 Submission 97, Western Australian District High School Administrators' Association, pp. 3-4.

430 Submission 97, Western Australian District High School Administrators' Association, pp. 3-4.

431 Submission 140, Isolated Children's Parents' Association of Western Australia, pp. 5-6.

432 *ibid.*

433 Submission 35, Matthew Bell, p. 1.

434 For example: Submission 78, Name withheld, p. 1; Submission 140, Isolated Children's Parents' Association of Western Australia, p. 1; Submission 177, Troy and Kym Hamon, p. 2; Submission 195, Name withheld, p. 2; Submission 200, Nat Muir, p. 4; Submission 202, BusWA, p. 30.

contractors have lived and worked in their region for many years, and have excellent knowledge of road conditions, safest routes and safest bus stops.<sup>435</sup> In some instances, bus contractors and drivers have helped develop new routes that parents and carers found preferable to the SBS developed ones, although these were not always agreed to by SBS.<sup>436</sup>

Others suggested consulting school bus contractors is not appropriate. As contractors are running a business, there was a conflict of interest when assisting to determine bus routes.<sup>437</sup> Contractors could potentially have a biased view of the best route as they are seeking the most financially lucrative route possible.<sup>438</sup> Further, some bus contractors were concerned that speaking up to SBS about routes and stops would lead to students being taken off their bus meaning a reduction of income.<sup>439</sup>

While we note that some contractors could be perceived as biased in developing bus routes given their financial interests, we think they are a great source of knowledge about bus routes and stops, and should not be excluded from providing feedback as part of community consultation.

**Finding 45**

Bus contractors are often a great source of local knowledge regarding school bus routes and stop locations.

**Recommendation 20**

The Minister for Transport should ensure the Public Transport Authority consults and communicates with School Bus Advisory Committees, where they exist or are established by local communities in the future.

**Key issues with the process of determining school bus routes**

A number of issues regarding the process for determining school bus services and the requirements set out in the STAP were raised with the Committee, in particular:

- bus capacity and forward planning<sup>440</sup>
- maximum journey time, or the '90 minute rule'<sup>441</sup>
- spurs<sup>442</sup>
- prioritisation of existing students<sup>443</sup>

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435 Closed Submission.

436 Submission 121, Scaddan Primary School P&C, p. 2; Submission 187, Rod and Nikki Carthew; Graham and Meryl Carthew, p. 1.

437 Submission 140, Isolated Children's Parents' Association of Western Australia, p. 1.

438 *ibid.*

439 Submission 178, Dennis Sutton, p. 6.

440 Submission 35, Matthew Bell, p. 1; Submission 128, Kendall Wickstein, p. 4.

441 Submission 138, Department of Education, p. 2; Submission 151, Philippa Gooding, p. 6.

442 Submission 173, School Bus Logistics Pty Ltd, p. 1; Submission 179, Shepherdson Transport, p. 1.

443 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 77.



- limits on using private property.<sup>444</sup>

The concerns raised by stakeholders in relation to each of these issues is outlined below.

### **SBS needs to improve its forward planning for bus routes to address capacity issues**

The Committee received several submissions indicating students eligible to receive transport assistance were not able to get a seat on a bus as it was at capacity.<sup>445</sup> For example:

- 'We have been told by the PTA that my daughter will become a priority application but cannot be guaranteed a seat right now as the bus is at full capacity.'<sup>446</sup>
- 'Lack of capacity on my bus and the route has been a big issue.'<sup>447</sup>
- 'As the bus is currently at capacity I am concerned about the future needs of families that buy into the area.'<sup>448</sup>

The PTA noted, if there is a capacity issue in the short term the PTA will either:

- realign other service routes and transfer students to collect waitlisted Eligible Students
- put on a short term service until future capacity has stabilised
- pay a Conveyance Allowance.<sup>449</sup>

However, there may be a delay after a bus has reached capacity before SBS takes action.

Conversely, other services are at risk of being terminated or amalgamated due to low passenger numbers. Under the STAP, there must be eight or more Eligible Students (not including Complimentary Passengers) for a main route to start operating<sup>450</sup>; however, a service will not be terminated unless the number of Eligible Students using the service decreases to less than four.<sup>451</sup> One witness advised that SBS are not too 'harsh' in adhering to this rule.<sup>452</sup> As of February 2022, the PTA advised that 12 services remain operational with less than four passengers.<sup>453</sup>

Some submitters suggested the minimum number of students required for a service to operate should be reduced.<sup>454</sup> In some areas, changes in farming practices have led to larger farms, and a corresponding reduction in the number of students accessing transport

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444 Submission 78, Name withheld, p. 1; Submission 179, Shepherdson Transport, p. 1.

445 Submission 48, Name withheld, p. 1; Submission 96, Renee Jenkin, p. 3.

446 Submission 36, Brooklyn Barrett, p. 1.

447 Submission 48, Name withheld, p. 1.

448 *ibid.*

449 Submission 182b, Public Transport Authority, p. 13.

450 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 77.

451 *ibid.*, p. 83.

452 Closed submission

453 Submission 182c, Public Transport Authority, p. 4.

454 Submission 128, Kendall Wickstein, p. 4.

assistance.<sup>455</sup> In these cases, where there are large distances between families, submitters argued requiring a minimum of eight passengers is inappropriate.<sup>456</sup>

Other submitters suggested it is common for rural towns, schools and communities to experience peaks and troughs in student numbers, so there should be greater flexibility in minimum passenger numbers to accommodate fluctuations in student demographics.<sup>457</sup> According to one submitter, removing a bus service due to low numbers one year could have a detrimental effect on future school enrolments, as well as deterring families moving to the area.<sup>458</sup> Several submitters suggested SBS should count Complimentary Passengers to determine whether minimum passenger numbers are met.<sup>459</sup>

SBS argued its brief is to deliver the school bus service within its policy framework as effectively and efficiently as possible; this may mean amalgamating services with lower patronage and making bus routes longer.<sup>460</sup> If student numbers decrease, SBS suggested it is a better proposition for them to terminate the service for three of four years to free up funding to provide services in other growth areas, and then recommence the terminated service in the future if it is reasonable to do so.<sup>461</sup>

The Committee do not consider it necessary to change the STAP to reduce the number of eligible passengers for a service to start, or be terminated. Although the PTA has not undertaken any modelling to determine the budget implications of reducing the minimum number of students required for establishing a bus service below 8<sup>462</sup>, we expect costs would increase to unaffordable levels. Further, to reduce minimum passenger numbers further would effectively mean students are being provided with almost bespoke transport solutions, which is not the intention of the STAP. We note the PTA has shown flexibility in not cancelling services with low passenger numbers, and support their approach.

We also think it would be inappropriate to include Complimentary Passengers to determine whether a service meets the minimum number requirements. Complimentary Passengers are provided with transport assistance on the basis that they do not impose additional cost on the PTA. If a service were to be terminated due to low passenger numbers, but for Complimentary Passengers, counting those Complimentary Passengers will mean SBS will incur costs it would not otherwise incur.

**Finding 46**

The minimum number of passengers required to establish a service, and for a service to continue operating, is appropriate.

455 Submission 81, Janet Repacholi, p. 1; Closed submission.

456 Submission 128, Kendall Wickstein, p. 4.

457 Submission 35, Matthew Bell, p. 2; Closed submission.

458 Submission 128, Kendall Wickstein, p. 1; Submission 140, Isolated Children's Parents' Association of Western Australia, p. 3.

459 Submission 128, Kendall Wickstein, p. 4.

460 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 10.

461 Submission 182b, Public Transport Authority, p. 14

462 *ibid.*, p. 4.

**Finding 47**

It is appropriate that Complimentary Passengers are not counted by School Bus Service when they assess whether a school bus service has enough passengers to continue operating.

However, we do think the PTA could improve its communication with communities, and in particular parents and carers, if a school bus is at risk of termination or amalgamation. The PTA advised that it will consult directly with communities and school principals if bus services are to be amalgamated or terminated<sup>463</sup>, but it is unclear the extent to which this occurs in practice. One witness told the Committee a confidential meeting between SBS, bus contractors and the school principal allegedly took place in one community, to which parents and carers were not invited.<sup>464</sup> Allegedly, SBS refused to meet with local parents later that same year when their bus runs were at risk of being amalgamated or cancelled.<sup>465</sup>

**Finding 48**

School Bus Services could improve its consultation and communication with communities and school principals if bus services are to be amalgamated or terminated.

The Committee considers better forward planning would assist SBS to address issues of buses being at capacity, and those at risk of being terminated due to low passenger numbers. While SBS does work with schools to see 'what they think is coming down the pipe'<sup>466</sup>, it does not conduct short term forecasting for future patronage because demand for transport assistance is unknown until applications are received, processed and approved for transport assistance.<sup>467</sup> Long term forecasting usually occurs when a school bus is replaced.<sup>468</sup> At this time, the PTA would consider the Department of Education's student enrolment trends and liaise with the school bus contractors and local schools to determine future student enrolments, either known or anticipated.<sup>469</sup> The Committee thinks more could be done.

SBS could improve its short term planning through better communication with local communities. Parents, schools and bus contractors are likely to know how many new children will require transport assistance in future years.<sup>470</sup> For example, in one community the primary school principal kept a list of families expecting children or with young children, knowing these children would likely be attending the school in a few years' time. These children may be eligible for transport assistance, and SBS could use this information to plan

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463 Submission 182b, Public Transport Authority, p. 14.

464 Kendall Wickstein, *Transcript of Evidence*, 28 March 2022, p. 6.

465 *ibid.*

466 Martin White, Executive Director, Transport System, Regional Town Bus Services and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 25 November 2021, p. 10.

467 Submission 182b, Public Transport Authority, p. 13.

468 *ibid.*, p. 14.

469 *ibid.*

470 Kendall Wickstein, *Transcript of Evidence*, 28 March 2022, p. 8.

accordingly.<sup>471</sup> SBS could also allow families to register their intent to use the school bus service in future years.<sup>472</sup>

If SBS could better estimate passenger numbers over the next few years, it may be able to determine whether a bus is forecast to continue with low passenger numbers, or whether passenger numbers will increase in the coming years. This information will help SBS determine whether the service should be terminated or amalgamated, or continue to run with low numbers for a short time, knowing that the following year there will be an influx of passengers. Better forecasting will also assist SBS to determine if new routes are needed because a bus is at capacity with a waitlist of eligible passengers, and will remain so for a few years.

**Finding 49**

School Bus Services could improve its short and long term forecasting for future patronage.

**Recommendation 21**

The Minister for Transport should ensure the Public Transport Authority improves the short term and long term planning for School Bus Services to better anticipate the number of students who will require transport assistance in the forward years. Better planning will inform whether a new bus service is required or if an existing bus service should be terminated, amalgamated, or continue to run with fewer than minimum numbers for a short time.

**There should be no change to the maximum journey time, known as the '90 minute rule'**

Under the STAP, school bus routes should be designed to ensure students will be on the bus no longer than 90 minutes per journey; however, it acknowledges this may not always be possible, particularly where students live a significant distance from school.<sup>473</sup> If the distance is too large, and journey time too long, travel by school bus will not be feasible, and SBS will provide a Conveyance Allowance.<sup>474</sup>

The PTA advised limiting journey times to 90 minutes is one of the key underlying principles considered in its provision of transport assistance, and it plans routes accordingly.<sup>475</sup> In practice, some bus routes unavoidably extend longer than 90 minutes in geographically isolated regions<sup>476</sup> (see Table 6.1).

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471 Closed briefing.

472 Submission 48, Name withheld, p. 1.

473 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 76.

474 *ibid.*, pp. 76-77.

475 Submission 182, Public Transport Authority, p. 18.

476 *ibid.*

**Table 6.1: Profile of school bus services based on journey times**

Travel times (one-way journey)	Number of services	% of services
Up to 60 minutes	473	49%
61 to 90 minutes	351	36%
Longer than 90 minutes	141	15%

Source: Submission 182, Public Transport Authority, p. 19.

Many submitters considered the maximum journey time of 90 minutes is acceptable and should act as the ‘capped time’, meaning the distances of bus routes would be inconsequential provided the journey does not exceed 90 minutes (discussed further below).<sup>477</sup> However, other submitters suggested 90 minutes is too long for young children to sit on a bus every school day morning and afternoon, especially for some students who must also travel between their home and the bus stop.<sup>478</sup> Evidence suggested long travel times may:

- impact children’s social and emotional wellbeing<sup>479</sup>
- impact learning outcomes<sup>480</sup>
- increase behaviour issues stemming from boredom, tiredness and travel fatigue<sup>481</sup>
- limit children’s access to recreational activities<sup>482</sup>
- reduce time families spend together<sup>483</sup>
- deter families from using the bus service at all, which provides an inaccurate picture of demand<sup>484</sup>
- impact parents’ ability to work<sup>485</sup> or cause some families to leave the community.<sup>486</sup>

Some evidence supported having additional shorter bus routes over fewer longer ones.<sup>487</sup> WACSSO suggested that any route longer than 45 minutes is problematic, particularly for students living with a disability.<sup>488</sup> It called for a comprehensive review ‘focusing on the time students spend travelling on school buses to and from school...to assess the impact on student wellbeing, safety, happiness and educational outcomes.’<sup>489</sup> The Department of Education also supported a reduction in student travel time, provided access to bus transport is not decreased.<sup>490</sup>

477 Submission 151, Philippa Gooding, p. 6; Submission 200, Nat Muir, p. 2.

478 Submission 138, Department of Education, p. 2.

479 Submission 123, Name withheld, p. 1; Submission 138, Department of Education, p. 2.

480 Submission 157, WA Council of State School Organisations, p. 4.

481 *ibid.*

482 Submission 91, Thomas Henderer, p. 1.

483 Submission 123, Name withheld, p. 1.

484 Submission 126, Jo Fitzpatrick, p. 1.

485 Submission 123, Name withheld, p. 1.

486 Submission 67, Salmon Gums Primary School, p. 1.

487 Submission 154, Abigail Farina, p. 1.

488 Submission 157, WA Council of State School Organisations, p. 4.

489 *ibid.*, p. 6.

490 Submission 138, Department of Education, p. 2.

The Committee asked if the PTA had done any modelling around reducing journey times. We were advised a reduction to a maximum 60 minutes one way would affect 492 services or more than 50% of school bus routes.<sup>491</sup> According to the PTA, high-level modelling estimates a budget impact of \$72 million for the full cost of service duplication, running express services for students in outlying areas and adjusting services for students located closer to school, and the cost of replacing larger buses with smaller vehicles.<sup>492</sup> The PTA acknowledged that more detailed modelling would likely decrease the budget impact but it would remain significant.<sup>493</sup>

The Committee understands stakeholders' concerns that 90 minutes is too long for a child to travel on a bus to and from school. However, at an estimated cost of \$72 million, reducing the maximum travel time to 60 minutes would require a 50% increase in budget, from the total current cost of the service of \$127 million<sup>494</sup>. The Committee has been asked to have regard to budgetary constraints in undertaking this inquiry, and we do not think it a realistic proposition that the Government would increase the school bus services budget so significantly to accommodate such a reduction in travel time. However, in terminating or cancelling routes, SBS should be mindful of the 90 minute rule and how this may impact bus routes in sparsely populated areas.

**Finding 50**

A maximum bus journey time of 90 minutes is a key principle in providing transport assistance.

**Spurs should continue to be defined by distance, with some flexibility**

The STAP provides that a spur is a section of a bus route that branches from the main route in order to pick up Eligible Students.<sup>495</sup> A spur may be used where a student lives more than 2.5km from an approved route. Students who live within 2.5km of an approved route must make their own way to a bus stop on that route.<sup>496</sup> A spur may extend up to 5km (one way) to pick up and drop off one student, or up to 7.5km (one way) for two or more students.<sup>497</sup>

BusWA suggested the concept of spurs should be removed. It claims the spurs policy is overly complex and could result in illogical or unreasonable outcomes.<sup>498</sup> Another submitter considered the definition of spur is flawed as it is unclear why one family was on a 'spur' and another family was on the 'route'.<sup>499</sup> Others argued that a spur is just a section of an

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491 Submission 182c, Public Transport Authority, p. 4.

492 *ibid.*

493 *ibid.*

494 *ibid.*, p. 3.

495 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 80.

496 *ibid.*

497 *ibid.*

498 Submission 202, BusWA, p. 17.

499 Submission 147, Name withheld, p. 1.

approved route<sup>500</sup>, and students living on a 'through' road should not be treated more favourably.<sup>501</sup>

Some families suggested the prescribed spur distance limits are too short, noting the length of the farm or driveway is longer than the allowed spur.<sup>502</sup> One submitter noted that as farms grow bigger and the population decreases, the need for spurs will increase and the current policy will not reflect what is required.<sup>503</sup>

Many submitters suggested the length of spurs should be linked to the total journey time, rather than distance. That is a spur should be approved if a student can be picked up, or dropped off, without the route's journey time exceeding 90 minutes.<sup>504</sup> According to the Isolated Children's Parents' Association of WA, the allowable distance permitted for a spur 'needs to be flexible and considered in relation to the whole school bus route'.<sup>505</sup>

The PTA indicated the spur and maximum journey time policies are complementary. While maximum allowable spur distances are set in the STAP, there is flexibility to have longer spurs provided the total journey time does not exceed 90 minutes.<sup>506</sup> However, if a bus route is already close to the 90 minute maximum journey time, SBS are less likely to approve a new spur, or one longer than the distances stated in the STAP. Any new student will be required to meet the bus along the existing approved route, and will receive a Conveyance Allowance for the distance they must travel between their front gate and the bus stop.<sup>507</sup>

The Committee is not recommending any change to maximum spurs distances under the STAP. We believe the PTA uses these maximum lengths as flexible guidelines, and not an absolute maximum distance. To apply the STAP more flexibly, the PTA should have regard to community feedback on bus routes, which it could receive through the local SBAC (discussed above). We do not agree spurs of any distance should be allowed provided the total journey time does not exceed 90 minutes. For example, a spur adding an extra half an hour onto a 60-minute journey may benefit one child, at the expense of all of the other children on the bus whose travel time has increased significantly. However, if a local community, as represented by an SBAC, were all in agreement that a lengthy spur would be suitable, then this should be strongly weighted in SBS determining whether a spur should be granted.

#### **Finding 51**

School Bus Services' flexible approach in applying the maximum spurs distance policy remains appropriate for determining bus routes and stop locations.

500 Submission 173, School Bus Logistics Pty Ltd, p. 1.

501 Submission 179, Shepherdson Transport, p. 1.

502 Submission 121, Scaddan Primary School P&C, p. 2; Submission 128, Kendall Wickstein, p. 1.

503 Closed submission

504 For example: Submission 167, Tony and LeeAnne Lay, p. 1; Submission 174, Brad Black & Sally Hepburn, p. 1; Submission 196, Swanhaven Pty Ltd, p. 1; Submission 200, Nat Muir, p. 2.

505 Submission 140, Isolated Children's Parents' Association of Western Australia, p. 2.

506 Submission 182, Public Transport Authority, p. 19; Submission 182b, Public Transport Authority, p. 16.

507 Submission 182, Public Transport Authority, p. 19.

### **Prioritisation of existing students**

SBS noted it will give priority to students already on a bus when determining bus routes and the location of bus stops for new students on a particular bus route.<sup>508</sup> For example, if a student already on the bus has a gate stop or is on a spur, that child will receive priority to keep that gate stop or spur over a new child on the bus.<sup>509</sup> This approach does not appear to be policy based, but rather an operational choice of SBS.

Several submitters do not like this approach. They suggested existing students should not be prioritised over new students on a bus, rather the bus route should be changed to accommodate everyone as students come and go.<sup>510</sup> One submitter argued it is not always appropriate to use an existing bus route when planning for the following year.<sup>511</sup> Another suggested bus routes should be reviewed on a term-by-term basis and changed if necessary.<sup>512</sup>

Although the Committee appreciates the concerns that one Eligible Student will receive a seat on a bus in priority over another Eligible Student, we think this is the most appropriate way to approach the allocation of seats and route determination. It would be administratively complex for SBS if it was expected to determine a bus route and seat allocation every time a new student joined a bus route. This may also be very disruptive to existing passengers, who may lose their seat or their stop mid-term. However, when determining bus routes at the beginning of a school year, SBS should be open to more substantial route changes than may be possible during a school term. In this regard, SBS should be guided by advice from the local community as to what may be the fairest and most efficient route for all passengers.

#### **Finding 52**

It is appropriate for School Bus Services to prioritise students who already have a seat on a bus service over new students to the service.

### **Limits on using private property**

Under the STAP, for safety reasons, school buses should not be driven onto private property unless all affected parties have agreed to this in advance.<sup>513</sup> Although the policy suggests that there may be situations where the use of private property is approved, the evidence indicated SBS are unlikely to approve this, even where contractors, drivers and the owners of the private property are in agreement.<sup>514</sup>

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508 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 14.

509 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, pp. 14-15; Submission 129, Name withheld, p. 1.

510 Submission 129, Name withheld, p. 1; Closed submission.

511 Submission 67, Salmon Gums Primary School, p. 1.

512 Submission 154, Abigail Farina, p. 2.

513 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 77.

514 Submission 78, Name withheld, p. 1; Submission 179, Shepherdson Transport, p. 1.



The PTA takes a cautious approach to approving school buses entering private property, and only approves this on occasion.<sup>515</sup> The PTA is concerned there could be insurance issues if an accident were to occur on private property, although legal advice has not been obtained.<sup>516</sup>

The Committee believes that, in some circumstances accessing a private property would lead to a better outcome for bus drivers, students, families and SBS. The Committee recommends the PTA seeks legal advice to determine what risks may exist if school buses are driven onto private property. Subject to any conditions set out in the legal advice, the PTA should approve buses being driven on private property where contractors, drivers and property owners are happy for this to occur.

#### **Finding 53**

School Bus Services rarely approves school buses to be driven onto private property for the purposes of collecting students or as a bus turn around point.

