

TRANSCRIPT

STANDING COMMITTEE ON THE ECONOMY AND INFRASTRUCTURE

Inquiry into ride sourcing services

Bendigo — 5 September 2016

Members

Mr Joshua Morris — Chair

Mr Khalil Eideh — Deputy Chair

Mr Jeff Bourman

Mr Nazih Elasmr

Mr Bernie Finn

Ms Colleen Hartland

Mr Shaun Leane

Mr Craig Ondarchie

Participating member

Ms Samantha Dunn

Staff

Secretary: Ms Lilian Topic

Witnesses

Ms Rebecca Morton, Chair, Victorian Community Transport Association, and

Mr Rick Lawford, Chief Executive Officer, LINK Community Transport, and Member, Victorian Community Transport Association.

The CHAIR — I reopen our Standing Committee on the Economy and Infrastructure public hearing and welcome everybody present this morning. The committee is today hearing evidence in relation to the inquiry into ride sourcing. Today's evidence is being recorded. All evidence taken today is protected by parliamentary privilege. Therefore you are protected for what you say in here today but if you go outside and repeat those same things, those comments may not be protected by this privilege.

I thank both of our witnesses for being present this morning and for providing some testimony to our committee. I will hand over to you. If you would not mind introducing yourselves and your organisations and then move into any introductory comments, and we will then follow up with some questions from the committee.

Ms MORTON — I am Rebecca Morton. I am the chair of the Victorian Community Transport Association. I also work in community transport based in Hamilton.

Mr LAWFORD — My name is Rick Lawford. I am the CEO of LINK Community Transport. I am also a member of the VCTA peak body.

The CHAIR — Would you like to begin with some introductory comments?

Ms MORTON — Yes, I would. First of all I thank you for the opportunity to address the inquiry. I thought I would start by talking a little bit about community transport in Victoria because I am aware that not many people know about it and that sort of thing. The Victorian Community Transport Association, or the VCTA, is the peak body for community transport across Victoria. We believe in equity of access for all as our vision. Our members provide supported transport, primarily for senior Victorians. The provision of these services across Victoria is inequitable, so in some areas there is no cover, in some areas it is only social trips that are allowed or medical trips in others, and there is inconsistent pricing across community transport. This is by and large due to a lack of a structured funding model by successive state governments, and that has contributed to what is basically a very unknown and underresourced sector.

We are now moving into federal funding under the commonwealth home support program so most of our funding came from the home and community care program. We are now being funded under the commonwealth home support program, and they have just continued our funding even though compared to the other states where community transport has been funded and is much more structured we are very much the poor cousin. So it is actually continuing the state that we are currently in of being underfunded.

I think that to a degree our services are similar to those provided by taxis as it is often a one-on-one, door-to-door service, but often with the assistance of a volunteer driver or volunteer support, although there are also examples where it might be a multiple transfer like a number of people taken on a shopping trip. I just wanted to outline what community transport is and what we do. Thank you.

The CHAIR — Very good. Thanks, Ms Morton.

Mr LAWFORD — If I may, in support of that, it is rare air for community transport to get a chance to become known in such a high-profile medium so we obviously could not resist the opportunity to make you and make Victorians more aware of community transport. I know in Bendigo, for instance, there is no structured community transport despite its status as a prominent regional city.

Community transport provides very personalised care for people who are frail, aged or people with a disability. In the case of people with disability, which gets particular focus, I guess, by virtue of this forum, often they can be accompanied by people within the vehicle given the challenges for all in ensuring safe travel. Community transport is, as Rebecca said, quite underfunded relative to other states, and that is a great shame. If we take our self-invested caps off for a moment and just look at what we are really addressing, we are really addressing isolation, and that does not just come in the form of people who are aged; it comes, as has been well known, with people with disabilities and the like and, if they do not get access to accessible and affordable transport, they tend to bunker down and not engage with society. That leads to further manifestations, none of which are healthy either for the community or for the individual concerned.

