

25 January 2006



The Transport Needs of a Growing Economy

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Content of the Paper

- Review performance and prospects for the economy
- Assess the implications for a number of transport modes

Describing the Economy

- Economic aggregates
- Demographic aggregates
- Structural change in the economy

Economic Aggregates

Economic Aggregates	1990-95	1995-00	2000-05	2005-10	2010-15
	Average Annual Growth Rate (%)				
GNP	4.4	8.8	4.0	4.9	3.3
GNP per Head	3.9	7.7	2.2	3.4	1.6
GNP per worker	2.5	3.7	0.9	2.5	1.5

Source: ESRI

Demographic Aggregates

Demographic Aggregates	1990-95	1995-00	2000-05	2005-10	2010-15
	Average Annual Growth Rate (%)				
Population	0.5	1.0	1.8	1.4	1.7
Employment	1.9	5.0	3.1	2.4	1.7
Net Immigration (000s)	-2	26	53	31	44

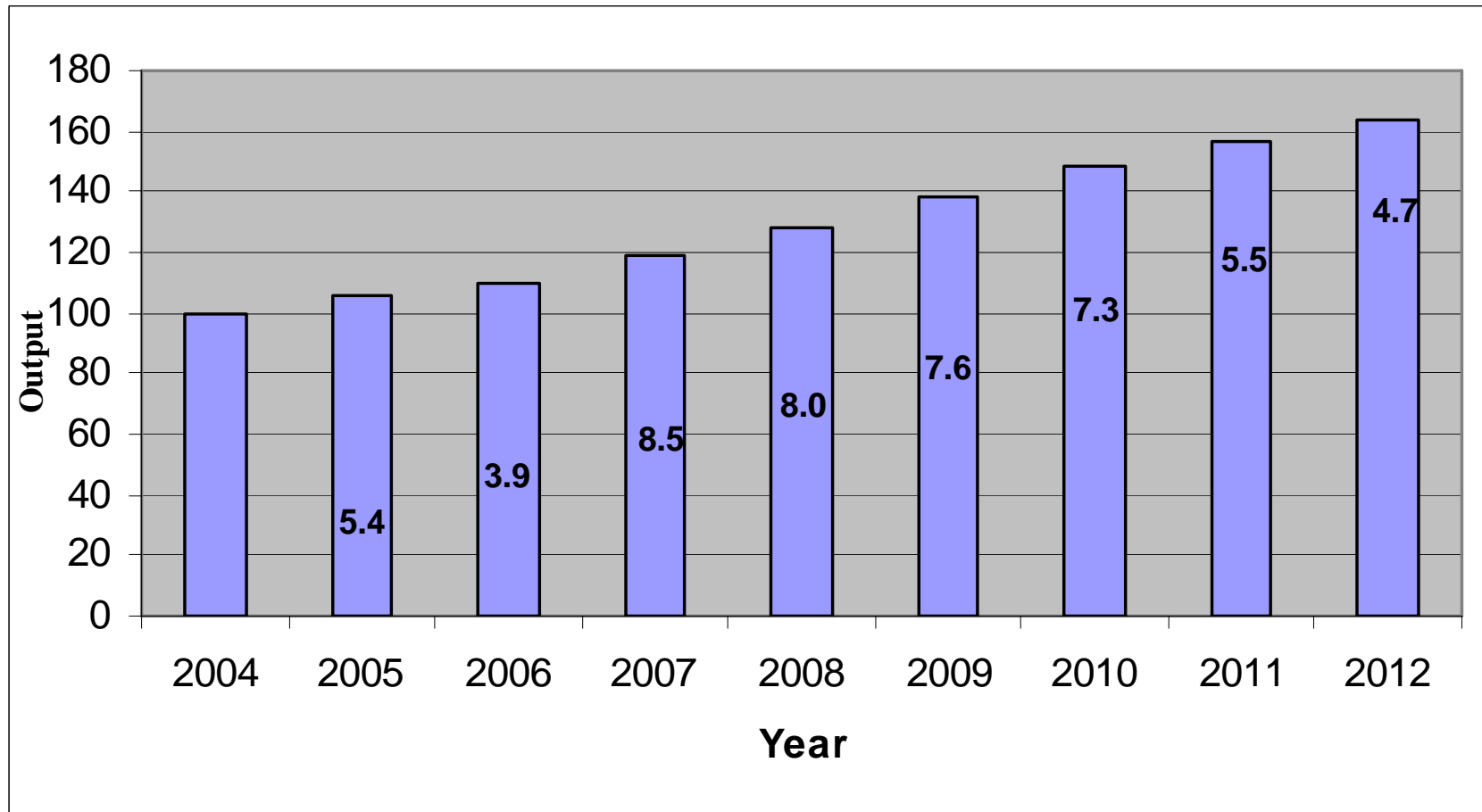
Source: ESRI and Goodbody

Sectoral Distribution of Output

Sector	1990	2000	2005	2010	2015
	% of Total				
Agriculture	9.2	3.9	2.7	2.2	1.8
Industry	34.8	43.1	37.4	38.7	35.6
Services	56.0	58.8	60.9	59.7	63.0