#### **Recommendation 22**

The Minister for Transport should ensure the Public Transport Authority seeks legal advice from the State Solicitor's Office to determine any insurance implications that may arise if school buses drive onto private property for the purposes of transporting students to school.

Depending on the legal advice received, the Public Transport Authority should consider allowing school buses to be driven on to private property when all parties agree and the bus route is more efficient.

### **How bus stops are approved**

Under the STAP, SBS allocates each student catching a school bus an 'approved school bus stop'.<sup>517</sup> This stop is the designated pick up or drop off point for the student; a student is not permitted to board or alight from a school bus at a different location without the approval of SBS.<sup>518</sup>

The STAP provides approved bus stops will be on the left side of the road where possible and will usually be located at:

- the farm gate of the property for rural students
- the residential address for Education Support students
- a pre-determined bus stop where a number of families will access the bus, or
- the side of the road at the end of a spur.<sup>519</sup>

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515 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 16.

516 Submission 182c, Public Transport Authority, p. 4.

517 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 17.

518 *ibid.*, pp. 17 and 37.

519 *ibid.*, pp. 17-18.

In addition, the PTA advised to determine whether a requested bus stop is in an appropriate location it will consider whether it is:

- accessible and useable at all times of the year (presuming normal weather conditions)
- located on quiet sections of roads (in terms of predictable traffic use)
- allows space for all wheels of the bus normally used on the services to be off the road so that other vehicles can safely pass the parked bus
- not located on roads used regularly by heavy vehicles
- allows for clear visibility of traffic in both directions (ideally, 200m)
- preferably located on straight stretches of road
- preferably not located directly opposite another stopping location
- located on a type of surface (e.g. gravel, sealed) appropriate to the bus normally used on the service and normal weather conditions
- not located on highly cambered shoulders.<sup>520</sup>

Students must have their parent's or carer's authority to travel on a school bus.<sup>521</sup> Parents must be present at the bus stop and responsible for their pre-primary and primary school aged child until the bus departs in the morning, and must be present when the bus arrives in the afternoon.<sup>522</sup> A child cannot alight the bus if their parent or carer is not present to collect them. In these circumstances, the bus will wait a few minutes then depart.<sup>523</sup> The child will stay on the bus until the end of the run, and arrangements will be made for the parent or carer to collect the child.<sup>524</sup> There is no equivalent requirement stated in the Education Support section, although it stands to reason similar rules would apply.

If a child does not have approval to be on a bus, but is left at a stop without a parent or carer, the bus will pick up the child and transport them to school.<sup>525</sup> The bus operator, with assistance from SBS, will contact the parent or carer to ensure an application is lodged and eligibility is assessed.<sup>526</sup>

### **Key issues with bus stop locations and approval processes**

The evidence we received indicated two main areas of concern about bus stop locations. Firstly, families raised issues about the PTA's determination of where a bus stop should be located. Secondly, stakeholders highlighted concerns about the role of local government in relation to approving bus stop locations, and constructing bus stop locations. Both of these are discussed below.

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520 Submission 182b, Public Transport Authority, p. 2.

521 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 18.

522 *ibid.*

523 *ibid.*

524 *ibid.*

525 *ibid.*

526 *ibid.*

### **PTA's policy on determining bus stop locations is adequate**

Stakeholders associated with Education Support Facilities did not advise the Committee of any issues in relation to bus stop locations, likely because these students are generally picked up at their residence. However, some submitters in rural areas were unhappy with the process for approving and allocating bus stops. They noted:

- new farm gate stops are rarely approved, SBS seems to opt for joint stops where a number of families will access the bus.<sup>527</sup>
- families are denied gate stops if it is too close to an existing stop.<sup>528</sup>
- bus stops located large distances away from families' properties are inconvenient, and may affect the parent's ability to work, leading to parents seeking alternative school options.<sup>529</sup>
- children from one family who attend different schools can be assigned bus stops that are large distances apart (e.g. 35km) with buses departing within 15 minutes of each other.<sup>530</sup>
- SBS would not authorise a bus stop for a Complimentary Passenger whose parents had a newborn baby despite the bus driving right past the house.<sup>531</sup>
- Shared bus stops accommodating a number of students may also be unsafe due to multiple parents parking their vehicles, or student's bikes being locked-up, around the stop bus area.<sup>532</sup>

The PTA noted it will try to provide a farm gate bus stop whenever they can<sup>533</sup>; however, it may be more practical for a group of students residing within a 2.5km radius to use a common bus stop.<sup>534</sup> This provides a more efficient route, and will likely reduce bus travel times overall, so students have a shorter journey. The PTA also asks either Main Roads WA or the local government to approve the bus stop location.

Submitters proposed a number of changes to the determination of bus stop locations. One suggested all students should have a bus stop at their property gate as it is safer.<sup>535</sup> Another suggested children who live further away from the school should be given preference for a bus stop at their farm gate.<sup>536</sup> In contrast, some submitters suggested the distance between bus stops should be increased, as this will shorten journey times and therefore the amount of time children will spend on buses.<sup>537</sup>

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527 Submission 133, Sally Sprigg, p. 1.

528 Closed submission.

529 Submission 51, Name withheld, p. 3; Submission 101, Shire of Morawa, p. 2.

530 Submission 131, Kara Murphy, p. 1.

531 Submission 188, Regional Transit, p. 3.

532 Submission 179, Shepherdson Transport, p. 2.

533 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p. 13.

534 Submission 182a, Public Transport Authority, p. 1.

535 Submission 151, Philippa Gooding, p. 6.

536 Submission 113, Colin Tapper, p. 2.

537 Submission 41, Name withheld, p. 1; Submission 46, Chelsea Mott, p. 2.

The Committees notes stakeholders concerns about bus stop locations, and their general preference for a bus stop at their gate. However, we recognise SBS must consider a number of competing factors when determining an appropriate bus stop location. We do not recommend any changes to the factors the PTA takes into consideration in determining whether a bus stop is in an appropriate location. However, where issues arise, the PTA should heed advice from the local community, which may be delivered via an SBAC, as to whether a bus stop is appropriately located.

**Finding 54**

Whenever practical, School Bus Services will provide families with a farm gate bus stop. However, at times it is more efficient for a group of students residing within a 2.5km radius to use a common bus stop.

**Local governments need some clarity about their role in approving and constructing school bus stops**

When the PTA receives a request from a stakeholder for a new bus stop, it will generally need to ask Main Roads WA or the relevant local government to determine whether the stop is in an appropriate location.<sup>538</sup> Local governments have responsibility for evaluating the safety of bus stops for local rural and regional roads, with Main Roads WA having responsibility for assessment and approvals on major roads.<sup>539</sup> The Committee mainly heard concerns about the role of local governments in assessing the appropriateness of a bus stop location, so we do not consider the role of Main Roads WA further.

Upon identifying a new bus stop location, SBS will send through a request to the local government to assess the appropriateness of the bus stop. The request will show the size of the bus, the bus length, and include an aerial shot of the location. The local government will assess the stop location against the *Location and Design of Bus Stops and Turnarounds Guidelines* (Bus Stop Guidelines) to determine suitability.<sup>540</sup> If the local government determines the location to be suitable, the local government constructs the bus stop.<sup>541</sup>

Stakeholders raised a variety of concerns about this process. Local governments' primary concerns were the lack of guidance around the approval process, and the cost of constructing new stops and maintaining bus routes and roads to an appropriate standard. Other stakeholders raised issues with the involvement of local governments at all.

Although the PTA noted it will make the Bus Stop Guidelines available to Main Roads WA and local government as needed,<sup>542</sup> one local government representative was unaware the guidelines existed, and noted there was no particular assessment framework in place to determine if a bus stop location was suitable.<sup>543</sup> The Western Australian Local Government

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538 Submission 182a, Public Transport Authority, p. 2.

539 James McCabe, Regional Transit, BusWA, *Transcript of Hearing*, 30 May 2022, p. 14.

540 Submission 182c, Public Transport Authority, p. 5.

541 *ibid.*

542 *ibid.*

543 Closed briefing.

Association (WALGA) also noted the STAP does not provide any guidance on how or by whom a 'site suitable for the construction of a turnaround' is assessed.<sup>544</sup>

The cost of constructing approved bus stops, sometimes within a short time frame, generally falls to local governments<sup>545</sup> although we were advised by one submitter the construction cost was borne by the family of the student using the stop.<sup>546</sup> Local governments do not receive any funding to cover the cost of construction or maintenance, and this can be quite burdensome.<sup>547</sup>

If a local government cannot fund a bus pull area or turnaround, the PTA will pay the family a Conveyance Allowance to go to a pre-existing nearby bus stop.<sup>548</sup> One submitter argued that local governments should not be able to decline bus routes based on funding, as they 'have a duty to maintain adequate infrastructure to support the community, and access to education and employment'.<sup>549</sup> They considered local governments responsible for making budgetary provisions to install stops and turnarounds.<sup>550</sup>

Local governments also have responsibility to maintain their local road network to a reasonable standard to provide safe, comfortable travel.<sup>551</sup> Their maintenance policies and allocation of resources are determined by road usage, particularly for unsealed road.<sup>552</sup> However, submitters noted that if SBS does not consult local governments regarding bus routes, it can result in local governments having to redirect limited resources to ensure roads used are of an appropriate standard.<sup>553</sup> Local government submitters requested SBS engage with local governments prior to route changes.<sup>554</sup> They would also appreciate being provided with a list of bus stops in use, as well as maps of bus routes, to be able to maintain facilities appropriately.<sup>555</sup> When local governments have previously requested this information from SBS, SBS has referred them to Landgate.<sup>556</sup> Local governments considered it would be helpful for SBS to notify them of changes to enable them to 'ensure that the maintenance and management strategies for those roads are appropriate to the changed needs'.<sup>557</sup>

Some submitters were content with the role of local governments in assessing, constructing and maintaining bus stops, turnarounds and bus routes<sup>558</sup>, suggesting the assessment

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544 Submission 114, Western Australian Local Government Association, p. 7.

545 Submission 182c, Public Transport Authority, p. 5.

546 Submission 200, Nat Muir, p. 5.

547 Closed briefing.

548 Submission 182a, Public Transport Authority, p. 1.

549 Closed submission.

550 Closed submission.

551 Submission 182a, Public Transport Authority, p. 1; Closed briefing.

552 Submission 114, Western Australian Local Government Association, p. 7; Submission 101, Shire of Morawa, p. 2.

553 Submission 101, Shire of Morawa, p. 2.

554 *ibid.*

555 Closed briefing.

556 Closed briefing.

557 Submission 114, Western Australian Local Government Association, p. 8.

558 Submission 200, Nat Muir, pp. 4-5.

process works well as local government staff have good knowledge of local roads and are available to discuss matters when required<sup>559</sup>, others were less pleased. Submitters noted:

- Local government should not be the primary stakeholder in the determination of stops and routes as they give little consideration to the impact on families.<sup>560</sup>
- Local government's main focus when assessing bus stop location is on the safety of heavy vehicles using the route, rather than the school bus route, which restricts the location of bus stops.<sup>561</sup>
- SBS and their local government provided conflicting advice regarding who had responsibility for approving and maintaining the bus stop.<sup>562</sup>

The Committee is concerned with the lack of published guidance on how bus stop locations are assessed and approved. The PTA should provide all local governments with relevant guidance on the safety requirements of bus stops and the roles and responsibilities for assessing bus stops. Further, there should be published guidance outlining the funding obligations for bus stop construction and maintenance.

**Finding 55**

Local Governments have responsibility for evaluating the safety of bus stops for local rural and regional roads. However, the *Student Transport Assistance Policy and Operational Guidelines* does not provide guidance on how safety is to be assessed.

**Finding 56**

Local government authorities do not receive any specific funding to cover the cost of school bus stop construction or maintenance.

**Recommendation 23**

The Minister for Transport should ensure the Public Transport Authority provides all local government authorities with relevant guidance on the safety requirements of bus stops and the roles and responsibilities for assessing them.

**Recommendation 24**

The Minister for Transport should ensure the Public Transport Authority clarifies with local governments their obligations for bus stop construction and maintenance.

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559 Submission 152, Name withheld, p. 1.

560 Submission 51, Name withheld, p. 3.

561 Submission 179, Shepherdson Transport, p. 2.

562 Submission 120, Aliesha Normington, p. 1.

## Chapter 7

### Contracting arrangements are contentious

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**Ensuring security of contracts and livelihoods is the most important issue to contractors across Western Australia.**

BusWA, Submission 202

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Throughout this inquiry, the Committee sought to understand what school bus stakeholders considered to be the hallmarks of a good contract. It quickly became apparent that different stakeholders sought different contract features. The Public Transport Authority (PTA) favours competition in procurement, suggesting it will lead to value for money outcomes, a key principle of State Government procurement policy. Contractors want security of tenure, suggesting contracts that continue in perpetuity provide greater certainty for contractors, which will lead to greater investment in regional economies and a safer service. Bus drivers, who may receive vastly different wages depending on the type of contract they are employed under, want fair wages for work done.

Stakeholders agreed that they all want a consistent approach to contracting arrangements for school bus services. With this in mind, the Committee considered the arguments put forward by various stakeholders in favour of their preferred contract features – competition, security, fairness and consistency. We also looked at the Western Australian Procurement Rules, and the extent to which these should influence the contracting arrangements for school bus services. We have made recommendations for how we believe school bus services contracting arrangements could be improved.

The Committee also sought to address some of stakeholders' concerns about contractual and administrative requirements. In particular, the Temporary Distance Variation calculation, contractual compliance, safety and compliance audits, and incident and emergency management plans.

Most importantly, a good working relationship must underpin all contracting arrangements. Concerningly, the relationship between School Bus Services (SBS) and many contractors appears to have been deteriorating in recent years. We discuss stakeholders' suggestions about what has led to this relationship breakdown, and make suggestions about how improved communication may assist SBS and contractors to get their relationships back on track to work together to provide a highly valued service.

#### **The evolution of school bus contracting arrangements**

The issues stakeholders raised in submissions to this inquiry are not new. Several inquiries over the past 40 years (see Appendix Three) have considered these issues, ranging from contract tenure to contractor remuneration. The positions and arguments put forward by

stakeholders in this inquiry are largely consistent with those of previous inquiries. These historical reviews have influenced contracting arrangement over time.

In 1981, the Transport Commission conducted a detailed review of the school bus contracting system. Contracting arrangements in the lead up to the review involved contracts being tendered based on the projected need for the next five years. Tenderers would state the daily remuneration sought. The successful tenderer would enter into an agreement with the Minister for Education that the tendered costs could be adjusted in accordance with an index rate schedule, known as the 'standard rate'.<sup>563</sup> This type of contracting arrangement became known as the Standard Rate Model (SRM).

Although contracts didn't exist in perpetuity, the Education Department preferred renegotiating contracts rather than calling for a fresh tender. As a general rule, contracts were automatically renewed at the completion of the five-year term. This opportunity for renegotiation resulted in the 'standard rate' effectively becoming the rate setter, with 95% of contracts remunerating at or above the 'standard rate', and many examples of contracts being renewed repeatedly.<sup>564</sup>

The Transport Commission's review recommended the introduction of a fully tendered system to improve cost efficiency, or alternatively, that the 'standard rate' be revised to eliminate undesirable features. It is unclear what changes were made to the contracting arrangements following the Transport Commission's review; however, the SRM continued in some form until 2002.

In 2000, the Shanahan Review recommended a shift from the SRM, which it considered flawed, to a Composite Rate Model. It also considered the in perpetuity nature of contracts, a feature that had been formalised in 1994 following agreement between the Minister for Education and the WA Road Transport Association, was inappropriate. It preferred an approach introduced in 1995<sup>565</sup>, where school bus contracts were publicly tendered and awarded on a 'life of bus' basis.<sup>566</sup>

A further review to determine the best contracting arrangements was conducted in 2002. This review examined the features of the SRM and the proposed 'composite rate'. The review supported the 'composite rate', provided no contractor would be worse off. It also favoured shifting away from in perpetuity contracts, recommending these contracts be discontinued and replaced with contracts of between 20 and 30 years' duration, depending on the size of the bus, to allow contractors to recoup amounts paid for the goodwill associated with purchasing in perpetuity contracts.<sup>567</sup>

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563 Transport Commission, *Review of the School Bus Contract System*, Western Australia, November 1981, p. 1.

564 *ibid.*, p. 6.

565 Economic Regulation Authority, *Final Report: Inquiry on School Bus Operators' Charter Bus Operations*, Western Australia, 2007, p. 6.

566 Sinclair Knight Merz, *School Bus Rate Renegotiation – Final Report*, Western Australia, October 2000, p. 8.

567 School Bus Task Force, *School Bus Task Force Report*, Western Australia, April 2002, p. 78.



Between 2002 and 2004 a new Composite Rate Model (CRM) contract was developed, with a generous return on investment rate, an increase in minimum driving hours, an exit payment if contracts were terminated, and the ability for contractors to hand back their contract and receive an exit payment if the bus route distance dropped by more than 50%.<sup>568</sup> All existing SRM contracts were converted to CRM contracts.<sup>569</sup>

In 2011, an Independent Review Panel reviewed the CRM (Lowe Review). It found although some contractors may have suffered a real loss of future income, the long contract period and absence of tendering provided a reasonable degree of compensation. It recommended the Government continue its transition to tendering of school bus contracts.<sup>570</sup>

Despite the findings of the Lowe Review, in 2012 the State Government established the School Bus Contract Advisory Committee, whose purpose it was to reinstate contractor confidence by reintroducing security of tenure or 'evergreen' contract terms, along with a simpler contract framework and the introduction of key performance indicators. The Evergreen Contract Model (ECM) was finalised by December of that year.<sup>571</sup> All 687 CRM contracts were transitioned to ECM contracts on 1 July 2013.<sup>572</sup>

In 2017, the Minister for Transport determined that ECM contracts were a departure from State Supply Commission (SSC) guidelines and would no longer be offered. Existing ECM contracts would continue, but all new contracts would be tendered 'life of bus' contracts, known as the Tendered Contract Model (TCM).<sup>573</sup>

### The current contracting arrangements

In 2020-21, the SBS network consisted of 810 contract buses transporting students to mainstream schools, and 157 services transporting students to Education Support Facilities. All contracted school buses are operated by private contractors. Table 7.1 sets out the different types of contracts which currently operate.

**Table 7.1: Types and number of school bus services contracts**

Name	Number of contracts and services	Key Features
Evergreen Contract Model	673 contracts providing 673 services	The contract will automatically roll over every five years, providing key performance indicators (KPI) are met and the service is needed. The KPIs, in theory, provide a framework to ensure contractor compliance and performance in the absence of tendering. If KPIs are not met, contractors will receive demerit points. If sufficient demerit points are accrued the contract will be terminated.

568 Submission 182, Public Transport Authority, p. 6.

569 Economic Regulation Authority, *Final Report: Inquiry on School Bus Operators' Charter Bus Operations*, Perth, Western Australia, 2007, p. 7.

570 Independent Review Panel, *Independent Review Panel Report - School Bus Services Composite Rate Model (CRM) Contract*, Western Australia, November 2011, p. 38.

571 School Bus Contract Advisory Committee, *Contract for Provision of School Bus Service - Evergreen Contract*, Public Transport Authority, Western Australia, 14 December 2012, p. 1.

572 Submission 182, Public Transport Authority, p. 6.

573 Submission 202, BusWA, p. 33.

		This contract was introduced in 2012, but its in perpetuity nature was a feature of contracts before 2002.
Tendered Contract Model	37 contracts providing 37 services	Introduced in 2017, contracts are competitively tendered, and awarded for the life of the bus, generally between 12 and 17 years. Contracts do not contain a demerit point system, but contractual compliance is audited. <sup>574</sup>
Tendered Cluster Contract Model	1 contract providing 21 services	Similar to the Tendered Contract Model, this type of contract has one contract providing multiple services.
Fixed-term contracts	148 contracts providing 148 services	Fixed-term contracts, also referred to as short-term contracts, are awarded for between 1 and 15 years. These contracts are normally tendered when the PTA need a bus route for a short time, or are yet to determine whether a bus route will be needed on a permanent basis.
Composite Rate Model	1 contract providing 1 service	The CRM was introduced around 2002, and continued until the introduction of the ECM in 2012. When introduced, the CRM were to run for between 20 and 30 years, depending on the size of the bus. The remaining contract has a portion of this period left.

Note: The Department of Education also administers some contracts. These fall outside of the scope of this inquiry.

Source: Submission 182, Public Transport Authority, p. 8.

## Stakeholders have major concerns about current contracting arrangements

Many of the inquiry's stakeholders raised concerns about the current contracting arrangements, and primarily the Minister for Transport's 2017 decision to move away from ECM contracts in favour of TCM contracts. While the State Government views TCM contracts as more competitive and consistent with government policy, most contractors are unhappy with the new model, favouring the security afforded to them under the in perpetuity nature of the ECM. These issues, and more, are discussed below.

### The State Government has shifted to a Tendered Contract Model...

The State Government's 2017 decision to transition away from ECM contracts in favour of TCM contracts was made 'to ensure market contestability for new fixed term contracts and value for money for Government.'<sup>575</sup> Under the TCM, contracts are competitively tendered, although will be awarded for the 'life of bus'<sup>576</sup>, which can be up to 17 years depending on the size of the bus. This is quite a long time, as government service contracts are generally awarded for up to five years.<sup>577</sup>

Procurement by State Government agencies is governed by the *Procurement Act 2020* and the Western Australian Procurement Rules, which replaced the SSC's procurement

574 Submission 178, Dennis Sutton, p. 4.

575 Submission 137, Hon Martin Aldridge, MLC, Member for the Agricultural Region, p. 2.

576 *ibid.*

577 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 25 February 2022, p. 2.

guidelines. Under the WAPR, agencies must meet minimum competitive requirements when undertaking procurement activities. If a school bus service contract was expected to cost less than \$50,000 it can be directly sourced. Between \$50,000 and \$250,000, the PTA must approach more than one, but not necessarily all, potential suppliers. Above \$250,000, the PTA must openly advertise the contract to all suppliers.<sup>578</sup> These rules apply unless an exemption applies or is granted.

