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EQUAL OPPORTUNITY

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Inquiry:

Equal access to wheelchair accessible

taxi services

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Introduction

I am the father of a 17 year-old girl with cerebral palsy (quadriplegia) who excels academically at Sydney Girls High in Year 11. I am also an economist teaching at the University of NSW, and a member of the Management Committee of the Physical Disability Council of NSW. The attached notes are in my capacity as an economist, as an advocate on behalf of my daughter and as a taxpayer who wants to see government funds spent efficiently and equitably. My submission is not as a member of the Physical Disability Council of NSW (PDCN), it has not been endorsed by PDCN and there are points of disagreement and agreement with PDCN. My experience as a taxi driver while a university student might give me some insight, but it was many years ago (before there were WATs) and therefore of only minimal significance (but possibly something that should be declared.)

Background

After years of taking my daughter to and from school daily, and to and from excursions, my daughter began using a taxi to and from school this year because she wanted to have a greater sense of independence. This has been fully financed by the Department of Education. The drivers have been courteous, punctual, and flexible. From a private personal point of view, the service has been beyond reproach. As a result of this flexibility, I have been able to return to full-time employment as an Economics lecturer at the University of New South Wales.

My daughter will always be reliant on private transport or taxis because:

- the Transport Standards do not require restraints and belts in buses and my daughter's poor trunk control and poor grasp make buses dangerous and uncomfortable for her if there are no restraints
- trains are an unsatisfactory alternative because stations are generally inaccessible or unreliable in their access, are not sufficiently spread through the whole metropolitan area, and in any case, provide transport only between stations whereas the real demand is between origins and destinations.

I believe that in the future it would be more cost effective for my daughter to use a taxi than to own her own car because:

- the cost of running a car is generally greater than the cost of running a taxi
- her inability to drive a car herself will always mean she will either have to make private arrangements with a friend or relative, or to pay someone to drive her car.

Despite the greater cost efficiency of taxi over private transport, I expect that unless some dramatic changes are made in the near future to the Wheelchair Accessible Taxi (WAT) system in NSW, I will buy a car for my daughter when she goes to university. This is both because I am led to understand that the WAT system is profoundly unreliable and because everything about the way the system is organised suggests to me that this is true.

A Shortage of Cabs: A Contradiction between Formal and Informal Evidence

I have no scientific evidence to support my view that response times are invariably worse for wheelchair users than for other taxi users, but informal evidence suggests that the response time are significantly worse. I have seen wheelchair users arrive at meetings frustrated, dispirited, and angry - up to two hours late. I regularly wait for up to an hour late at night with colleagues after PDCN meetings.

I understand that this is contrary to formal evidence that most WAT users are satisfied with services and response times. I believe the apparent contradiction can be explained by a number of factors.

Private Arrangements

The most important explanation of the contradiction between the formal and the anecdotal evidence is the widespread use of “**private arrangements**”. One estimate holds that 80% of wheelchair users have private arrangements with specific drivers. Undoubtedly these users are relatively satisfied with the service and it is undoubtedly rational at an individual level for both the wheelchair user and the taxi driver to make such arrangements. It is interesting to note that I have never had to wait behind with a wheelchair user who has a private arrangement. This might seem satisfactory but it is important to note that these users have sometimes had to leave a meeting before its

close because their taxi arrived on time but the meeting went beyond schedule because of crucial debate - which the wheelchair user either opted out of, or paid for through the higher fare for having the taxi wait.

As long as there is a shortage of taxis, these private arrangements exacerbate problems for **people who are not privy to these private arrangements**. This includes interstate and overseas visitors, people whose private cars are being serviced, people who have difficulty in private negotiations, people making spontaneous irregular trips which are outside the scope of regular arrangements, and people who have had a disagreement with their regular driver.

