



Physical Disability Council of NSW
Ordinary People Ordinary Lives

Submission for the Independent Pricing and Regulatory Tribunal
Issues Paper: Review of taxi fares in NSW and taxi licences
outside Sydney from July 2018

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Who is the Physical Disability Council of NSW?

The Physical Disability Council of NSW (PDCN) is the peak body representing people with physical disabilities across New South Wales. This includes people with a range of physical disability issues, from young children and their representatives to aged people, who are from a wide range of socio-economic circumstances and live in metropolitan, rural and regional areas of NSW.

Our core function is to influence and advocate for the achievement of systemic change to ensure the rights of all people with a physical disability are improved and upheld.

The objectives of PDCN are:

- To educate, inform and assist people with physical disabilities in NSW about the range of services, structure and programs available that enable their full participation, equality of opportunity and equality of citizenship.
- To develop the capacity of people with physical disability in NSW to identify their own goals, and the confidence to develop a pathway to achieving their goals (i.e: self-advocate).
- To educate and inform stakeholders (i.e: about the needs of people with a physical disability) so they are able to achieve and maintain full participation, equality of opportunity and equality of citizenship.

Introduction:

The Physical Disability Council of NSW (PDCN) appreciates the opportunity to review and provide comment on the Issues Paper: Review of taxi fares in NSW and taxi licences outside Sydney from July 2018 in this submission for the Independent Pricing and Regulatory Tribunal.

In this submission PDCN will contribute to the discussion on regular taxi services and wheelchair accessible taxi (WAT) services in relation to;

- maximum fares for rank and hail taxi services
- taxi licences issued to operators in areas outside Sydney from July 1st 2018

and to individual questions within the issues paper for which we feel we have relevant understanding or expertise.

The effective provision of point to point transport including taxi services, wheelchair accessible taxi services, community transport, hire care services and ridesharing is crucial in ensuring that people with disabilities have equal access to the community and can participate in employment and education, access medical appointments, social opportunities, community resources and visit friends and family.

The importance of access and inclusion is a focus of all Government Disability Inclusion Action Plans and is highlighted in the National Disability Strategy (NDS). Policy direction four states 'a public, private and community transport system that is accessible for the whole community' is vital for people with disabilities to have mobility in the community and 'underpins all aspects of life for people with a disability'¹.

A variety of point to point transport services are utilised by people with physical disabilities who may use a range of mobility aids from walking sticks to powered wheelchairs or mobility scooters to safely access the community.

PDCN's primary concern is the impact recommendations made by IPART in this review of taxi services will have on the movement of people with disabilities in the community, particularly individuals who have limited options when accessing transport. PDCN believes increasing access to taxi services and other forms of point to point transport, such as community transport is imperative as many individuals with disabilities, particularly wheelchair users and those in geographically isolated locations rely on point to point transport to meet their transport needs. This particular cohort may not have access to private vehicles or may live in areas where there is inadequate or non-existent public transport infrastructure and services (e.g. bus, train and light rail services).

In addition, PDCN seeks to ensure that the recommendations made by IPART regarding pricing regulations will continue to protect passengers from excessively high fares, particularly in the less competitive markets found in rural and regional NSW.

Responses to relevant individual questions:

Question 1: What is your view on the level and nature of competition in the rank and hail market? Does it vary by region of NSW or by time of day?

PDCN believes that the level and nature of competition in the rank and hail market varies considerably by NSW region and is influenced by the concentration of taxi services and the method in which the public primarily accesses taxi services in each region, i.e rank and hail or pre- booked services.

PDCN would like to highlight that competition in the rank and hail market will be significantly less outside of the Sydney metropolitan area. This is primarily due to the most direct competition to rank and hail services being from ridesharing which is predominantly based in Sydney and larger urban centers such as Wollongong and Newcastle. The reduced level of competition in regional and rural NSW is especially limited for WAT services, as the market for WAT's is smaller than the market for all other point to point transport services.

¹ Commonwealth of Australia, National Disability Strategy (NDS) 2010- 2020, page 32

People with disabilities who frequently use WAT services may have no other transport options, thus limiting their ability to exercise choice when accessing transport, and to actively participate in the market scheme that is being proposed to regulate pricing for booked services.

Furthermore, competition in the rank and hail market may be less effective in regulating prices in rural and regional areas as it is estimated that around 80% of trips are booked, compared to around 45% in Sydney². This lack of competition in rural markets may result in higher prices for booked trips. PDCN is concerned this may lead to taxi services that are unaffordable for individuals with disabilities on low incomes or disability support pensions, despite reimbursements such as the taxi transport subsidy scheme (TTSS).

