

1 July 2008

Taxi Fare Review
Essential Services Commission
Level 2 / 35 Spring St
MELBOURNE VIC 3000

Response to the Taxi Fare Review 2007- 08 Draft Report

VCOSS welcomes the strong focus within Draft Report (the report) on taxi affordability and availability issues for people who are not able to drive and do not have access to public transport, especially older people and people with disabilities. The attention given within the report to the transport issues facing people living in rural and regional areas is also commendable.

As the peak independent coordinating body of the social and community services sector, the Victorian Council of Social Service (VCOSS) raises awareness of the existence, causes and effects of poverty and inequality and advocates for the development of a sustainable, fair and equitable society. As well as promoting the wellbeing of those experiencing disadvantage and contributing to initiatives seeking to create a more just society, VCOSS provides a strong, non-political voice for the community sector.

VCOSS works together with its members on issues such as poverty and inequality and ensures that community resources and services are available and affordable. VCOSS promotes community participation as well as strengthening the value of citizenship in our community.

VCOSS has been working in the area of transport policy since 2003. Our central goal in relation to transport policy is the achievement of a sustainable Victoria in which all residents have access to an affordable and accessible transport system which meets their mobility needs.

This submission briefly addresses recommendations of the report which relate to areas of concern for VCOSS and our members.

Recommended alterations to the Multi Purpose Taxi Program (MPTP)

VCOSS welcomes both the analysis of the MPTP contained within the report and the draft recommendations, in particular:

- a 'several fold increase' to the annual subsidy cap;

- examination of options to simplify the application process; and
- temporary membership for people who are temporarily disabled and required to use a wheelchair.

However, there are a number of areas in which we feel stronger or additional recommendations are necessary in order to address the barriers to social inclusion and participation currently experienced by transport disadvantaged people reliant on taxis to meet their transport needs.

Recommended increase to the annual subsidy cap

VCOSS has consistently advocated for the removal of the annual subsidy cap. As noted in the report, the current cap allows on average a single half price return taxi trip a week to members. This is clearly inconsistent with the broader social inclusion goals advocated through whole of state Government policy frameworks such as *A Fairer Victoria*. In addition, automatic exemption from the annual subsidy cap for some disability types is discriminatory and increases the red tape associated with the application process as outlined below.

Cap imposed on individual trips

While VCOSS supports the recommendation that the cap for individual trips be lifted to \$50 (from \$30) we would prefer to see a 50 per cent subsidy applied to all trips. This is a particular concern for rural MPTP users who may need to make occasional (or indeed regular) longer taxi trips to access services in regional centres or Melbourne.

Application process

Reducing the complexity of the overall application process for the MPTP is essential to ensure that people who have limited English literacy or a cognitive impairment are not prevented from accessing the support to which they are entitled.

The process for applying for an exemption to this cap is currently invasive of personal privacy. It requires applicants to provide details of destinations which they intend to travel to as well as requiring the written verification of 'the person in charge of the trip destination' (i.e. the doctor, employer etc) and their contact details. This is an extraordinary amount of detailed personal information which in itself may present a barrier to application and may well breach applicants' right to privacy under the *Victorian Charter of Human Rights and Responsibilities Act (2006)*. The appropriateness of the amount of information collected and the use of disability type rather than level of transport disadvantage to distinguish between those who are automatically eligible for an exemption to the annual subsidy cap and those who are not should be urgently reviewed.

People reliant on taxis who fall outside the current MPTP criteria

The MPTP is highly restrictive in its criteria and does not adequately cover the proportion of Victoria's population who rely on taxis to meet their mobility needs, especially in the absence of a coordinated and adequately funded community transport system. A significant policy gap exists in providing financial assistance to people who are unable to drive but do not have adequate access to public transport and who would otherwise be able to utilise a public transport concession. The report notes the recommendation of the *Country Taxi Review* that an assistance scheme be developed for people living in areas without access to public transport who are

therefore dependent on taxis and also notes the reluctance of either the Department of Transport (DOT) or the Department of Human Services (DHS) to take up this issue.

