

Determination of Maximum Charges for Unbooked Commercial Passenger Vehicle Services (from 1 October 2020)

Maximum charges for commercial passenger vehicle services that begin in
the Melbourne Metropolitan zone or Urban and Large Regional zone

2 September 2020

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Executive Summary

This determination sets out the maximum charges for unbooked commercial passenger vehicle services, in respect of carriage on a journey that begins in the Melbourne Metropolitan zone or Urban and Large Regional zones, supplied by or within the commercial passenger vehicle industry.

This determination maintains the maximum charges for unbooked commercial passenger vehicle services at the same levels as the 13 September 2018 determination.

We have made this determination following our review of the maximum fares for unbooked commercial passenger vehicle services. The draft and final reports for this review are available on our website: www.esc.vic.gov.au.

This determination will take effect on 1 October 2020.

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Introduction

Statement of purpose

The Essential Services Commission (the commission) is the independent economic regulator responsible for determining the maximum charges for applicable unbooked services supplied by or within the commercial passenger vehicle industry. An applicable unbooked service is an unbooked commercial passenger vehicle service in respect of carriage on a journey that begins in the Melbourne Metropolitan zone or Urban and Large Regional zone.

Reasons for the making of this determination

The commission has made this determination following a review of unbooked commercial passenger vehicle service fares. This review included consideration of the objectives and matters to which the commission must have regard as set out in the Essential Services Commission Act 2001, the Commercial Passenger Vehicle Industry Act 2017 and the Transport Integration Act 2010. The commission's review of the maximum fares for unbooked commercial passenger vehicle services is detailed in draft and final reports available on our website: www.esc.vic.gov.au. The reasons for making this determination are set out in the commission's final decision document dated 2 September 2020.

Nature and effect of this determination

This determination is made under part 6 of the Commercial Passenger Vehicle Industry Act 2017 and part 3 of the Essential Services Commission Act 2001 and determines the maximum charges for applicable unbooked services (being unbooked commercial passenger vehicle services in respect of a carriage on a journey that begins in the Melbourne Metropolitan zone or Urban and Large Regional zone) supplied by or within the commercial passenger vehicle industry. This determination is binding on the commercial passenger vehicle industry and on regulated entities operating in that industry. It amends the commission's previous determination made on 13 September 2018.

This determination maintains the maximum charges for applicable unbooked services at the same levels as the 13 September 2018 determination. This determination has effect until it is amended or revoked by a later determination.

Date at which this determination takes effect

This determination will take effect on 1 October 2020.

How to obtain a copy of this determination

A copy of this determination may be downloaded from the commission's website:

www.esc.vic.gov.au

Alternatively, a copy may be requested by contacting the commission by post (Essential Services Commission, Level 37 2 Lonsdale Street, Melbourne Victoria 3000), by phone (+61 3 9032 1300 or 1300 664 969) or by email: transport@esc.vic.gov.au.

The **Common Seal** of the
**Essential Services
Commission** was affixed to
this Determination with the
authority of the Commission



Date: 7 September 2020

A handwritten signature in blue ink, appearing to read 'Kate Symons', positioned above a horizontal line.

Kate Symons
Chairperson

Introduction

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan zone or east urban area

The maximum charges in this schedule are set under part 6 of the Commercial Passenger Vehicle Industry Act 2017 and part 3 of the Essential Services Commission Act 2001 and apply from 1 October 2020 for applicable unbooked services, supplied by or within the commercial passenger vehicle industry, that begin in the Melbourne Metropolitan zone or the east urban area. For the purposes of this schedule the east urban area is the part of the Urban and Large Regional zone that includes Frankston, Dandenong and the Mornington Peninsula. All charges are GST inclusive.

1. Definitions

The term 'hirer' includes an agent or agency representing the passenger/s or hirer/s.

2. Maximum hiring rates on fare calculation device

- 2.1 The maximum hiring rates may be based on either 'time **or** distance' tariffs (clause 3) or 'time **and** distance' tariffs (clause 4).
- 2.2 For the purpose of calculating fares for unbooked services, fare calculation devices should only be programmed with either the tariffs in clause 3 or those in clause 4.
- 2.3 The fare sticker in the vehicle must clearly indicate whether the 'time **or** distance' tariff structure (clause 3) or 'time **and** distance' tariff structure (clause 4) applies.

3. Maximum hiring rates – 'time or distance' tariff structure

- 3.1 If using 'time **or** distance' tariffs, the hiring rates that must be computed and displayed by the fare calculation device used for unbooked services can be to a maximum of the following charges:

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan zone or east urban area

TARIFF ONE – DAY TARIFF

Tariff One rates apply as the maximum rates between 9am and 5pm, excluding times when Tariff Three maximum rates apply.