What we have in community transport is a sector that is just waiting to blossom, as it has in other states. It is a sector that with added scalability and added resources would be well stood to provide effective competition in

fact and play a role in a social enterprise sense. It would be friendly competition, I would suggest, because it would be picking up the cohort that has not traditionally been done well. We believe with the taxi experience but also the Uber experience to date, that there is not a meeting of the minds in terms of the profit motive and the needs of the vulnerable. We can enjoy lots of representations to the opposite effect, but the truth is there are now two testbeds that have occurred and neither have worked.

So what we are suggesting is that with an appropriate sectoral strategy, and that will involve some research, and an appropriate tooling up in terms of infrastructure and communications, we could provide that service for those people who are most in need and who require that personalised care that goes over and above perhaps that expedient for profit purpose, and get Victorians engaged. I know that is not mainstreaming it, and there is a real push to mainstream services to allow people with disabilities to access mainstream services et cetera. However, I think one of the benefits of having a specialised service, which would also avail itself of general passenger fares, not as a focus but just for efficiency purposes, is that there is a real prospect for it to offer the ability for the profit motive and therefore the efficient market economy to really take hold and not, I guess, of itself be burdened by that whole accessibility issue.

Try as governments might to mandate and subscribe to various forums that herald equitable access, the truth is that a person with a disability, in a wheelchair for instance, is waiting in excess of three times longer than the average person for a taxi, and unfortunately that is not trending down that is trending out. They are the realities, and I do not believe that a relatively deregulated market would instantaneously provide a magic solution at all.

The CHAIR — Indeed. Excellent. Thank you, I will declare my ignorance and say that community transport is not something that I am particularly well versed in. I am curious to know what it practically looks like. Is it just people in their cars offering support to people who need to get around their community?

Ms MORTON — It looks like almost everything. We did a study back in 2010–11 and we had about 80 services respond to that. We found that 56 per cent of the vehicles were passenger vehicles — cars — and the rest were small buses from 12-seater up to 24-seater buses. Some are wheelchair-accessible vehicles, some are not. It could be volunteers using their own cars or volunteer drivers using a health service or local government-based vehicle. It is almost anything.

The services react to local conditions and therefore deliver what meets local needs. So you have things like in Kaniva where they have a community taxi whereby volunteers drive older people around just within the town boundary. It is based on a token service that is regulated through local government. It is extremely diverse because there has been no structured funding, so people have gathered little bits of funding or used the goodwill of volunteers to create a community transport service that meets the needs of their local community.

Mr LAWFORD — Perhaps in part we should also answer by how it looks like in other states on the eastern seaboard.

Ms DUNN — That would be useful.

The CHAIR — That was the next one, yes.

Mr LAWFORD — It is characterised by local knowledge, so in Victoria you will see volunteer drivers generally operating out of vehicles that are owned by the service but not exclusively. Sometimes there are those who for resource purposes or other purposes operate using volunteers with their own cars. It is fair to say that the people that are receiving the services are generally well known in the community but not always. Organisations hold a database that have all the pertinent details around transport, and often that extends to welfare matters. In fact services, by virtue of existing and having that sort of care factor, often make phone calls to people to make sure they are okay even though they are not travelling — just as a check, because not everyone is fortunate enough to have family dropping in and the like.

In other states what you will find is a hybrid workforce of volunteers and paid professional drivers. As with some in Victoria, including my organisation, we operate fairly sophisticated software that combines the logistics attached to travel and the matching of customers to vehicles et cetera with client management systems. One of the big challenges of course is to get a system that provides us with scalability. For instance, if we chose to cover a much larger territory, which I think ultimately is inevitable with the way funding for age and disability is heading, there is going to have to be scalability in people's operations.

I think like the service provider sector there will be a vastly reduced number of providers. Hopefully that does not equate to vastly reduced geographic coverage. In other states of Australia organisations are also contracting with government, they are contracting with ambulances, they are contracting across the board — hospitals and the like. It is a very, very mature system.