The shortage of taxis is exacerbated because the private arrangements reduce the net supply of taxis available to the public. Thus, suppose that at any point in time, there is a demand for 12 WATs and a gross supply of 10. This implies an excess demand (relative to gross supply) of 20% - which I would say was poor but tolerable. If 8 cabs are taken out of supply by private arrangements (including school runs), then 4 passengers who do not have private arrangements are competing for 2 cabs. This implies an excess demand of 100% (relative to net supply). This is intolerable for those who are not part of the private arrangements or for whom private arrangements have temporarily broken down. It is furthermore likely to reinforce the negative views of people who have in the past chosen to use private transport instead of taxis and who therefore come into contact with taxis only irregularly.

My understanding is that this illustration is close to the mark as to what happens in practice - particularly during peak hours when workers and students make private arrangements because for them punctuality is crucial. (There is no point getting to a class, lecture or exam late; a job cannot be held down if one is continually late for work; and even friends and associates are likely to lose interest if one is always late.)

It is of course rational to make private arrangements if one can, but this makes the system intolerable for people who are outside the system.

Complaints

Another reason for the apparent contradiction between anecdotal evidence and formal evidence revolves around the reluctance to complain for fear of being scapegoated. This is a rational fear given the relatively small number of WATs and the relatively small number of wheelchair users. It is also rational not to complain if one believes that nothing will come of the complaint despite the resources, energy and time expended in making a complaint.

Potential Demand

It is critical to make the point that formal “satisfaction surveys” which question only current users will be biased towards exaggerating the level of satisfaction because they do not seek responses from people who have “given up” on the taxi system. Much of the current population of wheelchair users have adjusted to bad service by reducing their demand for taxi services - by not going out as often as they would like, or by using a car instead of using a more cost-effective taxi.

It is for this reason that economists are generally poorly disposed to “satisfaction” surveys based on what people “say”. They rely instead on “revealed preference” as an indicator of satisfaction. From this point of view, I would suggest that wheelchair users show their dissatisfaction with the taxi service by using it far less than they would like and afford. Naturally the lack of use is also related to limited budgets which are further limited by high non-discretionary costs, but this is another issue which is beyond the scope of the current inquiry except insofar as it relates to the Taxi Transport Subsidy (TTS) scheme.

The Demand for WATs

I believe that the demand for WATs is significantly above the proportion of the population that use wheelchairs because wheelchair users are more dependent on taxis than are people who do not use wheelchairs and therefore would:

- take more trips per user and
- travel longer distances

than the rest of the population - if the supply were available.

People who do not use wheelchair can catch a train/bus/ferry, hitch a ride from a friend, walk, or drive their own car. Although the public transport system is becoming increasingly accessible to wheelchair users, it will be years before wheelchair users will be able to confidently expect to catch a train or a bus spontaneously without stress on a seamless journey, and there will always be up to 20% of wheelchair users to whom many of the Transport Standards do not apply, and who will therefore not be able to do either.

I expect that if WATS were reliable and comfortable, the demand for WATs would increase dramatically as a result of:

- an increase in usage by people who currently use WATs
- a substitution away from private transport by many people who currently use private vehicles and
- an increase by people who currently participate less in the life of the community than they would wish and could afford.

I don't think there is reliable evidence one way or another about either current or potential WAT demand by wheelchair users, but I believe that an estimate of the proportion of the taxi fleet that should be wheelchair accessible is at least partly an empirical issue which depends on:

- the size of the wheelchair-using population relative to the rest of the population
- the number of trips that can be expected by wheelchair users relative to the rest of the population
- the time taken per trip by wheelchair users relative to the rest of the population
- the rules governing WAT passenger usage.

According to the Transport Standards Regulatory Impact Statement conducted a few years ago by the Commonwealth Attorney-General, wheelchair users make 0.5% of the non-institutionalised population i.e. who do not live in nursing homes or gaols.