Fare component	Maximum charge
Flagfall	\$4.20
Distance Rate	\$1.622 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.568 per minute (\$34.08 per hour) while the vehicle speed is less than 21 kmph

TARIFF TWO – OVERNIGHT TARIFF

Tariff Two rates apply as the maximum rates between 5pm and 9am, excluding times when Tariff Three maximum rates apply.

Fare component	Maximum charge
Flagfall	\$5.20
Distance Rate	\$1.804 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.631 per minute (\$37.86 per hour) while the vehicle speed is less than 21 kmph

TARIFF THREE – PEAK TARIFF

Tariff Three rates apply as maximum rates:

- from 10pm Friday to 4am Saturday;
- from 10pm Saturday to 4am Sunday;
- all day on Christmas Day;
- all day on Boxing Day; and
- from 6pm on New Year's Eve until midnight at the end of New Year's Day.

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan zone or east urban area

Fare component	Maximum charge
Flagfall	\$6.20
Distance Rate	\$1.986 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.695 per minute (\$41.70 per hour) while the vehicle speed is less than 21 kmph

3.2 Fare calculation devices must be programmed to automatically select the correct tariff for the relevant time and date. Manual selection of tariffs is not permitted.

4. Maximum hiring rates – ‘time and distance’ tariff structure

4.1 If using ‘time **and** distance’ tariffs, the hiring rates that must be computed and displayed by the fare calculation device used for applicable unbooked services can be to a maximum of the following charges:

TARIFF ONE – DAY TARIFF

Tariff One rates apply as the maximum rates between 9am and 5pm, excluding times when Tariff Three maximum rates apply.

Fare component	Maximum charge
Flagfall	\$4.20
Distance Rate	\$1.342 per kilometre at all times
Duration Rate	\$0.344 per minute at all times

TARIFF TWO – OVERNIGHT TARIFF

Tariff Two rates apply as the maximum rates between 5pm and 9am, excluding times when Tariff Three maximum rates apply.

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan zone or east urban area

Fare component	Maximum charge
Flagfall	\$5.20
Distance Rate	\$1.490 per kilometre at all times
Duration Rate	\$0.379 per minute at all times

TARIFF THREE – PEAK TARIFF

Tariff Three rates apply as maximum rates:

- from 10pm Friday to 4am Saturday;
- from 10pm Saturday to 4am Sunday;
- all day on Christmas Day;
- all day on Boxing Day; and
- from 6pm on New Year's Eve until midnight at the end of New Year's Day.

Fare component	Maximum charge
Flagfall	\$6.20
Distance Rate	\$1.648 per kilometre at all times
Duration Rate	\$0.408 per minute at all times

4.2 Fare calculation devices must be programmed to automatically select the correct tariff for the relevant time and date. Manual selection of tariffs is not permitted.

5. CPV Levy Recovery Fee

- 5.1 A CPV Levy Recovery Fee of up to the maximum charge may be charged to the hirer.
- 5.2 The maximum charge for a CPV Levy Recovery Fee is equal to the amount of the levy for a commercial passenger vehicle service transaction as specified in the *Commercial Passenger Vehicle Industry Act 2017*, plus 10 per cent GST.
- 5.3 If applied, the CPV Levy Recovery Fee is to be itemised as a charge on the receipt provided to the hirer.

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan zone or east urban area

6. High Occupancy Fee

- 6.1 A high occupancy fee must not be charged if the commercial passenger vehicle does not have the capacity for the carriage of five or more passengers in fixed seats. 'Fixed seats' does not include positions for the carriage of persons in wheelchairs.
- 6.2 A high occupancy fee of up to \$14.00 may be charged when the vehicle has been hired for the carriage of five or more passengers.
- 6.3 For the purposes of clause 6.2 above, children under the age of five years are not to be calculated as a passenger.

7. CityLink and EastLink Tolls

- 7.1 The driver of an unbooked commercial passenger vehicle carrying a passenger or parcel on a toll road (CityLink or EastLink) providing an applicable unbooked service is authorised to charge the hirer an amount up to the appropriate toll payable by the driver for using the section(s) of that toll road to provide the applicable unbooked service (as published from time to time in the Victorian Government Gazette in accordance with the *Melbourne City Link Act 1995* or the *EastLink Project Act 2004* as applicable).
- 7.2 Hirers must be given the choice of using or not using a toll road if a toll road is one of the route options available for that trip.