The majority of bus contractors are not in favour of the TCM.<sup>579</sup> They argued that to be more competitive in a TCM tender process they will have to purchase cheaper, internationally manufactured buses.<sup>580</sup> This, bus contractors argued, is inconsistent with State Government procurement policies such as the *Buy Local Policy 2022*.<sup>581</sup> Contractors also noted that this outcome is inconsistent with procurement activities of other areas within the PTA. For example, the Department of Transport awarded a contract for 900 new buses over 10 years to Volvo, with the bus bodies to be manufactured in Malaga.<sup>582</sup> BusWA questioned how many Australia-made buses had won TCM contracts.<sup>583</sup>

According to bus contractors, buses purchased under TCM are cheaper and bus maintenance and therefore the safety of passengers may be compromised.<sup>584</sup> One witness noted that tenders are often handed back because the bus contractor tendered with an inappropriate (cheaper) vehicle that is not suitable for Western Australian roads.<sup>585</sup> Stakeholders also suggested, for reasons discussed below, that driver wages are likely to be significantly lower under TCM contracts than under ECM contracts.<sup>586</sup> They argue this may lead to less experienced drivers, and lower driver standards, further risking passenger safety.<sup>587</sup>

In response, the PTA noted it does not require contractors to purchase a specific brand of bus under the TCM as this would be anti-competitive. For the PTA, any bus that meets Australian design standards and can be operated on Australian roads will be acceptable.<sup>588</sup>

BusWA also suggested it will be more difficult to find businesses to tender for contracts in smaller and remote areas.<sup>589</sup> One submitter argued tendering may disadvantage local and smaller contractors as larger companies may be better placed to win tenders due to receiving discounts on costs such as insurance and petrol due to bulk buying capacity.<sup>590</sup>

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578 Department of Finance, *Western Australian Procurement Rules*, Government of Western Australia, 1 June 2021, pp. 15, 37.

579 For example: Submission 202, BusWA, pp. 33-36; Submission 200, Nat Muir, p. 7; Submission 188, Regional Transit, p. 1.

580 Submission 190, Ian Harrower, p. 4; Submission 196, Swanhaven Pty Ltd, p. 2.

581 Submission 137, Hon Martin Aldridge, MLC, Member for the Agricultural Region, p. 2.

582 Ben Doolan, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 17.

583 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 25 February 2022, p. 7.

584 Submission 193, Australian Transit Group, p. 3; Submission 179, Shepherdson Transport, p. 3.

585 Ben Doolan, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 4.

586 Submission 137, Hon Martin Aldridge, MLC, Member for the Agricultural Region, p. 3; Submission 193, Australian Transit Group, p. 3.

587 Submission 179, Shepherdson Transport, p. 3; Submission 187, Rod and Nikki Carthew; Graham and Meryl Carthew, p. 2.

588 Martin White, Executive Director, Transport System, Regional Town and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 20.

589 John Ditchburn, General Manager, BusWA, *Transcript of Evidence*, 30 May 2022, pp. 3-4.

590 Closed submission.

Larger companies may also be more likely to undertake charter work to offset running cost, whereas smaller companies are less likely to do so due to the administrative burden of the Temporary Distance Variation requirements (discussed below).<sup>591</sup>

The PTA disagrees, it suggested tendering opens up the school bus services market to new contractors. The PTA advised the Committee that, of the 185 fixed and short term contracts tendered during 2020-21, approximately 44% were awarded to small business operators.<sup>592</sup>

*'...the only way that a school bus operator can enter the school bus market with an evergreen contract is to purchase the contract, as it is not tendered.'*

*- John Bailly, Public Transport Authority*

The Committee acknowledges the concerns of bus contractors with respect to tendered contracts, in particular the potential for less expensive, foreign manufactured buses being used to make a tender bid more competitive. However, although contractors suggested the TCM is inconsistent with State Government procurement policy, in particular the *Buy Local Policy 2022* (discussed further below), we consider its competitive nature makes it more consistent with the overall WAPR than the contractors' preferred ECM contracting method. Further, the WAPR do not apply to bus contractors if they choose to sell their ECM contract, so this sale does not need to have regard to the principles of the *Buy Local Policy 2022*.

**Finding 57**

Competitive tendering of bus contracts is generally consistent with the Western Australia Procurement Rules.

***Some tendering practices could be improved***

In addition to overall concerns about the TCM, some witnesses raised issues with the tender process itself. For example, some smaller, local contractors advised that they were not invited to participate in the tender process, suggesting invitations to tender can be selective.<sup>593</sup> In one case, the incumbent TCM contractor was not invited to re-tender for the contract, which was then awarded to another contractor.<sup>594</sup> While there may be legitimate reasons for tendering by invitation only, such as an awareness of the contractors in an area who would have capacity to tender for a new contract, these reasons may not be clear to other interested parties who may feel excluded from potential work.

Further, even if information about new or concluding tenders is available on the TendersWA website, stakeholders advised that many smaller businesses find that website difficult to navigate.<sup>595</sup> It may be difficult for these potential tenderers to identify upcoming opportunities if they are not aware of which contracts are coming to an end.<sup>596</sup>

<sup>591</sup> Closed submission.

<sup>592</sup> Submission 182c, Public Transport Authority, p. 8.

<sup>593</sup> Closed transcript.

<sup>594</sup> Submission 181, Name withheld p. 1.

<sup>595</sup> Closed submission.

<sup>596</sup> Closed transcript.

Witnesses advised the PTA's practice of 'batch' tendering, combining multiple contracts in the one call for tender, may limit the involvement of local, often smaller contractors.<sup>597</sup> While smaller contractors may have been interested in tendering for fewer contracts, they may not have sufficient capacity within their business to take on a larger number of contracts.<sup>598</sup> While the PTA may 'batch' tenders for efficiency, it may also decrease competitiveness by limiting the number of bus contractors to those large enough to participate.

One contractor complained of mistakes by PTA Contract Officers in the tender process, such as losing one tenderer's submission.<sup>599</sup> Another accused the PTA of making nonsensical decisions, such as their not winning a tender because vehicle registration numbers were not included, despite this being because the vehicles were newly purchased for the tender and their registration numbers were not available at that time.<sup>600</sup>

The Committee didn't see evidence of systemic failures in the PTA's tendering processes. However, there was some evidence of administrative errors which may contribute to perceived flaws in tendering practices. These errors may have contributed to a deterioration in the relationship between the PTA and bus contractors. We hope that procurement specialists within the PTA work towards improving their processes and ensuring they provide professional procurement at all times.

**Finding 58**

Some of the Public Transport Authority's practices may limit the involvement of smaller contractors in tendering processes.

**Finding 59**

Administrative errors in the Public Transport Authority's tendering processes may have contributed to a deterioration in the relationship between the Authority and school bus contractors.

**...and wants changes to contractor remuneration under the ECM contract**

In addition to supporting the TCM, the PTA also suggested cost savings could be generated through changing how fixed costs are reimbursed, and how the 'return on investment' is calculated, under the ECM. These are discussed below.

***The PTA should investigate whether to continue to reimburse bus contractors for all of their fixed costs***

Under the ECM contract, the PTA remunerates school bus contractors for all fixed cost components associated with operating their school bus, even if contractors undertake

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597 John Ditchburn, General Manager, BusWA, *Transcript of Evidence*, 30 May 2022, p. 2.

598 *ibid.*, pp. 3-4.

599 Submission 193, Australian Transit Group, p. 6.

600 *ibid.*, p. 7.

charter work which generates additional revenue.<sup>601</sup> These costs include administration, depreciation, registration, insurance and garaging.

The PTA proposed fixed costs should be apportioned based on the revenue generated by the bus asset, noting the amount of charter work contractors undertake can be significant.<sup>602</sup> In 2020-21, the total value of fixed costs was \$21 million. If 10% of contractors' revenue was generated by charter work, apportioning fixed costs could save the government \$2.1 million.<sup>603</sup>

In 2007, the Economic Regulation Authority (ERA) investigated to what extent school bus contractors undertook charter work. It found, on the whole, the amount of charter work school bus contractors undertook was not enough to affect the commercial charter industry.<sup>604</sup> Submitters to that review asserted that less than 1% of contractors were undertaking a substantial amount of charter work, with most operators doing either no or only a few commercial charter jobs each year.<sup>605</sup>

Although the review was not specifically looking into whether the government is effectively subsidising school bus contractors' charter operations, it noted:

'The decision on how fixed costs of school buses are allocated between different groups is essentially one for government social policy. Under current arrangements, school bus fixed costs are covered by government, to the benefit of customers of school bus charter services (including schools and community groups) who pay lower prices. Alternative arrangements might involve transferring some of the allocation of fixed costs of school buses from government to the customers of school bus charters. This would advantage commercial operators who could compete more effectively with school buses, but would be to the detriment of school bus charter customers, who would pay higher prices. However, in the absence of substantial problems with competition in the charter industry, the Authority is of the view that such a transfer of costs would not be justified.'<sup>606</sup>

Although it has now been 15 years since the review was conducted, BusWA suggested operational, economic, and societal factors have not changed over this time.<sup>607</sup> BusWA acknowledged the PTA should only reimburse contractors for the costs incurred in providing school bus services and community bus service<sup>608</sup>, although the Committee notes it is not a given that the PTA should pay the costs of community bus services. Yet BusWA members say they undertake minimal charter work outside of school hours.<sup>609</sup> They add that the charter work that they do is almost exclusively for school and community groups, and provided as a community service rather than for commercial gain. As such, BusWA disagreed with the

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601 Submission 182, Public Transport Authority, p. 9.

602 *ibid.*

603 *ibid.*, pp. 9-10.

604 Economic Regulation Authority, *Final Report: Inquiry on School Bus Operators' Charter Bus Operations*, Perth, Western Australia, 2007, p. 1.

605 *ibid.*, p. 11.

606 *ibid.*, p. 16.

607 Submission 202a, BusWA, p. 2.

608 *ibid.*

609 Submission 202a, BusWA, p. 2.

apportionment of fixed costs, noting the government paying the entirety of fixed costs allows bus contractors to charge reduced rates, benefitting the community.<sup>610</sup>

To calculate the proportion of charter work, the PTA proposed using annual odometer readings, less the known distance travelled by the bus on its school run, and less an allowance for operational requirements such as fuelling, servicing and repairs.<sup>611</sup> BusWA did not have the opportunity to comment on this proposed method, but claimed using the Temporary Distance Variation calculation (discussed below) to estimate the amount of charter work would lead to the amount being overestimated due to the spreadsheet's set up.<sup>612</sup>

The quantity of charter work contractors undertake has been describe in vague terms, and no doubt varies significantly between contractors and regions. While we agree with the outcome of the ERA's review, it is now 15 years old and we know the school bus industry has been affected by multiple contract arrangement changes, as well as the changing rural demographics. Without specific records to quantify charter work, it is difficult to know whether the volume of charter work warrants attempts by the PTA to gain back a portion of fixed costs.

We suggest the PTA collects information from a representative sample of contractors to determine the proportion of revenue generated by charter work. The information should include not only an estimate of charter work based on kilometres driven, but also actual revenue generated by charter work, and the nature of those chartering school buses, for example whether they are schools or community organisations.

If assertions that school bus contractors perform limited charter work, mostly for community organisations, are accurate, we support the conclusions of the ERA's review. However, if contractors are generating a material proportion of their revenue from commercial charter work, the PTA should investigate amending the ECM contract to allow for fixed costs to be apportioned.

**Finding 60**

The Public Transport Authority currently reimburses school bus contractors for all of their fixed costs, regardless of whether the contractors are generating revenue from engaging in bus charters.

**Finding 61**

It is unclear how much charter work most bus contractors engage in.

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610 Submission 202a, BusWA, p. 2.

611 Submission 182, Public Transport Authority, p. 9.

612 Submission 202a, BusWA, p. 5.

### Recommendation 25

The Minister for Transport should ensure the Public Transport Authority, in consultation with BusWA, determines the amount of charter work school bus contractors engage in, and who the charter work is being done for, by surveying a representative sample of school bus contractors.

If school bus contractors are generating a material amount of revenue from non-school and non-community organisations charter work, the Public Transport Authority should investigate options to apportion the amount of fixed costs it pays to school bus contractors, in consultation with BusWA.

### ***Changing the return on investment calculation would be complex***

Under the ECM contract a school bus contractor will receive a fortnightly return on investment (ROI) payment based on the purchase price of capital i.e. the school bus.<sup>613</sup> The PTA suggested changes could be made to the current capital payment structure to improve competitiveness.<sup>614</sup>

The fortnightly ROI payment is 10.5% of the replacement value of the bus, which is the purchase price a contractor would pay if they had to replace the bus. As the replacement purchase price increases yearly, so does the ROI payment. The PTA estimates that the average yearly ROI payment is 12.9% of the actual amount paid for the bus (not the replacement value), based on a 17 year bus life.<sup>615</sup>

The 10.5% rate was introduced in 2003, following a review by PricewaterhouseCoopers (PwC). PwC calculated an appropriate ROI rate would be 9.0%; government and school bus industry negotiations agreed to an higher rate of 10.5%.<sup>616</sup> The ERA considered the appropriateness of the rate of return in 2007. It looked at the rate of return a school bus contractor would need to cover the cost of providing the services, and to what asset base the rate of return be should be applied.<sup>617</sup>

To determine the appropriate ROI rate and asset base value, the ERA considered many factors, including how rates of return are calculated in similar situations, debt to equity ratios, and the level of risk involved in being a school bus contractor.<sup>618</sup> The ERA determined an appropriate real pre-tax rate of return would be 9.6%.<sup>619</sup> However, the rate of return under the then school bus contract model, the CRM, remained at 10.5%. The ERA also determined the appropriate asset base value should be the historical value of the bus, rather than the replacement value of the bus.<sup>620</sup> However, under the ECM the ROI is calculated on the replacement value of the bus.

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613 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 26 November 2021 p. 2.

614 Submission 182, Public Transport Authority, p. 11.

615 Submission 182, Public Transport Authority, p. 11.

616 Economic Regulation Authority, *Final Report: Inquiry on School Bus Operators' Charter Bus Operations*, Western Australia, 2007, p. 23.

617 *ibid.*, p. 22.

618 *ibid.*, p. 23.

619 *ibid.*, pp. 27-28.

620 *ibid.*, pp. 29-30.



BusWA noted the ROI had been reviewed by the ERA. They advised that various negotiations have resulted in a complex system of cost reimbursement together with an ROI amount.<sup>621</sup> They suggested changing one part of contractors' remuneration should not be made without detailed consideration of other parts of the model and the overall impact on businesses and livelihoods of contractors. They also advised ECM remuneration does not include a profit component or margin; most other remuneration components are effectively 'passed through'. Therefore, without adequate ROI, margins derived by contractors are minimal.<sup>622</sup>

The Committee agrees the determination of an appropriate ROI is a complicated endeavour, and is beyond our expertise to undertake as part of this inquiry. Given the recommended changes to contractual arrangements we make as part of this inquiry, which will likely take time to implement and settle, we think now is not the appropriate time to review ROI further. If our recommendations about ECM contracts are not implemented the PTA should consider undertaking a separate review to determine an appropriate ROI.

**Finding 62**

The Return on Investment calculation should not be changed at this time.

**Contractors want security of tenure**

Under the ECM model, contracts automatically rollover every five years, unless a contractor fails to meet the contract's Key Performance Indicators (KPI), or the contract is terminated as the bus route is no longer required.<sup>623</sup> As a result, contractors may hold onto a contract for a very long time, passing it down through generations within a family, or selling it on to other contractors. Contracts are effectively awarded in perpetuity. Contracts which exist in perpetuity may be valued more highly than contracts of defined length, and those who sell these contracts may do so at a higher price, including an amount for 'goodwill' knowing the returns on investment are relatively secure.<sup>624</sup>

Since 2003, only 42 ECM contracts have been terminated, including 17 ECM contracts terminated since 2017.<sup>625</sup> We note this recent figure is likely inflated as no contracts were terminated between the transition to the ECM contract in 2013 and the change of government in 2017.<sup>626</sup>

Bus contractors considered ECM contracts, effectively awarded in perpetuity, provide security, stability and certainty to contractors, students and the community, and allow contractors to financially manage the factors involved in running the service.<sup>627</sup>

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621 Submission 202a, BusWA, pp. 6-7.

622 *ibid.*

623 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 2.

624 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 3.

625 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 8.

626 *ibid.*

627 Submission 188, Regional Transit, p. 1; Submission 137, Hon Martin Aldridge, MLC, Member for the Agricultural Region, p. 2.

Bus contractors suggested the ECM contract enables them to provide a safer service, which is one of their main priorities.<sup>628</sup> Under the ECM, the PTA reimburses the contractor for the cost of the bus asset by way of a yearly depreciation payment.<sup>629</sup> As payments are made over the life of the bus, up to 17 years, contractors will not be fully reimbursed if the contract is terminated before the bus reaches the end of its life.<sup>630</sup> Contractors argue the security afforded by the in perpetuity nature of the ECM contract makes them more confident to purchase a better quality, and often more expensive, bus and bus parts, knowing they will be able to recoup the cost of the bus asset over the contract.<sup>631</sup> Better quality buses will have a longer lifespan, meaning they are able to operate safely for longer. Contractors are concerned that some foreign manufactured buses do not have sufficiently long lifespans, and will not be able to operate safely in their later years of service.<sup>632</sup> They note that some of these buses are currently in operation, but as they are only in their first few years of service, it remains unclear how they will perform long term.<sup>633</sup> However, bus contractors anticipate higher than expected repair and maintenance costs in the later years of the buses' service lives.<sup>634</sup>

Further, contractors argue the certainty provided by the ECM contract may benefit local transport industries. Many bus contractors believe Australian-made buses are often of better quality, safer, and more suitable to Western Australian road conditions<sup>635</sup>; contractors will preferentially purchase them if they are certain they will be sufficiently reimbursed for the purchase price through the ECM contract.

However, the security of tenure afforded by the ECM has not encouraged all contractors to purchase more expensive, locally made buses. The PTA estimated there are approximately 60 ECM contracts using buses built in China<sup>636</sup>, this accounts for around 9% of ECM contracts. The Committee did not receive a complete breakdown of the origin of buses in operation under ECM contracts, so is not aware from where the majority of buses are sourced. The PTA suggested contractors buy cheaper buses as they intend to sell the ECM contract and do not want to spend too much financing a more expensive bus.<sup>637</sup> A less expensive bus will be less burdensome on their business's financial arrangements.<sup>638</sup>

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628 Submission 188, Regional Transit, p. 10; Kim Rule, Rules Bus Service, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 10.

629 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 5.

630 *ibid.*

631 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 25 February 2022, p. 7.

632 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, pp. 4-5.

633 James McCabe, Regional Transit, BusWA: Bus Contractors, *Transcript of Evidence*, 30 May 2022, p. 5.

634 *ibid.*

635 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 30 May 2022, p. 7; Submission 188, Regional Transit, p. 2, Submission 190, Ian Harrower, p. 4.

636 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 21.

637 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 21.

638 *ibid.*

We also note bus contractors receive more remuneration when they purchase more expensive buses. As discussed above, contractors' ROI remuneration is calculated on the replacement value of the bus. The more expensive the bus, the higher the contractor's remuneration, in dollar terms.<sup>639</sup>

The PTA argued ECM contracts are uncompetitive, as they exist in perpetuity, and also the ROI contractors receive under the contracts is too high (discussed above). Many ECM contracts have never been competitively tendered, and have either been continuously held by one contractor, passed down through a family, or sold to the contractor's choice of purchaser without regard for government procurement policies.<sup>640</sup> As such, ECM contracts lock other businesses out of the market for a very long time.<sup>641</sup> Several previous school bus service contract reviews have also commented on the uncompetitive nature of the ECM.

In 1995, the SSC, the government organisation created by the *State Supply Commission Act 1991* that set the framework for goods and services procurement<sup>642</sup>, reviewed the contracting methodology for school bus contracts and found that 'it was potentially anti-competitive and did not meet the Government's principles on value for money'.<sup>643</sup> Although the type of the contract being referred to in the review, the SRM, no longer exists, it was similar to the ECM as it also rolled over every five years, providing certain criteria were met. 'Although the contracts were issued for a defined period, custom and practice had been simply to grant a roll-over to current contractors.'<sup>644</sup>

Following this review, SRM school bus contracts already in place were rolled over, but new contracts were competitively tendered for a fixed period, usually the life of the bus. Once the fixed period ended, contracts were retendered.<sup>645</sup>

In 2004, following the School Bus Task Force report (Guise Review), SRM contracts held in perpetuity were replaced with CRM contracts. The SSC waived its requirement for tendering so that the CRM contracts could be awarded to the incumbent contractor for between 20 and 30 years, depending on the size of the bus. This duration was to allow contractors to recoup the goodwill amount they have paid to purchase an SRM contract<sup>646</sup>, although many of the SRM contracts were still held by their original owner so had not paid an amount for goodwill.<sup>647</sup> The requirement for public tender was waived on the condition that, once the

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639 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 30 May 2022, p. 7.

640 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, pp. 10-11; John Ditchburn, General Manager, BusWA, *Transcript of Evidence*, 30 May 2022, p. 2.

641 Closed transcript.

642 Department of Jobs, Tourism, Science and Innovation, *Western Australian Buy Local Policy 2020*, 2020, p. 4.

643 Economic Regulation Authority, *Final Report: Inquiry on School Bus Operators' Charter Bus Operations*, Western Australia, 2007, p. 6.

644 Independent Review Panel, *Independent Review Panel Report - School Bus Services Composite Rate Model (CRM) Contract*, Western Australia, November 2011, p. 8.

645 Economic Regulation Authority, *Final Report: Inquiry on School Bus Operators' Charter Bus Operations*, Western Australia, 2007, p. 6.