Model 1:

If the average citizen makes 5 taxi trips¹ per year when taxis are reliable, comfortable and reasonably priced, and the average wheelchair user would make 50 trips per year if WATs were comfortable, reliable and reasonably priced, then with wheelchair users assumed to be 0.5% of the population, wheelchair users would make 4.8% of all trips. $[0.005*50/(0.005*50+.995*5)]$ If wheelchair users made an average 100 trips per year, then wheelchair users would make 9.1% of all taxi trips.

This implies that if WATs were restricted to driving only wheelchair users, and if the average length of a trip was the same for wheelchair users as it is for the rest of the population, then (at an average 50 trips per year per wheelchair user) WATs should make up 4.8% of the taxi fleet.

If wheelchair users are on average in the cab twice as long as other users (because they take longer trips, or take more time for getting in and out) this would justify 9.6% of the taxi fleet being wheelchair accessible.

If WATs could pick up all passengers, whether wheelchair users or not, then if wheelchair passengers make up only half a WATs clientele, then the justifiable proportion of the WAT fleet that should be wheelchair accessible would be 19.2%. If wheelchair passengers made up only one quarter of the average WAT vehicle, the proportion would need to be 38.4%.

As suggested above, the demand is an empirical issue demanding research.

Model 2:

Another way of looking at the demand for WATs involves using a queuing model to estimate the number of WATs needed to ensure a specified differential in waiting times between wheelchair users and the rest of the population².

¹ This refers to the average citizen, most of whom do not catch taxis, rather than to the average taxi user who undoubtedly takes far more than 5 trips per year.

² Equality would be zero differential.

On-Street Waiting Times:

If one assumes a 20% vacancy rate among taxis, and if one assumes that 5% of the taxi fleet is made up of WATs, and one assumes a taxi to pass a particular corner once every minute, then a wheelchair user can expect to wait 100 minutes on that particular corner before s/he can be reasonably certain of attracting a cab. By contrast, a person who is not a wheelchair user can expect to wait 5 minutes on that same corner before they can reasonably expect to attract a cab.

Bringing the waiting times to equality on every particular corner (as arguably required by the DDA) would require making the taxi fleet 100% accessible to wheelchair users. Accepting a degree of discrimination such that wheelchair users can expect to wait twice as long as others would imply that 50% of the taxi fleet ought to be wheelchair accessible, while accepting wheelchair users to wait four times as long would imply that 25% of the taxi fleet ought to be wheelchair accessible.

Radio Call Waiting Times:

The model above assumes that passengers attract taxis from the street, and that taxis drive along a linear strip. If we instead assume that taxis can only be booked by phone and cannot be called from the street, and one assumes that

- taxis become available radially rather than linearly (i.e. they come from anywhere on a circle centred on a caller's location)
- taxis are distributed randomly around the callers' location or available only at designated cab ranks

then times will be equalised if Model 1 proportions were implemented.

In reality, the taxi fleet would need to be higher than this because the road system is not radial and centred around the caller's location. The road system is better described as a linear system of ring-roads between suburban nodes, with a bias to wealthier and more population-dense areas (e.g. CBD and Eastern/Northern Suburbs of Sydney). This means that the distance that needs to be crossed from where a WAT driver takes a booking to the caller's location will generally be greater than the average distance used to estimate the average calling fee required by drivers to compensate going out of their way. This in turn means that drivers will not be sufficiently compensated for

taking WAT bookings and this in turn means that drivers view wheelchair users as less profitable passengers than the rest of the population and they therefore rationally avoid wheelchair bookings.

Universal Taxi / 100% WAT Fleet?

I understand that many wheelchair users have called for all taxi cabs to be fully accessible within the next ten or so years. I expect most economists would find this difficult to justify, and would compare it to cracking a walnut with hammer. I personally concur with the economists and disagree with disability advocates **unless one of the following conditions apply**:

- a) the additional cost of fitting out and operating a wheelchair accessible taxi is not significantly above the cost of fitting out and operating a sedan type taxi;
- b) for political or regulatory reasons, all taxis need to be the same style
- c) legal reasons obligate authorities to aim to provide equality of waiting time for off street hailing of cabs.

