



Tasmanian Council of Social Service Inc.

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# Taxi Fare Review 2024

*August 2024*



**INTEGRITY  
COMPASSION  
INFLUENCE**

## About TasCOSS

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TasCOSS's vision is for one Tasmania, free of poverty and inequality where everyone has the same opportunity. Our mission is two-fold: to act as the peak body for the community services industry in Tasmania; and to challenge and change the systems, attitudes and behaviours that create poverty, inequality and exclusion.

Our membership includes individuals and organisations active in the provision of community services to Tasmanians on low incomes or living in vulnerable circumstances. TasCOSS represents the interests of our members and their service users to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage, and promote the adoption of effective solutions to address these issues.

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## Introduction

TasCOSS welcomes the opportunity to make a submission to the Taxi Fare Review 2024 (the Review).

As advised in the Consultation Paper, the Department of State Growth is proposing three changes to be rolled out from late 2024:

1. Increasing taxi fares.
2. Merging Tasmania's four taxi tariff types into one taxi tariff type.
3. Expanding the taxi surcharge system and soiling fee.<sup>1</sup>

Through our consultations with Tasmanians on low incomes, we know transport disadvantage is a key issue. We have heard that taxis are currently unaffordable for most low income and vulnerable Tasmanians, even with assistance from the Transport Access Scheme, a situation that imposes personal and social cost.

Our comments below relate to the proposed increases to taxi fares over a three-year period. In particular, TasCOSS is concerned that the proposed taxi fare increases will disproportionately disadvantage Tasmanians on low incomes and Tasmanians with disability.

## Key Issues

### ***Affordability***

TasCOSS is concerned a significant increase in fares will make taxis less affordable for many Tasmanians and will result in them not taking trips they need to - for example, to purchase food or essential household items, access essential services, attend appointments, or to maintain important social connections with family and/or friends.

TasCOSS acknowledges that fares have only increased twice since 2014 – a 5% fare increase in 2021 and a 5% increase on the distance rate in 2022. The Consultation Paper notes the Consumer Price Index (CPI) has increased by 31.9% since 2014 (12.3% between 2014-2020 and a further 16.5% between 2021-24).

The fare increases proposed in the Review provide for an increase of up to 59% over three years in the flagfall and up to 34% over three years in the distance rate. This is on top of the two 5% increases in 2021 and 2022. These proposed fare increases are significant and higher than CPI over the same period.

The rationale for the fare increases offered in the Consultation Paper is to ensure the sustainability of the taxi industry, reflect the increased cost of doing business, address current driver shortfalls, and allow drivers to make an attractive income, so that taxi services are able to meet demand.

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<sup>1</sup> [Taxi Fare Review 2024 – Transport Services](#)

It is important that any consideration of fare increases carefully assesses the risks of further disadvantage for Tasmanians on low incomes. Protective mechanisms, such as improvements to taxi subsidies or the introduction of a taxi concession, will be necessary to reduce transport disadvantage and improve affordability for Tasmanians on low incomes.

### ***Tasmanians with Disability***

Tasmania has the highest proportion of the population with disabilities in Australia, with one in four (26.8%) Tasmanians reporting they have at least one disability.<sup>2</sup>

In Tasmania, many people with disability are unable to hold a driver's licence if they have disabilities or conditions which impair their ability to drive safely, such as:

- Type 1 diabetes;
- heart conditions;
- musculoskeletal conditions;
- neurological conditions;
- visual impairments;
- psychiatric conditions;
- amputations;
- congenital conditions; and
- conditions arising from a stroke or arthritis.<sup>3</sup>

Under the United Nations Convention on the Rights of Persons with Disabilities, people with disability are guaranteed full participation in society. At least five articles of the Convention are relevant to transport issues for people with disability:

- Article 5: Equality and non-discrimination
- Article 9: Accessibility
- Article 19: Living independently and being included in the community
- Article 20: Personal mobility
- Article 30: Participation in cultural life, recreation, leisure and sport.<sup>4</sup>

However, without access to appropriate and affordable transport, these rights cannot be adequately fulfilled for people with disability.