646 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 30 May 2022, p. 2.

647 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 30 May 2022, p. 2.

CRM contracts expired, they would need to comply with SSC policies and be tendered.<sup>648</sup> This did not occur, as the majority of CRM contracts were transitioned to the ECM when it was introduced in 2012.

One submission suggested that although the ECM may not meet SSC's guidelines, which have now been replaced by the *Procurement Act 2020*, compliance with these guidelines may not be the best option for the industry.<sup>649</sup> Some stakeholders argue the unique nature of the school bus industry, including its size and operation across vast distances on comparatively limited days, may justify a departure from normal government procurement policies.<sup>650</sup>

School bus service contracts have varying durations between jurisdictions across the country. In Queensland, Prescribed School Service Contracts, with remuneration based on kilometres travelled, have a seven-year term.<sup>651</sup> Contracts as part of New South Wales' Assisted School Travel Program initially had one-year terms, but in 2019 the managing department extended the standard contract until December 2023.<sup>652</sup> Contractors also advised that in at least one state, the incumbent contractor has the right of refusal on a new contract when their existing contract is ending and due to be retendered.<sup>653</sup>

Victoria appears to have the most similar arrangements to WA. The whole school bus industry works under the same contract terms, similar to the ECM, which are renegotiated every ten years, after which the contract will continue for another ten years.<sup>654</sup> Contractors also noted that if a service is no longer required in an area, it is the newest contract in that area that will be terminated.<sup>655</sup> In this way, contracts that have been around longer will be more secure. This adds to the 'goodwill' component of the contract, should contractors want to sell.<sup>656</sup>

In South Australia, there is no equivalent to the ECM. Contracts are tendered for seven years, with two options to renew the contract for a further four years.<sup>657</sup> Bus contractors, who support the ECM, suggested the South Australia industry has the poorest quality vehicles, and the poorest service record<sup>658</sup>, however the Committee received no firm evidence to support this assertion.

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648 Independent Review Panel, *Independent Review Panel Report - School Bus Services Composite Rate Model (CRM) Contract*, Western Australia, November 2011, p. 8.

649 Submission 200, Nat Muir, p. 6.

650 For example: Raymond Gannaway, Immediate Past Chairman, and Ben Doolan, Australian Transit Group, BusWA, *Transcript of Evidence*, 25 February 2022, pp. 3-5; Submission 198, Ivo Grubelich, p. 1; Submission 199, Name Withheld, p. 1; Submission 200, Nat Muir, p. 6.

651 Closed submission.

652 Closed submission.

653 Ben Doolan, Chief Executive Officer, Australian Transit Group, Bus WA, *Transcript of Evidence*, 25 February 2022, p. 9.

654 Kim Rule, Rules Bus Service, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 9.

655 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 25 February 2022, p. 10.

656 *ibid.*

657 Closed submission.

658 Ben Doolan, Chief Executive Officer, Australian Transit Group, Bus WA, *Transcript of Evidence*, 25 February 2022, p. 9.

The Committee agrees that ECM contracts afford contractors' security due to its in perpetuity nature, and may contribute to more locally based contractors. However, decades of reviews have found this contracting model to be uncompetitive and have recommended it be changed, which did happen in one case, only for it to then be reversed.

#### **Finding 63**

School bus contractors prefer long-term or in perpetuity contracts.

#### ***Contractors are in favour of contract relocation to provide greater security***

The ECM contract has always contained a provision allowing it to be terminated in specific circumstances with 3 months' notice.<sup>659</sup> For example, if the PTA determines the service is no longer required, or if routes will be amalgamated.<sup>660</sup> However, before 2017, the PTA had a policy of relocating ECM contracts if a bus route was cancelled<sup>661</sup>; the contract would continue with the contractor providing a school bus service in a different location.

The PTA explained that the relocation policy was introduced following the previous State Government's decision in 2012 to standardise all contracts as ECM contracts, so it did not make sense to terminate one ECM contract to then create a new one in another location.<sup>662</sup> In 2017, in light of the State Government's preference for the TCM, it was decided that ECM contracts would no longer be relocated as a matter of course.<sup>663</sup> However, metropolitan fringe contracts would continue to be relocated (see Box 7.1).

#### **Box 7.1: Metropolitan Fringe Contracts**

There are currently 35 ECM contracts known as Metropolitan Fringe Contracts (MFC) that provide school bus services in areas close to Public Transport Areas. In the event that a Public Transport Area is expanded, and thus school bus services are no longer provided under the *Student Transport Assistance Policy and Operation Guidelines*, a MFC may be relocated up to 130km away from the existing depot. 23 of the 35 MFC have been relocated since 2003.<sup>664</sup>

The State Government made this decision because relocation lacked market contestability, and prevented other local small business for competing for the business.<sup>665</sup> Other stakeholders rebutted this argument. They suggested opening up the market through tendering contracts has resulted in more medium-to-large contractors operating in the regions, despite having little connection to the local community.<sup>666</sup> The PTA advised that

659 *Evergreen Contract Master 1*, 2012, cl. 18.2 in School Bus Contract Advisory Committee, *Contract for Provision of School Bus Service - Evergreen Contract*, Public Transport Authority, Western Australia, 14 December 2012, p. 1.

660 *ibid.*

661 Submission 182b, Public Transport Authority, p. 15.

662 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 25 February 2022, p. 7.

663 Submission 202, BusWA, p. 37.

664 Submission 193, Australian Transit Group, pp. 2-3; Submission 202, BusWA, p. 37; John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, pp. 6-7.

665 Submission 137, Hon Martin Aldridge, MLC, Member for the Agricultural Region, pp. 2-3.

666 Submission 137, Hon Martin Aldridge, MLC, Member for the Agricultural Region, pp. 2-3.

many ECM contracts are now being sold and accumulated by, larger business<sup>667</sup>, which may also lead to contractors operating in an area to which they have limited connection.

Removing the ability to relocate school bus contracts has weakened the security offered by the in perpetuity nature of the ECM contracts. Contractors are concerned about contracts being terminated, and the ‘devastating’ effect this may have on their small business.<sup>668</sup> Depending on the life of the bus remaining when a contract is terminated, contractors may not have been fully reimbursed for the cost of the bus asset, which may cause them financial problems.<sup>669</sup>

The PTA noted the provision of school bus services is a demand driven business.<sup>670</sup> It tries to provide an efficient service, ensuring they have the right asset in the right location to maximise the carrying of Eligible Students. Where a particular route is no longer efficient or needed, they may terminate a contract.<sup>671</sup> The PTA suggested there is generally a long lead time before services are terminated or amalgamated due to a change in regional demographics.<sup>672</sup> In many cases, service numbers have been low for two years or slightly less before the PTA make a decision to terminate a bus route.<sup>673</sup> Therefore, contract termination should not be a great surprise to a contractor.

Many contractors favour reintroducing relocation of ECM contracts.<sup>674</sup> They consider the prospect of relocation will provide greater contract security<sup>675</sup>, improve business confidence<sup>676</sup> and reduce the risk of business devaluation<sup>677</sup>. There is also arguably some benefit to an asset already partially paid for by government being transferred to service a new community, and run by an experienced contractor.<sup>678</sup>

Contractors also suggested there is almost no cost to government from relocating an ECM contract, and the contractor can start immediately<sup>679</sup>, compared with a potential costly and time consuming process of tendering.<sup>680</sup> We were informed the PTA has been delayed in tendering existing contracts.<sup>681</sup> The PTA acknowledged there is a back-log of tenders, which resulted from a five year moratorium on tendering under the previous Government. The PTA are working through the back-log since the new Government came to power in 2017,

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667 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 12.

668 James McCabe, Regional Transit, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 9.

669 Kim Rule, Rules Bus Service, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 9.

670 Martin White, Executive Director, Transperth System, Regional Town and School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 4.

671 James McCabe, Regional Transit, BusWA, *Transcript of Evidence*, 30 May 2022, p. 11.

672 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 4.

673 *ibid.*

674 Submission 184, Name withheld, p. 1; Submission 188, Regional Transit, p. 10.

675 Submission 189, KP & BG Brooks, p. 1.

676 Closed submission.

677 Closed submission.

678 Submission 196, Swanhaven Pty Ltd, p. 2.

679 *ibid.*

680 James McCabe, Regional Transit, BusWA, *Transcript of Evidence*, 30 May 2022, pp. 10-11.

681 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 30 May 2022, p. 11.

although progress is slow with only 37 of the 101 contracts requiring tendering being retendered in this time.<sup>682</sup>

The Committee accepts the capacity for ECM contracts to be relocated improves the security of the contracts, and can also be done with limited time and cost to government.

**Finding 64**

Relocating school bus contracts provides greater security for school bus contractors.

**Multiple contracts types can cause administrative burden, inconsistency, and negatively affect drivers**

Bus contractors want a single contract model, arguing it will bring consistency to the industry and efficiency for SBS's administration.<sup>683</sup> BusWA suggested SBS's contract management would improve if they did not have to administer several different types of contracts.<sup>684</sup> Further, they asserted the costs and time associated with the tendering process could be more efficiently spent focusing on other areas of the STAP system.<sup>685</sup> They considered the ECM, supplemented with short term contracts where necessary, would be more efficient for the PTA and bus contractors, as well as providing contractors with clarity and confidence for long term investment.<sup>686</sup>

The PTA also preferred a single model, but supported the transition from ECM to TCM contracts. The PTA believes the ECM does not deliver value for money outcomes, and the State Government will benefit from savings arising from tendering of school bus services contracts.<sup>687</sup> It estimates it will save \$8.9 million per year if all ECM contracts were tendered under the TCM.<sup>688</sup>

BusWA argued comparing the TCM model to the ECM model to calculate savings is 'disingenuous'.<sup>689</sup> They suggested the only real difference in cost between ECM and TCM contracts are the capital cost of the bus asset, and bus drivers' wages.<sup>690</sup>

Contractors claimed investing in a more expensive bus decreases the likelihood of winning a TCM contract. As capital is 30% to 40% of the contractors cost<sup>691</sup>, buying a \$300,000 or a \$450,000 bus will significantly impact the value of the tender. Tenderers that lower the capital cost of the bus by buying a cheaper, foreign made bus are more likely to win the

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682 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 25 February 2022, p. 3.

683 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 9; Submission 181, Name withheld, p. 2.

684 Submission 181, Name withheld, p. 2.

685 Closed submission.

686 Submission 152, Name withheld, p. 1; Submission 174, Brad Black & Sally Hepburn, p. 1.

687 Submission 182, Public Transport Authority, p. 10.

688 *ibid.*

689 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 5.

690 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 25 February 2022, p. 8.

691 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 4.

contract.<sup>692</sup> As discussed above, contractors argued this will lower safety standards and is at odds with State Government procurement principles including buying local and supporting regional businesses.

Further, bus contractors and drivers raised concerns about the significant variation in bus drivers' hourly wages between the ECM and TCM. Drivers working for the same company but under different types of contracts may get paid vastly different wages.<sup>693</sup>

The Committee was advised that the comparatively high drivers' wage rate under the ECM resulted from the Guise Review and subsequent negotiations between the PTA and the bus drivers' union in 2002.<sup>694</sup> The ECM drivers' wage rate was set to the Path Transit Certified Agreement, with ongoing indexation consistent with the ABS – Average Weekly Earnings rates of change.<sup>695</sup> While bus drivers' hourly wages are revisited as part of the five-yearly ECM contract review process between the PTA and representative contractors, drivers cannot be paid less for doing the same job.<sup>696</sup>

In comparison, drivers' wages under the TCM are determined by the tenderer, subject to minimum wage rates as set by the *Transport Workers (Passenger Vehicles) Award*<sup>697</sup> (WA) or the *Passenger Vehicle Transportation Award*<sup>698</sup> (Commonwealth). The applicable award depends on the business structure, with sole traders and unincorporated partnerships being governed by the State award, and larger Pty Ltd businesses and incorporate partnerships coming under the Commonwealth award.<sup>699</sup>

The minimum wage rates vary depending on the weight of the bus being driven (State), number of passengers the bus can hold (Commonwealth) and on the employment status of the bus driver. Most school bus drivers are employed on a casual basis.<sup>700</sup> Table 7.2 sets out the ECM and TCM base wage rates for casual school bus drivers under the Commonwealth award, noting drivers' base pay may be increased depending on, for example, the region in which the service operates.<sup>701</sup>

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692 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 5.

693 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 25 February 2022, p. 8; Closed transcript.

694 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 5.

695 Submission 182c, Public Transport Authority, p. 9.

696 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 8.

697 Department of Mines, Industry Regulation and Safety, *WA award summary - Transport Workers (Passenger Vehicles), Award*, 1 July 2022, accessed 11 August 2022, <<https://www.commerce.wa.gov.au/publications/wa-award-summary-transport-workers-passenger-vehicles-award>>

698 Fair Work Ombudsman, *Passenger Vehicle Transportation Award 2020*, 1 July 2022, accessed 11 August 2022, <[https://awardviewer.fwo.gov.au/award/show/MA000063#P723\\_64097](https://awardviewer.fwo.gov.au/award/show/MA000063#P723_64097)>.

699 See *Passenger Vehicle Transportation Award 2020 (Cth)* and *Transport Workers (Passenger Vehicles), Award (WA)*.

700 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 5.

701 Submission 182c, Public Transport Authority, p. 9.



**Table 7.2: Driver wages under the Evergreen Contract Model and award**

	Evergreen Contract Model	Passenger Vehicle Transportation Award	% Difference
Driver wages – Under 25 seats (hourly base rate)	\$33.82	\$28.02	+21%
Driver wages – Over 25 seats (hourly base rates)	\$34.68	\$29.69	+17%

Source: Submission 182c, Public Transport Authority, p. 10.

Contractors argued to be competitive in a TCM tender process they would need to pay bus drivers less, but believe the ECM's higher wage rate is justified and necessary, advising it is comparable with interstate jurisdictions.<sup>702</sup> Bus contractors note that it is very important to have good drivers:

'...it is really about trying to ensure we have good drivers. They are the most important person, really, in the process of delivering students to school, because whilst we induct them and give them all the tools to do their job, they are the ones that are going out there delivering the kids to school safely every day and I just think that we need a good standard and quality and calibre of persons to undertake that role.'<sup>703</sup>

They also consider it would be difficult to find bus drivers to drive for the lower award rate, particularly when other transport driver roles pay much higher. For example, a truck driver has a lower award rate, however bus contractors are aware that some truck drivers get paid \$50 to \$100 an hour.<sup>704</sup>

Contractors who tender for school bus contracts should be aware of local nuances, such as the availability of drivers, other industries in the area that may pay higher rates for large vehicle drivers, and attracting suitably qualified and safe drivers, that may mean higher wage rates are necessary. Tenderers who set drivers' wages too low will find it difficult to find drivers to employ and thus fulfil their contractual obligations if they are awarded the contract.

Additionally, ECM bus contractors advised they must 'pass through' the amount they receive for drivers' wages to bus drivers without any windfall gain to themselves<sup>705</sup>; the TCM contract does not contain the same provision.<sup>706</sup> However, although ECM contractors cannot make a 'windfall gain', bus drivers' wages do not have to be the exact hourly amount determined by the ECM.<sup>707</sup>

<sup>702</sup> Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 30 May 2022, p. 8.

<sup>703</sup> *ibid.*, pp. 8-9.

<sup>704</sup> *ibid.*

<sup>705</sup> Submission 202a, BusWA, p. 7.

<sup>706</sup> *ibid.*, p. 8.

<sup>707</sup> Submission 193, Australian Transit Group, p. 3.

Bus contractors can take their own approach to resourcing their routes, which includes negotiating rates of pay with individual drivers.<sup>708</sup> BusWA advised that differences between bus drivers' wages may arise as:

- Higher wages are necessary in some areas and on some routes to attract and retain drivers.
- There is no standard way for treating ancillary costs, such as training and long service leave, under ECM contracts. Different contractors approach these matters differently, which can affect hourly rates paid to drivers.
- Some operators may 'blend' hourly rates across different contract types, to provide consistency in pay across their drivers.
- Some operators have payroll tax obligations.<sup>709</sup>

BusWA argued the requirement to 'pass through' wages in the EMC should be removed.<sup>710</sup> The Committee are not convinced by this argument. However, we think the PTA should provide some clarity to bus contractors and drivers about what 'pass through' means. For example, if contractors are able to spend part of the ECM wages amount on driver training, or can use some of the ECM wage amount to pay higher wages under a TCM contract through 'blending'.

Further, we are concerned with the practice of 'blending' ECM and TCM wages. A bus contractor will be remunerated under a TCM contract based on the bid they submitted as a tenderer. Take for example, a bid which includes an amount for driver wages of \$100. If the contractor pays a driver employed under a TCM contract a higher 'blended' wage, say \$110, by using a portion of the amount they receive for wages under an ECM contract, \$10, the amount they included in their tender bid for driver wages of \$100 is less than the amount of \$110 actually being spent on drivers' wages under the TCM contract. The contractor is essentially using remuneration received for drivers' wages under their ECM contract to subsidise the remuneration they receive for drivers' wages under their TCM contract. This may give a contractor who holds an ECM contract a competitive advantage when bidding for a tender over a contractor that does not hold an ECM contract, as a contractor without an ECM contract would have had to include a larger value, \$110, to pay drivers the same wage in their tender bid.

Further, the winning TCM bid that only includes \$100 for drivers' wages will be undervalued, as it did not include the full \$110 drivers would be paid to drive under that TCM contract. This may contribute to the PTA's belief that the TCM leads to cost savings, as the PTA is only remunerating a TCM contractor \$100 for drivers' wages, yet drivers under TCM contracts are being paid \$110.

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708 Submission 202a, BusWA, p. 7.

709 *ibid.*, p. 8.

710 *ibid.*, p. 8.

The Committee notes the different wage outcomes under ECM and TCM contracts. The PTA should ensure tendered school bus contracts provide fair and adequate wages are paid to drivers.

**Finding 65**

Different contracting arrangements has led to variation in drivers' wages, and confusion about how 'blending' wages relates to the requirement to 'pass through' wages to drivers.

**Finding 66**

There is confusion about how the 'pass through' wages requirement operates, particularly when bus contractors 'blend' wage amounts they are reimbursed under different contracting arrangements.

**Recommendation 26**

The Minister for Transport should ensure the Public Transport Authority reviews the practice of 'blending' wages across contract types and if and how this may distort the transparency and competitiveness of a tendered contract.

The Public Transport Authority should also clarify with school bus contractors and drivers how the 'pass through' wages requirement of some contracts operates in practice.

**Procurement must deliver value for money outcomes**

When considering how school bus services contracting arrangements should operate into the future, we looked to the procurement practices of the Western Australian public sector, which represent not only good practice, but government policy.

Procurement practices in this State have recently undergone a major overhaul, with the *Procurement Act 2020* and related policies and rules replacing the *State Supply Commission Act 1991* and its policies and rules. Under the *Procurement Act 2020*, all government agencies, including the PTA, must adhere to the Western Australian Procurement Rules (WAPR).<sup>711</sup> The WAPR provide that 'value for money' is the central procurement principle from which all other procurement policies and decisions flow. The WAPR state that achieving value for money is much more than choosing the lowest price for a good or service, it requires consideration of:

- the government's social, economic and environmental priorities
- cost factors
- other non-cost factors.<sup>712</sup>

We discuss each of these below.

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<sup>711</sup> *Procurement Act 2020*, (Western Australia) s. 8(1).

<sup>712</sup> Government of Western Australia, *Achieve Value for Money Guideline*, 11 June 2021, accessed 10 August 2022, <<https://www.wa.gov.au/government/multi-step-guides/procurement-guidelines/procurement-planning-guidelines/achieve-value-money-guideline#achieving-governments-social-economic-and-environmental-priorities>>.

***The PTA must have greater regard to social, economic and environmental factors when awarding school bus contracts***

The Western Australian Social Procurement Framework (WASP Framework), which took effect on 1 June 2021, provides guidance to agencies on how they can achieve the Government's social, economic and environmental priorities when procuring goods and services.<sup>713</sup> It brings 'all relevant social procurement policies and priorities into one place to ensure these are at the centre of value for money decision making in public procurement'.<sup>714</sup>

Two of the six key community objectives incorporated in the WASP Framework are particularly relevant for school bus services procurement. These are to improve opportunities for WA regions and regional Western Australians, and for local industry and small and medium enterprises (SMEs) to win government business.<sup>715</sup> The *Buy Local Policy 2022* (BLP) aims to help government agencies achieve both of these objectives when procuring goods and services.

The BLP, an updated version of the Buy Local Policy 2020, applies to all State Government public authorities. A key goal of the policy 'is to realise as much State Government agency sourcing of goods, services and work in regional WA as possible'.<sup>716</sup> The BLP notes that 'when making procurement decisions, agencies should consider the broader benefits to WA and the fulfilment of the government's social and economic objectives (such as delivering strong regional economies and WA job creation) that are associated with contract award'.<sup>717</sup>

Under the BLP, agencies must put purchasing procedures in place to demonstrate regional SMEs are given the opportunity to tender. Some of these procedures include:

- publishing early tender advice on the agency's website, and TendersWA
- conducting pre-tender briefings at regional centres
- ensuring regional business are given 'full, fair and reasonable opportunity to participate in contracting and supply opportunities', including through liaising with regionally based bodies and industry associations
- weighting tender evaluation criteria to prioritise regional supply considerations

***'Value for money... [allows] State agencies to focus on the advantages of sourcing from businesses that demonstrate they contribute to community and economic development in WA, and more specifically, in regional WA.'***

*- Buy Local Policy 2022*

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713 Government of Western Australia, *Western Australian Social Procurement Framework*, August 2022, accessed 10 August 2022, <<https://www.wa.gov.au/government/publications/western-australian-social-procurement-framework>>.