The innovation that exists in the sector in Australia is really coming from the north, and it is no secret that that is because of resource. The level of engagement is very, very strong even in the other states, even with the hybrid workforce. It is not a reflection on the volunteerism and rates of volunteerism; it is actually just purely a reflection on demand that they just simply have to supplement their workforce to meet demand. So what you have are highly efficient transport operations that do not respond to profit as their primary motive; they are responding to people's needs.

I guess with the age and disability changes as well the commercial factor will come into sharper focus, I am sure, and I do not think that is a bad thing, as long as it is not lost sight of exactly what the primary purpose of the organisation is. And, like with anything, we must all must make sure it is not a race to the bottom.

The CHAIR — Indeed. I think the issues that you have raised there are something that have certainly been on the minds of members of the committee in saying that with the rise of ridesharing there are some great benefits that are possible to come from that, but what are the negatives? I think one of the negatives has been those who may not be as able-bodied as others may be left behind in this space, but, from what you are saying, with the work that community transport is able to provide to the community, if there was to be further investment and development of that side, in saying there is a need here and there is a way that it can be delivered but it needs to be supported by governments — whether it be state or local or what have you — there is a need for that support.

Mr LAWFORD — It has been around a long time and sector participants have rubbed shoulders with their interstate counterparts for a long time. It is not new. It pre-exists — does not matter how it has got there or how it has survived to this point, the capability is there. There is nothing new about what the ask is except for the technology piece, which any developers I have spoken to are assuring me it is just technology. It is accessible. It might not come at the price you are looking for, but it is accessible.

My own organisation has the good fortune of being the highest-funded organisation in Victoria, which does not make it large by any stretch, I have got to say. But our primary focus at the moment is that whole technology piece. We need to measure trip lead times for people in minutes, not days, and the days factor is really about we do not have the enablement to bring it down to minutes. We have the desire, but good intentions alone are not enough, as I am sure you are aware.

The CHAIR — Indeed. Absolutely.

Mr LEANE — Just to follow up on the Josh's theme: do you think the system that you describe is more mature in other states because they have regulated the ride-sourcing industry before obviously Victoria, which is only just about to?

Mr LAWFORD — No, the developments happened prior to Uber. It has basically existed prior to the Uber phenomenon, or ride sourcing, shall we say. But as a sector I can say that it has openly embraced the use of technology to improve people's prospects in life. Our sector sees it as an opportunity to embrace that technology and use it in its own device. I guess from our perspective it is not that we jealously guard what we do, but we have bona fide concerns that it is just too easy to look at something and say, 'Technology will fix that and human nature will take care of the rest'. It is not that simple. You talk about the checks and balances. I know that is one of the briefs that you have. We do not want to see too much red tape and we do not want to see innovation stifled, because it is part of our future too, but there do need to be some fairly rudimentary checks and the barrier cannot be so low that anyone can jump it.

That is because the cohort that we service are quite vulnerable, and sometimes their vulnerability is not just their physical state; in fact often it is not just their physical state. And, as I said before, I cannot emphasise this enough: if those services are not available and particularly at an affordable level, people will tend to bunker down. They will stop engaging. I think there is already enough evidence of that elsewhere in the NDIS trial sites rollouts. The transport allocations are small. They often are self-managed. I can understand the choice thing, but

there is another issue as well. People, if given the choice to engage in the community or do something else, will tend to do something else if the barriers are so high.

Mr LEANE — So currently LINK is a not-for-profit social enterprise, and I want to ask you about the social enterprise bit in a minute. So with the service you are offering I would imagine that, despite being a not-for-profit and running on the smell of an oily rag, you would still have to have some sort of third-party insurance in case one of your drivers and cars unfortunately gets in an accident and it is their fault and you have got a passenger in the back and whatever injuries, so you have to be covered by insurance and that?

Mr LAWFORD — Absolutely. You know, national crime checks, working with children checks, driver competency. We have medical assessments on 12 months. We are continually refreshing driver skills and training.