PDCN has observed that competition in the rank and hail market is also influenced by individual taxi operators having a monopoly on licences in certain regions of NSW and an inadequate number of WAT services in all areas. This situation is not conducive to market competition and may contribute to the difficulties faced by individuals with disabilities when securing taxi services or WAT services for short yet essential journeys, such as to medical appointments. These smaller trips may be less lucrative for taxi operators.

Competition, particularly in rural markets is further limited by the time of day. Taxi services and WAT services are often unavailable during periods of the morning and afternoon on weekdays due to pre- bookings to provide school transport.

Question 2: How do you think the new regulatory framework for point to point transport will affect competition in the rank and hail market in the future?

The new regulatory framework for point to point transport creates two types of point to point transport services in NSW: taxi service providers who offer rank and hail services, and booking service providers including hire cars, rideshare and taxi booking services.

PDCN believes the new regulatory framework has the potential to increase competition within the rank and hail market, particularly with the creation of the centralised booking service for WAT taxi services in Sydney and the legalisation of ridesharing - as it allows for convenient point to point pick up for individuals with mobility issues. PDCN agrees with IPART that an increase in the utilisation of ridesharing will push down prices charged by taxi services, however currently this will only benefit people with disabilities who are still able to access regular taxi services or non-modified vehicles.

However, PDCN would like to reiterate concerns stemming from the lack of competition in some regions of NSW. Under this new framework, the fares for booked taxi trips will no longer be regulated. Like hire vehicles, taxis will be able to set their own charges for

² Independent Pricing and Regulatory Tribunal (IPART) of New South Wales, Issues Paper: Review of taxi fares in NSW and taxi licences outside Sydney from July 2018, 2017, Page 20

these trips, and customers can readily shop around to find a price and service that best suits their needs. PDCN agrees with IPART's view that the most effective way to encourage the efficient supply of taxi services and protect customers from abuses of monopoly power is through competition³.

Although PDCN believes providing fare estimates for booked services is a good measure that will ensure consumers have informed choice, passengers who require accessible vehicles have limited choice and ability to 'shop around' and therefore inadequate competition to regulate prices may unfairly impact individuals who are already socially and economically disadvantaged.

In addition, PDCN believes the cost of point to point transport is a significant issue given the roll out of the National Disability Insurance scheme (NDIS) across NSW and the subsequent changes to transport funding and loss of subsidies for community transport. PDCN has observed that many individuals have inadequate funding for transport in their NDIS plans and any increase in the price of point to point transport may severely limit the ability of NDIS participants to access community and mainstream services (such as employment and education) which would be a backwards step to full inclusion in NSW society.

We feel a mix of the two approaches (both light and more prescriptive measures) for regulating taxi fares, differentiated by area would be appropriate. PDCN recommends maximum fares in regions where there is a less competitive point to point transport market to ensure consumers are protected from disproportionately high prices for taxi services.

Question 21: Should there be any restrictions on: the areas of operation for new taxi licences in cross border areas; the operation of new licences? If so, what type of restrictions?

PDCN feels it would be beneficial to consider reducing restrictions on areas of operation for new licences in cross border areas. The arrangement used currently by taxis licensed to operate in Queanbeyan, where they may ply or stand for hire anywhere in the ACT and vice versa could be expanded to other border areas.

Cross border licensing issues have been raised with PDCN by people with disabilities living in areas close to the state border, for example residents of Tweed Heads accessing the nearest hospital services that are located in Queensland. In this region individuals are able to book taxi services to travel to Gold Coast hospital but experience difficulty securing taxi transport back to NSW, as QLD based taxis prefer to wait at the airport for a more significant fare, and at present are unable to use their same (NSW) service to book a return journey. This situation creates a significant amount of stress

³ Ibid, IPART, Page 3

and uncertainty for people with disabilities that could be alleviated by less restrictions on licences in this area.

PDCN understand that similar cross border issues arise in Albury/Wodonga.

Recommendation 1: PDCN suggests that IPART recommends the use of a combination of both light regulations and more prescriptive measures for regulating taxi fares. Regulations should be differentiated by area to ensure consumers are protected from disproportionately high prices in regions with less competitive markets.

Recommendation 2: PDCN recommends a reduction in the restrictions on areas of operation for new licences in cross border areas.