Additional Cost

While I stand to be corrected, my predisposition is to believe that the additional cost of a safe and comfortable universal taxi must be significant. There may be less expensive taxis, but they are either unsafe (like the bubble cabs) or uncomfortable (like the Maxi-taxis). It appears that the Chrysler Voyager is safe and comfortable, but expensive.

I am led to understand that:

- there are high quality WATS in the larger markets in Europe and the US
- there is a company that is apparently willing to import a substantial number of wheelchair accessible *Voyagers* into Australia in the near future but are being held up from doing so because regulatory authorities are sceptical about the financial viability of the company.³

³ I take this opportunity to question why the regulatory authorities have any interest in the financial viability of a new entrant into the taxi market. It appears to me that if an entrepreneur is willing to take a risk entering a particular market, and no real resource costs are imposed on the rest of the community by such entry, it is none of the authorities' business whether the entrant is successful or not. If 276 wheelchair accessible taxis are attached to 276 wheelchair accessible taxi plates, then the financial success or otherwise of the venture is irrelevant. If the entrepreneur's venture fails, s/he will have to sell the plates and the vehicles at a loss to the entrepreneur but at no cost to the community because

These “facts” need to be investigated since, if true, it might show that there is little additional cost to providing a fully accessible taxi fleet.

Same Style

If all taxis are constrained for some reason to be the same, then there is no doubt that they should all be wheelchair accessible. The fact that there are already various types of taxis, including four-seaters and nine-seaters, suggests that there is no regulatory requirement for “sameness”.

Like most economists, I would suggest that sameness is inefficient and that ideally there ought to be a wide variety of cab styles including WATs, two-, four- and six-seater sedans, stretch cabs etc. Whether the relative homogeneity of styles in the current market is due to over-regulation or the tendency for some markets to gravitate to sameness is I expect beyond the scope of the current inquiry, but it is important to note that the interests of consumers in general is usual best met by variety. I therefore believe that there is little justification for a fully accessible fleet.

Equality of Waiting Time

If the DDA requires that wheelchair users should expect to have the same waiting time for a taxi as a customer without a wheelchair, then if this is interpreted as equality of waiting time **in hailing off the street**, then there is no alternative to a 100% WAT fleet. If the DDA requirement is interpreted as equality of waiting time **in booking a cab from a phone**, then a 100% fleet is unnecessary.

The resolution of this issue is partly an empirical issue which revolves around the relative sizes of the “spontaneous” market and the “call” market. At present, the “call” market is undoubtedly larger than the “spontaneous” market, and I expect that the “call” market will continue to be larger for WATs even if the fleet were fully accessible.

there will still be 276 more WATs on the road than would otherwise be the case. The “character” of the entrepreneur is none of the regulatory authorities’ business, unless there exists the classic case - enunciated by none other than the “father” of laissez-faire economics, Adam Smith - of the regulator being too close to the existing operators and unintentionally colluding with the existing operators to exclude a new entrant.)

Design and Quality

I believe there may be a possible misunderstanding of the meaning of “universal taxi” in that it could mean either “a 100% WAT fleet” or it could mean “minimal difference in **comfort, safety and trip quality**” for a wheelchair using passenger relative passenger who does not use a wheelchair”.

There is no doubt that research should continue toward designing an attractive and affordable “universal taxi” in the second sense of the term. I am led to understand that the Chrysler Voyager comes close to fitting the bill in all aspects other than affordability, but this is only a matter of heresy and therefore an empirical issue.

Discrimination Against Wheelchair Users

In my mind there is undoubtedly systemic discrimination against wheelchair users. This is evidenced by the long delays and poor service received by wheelchair users.