Source: ESRI

Manufacturing Output Predictions



Transport Intensity of Sectors per unit of Final Demand

Agriculture	15%
Construction	13%
Manufacturing	9%
Services	2-5%

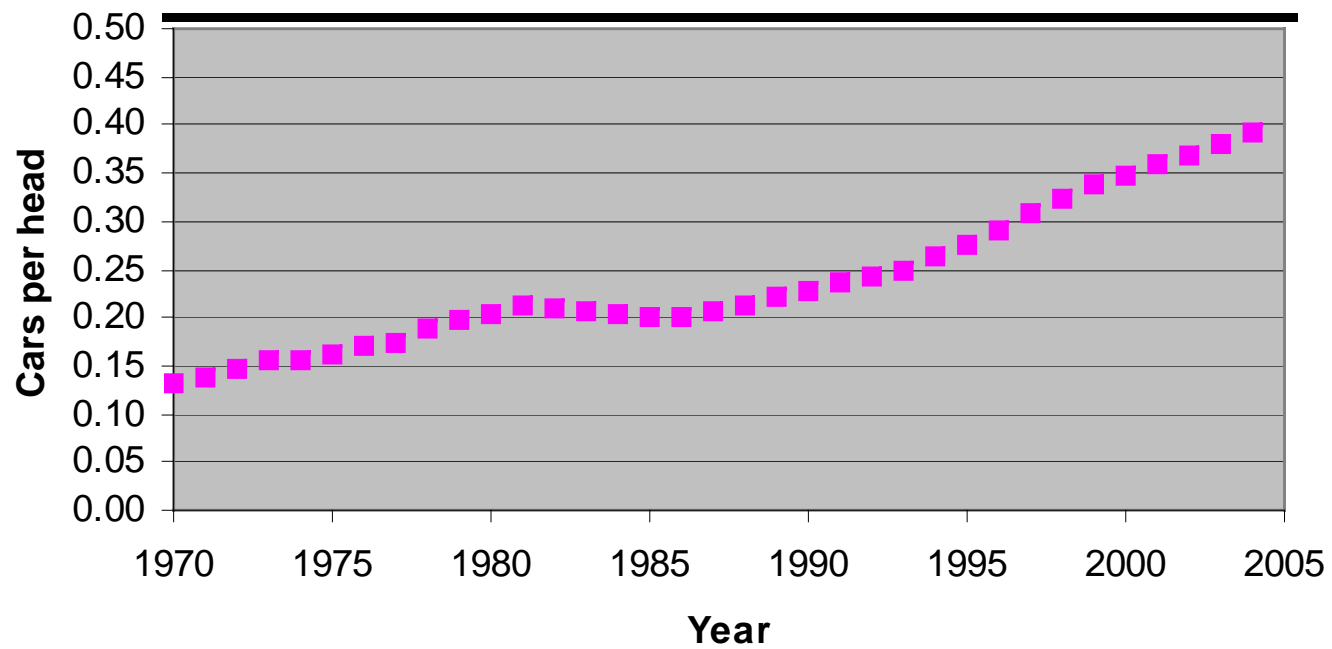
Vehicle Trends and Forecasts

	Private Cars	Growth Rate %	Goods Vehicles	Growth Rate %	Total	Growth %
1990	796,408		143,166		939,574	
1995	990,384	4.5	141,785	-0.2	1,132,169	3.8
2000	1,319,250	5.9	205,575	7.7	1,524,825	6.1
2005	1,661,000	4.7	283,000	6.6	1,944,000	5.0
2010	1,879,269	2.5	320,189	2.5	2,199,458	2.5
2015	2,030,497	1.6	348,346	1.7	2,378,843	1.6

Road Traffic Forecasting Procedures

- Based on vehicle numbers
- $\text{Car Numbers} = \text{Cars per head} \times \text{Population}$
- Goods vehicle numbers directly related to economic growth

Year/Cars per Head



Total Tonnage through Ports 1990 – 2004, (000 tonnes)

	1990	1995	2000	2004	Growth Rate % 1990-2004	Avg. Annual Change % 1990-2004
Total Tonnage East Coast Ports	9,543	11,504	19,862	22,545	136.2	6.3
Total Tonnage Irish Ports	26,073	32,380	45,273	47,720	83.0	4.4

Source: CSO, Statistics of Port Traffic

Projected Shortfalls of Capacity by Type of Cargo for each of the 12 Main Ports, 2014

Port	Unit Load 000 tonnes	Total 000 tonnes
Cork	450	5,790
Drogheda	720	930
Dublin	2,930	4,310
Dundalk	-	-
Dun Laoghaire	-	-
Galway	-	-
Greencore	-	80
New Ross	-	280
Rosslare	-	-
Shannon Foynes	-	-
Waterford	340	810
Wexford	-	-
Total	4,440	12,200

Source: Port Policy Statement, 2005 taken from Baxter Eadie Ltd., 2004

Sectoral Intensity of Air Transport

Sector	Rank by Expenditure per Employee	Rank by Share of Air Transport	Overall Rank
Insurance	1	3	1
Banking and finance	4	2	2
Other transport services	6	1	3
Petroleum	3	9	4
Printing and publishing	9	4	5
Extraction industries	2	13	6
Transport	5	11	7
Communications	8	8	8
Computer industry	11	6	9
Other business services	15	5	10
Basic metals	7	14	11
Precision and optical instruments	16	10	12
Property services	14	12	13
Motor vehicles and parts	13	15	14
Research/development services	25	7	15

Source: Derived from Oxford Economic Forecasting. The Contribution of the Aviation Industry to the UK Economy, November 1999.

Economic Growth is Transport Intensive

- GNP growth is derived from population growth
- Car saturation effects less important
- Growth depends on transport intensive manufacturing
- Manufacturing growth is import and export intensive

Areas for Action

- Maintain the priority on transport investment in the new NDP
- Enhance the share of public transport in that investment
- Maximise use of the renewed mainline rail infrastructure
- Place much greater emphasis on urban traffic management measures and planning
- Move towards privatisation of ports
- Liberalise bus markets
- Devolve responsibility for local transport to local authorities