



Physical Disability Council  
New South Wales

## Physical Disability Council of NSW Inc

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9<sup>th</sup> October 1998

Mr Kym Duggan  
Special Adviser, Disability Discrimination  
Attorney-General's Department  
Robert Garran Offices  
BARTON ACT 2601

### **RESPONSE TO REGULATORY IMPACT STATEMENT ON DRAFT DISABILITY STANDARDS FOR ACCESSIBLE PUBLIC TRANSPORT**

Dear Mr Duggan,

The Physical Disability Council of NSW (PDCN) is the major peak organisation in NSW representing people with physical disabilities. PDCN provides the communication link between people with a physical disability and decision makers in government, business and the local community.

The development of Disability Standards for Accessible Public Transport is of great interest to PDCN and its members due to the potential impact of the Standards on the ability of people with physical disabilities to participate fully in and as equal citizens of their communities.

PDCN's response to the Draft Regulation Impact Statement follows. The response is based on extensive consultations in rural and metropolitan NSW over the last two years with people with a wide range of physical disabilities. These consultations are summarised in *Position Paper '99* ([www.pdcnsw.org.au/pospap99.htm](http://www.pdcnsw.org.au/pospap99.htm)). One of the loud clear messages from these consultations is that people with physical disabilities are isolated, have a substantially higher cost and lower standard of living due to inaccessible transport, and that the inability to get around freely creates one of the greatest obstacles to the meaningful participation by people with physical disabilities in the community.

Although the RIS shows that the net cost of implementing the Draft Standard is relatively small in an overall sense (\$3.00 p.a. per Australian citizen or \$68.30 p.a. per beneficiary using the average scenario), we are concerned that there are still a number of factors which overstate the costs and understate the benefits. These biases and errors are pointed out in the submission.

We are also concerned that Sections 7 and 8 bring up new issues for consideration. While there may be merit in further consideration of enforcement mechanisms, flexibility, inter-relationships with other Standards and the impact of technology on reviews, we do not believe that any of these issues are critical for current consideration and can instead be considered at the next review in five years time.

We are also concerned that even though the overall benefits of an accessible environment far outweigh the costs of making it accessible, the differential sectoral impacts and the inability of our political institutions to deal with these will lead to a delay and watering down of the Standards, and that ideological blinkers of sectoral impacts work against both economic efficiency and social equity.

The section on measuring the benefits of an accessible environment has been written in consultation with Dr. Jack Frisch, a consultant economist with a Ph.D. from Princeton University, and the father of a 14-year-old girl with a physical disability.

Should you wish to discuss any aspect of this response please feel free to call me on (02) 9639 9110 or 0412 539 110.

Yours sincerely,

John Moxon  
President

# **RESPONSE TO**

## **REGULATION IMPACT STATEMENT ON DRAFT DISABILITY STANDARDS FOR ACCESSIBLE PUBLIC TRANSPORT**

**Physical Disability Council of New South Wales**

**October 1998**

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## DEMAND FOR ACCESSIBLE PUBLIC TRANSPORT - Section 3

### Biased Reading

While mention is made in the RIS of the increase in ageing, and the possibility of increased patronage from transferring from specialised modes of transport, there is no acknowledgement of the **increase in the number of trips that people with disabilities are likely to make** as the community becomes more accessible. PDCN understands that a 5% increase in patronage is consistent with mere population growth, ageing and transfer from specialised forms of transport but does not include increased mobility. If the number of trips taken weekly by people with disabilities were to increase substantially (as we expect it would) we understand that the increase in patronage would be closer to 13% than 5%.

