

Minister for Finance
Minister for Infrastructure and Transport
Minister for State Growth
Minister for Science and Technology
Leader of the House



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Mr Endre Kovacs
By email: endrekovacs@yahoo.com.au

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Dear Mr Kovacs

Thank you for your recent emails regarding your perpetual taxi licence.

The Tasmanian Government has no plans to use taxpayers' funds to purchase taxi licences. However, we have developed legislation that decreases regulation and cost for taxi industry members.

I am pleased to advise that the *On Demand Passenger Transport Services Industry (Miscellaneous Amendments) Bill* has been passed by both Houses of Parliament.

It means there will be a new regulatory framework to support the taxi industry in light of new entrants such as ride-sharing operators.

This framework is designed to future-proof Tasmania's transport industry by levelling the playing field for the taxi and ride-sourcing sectors.

Under the changes:

- The annual release of new owner-operator taxi licences by tender will be suspended for a further four years;
- Reserve prices will be set by the Tasmanian Economic Regulator, and are not to be reduced by more than 10% annually for the first five years;
- Regulatory and compliance costs will be lower for most existing operators; and
- Multiple hirers for taxis will be allowed, providing benefits to consumers, and parity between taxis and ride-sourcing providers.

In addition, ride-source drivers will be regulated to ensure they are suitable to provide commercial passenger services, and their vehicles regulated to ensure they are safe to transport passengers.

The Tasmanian Government recognises the impact of the introduction of ride-sourcing services on the taxi industry, which is why we are assisting the industry to adapt, by providing a more equitable regulatory system.

I trust this information is of assistance to you.

Yours sincerely

Michael Ferguson MP
Minister for Infrastructure and Transport