VCOSS recommends that the MPTP eligibility criteria be revised to focus on mobility outcomes, rather than hypothetical assessments of ability to use public transport. The plain language criteria questions included on the Victorian Taxi Directorate document *Your guide to understanding the Multi Purpose Taxi Program* published in March 2008 highlights this issue by asking potential applicants:

If there was a bus or tram going past your house, would you be unable to use it and pay your fare without some help?

Low income people who are reliant on door-to-door transport due to physical or cognitive impairment and those who live in areas without accessible public transport should be eligible for a transport concession to ensure that the cost of transport does not lead to social exclusion. In the absence of other transport options, this concession should apply to taxi travel. The Victorian Government should investigate the most efficient and effective ways to meet the transport needs of this group through a mixture of additional public transport, demand responsive services, community transport and taxis.

Temporary membership

While temporary membership for people required to use a wheelchair would be a significant improvement to the program, people with other temporary disabilities should also be able to access the program. In particular, low income people who have temporary disabilities or chronic health conditions which periodically prevent them from driving or using public transport should be eligible for a temporary membership.

Increases to the Wheelchair Accessible Taxi (WAT) fleet

VCOSS strongly supports the recommendation to increase the proportion of WAT taxis in the metropolitan fleet from 8 to 15 per cent to improve availability and response times. This recommendation is especially urgent to address the failure to meet the equal response time target for WAT and standard taxis under the *Disability Standards for Accessible Public Transport*. An appropriate coverage target should also be established for rural and regional areas where the demand for accessible vehicles is likely to increase with an aging population.

VCOSS also supports the suggestion that a greater percentage of the lifting fee be directed to drivers to provide a greater incentive to pick up passengers using wheelchairs and therefore reduce waiting times.

Recommendations relating to community transport

VCOSS supports the recommendation that the government undertake a comprehensive review of community transport including looking at efficient models of service delivery which may involve the use of taxis. However, it is essential that any such review adequately assess the impact of current funding and governance arrangements on community transport and propose alternatives. It is also critical that the non-monetary benefits of community transport be accounted for including social participation of both passengers and volunteer drivers.

Fare structure - proposed increases to booking fees

It is essential that fare structures contain a balance between incentivising short trips through the fixed flag fall rate while simultaneously not creating a situation where people taking short trips are paying disproportionately high fares. The recommended increase to taxi booking fees, if implemented, should be monitored to assess whether booked short trips are more readily accepted by drivers. As information on short trips will not be collected under the reporting requirements of the *Transport (Taxi-Cab Industry Accreditation) Regulations 2007*, investigation of this issue would need to be undertaken separately by the Victorian Taxi Directorate.

Proposed price setting model

As outlined in the previous VCOSS submission to this review, any future price setting model for taxi fares needs to take into account:

- the impact of price rises on low income and disadvantaged groups;
- the ongoing ability of the taxi industry to continue to improve service coverage and quality for low income and disadvantaged Victorians; and
- adequate wages and conditions for taxi drivers.

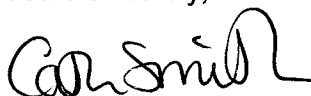
The MPTP is linked to the cost of taxi fares. However most low income Victorians do not have access to this program and many, especially those on statutory incomes through Centrelink which are linked to CPI, will be disproportionately affected by a non-CPI based fare setting structure. While it is acknowledged that taxi fares should adequately reflect the cost of major inputs, rapid increases in fuel costs may make essential taxi use even less affordable for people on low incomes. This points to both the need for additional investment in public and community transport but also regular review of the price setting model.

Recommendations relating to adequate wages for taxi drivers

VCOSS agrees with the analysis undertaken in the report which suggests that simply raising fares will not address low wages for taxi drivers. Greater structural changes to the industry which alter the distribution of income to license holders, operators and drivers appears to be required. VCOSS supports the recommendation for additional driver training, especially if this is specified as training to assist drivers offer a higher quality of service to passengers with additional needs such as people with disabilities, cognitive impairment and impairments which effect communication.

VCOSS welcomes the opportunity to engage further with the Taxi Fare Review. For further information on this submission please do not hesitate to contact Jess Fritze, Transport and Disadvantage Policy Officer, or David Imber, Manager Policy and Public Affairs, on 9654 5050 or at jess.fritze@vcoss.org.au or david.imber@vcoss.org.au.

Yours sincerely,



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