Research shows that people with disability use public transport and taxis more than the general population and also experience more transport disadvantage. A recent review of 115 studies of daily travel patterns of people with disability found that they are more likely to use public transport, taxis and ride shares, and they consistently report transport issues as a major concern when carrying out daily activities.<sup>5</sup>

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<sup>2</sup> [Disability, Ageing and Carers, Australia: Summary of Findings, 2018 | Australian Bureau of Statistics](#)

<sup>3</sup> [Assessing your own fitness to drive and reporting a medical condition – Transport Services](#)

<sup>4</sup> [UN Convention on the Rights of Persons with Disabilities | OHCHR](#)

<sup>5</sup> Park K, Hossein NE, Novack VL, Sheen J, Hedayeghi H, Song, Z & Christensen, K. (2022). Impacts of disability on daily travel behaviour: A systematic review. *Transport Reviews*. 43. 1-26. Doi: 10.1080/01441647.2022.2060371

Another measure of transport disadvantage for people with disability is ‘trips not made’. This occurs when a transport problem or disadvantage makes it too difficult for someone to take a trip. While this phenomenon can occur for anyone, people with disability report greater transport disadvantage and more ‘trips not made’ than the general population.<sup>6 7</sup> This unfairly constrains the full participation of people with disability in their communities, cultural life, employment and recreational activities, as well as limiting their opportunity to live independently, and access services and supports.<sup>8</sup>

Recent research conducted with Tasmanians with disability found that trips not made on public transport were frequent, resulting in:

- staying home (“coerced immobility”);
- avoidance of non-essential travel;
- feelings of loneliness and isolation;
- constrained employment and education opportunities;
- disrupted access to healthcare; and
- restricted participation in sport and recreation.<sup>9</sup>

For many people with disability who cannot drive, using buses for transport is frequently inconvenient and sometimes not even feasible. This is particularly acute for people living in rural areas of Tasmania with limited access to public transport or who have caring responsibilities and need to minimise the time they spend away from home. While taxis and ride shares (e.g. Uber) are another transport option for people with disability, affordability is a key issue. This is particularly so in Tasmania, where median household income is \$1,358 per week, which is the lowest of any Australian state or territory.<sup>10</sup>

### ***Adequacy of Transport Access Scheme***

TasCOSS acknowledges the Tasmanian Government’s Transport Access Scheme subsidises taxi fares for Tasmanians who have a permanent, severe, physical disability which restricts their mobility, and have a relevant concession card or are wheelchair dependent. The Taxi Subsidy Program entitles Tasmanian members to a 50% fare reduction up to \$25 when travelling in a standard taxi or a 60% fare reduction up to \$30 for wheelchair-reliant members when travelling in a wheelchair accessible taxi.<sup>11</sup>

However, this subsidy is not sufficient to address significant issues with transport affordability for Tasmanians with disability who cannot drive and live on low incomes, especially if they live in rural areas not well serviced by public transport.

Refer to Box 1 on the following page for an illustrative example of the time and cost implications for a Tasmanian with disability, who lives in a rural town and needs to meet with a lawyer in a regional city.

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<sup>6</sup> Doran B, Crossland K, Brown P, Stafford L (2022) [Transport experiences of disabled people in Aotearoa New Zealand](#), Waka Kotahi NZ Transport Agency research report 690, New Zealand Government, August.

<sup>7</sup> Park et al. (2022) op cit.

<sup>8</sup> Doran B, Crossland K (2024) [The characteristics of subsidised mobility](#), Waka Kotahi NZ Transport Agency research report 721, New Zealand Government, May.

<sup>9</sup> Stafford, L., & Tye, I. (2023). “I have mentally cancelled a lot of trips”: Trips not made by disabled people due to public transport inequity in lutruwita/Tasmania. *Journal of Transport Geography*, 111, 103668.

<sup>10</sup> [2021 Tasmania, Census All persons QuickStats | Australian Bureau of Statistics](#)

<sup>11</sup> [Transport Access Scheme Information and Application](#)

In this example, Bob has three transport options: public bus, taxi or ride share. Based on the proposed changes to taxi fares, by year 3, Bob's return taxi trip would cost him \$383 minus 2 x \$25 taxi subsidies = \$333. A lower cost option would be for Bob to take 5 public buses to complete this return journey, but that would add 3 hours and 5 minutes to his journey time. Catching buses might be cheaper in money terms but would be very expensive for Bob in terms of his time. Faced with choosing between incurring a high cost in either time or money, Bob may ultimately decide not to attend his appointment. Having a disability has effectively led to Bob experiencing reduced access to an important legal service and putting at risk his right to full participation.

