

# Physical Disability Council of New South Wales

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## Independent Pricing And Regulatory Tribunal of NSW

### Review of fares for taxis, private buses and private ferries in NSW: *AN ISSUES PAPER*

*a response from  
the Physical Disability Council  
of NSW*

*May 2003*

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## ***PDCN Recommendations***

1. The 15-minute upper limit on waiting time for wheelchair accessible taxis should be retained unless and until a Smart Card regime is established for the NSW Taxi Travel Subsidy Scheme. (Section 2)
2. IPART should do all that it can to expedite the introduction by Transport NSW of a Smart Card for the TTSS. (Section 2)
3. IPART should reject proposals to introduce a pick-up fee for wheelchair passengers using WATs. (Section 3)
4. We seek the introduction of a \$6 performance incentive fee to be paid to drivers and radio operators if the wheelchair user is picked up within 20 minutes of the booked time. (Section 4)
5. To offset some (perhaps all) of the additional costs of introducing a performance incentive, we propose that the annual charge for a wheelchair accessible taxi plate be increased to between \$2,000 and \$3,000. (Section 4)
6. The level of TTSS subsidy should be increased from 50% of the metered fare to 75%. (Section 5)
7. The upper limit of subsidised fare should be increased from \$30 to \$40. (Section 5)
8. New performance standards for WAT services should be introduced by 1<sup>st</sup> January 2004. (Section 6)

## **1. About the Physical Disability Council of NSW**

PDCN is the peak body representing people with physical disability in New South Wales. We are part of a network, which makes up the membership of the Physical Disability Council of Australia. At least 75% of the members of PDCN must be people with a physical disability. We believe, therefore, that what we say and the representations we make to Government are based on the direct experience of people with disability. We are, we believe, an 'expert organisation'.

PDCN operates democratically as part of an effective network of disability sector organisations. We work collaboratively with agencies that share common goals. We strive to bring about significant, permanent and positive changes in the circumstances of people with disability. Our goal is to secure equal civil and human rights for people with disability.

- PDCN assists people with physical disability to represent themselves and express their own points of view to decision-makers in all sectors.
- PDCN helps to keep people with disability informed of developments of all types that might affect the lives of people with disability.
- PDCN represents the views and interests of people with disability to government and non-government decision-makers.
- PDCN works to educate members of the general public about the needs and aspirations of people with disability.

Membership of PDCN is open to individuals with a physical disability living in NSW and to any person or organisation with a commitment to consumer rights and the empowerment of people with disability. PDCN's Management Committee has twenty-one members, most of who are people with physical disability. Parents of children under 16 years of age are members of our committee. One third of the committee places are reserved for people with physical disability who are not resident in greater metropolitan Sydney.

The NSW Department of Ageing Disability and Home Care funds PDCN. We employ four members of staff, based in our office in Glebe.

## ***2. Limit on waiting time charge of Wheelchair Accessible Taxis***

**The Physical Disability Council of NSW is against the removal of the fifteen-minute limit on WAT waiting time at this juncture.**

The fifteen-minute limit on WAT waiting time was introduced as a mechanism to prevent abuse of the paper-based Taxi Transport Subsidy Scheme (TTSS). The Tribunal may not be aware that before the introduction of the fifteen-minute limit there was misuse / abuse / minor fraud attributable to WAT waiting times. Claims were submitted / charges levied for longer periods of waiting than actually occurred. It may be that a small number of drivers and passengers considered the additional periods of waiting time charged to be 'victimless crime', largely because the paper dockets of the TTSS made / make it possible to 'transfer' culpability.

We are certain that it was a small number of drivers and passengers who were responsible for the abuse of the system. We are just as sure that the majority of drivers and passengers would (and do) condemn such behaviour. Nevertheless, for as long as the paper-based arrangements for the TTSS remain in place, there is a real possibility that significant levels of abuse could return if the upper limit on waiting time was removed.

We feel strongly that the introduction of a 'Smart Card' for the TTSS would allow all stakeholders (passengers, WAT drivers and NSW Government) to have confidence that abuse of waiting times would be negligible. Unless and until the TTSS moves to Smart Card technology (with its capacity to record times, durations, etc) there should be no change to the current limit of fifteen minutes waiting time for WAT vehicles.

For those reasons PDCN urges the Tribunal:

- **To retain the 15-minute upper limit on waiting time for wheelchair accessible taxis unless and until a Smart Card regime is established for the NSW Taxi Travel Subsidy Scheme.**

- **To do all that it can to expedite the introduction by Transport NSW of a Smart Card TTSS.**

### ***3. Additional pick-up fee paid to drivers of WAT***

**The Physical Disability Council of NSW is against the introduction of an additional pick-up fee to be paid to drivers of WATs.**

A pick-up fee is discriminatory and probably breaches the terms of the Disability Discrimination Act 1992 (DDA). Any fee of this type is built on the premise that a particular group of people, by virtue of their disability, would be or should be treated less favourably than the population as a whole. Even if the entire additional fee were to be paid by Government there would still be a breach of the requirement in the DDA to eradicate disability discrimination.

