



## **Joint Select Committee on Land and Physical Infrastructure**

---

### **Summary of Proceedings**

#### **Public Hearing Summary**

*Tuesday February 06, 2018 at 10:21 a.m.*

#### **Topic:**

Public hearing on the non-submission of outstanding responses to the Committee as it relates to an inquiry into the Public Transportation Service Corporation (PTSC) with specific focus on the Public Bus Service and the Maintenance of Buses.

#### **Objectives of the Inquiry:**

- 1. To understand the current state of the public bus service in Trinidad and Tobago.**
- 2. To assess the effectiveness and adequacy of existing systems and policies aimed at providing efficient bus services to the public.**
- 3. To determine the challenges PTSC faces with respect to the maintenance of buses.**

**Venue:** The J. Hamilton Maurice Room, Mezzanine Floor, Office of the Parliament, Tower D, The Port of Spain International Waterfront Centre, 1A Wrightson Road, Port-of-Spain.

#### **Committee Members:**

The following Committee Members were present:

- Mr. Stephen Creese – Chairman
- Mr. Rushton Paray, MP – Vice Chairman
- Mrs. Glenda Jennings-Smith, MP – Member
- Mr. Daryl Smith, MP- Member
- Mr. Wade Mark – Member
- Dr. Lovell Francis – Member
- Mr. Nigel De Freitas - Member

## **WITNESSES WHO APPEARED:**

### **➤ Officials from the Public Transportation Service Corporation:**

- Mr. Brian Juanette, General Manager (Ag.)
- Mr. Edwin Gooding, Chairman
- Mr. Davis Ragoonanan, Deputy General Manager, Finance & Accounts
- Mr. Jonathan Cumberbatch, Deputy General Manager, HR
- Mr. Garth Alexander, Deputy General Manager, Engineering
- Mr. Ronald Jagessar, Deputy General Manager, Marketing & Communications (Ag.)
- Mrs. Lalitha Bala Cetty, Deputy General Manager, Operations (Ag.)

## **Key Issues Discussed:**

### **PTSC's Contractual Arrangement with Evolving Tecknologies and Enterprise Development Company Limited (eTeck)**

- i) PTSC entered into a contractual arrangement with Evolving Tecknologies and Enterprise Development Company Limited (eTeck) in late 2015 to provide a private charter to transport employees of eTeck and its subsidiary IQor;
- ii) The effect of this arrangement on the service provided to the general public, particularly commuters from the Sangre Grande area;
- iii) The action taken by the PTSC to address complaints from commuters regarding its service in the Sangre Grande area included increasing the number of buses to that area;
- iv) PTSC's future plans for engaging in commercial ventures with companies include the use of some of the thirty-five (35) new buses which will be commissioned in March, 2018 for charters and tours so that the daily operations of the bus service will not be affected.

### **PTSC's use of Technology**

- v) The level of technology incorporated by the PTSC to improve its service is limited due to a lack of available funding. As such, the Corporation was unable to incorporate the various phases of the GIS. As a result, there is an absence of electronic data collection. The process is currently undertaken manually. The lack of funding has also hindered the Corporation from embarking upon an Intelligent Transport Solution.

### **Analysis used to determine PTSC's logistics**

- vi) Sample surveys to customers and drivers are conducted once per month in an effort to increase the efficiency of the PTSCs services.

### **The reason for the cannibalising of dysfunctional and aged buses**

- vii) PTSC cannibalises unrepairable busses that are over twenty (20) years old in order to keep the bus fleet afloat. This is done by harvesting parts to fix repairable buses;
- viii) The reason for utilising this method is due to the challenges PTSC faces with funding and the fact that it does not have a regular changing of the buses. This strategy allows the PTSC to maintain the few buses it currently has; and

### **The reasons why PTSC does not sell its buses to generate revenue**

- ix) PTSC took a decision not to sell buses in order to avoid competition.