In addition, the PDCN “reading” of the RIS patronage patterns is different from the analysis presented in the RIS, with the thrust of the difference being what PDCN perceives to be a bias towards minimising projections in the RIS patronage projections. The bias is evident in three places in Section 3:

- discounting of the Blackpool and Adelaide experiences. If the Blackpool experience was not discounted, then the average patronage increase would be 5.5% rather than “*probably in the range of 1-4%.*”.
- highlighting the “new v old” and “transfer” effects and relegating the “short-term” effect to an afterthought. PDCN’s reading is that if the “new versus old” and “transfer” effects were more like 1% than 3%, and if the downward bias of the short trials was of the order of 2%, then the long-term effect of patronage impacts of low floor buses would be more like 6.5% (i.e. the 5.5% average of Table 3.2 minus a 1% “new v old effect” plus a 2% short-term effect.). With a 3% “new v. old” effect, the patronage effect would be 4.5%. Thus our reading of Section 3 is that patronage would increase in the range of 4.5%-6.5% rather than “*probably in the range of 1-4%.*” and
- odd and incomprehensible use of a 3-5% patronage increase due to people with disabilities in the summary Section 3.5.4 where the figures reported in Section 3.5.2 are 3-11% (Year 20) and 3-14% (Year 30). It appears to PDCN that if one were to use the Section 3.5.2 numbers discussed above, the highlighted Section 3.5.4 should read “overall patronage increase in the long term in the range **5%-19%** (Year 20) or **6%-22%** (Year 30)” instead of the “**5%-13%**” which the RIS concludes with, and which is reproduced in the overall summary on page 38. (We also note that the upper limit of the off-peak patronage effect is put at yet another figure - 23% - in the second-last paragraph of page 24).

**Clarification is needed on these apparent discrepancies**, since there is a very significant difference between an upper figure of 19% or 22% or 23% and the upper figure of 13% which forms the basis of the analysis in Section 5.

#### International Experience

In addition to questioning the conclusions of the RIS in its own terms, PDCN has serious reservations about the limited scope of the international evidence cited. It is well known that **low floor buses are becoming the standard in Europe**. We find it hard to believe that they are becoming a standard unless it has been found to be rational to have them become a standard, and we find it hard to believe that there is no data on the impact of their introduction.

#### **APPRAISAL OF OPTIONS - Section 4**

PDCN accepts the conclusion of the RIS that disability standards in transport are the preferred option.

#### **EXPECTED IMPACTS - Section 5**

##### 5.3.1 - Patronage Impacts

The PDCN view that the long-term patronage effect could be 6-22% rather than 5-13%, and would certainly be in the upper range if account were taken of the increased number of trips that people with disabilities are likely to be taking as the environment as a whole become more accessible has already been expressed above.

### 5.3.2 - Operational Impacts

PDCN questions the RIS's discussion of operational impacts.

#### *Capacity Loss*

Firstly, we note the wide discrepancy between the 10% reduction in capacity reported for the private sector in NSW and the 0.6% reduction in Victoria. We accept the view that the differences may reflect the different “physical, economic and regulatory environment” but would **add that the differences also reflect a different political, ideological and cultural environment.** We would like to have it on record that in the PDCN's view the private bus operators in NSW are hostile to the notion of providing accessible transport to people with disabilities and that their figures should be treated as unreliable. We are concerned that the Attorney-General's Department took information at face value rather than investigate the wide discrepancies in financial estimates.

#### *Time Taken*

We question the 2-3 minutes estimate of the time taken for passengers with wheelchair to board and alight from low floor buses. The experience of PDCN members who have trialed low floor buses is that the sum of the boarding and alighting times is more like **30 seconds if the driver deploys the ramp and lowers the bus efficiently.** We believe that the Symons Travers Morgan study is biased upwards because bus drivers were still inexperienced in driving and using the low floor buses in 1995.

While we accept that it might take 2-3 minutes to board and alight on hoist-equipped buses in rural areas, we question the significance of 2-3 or even 5 minutes on a 1-hour trip in a rural area.