We oppose the introduction of a pick-up fee because it further undermines the right of people with disability to be treated no less favourably than people with no disability. But we also oppose the suggestion on pragmatic grounds.

On page 5 of its Issues Paper, IPART notes that the “nominal” cost of a taxi plate for so-called standard taxi is “about \$290,000”. Figure 2.1 on page 5 of the same document shows that the “nominal” cost has risen more than four-fold since 1985. Even using 1985 dollar-values the price of a plate for 94% of taxis has more than doubled. During the same period, the cost of a WAT plate has dropped in both cash terms and real terms. Even allowing for the more expensive vehicles that tend to be used for WAT services, PDCN has shown that over a twenty-year period it remains cheaper (all costs considered) to operate a WAT rather than a taxi that cannot accommodate wheelchair users.<sup>1</sup>

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<sup>1</sup> See “Still Waiting For Godot: Taxis And Discrimination Against People Who Use Wheelchairs (A Response To The HREOC Draft Report On Wheelchair Accessible Taxis) available at <http://www.pdcnsw.org.au/campaigns/wats/taxishreoc2.html>

With taxi plate costs of \$290,000 for an inaccessible taxi and \$1,000 per year (for twenty years) for a wheelchair accessible taxi, the NSW Government effectively subsidises WAT entrants to the market by more than \$250,000. In such circumstances, we feel it would be wrong to further subsidise WAT activity by introducing a 'pick-up' fee.

Secondly, with regard to our pragmatic opposition to the 'pick-up' fee, we ask IPART to recognise that such a fee does nothing to enhance the quality of service to wheelchair users. There is nothing inherent to a 'pick-up' fee that produces improvement in the key area of concern to passengers in wheelchairs: chronic delay of service provision.

A 'pick-up' fee that would be paid to drivers simply for accepting a job would not necessarily mean that passengers in wheelchairs were picked up any closer to booked time than is currently the case. We remind IPART that the NSW Taxi Regulations currently require drivers of WATs to give priority to wheelchair users. The pricing / fare structure ought not to make more costly an activity that is already a duty placed upon WAT operators and drivers as a condition of their licence. A 'pick-up' fee, applied regardless of performance improvement, merely adds cost to an already heavily subsidised niche of the market. We are against the suggestion

PDCN urges the Tribunal:

- **To reject proposals to introduce a pick-up fee for wheelchair passengers using WATs.**

#### ***4. Introduction of a performance incentive for drivers of WATs***

**PDCN proposes the introduction of a \$6 performance incentive for picking up wheelchair users. The fee would NOT be paid for every job but only in those circumstances where agreed performance standards are met.**

From the perspective of wheelchair users, the NSW taxi industry is fundamentally deficient in a number of ways. These include:

- As HREOC has shown<sup>2</sup>, of all States and Territories, NSW has the lowest proportion of its taxi fleet that are wheelchair accessible.
- According to the NSW Taxi and Hire Car Bureau, 6.16% of taxis (365 out of 5,924 vehicles) are wheelchair accessible.
- As many as 80% of all bookings for wheelchair accessible taxis are made through private booking arrangements principally because of the risk of delay of services booked through the '0200' central booking service. (According to the now-disbanded Department of Transport WAT Sub-committee).
- At least one major network continues (reportedly as a "business decision") to not use its Global Positioning System (GPS) technology to direct the closest available WAT vehicle to wheelchair users waiting for a booked taxi.

Although it is profoundly disappointing, it surprises no one that the greatest cause for complaint by wheelchair users about wheelchair accessible taxi services is late arrival or delays. It is common for PDCN to be told by wheelchair users that their taxi was between 45 minutes and 1 hour late for a booked appointment. At meetings in Campbelltown, Ryde, Bondi Junction, Penrith, Glebe and Parramatta wheelchair users have told us of waiting between two and four hours for taxis booked through the '0200' central booking system. Some wheelchair users have told us that they have given up on taxi services altogether because vehicles were so late, so often (or simply never showed up) that the delays made life virtually impossible. In such circumstances people find their lives become dramatically constrained.

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<sup>2</sup> Report of Wheelchair Accessible Taxi Inquiry, Human Rights and Equal Opportunity Commission, March 2002. This report is available online at [www.humanrights.gov.au/disability\\_rights](http://www.humanrights.gov.au/disability_rights)



No one disputes the fact that there are delays and long waiting times experienced by wheelchair users. There are, however, a variety of interpretations or explanations offered dependent, by and large, on the perspective of the speaker.

PDCN does not wish to re-hash old debates, although our own views have not altered since we wrote our submissions to the HREOC Inquiry into wheelchair accessible taxi services. We believe, however, that IPART has an opportunity to use its regulatory powers to help overcome the problem of unreasonable and discriminatory waiting times (by and large the problem does not exist for people who do not use wheelchairs).

PDCN proposes the introduction of a \$6 performance incentive for picking up wheelchair users. The fee would NOT be paid for every job but only in those circumstances where agreed performance standards are met. Our proposal is modelled on the South Australian experience. Our information from the trial in that State (the formal report of the experiment has not yet been written) is that the introduction of a performance related incentive has improved (reduced) delays.

