

## **INTERCITY BUS TRAFFIC GROWS AT RECORD RATE IN 2008**

While nearly all indicators lately show a slowing economic engine, at least one sector has been pressing hard on the accelerator in 2008: the intercity bus industry.

Driven by downward economic pressures, spiking gas prices and a contraction in the nation's airline industry, the intercity bus industry this year has posted its biggest one-year gain in service in a half century, according to a study from DePaul University's Chaddick Institute for Metropolitan Development.

Scheduled intercity bus departures in the United States grew 9.8 percent between the fourth quarters of 2007 and 2008. This marks the second year of robust growth after more than four decades of persistent decline. (The annualized rate of growth between the second quarter of 2006 and the fourth quarter 2007 was 8.1 percent.)

Due to significantly higher fuel efficiency per passenger mile achieved through bus travel, the trend toward buses for city-to-city travel also produced a bonanza in reduced greenhouse gas emissions. Approximately 36,000 tons of carbon dioxide were kept out of the atmosphere in 2008 as a result of the shift, according to estimates compiled for the study.

As intercity bus service grew during the past year, other forms of long-distance travel experienced pronounced declines – especially air travel has seen a roughly 8 percent decline seat-miles provided between the fourth quarters of 2007 and 2008. Travel by private vehicle was also down 3.3 percent for the first eight months of 2008 compared to the year earlier period. Train ridership as reported by Amtrak also has sharply increased over the past year, though the number of seat-miles on trains provided so far this year has increased only about 3.3 percent.

“The growth in intercity bus traffic is being driven by a number of factors, chiefly the spiking price of fuel over the past year,” said Joseph Schwieterman, professor of public service and director of the Chaddick Institute, who headed the study. “The basic economic efficiencies of bus travel are proving to be extremely attractive in this difficult economic climate.”

The majority of the growth in service was driven by increases in service offered by two companies Megabus and Boltbus (a joint venture of the Greyhound and Peter Pan bus companies). Intercity bus service is most popular between cities located 175 to 300 miles apart. The majority of train service growth during the past year occurred in markets in the Northeast, especially between New York and Washington, D.C.

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To reach the Chaddick Institute research team, please email Lauren Fischer  
[lfische6@depaul.edu](mailto:lfische6@depaul.edu) or call 312/362-5731