Mr LEANE — Even with, as you are in this state, you are pretty much running on volunteers?

Mr LAWFORD — Yes. The financial metrics are such that that is all it can be.

Mr LEANE — That is really interesting and actually really helpful evidence I think for us on this committee. Do you mind if I go on a bit of a tangent? On the social enterprise part of how you identify as a social enterprise — it is just that we are working on a different era in government at the moment in that area — I am just interested in that, if you do not mind, Chair.

The CHAIR — Feel free.

Mr LAWFORD — If I may, it is probably as much a mindset as it is anything else, because the fundamentals of what you are doing do not necessarily change. I think it is just a greater appreciation that the service provision element and the commercial element are really a two-horse race. You have an obligation to drive the community dollar further — and in time that will be replaced by the realities of it just being individuals' patronage and fares — and further by running an efficient enterprise. It is not enough to have the right sentiment, and it is not enough to have the right ideals. You simply have to cut it, when it comes to operational efficiency, commercial balancing, with the service objective. So there are times you would like to do things and perhaps you would if you were just wearing that particular cap, but the realities of the finances are such that sometimes it is important to remember that you have an obligation to reach as many people as possible for instance. And that white glove service that you are providing, whilst it is nice, is not really the best fit or the greater good. So it is that balancing act.

And, look, ultimately as it stands right now — it may be subject to change, it may not — in about three years time the community transport sector is in essence going to be operating in a commercial environment. There will be no block funding. It will just come from patronage from people who have disability packages, home-care packages in the aged demographic, maybe a little bit of government support where they feel the need to plug a gap here or there in terms of some subsidy moneys, but generally speaking we are already on that journey. We will be no different to, dare I say it, Ubers in that respect. So patronage is important, but you are a not-for-profit. As a not-for-profit you enjoy certain taxation concessions, you enjoy certain abilities to fundraise and secure the favour of philanthropies, governments and the like, so it is not as if you do not have some point of leverage to give back in that regard and be efficient.

Ms DUNN — Thank you for your submission today. I was just interested in looking at and exploring in terms of the model of your delivery and perhaps picking up on a couple of things that came out of Mr Leane's questioning as well. I am wondering, in terms of the drivers who participate, if those drivers are injured in the delivery of their duties — so that might be assisting a client in or out of a car or perhaps with baggage or other things they might have — what happens with those volunteers?

Ms MORTON — Volunteers are generally covered by insurance, so organisations would have a policy insuring their volunteers. I am not aware of the absolute particulars. You have probably got a better idea about volunteer insurance. Mine is done at a distance.

Mr LAWFORD — Yes, it is the subject of an insurance policy, which the state government actually provides access to.

Ms DUNN — So the drivers are always linked to an organisation, which sounds like it could be multiple, different —

Mr LAWFORD — Yes.

Ms DUNN — depending on how that service is provided. So it could be via local government; it could be by a community-based organisation.

Ms MORTON — Primarily the providers would be local government and they put substantial funding into their community transport services. I think in a paper done in 2009 they estimated something like \$20 million a year across Victoria that they were actually contributing to community transport. There is also a range of health services, like community centres, basic welfare and community organisations that would be providing community transport. And in contrast to LINK, which is the large organisation, I work across the south-west, so five local governments in the south-west looking more strategically at transport — that is my individual job — and within that there are probably 10 community transport providers and they all do a little bit. The maximum amount they receive in funding is \$30 000 a year to provide that sort of service. So they are cross-subsidising their services from other areas, and there is certainly a real need to use volunteers in that situation. I would also point out that they are driving people to medical appointments in Melbourne.

Ms DUNN — So they are travelling some distance in some cases?

Ms MORTON — Yes. So it varies from going into the next largest town as a shopping trip in a shopping bus to an individual travelling to Melbourne. That is primarily because the public transport is limited in some areas — non-existent — so some people rely heavily on community transport just to get fresh food.