### **PTSC's Bus Fleet**

- x) The average life cycle of a PTSC bus is based on the type and model of the bus;
- xi) The average age of PTSCs fleet is upward of ten (10) years as opposed to the international benchmark of eight (8) years;
- xii) The attainment of thirty-five (35) new buses by March, 2018 and thirty (30) before the end of September, 2018 will improve service in some areas such as Sangre Grande;
- xiii) PTSC's current fleet including ELDAMO buses totals two hundred and fifteen (215). However, given the sixty-five (65) new buses are to be acquired (35 in March and 30 in September), PTSC's total fleet will be over three hundred (300); and
- xiv) The rationalisation plan and strategic plan will assist with reducing the number of PTSC's bus makes/models.

### **The effectiveness of PTSC's Maintenance Programme**

- xv) PTSC's Maintenance Programme is effective in terms of addressing some issues; and
- xvi) The Programme is evolving given that PTSC has started to update the programme to treat with challenges as it concerns maintenance. However, there is need to keep updating the programme to facilitate new technologies in buses.

### **PTSC's financial position**

- xvii) PTSC received 304Mn in government subventions and 57Mn from other revenue generating sources. The Corporation has been meeting wages and salaries expenses and has been liaising with the Ministry of Works and Transport (MOWT) to rectify other outstanding receivables. However, there is room for improvement in this area; and
- xviii) PTSC's challenges with outstanding rent amount to approximately 2 to 3Mn. PTSC is pursuing a debt collection policy for tenants, some who have not paid rent in two (2) years.

### **PTSC's funding from Government Subventions/ PTSC's Subsidy**

- xix) PTSC receives approximately 80% of its funding via government subvention;
- xx) There have been no studies to compare the subsidies to transport corporations in other jurisdictions to determine whether PTSC's percentage of subsidy is in line with international standards; and
- xxi) PTSC's subsidy is used to fund maintenance, fuel and security. All other costs are funded by PTSC's internal revenue streams.

### **PTSC's Strategic Plan**

- xxii) PTSC's proposed strategic plan was submitted to the MOWT in December, 2017 and the Corporation is awaiting its approval; and
- xxiii) PTSC's strategic plan encompasses diversifying and increasing revenue streams and reduced reliance on government funding; and
- xxiv) The PTSC also plans to go paperless by 2020.

### **PTSC's other sources of revenue**

- xxv) PTSC's bus tours and charters bring in revenue. However, PTSC has not been able to meet the remaining 30 percent of its required internal funding;
- xxvi) By 2030, PTSC envisions earning approximately 34% of its required funding and reducing its reliance on government subvention to 66%; and
- xxvii) The PTSC's other sources of income are derived from tours, charters, rentals, and advertising space at its three (3) terminals.

### **PTSC's provision of the requested information to the Committee**

- xxviii) PTSC indicated that it will provide copies of the development plan subsequent to the public hearing; and
- xxix) the Strategic Plan will be made available subsequent to its approval from the MOWT.

### **Outstanding Payment to Allied Security Services**

- xxx) Approximately \$900,000 remains outstanding to Allied Security Services.

### **PTSC's plans and consideration of direct connectivity from City Gate into the streets of Port of Spain**

- xxxii) PTSC's strategic and development plans will treat with gridlocks by taking into consideration a park and ride facility with a shuttle system that will cross the East/West corridor up to Arima. The plan will also examine the use of a crossover/walkover but this is a very costly exercise.

### **The use of technology to communicate with commuters as utilised by the Ferry service**

- xxxiii) Consideration is being given to the use of social media and blast messages to communicate with commuters.

### **The profitability of PTSC's city gate hub model**

- xxxiiii) PTSC's city gate hub model can be more profitable given that it is a very costly real estate.

### **PTSC's profitable routes**

- xxxv) None of PTSC's routes are currently profitable, however, there is no intention to increase fares at this time; and
- xxxvi) The need to improve the quality of service before taking into consideration an increase in fares.

### **Absence of robust monitoring of PTSC's operations**

- xxxvii) The absence of a robust system to monitor PTSC's operations which are funded by government subsidy; and
- xxxviii) PTSC's lack of information to determine the cost to operate one (1) bus.