There is also significant direct discrimination, as evidenced by:

- my own observations of three WATs driving past two wheelchair users seeking to pick up a taxi on George St near Town Hall while the drivers studiously avoid eye contact with the wheelchair users;
- heresy evidence from colleagues of empty WATs with their vacant signs showing while driving past the wheelchair user who is waiting for the central booking service to find an empty WAT to take a radio booking.

Discrimination against wheelchair users may be based on

- prejudice against wheelchair users (similar to the prejudice against racial and sexuality groups) and/or
- perceived or actual uncompensated costs of picking up wheelchair users - either from the street or from a radio booking.

Prejudice and Complaints

On logical grounds, I would expect the prejudice factor to be minimal since I would expect prejudiced drivers to avoid driving WATs. Yet, because of the high discount applied to the price of WAT plates, owner/driving Maxi-Taxis appears to be highly

profitable because the taxis are used for purposes other than driving wheelchair users (e.g. tourists, multiple hiring at airport, flowers and Mother's Day and Christmas Day) and because there is no enforcement of WAT license conditions to give preference to wheelchair users. As a result, the prejudice factor cannot be discounted.

If the taxi fleet were 100% accessible, there would be no need to identify radio calls clients as wheelchair users, and prejudice would be limited to that which a driver might show once s/he was recognised as a wheelchair user. This sort of discrimination can be easily punished and eliminated through an effective complaints mechanism.

While a complaint mechanism can be expected to be effective when a fleet is fully accessible, or when demand and supply are close to equalised, a complaint mechanism cannot be expected to be effective so long as demand exceeds supply significantly.

Perceived and Actual Uncompensated Cost of Wheelchair Passengers

I expect that the main source of discrimination against wheelchair users relates to a perception that wheelchair passengers are not sufficiently profitable. Whether the perception is real or illusory is an empirical issues.

Additional Costs Of Taking On-Street Passengers:

The additional perceived additional cost of picking up a wheelchair user on the street may be:

- the perceived fine for picking up and stopping in a “no stopping” area on a busy road or intersection and/or
- the perceived inadequate compensation for having the meter running in “waiting” mode instead of having it clocking up the fare in “driving” mode while the wheelchair user gets into the cab.

I expect that these reasons for discrimination would persist even if the whole cab fleet is accessible, and I consequently expect that wheelchair users will continue to be reluctant to be spontaneous, and will always choose making radio calls to taking their chances on the street. Rigorous punishment of drivers who do not pick up passengers

from the street, and lowering the actual or perceived cost of picking up and stopping for wheelchair users on the street would change the revealed choice, but I don't expect either rigorous prosecution or changed driver perceptions about these costs in the near future. I therefore believe that radio calls will continue to be the preferred means of catching WATs.

Additional Costs of Taking Radio Calls:

I expect that the perceived additional cost of taking a radio call is mainly due to the inadequate compensation for driving the distance from where a radio call is taken by a driver to where the passenger is located. There are simply not enough randomly distributed vacant WATs in any particular area. This implies that drivers responding to wheelchair users generally need to drive a greater time and greater distance than the usual distance to pick up a radio call. The effect is that the booking charge received by a driver does not compensate the driver sufficiently to warrant responding to a call.

Measures for Improving WAT Access

Over the last three years there have been numerous announcements, particularly in the lead up to the Olympics. Keeping track of the announcements has been difficult because many have been re-announcements with new conditions, as the Department of Transport lurches from one stop-gap failure to another. The net effect has been a failure to implement plans as the announcements come to little more than raised hopes and subsequent frustration, anger and disappointment by wheelchair users. I recall announcements of 400 WAT licenses offered here, another 300 offered there and 200 again - at variously discounted prices, with various "carrots" and "sticks".

I believe that the lack of progress has been due to

- misplaced and poorly thought through incentives;
- inadequate use of powers to enforce regulatory obligations;
- alleged corruption in allowing one of the operators to engage in restraint of trade.