Mr LAWFORD — Some of the things we envisage via a sectoral strategy as such and resourcing, and just as a case in point, with the disability stage 1 rollout in north-east Melbourne, for instance, the nature of funding the NDIS is such that obviously the sector is a very tight environment — that is an understatement — so organisations are abandoning their fleets because they used to provide that service. It was a safety issue, it was a reliability issue, it was a control issue, I guess. But the pricing just does not allow for those niceties. We see an opportunity now for the sector to marshal and harness all the resources that currently exist before they are all gotten rid of, I guess, and create that real coordinated approach, and even a rural to metropolitan interface. At the moment you have people travelling long distances, but they are also travelling all the way in and then all the way out. Even from an efficiency perspective it does not make sense, much less the abrasive cost element and time element for the rural sector as well.

So we are suggesting that there is no time like now; in fact it is almost the last roll of the dice. There is a real opportunity for Victoria to take a good strategic look at this and not continue to lag way behind. There are other services that are doing great things in the country already. It is not far to go, it is not complex, it is not rocket science. But there are also international examples, where they have taken it even further again. No surprise, there is Europe, with their conditions. You would find some real innovation in those pockets. So we are saying, without overstating this, of course, and we understand it is a ride-sourcing inquiry, but this is a critical aspect to ride sourcing, because there will always be stuff that has found its way to the bottom and there needs to be a very good, reliable, efficient, effective service that is picking all that up so that nobody slips through the net.

Ms DUNN — So everyone has got access to services?

Mr LAWFORD — Absolutely. And the capability already exists. That is the big-ticket item for me — the capability already exists.

Ms MORTON — Just talking about that, I am not aware that Uber has ever actually made it past a capital city, and so it is unlikely that it would offer that sort of service across regional Victoria or rural Victoria.

Ms DUNN — Yes, so you have nothing to compare it with at this point in a regional sense because it is not operating regionally. Do your clients pay a fee for the driver service?

Ms MORTON — They do. They make a contribution. Because of the legislative requirements we cannot call it a fare, because that implies that it would be a route service.

Ms DUNN — That is right. It comes under — —

Ms MORTON — It comes under the Transport — —

Ms DUNN — the Transport Act.

Mr LAWFORD — But not all do. There are services that are starting up and proudly saying they are starting up without funding, but with the price tag attached to it, some of the suburbs that we service, you will not find too many that can just shell it out for a trip down the road. I guess the phrase that coins community transport a bit it is the first mile, last mile bit. It is the hard bits. It is the door-to-door service. It is sometimes assisting somebody getting out of their home and getting into a doctor's surgery or whatever it is, so it is those extremes. But it is not just that.

On the social enterprise piece — further to your question before — we kind of imagined that we would also seek to ingratiate ourselves with the general public, and the general public may be able to in their small, dispensable kind of way do their bit for the vulnerable in Victoria — like they pay for this trip via an app and they can pay for the next person's trip. It is things like that. It is not new stuff, but it is stuff that could really be enabled by a real marshalling of resources.

Ms DUNN — Yes, it just has not been developed in that sort of sense as yet.

Mr LAWFORD — Yes, absolutely.

Ms DUNN — I am sure this is an issue around capacity and equity, but I would imagine that it is impossible to compare the contributions that a client might make to getting a driver service to what might be provided by a taxi service because there is an equity issue in all of that.

Mr LAWFORD — Yes, there are just some natural phenomena that go on, as I am sure you would appreciate that. I am very reticent to become outlandish in some of my comments, but I can only tell you — —

Ms DUNN — I do not want you to!

Mr LAWFORD — No. I can only tell you what we get told a lot, and people do not have that inclination or persuasion. If they do not see us, they would rather not go anywhere. That is not blind loyalty; that is just reinforced by experiences. For too many people, our drivers, who obviously give us feedback daily, tell us that we are the only contact that some people have in a given week or however long between trips. It is not hard to become quite saddened by the realities of life out there. It is kind of mind-blowing, to be honest, to think that the sector is as fledgling as it is after all these years, certainly relative to other states.