#### *Capacity Underutilisation in Peak Periods*

The assumption that there will be a loss of capacity in public route services because of the spaces allocated to wheelchairs assumes that the space is wasted when they are not being utilised by a wheelchair user. This is not valid since the spaces can have **pull-down seats**, and when the seats are not pulled down, the two allocated spaces can probably be used by three or even four **standing passengers.**

PDCN does not accept the argument that the “allocated spaces” imply a proportional loss of capacity which will necessitate an increase in bus purchases proportional to the number of allocated spaces. Because we are not privy to the technical modeling behind the calculation of increased fleet sizes resulting from the standards, we believe that the assumptions behind the modeling needs to be questioned and not taken at face value from interested industry consultants.

### 5.3.3 - Financial Impacts

We note that the estimated net costs of implementing the draft Transport Standards has been reduced from \$6,900 million to \$3,737. We believe that these net costs are **still an overestimate** because:

- the study takes at face value the estimated fleet size increases and capacity losses estimated by the NSW fleets (despite possibility of ideological biases raised above)
- the study does not make any discount for the increase in rear axle loadings which would
  - \* reduce the need for extra buses in NSW and therefore lead to a decrease in the cost of the Standards, and
  - \* would turn some of the zero costs of Table 5.8 into positive benefits because the other States would be able to reduce the size of their fleets.

By not discounting the effect of an increase in rear axle loadings, the RIS implicitly places the full burden of the low current axle limits on people with disabilities

- the study accepts the low patronage 5.5% increase estimate rather than a mid-point between the 5-13% or 5-22% (discussed above) and therefore underestimates the revenue increase by \$372 million if using the 5-13% range and \$850 million if using the 5-22% range
- the study overestimates the cost of dedicated school buses by assuming that **all** runs would need to be accessible and using low-floor technology, when we would suggest that:
  - \* school buses need only be accessible if there is a child with a disability needing to travel
  - \* school buses could use a hoist instead of purchasing new low floor buses
- the study assumes that the cost of a low-floor bus in NSW is \$1.2 million (\$303.9 million divided by 254 buses on page 50) when the PDCN's understanding is that the cost of a bus is at most \$500,000
- the study does not appear to make any accounting for technological change in its present value analysis, such technological change being in reflected in lower costs due to economies of scale as accessibility features become more widespread across the world, and as research and development focuses on more accessible design as a result of the imposition of standards. A 5% increase in the discount rate applied to future costs would have been in order to account for technical change.

We have no way of assessing the cost estimates for bus and rail infrastructure and whether or not there is bias or not, but we understand that the estimates for buses is based on the assumption that every metropolitan and rural bus stop will need to have \$10,000 spent on it. We believe that this is grossly overestimated because:

- not every rural bus stop will need to be modified since many of the buses operating in rural areas will have hoists which do not require bus stop modifications
- we have been advised that only the most "difficult" stops will require \$10,000 of expenditure, and that the majority of bus stops will not require no more than \$3,000 of expenditure due to disability requirement.

### 5.4 Net Impacts

### *Sectoral Benefits*

Even though the net impact figures relate only to sectoral benefit and can in no way be seen as a cost-benefit analysis, we believe that the net impact figures show the low order of magnitude of the costs of implementing the current draft Transport Standards.

We note that the net sector costs after accounting for cross-sectoral benefits (mainly to government expenditures) over 20 years turn out to be \$2384, \$1082 and minus \$1530 million per annum depending on whether the cross-sectoral benefits are low, medium or high. On an annual basis, this turns out to be \$150.50, \$68.30 or minus \$96.60 per annum per beneficiary. **Another way of viewing these are as net costs of \$6.62, \$3.00 or minus \$4.25 per annum per Australian citizen.**

These net costs (or benefit in the case of the high-benefit scenario) would seem even more insignificant in the “grand scheme of things” if:

- the biases outlined above were eliminated
- the cross-sectoral benefits were accounted for over 30 years
- the RIS adopted a “willingness to pay” national approach along cost-benefit lines (see below) and broadened its view of cross-sectoral benefits.