We propose a performance related incentive of this type:

- A \$6 incentive fee / bonus would be paid if the wheelchair user is picked up within 20 minutes of the booked time.
- \$5 of the fee would be paid to the driver picking up the passenger.
- \$1 of the fee would be paid to the radio operator issuing the job.
- By “picked up” we mean the taxi has arrived at the pick-up point, the passenger is onboard, securely restrained and the vehicle is ready to move off.
- For as long as the ‘0200’ central booking service operates, the performance incentive would be paid only for bookings made through that official booking service.
- If the exclusive role of the ‘0200’ service were to be abolished in favour of direct booking through radio networks, the performance incentive would be paid only for bookings made through those networks.

- In short, private bookings would not be eligible for the \$6 performance incentive. WAT drivers would have the right to choose between preferential access to and by some customers or the performance incentive fee, not both.
- All of the \$6 would be paid through the TTSS by the NSW Government.

To offset some (perhaps all) of the additional costs of introducing such a performance incentive, we propose that the annual charge for a wheelchair accessible taxi plate be increased to between \$2,000 and \$3,000. The combined effect of these changes would be:

- Owners and operators would pay a higher annual fee for a WAT licence plate but still receive an effective subsidy (based on current figures) of between \$230,000 and \$250,000 over a twenty-year period.
- Drivers would receive a \$5 bonus for each passenger picked up within 20 minutes of the booked time. A bonus at this level represents an increase of 25% on the current average urban fare of \$19.54 (32% on the Taxi Council's preferred figure of \$15.48) and 51% on the current average country fare.
- Telephone operators with the booking service would have a direct incentive for assisting drivers to meet their performance target of 20 minutes.
- The NSW Government would increase income from the new licence fee.
- Wheelchair users could expect to see improvements in performance not unlike the experience of their counterparts in South Australia.
- New entrants to the industry would see even greater incentive in selecting a wheelchair accessible taxi plate as their business choice. The potential would be created to increase the number of WATs in NSW.
- For the first time in NSW some of the subsidy received by WAT plate holders / owners would be diverted to drivers.

PDCN urges the Tribunal:

- **To recommend the introduction of a \$6 performance incentive fee to be paid to drivers and radio operators if the wheelchair user is picked up within 20 minutes of the booked time.**

## **5. Taxi Transport Subsidy Scheme**

**PDCN proposes that the level of subsidy be increased from 50% of the fare to 75% of the fare and that the upper limit of the subsidy be increased from its current \$30 to \$40**

In Table 5.4 on page 32 of its Issues Paper, IPART reports that taxi fares in NSW are currently 22.3% higher than they were on 1<sup>st</sup> July 1999. During the same period there has been no increase in the level of subsidy made available to people eligible for support through the TTSS. It is well known that most people with disability live on fixed incomes that have barely kept pace with inflation. (According to various sources it is about 80% of the total number of people with disability.) When the effects of the introduction of GST are also considered it is clear that for most people with disability there has been a drop in real incomes during a period when taxi fares have increased in cash and real terms.

PDCN has argued in favour of an increase to the subsidy since at least 1998. We continue to do so.

The Final Report on Disability Services, entitled *Making It Happen*, published by the Legislative Council of the NSW Parliament in December 2002, recommends that the subsidy be increased to 75%<sup>3</sup>. The Upper House suggests an increase of five percentage points each year for five years. We understand their wish to see staged introduction of the proposed increase but we feel that the administrative complexities outweigh the financial benefits. Consequently, we propose an immediate increase from 50% to 75% of the fare.

Some people with disability rely more than most on wheelchair accessible taxi services. They may experience some of the greatest financial difficulty of all groups who make use of these vehicles. We are thinking, particularly, of people who live in regional NSW or on the fringes of the major conurbations and who may have to travel above average distances more often than most services users. It is to

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<sup>3</sup> Recommendation 12, page 29

recognise the financial burden placed on people in such circumstances that we propose an increase of \$10 in the upper limit of the subsidy. We seek its increase from \$30 to \$40.

Most wheelchair users will never need to avail themselves of the upper end of the scale of subsidy available because they make journeys that are, most of the time, below the upper limit. For people whose living situations mean they must make longer journeys, however, to reach health, community or other settings, an increase to the upper limit of the fare subsidy would be a just development.

PDCN seeks the support of the Tribunal:

- **To increase the level of TTSS subsidy from 50% of the metered fare to 75%.**
- **To increase the upper limit of subsidised fare from \$30 to \$40.**

## ***6. Performance Requirements***

**PDCN calls for the introduction of new performance standards for WAT services.**

Draft performance standards for wheelchair accessible taxi services were included as part of the 1995 tender documentation linked to the central booking service. Those performance standards have never been introduced. PDCN calls on IPART to require the NSW Government to issue and enforce performance standards for WAT services that would take effect from 1<sup>st</sup> January 2004.

**ENDS**

**Physical Disability Council of NSW**

**30<sup>th</sup> May 2003**