714 Department of Finance, *The Western Australian Social Procurement Framework*, April 2022, p. 1.

715 *ibid.*

716 Department of Jobs, Tourism, Science and Innovation, *Western Australian Buy Local Policy 2022*, 2022, p. 8.

717 *ibid.*

- ensuring businesses within a region or town are invited to submit a bid where quotations are being sought to deliver regional services.<sup>718</sup>

In addition, the BLP allows agencies to evaluate a prospective supplier's tender more favourably if they are an eligible regional business or have eligible regional content. If the tender meets either of these requirements, their bid can be reduced proportionally, up to \$250,000 for the purpose of evaluation. The full tendered price would be paid if the tender was successful.<sup>719</sup>

Many submitters emphasised the benefits of having local contractors, local drivers and locally made buses.<sup>720</sup> For example, as local drivers know the families and children they transport, they are better able to deal with issues that arise e.g. call a grandparent if a parent is unavailable.<sup>721</sup> Some suggested that the size and locality of a contractor should be considered when awarding new contracts.<sup>722</sup>

The PTA recognised having a contractor from the local community is good for that community on a range of fronts.<sup>723</sup> They advised they had an implementation agreement for, and adhere to, the Buy Local Policy 2020, which was still applicable at the time evidence was received, through the PTA's Procurement Branch, which 'has responsibility for ensuring compliance with the policy as part of awarding school bus contracts'.<sup>724</sup>

***'I think there is some perhaps intangible value, but certainly value nonetheless, where you have a locally embedded contractor.'***

*- Martin White, Public Transport Authority*

However, some submitters were concerned if, and how, the BLP was being applied. One submitter noted that, although the PTA may have an implementation agreement, how that funnels down to the procurement staff actually applying the BLP is unclear.<sup>725</sup> Witnesses observed the PTA often awards school bus contracts to larger companies, often headquartered in other States, that subcontract to the regions.

Further, a BusWA representative suggested the regional price preference has not been relied upon once in a single tender submitted.<sup>726</sup> Another submitter suggested the PTA should exercise increased diligence when assessing whether tenderers meet the eligible regional

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718 Department of Jobs, Tourism, Science and Innovation, *Western Australian Buy Local Policy 2022, 2022*, p. 8.

719 *ibid.*, p. 1.

720 Michelle Thomas, Mphatic Consulting, BusWA, *Transcript of Evidence*, 30 May 2022, p. 19.

721 Submission 163, Lisa Carrots, p. 1.

722 Submission 192, Kimberly Littleton & Patricia Littleton, p. 2.

723 Martin White, Executive Director, Transport System, Regional Town Bus Services and School Bus Service, Public Transport Authority, *Transcript of Evidence*, 18 May 2022, p. 15.

724 Submission 182c, Public Transport Authority, p. 8.

725 Closed transcript.

726 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 25 February 2022, p. 7.

content criteria, suggesting some businesses meet it superficially.<sup>727</sup> This classification may give a business that is not local an unintended competitive advantage.<sup>728</sup>

The Committee could not confirm the extent to which the PTA takes the BLP into account in the school bus contract tendering process. The PTA should be transparent about when and how it applies the BLP. Improved transparency would provide the industry with some confidence that the policy is being applied, which may in turn improve the relationship between the PTA and bus contractors.

**Finding 67**

The Western Australian Social Procurement Framework emphasises the importance of considering social, economic and environmental priorities when awarding contracts, in particular opportunities for regional Western Australians and small and local businesses.

**Finding 68**

The Public Transport Authority could improve its transparency around the application of the *Buy Local Policy 2022* to school bus contract tendering processes.

**Cost factors**

Cost, or a tendered price, is a key determinant in State Government agencies awarding contracts. Contracts are often awarded to tenderers submitting the lowest price, but this does not always reflect all costs associated with procuring the good or service.<sup>729</sup>

The state procurement framework notes that cost factors include not just the cost of procurement, but other costs that may accrue beyond the initial purchase, such as holding, using, operating or maintaining, and disposing of a good or service.<sup>730</sup>

Some submitters suggested the PTA places the greatest emphasis on cost factors, with the cheapest bid most likely to win a tender, and limited consideration to other factors including the economic, environmental and social benefits delivered by and derived from the school bus service in regional Western Australia.<sup>731</sup> For example, there are arguably greater community benefits for a bus service owned and provided by a local member of that community, in terms of not only the monetary value the business brings into the community, but the relationships formed between the contractor and families that use the service.<sup>732</sup>

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727 Closed submission.

728 Department of Jobs, Tourism, Science and Innovation, *Western Australian Buy Local Policy 2020*, 2020, p. 2; Submission 186, South Bus Charters, p. 1.

729 Submission 190, Ian Harrower, p. 4.

730 Government of Western Australia, *Achieve Value for Money Guideline*, 11 June 2021, accessed 10 August 2022, <<https://www.wa.gov.au/government/multi-step-guides/procurement-guidelines/procurement-planning-guidelines/achieve-value-money-guideline#achieving-governments-social-economic-and-environmental-priorities>>.

731 Closed submission.

732 Closed submission.

### **Non-Cost Factors**

In addition to cost factors, the state procurement framework lists non-cost factors that agencies should consider when procuring goods and services. These include:

- Risk – including risk in the procurement process, the supplier chosen to supply the good or service, and the good or service itself
- The cost of the procurement process itself – consider that the process represents a cost to both suppliers and government, so choosing the right process and asking for the right information from tenderers is important
- Compliance with technical specifications
- Fitness for purpose and quality
- Critical timeframes
- Supplier capability, performance and financial capacity
- Maintenance or operating implications, including service and support.<sup>733</sup>

Some of these non-cost factors, including in relation to the ‘fitness for purpose and quality’ and ‘maintenance or operating implication, including service and support’, have been discussed above in relation to the use of better quality buses. ‘Supplier capability, performance and financial capacity’ will also be important when choosing the right contractor.

### **The Committee supports changes to the current contracting arrangements**

Having considered all of the evidence before it, the Committee believes there should be changes to the nature of school bus contracting.

Firstly, the Committee recognises the importance of school bus contracts being operated by local small businesses. These contractors are generally embedded within their local communities, particularly in smaller, regional towns. Local contractors are more likely to have a better understanding of the community in which they are operating, often having strong relationships with families who access school bus services. Local contractors are both financially and socially invested in regional communities, and are also likely to provide ancillary benefits to local schools and the broader community.

The Committee considers the WAPR, in particular the State Government’s focus on ‘value for money’, for example as outlined in the BLP, can and should achieve greater community involvement in the provision of school bus services. The Committee appreciates that for many government procurement officers, charged with using taxpayer funds efficiently and for the benefit of the community, the amount a tenderer bids is often a decisive factor in awarding a contract. We agree with one submitters’ suggestion<sup>734</sup> that there needs to be a cultural shift in how some departments, including the PTA, procure. Applying the BLP is not

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733 Government of Western Australia, *Achieve Value for Money Guideline*, 11 June 2021, accessed 10 August 2022, <<https://www.wa.gov.au/government/multi-step-guides/procurement-guidelines/procurement-planning-guidelines/achieve-value-money-guideline#achieving-governments-social-economic-and-environmental-priorities>>.

734 Closed transcript.

just about applying a regional price preference, but more broadly about focusing on ‘the advantages of sourcing from businesses that demonstrate they contribute to community and economic development in WA, and more specifically, regional WA’.<sup>735</sup> To the Committee, this does not just mean a larger interstate company with an office in regional WA, but a contractor who is truly a member of the local community. We believe greater emphasis on this should mean a regionally based contractor would have a greater chance of being the successful tenderer, including when proposing to purchase a Western Australian made bus and paying drivers a higher wage, to ensure a safe and efficient school bus service.

**Recommendation 27**

The Minister for Transport should ensure the Public Transport Authority implement the Western Australian Social Procurement Rules, including the *Buy Local Policy 2022*, in procuring school bus services. This includes focusing on value for money, emphasising the importance of taking social, economic and environmental factors into account when awarding school bus contracts.

One of the key features of the WAPR is the need for procurement to be a competitive and open process. Although the school bus industry has, throughout its history, been subject to special treatment that has avoided competition, we are not persuaded that it is so unique in nature that it deserves to be afforded the special treatment of having contracts last in perpetuity that exist in few, if any other, industries. For these reasons, the Committee believes school bus contracts should comply with the WAPR.

The Committee also supports the transition of ECM contracts to TCM contracts. We believe consistency in approach will simplify contractual arrangements in the school bus industry, with management and administrative benefits arising from having a single contract type.

The PTA should seek legal advice about if and how ECM contracts may be transitioned to TCM contracts. Where possible, the transition of contracts should occur over a lengthy period, as was intended with the transition to the CRM in 2002. We also note that some contractors may have paid a premium when purchasing ECM contracts. The PTA should consider compensating contractors who can demonstrate a premium was factored into the purchase price of their contract that will not be recouped before the contract ends.

We are aware that some bus contractors are concerned small and local contractors will lose out with a tendered contract model, although we note that ECM contracts are already being sold from smaller contractors to larger ones. We also acknowledge contractors’ concerns regarding the quality of buses, and bus drivers’ wages. The PTA must heed these concerns, valuing the expertise of bus contractors who, above all else, want to provide a safe service. If that requires the PTA to spend more funds to reimburse contractors for purchasing a Western Australian built bus, or paying higher than award wages to bus drivers, we support this.

To increase security within a tendered contract model, the Committee supports the opportunity for contract relocation. We note contractors’ concerns about a contract being

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<sup>735</sup> Department of Jobs, Tourism, Science and Innovation, *Western Australian Buy Local Policy 2022*, 2022 p. 7.



terminated before they have been fully reimbursed for the cost of a bus asset, and how this might encourage contractors to purchase a cheaper bus. We also note the PTA's current practice of awarding tendered contracts for the life of the bus. If tendered contracts could be relocated, contractors' concerns about not being fully reimbursed may be allayed. The PTA would also continue to get value from a bus asset it has already partly paid for, on a contract that would continue to run the length of time for which it was originally awarded.

**Finding 69**

Consistent school bus contracting arrangements would be fairer and more equitable.

**Finding 70**

Allowing tendered school bus contracts to be relocated may allay some contractors' concerns about the term of tendered contracts being the 'life of bus' rather than contracts existing in perpetuity.

**Recommendation 28**

The Minister for Transport should ensure the Public Transport Authority seek legal advice regarding transitioning from the Evergreen Contract Model to a Tendered Contract Model.

Depending on the outcome of the legal advice, the Public Transport Authority should work with the school bus industry to provide a lengthy period of transition.

**Recommendation 29**

The Minister for Transport should ensure the Public Transport Authority provides the opportunity for Tendered Contract Model contracts to be relocated if viable.

**Concerns about contractual and administrative requirements**

Some submitters raised concerns about several discrete elements of the current contractual and administrative arrangements. These are discussed below.

**The Temporary Distance Variation process could be simplified**

Many of the submissions received from bus contractors commented on SBS's use of a Temporary Distance Variation (TDV) calculation. The TDV was explained to the Committee in the following terms:

'The TDV was introduced to declare kilometres travelled over or under the standard daily kilometres recognised in the school bus contract. If less kilometres have been travelled during the term a financial calculation based on the reduced number of kilometres is calculated and deducted from contractors' payments. If on the odd occasion more kilometres are travelled, the same calculation is applied and an extra payment is made to contractors.'<sup>736</sup>

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736 Submission 200, Nat Muir, p. 3.

Contractors must enter start and end kilometres into the spreadsheet daily, and submit it to SBS at the end of each term.<sup>737</sup> In the 2020-21 financial year, the PTA recouped \$1.8 million through the TDV process.<sup>738</sup>

Many bus contractors find the contractual requirement to complete and submit a TDV to be complex and onerous<sup>739</sup>, increasing administrative costs for both SBS and contractors<sup>740</sup>, and potentially cancelling out any saving SBS may make from reducing payments.<sup>741</sup> Some submitters were concerned about the accuracy of the spreadsheet, as it has been updated eight times in two years, and because the formulas used are not visible to bus contractors.<sup>742</sup> Others note that the requirement to do a TDV calculation is at odds with the ECM, which uses an average cost model to determine payments.<sup>743</sup> BusWA suggested contractors should only be required to submit TDVs for days when their vehicles do not run, or when the variance is 'significant' or above a certain threshold.<sup>744</sup>

Contractors also questioned whether it is fair and reasonable for the PTA to contract them to provide a service, set the route, and require them to be available every school day to drive that route, yet if the route is reduced for any number of reasons, pay them a reduced amount.<sup>745</sup> Further, the prospect of reduced payments may mean contractors will drive their whole route every day, even if, for example, they are aware that a student on a spur does not need to be picked up on a particular day.<sup>746</sup> Not driving up and down the spur may save time for the bus driver and all the students on board the bus, but the contractor will be paid less.

Several submitters suggested that the majority of variations in distance travelled result from pupil free days. They suggested a better approach would be to reduce the number of days paid to the contractor to account for pupil free days, rather than contractors being paid for them and then having to reduce the payment through the TDV calculation.<sup>747</sup> However, the PTA advised that the majority of distance variations were not due to pupil free days. They noted distances driven may vary for a number of reasons, including pupil free days, driver availability, student sickness, road closures, emergency events, such as a bushfire or flood, and vehicle breakdowns.<sup>748</sup>

The Committee is not opposed to the PTA's use of the TDV to ensure it is accurately reimbursing contractors for kilometres driven. However, we suggest the formulas used in the spreadsheet should be transparent so contractors are aware of how variations are

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737 Submission 200, Nat Muir, p. 3.

738 Submission 182c, Public Transport Authority, p. 9.

739 Submission 124, Westonia Community Cooperative, p. 2.

740 Submission 178, Dennis Sutton, p. 5.

741 Submission 200, Nat Muir, p. 3.

742 Submission 188, Regional Transit, p. 12; Submission 202, BusWA, p. 41.

743 Submission 178, Dennis Sutton, p. 5.

744 Submission 188, Regional Transit, pp. 12-13

745 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, pp. 22-23.

746 *ibid.*, p. 23.

747 Submission 178, Dennis Sutton, p. 5; Submission 188, Regional Transit, pp. 12-13

748 Submission 182c, Public Transport Authority, p. 9.

calculated. The PTA should make the TDV calculation available to BusWA and bus contactors so they can review and provide feedback on its set up.

Further, the PTA should seek to clarify the major causes of distance variations captured in the TDV. This could be achieved by asking a representative selection of contractors to classify the reasons why distances vary. If the majority of variations can be attributable to easily quantifiable events, such as pupil free days or days when the buses do not run due to driver illness or emergency events, it may be easier for contractors to tally up the number of days their bus does not run and use this to reduce the number of kilometres driven, rather than being required to monitor kilometres driven daily. Although this method may be less accurate, it would save the PTA and contractors time and effort through less administration, and may also improve relationships.

**Finding 71**

Many contractors find the requirement to submit a Temporary Distance Variation complex and onerous, particularly as the calculations are determined by the Public Transport Authority and are not visible to bus contractors.

**Recommendation 30**

The Minister for Transport should ensure the Public Transport Authority makes the Temporary Distance Variation calculation available to bus contractors, and consults with BusWA to determine if improvements could be made or the calculation and reporting simplified.

**Recommendation 31**

The Minister for Transport should ensure the Public Transport Authority completes a review to determine the major causes of distance variations captured by the Temporary Distance Variation calculation. If a majority of variations can be correlated with the number of days a bus does not run, consideration should be given to removing the requirement to complete the Temporary Distance Variation, and simply adjusting contractor payments on the basis of days when the bus does not run.

**The ECM's compliance system should be updated to be consistent with the TCM**

ECM contracts contain KPIs against which contractor performance is measured. If a contractor does not meet a KPI they may receive demerit points. A contract can accrue up to 30 demerit points within the five-year period. Demerit points will transfer with a contract if it is sold<sup>749</sup>, but will be reset when the contract rolls over every five years.<sup>750</sup> The amount of demerit points received from not meeting a KPI depends on the nature and seriousness of the breach; meeting administrative requirements after a deadline may accrue one point, whereas leaving a child on a bus as an owner-driver would accrue 30 points and automatic

749 Submission 162, Name withheld, p. 1.

750 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 6.

contract termination.<sup>751</sup> No ECM contract has been terminated because of an operator accruing 30 demerit points.<sup>752</sup>

The PTA advised as ECM contracts can be bought and sold over time, without a tender process, the model was negotiated to include demerit points. The system is 'designed to cover performance and compliance standards which are not ordinarily covered in a normal commercial contract'.<sup>753</sup> TCM contracts do not contain an equivalent demerit point system as compliance is auditable and 'poor performance issues are addressed formally via a default process which can range from a default, serious default to termination'.<sup>754</sup>

Some contractors suggested the ECM demerit points system is punitive and embarrassing.<sup>755</sup> In one example, a contractor was awarded a demerit point for submitting their TDV late, despite advising SBS that it would be late because they were in hospital.<sup>756</sup> Contractors also felt that while they could be provided with demerit points for timeliness issues, there was no equivalent requirement for SBS to take timely action.<sup>757</sup> Contractors suggested a positive and supportive approach would be preferable.<sup>758</sup>

The PTA were aware that some contractors may be 'offended' if they receive a demerit point, and noted they do not issue them lightly. PTA representatives suggested they would be happy to grant an extension to the deadline for administrative matters; it is more likely a demerit point would be issued where the PTA has had to make repeated requests for action.<sup>759</sup>

The Committee considers it important for ECM contracts to contain KPIs and some method of addressing poor compliance. We recommend above that the ECM contracts should be transitioned to TCM contracts over time. If this does not occur, we believe the ECM should be updated to incorporate similar conditions to the TCM, i.e. auditable compliance and a default process.

**Finding 72**

There is inconsistency in systems for monitoring contractual compliance in different types of contracts.

**Recommendation 32**

The Minister for Transport should ensure the Public Transport Authority updates its contractual arrangements to ensure consistency in processes for monitoring contractual compliance for school bus services.

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751 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 30 May 2022, p. 10.

752 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 6.

753 Submission 182c, Public Transport Authority, p. 7.

754 *ibid.*

755 Closed submissions.

756 Submission 202, BusWA, p. 44.

757 Submission 202, BusWA, pp. 43-44; Closed submission.

758 Closed submission.

759 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 12.

### **Regular bus safety audits and contractual compliance audits are important**

Under both the ECM and TCM, safety and contractual compliance audits will be carried out every two years. If a contractor operates less than three services or contracts, the audits are carried out at an individual contract/service level. If a contractor operates more than three services or contracts, the audit is carried out at the primary business location and is more systems focused.<sup>760</sup>

Safety audits check contractors have safety management plans in place, have implemented a safe working environment, have appropriately inducted bus drivers, and provide safe workplaces.<sup>761</sup> Compliance audits check the requirements of the contract are being met, for example that the bus has emergency procedures available, that contractors have parents and carers contact numbers, and that the child check alarm is functioning.<sup>762</sup>

Several witnesses informed the Committee they had had few compliance audits. One noted his 2020 audit was the first one in 40 years, another had only had two in fourteen years.<sup>763</sup>

The PTA advised the Committee it has developed a 'Contract Compliance and Safety System Audit Schedule' and uses this combined with the iAudit software program to facilitate audits, and confirm when audits are completed.<sup>764</sup> The PTA suggested using these tools ensures audits are carried out on a regular basis.<sup>765</sup> The PTA carried out 107 compliance and safety reviews in 2020 and 144 reviews in 2021.<sup>766</sup>

The Committee supports ongoing auditing to ensure safety and compliance requirements are met. The PTA should undertake audits across all contractors every two years, as required under contracts.

#### **Finding 73**

The Public Transport Authority have an audit schedule to monitor the completion of safety and compliance audits, however there is some evidence that audits have not been conducted in accordance with contractual requirements.

#### **Recommendation 33**

The Minister for Transport should ensure the Public Transport Authority conducts regular safety and compliance audits for school bus services. The Public Transport Authority should report these findings to the Minister for Transport regularly.

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760 Submission 182b, Public Transport Authority, pp. 1-2.

761 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 9.

762 *ibid.*

763 Closed briefing.

764 Submission 182c, Public Transport Authority, p. 10.

765 *ibid.*

766 Closed briefing.

***School bus inspections should continue to be conducted at Authorised Inspection Stations***

Prior to 2016, school bus inspections were undertaken twice yearly by roving safety inspectors. An inspector would audit a school bus at its depot, having provided the contractor with several days' notice of the inspection.<sup>767</sup> The use of roving safety inspectors was phased out following a 2012 Department of Transport 'proposal to create a consistent approach across the Transport portfolio for the examination of omnibuses'.<sup>768</sup> Following stakeholder consultation, it was decided that school buses only needed to be inspected once per annum, in most cases.<sup>769</sup> Roving safety inspections then ceased in 2016 as an 'efficiency provision based on a school bus inspection pass rate of 99.8%'.<sup>770</sup> School buses must now be taken to one of the Department of Transport's Authorised Inspection Stations for an annual inspection.<sup>771</sup> School bus inspection pass rates remain at high levels.<sup>772</sup>

Some submitters questioned the knowledge of the Authorised Inspector Station inspectors, asking whether they were aware of bus specifications, and if they could recognise non-compliance.<sup>773</sup> It was also suggested the current system allowed vehicle owners to delay maintenance until immediately prior to a scheduled inspection.<sup>774</sup>

These submitters were in favour of returning to the pre-2016 arrangement of roving safety inspectors.<sup>775</sup> They believed that these inspectors were thorough and knowledgeable, and could offer valuable advice to contractors.<sup>776</sup> Further, the short notice period reduced the opportunity for contractors to rectify faults if they had not been maintaining vehicles appropriately.<sup>777</sup>

The Committee appreciates the current school bus inspections are consistent with the inspection regimes for other buses operating in Western Australia. Consistency is important for bus contractors who work across industries, and we have not received any information to suggest school buses should be treated differently to other buses. As such we are not inclined to recommend changes to the current system.

**Finding 74**

School bus inspections should be consistent with other bus inspection methods.

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767 Submission 182c, Public Transport Authority, p. 10.