Ms DUNN — Yes, so there is a community-strengthening element, I guess, from the services you are providing.

Ms MORTON — Can I just add something regarding community transport versus the use of taxis. In a rural sense, where you have a taxi because they are not that widespread, there is often a very delicate balancing act between taking business away from a taxi with local transport because if their business becomes unprofitable, then everybody else who uses a taxi loses out.

Ms DUNN — Yes, there is a consequence.

Ms MORTON — As a consequence of that. So between community transport and taxis in a rural sense or a regional sense there is actually a balancing act about how much transport you provide to those people who do not want to use a taxi for whatever reason or cannot afford to use a taxi. So it is quite — —

Mr LAWFORD — That is an important piece. It is not one or the other. It is that ability to coexist —

Ms DUNN — No, that is right, yes. It is the integration.

Mr LAWFORD — because for every bad story you will hear about taxis, there will be an operator out there who has a real affinity with clients who has put the good flag up the pole well and truly and should be acknowledged as doing such, but there is nothing systemic about that. That is a solution for an individual because by the good grace — —

Ms DUNN — It is good fortune.

Mr LAWFORD — Yes, absolutely. That is not a systemic solution to this issue, and so what I would imagine would come out of some kind of sectoral strategy would be a broad-based booking system of some description that can draw on taxi assets, can draw on, dare I say, Uber assets if they choose to register that way and certainly draw on our own amalgam of assets out there in the community — people and vehicles.

Ms DUNN — Do you know if any work has been done particularly in those other states that have a better resourced community transport model around, for want of a better phrase, return on investment in terms of the building capacity and strength of community, because I think it would be interesting to see that research?

Ms MORTON — There was actually a piece of work done by the Department of Transport in 2011 on a cost-benefit analysis of community transport in Victoria. I have seen the draft report. I do not think it was ever released.

Ms DUNN — We might have to try and follow that one up and see how we go.

Ms MORTON — I have got a copy.

Ms DUNN — Would you be happy to table that to the committee so we could have a look?

Ms MORTON — I have not got it with me, but I can certainly email a copy through.

The CHAIR — That would be fabulous.

Ms DUNN — That would be terrific.

Ms MORTON — At the same time there was a study on different jurisdictions and how they operate nationally and internationally, so I have a number of reports that I could certainly provide.

Ms DUNN — That would be very useful. That would be terrific, thank you.

Mr BOURMAN — Given the fact that you mentioned we are at a pivotal moment regarding ridesharing and all that sort of thing, what sort of regulation would you guys see being helpful to your cause in the context of ridesharing being introduced? What would you like to see to try and protect yourselves from the decreasing market or decreasing availability?

Mr LAWFORD — Look, I guess we have a kind of malleable scenario at the moment because there might be some age and disability cohort out there that are quite happy using mainstream services, and we would only encourage that. I guess in that scenario we would certainly want to see no less than what we currently have in place. It is not just about crim checks and working with children checks. It is also about driver competence and those kinds of things, and some level of proficiency around how to interact with people with disabilities — contingencies, in particular, should certain things transpire. So in that essence we would stand tall and say we are not suggesting we want to tie a rope around everybody and it is not a question of survival in that sense for us. But in terms of what sort of protections could exist for community transport, I guess I am a bit of a believer that the market economy is ultimately probably a good thing for our sector. I think it will induce pain initially, but it is the right kind of pain, I think.

Mr BOURMAN — Rarely does change come without pain.

Mr LAWFORD — Yes, that is right, and I think that social enterprise piece is very much behind that. But I look at the cohort that we serve and what it takes, and it is probably also supported by the fact that for-profit solutions thus far have not improved in any way, shape or form for the lot of people with disabilities and the frail aged. I would sense that there is possibly a need for capability payments as such, and then a piece of the revenue should be around patronage so that there is that whole efficiency piece happening. The last thing that anyone would need would be a slow, cumbersome sector that is, you know, enjoying its own company 10 years from now. I think we would have all failed. So there needs to be enough to keep us on edge, but, by the same token, there needs to be a safeguard — I think I could safely say that, yes.