Misplaced Incentives

I believe that the main reason for the inadequate take-up rate of WAT licenses involves the perceived uncompensated additional cost to drivers of transporting passengers

who use wheelchairs. If drivers perceive the servicing of wheelchair users to be unprofitable, owners of WATs will not find drivers to drive the WATs, even if the drivers' perceptions is illusory rather than real. I expect that the perceptions are real.

Potentially, drivers perceive it more costly to serve wheelchair users:

- a) in travelling from where they take a booking to the pickup location;
- b) in having the meter in "waiting time" rather than "travel time" mode while waiting for a passenger, loading a passenger, unloading a passenger, and transacting with a passenger.

In NSW, the government has sought to overcome this perception indirectly - by offering WAT plates at a substantial discount to other plates and by WAT driver education. The policy of compensating through discounted plates, while perhaps well-intentioned, is misplaced because it compensates the owner of the plate rather than the driver who perceives the additional cost. There is undoubtedly an additional fixed cost per vehicle to the owner of a plate in making a taxi wheelchair accessible, and it makes sense to compensate a plate holder for this additional cost, but **such compensation has little if any impact on the driver** who perceives himself or herself as bearing an additional variable cost per trip.

If there was no distinction between owning a cab and driving a cab, then compensating owners for the regulatory obligations placed on WATs would make sense. In practice however, owners are not all drivers and drivers are not all owners. This means that there is no sense in putting obligations on WAT plate owners who do not drive WATs, and there is no sense of obligation by WAT drivers who do not own WAT plates. Incentives will never work properly so long as authorities continue to bundle incentives and regulations into plate conditions instead of separating the plate conditions from the driver conditions. Conditions and incentives relating to plates should focus on the physical cab while conditions and incentives relating to trips should focus on drivers.

To the extent that there are additional uncompensated costs, and insufficient vacant WATs randomly cruising through all areas looking for work, additional direct compensation should be made to drivers to encourage non-prejudiced drivers to want

to drive WATs. Anecdotal evidence suggests that such compensation already occurs informally by drivers conspiring with passengers to allow the meter running longer than that allowed by law and passing the cost on to the government through the Taxi Transport Subsidy Scheme. This is unsatisfactory both because it encourages illegality and conspiracy, and because the informality and nontransparent nature of the compensation makes it uncertain and risky for both driver and passenger. If there are additional costs born by drivers, this should be compensated in a transparent way either by changing the regulations or the system of driver payments.

One scheme could involve simultaneously measuring or estimating the additional cost of travelling from where a booking is taken to the passenger's location and compensating the driver for this additional cost, and allowing the meter to run until the passenger is out of the cab and has paid the fare.

Another scheme might involve paying drivers a flat rate subsidy (e.g. \$5) for radio calls to wheelchair users. The problem with such a flat rate is that it would encourage drivers to pick up wheelchair users who are close to the where drivers take the booking, but it would do little to encourage drivers to take bookings which involve long distances to outlying and remote areas.

Another scheme might offer WAT drivers a monthly bonus subject to performance indicators such as picking up a minimum number of wheelchair users, picking up a minimum number of wheelchair users in defined remote areas, delivering a minimum number of short-distance trips with wheelchair users etc. While attractive in theory, in practice this scheme would be difficult to implement in a simple way which took into account the wide range of factors needed to provide efficient and equitable service.

Irrespective of the method for compensating drivers, it is critical that the increased cost should not be faced by wheelchair users, and that any increase in compensation to drivers be financed by an increase in the TTS rates and maxima⁴.

⁴ The provision of affordable public transport is a government responsibility for both efficiency and equity reasons, and it is a community responsibility insofar as there is an insurance principle

Thought and consultation is needed to determine the best methods for compensating drivers while keeping costs to wheelchair users the unchanged. In any case, it is clear that the incentive needs to be given to the driver rather than the plate owner.