768 *ibid.*

769 *ibid.*

770 *ibid.*, p. 11.

771 Closed briefing.

772 Submission 182c, Public Transport Authority, p. 11.

773 Submission 171, Aaron MacKnight, p. 3.

774 *Ibid.*

775 Closed Hearing.

776 Submission 163, Lisa Carrots, p. 1.

777 Submission 171, Aaron MacKnight, p. 3; Submission 200, Nat Muir, p. 4.

### **Incident and Emergency Management Plans should be reviewed**

Contractors are responsible for completing a risk assessment of their operations and developing Incident and Emergency Management Plans for each identified risk.<sup>778</sup> The PTA has emergency procedure guide templates for risks it deems most relevant to school bus services, including student medical emergencies, vehicle and accident emergencies, bush fire emergencies and bus fires.<sup>779</sup> Bus contractors are responsible for ensuring Incident and Emergency Management Plans are in place, copies are available on each bus, and drivers are appropriately trained in emergency procedures.<sup>780</sup> In the unfortunate event of an incident, bus contractors must complete an incident report investigation and implement corrective measures.<sup>781</sup>

Bus contractors are also required to develop Safety Management Plans, which state how the contractor will prepare for and manage emergencies. For example, contractors may decide to conduct drills, have emergency equipment available on buses and provide emergency incident guides and training for bus drivers.<sup>782</sup>

In the event of an incident or emergency, bus drivers must follow the emergency procedures they should have been trained in. This involves stopping the bus in a safe location, ensuring passengers are safe, and applying first aid. Drivers are also responsible for contacting emergency services, contractors and relevant stakeholders as per the emergency management plans. The bus contractor can provide further advice to the bus driver about how the incident or emergency should be managed, and also assist emergency services.<sup>783</sup> The contractor will also let SBS know of the incident.

Tragically, a school bus driver recently died while driving a school bus. This incident highlighted the need for improvements in emergency protocols, including when a driver is incapacitated. A school principal in the area informed the Committee there were a lot of 'unanswered questions' about who was to manage the incident in this case.<sup>784</sup> The principal noted that schools are often the first point of contact in small rural communities, yet:

'I do not have one copy of an emergency management plan for a school bus contractor. I do not have a list of students from PTA who are on that bus. I do not know where the pick-up and drop-off locations are, when the buses are coming into or heading away from the school at the end of the day. That school [bus] crash at the end of last year, we had regional office contact both the principal at York and myself at Beverley because they did not know whose school that bus was servicing at the time of the accident or incident.'<sup>785</sup>

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778 Submission 182c, Public Transport Authority, p. 12.

779 Submission 182c, Public Transport Authority, p. 12.

780 *ibid.*, p. 13.

781 *ibid.*, p. 13.

782 *ibid.*, p. 13.

783 *ibid.*, p. 13.

784 Adrian Lister, Treasurer, Western Australian District High School Administrators' Association, *Transcript of Evidence*, 23 March 2022, p. 8.

785 *ibid.*

Thankfully an incident of this nature is rare, however it highlights the importance of having clear protocols and guidelines in place so all stakeholders, including principals, know what their roles and responsibilities are. The Committee recommends the PTA reviews its Incident and Emergency Management Plan and Safety Management Plan templates to provide greater clarity about roles and responsibilities in the event of an incident, including an incident when a bus driver may be incapacitated, and ensures that contractors provide copies of the Incident and Emergency Management Plans to all stakeholders, including school principals.

**Finding 75**

Some stakeholders are unclear about their roles and responsibilities in the event of an emergency.

**Recommendation 34**

The Minister for Transport should ensure the Public Transport Authority reviews its emergency and safety management documentation, in consultation with the Department of Education, to ensure that those involved in providing school bus services are clear about their roles and responsibilities in the event of an incident or emergency.

**It is important SBS and school bus contractors have a good working relationship**

A good working relationship between the PTA and bus contractors is important for the safe, efficient, and effective operation of the school bus service<sup>786</sup>, and is an essential part of contracting arrangements.<sup>787</sup> Some stakeholders argued, if that relationship is flawed, it does not matter what other contractual arrangements there are<sup>788</sup>, things are not going to run as well.

*The relationship needs to be solid to be able to deliver services safely.*

*- Emily Lalley, Vice Chairperson, BusWA*

During the 2020-21 financial year, SBS Contract Officers managed 869 school bus contracts delivering 967 separate services.<sup>789</sup> The Contract Officers' role is quite broad, encompassing:

- determining route changes, and associated changes in contractor remuneration
- auditing safety management plans
- undertaking contract audits
- travelling throughout the region to meet with contractors<sup>790</sup>, undertake audits and monitor contract compliance<sup>791</sup>

786 Closed transcript.

787 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 6.

788 *ibid.*

789 Submission 182, Public Transport Authority, p. 4.

790 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 18-19.

791 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p 5.



- looking over buses to ensure they are in reasonable condition
- administering the contract, including liaising with contractors when new buses are required
- tendering for new school bus contracts<sup>792</sup>
- checking necessary qualifications are held.<sup>793</sup>

### **What contractors say about their relationship with the PTA**

Some contractors have sound working relationships with SBS<sup>794</sup>; one noted ‘we personally have always found PTA school bus staff to be approachable.’<sup>795</sup> However, other submitters advised the Committee that contractors were becoming increasingly suspicious of SBS, and they claim the PTA is favouring larger contractors.<sup>796</sup> Some contractors suggested SBS have significantly changed how it manages school bus contracts and interprets contractual requirements, which has led to deteriorating relationships between contractors and SBS<sup>797</sup> over the last two to three years.<sup>798</sup>

Some attributed the relationship deterioration to a breakdown in communication, suggesting that SBS has stopped talking with contractors, and responding to their suggestions<sup>799</sup> or recommendations<sup>800</sup> for improvements in service provision.

Some submitters commented on the style of communication from SBS staff. One submitter suggested it was ‘more like directives’ with an SBS staff member saying ‘you are a contractor and you will do as you are told and you have no say in these matters’.<sup>801</sup>

*‘The attitude has changed  
from a work together  
mantra to a ‘you will do it’  
mantra.’*

*- Submission 188, Regional Transit*

The Committee received evidence that alleged contractors feel they are being ‘bullied and pushed around’.<sup>802</sup> Some contractors were unwilling to provide evidence directly or publicly as part of this inquiry due to their concerns about the possibility of unfair treatment. It was suggested that small contractors may be overly affected, as they do not want to risk their

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792 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p 5.

793 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 8.

794 Closed submissions.

795 Submission 204, Kaye Wilkins, p. 1.

796 Submission 190, Ian Harrower, p. 4; Closed submission.

797 Submission 196, Swanhaven Pty Ltd, p. 2

798 James McCabe, Regional Transit, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 19; John Ditchburn, General Manager, BusWA, *Transcript of Evidence*, 30 May 2022, p. 13.

799 James McCabe, Regional Transit, BusWA, *Transcript of Evidence*, 30 May 2022, p. 13; Submission 161a, Name withheld, p. 1.

800 Closed submission.

801 Submission 162, Name withheld, p. 1; Closed submission.

802 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 30 May 2022, p. 6.

small business operations, and likely do not have the resources of the larger contractors to push back against SBS's determinations.<sup>803</sup>

It was not the role of the Committee to investigate these claims, however we have included reference to them in the report as they are indicative of the breakdown of the relationship. We've not sought to establish the truth or otherwise of the allegations, and therefore the claims should be treated with caution.

As relationships deteriorate, some contractors have become suspicious and mistrustful of SBS.<sup>804</sup> One noted the 'culture that pervades the industry is one of distrust [and] fear...'<sup>805</sup>. Contractors suggested SBS are negatively motivated in their actions, such as changing routes, or providing information to contractors at the last minute.<sup>806</sup> One contractor summed it up, saying:

'Relationships are at an all-time low, lack of confidence in communications with staff at SBS for fear of retribution...'<sup>807</sup>

Contractors raised other concerns about SBS staff's contract management and communication, including that SBS:

- make slow or inconsistent decisions. For example,
  - junior staff are slow to make or advise of decisions.<sup>808</sup>
  - there may be conflicting advice given by different staff members.<sup>809</sup>
  - decisions are reversed or changed after months with no acknowledgement or explanation.<sup>810</sup>
- are not supportive. For example, SBS
  - would not provide a bus monitor despite a contractor's request and provision of evidence.<sup>811</sup>
  - would penalise contractors for making mistakes, rather than show them how to do things properly.<sup>812</sup>
  - did not provide appropriate training in relation to the student behaviour management principles<sup>813</sup> (discussed further in Chapter 8).

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803 Closed transcript.

804 Michelle Thomas, Mphatic Consulting, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 4.

805 Submission 198, Ivo Grubelich, p. 2.

806 Michelle Thomas, Mphatic Consulting, BusWA, *Transcript of Evidence*, 30 May 2022, p. 12.

807 Submission 178, Dennis Sutton, p. 4.

808 Ben Doolan, Chief Executive Officer, Australian Transit Group, BusWA, *Transcript of Evidence*, 25 February 2022, p. 11.

809 Submission 162, Name withheld, p. 1; Closed submission.

810 Closed briefing.

811 James McCabe, Regional Transit, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 5.

812 Submission 162, Name withheld, p. 1.

813 Submission 173, School Bus Logistics Pty Ltd, p. 5.

- are poor communicators. For example, SBS
  - have shifted their focus to email communication, at the expense of verbal conversations.<sup>814</sup>
  - do not respond to emails or calls in a timely manner, or sometimes at all.<sup>815</sup>
  - do not seem to be required to respond to contractors within a reasonable timeframe, despite contractors receiving demerit points if they do not meet administrative requirements on time.<sup>816</sup>
  - provide important information late or not at all, such as advising of routes and passengers lists<sup>817</sup>, or changes to the service.<sup>818</sup>
  - provide no explanation for changes.<sup>819</sup>

BusWA suggested that communication delays can have many potential implications, including to the safety of passengers.<sup>820</sup> They also noted that inconsistent decisions can make it difficult for operators to understand the implications of their contracts.<sup>821</sup>

Some submitters suggested under resourcing may be a contributing factor in SBS staff's communication and their ability to respond to queries in a timely manner.<sup>822</sup> One observed that SBS appears to be 'severely understaffed', and with a high turnover.<sup>823</sup> BusWA suggested communication issues could indicate that junior SBS staff are not empowered to make decisions, and suggested they be better trained so they can provide immediate advice without needing to get approval from more senior staff.<sup>824</sup> BusWA also suggested that SBS's internal referral processes, contracting system complexities, and insufficient resourcing may contribute to communication delays.<sup>825</sup>

#### **Finding 76**

School bus contractors report experiencing poor communication methods from School Bus Services.

#### **What the PTA says about its relationship with contractors**

The PTA was generally complimentary of contractors, noting '[contractors] do a terrific job and, typically, the team works very closely with them'<sup>826</sup>. The PTA advised the main form of

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814 Closed transcript.

815 Closed transcript.

816 Closed submission.

817 Submission 202, BusWA, p. 41.

818 Submission 162, Name withheld, p. 1.

819 Closed submission.

820 Submission 202, BusWA, p. 41.

821 *ibid.*, p. 42.

822 Submission 157, WA Council of State School Organisations, p. 7; Submission 200, Nat Muir, p. 7.

823 Submission 175, Des and Brenda Chitty, p. 2.

824 John Ditchburn, General Manager, BusWA, *Transcript of Evidence*, 30 May 2022, p. 13.

825 Submission 202, BusWA, p. 41.

826 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 26 November 2021, p 2.

communications between SBS and contractors is an online portal with a personalised log-in which contains relevant information, although they also use phone calls and email.<sup>827</sup>

The PTA are aware of some of the issues contractors raised. The PTA suggested personalities play a factor in some cases, noting that they never hear from some contractors, and their contracts just tick along, while other contractors are far more vocal and interactive.<sup>828</sup> They advised they had anecdotally heard that some contractors may fear the PTA will enact retribution on them if they talk up too much, although they assured the Committee that would never happen.<sup>829</sup>

The PTA suggested that SBS's relationships with school bus contractors may be more 'fragmented' than the PTA's relationships with other contractors partly because there are a lot more school bus contractors.<sup>830</sup> Further, the PTA noted that while SBS staff do go out to visit the regions, there may be a view that this should happen more often, although that may not be feasible without a larger team.<sup>831</sup> The PTA's Managing Director acknowledged that communication could be strengthened.<sup>832</sup>

### **The PTA and school bus contractors need to improve communication and their relationships**

The Committee was concerned to hear about the relationship deterioration between SBS and school bus contractors, particularly the more serious allegations and believes this illustrates the immediate necessity for an appropriate complaints management process.

It would be beneficial for SBS staff to be reminded of good customer service practices as outlined in the Customer Service Charter. The PTA developed the charter in 2013 following consultation with the school bus industry, including BusWA. Contractors advised us that they support charter, but feel like it is not being implemented.<sup>833</sup>

In Chapter 5 we recommend the PTA develop a complaints management process, which operates independently from SBS staff. This should be available for contractors to make a complaint to a person or persons outside of SBS. We note that complaints about SBS staff or decisions may arise for all sorts of reasons, including from disgruntled contractors, differences of opinion or those dissatisfied with SBS decision made in accordance with their contract or the STAP; we are not suggesting wrongdoing by SBS staff. The PTA should monitor these complaints so it can assist staff to improve their skills, if necessary.

We also note some of the other issues raised, such as late communication or inconsistent decision making, may result from SBS staff managing a lot of contracts without sufficient

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827 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 10.

828 *ibid.*, pp. 18-19.

829 John Bailly, Manager, School Bus Services, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, pp. 18-19.

830 Mark Burgess, Managing Director, Public Transport Authority, *Transcript of Evidence*, 23 February 2022, p. 18-19.

831 *ibid.*

832 *ibid.*

833 Emily Lalley, Vice Chairperson, BusWA, *Transcript of Evidence*, 25 February 2022, p. 10.

resourcing, or staff being new or receiving limited training. The PTA should consider whether providing additional resources would help resolve some of the issues raised.

We believe the PTA can take some steps to improve their relationships with contractors. We encourage the PTA to ask contractors how they can improve. We also make the below suggestions based on the evidence we have received. SBS staff should:

- take time to meet with contractors in the regions more regularly to gain a better understanding of their operations
- acknowledge and respond to communication in a timely manner and provide contractors with an estimate of when their matter may be dealt with
- acknowledge suggestions made by stakeholders
- explain why decisions have been made
- receive training on good contract management practices
- be aware of and confident to provide advice in relation to the operation of the STAP.

**Finding 77**

School Bus Services can improve its communication and relationships with school bus contractors.

**Recommendation 35**

The Minister for Transport should ensure the Public Transport Authority supports School Bus Services staff to improve their communication with school bus contractors through the development of a communications protocol with clear response and resolution guidelines. School Bus Services should be sufficiently resourced to ensure staff have the time to consult and communicate well.



## Chapter 8

### Student behaviour management roles and responsibilities need to be clarified

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**The student behaviour management guidelines were created without consulting the school bus industry. School bus operators have a primary responsibility to enforce these guidelines and manage behaviours.**

Rachel Hart, School Bus Logistics Pty Ltd, *Transcript of Evidence*

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While the majority of students behave appropriately on student transport, there are examples of students who misbehave for one reason or another and this can be quite disruptive for others. To address this, the Public Transport Authority (PTA) has put in place Behaviour Management Guidelines (BMG), that aim to ensure student behaviour is appropriately and consistently managed.<sup>834</sup>

This chapter considers the important of school bus contractors' and bus drivers' responsibility for enforcing the BMG, and ensuring drivers are appropriately trained to enforce the BMG. We also discuss bus aides' and monitors' roles in ensuring student and driver safety on buses. Finally, we consider school bus drivers' conduct.

#### **Bus contractors and drivers are primarily responsible for enforcing the students' Code of Conduct**

The BMG, developed in consultation with various school based organisations<sup>835</sup>, sit within the *Student Transport Assistance Policy and Operational Guidelines (STAP)*. The BMG 'outlines the roles, rights and responsibilities of students, parents and carers and others who are involved in the conduct, provision and administration of school bus services'.<sup>836</sup> It includes a Codes of Conduct for students, lists the roles and responsibilities of everyone involved in school bus services for managing behaviour on buses, and sets out how breaches of the Code of Conduct are managed.<sup>837</sup>

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834 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 55.

835 *ibid.*, pp. 53-54.

836 *ibid.*, p. 55.

837 *ibid.*, p. 33.

Every person involved in providing school bus services has some part to play in ensuring students are well behaved on buses. The PTA holds overall administrative responsibility for the implementation of the BMG, including:

- Developing, implementing and reviewing the Code of Conduct and BMG in consultation with relevant stakeholders.
- Providing advice on issues of policy relating to behaviour management.
- Providing information, advice and training on behaviour management to bus staff.
- Investigating complaints where breaches of the Code of Conduct have not been managed according to the BMG.<sup>838</sup>

Bus contractors are ultimately responsible for managing student behaviour on their school buses. Their specific responsibilities relating to student behaviour management are included in all contract agreements, but include:

- Acting as the main point of contact for drivers, parents and carers, and other stakeholder when incidents of misbehaviour occur.
- Reviewing Behaviour Management Notices and taking appropriate action.
- Taking action as a result of an incident, and determining and enforcing appropriate penalties according to the BMG.
- Providing bus staff with instruction, information and training relating to appropriate student behaviour management principles.<sup>839</sup>

Bus drivers must ensure students comply with the Code of Conduct.<sup>840</sup> Amongst other things, drivers are required to:

- Implement effective strategies that encourage appropriate behaviours and discourage/prevent misbehaviours
- Enforce the Code of Conduct, and take the appropriate steps as outlined in the BMG
- Record and report incidents in accordance with the instructions provided by the bus operator.<sup>841</sup>

Student conduct should ensure their comfort and safety and the comfort and safety of others.<sup>842</sup> While travelling on the bus and at bus loading and transfer locations students have responsibility for:

- following the Code of Conduct
- following the direction of the bus driver or other bus staff
- reporting any unsafe behaviour to the driver or other bus staff.

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838 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 61.

839 *ibid.*, p. 58.

840 *ibid.*, p. 59.

841 *ibid.*, p. 59.

842 *ibid.*, p. 56.



If a driver considers a student engages in behaviour that breaches the Code of Conduct, the driver must report the incident to School Bus Services (SBS). If the incident is relatively minor, the driver may appropriately record specifics of the incident in a diary. If the incident is more serious, the driver must complete and issue the student a Behaviour Management Notice.<sup>843</sup> A copy of the notice must also be provided to the parents or carers, school administration and SBS.<sup>844</sup> The action to be taken by the bus driver or other parties will depend on the nature and seriousness of the incident, as well as if the student has any previous Behaviour Management Notices issued.<sup>845</sup> The BMG sets out categories of misbehaviours and includes a Penalty Matrix to assist in determining the severity of the consequences from receiving a caution to suspension from the bus service for 5 weeks or more.<sup>846</sup> If a student re-offends the previous incident will be factored in when determining the penalty.

One stakeholder suggested the BMG are 'comprehensive', clearly addressing the roles and responsibilities of parties, and providing 'explicit details and advice on dealing with incidents of misbehaviour and the relevant recourse'.<sup>847</sup> However, a number of other stakeholders raised concerns with the BMG, noting bus contractors were not consulted in its development.<sup>848</sup> In particular, bus contractors and drivers are required to implement the BMG, but did not have the opportunity to raise concerns about the difficulties in doing before being assigned this role.<sup>849</sup>

One submitter noted the 'list of responsibilities for bus [contractors] and drivers regarding student behaviour on the bus is long and totally impracticable'.<sup>850</sup> They note that it is challenging for a bus contractor to provide a safe workplace for a driver, when the driver is expected to manage the behaviour of up to 57 students while driving.<sup>851</sup> They compared this requirements to student classroom sizes (25 to 30 students), or staff to student ratios on excursions (1 staff to 20 students, minimum of 2 staff at all times).<sup>852</sup>

Further, many submitters agreed it was impractical and impossible for drivers to manage student behaviour and also focus on driving.<sup>853</sup> In the event of poor student behaviour on a bus, which occurs from time to time<sup>854</sup>, bus drivers are required to issue Behaviour Management Notices.<sup>855</sup> However, bus drivers, rightly focusing on driving, may only have

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843 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 62.

844 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 48.

845 *ibid.*, p. 64.

846 *ibid.*, p. 65.

847 Submission 140, Isolated Children's Parents' Association of Western Australia, p. 6.

848 Submission 173, School Bus Logistics Pty Ltd, p. 4; Submission 202, BusWA, p. 23; Rachel Hart, School Bus Logistics Pty Ltd, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 3.

849 Submission 202, BusWA, p. 23.

850 Submission 173, School Bus Logistics Pty Ltd, p. 4.

851 *ibid.*, p. 4.

852 *ibid.*; James McCabe, Regional Transit, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 6

853 Submission 188, Regional Transit, pp. 6-7.

854 Closed submissions.

855 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 62.

seen some of the poor behaviour, or not have seen any of the poor behaviour, and only become aware of it through other students informing them of what occurred.<sup>856</sup> This makes it difficult for drivers to complete the Behaviour Management Notice. However, if a driver does not complete the necessary forms, SBS advised that it cannot escalate the issue.<sup>857</sup>

BusWA recommends the BMG be reviewed to consider a range of bus contractor concerns and the roles and responsibilities of all stakeholders.<sup>858</sup> Bus contractors are particularly concerned about what they consider to be an 'unreasonable amount of responsibility' imposed on them, and their drivers, under the BMG and how it could impact student safety.<sup>859</sup> They suggested these concerns could be addressed by including greater use of bus monitors (see below) on bus routes known to have poor behaviour.<sup>860</sup>

The Committee considers it is important for students and drivers to enjoy a safe environment on school buses. We believe that bus drivers, particularly those driving large buses, may find it challenging to monitor and address the behaviour of all students on board when they need to focus on driving. This makes it difficult for drivers to follow necessary processes to report poor behaviour, without which behaviour is less likely to be addressed. The PTA should discuss the BMG and roles and responsibilities under it with a broader selection of stakeholders, in particular bus contractors and drivers, to understand their concerns and find ways these can be addressed.