Mr BOURMAN — No-one has actually brought up wheelchair-accessible transport. I can see that being an issue for Uber — or ridesharing, I should say — from the perspective that you need a specialised vehicle. Perhaps it is an opportunity for the government to strengthen that sector itself and make it easier for the current

taxi industry to supply that sort of vehicle. Do you guys have any other suggestions for what might help, because there are people with physical disabilities where a normal car just will not do.

Ms MORTON — There is already a system in place through the taxis to subsidise wheelchair-accessible taxis. From a rural perspective it still costs them extra and they do not get enough wheelchair business to cover it. I know that the taxi services in my area have had wheelchair-accessible vehicles. But then because they have not been able to maximise return on it they have had to give it up and go back to an ordinary vehicle.

Mr BOURMAN — And therein lies a problem. That is why I am saying perhaps it is an opportunity for the government to step in to make sure, because I was reading through the submissions before and the wheelchair-accessible transport market is shrinking, but I would suggest perhaps the need for it is not shrinking.

Mr LAWFORD — Absolutely. On the multipurpose taxi program, I think the committee would be well advised to consult the relevant departmental staff around that, because the messaging I got through that recent review was that all the incentives that were being provided to the taxi industry — and this is not a slamming of the taxi industry but just a relaying of that representation — was that it was almost the case that no matter how much they threw at it, it still did not actually give them the outcomes they were looking for, so it caused them to rethink and hence review.

I guess the other thing that I heard in that review was that it was a fixed amount program, which kind of tells me that you might be jumping on one leg for part of that because maybe the issue is resources. I am not close enough to the metrics of that to understand, but I do know it is not just a simple matter of opening it up to a new deregulated industry where ride-sourcing personnel can access those subsidies and provide services where community transport can. I think part of the challenge is also around how it is actually structured. So I think they were fairly generous subsidies right down to subsidising the actual vehicle itself, but it still was not driving the outcomes that they wanted. I think you could turn to the departmental staff for their perspective as well.

Mr BOURMAN — Great. Thank you.

The CHAIR — You spoke earlier about the fact that Victoria is lagging behind nationally in terms of what is being provided here. Which state is probably doing the best job, and why is it?

Mr LAWFORD — The eastern seaboard.

Ms MORTON — If we look at New South Wales, they have a funded peak body. It receives government funding. They put something like \$84 million into community transport through their Department of Transport, so their HACC funding — CHSP, whatever — goes to the Department of Transport, which then looks at what transport is needed and funds the community transport services there. Queensland have got well-funded community transport. Their peak body is not funded but their individual organisations are funded. ComLink, which operates on the Sunshine Coast and further north, has an income of around \$10 million — not all funding, but would obviously have substantial government funding as part of that.

Mr LAWFORD — They are vibrant organisations that are well structured with good people in the right place, doing the right things, getting the message out there. And that real theme of enablement is a dynamic scenario, certainly in relative terms. You might be shocked to know that they would like more as well. It is still shocking to me! I would not advocate the New South Wales system, but as an example they are probably three to four times the funding base of Victoria, and in Victoria a third of the funding base that is active in the community transport sector is coming from local government. I am led to believe that that is pretty much discretionary and it is now under serious pressure with rate capping and the like, as you can imagine.

The other issues around that are they operate to parochial rules as in they respond to lines on maps, boundaries and the like, which is really not of great use to a great many people. But in New South Wales, for instance, it is very apparent that they are endeavouring to get all providers on the same system so that the quality of data informing future decisions is dealt with. It seems very clear to me that they are recognising, whether by legislation yet or not, community transport as a valid tier of public transport, and I guess at the end of the day that is our pitch.