### **The Maxi Taxi School Facility**

xxxviii) The maxi taxi school facility involves an annual cost of 57mn;

xxxix) The PTSC recently met with the Ministry of Education concerning an assessment in terms of the number of seats provided as opposed to the number actually used. The responsibility of filling the maxis lies with the maxi taxis. However, there have been instances where maxi taxis were underutilised.

### **The status of the Rio Claro terminal**

xl) The Rio Claro terminal project is active however, the project has not advanced due to insufficient funding.

### **PTSC's efforts to retrofit buses for persons with disabilities**

xli) PTSC's efforts to retrofit buses for persons with disabilities include several special features such as drop seats to accommodate wheelchairs and walk-ons.

### **Status of the Universal Transport System**

xlii) PTSC has subscriptions available to the public for selected services where commuters can purchase a travel card for one month or longer. Plans are to expand the service, however there is need for an ICT platform to facilitate future developments such as card readers and the utilisation of phones.

### **Insurance Coverage for PTSC buses and Maxi Taxis**

xlili) All PTSC buses have insurance coverage as well as public liability coverage;

xliv) Insurance coverage for Maxi Taxis is similar to that of the buses;

xlv) There have been no claims for insurance on Maxis; and

xlvi) Claims for insurance involving PTSC buses; and

### **The use of smaller buses to service the Mayaro area due to the landslip**

xlvii) The use of smaller buses to service the Mayaro area will be up and running by the end of this week.

### **Improving PTSC's schedule**

xlviii) Missed trips amount to 60%; and

- xlix) The influx of the new buses in March and September will assist in improving PTSC's schedules.

#### **Study on the proposed Valencia/Toco Highway**

- l) PTSC is currently researching the implications of the proposed highway and its role in that development.

#### **The National Transportation Plan**

- li) The National Transportation Plan is being driven by the MoWT; and
- lii) The implications regarding the PTSC as a Transport Authority and as a Transport Operator.

#### **Mechanisms for collaborations with State Agencies**

- liii) The mechanisms in place for collaborations with state agencies are very little as PTSC only liaises with the Regional Corporation on one-off situations.

#### **PTSC's involvement in regional forums on transportation issues**

- liv) PTSC indicated its intention to revive its involvement in a National Transportation Association. The Corporation also liaises with a German Company and the Barbados Transport Board; and
- lv) The use of technology to host meetings for example via SKYPE.

#### **Human Resources**

- lvi) PTSC has experienced a 4.4 % decline in staffing comprising several senior positions;
- lvii) The Corporation has over thirty-five (35) Human Resource related litigation matters;
- lviii) There are 1,628 employees as at December 31, 2017; and
- lix) There is currently an active recruitment exercise underway.

#### **The status of the NGC CNG project**

- lx) The CNG station has not progressed due to a lack of funding and has been placed on hold.

#### **PTSC's efforts to convert to CNG in keeping with the Paris agreement on Climate Change**

- lxi) Of the thirty-five (35) buses to be commissioned in March, 2018, twenty-five (25) will be CNG fuelled and ten (10) diesel;

- lxii) PTSC determined that it is not ideal to convert diesel buses to CNG. There have been three (3) failed attempts; and
- lxiii) PTSC's strategic plan also will also make considerations for hybrid engines in an effort to examine green technology.

**The steps taken by the PTSC to manage and secure buses**

- lxiv) The steps taken by the PTSC to manage and secure buses include, installation of CCTV cameras on the main platforms to view the entire Corporation. As a result, a major reduction in pilferage has been observed; and
- lxv) Pilferage of spare parts have been reduced to more than 20%.

**View the Hearing:**

The hearing can be viewed on our YouTube page via the following link:

<https://youtu.be/RuNoXUkDp4A>

**Contact Information:**

You may contact the Committee's Secretary at [jsclpi@tparliament.org](mailto:jsclpi@tparliament.org) or 624-7275 Ext. 2828.

*Committees Unit*

*February 6<sup>th</sup>, 2018*