## Recommendations

In view of the proposed changes to taxi fares, TasCOSS recommends that the Tasmanian Government also strengthens supports for Tasmanians with disability or living on low incomes, including:

1. Extend the Transport Access Scheme to rideshare services (e.g. Uber).
2. Increase the Transport Access Scheme subsidy and the cap, which are inadequate for people with disability who cannot drive or live in rural areas of Tasmania.
3. Extend eligibility for the Transport Access Scheme to Tasmanians on low incomes or introduce a taxi concession to reduce transport disadvantage.
4. Increase the number of wheelchair accessible taxis to improve accessibility and availability for Tasmanians with disability.



**Box 1: Expensive in time or money: Transport options for Tasmanians with disability who cannot drive**

Bob, 48, has low vision and cannot hold a driver's licence. He has a low income and lives in Wynyard. Bob is single and cares for his elderly mother who no longer drives. He has an appointment with a lawyer at 10am on Friday in Devonport, 66 kilometres away.

Bob has three transport options to attend his important appointment:

**1. Public buses**

To do this journey by bus, Bob would need to catch **5 buses** over **5 hours and 15 mins** (travel time plus waiting time). This assumes that none of these 5 buses are running late or cancelled. The cost is relatively affordable at **\$6.80** for a concession fare (bus fares are half price until July 2025).

**2. Taxis**

Assuming Bob books his taxis beforehand and thus has no waiting time, the return journey will take him only **2 hours and 10 minutes**. This is 3 hours and 5 minutes quicker than the same journey by bus.

*Current flagfall and fares:* The cost for this weekday and daytime return trip is approx. \$288, less the capped subsidy from the Transport Access Scheme of \$25 each way (\$50) = **\$238**.

*Proposed new flagfall and fares, year 3:* The cost for this weekday and daytime return trip would be approx. \$383, less the subsidy from the Transport Access Scheme of \$25 each way (\$50) = **\$333**.

By year 3, this trip will cost Bob an **additional \$95**, but he will receive no additional subsidy from the Transport Access Scheme.

**3. Ride share service**

These services are not always readily available in rural Tasmania. But assuming Bob can successfully book his ride share service beforehand and therefore has no wait times, his return journey will take **2 hours and 10 minutes**. The estimated cost is \$110 each way – a total of **\$220**, with no subsidy from the Transport Access Scheme.

*See Appendix 1 for calculations of journey times and travel costs.*

## Appendix

### JOURNEY TIME AND COST CALCULATIONS

The bus calculations are based on an indicative bus trip on Friday 9 August:

- Wynyard to Devonport, 7.18am – 9.06am. Buses: 197, X708, 178.
- Devonport to Wynyard, 11.43pm – 2.03pm. Buses: X708, 197.

The concession bus fare for this trip if paid in cash is \$6.80. Bus fares are half price until July 2025.<sup>12</sup>

Cost calculations for return trip by taxi from Wynyard to Devonport, based on flagfall and fares in Consultation Paper:<sup>13</sup>

Fare	To	From	Kms - one way	Flagfall	Distance rate	One way	Return trip
Current day-time fare	Wynyard	Devonport	66	\$ 3.90	\$ 2.12	\$ 143.82	\$ 287.64
Proposed day-time fare - year 3	Wynyard	Devonport	66	\$ 6.20	\$ 2.81	\$ 191.66	\$ 383.32

	Trip by bus (Concession fare)	Trip by taxi - current fares	Trip by taxi - proposed fares	Additional cost from proposed new fares
Number of trips to complete journey	5	2	2	
Distance of journey - return (km)	66	66	66	
Travel time (min)	248	130	130	
Waiting time before/after appointment (min)	67	0	0	
Total journey time (min)	315	130	130	
Total journey time	5 hours, 15 mins	2 hours, 10 mins	2 hours, 10 mins	
<b>Cost</b>	<b>\$ 6.80</b>	<b>\$ 287.64</b>	<b>\$ 383.32</b>	<b>\$ 95.68</b>
Taxi fare subsidy - capped at \$25 per trip	N/A	-\$ 50.00	-\$ 50.00	
<b>Cost after subsidy</b>	<b>\$ 6.80</b>	<b>\$ 237.64</b>	<b>\$ 333.32</b>	<b>\$ 95.68</b>

<sup>12</sup> [Fare Finder - Transport Services](#)

<sup>13</sup> [Taxi Fare Review 2024 – Transport Services](#)