8. Airport Taxi Rank Fee

- 8.1 **Melbourne Airport taxi rank fee.** The driver of an unbooked commercial passenger vehicle who accepts a hiring from the Melbourne Airport taxi rank, after that driver has paid for the use of the Melbourne Airport taxi rank queuing facilities and/or waiting bays, is authorised to charge the hirer an Airport Taxi Rank Fee of an amount up to the Melbourne Airport Access Fee payable by the unbooked commercial passenger vehicle for using that taxi rank as published from time to time by Melbourne Airport in a daily newspaper generally circulating in Victoria and on Melbourne Airport's website.
- 8.2 **Avalon Airport taxi rank fee.** The driver of an unbooked commercial passenger vehicle who accepts a hiring from the Avalon Airport taxi rank, after that driver has paid for the use of the Avalon Airport taxi rank queuing facilities and/or waiting bays,

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan zone or east urban area

is authorised to charge the hirer an Airport Taxi Rank Fee of an amount up to the Avalon Airport Taxi Rank Fee payable by the unbooked commercial passenger vehicle for using that taxi rank as published from time to time by Avalon Airport in a daily newspaper generally circulating in Victoria and on Avalon Airport's website.

9. Cleaning fee

9.1 The driver may charge a reasonable cleaning fee of up to a maximum of \$120 if a passenger soils the vehicle with: food, drink or bodily fluids.

9.2 If applied, the cleaning fee should be itemised as a charge on the receipt provided to the hirer.

10. Further Conditions

10.1 Fees or charges which are not permitted include:

- any additional charge for the carriage of goods or luggage accompanied by a passenger
- any charge that would result in a person with a disability paying more than an able-bodied person would for the same service.

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan zone or east urban area

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

The maximum charge in this schedule are set under part 6 of Commercial Passenger Vehicle Industry Act 2017 and part 3 of the Essential Services Act 2001 and apply from 1 October 2020 for applicable unbooked services, supplied by or within the commercial passenger vehicle industry, that begin in the Large Regional areas of the Urban and Large Regional zone. For the purposes of this schedule, Large Regional areas are all areas of the Urban and Large Regional zone, except the east urban area, as defined in the above schedule, and include Geelong, Ballarat and Bendigo SA3s as defined in the Australian Statistical Geography Standard 2011. All charges are GST inclusive.

1. Definitions

The term 'hirer' includes an agent or agency representing the passenger/s or hirer/s.

2. Maximum hiring rates on fare calculation device

- 2.1 The maximum hiring rates may be based on either 'time **or** distance' tariffs (clause 3) or 'time **and** distance' tariffs (clause 4).
- 2.2 For the purpose of calculating fares for applicable unbooked services, fare calculation devices should only be programmed with either the tariffs in clause 3 or those in clause 4.
- 2.3 The fare sticker in the vehicle must clearly indicate whether the 'time **or** distance' tariff structure (clause 3) or 'time **and** distance' tariff structure (clause 4) applies.

3. Maximum hiring rates – 'time or distance' tariff structure

- 3.1 If using 'time **or** distance' tariffs, the hiring rates that must be computed and displayed by the fare calculation device used for applicable unbooked services can be to a maximum of the following charges:

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

TARIFF ONE – STANDARD TARIFF

Tariff One rates apply as the maximum rates at all times except circumstances when Tariff Two maximum rates may apply.

Fare component	Maximum charge
Flagfall	\$3.60
Distance Rate	\$1.838 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.643 per minute (\$38.58 per hour) while the vehicle speed is less than 21 kmph

TARIFF TWO – HIGH OCCUPANCY TARIFF

- 3.2 Tariff Two must not be charged if the commercial passenger vehicle does not have the capacity for the carriage of five or more passengers in fixed seats. 'Fixed seats' does not include positions for the carriage of persons in wheelchairs.
- 3.3 Tariff Two may only be charged when the vehicle has been hired for the carriage of five or more passengers.
- 3.4 For the purposes of clause 3.3 above, children under the age of five years are not to be calculated as a passenger.

Fare component	Maximum charge
Flagfall	\$3.60
Distance Rate	\$2.757 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.965 per minute (\$57.90 per hour) while the vehicle speed is less than 21 kmph

4. Maximum hiring rates – 'time and distance' tariff structure

- 4.1 If using 'time **and** distance' tariffs the hiring rates that must be computed and displayed by the fare calculation device used for applicable unbooked services can be to a maximum of the following charges:

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

TARIFF ONE – STANDARD TARIFF

Tariff One rates apply as the maximum rates at all times except circumstances when Tariff Two maximum rates may apply.

Fare component	Maximum charge
Flagfall	\$3.60
Distance Rate	\$1.494 per kilometre at all times
Duration Rate	\$0.491 per minute at all times

TARIFF TWO – HIGH OCCUPANCY TARIFF

- 4.2 Tariff Two must not be charged if the vehicle does not have the capacity for the carriage of five or more passengers in fixed seats. 'Fixed seats' does not include positions for the carriage of persons in wheelchairs.
- 4.3 Tariff Two may only be charged when the vehicle has been hired for the carriage of five or more passengers.
- 4.4 For the purposes of clause 4.3 above, children under the age of five years are not to be calculated as a passenger.