Driver Education

To the extent that the additional uncompensated cost of driving wheelchair users is a misperception rather than reality, the solution to WAT driver supply is a matter of promoting the realities to drivers and potential drivers and demonstrating unequivocally that there are no additional uncompensated costs. Such promotion cannot be a matter of window dressing since drivers are not fools and will not be convinced by window dressing and marketing ploys. Drivers are undoubtedly as mistrustful of the WAT service as are wheelchair users, and both groups have a long sorry history to overcome.

To the extent that the perception of additional cost is based on rank prejudice, an anti-discrimination training is required, complemented with penalties against drivers who persist in such discrimination. Drivers should not be compensated for psychological costs but should instead be punished and taken out of the taxi industry.

Inadequate Enforcement

I am led to believe that WAT license conditions are such that drivers need to give **priority** to wheelchair users. Two points need to be noted in this regard.

Firstly, it appears that there is little or no enforcement of this condition.

Secondly, it is little wonder that there is minimal enforcement because the notion of “priority” is a vague and slippery notion which conjures up “mandatory” but is much weaker. Priority involves trade-off, and in the present case, the trade-off appears to be a matter of driver discretion with central booking office attempts to persuade. Mandatory means requirement.

involved for everyone in the community who is potentially a wheelchair user and who would want to be able to use affordable, convenient public transport if they became wheelchair users at a future date.

The current situation is like requesting an employee in an organisation to give priority to getting the job done, where there are no incentives to do so. Little work will be done unless incentives and/or mandates with enforcing managers are put in place.

Directing Drivers by Use of Global Positioning

I am led to believe that another condition for WAT licenses is that they pick up at least one wheelchair user per day. I am also led to believe that the central booking service cannot direct a driver to job if the driver does not want the job, and can do little more than persuade and cajole. If drivers perceive wheelchair users as unprofitable passengers, the effect is to ensure that WATs do little more than the minimum required - i.e. pick up only 1 wheelchair user per day.

It was shown in Model 1 above that if WATs are not used exclusively by wheelchair users, the justifiable WAT proportion of the taxi fleet increases. In general a halving of wheelchair usage per WAT requires a doubling of the number of WATs needed in a fleet to ensure equity of waiting times on radio calls.

There are at least two cost-effective solutions.

The unacceptable solution is to require that WATs be used exclusively by wheelchair users. This is problematical in that it is equivalent to a parallel transport system for wheelchair users. While this may be cost effective, it is unacceptable because it is too easy for a system which starts as “separate and equal” to degenerate into one which becomes “separate and unequal”. A parallel transport system would inevitably come under pressure to be “more cost effective” by measures such as mandatory multiple hiring and/or lower service.

The acceptable solution is to:

- give radio operators the power to direct WAT drivers to bookings by use of the Global Position Systems and
- mandating (with enforcement) that WAT drivers show their positions and log all trips through a significant portion of their shift.

I understand that all taxis in Sydney already have Global Position System equipment installed in them. This makes the additional cost of using the system marginal. I cannot understand why the technology is not used to direct WAT drivers. I have heard it said that driver resistance is due to privacy concerns but I expect that such concerns are merely an excuse for not wanting to be directed to what are perceived as unprofitable jobs. All workers lose privacy in the course of employment, particularly if they are involved in servicing the public, and they are compensated for this loss through income. It is hard to see why taxi drivers are “special”.

I accept that privacy concerns may be a little more important to drivers with a strong culture of “rugged individualism” but such privacy issues are surely manageable without taxi drivers’ privacy being purchased at the expense of wheelchair users - many of whom have their personal space and privacy continually assaulted.

It is important to point out that the privacy concerns of drivers imposes a cost both on wheelchair users who receive poorer and less reliable service than would exist if the GPS were used, and on the community which

- a) needs to devote more resources to WATs than would otherwise be the case to reduce the systemic discrimination against wheelchair users
- b) loses the productive resources of wheelchair users who have to waste a good deal of their time “waiting”⁵.

The privacy concerns of drivers cannot be taken as absolute. If any driver finds the privacy issue as absolute, I believe that they should be told that they can choose another profession. Wheelchair users have little or no choice but to use wheelchairs.

