



# ***The new reality of [setting] taxi fares***

**Dr Ron Ben-David**

Chairperson

Essential Services Commission (Vic)

## Message #1

***Fare setting will be determined through an open, transparent and public process in which ideas will be debated and evidence tested.***

Message #2

***The way the industry engages with the decision-making process must change.***

Message #3

***Taxis are a service, not an industry.***

Message #4

***Taxi services must become more attractive  
to more people at more times of the day at  
more times of the year.***

Message #5

***Above all else, we must remain focussed on  
two things: Value and Value-for-Money.***

Message #6

***The traditional 'cost-stack-and-divide' approach to fare setting will not work in the future.***

Message #7

***The relationship between fares and farebox revenue is becoming less predictable.***



## Message #8

***The Essential Services Commission must have regard to the financial viability of the industry as whole (and not individual participants).***

# Eight messages

- 1. Fare setting will be determined through an open, transparent and public process in which ideas will be debated and evidence tested.*
- 2. The way the industry engages with the decision-making process must change.*
- 3. Taxis are a service, not an industry.*
- 4. Taxi services must become more attractive to more people at more times of the day at more times of the year.*
- 5. Above all else, we must remain focussed on two things: Value and Value-for-Money.*
- 6. The traditional 'cost-stack-and-divide' approach to fare setting will not work in the future.*
- 7. The relationship between fares and farebox revenue is becoming less predictable.*
- 8. The Essential Services Commission must have regard to the financial viability of the industry as whole (and not individual participants).*

# Timelines

<b>Review process</b>	<b>Earliest timing</b>	<b>Latest timing</b>
Transport Act amendments (Royal Assent)		28 Jun 2013
Call for ideas paper release		10 Sep 2013
Submissions on call for ideas paper due		8 Oct 2013
Principles paper release		mid Oct 2013
Draft report release	mid Feb 2014	late Mar 2014
Submissions on draft report	early Mar 2014	Apr 2014
<b>Fare Determination and Future Directions</b>	<b>late Mar 2014</b>	<b>late May 2014</b>



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