

# Proposed regulatory framework for taxi, hire vehicle, and ride-sourcing services



## Why is a new regulatory framework necessary?

- In 2008, the then Government passed the *Taxi and Hire Vehicles Industries Act 2008* to ensure that taxi licences reflect “the right to provide a taxi service, rather than an instrument for investment”. As a result, the Transport Commission must make available each year new owner-operator taxi licences in all taxi areas. Many in the industry have felt this reduces the value of taxi licences.
- In 2016, the current Government legislated to temporarily suspend the annual release of taxi licences in response to the impact on the industry as a result of the entry of new ride-sourcing services. The period of that suspension has now expired.
- New legislation is now required to again suspend the release of new taxi licences and ensure that taxi, hire vehicle and ride-sourcing services are subject to fair and appropriate levels of regulation.

## What does this mean for the taxi industry?

5 year moratorium on new licences	✓
Maintain 90% of annual value of licences during the moratorium	✓
Lower regulatory and compliance costs for existing operators	✓
Ability to operate out of area in busy periods (with permit)	✓
No decrease in fares	✓
Reduce the maximum credit card surcharge to 5%	✓
Introduction of multiple hires for taxis	✓
Consistency of wheelchair accessible and standard fares	✓
Easier market entry for wheelchair accessible taxis	✓
Ensure adequate supply in areas affected by unmet demand	✓
No mandatory training requirements for drivers (except for passenger safety)	✓
Reward lower audit requirements for high-compliance operators	✓
Safety and age limit requirements for vehicles entering the market	✓
No change to the number of geographic areas	✓
Continued ability to lease or trade perpetual licences	✓

### What does this mean for ride-sourcing?

Level the playing field by requiring operator accreditation	✓
Introduction of per-vehicle annual fee on ride-sourcing companies	✓
Increased vehicle requirements to ensure public safety	✓
Increased vehicle inspections in line with taxis and other hire vehicles	✓
Ongoing enforcement against ride-source use of ranks and/or touting	✓
Tough compliance measures for drivers found to be operating 'off app'	✓
Safety and age limit requirements for vehicles entering the market	✓
Continue to complete a medical self-declaration with 5-yearly audits	✓
Demonstrated understanding of disability/anti-discrimination requirements	✓

### What happens if these changes aren't implemented?

- Without these changes, the Transport Commission is required by current law to annually release new taxi licences. In 2019, this resulted in the release for sale of 16 licences in Hobart, 5 in Launceston, and one each for the remaining taxi areas.
- Ride-sourcing companies would not be captured by the proposed regulatory framework and would not pay annual fees. This would lock-in the current uneven playing field.
- There would be no relief in the regulatory burden and compliance costs for the taxi sector.

### What does this mean for passengers?

- There will be no significant or noticeable changes for passengers.
- Taxi, hire car and ride-sourcing services will continue to operate in the same way and are able to make improvements to their services as they see fit.
- Only taxis will be permitted to service the rank and hail markets and Transport Access Scheme customers.
- Safety for users of ride-sourcing service will be improved through operator accreditation.

### How can I have my say on the proposed framework?

- Further information is available at [www.stategrowth.tas.gov.au/taxireview](http://www.stategrowth.tas.gov.au/taxireview).
- You can have your say by email at [taxireview@stategrowth.tas.gov.au](mailto:taxireview@stategrowth.tas.gov.au) or by phoning the Department of State Growth on 6166 3278. Submissions close **Friday 21 February 2020**.