I understand that WATs currently make up only 2.11% of the current taxi fleet in Sydney. I have heard it speculated that if the nearest vacant WAT was directed by radio operators to pick up a wheelchair user's booking, a significant portion of current

⁵ I further refer the Commission to a paper that I have written which seeks to show that there is a significant measurable community benefit in providing an accessible transport and building infrastructure. The paper is available on my personal Web site: www.members.optushome.com.au/jackfrisch.

excess demand problems would be resolved. Whether this is true or not can only be subject to testing by a pilot trial.⁶

Restraint of Trade

One explanation that I have heard which may explain the lack of WATs on the road alleges that one of the major taxi operators (called XYZ for current purposes) is engaged in illegal restraint of trade. The argument alleges that although the new WAT licenses are meant to transport wheelchair users, the “Maxi-cabs” which make up the majority of the new cabs are mainly used for multiple-hiring by interstate travelers without disabilities from the airport, for transporting tourists, and even as flower delivery vehicles (on Mothers Day and Christmas Day). It is alleged that if the additional issued WAT licenses were on the road being used for these non wheelchair purposes, there would be a decrease in the value of the existing stock of plates owned by XYZ. It appears that it makes sense for XYZ to buy the new plates at a discounted price and storing rather than using them in order to prevent other operators from buying the plates and using them on the road for regular non-wheelchair purposes.

I am not predisposed to conspiracy theories, but this allegation might be correct and warrants inquiry. I have sought to have this matter looked into by both the Australian Consumer and Competition Commission and the NSW Department of Fair Trading, but phone calls to officers have convinced me that it would be a futile waste of effort for me to pursue these lines since these “consumer organisations” do not see “disability issues” as a “priority” issues for investigation.

Because of the atrocious management of the WAT system in NSW, there are also rumours of corruption of officials by the major taxi industry players. I am not given to conspiracy theories, and believe that corruption is an “easy answer” which merely reflects atrocious management, but believe that there may be merit in looking into the possibility - if only to clear the air.

⁶ I have heard it suggested that during the course of this inquiry there has been increased intervention by radio operators in directing drivers, and that this has reduced waiting times. I don't know whether this is true or not, but if true, it needs to be kept in mind that even if this intervention has reduced waiting times, it does not follow that this implies that the current fleet is of sufficient size, since the current demand may only be 1/4 to 1/2 of the latent long-term demand which would occur if WAT services were reliable, affordable and comfortable.

Conclusion

I would suggest from the above that WATs eventually account for 25-35% of the taxi fleet in any region - the proportion depending on:

- the geographical layout
- the extent to which cabs are booked rather than hailed spontaneously
- the waiting time differential considered “acceptable”
- the extent to which WATs can be used for purposes and passengers other than wheelchair users
- the additional duration of wheelchair trips
- the regulatory environment e.g. the extent to which WATs can be directed to calls, the extent to which drivers are compensated for taking radio bookings and
- the additional cost of making taxis wheelchair accessible.

I further believe that in the short-term:

- the privacy concerns of taxi drivers should not be used as an excuse not to use the GPS to direct drivers - particularly in view of the low additional social cost of making use of it relative to the high social benefit of improving WAT waiting times
- drivers should be compensated for the additional costs of picking up, loading and unloading passengers who use wheelchairs - for otherwise they will continue to not want to drive WATs, or when driving WATs, they will continue to steer away from wheelchair users
- wheelchair users should not be expected to bear the additional cost of improving service to wheelchair users until the whole public transport system is seamlessly fully accessible with a high degree of certainty to all wheelchair users
- the regulatory authorities should take a course in management economics so that they learn how to package incentives and manage a service
- the political authorities should wake up to the fact that their job is to tame the market and use the market to create justice, instead of merely replicating and paralleling the Darwinian struggle in the bureaucratic arena.