

## 5.10. DAINTREE RIVER FERRY - ANALYSIS OF EARLY BIRD FARES

**REPORT AUTHOR(S)** Darryl Crees, General Manager Corporate Services

**DEPARTMENT** Corporate Services

### RECOMMENDATION

**That Council notes the results of the trial of the Daintree River Ferry Early Bird Fares.**

---

### EXECUTIVE SUMMARY

An initiative was launched in the September 2017 School Holidays to provide a discounted fare for travel on the Daintree River Ferry, if paying customers undertook travel prior to 9:00am daily. This initiative was implemented to determine if discounted fares would entice travellers to travel earlier in the day which would assist in reducing queues at peak times. The results of this initiative are now provided to Council for noting.

### BACKGROUND

In recent years the marketing initiatives undertaken by individual businesses and destination marketers to entice tourists to travel to the pristine Daintree National Park has been an outstanding success. This is evidenced by the record number of paying ferry travellers particularly in the last two years. The average number of vehicle crossings over the last two years has resulted in an increase of 19.86% in one way travel and 12.03% in return travel compared to averages over the preceding 12 years. These figures do not include travellers who are able to access concessional travel (e.g. ratepayers and residents).

Although these increased visitor numbers are beneficial to the local economy the downside is congestion at Daintree River Ferry. The current ferry has a carrying capacity of 27 standard vehicles and regardless of any past or future financial investment into the fixed land assets at the ferry precinct or ferry operations, once the number of vehicles exceeds the ferry carrying capacity there will be queues.

### COMMENT

In an attempt to alleviate queueing in peak times for northbound travellers, Council conducted a trial of Early Bird discounted fares. For the period 15 September 2017 to 3 October 2017 inclusive (September School Holiday period), travellers in the Car/Ute category were eligible for a discounted fare, if they undertook their journey prior to 9:00am each morning. The discounted fares were:

- Return fare \$20 – Normally \$27 (a saving of 25.93%)
- One Way fare \$10 – Normally \$15 (a saving of 33.33%)

Council extensively advertised these discounted fares through all available media channels and also engaged assistance from within the tourist industry to promote this initiative. Upon conclusion of the trial relevant statistics were collated.

The following table details the number of one way and return fares for the Car/Ute category for the corresponding September School Holidays for the years 2015, 2016 and 2017. These statistics are broken up into hourly time slots spanning the full 18 hours that the ferry operates

on a daily basis. The time period for each year included the Friday immediately before the school holidays through to and including the Tuesday at the conclusion of the school holidays.

Table 1.

Time Period	September Holidays 2015		September Holidays 2016		September Holidays 2017	
	One Way	Return	One Way	Return	One Way	Return
6am to 7am	7	46	12	49	10	45
7am to 8am	32	89	25	109	24	128
8am to 9am	99	492	64	473	59	477
9am to 10am	121	777	115	861	108	905
10am to 11am	164	981	164	920	170	932
11am to 12pm	197	942	171	1048	198	1010
12pm to 1pm	164	845	192	876	173	800
1pm to 2pm	184	630	191	661	143	613
2pm to 3pm	179	425	172	509	151	453
3pm to 4pm	116	310	141	365	103	365
4pm to 5pm	130	219	119	220	128	169
5pm to 6pm	69	106	76	165	68	144
6pm to 7pm	53	78	34	73	33	69
7pm to 8pm	22	35	14	28	18	33
8pm to 9pm	8	15	7	17	4	12
9pm to 10pm	2	14	7	8	6	10
10pm to 11pm	1	7	4	5	0	6
11pm to 12am	1	0	2	3	1	3

Further analysis has been undertaken by averaging the vehicle movements, one way and return, for the hourly periods to determine whether the early Bird fares were an incentive to entice self-drive tourists to travel early. These graphs appear below.

