



COA 01/1271

May 28th 2003

Mr T G Parry
Chairman
Taxi, private bus and ferries reviews
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

Dear Mr Parry

Thank you for the opportunity to provide input to the review of fares for taxis, private buses and private ferries in NSW.

The NSW Committee on Ageing is the official advisory body on ageing issues to the NSW Government through the Minister for Ageing, the Hon. Carmel Tebbutt, and thus has a considerable interest in public transport pricing policies for older people.

In late 2000, the Committee published a study on transport options of older people living in rural NSW, called Driving Miss Daisy in Country NSW. This explored a range of issues, including public transport. It examined the inequity of access to public transport concessions in rural areas, where private bus operators are the only providers of bus services, compared with concessions available **people** who live **in** areas served **by** government operated buses.

The Committee is aware, of course, that these inequities also exist in large parts of the metropolitan area such as western and south western Sydney.

This submission will concentrate on one issue only: the social impact of fare increases on older users of privately operated public transport, including taxis.

Access to transport is very important to older people's wellbeing and ability to live active independent lives, particularly older people who do not drive or do not have regular access to a car driven by someone else. A 1993 ABS survey estimated that more than 20% of older people did not drive or have access to a car driven by someone else at least once a week.



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The level of public transport fares is a factor influencing older people's use of public transport, though obviously not the only one. Transport concessions play an important part in facilitating older people's access to public transport and in encouraging older people to remain active and mobile. The cost of assisting older people to be mobile and socially active by subsidising the fares that older people pay, is undoubtedly considerably offset by the cost savings to the health budget.

The Committee is aware that depending on their place of residence and the availability of government operated transport services, many older people are cushioned from public transport fare rises by the availability of set-price Pensioner Excursion Tickets (PET) by City Rail and State Transit Authority, and Pensioner Travel Vouchers by Countrylink.

It should be noted that these set-price concessions are not available to mature age unemployed people or others, only recipients of an age pension (or like) or holders of a Seniors Card.

Older people value these concessions highly and support their continued provision by the NSW Government. Indeed the NSW Committee on Ageing supports the continuation of set-price concessions, but is strongly urging the NSW Government to make them equitable to all users, not just those older people who are resident in areas with access to CityRail, Countrylink and State Transit Authority services. As your April 2003 Issues Paper notes, the median income of residents of STA-serviced areas is higher than that of residents in private bus served areas.

As mentioned above, these set-fare concessions are not available on private buses or taxis, so fare increases have a considerable impact on older people in areas covered only by private bus operators.

Additionally, those older people who cannot use public transport on the basis of severe disability and so must use taxis are even more disadvantaged. Proportional fare rises generally have a higher impact on taxi users.

On this point, the Committee wishes to take issue with your statement on page 52 that:

“Although they (users of the Taxi Transport Subsidy Scheme) are required to pay a minimum of 50 per cent of the taxi fare, the scheme does suggest a limited impact of any fare increase on this group.”

For trips with fares over \$60 – not difficult for a Western Sydney or rural resident – the subsidised taxi user must pay a full fare for the amount over \$60, as the

maximum subsidy payable is \$30. For example, a subsidy user must pay \$50 for a trip whose full fare is \$80.

Who pays for higher fares is a matter of real concern for older people. Obviously there are three stakeholders – the user, the private operator or the NSW Government. All are affected by the mix of subsidies and increased fares to varying degrees.

The NSW Committee on Ageing therefore recommends:

- that the Tribunal recommends to the NSW Government that it establish a set-price concession fare for private bus transport operators equivalent to the current or reviewed set-price concession fares for eligible passengers on CityRail, Countrylink and State Transit Authority services
- that the ceiling on Taxi Transport Subsidy Scheme of a \$60 fare before the subsidy cuts out be increased by at least the same proportion as any taxi fare rises.

For further information, please contact Sarah Fogg, Senior Policy Officer in the Committee's Secretariat, on 8270 2146.

Yours sincerely



Dr Dawn Linklater
Chairperson