Fare component	Maximum charge
Flagfall	\$3.60
Distance Rate	\$2.441 per kilometre at all times
Duration Rate	\$0.529 per minute at all times

5. CPV Levy Recovery Fee

- 5.1 A CPV Levy Recovery Fee of up to the maximum charge may be charged to the hirer.
- 5.2 The maximum charge for a CPV Levy Recovery Fee is equal to the amount of the levy for a commercial passenger vehicle service transaction as specified in the *Commercial Passenger Vehicle Industry Act 2017*, plus 10 per cent GST.

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

- 5.3 If applied, the CPV Levy Recovery Fee is to be itemised as a charge on the receipt provided to the hirer.

6. Late Night Fee

- 6.1 A late night fee of up to \$3.40 may be applied to hirings that commence between the hours of 7pm on Friday and 6am on Saturday, 7pm on Saturday and 6am on Sunday, and between the hours of midnight and 6am on all other days. If applied, the late night fee must be entered and displayed on the fare calculation device at the commencement of the hiring.

7. Holiday Surcharge

- 7.1 A holiday surcharge of up to \$4.20 may be applied:

- all day on Christmas Day;
- all day on Boxing Day;
- from 6pm on New Year's Eve until midnight at the end of New Year's Day;
- from 7pm on the evenings prior to every other Victorian public holiday until 6am on the morning of the public holiday.

- 7.2 For the purposes of this clause, public holidays are defined as per the *Public Holidays Act 1993* and:

- 7.2.1 include:

- additional public holidays, as per Section 7 of the *Public Holidays Act 1993*; and
- days that the Minister has appointed as a substitute holiday for Melbourne Cup Day for the relevant non-metropolitan Council, as per Section 8A of the *Public Holidays Act 1993*;¹

¹ The holiday surcharge may only be applied in the geographic area of the Council subject to the substitute holiday. For example, a holiday surcharge in relation to Geelong Cup Day may only be applied in the area of the urban zone surrounding Geelong.

7.2.2 exclude:

- the Monday after 1 January (New Year's Day) when New Year's Day is a Saturday or Sunday;
- the Monday after Christmas Day when Christmas Day is a Saturday and the Tuesday after Christmas Day when Christmas Day is a Sunday; and
- the Monday after 26 December (Boxing Day) when Boxing Day is a Saturday and the Tuesday after Boxing Day when Boxing Day is a Sunday.

7.3 Where the Minister appoints a substitute public holiday for Melbourne Cup Day in a non-metropolitan Council, a holiday surcharge must not be charged in relation to Melbourne Cup Day in that non-metropolitan Council.

7.4 The late night fee must not be applied in addition to the holiday surcharge.

8. CityLink and EastLink Tolls

8.1 The driver of an unbooked commercial passenger vehicle carrying a passenger or parcel on a toll road (CityLink or EastLink) providing an applicable unbooked service is authorised to charge the hirer an amount up to the appropriate toll payable by the driver for using the section(s) of that toll road to provide the applicable unbooked service (as published from time to time in the Victorian Government Gazette in accordance with the *Melbourne City Link Act 1995* or the *EastLink Project Act 2004* as applicable).

8.2 Hirers must be given the choice of using or not using a toll road if a toll road is one of the route options available for that trip.

9. Airport Taxi Rank Fee

9.1 **Melbourne Airport taxi rank fee.** The driver of an unbooked commercial passenger vehicle who accepts a hiring from the Melbourne Airport taxi rank, after that driver has paid for the use of the Melbourne Airport taxi rank queuing facilities and/or waiting bays, is authorised to charge the hirer an Airport Taxi Rank Fee of an amount up to the Melbourne Airport Access Fee payable by the unbooked commercial passenger vehicle for using that taxi rank as published from time to time

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

by Melbourne Airport in a daily newspaper generally circulating in Victoria and on Melbourne Airport's website.

9.2 **Avalon Airport taxi rank fee.** The driver of an unbooked commercial passenger vehicle who accepts a hiring from the Avalon Airport taxi rank, after that driver has paid for the use of the Avalon Airport taxi rank queuing facilities and/or waiting bays, is authorised to charge the hirer an Airport Taxi Rank Fee of an amount up to the Avalon Airport Taxi Rank Fee payable by the unbooked commercial passenger vehicle for using that taxi rank as published from time to time by Avalon Airport in a daily newspaper generally circulating in Victoria and on Avalon Airport's website.

10. Cleaning fee

10.1 The driver may charge a reasonable cleaning fee of up to a maximum of \$120 if a passenger soils the vehicle with: food, drink, or bodily fluids.

10.2 If applied, the cleaning fee should be itemised as a charge on the receipt provided to the hirer.

11. Further Conditions

11.1 Fees or charges which are not permitted include:

- any additional charge for the carriage of goods or luggage accompanied by a passenger
- any charge that would result in a person with a disability paying more than an able-bodied person would for the same service.

Schedule of maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas