

MEMORANDUM FOR THE CABINET  
BY THE HON. PRIME MINISTER

Bus Fares

From an examination of the books submitted by those bus routes which are run as companies only, it is clear, on the evidence provided by these books that:

- (a) A number of routes, e.g. Birkirkara, Kottonera, cannot afford to pay the increased wages, laid down in the Wages Council Order
- (b) A number of routes, e.g. Sliema, Zurrieq, Mosta-Naxxar, Zabbar, Zebbug-Siggiewi, can afford to pay, but would be left with an unreasonably low profit as a result
- (c) There is justification for a limited increase in fares of particular fare stages on routes, to provide an additional income which would offset the extra expenditure resulting from the higher wage rates.

The officials who carried out the examination have suggested an increase of -/4d on routes, in respect of particular fares, as follows -

Birkirkara	-	-/3d fare to become -/4d
Mosta-Naxxar	-	-/3d and -/4d fares to become -/4d and -/5d respectively
Sliema	-	- ditto -
Zabbar	-	-/4d fare to become -/5d
Zebbug-Siggiewi	-	-/3d and -/4d fares to become -/4d and -/5d respectively
Zurrieq	-	- ditto -

The above suggested increases are based on an assessment of the number of tickets sold, per annum, in respect of each type of fare, divided by the number of buses on each route. The result would broadly provide the additional income required to offset the increased expenditure.

2. At the same time the officials consider that it is important that, subsequently, no application for any increase in fares should be considered until (a) the bus owners have started rendering a monthly return of income and revenue to the Commissioner of Police, and (b) all tickets are issued by the Police Department which should also exercise a system of control on their actual sale.

3. These findings and proposals have been discussed with the Commissioner of Police and the Deputy Commissioner.

4. Considering that the conclusions are based solely on the information extracted from the books presented by routes run as companies, and that no books were forthcoming from individual bus owners on non-company routes, it is felt that an offer of an increase in fares should not go beyond that of - 1d on the ordinary - 3d fare on all routes. Since the examination of the bus owners' accounts was limited to certain routes only and the information was unilateral, and as no accounts in respect of any other routes were submitted, any increase other than that proposed, could not be said to be justified. In fact, the proposed increase should be offered rather as an onus of the Government's good intentions.

5. If it is decided to offer this increase, it must be conditional to the bus owners accepting to conform, within a reasonable time, with the re-grouping of routes as proposed by the Traffic Control Board and approved by Cabinet, and to the groups giving an undertaking, subsequently to form themselves into joint stock companies, in accordance with the provisions of the Commercial Partnerships Ordinance. Failing acceptance of these conditions, no future claims for any increase in fares will be considered.

6. The Commissioner of Police agrees with paragraphs 4 and 5.

9th June, 1969.