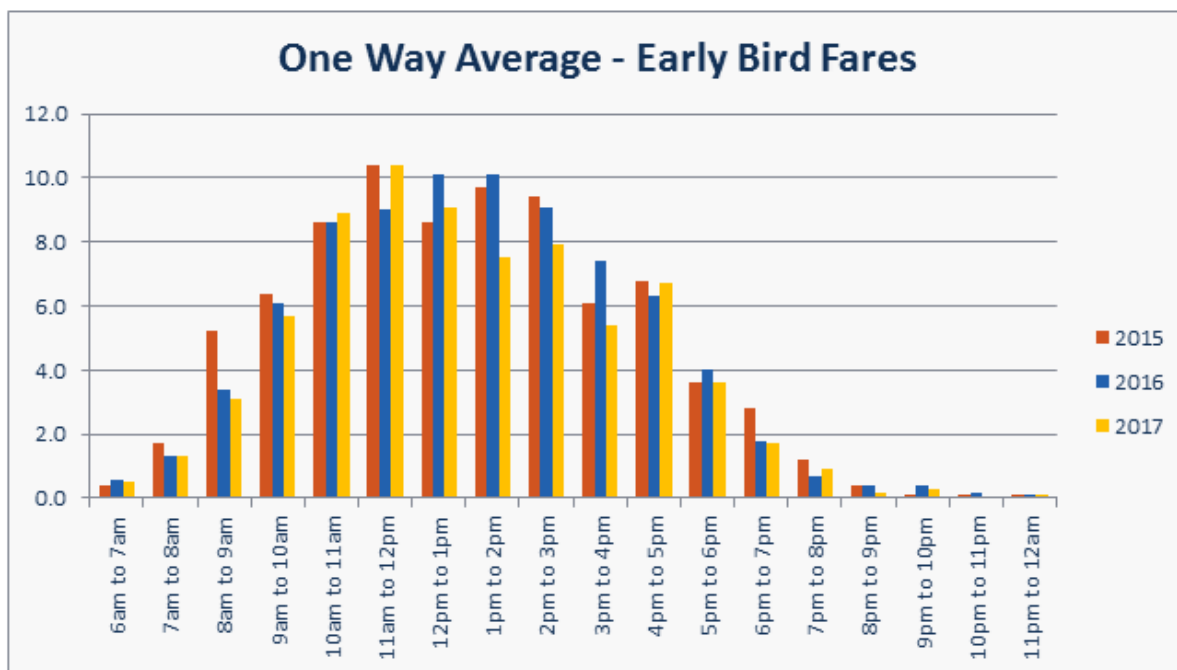
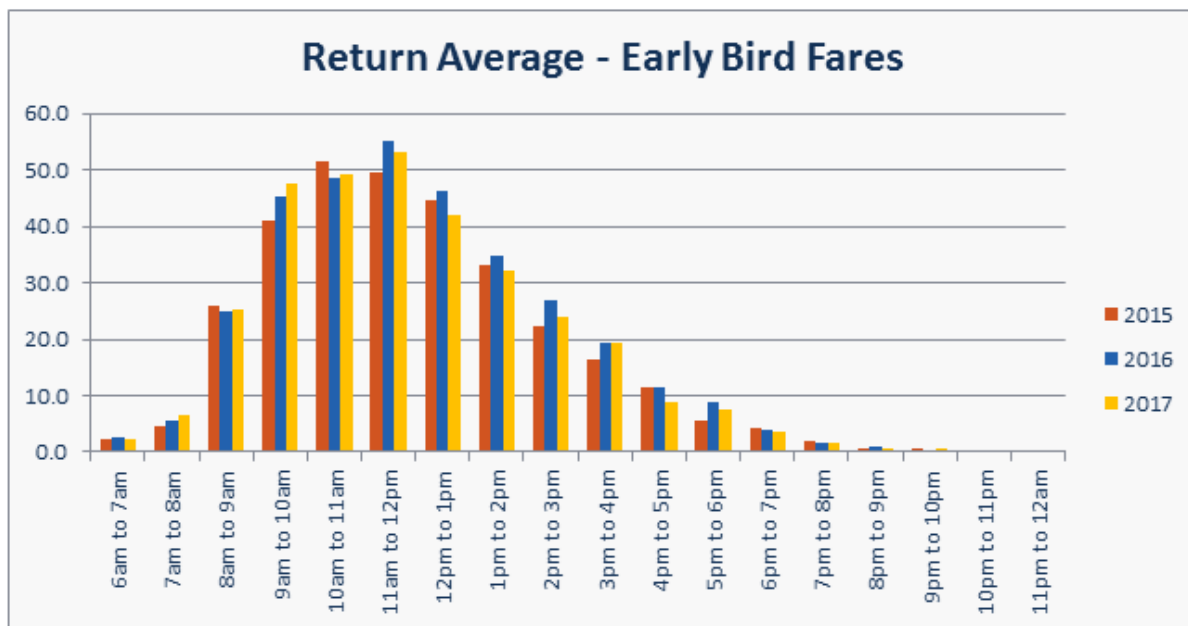


Figure 1.



**Figure 2.**

When comparing travel undertaken in 2017 with the early Bird fares to the previous years, there is no indication that the Early Bird fares have enticed a change in travel patterns across the ferry.

The revenue foregone with this initiative totals \$4,787.04 for the 19 day period. When this revenue foregone is extrapolated over a full year it would amount to \$91,709.60. These amounts are GST exclusive.

Considering that from the data available, there is no evidence that travel patterns have varied compared with previous years, it is concluded that this initiative to entice tourists to travel earlier has not been successful.

## PROPOSAL

That Council notes the results of the Early Bird fare initiative for the Daintree River Ferry.

## FINANCIAL/RESOURCE IMPLICATIONS

As stated above the impact of this trial was revenue of \$4,787.04 foregone for this 19 day period. This initiative was not identified when formulating the 2017/2018 annual budget therefore will have a minimal impact on Council's operating result at the end of the financial year.

## RISK MANAGEMENT IMPLICATIONS

There is a financial risk in implementing initiatives which have not been considered in the formulation of an annual budget and not knowing the possible effects it will have on the operating result.

## CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

### Corporate Plan 2014-2019 Initiatives:

#### Theme 5 – Governance

*5.2.1 - Provide Councillors and community with accurate, unbiased and factual reporting to enable accountable and transparent decision-making.*

*5.3.3 - Develop an organisational culture that embraces new technology and innovative business processes to continually improve performance.*

## COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

<b>Fully-Responsible</b>	Funding the full cost of a program or activity
<b>Regulator</b>	Meeting the responsibilities associated with regulating activities through legislation or local law.

## COMMUNITY ENGAGEMENT

The trial to entice tourists to travel early to decrease ferry queues was implemented following feedback from the community.

## ATTACHMENTS

Nil