### *Economy-Wide Benefits*

The RIS does not take an economy-wide approach as should be done in a cost-benefit analysis. In particular, PDCN believes that an estimate of the dollar value of the benefits of an accessible community ought to be attempted. While we recognise that accessible transport is only one part of an accessible community, we also believe it is one of the crucial parts on which the others depend.

PDCN believes that the value an accessible environment is the sum of three effects:

- i) the insurance value of an accessible environment to the community as a whole
  - ii) the lost productivity due to an inaccessible environment
  - iii) the value of Other Beneficiaries of an Accessible Environment
- i) *Communal Willingness to Pay/Insurance Value of an Accessible Environment*

We believe that people who do not currently have a disability or a family member or friend with a disability would draw comfort and therefore benefit from having an accessible environment in the event that they or a family member or friend acquire a disability. There is no market for insuring against the loss of socio-economic participation because of disability, but PDCN believes that application of a “shadow” insurance premium of 0.1% across the population is a “fair value risk-neutral” premium given that the probability of acquiring a disability is greater than 1,000 to 1. Applying this estimate to National Income implies a benefit across the population of **\$420 million per annum**, or \$8.4 billion over 20 years. (It should be noted that if we assume that 4.4% of the population is likely to be disadvantaged by inaccessible transport and that people would be willing to insure against the possibility of being disadvantaged, then an actuarially fair “shadow” premium would be forty-four times greater than that suggested above i.e. a benefit of over \$16 billion per annum).

*ii. Lost Productivity Due to an Inaccessible Environment*

PDCN believes that the RIS should have made some attempt to estimate the lost productivity due to an inaccessible built environment. The concept is alluded to on page 36 but no attempt is made to estimate the magnitude of the effect.

Given that the participation rate in the workforce of the 80,000 wheelchair users in the community is 38% as compared to 63% for the population as a whole, if 12,000 wheelchair users were made employable as a result of an accessible social and built environment - raising the participation rate by 15% to 53% - and they had an average productivity of \$25,000 per annum, then National Income would increase by **\$300 million per annum**, or \$6 billion over 20 years. (We believe that this is an underestimate of an accessible environment because it includes only wheelchair users and therefore excludes people with vision and hearing impairments, and tens of thousands of people with other ambulant handicaps who are unable to work as a result of an inaccessible community).

*iii. Willingness to Pay by Other Beneficiaries of an Accessible Environment*

There are of course difficulties in attempting to estimate the value of an accessible environment to carers, friends, and family and to people with prams and trolleys, and it is difficult to measure the value of an accessible environment to people with disabilities.

We feel it is appropriate to suggest that the value of an accessible environment (including an accessible transport system) to wheelchair users would be at least \$4,000 per year per person. This estimate is based on the extra cost of living with a disability due to having non-discretionary costs due to lack of access. Thus for example, it includes the cost of having to pay for taxis rather than using public transport; it includes the cost of employing carers for assistance; and it includes the higher price of goods because of the decreased choice due to lack of access.

Given the 80,000 wheelchair users in Australia, this comes to a value of **\$320 million per annum**, or \$6.4 billion over 20 years. (We believe this to be an underestimate of the economy-wide benefit because it only accounts for the small number of people with disabilities who use wheelchairs, and excludes people with ambulant disabilities, and people with hearing and vision impairments but we acknowledge that some of these effects may have been accounted for in the cross-sectoral benefits in Section 5.5 on page 44.)

## **FUNDING - Section 6**

### 6.3 Dedicated School Buses

As outlined above, the study overestimates the cost of dedicated school buses by assuming that **all** runs would need to be accessible and using low-floor technology, when we would **suggest** that:

- school buses need only be accessible if there is a child with a disability needing to travel
- school buses in rural areas could use a hoist instead of having to purchase new low floor buses

PDCN does not accept any options other than access on a case-by-case basis, and flexibility in implementation. We believe it is both **inefficient and inequitable to ask students and parents to continue to bear the burden of inaccessible transport or to continue with parallel transport**. A good deal of the banter and socialisation that is an integral part of education occurs on the school bus, and to continue to exclude students is to continue with a system of apartheid when it comes to people with disabilities.

