



# Council of Social Service of New South Wales

66 Albion Street,  
Surry Hills NSW 2010  
tel: (02) 9211 2599; fax: (02) 9281 1968  
email: info @ncoss.org.au web: www.ncoss.org.au

ABN 85 001 797 137

17 May 2002

Dr Thomas Parry  
Chairman  
Independent Pricing and Regulatory Tribunal  
PO Box Q290  
QVB Post Office NSW 1230

Dear Dr Parry

## **Re: Taxi, private bus and private ferry reviews**

The Council of Social Service of NSW (NCOSS) welcomes the opportunity to make a submission to the review of fares for private transport operators. There are currently significant anomalies between services provided by private transport operators and the government-owned public transport networks. Given the pivotal role of transport in providing people with mobility and social access, these anomalies have far-reaching consequences in the community, particularly for low-income people who are unable to afford other modes of transport.

NCOSS views the current review as an opportunity to address these anomalies and other issues such as assessment of performance by transport operators.

### **1. NCOSS and public transport policy**

NCOSS is the peak body for the social and community services sector in NSW and seeks to represent the interests of low income and disadvantaged people. Through our membership we represent more than 7,000 community service organisations in NSW.

NCOSS believes the goals for public transport should be to:

- a) Maximise the community's access to transport with high quality, convenient services; and
- b) Provide mobility at a price that is affordable to individuals from all socio-economic groups in the community.

The pricing and regulation of passenger transport therefore has a major impact on the lives of disadvantaged people and in this regard NCOSS maintains an ongoing policy interest in ensuring that access to services is enhanced and extended.

## **2. Social impact of fare pricing policies**

The IPART issues paper for the current review invites comment on potential social impacts of fare increases and how such impacts should be considered in the fare setting process.<sup>1</sup>

Access to affordable public transport services is essential for economic and social participation by disadvantaged people. Other modes of transport are often beyond the financial means of low income people, many of whom it should be noted are not eligible for the limited categories of transport concessions currently available. Fare increases will therefore have a disproportionately large impact on the lives of low income people living or working in areas serviced by private buses.

NCOSS believes that the impact of fare levels on low income passengers should be considered in any determination of both fare levels as a whole and the appropriate targeting of fare increases. We would be concerned if fares were to be set through the strict application of a cost index approach,<sup>2</sup> which would not appear to take any account of social considerations or service standards.

*NCOSS recommends that all fare determination processes should include consideration of the service users' capacity to pay, with particular reference to low income passengers.*

## **3. Anomalies in public transport concessions**

The social roles of transport, and the disparate impact of public transport fare levels, underscore the importance of government financial support for travel by disadvantaged people. However, apart from vast differences across the state in terms of the adequacy of public transport infrastructure and services, there are also serious anomalies in the government subsidy of transport concessions. For example, only pensioners travelling on the networks serviced by government owned STA buses are able to obtain the \$1.10 excursion ticket. The range of groups for whom transport concessions are inadequate have been well documented by IPART's Fair Fares inquiry and in submissions to the Public Transport Authority's (PTA) review into transport concessions.

As NCOSS noted in our submission to the 2002 IPART determination of public transport fares, we are concerned at the continuing lack of outcomes from the PTA review of transport concessions. The review commenced in September 1999 and submissions closed in December 2000. It is unclear what progress has been made to date by the review or its anticipated date of completion.

Due to entrenched inequities in current transport concession policy and practice, the current system is unable to act as a safety net for low-income consumers. Any increase in fares impacts disproportionately on certain groups, including unemployed people, all people on pensions and benefits in areas serviced by private buses and students in areas serviced by private buses.

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<sup>1</sup> IPART, *Review of fares for taxis, private buses and private ferries in NSW: An Issues Paper*, Discussion Paper DP51, February 2002, p.36.

<sup>2</sup> Discussed in the IPART *Issues Paper*, pp.11-17.

*NCOSS recommends that IPART, under its terms of reference relating to relativities with Government owned bus services, social impact questions and the effect of recommendations on levels of funding,<sup>3</sup> recommend the Government address as a matter of priority these inequities in public transport social policy.*

#### **4. Wheelchair-accessible taxis**

The IPART issues paper questions whether an additional lift fee should be applied to wheelchair accessible taxis.<sup>4</sup> As the paper notes elsewhere,<sup>5</sup> for some people with disabilities, taxi transport is the only viable form of public transport.

*NCOSS opposes such a fee, if it were paid for by the passenger, because if it would effectively penalise people with disabilities on the basis of their only available means of access to the vehicle.*

#### **5. Performance assessment**

NCOSS has consistently argued to IPART in recent years that public operators should develop, with broad community input, a customer charter that includes targets and measures to effectively monitor performance from a customer perspective. Such charters should include a range of service quality, safety, reliability and accessibility indicators.

NCOSS notes that the Bus & Coach Association (NSW) submission to the current inquiry includes a draft customer charter, which outlines 'targets' that 'will be subjected to regular monitoring'.<sup>6</sup> This charter however does not set measurable standards of performance or detail the process through which they would be assessed or independently monitored.

*NCOSS recommends the private bus operators develop and implement a service charter for bus users with full stakeholder and community involvement, including measurable service targets and objectives, the process of measurement (including customer satisfaction) and the publication of performance data.*

#### **6. Western Sydney Transitway fares**

The contract to provide bus services on the Liverpool-Parramatta Transitway has been awarded to a subsidiary of STA. NCOSS understands that the usual STA concession rates will not apply on this route, as a result of the interpretation of competition policy applied in the competitive tender process.

NCOSS is concerned that a public provider therefore will be delivering services on the basis of private sector fares and without regard to questions of equity and social inclusion. This will also add to the inequity and complexity in transport concessions, at a time when there is a need for reforms to concessions, as outlined in many submissions to the Public Transport Authority's review into transport concessions (see above).

*NCOSS recommends that IPART oversee the determination of fares and implementation of service standards for the Western Sydney Transitway.*

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<sup>3</sup> Terms of reference ii, vii and ix, 'Terms of reference for private buses', *Issues Paper*, p.38.

<sup>4</sup> *Issues Paper*, p.23.

<sup>5</sup> *Issues Paper*, p.36.

<sup>6</sup> Bus & Coach Association (NSW), 'Appendix 5: Customer Service Charter', *Submission to the Independent Pricing and Regulatory Tribunal of NSW*, April 2002, p.1.

*NCOSS further recommends that the current inquiry examine the proposed fare structures for the Western Sydney Transitway, particularly in relation to the social impact of any restriction of concessions offered and its impact on low income consumers.*

For further information, please contact Tim Goodwin, Senior Policy Officer at NCOSS, on 9211 2599 ext 116, or by email <tim@ncoss.org.au>.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Alan Kirkland', followed by a long horizontal flourish.

Alan Kirkland  
Director