**Finding 78**

School bus contractors were not engaged during the development of the Behaviour Management Guidelines. They are concerned about the level of responsibility required of them and their drivers and how this may affect student safety.

**Recommendation 36**

The Minister for Transport should ensure the Public Transport Authority engages with a broad range of stakeholders, in particular bus contractors and drivers, to ensure the Behaviour Management Guidelines are appropriate.

**The PTA needs to confirm who is responsible for providing student behaviour management training to drivers, and what this training should cover**

The STAP provides that bus contractors, with assistance from the PTA, must provide bus staff with 'instruction, information and training relating to appropriate student behaviour management principles'.<sup>861</sup> It also states that drivers can expect 'to be trained in behaviour management strategies and incident reporting procedures'.<sup>862</sup>

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856 James McCabe, Regional Transit, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 6.

857 Submission 202, BusWA, p. 24.

858 *ibid.*, p. 25.

859 *ibid.*, p. 25.

860 *ibid.*, p. 26.

861 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 59.

862 *ibid.*, p. 59

The PTA advised it has created educational material for behaviour management issues that school bus contractors can use to train drivers.<sup>863</sup> However, one witness noted that while SBS states the PTA are responsible for providing information, advice and training on student behaviour management for bus staff, they have never actually provided this support.<sup>864</sup>

The Committee considers the PTA should provide clarity around the responsibilities of itself and contractors in ensuring bus staff receive appropriate training in how to manage student behaviour. Even if responsibility for training rests with each bus contractor, it may be beneficial for the PTA to create comprehensive training materials for managing student behaviour to ensure all bus staff receive consistent information and support.

#### **Finding 79**

Some stakeholders are confused about who is responsible for providing bus staff with instruction, information and training relating to appropriate student behaviour management principles.

#### **Recommendation 37**

The Minister for Transport should ensure the Public Transport Authority clarifies with bus contractors their responsibilities for providing bus staff with training in how to manage student behaviour.

The Public Transport Authority should develop comprehensive training materials for managing student behaviour and ensure bus contractors are providing bus staff with consistent information and appropriate training.

### **The roles and responsibilities of bus aides should be clarified**

Sometimes bus drivers may be accompanied on the bus by an additional staff member known as a bus aide. A bus aide helps ensure students are transported to and from school safely.<sup>865</sup> Bus aides are more commonly found on buses transporting students to Education Support Facilities; the PTA advised the Committee that every dedicated education support vehicle has at least one bus aide on board.<sup>866</sup> Buses transporting rural students to mainstream schools may have a bus aide if a child on the bus requires extra assistance.<sup>867</sup>

According to the PTA, the primary duties of a bus aide are to 'ensure students remain seated, have their seat belts fastened and that behaviours (depending on the nature of disability) are managed and do not impact on the well-being of other students or the safe operation of the school bus'.<sup>868</sup> While bus aides hold first aid certification and are trained in

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863 Submission 182c, Public Transport Authority, p. 4.

864 Rachel Hart, School Bus Logistics Pty Ltd, BusWA: Bus Contractors, *Transcript of Evidence*, 25 February 2022, p. 3.

865 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, p. 52.

866 Submission 182c, Public Transport Authority, p. 14.

867 *ibid.*

868 Submission 182, Public Transport Authority, p. 19.

managing the types of behaviours students might exhibit, they ‘are not specialists and cannot provide a high level of individualised care’.<sup>869</sup>

The Western Australian Education Support Principals and Administrators’ Association (WAESPAA) are very supportive of the work bus aides do on education support buses, but are concerned aides may not have the appropriate skills to support the students and meet their needs.<sup>870</sup> WAESPAA has offered SBS professional training in this area, but they have only taken up the offer once.<sup>871</sup>

Another submitter was concerned that bus aides may be unable to provide emergency medical assistance if required.<sup>872</sup> The submitter believed that SBS should provide that service, and that aides should receive appropriate training to be able to perform the service.<sup>873</sup>

The Committee believes bus aides are important to ensuring the safety and well-being of students, especially on education support buses. We consider the PTA should consult with bus aides, contractors and Education Support Facility representatives to determine whether and how their role should be changed and if further training is necessary.

**Finding 80**

A bus aide may accompany bus drivers on school buses as required, however they might not have appropriate skills to support the students and meet their needs.

**Recommendation 38**

The Minister for Transport should ensure the Public Transport Authority consults with school bus contractors, bus aides and Education Support Facility representatives to determine if and how the roles and responsibilities of bus aides need to change, and if additional training is required.

**The roles and responsibilities of bus monitors should be clarified**

Bus monitors accompany drivers to assist them to manage student behaviour on school buses transporting rural students attending mainstream schools.<sup>874</sup> Interestingly, the STAP does not mention ‘bus monitors’ and the PTA was the only stakeholder the Committee received evidence from who used this term. The majority of submitters referred to bus aides, and we have inferred from their comments that they were referring to bus monitors. We use the term bus monitors to distinguish their role from the role of bus aides (discussed above).

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869 Submission 182, Public Transport Authority, p. 19.

870 Deborah Taylor, President, Western Australian Education Support Principals and Administrators’ Association, *Transcript of Evidence*, 16 March 2022, p. 5.

871 *ibid.*

872 Submission 52, Linda Eaton, p. 1.

873 *ibid.*

874 Submission 182c, Public Transport Authority, p. 14.

The PTA noted its preference is ‘to manage student behaviour from the onset to avoid long term disruption on services’, and thus bus monitors are ‘very rarely used’.<sup>875</sup> This was reflected in the evidence of other stakeholders, whose requests for a bus monitor on their service were declined by SBS.<sup>876</sup> One contractor made repeated requests for a bus monitor to assist with behaviour management on one of their bus routes. Despite having supporting documentation from police and the driver, SBS denied the request.<sup>877</sup> SBS advised they ‘do not implement bus [monitors] to manage bad behaviour from students and if students cannot abide by the Code of Conduct and BMG then they may be removed from the service’.<sup>878</sup>

BusWA noted contractors and drivers are concerned the lack of supervision of students on the bus compromises their ability to provide a safe service.<sup>879</sup> They suggested bus monitors should be provided on the bus, consistent with Department of Education policies about staff to student ratios.<sup>880</sup> Further, they suggested bus contractors should assess the need for a monitor on each service, and SBS should provide monitors based on that assessment.<sup>881</sup>

In addition to clarifying the roles and responsibilities of bus contractors and drivers, as discussed above, the Committee considers the PTA should provide clarity about the role of bus monitors and when they may be used.

#### **Finding 81**

Bus monitors are rarely approved by School Bus Services, despite requests from bus contractors experiencing poor student behaviour on their buses.

#### **Recommendation 39**

The Minister for Transport should ensure the Public Transport Authority clarifies the role of school bus monitors and when they may be used.

### **The STAP should be updated to include performance standards for drivers**

Although aimed primarily at students, the BMG also sets out some of the required behaviours and actions of bus drivers. For example, the STAP notes that bus drivers are required to ‘uphold the responsibilities of the role’ and also ‘conduct themselves in a professional and courteous manner’<sup>882</sup>.

The Committee received substantial evidence of the high performance of bus drivers including their good communication, promptness, how they kept parents and carers informed, and waited for students or parents at stops.<sup>883</sup> One submitter suggested bus

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875 Submission 182c, Public Transport Authority, p. 14.

876 Submission 188, Regional Transit, p. 6; Closed submission.

877 Closed submission.

878 Closed submission.

879 Submission 202, BusWA, p. 27.

880 *ibid.*

881 *ibid.*

882 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, pp. 59.

883 Submission 161, Name withheld, p. 2; Londa Finlayson, Wagin WA, *Briefing*, 30 November 2021.

drivers are an integral link in the community always cheerfully greeting her and her children.<sup>884</sup> Bus drivers often know the parents and carers and can communicate with them directly, they also know the children and any issues they may have.<sup>885</sup>

However, we also received evidence suggesting some bus drivers are not meeting the expectations other stakeholders have of them. One submitter suggested a bus driver did not communicate well with parents.<sup>886</sup> Other stakeholders questioned whether bus drivers were aware of their responsibilities, asking if there was a job description<sup>887</sup>, and if so, suggesting this should be reviewed to ensure drivers have appropriate experience.<sup>888</sup> One submitter noted bus drivers need to be suited to working with young people, not just capable of driving a bus.<sup>889</sup> Alarmingly, one submitter complained to SBS about poor driver behaviour including poor driving, swearing and abusing students, and said they felt like SBS did not investigate the complaints or keep them informed.<sup>890</sup>

Submitters noted the STAP lacks guidance on how stakeholders can address poor bus contractor or bus driver conduct.<sup>891</sup> It contains no complaints management process to 'raise concerns or breaches and no procedural guidelines or ramifications of breaches'.<sup>892</sup>

The Committee notes the STAP contains limited information setting a performance standard for bus drivers.<sup>893</sup> Although this may be contained elsewhere, for example the Driver's Operating Guide referred to in the STAP<sup>894</sup>, we believe it is important such standards are set out in higher level documents such as the STAP so that other stakeholders are aware of the expectations of drivers, and of what actions to take if these expectation are not being met. We also think the introduction of a complaints management process (see Chapter 5) will provide an avenue for parents and carers to raise concerns with SBS about bus contractor or bus driver conduct.

#### **Finding 82**

The Behaviour Management Guideline set out some of the behaviours bus drivers are required to exhibit, and actions they are required to undertake. However, the *Student Transport Assistance Policy and Operational Guidelines* lacks guidance in relation to what avenues stakeholders have available to address poor bus contractor or bus driver conduct.

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884 Closed submission.

885 Submission 54, Alan Rose, p. 1; Closed briefing.

886 Submission 73b, Peta Otway, p. 1; Closed briefing.

887 Submission 158, Name withheld, p. 1.

888 Submission 73, Peta Otway, p. 1.

889 Submission 28, Kelly-Anne Murray, p. 1; Submission 73, Peta Otway, p. 1.

890 Closed submission.

891 Submission 140, Isolated Children's Parents' Association of Western Australia, p. 6.

892 *ibid.*

893 Public Transport Authority, *Student Transport Assistance Policy and Operation Guidelines*, Government of Western Australia, May 2020, pp. 59.

894 *ibid.*

Student behaviour management roles and responsibilities need to be clarified

**Recommendation 40**

The Minister for Transport should ensure the Public Transport Authority updates the *Student Transport Assistance Policy and Operational Guidelines* to include information regarding the conduct of school bus contractors and drivers and what avenues are available to stakeholders if these requirements are not being met.



MRS L.M. O'MALLEY, MLA  
CHAIR





# Appendix One

## Committee's functions and powers

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The Public Accounts Committee inquires into and reports to the Legislative Assembly on any proposal, matter or thing it considers necessary, connected with the receipt and expenditure of public moneys, including moneys allocated under the annual Appropriation bills and Loan Fund. Standing Order 286 of the Legislative Assembly states that:

The Committee may -

- 1 Examine the financial affairs and accounts of government agencies of the State which includes any statutory board, commission, authority, committee, or trust established or appointed pursuant to any rule, regulation, by-law, order, order in Council, proclamation, ministerial direction or any other like means.
- 2 Inquire into and report to the Assembly on any question which -
  - a) it deems necessary to investigate;
  - b) (Deleted V. & P. p. 225, 18 June 2008);
  - c) is referred to it by a Minister; or
  - d) is referred to it by the Auditor General.
- 3 Consider any papers on public expenditure presented to the Assembly and such of the expenditure as it sees fit to examine.
- 4 Consider whether the objectives of public expenditure are being achieved, or may be achieved more economically.
- 5 The Committee will investigate any matter which is referred to it by resolution of the Legislative Assembly.



## Appendix Two

### Inquiry process

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On 18 August 2021, the Legislative Assembly of Western Australia agreed to a motion to refer an inquiry into the Student Transport Assistance Policy Framework to the Public Accounts Committee (Committee). The motion also co-opted the Member for Roe, Mr Peter Rundle, MLA, to the Committee for the duration of the inquiry.

Following the referral, details of the inquiry were placed on the Committee's webpage, including the Terms of Reference and a link for stakeholders to make a submission.

The Committee made a series of out-of-session resolutions to allow the inquiry to get underway, before first meeting to consider the Terms of Reference on 8 September 2022, its first meeting after the referral. Following the meeting, the Committee published submission guidelines on its website, and wrote to a number of stakeholders inviting submissions.

The Committee advertised the inquiry in *The West Australian* on 28 August 2021 and also in the following regional newspapers:

**Table A2.1: Regional newspaper advertising for the Student Transport Assistance Policy framework inquiry**

Regional Newspaper	Date of advertisement
Broome Advertiser	Thursday, 23 September 2021
Bunbury Mail	Wednesday, 22 September 2021
Busselton Dunsborough Mail	Wednesday, 22 September 2021
Koori Mail	Wednesday, 22 September 2021
Great Southern Herald	Thursday, 23 September 2021
Kalgoorlie Miner	Saturday, 18 September 2021
Mandurah Mail	Thursday, 23 September 2021
Geraldton Midwest Time	Wednesday, 22 September 2021
Narrogin Observer	Thursday, 23 September 2021
Pilbara News	Wednesday, 22 September 2021
Countryman	Thursday, 23 September 2021
Esperance Weekender	Friday, 24 September 2021

The Committee received 213 submissions and 17 supplementary submissions throughout the inquiry. The majority of these were received in response to the Committee's advertising and initial invitations to provide a submission. Some submissions were received later in the inquiry as submitters requested extensions to the submission deadline. The Committee also identified further stakeholders as the inquiry progressed, and requested and received further submissions. A list of submissions received is included in Appendix Four.

## Appendix Two

The Committee met with stakeholders in Darkan, Dumbleyung, Narrogin, Wagin and Jarrahdale on 29 and 30 November, and 2 December 2021. A list of briefings is included in Appendix Six.

We had intended to meet with more regional stakeholders in their communities in February and March 2022, however following the increasing number of COVID-19 cases in Western Australia, the Committee conducted virtual hearings with regional stakeholders rather than undertake further travel. We were able to collect evidence from a range of stakeholders, although not without experiencing some technical difficulties. The Committee gathered evidence at 23 virtual hearings, and two in-person hearings. Details of witnesses who provided evidence at public hearing are listed in Appendix Five.

The Committee thanks all those who made contributions to the inquiry.

## Appendix Three

### Previous school bus services reviews

Year	Review, findings and recommendations
1957	<p><b>School Bus Contracts and the Curtailment of School Bus Routes and the Method of the Education Department in regard to same (Select Committee of the Legislative Council)</b></p> <p>In 1957, the Legislative Council established a Select Committee to inquire into the school bus service. The Select Committee identified five key features of school consolidation which drove the State Government’s provision of school transport assistance. These were:</p> <ul style="list-style-type: none"> <li>• School consolidation provides better educational opportunities for students, and the policy should remain for both educational and economic reasons.</li> <li>• Both the Government and parents have an obligation to get children to school.</li> <li>• Children should not be travelling undue distances to school.</li> <li>• Spur running (where a portion of the route is off the main route) should be avoided or minimised.</li> <li>• Bus contractors should make a living out of the contract as well as earn enough money to replace the bus when it comes to the end of its life.</li> </ul> <p>With the closure of schools came an expectation, or promise, depending on who you asked, that the government would be responsible for transporting children to school. The 1957 Select Committee found that, prior to the Department of Education’s school consolidation policy, parents had accepted responsibility for getting their children to school. Parents argued that the policy had been introduced for the benefit of the government, not families, and opposition to school closures was offset by promises of transport. By the time the Select Committee inquired it was too late to reverse this expectation, but it lamented there had been no clear definition of ‘adequate transport’.</p> <p>By 1957, 17,500 students were being bussed to school on 468 contract routes and 92 subsidised services. The then Director General of the Department of Education noted the growth of the services had become ‘too heavy a burden’. The report noted:</p> <p style="padding-left: 40px;">Parents were expecting a service which was going to call at the door to pick up youngsters and in that way it was getting out of hand.</p> <p>The Report noted there was an assumption that the closure of schools implied the government was responsible for transporting students to school. It regretted that this obligation had never been defined – where parents’ obligation ends and government obligation takes over.</p> <p>The Committee saw the need for uniformity in delivery of the service, but noted it was easier to serve families residing on main routes than those off the main highway. However, even prior to there being a reduction in spurs, many families still had to bring their children to a bus stop en-route. The Committee, Chairman dissenting, considered parents being required to convey their children to a bus stop was a disadvantage; an inconvenience, rather than serious hardship. They noted no solution was offered except a gate pick-up. The Committee also noted the difficulty in the duration of transport some children experienced, but found no economic solution.</p> <p>The Committee identified the principal considerations in the elimination of ‘spur running’ as:</p> <ul style="list-style-type: none"> <li>• practicability of picking up all country children near their homes</li> <li>• the effect of lengthening bus routes and times of travel to unreasonable proportions</li> <li>• the cost to the state of such service</li> <li>• the inconvenience caused to parents in providing transport to a pick-up point.</li> </ul> <p>It also noted that in considering the practical measures to provide the maximum service, there may be some need for extra services where settlement is sparse, or hardship proven. It also questioned whether transport should be free.</p> <p>In respect of contractors, the Committee noted that most contractors did not mind long routes as it is the basis of their pay, but do have concerns for the welfare of children travelling long</p>

Year	Review, findings and recommendations
	<p>hours. It also found, Chairman dissenting, that the variation in the distances travelled, conditions of routes, and types of vehicles made it difficult to apply a standard formula to determine adequate compensation. The Committee were not able to reach a conclusion about what appropriate rates might be.</p> <p>The Committee also found that the size of the service had grown substantially, with enormous work required from departmental staff. Some areas complained of a lack of communication and consultation from department staff. The Committee noted the collaboration of local school bus committees, parents and citizens and school staff, stating that this was vital and must be intensified to determine the most practicable routes.</p> <p>The Committee noted the varying circumstances of bus drivers and owner-drivers, and why it may be difficult for the bus service to be a full time job. It suggested rates of pay must have regard to these circumstances.</p>
1973	<p><b>School Bus Services in Western Australia (Woods Review)</b></p> <p>In 1973, a Committee comprising 14 representatives of the Education Department, Catholic Education Commission, State School Teachers' Union of W.A., WA Council of State School Organisations and the WA Road Transport Association were tasked with enquiring into school bus regulations and conditions, including gather information from stakeholders and making recommendations for improvement.</p> <p>The Woods Review made 44 recommendations relating to:</p> <ul style="list-style-type: none"> <li>• The administration of school bus services by the Education Department, in particular the role of school principals.</li> <li>• Bus advisory committees, including their membership and functions.</li> <li>• The criteria for operating a service, including the minimum number of students (11) and the minimum distance from school (4.5km).</li> <li>• The maximum travel time (90 minutes) and the need for students to be seated unless approval has been given to stand.</li> <li>• Student's behaviour on school buses.</li> <li>• Conveyance allowances.</li> <li>• Contracting arrangements, including payments, membership of the Road Transport Association and making the bus contract public.</li> <li>• Specifications for school buses.</li> <li>• Road conditions, including the payment of an allowance to local governments to maintain unsealed roads used by school buses.</li> <li>• School ownership of buses.</li> <li>• Other matters.</li> </ul>
1981	<p><b>Transport Commission Review of the School Bus Contract System (Transport Commission Review)</b></p> <p>The Transport Commission undertook a detailed review of the existing contract system following industry representation for increased remuneration for school bus contractors.</p> <p>Under the existing arrangements, contracts for new services were tendered based on the projected number of children requiring transport over the next five years. Tenderers submitted a daily remuneration rate for running the bus. Once awarded, the successful tendered agreed that the tendered sum would be adjusted in accordance with an index rate schedule, what became known as the 'standard rate'. Because of how this operated, the 'standard rate' became the 'rate setter', with 95% of contracts being at or above the 'standard rate' at the time of review, many of which had been renewed. This system provided operators with stability.</p> <p>The review recommended that a fully competitive tender system be put in place to improve cost efficiency. In this scenario, the tendered sum and cost structure are of significance, with the index rate schedule used only for internal purposes to measure the reasonability of tenders.</p>