If it causes undue financial hardship on bus companies to make a school bus run accessible when a student with a physical disability uses the run, then the cost should be shared by all Australians. As shown above, this comes to \$3.00 per annum per Australian citizen.

#### 6.4 Rear Axle Limits

PDCN supports the proposal put to the National Road Transport Council to allow for greater mass on the rear axle of buses.

#### 6.5 Accelerated Replacement and Retrofit

PDCN finds it to be **obscene and discriminatory** to entertain the notion of extending the implementation period for trams because only wheelchair users benefit from retrofitting.

Extension of the retro-fitting period ignores the synergy and inter-dependence referred to later in the RIS of the various aspects of disability discrimination, and it particularly ignores the synergy and inter-dependence of the various transport modes. Thus, if a trip involves using a tram and train, then the inaccessibility of the tram undermines the value of the accessibility of the train. Similarly, weakening one DDA Standard undermines the utility of other Standards.

#### 6.6 Wheelchair Spaces

PDCN rejects any suggestion of reducing the number of allocated spaces provided in buses with more than 32 seats, and strongly objects to having only one allocated space in buses with less than 32 seats.

It may come as a surprise to some people but the facts are that many people who use wheelchairs have friends and spouses who also use wheelchairs. Is anyone suggesting that husband and wife should be separated in their trips to the shops, to friends, to the movies or to holiday destinations? This sounds very much like the old **apartheid system** in South Africa where husband and wife were separated from one another as well as from people who were “differently coloured”.

#### 6.7 Funding Options

While we are neutral about who funds the implementation of the Standard, we demand that it be recognised that **currently it is people with physical disabilities who fund the inaccessibility of transport**. The funding is not solely in cash terms, but is also in terms of economic opportunities foregone, quality of life and quality of citizenship. The cost is without doubt in the thousands of dollars for wheelchair users and people with severe mobility disabilities.

We believe that a properly conducted national cost-benefit analysis instead of a sectoral impact analysis would show the benefit of an accessible environment (including an accessible transport system). We recognise that there are some “losers” in the implementation system, but we believe it is up to government to lead the way and find ways of compensating the losers.

We are concerned that it is a lack of vision and poor institutional and management mechanisms which will lead to sectoral issues dominating the overwhelming national interest to make the transport system accessible.

**This funding issue is a technical issue for politicians** on both sides of all Houses of Parliament at both State and Federal levels for it is they who have created the artificial barriers of State and Commonwealth, it is they who have allowed the tax base to be eroded, and it is they who need the vision to lead in the national interest rather than sectional interests.

## **ENFORCEMENT AND REVIEW - Section 7 and 8**

### 7.2 Enforcement

PDCN supports the concerns raised about the inadequacy of the use of HREOC as the sole enforcement mechanism for compliance with the Standards and sees merit in putting some enforcement mechanism into the Standards. We believe however that it is more important to implement the Standards immediately rather than to delay implementation while the issue is being considered. **The enforcement issue can be raised when the Transport Standards are reviewed after five years.** The Standards will never be perfect but a time line needs to be drawn, and we believe that the time for implementation has already passed.

Every day of delay involves costs and hardship to individuals and robs them of their equality of citizenship.

### 7.5 Inter-Relationships

PDCN is more than aware of the synergy and inter-dependence of the various Standards. We are acutely aware that poor building design (of bus shelters, train stations, terminals etc) can make accessible transport almost useless, and that if buildings are inaccessible then there is not much point in having accessible transport because there is nowhere to go. As a corollary, if transport is inaccessible then the value of accessible buildings, non-discriminatory employment practices or non-discriminatory education is significantly diminished.