In Victoria community transport can be a seriously valid and effective tier of public transport, right down to people getting off mass movement vehicles such as trains and the like and they have got a kilometre to go. They

can get on those trains, those buses, whatever — that part is easy — but when it comes to getting that last k or two home that is where their world becomes highly complex. That is the role that community transport can play in a systemised kind of manner, and that is the role we are not playing nearly enough. We would only be scratching the surface of need in Victoria. I think that is proven by other states. I do not think we live too differently down here to any other states of Australia but — three or four times the funding in New South Wales, and they will all argue it is not enough, but I think New South Wales at last check was very close to the population of Victoria, for instance. It is a big disparity.

The CHAIR — So you are saying New South Wales is not a model that you would necessarily advocate. Do you think the Queensland model is a better model?

Mr LAWFORD — Whether it is in spite of themselves or not I cannot say, but the thing I do not like about the New South Wales system is that everybody was handed technology to utilise, and I think technology is such an important piece of this in the future. There has got to be room left for innovation around that, and if there is a competitive element in the marketplace to drive efficiency, then that is the leverage point; that is the key leverage point in this. It is an off-the-shelf program. I know it well. I am not wrapped in it myself. To me that off-the-shelf program is not really geared for how the future is starting to unfold. Technology needs to move in an entirely different direction and at a much more rapid pace. In my own organisation right now we are trying to move mountains, I guess, with that technology piece, with limited means, because what is on the shelf is not going to do it. There are solutions out there, but that comes with the almighty dollar.

The CHAIR — Indeed. Looking more broadly outside of Australia, there has been some commentary around saying that worldwide there is some good work being done in Europe. Specifically whereabouts are we seeing some good models that we might be able to investigate and have a look at?

Mr LAWFORD — The ones I know about are certainly the UK; there is an organisation in particular there that gets a lot of press for a lot of very impressive reasons, and I know the Netherlands system — in Victoria you have a Dutch guy operating Transdev, a public transport provider, who was the operations chief of that, so you have that resource nice and available.

The CHAIR — There you go.

Mr LAWFORD — Should call him up.

The CHAIR — Might be able to have a chat.

Mr LAWFORD — He would say — and I know this; we have had discussions — that the Dutch moved on 30 years ago from where we are currently. I know that is an easy thing to say, but by description and what I have researched since, it is clearly just in a different league to what we have in Victoria.

Ms DUNN — You talked about that last k as potentially the missing link. You might be able to navigate around a train or a bus if you have got one, but it is that last bit. I am just interested in terms of: if community transport is not an option, what are the consequences for that person? What does it look like for them?

Ms MORTON — Isolation and not getting appropriate medical treatment when it is needed, so they end up in the acute health system.

Mr LAWFORD — Undue risk-taking, I would say. If all else fails, I must get there type of thing, what risks have they taken to actually pull that off in some way? They are probably the primary consequences.

Ms DUNN — The big ones.

Ms MORTON — Potentially a lot of the people that we are transporting are in their own homes because they have transport provided.

Ms DUNN — Yes, so the ability to keep them in their home — —

Ms MORTON — It is the ability to remain independent and within their own home too that community transport contributes to.

Mr LAWFORD — That is the other piece in this. It is the whole ageing in place, taking the pressure off.

Ms DUNN — I think it would be an enormous benefit to be able to achieve that.

Mr LAWFORD — I am sure there is a way to measure it.

Ms DUNN — I am sure there is too. Thank you.

The CHAIR — Are you all done, Mr Lawford?

Mr LAWFORD — I am all done. Thank you, Chair.

The CHAIR — At that point I will thank both Ms Morton and Mr Lawford. Ms Morton, you have come across from Hamilton today, so thank you very much, and you from Melbourne today, Mr Lawford. Thank you very much. We as a committee certainly appreciate you making the effort to come here and provide evidence today, and you have certainly enlightened me on something that I was not aware of and I think something that will be very beneficial for our inquiry as well. Thank you very much for your contribution, and I remind you that you will receive a copy of the transcripts of today's evidence for proofreading and those transcripts will ultimately be made available on the committee's website. Once again, thank you for your contributions today.

Witnesses withdrew.