Year	Review, findings and recommendations
	<p>Alternatively, the Review recommended that the 'standard rate' be revised to eliminate undesirable features, and ensure increases in tendered cost structure were proportionate to increases in the revised 'standard rate'.</p> <p>A third, and less preferred alternative, was to keep the existing system, including the automatic renewal of contracts' but eliminate irregularities in the 'standard rate'.</p>
<p><b>1993</b></p>	<p><b>Report on the Joint Review of the Standard Rate Index Components and Contract Statement (Joint Review)</b></p> <p>The Joint Review began in 1989 when the then Minister for Education invited the West Australian Road Transport Association to participate in a review of the Standard Rate and Contract Statement on the basis that components of the 'standard rate' were outdated and did not reflect current trends and technology.</p> <p>The Joint Review held 56 meetings to discuss various elements of the Standard Rate, for example, running costs (fuel, repairs and maintenance etc.), garaging and administration, and insurance. The Joint Review report summarises discussions on these various elements, each parties position, and outlines recommended changes to the 'standard rate' index to achieve levels of remuneration to contractors that are fair, equitable, and represent value for the tax dollar expended.</p> <p>Of particular relevance, the Joint Review noted the return on investment, currently set at 10%, would be more appropriately linked to the long term State Treasury Bond Rate at 15 January or each year.</p> <p>The Joint Review also recommended that contracts won by tender, or obtained by transfer, should be held for a minimum period of 5 years before being eligible for (further) transfer.</p> <p>It is unclear how many of the Joint Review's recommendation were adopted in contracting arrangements.</p>
<p><b>1999</b></p>	<p><b>Review of Transport Assistance for Students (Morrell Review)</b></p> <p>When the contract school bus services function was transferred from the Department of Education to the Department of Transport in 1996, it was determined that a major policy review be carried out a year afterwards. This is the review, which began in 1997 and completed in 1999.</p> <p>The Review considered the provision of transport assistance for students throughout the State, excluding services to Education Support Facilities (reviewed separately) and contractual arrangements with service providers.</p> <p>Before and during the Review, concerns were raised about the equity of the Policy, including:</p> <ul style="list-style-type: none"> <li>• no assistance for rural students to attend other nearby government schools (instead of the nearest) that offer curriculum options desired by students</li> <li>• rural students being directed to a designated school in a town, and unable to access other schools in the town (that may even be closer to the student's home)</li> <li>• travel to school being free for some students (e.g. if they are near enough to walk or cycle or a free bus service is provided) but not for others; some non-government schools did not receive financial assistance for non-Transperth services and could not offer a fare concession</li> </ul> <p>There were concerns about education policy changes impacting the provision of transport services (e.g. rationalisation of schools in an area, removing school boundaries) and that education authorities did not take account of transport cost impacts. The Review warned that education changes being proposed and implemented in Western Australia were similar to those which contributed to an escalation in the school transport budget in NSW.</p> <p>The review found that people were satisfied with the transport assistance received, and many sought no changes to the Policy. However, a large number of issues were raised, including regarding safety standards of vehicles and the safety of students.</p> <p>The Review found that transport assistance policies had grown over time and some were no longer coherent or appropriate. There were policy gaps in key areas and policies had been applied inconsistently in different locations.</p>

Year	Review, findings and recommendations
	<p>There were 66 recommendations covering:</p> <ul style="list-style-type: none"> <li>• the overarching objectives and principles of transport assistance</li> <li>• eligibility</li> <li>• route and service design</li> <li>• safety and comfort</li> <li>• management (particularly how education and transport work together and roles and responsibilities of local administration).</li> </ul> <p>Some recommendations would deliver savings but others would increase costs.</p>
2002	<p><b>School Bus Task Force Report (Guise Review)</b></p> <p>One element of the Review was to determine the preferred model to be adopted for determining the rate of remuneration for school bus operations i.e. the ‘standard rate’ or the ‘Composite Rate’.</p> <p>The Task Force supported the introduction of a new Composite Rate Model to determine contractor remuneration, with a condition that no contractor would be worse off. Industry representatives believe the models for remuneration focused on economic factors, without taking social factors and historical value of the service into account.</p> <p>At the time, 701 school bus services operated on an in perpetuity basis. With the Task Force favouring a shift away from these contracts, industry representatives requested a model for compensation or a sufficient period of notice to recoup their investment. The Review recommended that in perpetuity contracts were discontinued after a period of 20 or 25 years, or 10 years for those on the fringe of the metropolitan area. As each contract expired it would be competitively tendered, with the tender evaluating the experience of tenderers and the Buy Local Policy.</p>
2002-2004	<p><b>School Bus Task Force Implementation Committee</b></p> <p>The Committee implemented the recommendations of the Guise Review. It developed a new contract to implement the Composite Rate Model. All in perpetuity contracts were transitioned to the Composite Rate Model. All new contracts delivered a ‘generous’ increase in remuneration. To ‘sweeten’ the transition, new Composite Rate Model contracts included a generous rate of return on investment, increase in minimum driving hours, an exit payment if contracts were terminated, and the ability of contractors to hand back their contract and receive an exit payment if the bus route distance dropped by more than 50%.</p>
2007	<p><b>Inquiry on School Bus Operators’ Charter Bus Operations (Economic Regulation Authority Review)</b></p> <p>This inquiry arose due to complaints from the charter bus industry that the nature of the school bus operators’ government contract allowed them to undercut charter operations.</p> <p>The ERA found that only a small percentage of school bus contractors engaged in frequent commercial charter work. It found no evidence of negative impacts on investment or service standards in the charter industry as a result of school bus operators entering the market. It also found it was unlikely that school bus operators’ costs and revenues enabled them to engage in anti-competitive behaviour. Ultimately it found that school bus contracts were not having an adverse impact on the charter bus industry.</p>
2011	<p><b>Independent Review Panel Report: School Bus Service Composite Rate Model (CRM) Contract (Lowe Review)</b></p> <p>A contract based on the Composite Rate Model was introduced in 2004. The Lowe Review looked at this contract, and contractors’ claims that the Composite Rate Model contract had been imposed on them, took away their contract tenure and was unfair in content and administration.</p> <p>The Review found although some operators suffered a real loss of future income, the long contract period and absence of competitive tendering provided a reasonable degree of compensation. It recommended the Government continue its transition to competitive tendering of school bus contracts.</p>



## Previous school bus services reviews

Year	Review, findings and recommendations
	The Review noted the 20 to 30 year contracts may be inconsistent with the life of the bus asset. It recommended that either the bus life could be extended to the conclusion of the contract (by up to 5 years) or the contracts could be extended to cover the life of the bus.
2012	<p><b>School Bus Contract Advisory Committee – Evergreen Contract (Shervington Review)</b></p> <p>Despite the Lowe Review recommending the Government continue its transition to competitive tendering of school bus contracts, the Government approved the introduction of the Evergreen Contract Model to replace the Composite Rate Model. This Review drafted the new contract, and it was approved by the Minister. The 687 Composite Rate Model contracts were transitioned to Evergreen Contract model contracts.</p>



## Appendix Four

### Submissions

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No.	Name/Organisation
1	Duncan Ross
2	Jane Scott
3	Noel Chamberlain
4	Name Withheld
5	Name Withheld
6	Toni Finch
7	Margaret Thomson
8	Sherriden Davis
9	Brendon Thomson
10	Susan Sodsai
11	Jamie Hunter
12	Amy White
13	Chloe Drage
14	Name withheld
15	Closed
16	Jodie Hicks
17	Amanda Jodrell
18	Debbie Nichols
19	Kerry Croucher
20	Name withheld
21	Name withheld
22	Bolgart Primary School
23	Chantelle Zuppich
24	Name withheld
25	Name withheld
26	Chloe McDougall
27	Kylea Garnett
28	Kelly-Anne Murray
29	Cassandra Squires
30	Linda Henderson
31	Samuel Mallen
32	Jodie Cain
33	Closed

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34	Ross Chappell
35	Matthew Bell
36	Brooklyn Barrett
37	Name withheld
38	Katie Ward
39	Name withheld
40	Amy Roberts
41	Name withheld
42	Laura Lombardo
43	Jacinta Dwyer
44	Closed
45	Closed
46	Chelsea Mott
47	Jo-Anne Wood
48	Name withheld
49	Brad Spaaderman
50	Ella Maesepp
51	Name withheld
52	Linda Eaton
53	Kathrine Hardie
54	Alan Rose
55	Closed
55a	Closed
56	Mark Rawlings
57	Tess Lewis
58	Katherine Macnamara
59	Hon Jackie Jarvis, MLC, Member for the South West Region
60	Name withheld
61	Courtney Pavillard
62	Zoe Moulton
63	Veronica Bertola
64	Lisa Pitman
65	Brenda Coates
66	Shan Evans
67	Salmon Gums Primary School
68	Closed
69	Laura Humfrey
70	Name withheld

## Submissions

71	Samantha Greay
72	Collie Senior High School Board
73	Peta Otway
73a	Peta Otway
74	Kerry Lund
75	Toni Burns
76	Name withheld
77	Name withheld
78	Name withheld
79	Child Adolescent Health Service - Community Health
80	Annette Crisp
81	Janet Repacholi
82	Cherie Fry
83	Don Pegrum
84	Kondinin Parents and Citizens
85	Helen Crane
86	Name withheld
87	Titan Engineering
88	Name withheld
89	Claire Eva
90	Lorraine Ardagh
91	Thomas Henderer
92	Name withheld
93	Mary Browning
94	Name withheld
95	Closed
96	Renee Jenkin
97	Western Australian District High School Administrators' Association
97a	Closed
98	Holly McFarlane
99	Gingin District High School Board
100	Closed
101	Shire of Morawa
102	Shire of Kondinin
103	Western Australian Education Support Principals and Administrators' Association
104	Ellen Valenta
105	Name withheld
106	Brownyn Gavlik

## Appendix Four

107	Nyaree Lawler
108	Closed
109	Shire of Pingelly
110	Name withheld
111	Rebecca Gleeson
112	Name withheld
113	Colin Tapper
114	Western Australia Local Government Association
114a	Western Australia Local Government Association
115	Closed
115a	Closed
115b	Closed
115c	Closed
116	Closed
116a	Closed
117	Sandra Manser
118	Cameron and Silke Lucas
119	Zeta Fitzgerald
120	Aliesha Normington
121	Scaddan Primary School P&C
122	Darkan Primary School P&C
123	Name withheld
124	Westonia Community Cooperative
125	Great Southern Grammar
126	Jo Fitzpatrick
127	Heather Bartram
128	Kendall Wickstein
129	Dalwallinu District High School P&C
130	Name withheld
131	Kara Murphy
132	Name withheld
133	Sally Sprigg
134	Name withheld
135	Bunbury Cathedral Grammar School
136	Brendan Whyte
137	Hon. Martin Aldridge, MLC, Member for the Agricultural Region
138	Department of Education
138a	Department of Education

## Submissions

139	Jenna Whyte
140	Isolated Children's Parents' Association of Western Australia
141	Leanne Watts
142	Name withheld
143	Closed
144	Western Australian Primary Principals' Association
145	Kondinin Community Resource Centre
146	Renae Jury
147	Name withheld
148	Jane Ardagh
149	Closed
150	Closed
151	Philippa Gooding
152	Name withheld
153	Closed
154	Abigail Farina
155	Closed
156	Natalie Morris
157	WA Council of State School Organisations
158	Name withheld
159	Name withheld
160	Name withheld
161	Name withheld
161a	Name withheld
162	Name withheld
163	Lisa Carrotts
164	Kim Hosking
165	Carol McDonald
166	Tameka Roukens
167	Tony & Lee-Anne Lay
168	Name withheld
169	Closed
170	Waroon Harvey Bus Services
171	Aaron Macknight
172	Catherine Stone
173	School Bus Logistics Pty Ltd
174	Brad Black & Sally Hepburn
175	Des & Brenda Chitty

## Appendix Four

176	Michelle Boag
177	Troy & Kym Hamon
178	Dennis Sutton
179	Shepherdson Transport
180	Closed
181	Name withheld
182	Public Transport Authority
182a	Public Transport Authority
182b	Public Transport Authority
182c	Public Transport Authority
183	Closed
183a	Closed
184	Name withheld
185	Closed
186	Southern Bus Charters
187	Rod and Nikki Carthew; Graham and Meryl Carthew
188	Regional Transit
189	KP & BG Brooks
190	Ian Harrower
191	Closed
192	Kimberly Littleton & Patricia Littleton
193	Australian Transit Group
194	Closed
195	Name withheld
196	Swanhaven Pty Ltd
197	Cheree White
198	Ivo Grubelich
199	Name withheld
200	Nat Muir
201	Closed
202	BusWA
202a	BusWA
202b	Closed
203	Name withheld
204	Kaye Wilkins
205	Closed
206	Ida Welsh
207	Name withheld



## Submissions

208	Name withheld
209	Closed
210	Closed
211	Closed
211a	Closed
212	Closed
213	Department of Jobs, Tourism, Science and Innovation



## Appendix Five

### Hearings

Date	Name	Position	Organisation
26 November 2021	Mark Burgess	Managing Director	Public Transport Authority
	Martin White	Executive Director, Transperth System, Regional Town and School Bus Services	
	John Bailly	Manager, School Bus Services	
23 February 2022	Mark Burgess	Managing Director	Public Transport Authority
	Martin White	Executive Director, Transperth System, Regional Town and School Bus Services	
	John Bailly	Manager, School Bus Services	
25 February 2022	John Ditchburn	General Manager	BusWA
	Dennis Sutton	Chairman	
	Emily Lalley	Vice Chairperson	
	Ben Doolan	Chief Executive Officer, Australian Transit Group	
	Ray Gannaway	Immediate Past Chairman	
25 February 2022	James McCabe	Regional Transit	BusWA: Bus Contractors
	Rachel Hart	School Bus Logistics Pty Ltd	
	Kim Rule	Rules Bus Service	
	Troy Hamon	TW & KR Hamon	
	Michelle Thomas	Consultant, Mphatic Consulting	
25 February 2022	Lisa Rodgers	Director General	Department of Education
	Raechelle Lee	Executive Director, Strategy and Policy	
	Pamela Moss	Director, Public Schools Planning	
	Martin Clery	Executive Director, Statewide Services	
	Stuart Percival	Director, Disability and Inclusion	
	Kylie Catto	Parent Liaison Coordinator	

Appendix Five

25 February 2022	Pania Turner	President	WA Council of State School Organisations
	Anne Fairbanks	Vice President	
25 February 2022	Sally Brindal	President	Isolated Children's Parents' Association, Western Australia
	Kym Ross	Secretary	
	Jane Cunningham	State Councillor, Travel Portfolio Leader	
9 March 2022	Lloyd Shepherdson	Owner	Shepherdson Transport
9 March 2022	Helen Crane	President	Kondinin Parents and Citizens Association
	Victoria Young	Treasurer	
	Thomas Henderer	Representative, Kondinin School Board	
9 March 2022	Andrew Dover	Chief Executive Officer	Shire of Pingelly
	Cr William Mulrone	President	
	Cr Jackie McBurney	Deputy President	
9 March 2022	Closed hearing		
9 March 2022	Closed hearing		
10 March 2022	Emma Franklin	Deputy Principal	Great Southern Grammar
	Julia Bairstow	Registrar	
10 March 2022	Tanya Guest	Bus Representative	Salmon Gums Primary School
10 March 2022	David Burton	Chief Executive Officer	Shire of Kondinin
	Victoria Young	Manager, Planning and Assets	
10 March 2022	Closed hearing		
10 March 2022	Closed hearing		
16 March 2022	Deborah Taylor	President	Western Australian Education Support Principals and Administrators' Association
23 March 2022	Kevin Brady	President	Western Australian District High School Administrators' Association
	Barbara Garner	Secretary	
	Adrian Lister	Treasurer	
28 March 2022	Cr Karen Chappel	President	Western Australian Local Government Association
	Nick Sloan	Chief Executive Officer	
28 March 2022	Katherine MacNamara		
28 March 2022	Kendall Wickstein		
28 March 2022	Closed hearing		

18 May 2022	Mark Burgess	Managing Director	Public Transport Authority
	Martin White	Executive Director, Transperth System, Regional Town and School Bus Services	
	John Bailly	Manager, School Bus Services	
30 May 2022	John Ditchburn	General Manager	BusWA
	Emily Lalley	Vice Chairperson	
	Ben Doolan	Chief Executive Officer, Australian Transit Group	
	James McCabe	Owner, Regional Transit	
	Michelle Thomas	Consultant, Mphatic Consultancy	



## Appendix Six

### Briefings

Date	Name	Position	Location
29 November 2021	Kym Gibbs	Shire employee	Darkan, WA
	Renee Schinzig	Parent	
	Marnie Gallegos	Teacher & Parent	
	Cr Graeme Peirce		
	Karen Harrington	Darkan Primary School P&C Representative	
	Name withheld		
29 November 2021	Torre Evans	Executive Manager Technical and Rural Services, Shire of Narrogin	Narrogin, WA
	Name withheld		
30 November 2021	Carmen Bairstow	Bus Contractor	Dumbleyung, WA
	Philippa Gooding	Parent	
	Daniel McDougall	Parent	
	Petronella Anderson	Parent	
	Gavin Treasure	Chief Executive Officer, Shire of Dumbleyung	
	Names withheld		
30 November 2021	Londa Finlayson	Parent	Wagin, WA
	Tegan Scanlon	Parent	
	Name withheld		
2 December 2021	Jane Scott		Jarrahdale, WA
	Nathan Cox		
	Alan Rose		
	Names withheld		





## Minority Report: Peter Rundle MLA

### If it isn't broke, don't fix it (Evergreen Contract Model)

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The Committee's primary role has been to follow the Terms of Reference in inquiring into the Student Transport Assistance Policy framework.

This inquiry followed on from the Minister for Transport acknowledging that there were structural issues with the framework and for the Committee to inquire into and find recommendations for solutions which may provide a more workable and worthwhile range of policies to ensure the long term success of the unique orange school bus network in WA.

From the past five years in my role as Member for Roe, the number of parents, contractors and schools who have rung me, presented to my office and sent emails complaining about a seemingly unfair school bus process, has been the most prevalent issue.

I would like to acknowledge the Minister for Transport and her role in establishing this inquiry and for inviting me to participate.

One of the more critical issues and one I would like to focus on refers to Item (f) of the Terms of Reference regarding the contractual arrangements with service providers, including the appropriateness of current school bus contracts, and payment arrangements, and previous contractual arrangements and the manner in which they were created. Chapter 7 of the Report deals with this Term of Reference in detail.

The overwhelming majority of contracts in WA come under the Evergreen Contract Model (ECM) – of which there are currently 673 contracts providing 673 services.

The McGowan Government favoured contract model is the Tendered Contract Model (TCM) which was introduced following the 2017 election. There are currently 37 TCM contracts.

The difference between the two models is the TCM version is a tender process meaning value for money is a feature. The ECM version is one which encourages perpetuity and therefore an investment in the operation of the service.

I have felt the need to write this Minority Report because while the Committee has largely been aware of the nuances of running a bus service in the regional areas, and that the Public Transport Authority (PTA) needs to recognize that they must have a better regard to the social, economic and environmental factors when awarding school bus contracts, I am not supportive of the recommendation given by the Committee that the TCM be the preferred option.

The Committee found from submissions that:

1. Under TCM contracts, the contract is awarded for the 'life of the bus', which can be up to 17 years. Most government contracts are awarded for five years. ECM contracts will automatically roll over every five years providing KPI's are met.
2. To compete with larger companies in a tender process, contractors fear they will have to purchase cheaper and potentially, a less safe/reliable vehicles. If bus maintenance is compromised, then the safety of the passengers is also compromised.
3. Because of the nature of the agreement under the ECM version compared with the Award under the TCM version, driver wages are different. ECM rates are higher due to an agreement. Under lower driver wages in the TCM contracts, there may be a compromise to safety with less experienced drivers.
4. Contractors want security of tenure. Under the ECM version, contracts are automatically rolled over every five years provided KPI's are met. Contracts are awarded in perpetuity and can last for many years. Selling these contracts can include 'goodwill' and would be valued more highly.
5. The other consequence of goodwill is that the contractor maintains a high degree of quality of the service.
6. The Committee found that contractors believe ECM contracts provide more stability and certainty to contractors, students and the community, and allow contractors to financially manage the factors involved in running the service.
7. Contractors suggested that there is almost no cost to the government from relocating an ECM contract, and the contractor can start immediately. Compare this to a tender process with a TCM contract, which may take months. I am pleased the Committee has agreed that relocation is an important feature of orange school bus contracts and should be continued.
8. The PTA believes the ECM does not deliver value for money outcomes and the government will benefit from savings arising from competitive tendering of all contracts.
9. The Committee recognises the importance of school bus contractors being operated by local small businesses because they are embedded in the community and will know the families and communities.

While the Committee has committed to supporting the TCM version of contracts, I remain supportive of the Evergreen Contract Model with some modifications. I feel from the submissions that the PTA prefers a value for money outcome rather than a more holistic approach to the service.

My observations include the following:

1. Evergreen Contracts offer a security of tenure for small business owners in regional centres and towns. Tendered Contracts do not have the similar security so are less likely to be taken up by small business owners in regional areas, leaving the tender open to larger businesses who may not be from that region.
2. TCM's give no certainty of business security for local regional contractors.
3. Currently, businesses who have an ECM contract can be given just three months' notice to have their contract removed. There is limited ability to contest this decision.
4. Under an ECM contract, the owner of the bus has made a considerable investment in purchasing a bus with the justification of this purchase being they will recoup the value over many years of service.
5. I found it concerning that the Committee received submissions stating that the PTA made mistakes which compromised a number of applications. Concerns were raised over invitations to tender which were selective and some contractors were not invited.
6. Batch tendering was highlighted which may limit the involvement of local or smaller contractors.
7. The Committee stated that they hoped that 'procurement specialists within the PTA work towards improving their processes and ensuring they provide professional procurement at all times'. With regional small businesses tendering for these contracts, they need to know they are being assessed fairly and accurately.
8. Referring to the above point, under the Procurement Act 2020, there is a requirement to reduce barriers to small and medium business participation. The Buy Local Policy 2022 should guide the recommendation in this inquiry relating to any tender process.
9. My interpretation of the TCM contract is that it suits larger contractors rather than small and medium business community contractors.
10. The Committee could not determine how the Buy Local Policy 2022 is taken into account in the tendering process. Given we have quality local bus manufacturing capacity, I am concerned that tenderers will be forced into purchasing a non-locally made cheaper bus to win the tender.

The Committee has already reached the conclusion that a bus contractor who knows the region they are working in, knows the roads, the drivers and the schools, parents and most importantly, the children, and will always provide a better, safer service to our families.

A contract that reimburses appropriately and stands for a length of time will be a far more attractive proposition to a small to medium business in the regional areas.

One of the issues that came out of the different contract models was the amount of driver pay. Whatever the government decides to do, my preference would be to keep the ECM contracts, and ensure driver pay rates were the same across the different versions of the contracts.

Country roads are unpredictable. Local knowledge on road conditions cannot be dismissed. We need to ensure our bus contractors are local, are well remunerated and are able to apply this knowledge to the contract.

Every state has a different approach to regional school bus contracts, and each have unique qualities that have evolved over time with the focus being on the regional communities.

The features of the Evergreen Contract Model include the security of tenure, local drivers and owners, locally manufactured vehicles, wage clarity and equity, and relocation options. These are the reasons this is my preferred model.





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