While ideally there needs to be integration of the timetabling of various Standards, we acknowledge that this is impractical. For this reason, we believe that it is time to begin the Standards implementation process, and to review the integration-synergy issue after some experience with the Standards has been developed.

We believe it is more important to implement immediately rather than to delay further while the issue is being considered. **The Standards will never be perfect but a time line needs to be drawn, and we believe that the time for implementation has already passed.**

Every day of delay involves costs and hardship to individuals and robs them of their equality of citizenship.

## 8.1 Review Mechanisms

PDCN does not support an early review of the Standards, and calls for immediate adoption of the Transport Standard as agreed without amendment.

We reject a review in 2 years time because patronage will only just be beginning to take off at that stage, and it would be methodologically wrong to review the Standard before people with disabilities are experiencing the certainty, comfort and value of the accessible public transport. There can be no doubt that the lag between introduction of the Standard and full utilisation of it by people with disabilities will be greater than 2 years and that there will therefore be underutilisation in the first two years - even the first five years.

This is re-enforced by the fact that the other synergistic parts of the DDA Standards-making process are not yet in place. Thus, as outlined above, until buildings are accessible, schools are accessible, employment practices are non-discriminatory etc., people with disabilities **will not be utilising the environment as much as they will once all the building blocks are in place.**

To expect people with disabilities and people without disabilities to adjust in two years to a marginally more accessible total environment after experiencing and learning to accept discrimination all their lives is stupid! To judge one part of a program while the other essential parts are not in place is unfair!

As pointed out above, to even entertain the idea of separating husband and wife on their trips to the shops, to the movies, to friends, or to their vacation is like the old apartheid system in South Africa where husband and wife were separated from one another as well as from people who were “differently coloured”.

## 8.2 Other Issues

PDCN does not support the need for more frequent reviews than every five years and does not accept the logic of the relationship between the frequency of reviews and technological change. If indeed rapid technological change speeds up the rate of implementation, then there will be no need to review the Standards more frequently because presumably the market will be creating access naturally as a result of the push given by the Standards.

Given that Transport is the first DDA Standard, there is even less reason for earlier review because the Transport Standard will to some extent be less than fully successful while it is waiting for the synergy between Transport and the other DDA Standards to take effect.

## CONCLUSION

PDCN believes that the costs of implementing the Draft Transport Standards are substantially less than those that have been shown by the RIS.

PDCN believes the benefits are significantly underestimated because the RIS takes a limited sectoral approach rather than an economic benefits/willingness to pay approach. We believe that the value of an accessible environment would run into **billions of dollar per year** if the people in the community knew the probability of acquiring a disability, and were asked to pay a premium for alleviating some of the environmental handicaps associated with having a disability. The RIS made a qualitative statement about the benefits of accessible transport but made no attempt at a financial benefits analysis.

PDCN sees no need to make an exception of school buses since socialisation on buses is an integral part of education. Buses can be made accessible on a needs basis, alternatives to a blanket proposal for low floor buses can be made already, and the unjustifiable hardship clause which is already in the Standard can be utilised where an individual operator cannot afford to create access. The PDCN sees no reason why the Federal Government cannot fund operators who cannot afford to make a bus accessible when a need for an accessible bus arises.

PDCN supports alteration to the rear axle limit.

PDCN does not accept an extension of the implementation period for retro-fitting of trams.

PDCN utterly and absolutely rejects the notion of having only one allocated space on buses.

PDCN rejects the need to review the Standards in two years time because we know that there will be significant lags between adoption and acceptance by people with disabilities of the Standards, and because while the other Standards are not in place, the Transport Standards will not be fully utilised.

PDCN calls for immediate adoption of the Transport Standards. Newly raised issues can be raised in the review of the RIS in five years time.

**Neither the Standards or the timing for adoption of Standards will ever be perfect. Every day of delay involves costs and hardship to individuals and robs them of their equality of citizenship. We believe it is time to adopt the Standards.**