

Determination of Maximum Charges for Unbooked Commercial Passenger Vehicle Services (from 15 September 2022)

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

31 August 2022

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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 Zone, supplied by or within the Victorian commercial passenger vehicle industry.

This determination increases the maximum charges for unbooked commercial passenger vehicle services from those previously determined by the Commission in its 2 September 2020 price determination,¹ which took effect from 1 October 2020.

The Commission has made this determination following its review of the maximum fares for unbooked commercial passenger vehicle services. The draft and final reports for this review are available on the Commission's website: www.esc.vic.gov.au.

This determination will take effect on 15 September 2022.

¹ Essential Services Commission 2020, 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.

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Determination

Statement of purpose²

The Essential Services Commission (the Commission) is Victoria's independent economic regulator responsible for determining the maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan Zone or Urban and Large Regional Zone (applicable unbooked services)³, supplied by or within the Victorian commercial passenger vehicle industry.⁴

This determination gives effect to these responsibilities of the Commission.

Determination of maximum charges

The Commission determines that the maximum charges that apply from 15 September 2022 to applicable unbooked services that begin in the Melbourne Metropolitan Zone or the east urban area, supplied by or within the Victorian commercial passenger vehicle industry, are those set out in Schedule 1. For the purposes of this determination, 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.

The Commission determines that the maximum charges that apply from 15 September 2022 to applicable unbooked services that begin in the Large Regional areas of the Urban and Large Regional Zone, supplied by or within the Victorian commercial passenger vehicle industry, are those set out in Schedule 2. For the purposes of this determination, the Large Regional areas are all areas of the Urban and Large Regional Zone, except the east urban area, including Geelong, Ballarat and Bendigo SA3s as defined in the Australian Statistical Geography Standard 2011. All charges are GST inclusive.

² *Essential Services Commission Act 2001* (Vic), s. 35(1).

³ *Commercial Passenger Vehicle Industry Act 2017* (Vic), s. 110A.

⁴ *Essential Services Commission Act 2001* (Vic), Part 3; *Commercial Passenger Vehicle Industry Act 2017* (Vic), ss. 110A, 110D.

Annual adjustment of maximum charges

The maximum charges that apply from 15 September 2022 for applicable unbooked services supplied by or within the Victorian commercial passenger vehicle industry, as specified in Schedule 1 and Schedule 2, may be adjusted with effect from 1 October 2023 in accordance with the formula and procedure specified in Schedule 3.

Reasons for the making of this determination⁵

In making a price determination, the Commission must adopt an approach and methodology that it considers will best meet its objectives under relevant legislation.⁶ The Commission has made this determination following a review of fares for unbooked commercial passenger vehicle services, which included consideration of the objectives and matters to which the Commission must have regard to under the *Essential Services Commission Act 2001 (Vic)*, the *Commercial Passenger Vehicle Industry Act 2017 (Vic)* and the *Transport Integration Act 2010 (Vic)*. The Commission's review of the maximum fares for unbooked commercial passenger vehicle services, and the objectives and matters the Commission must have regard to when making a determination, are detailed in draft and final reports available on the Commission's website: www.esc.vic.gov.au.

The reasons for making this determination are set out in the Commission's final decision document dated 31 August 2022.⁷

Nature and effect of this determination

This determination is made under Part 6, Division 1A of the *Commercial Passenger Vehicle Industry Act 2017 (Vic)*, together with Part 3 of the *Essential Services Commission Act 2001 (Vic)*. This determination sets the maximum charges for applicable unbooked services (being unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan Zone or Urban and Large Regional Zone), supplied by or within the Victorian commercial passenger vehicle industry. This determination is binding on the Victorian commercial passenger vehicle industry and

⁵ *Essential Services Commission Act 2001 (Vic)*, s. 35(1).

⁶ *Essential Services Commission Act 2001 (Vic)*, s. 33.

⁷ Essential Services Commission 2022, *Unbooked Taxi Fare Review 2022 – Final Decision*, 31 August.

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on regulated entities operating within that industry.⁸ It revokes the Commission's previous determination made on 2 September 2020,⁹ which took effect from 1 October 2020.

This determination increases the maximum charges for applicable unbooked services from those previously determined by the Commission in its 2 September 2020 price determination,¹⁰ which took effect from 1 October 2020.

Date at which this determination takes effect

This determination will take effect on 15 September 2022. This determination has effect until it is amended or revoked by a later determination.¹¹

⁸ *Essential Services Commission Act 2001* (Vic), s. 35(7).

⁹ Essential Services Commission 2020, 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.

¹⁰ Essential Services Commission 2020, 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.

¹¹ *Essential Services Commission Act 2001* (Vic), s. 35(6)(a).

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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 8 570 Bourke 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: 5 September 2022

A handwritten signature in blue ink, consisting of a large loop and a long horizontal stroke extending to the right.

Kate Symons
Chairperson

Determination

Schedule 1 - 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 determined under Part 6, Division 1A of the *Commercial Passenger Vehicle Industry Act 2017* (Vic), together with Part 3 of the *Essential Services Commission Act 2001* (Vic). The maximum charges in this Schedule apply from 15 September 2022 to 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

- 1.1 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 1 - 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	\$4.65
Distance Rate	\$1.804 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.632 per minute (\$37.92 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	\$5.80
Distance Rate	\$2.006 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.702 per minute (\$42.12 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;

Schedule 1 - maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan Zone or east urban area

- 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	\$6.90
Distance Rate	\$2.208 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.773 per minute (\$46.38 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	\$4.65
Distance Rate	\$1.492 per kilometre at all times
Duration Rate	\$0.383 per minute at all times

Schedule 1 - maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan Zone or east urban area

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	\$5.80
Distance Rate	\$1.657 per kilometre at all times
Duration Rate	\$0.421 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	\$6.90
Distance Rate	\$1.833 per kilometre at all times
Duration Rate	\$0.454 per minute at all times

Schedule 1 - maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan Zone or east urban area

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 Service Levy Recovery Fee¹²

5.1 The driver of an unbooked commercial passenger vehicle may, after having paid the levy in respect of a commercial passenger vehicle service transaction,¹³ charge the hirer a CPV Service Levy Recovery Fee of up to the maximum charge.

5.2 The maximum charge for a CPV Service Levy Recovery Fee is equal to the amount of the levy for a commercial passenger vehicle service transaction as provided for in the *Commercial Passenger Vehicle Industry Act 2017 (Vic)* or regulations made thereunder,¹⁴ plus 10 per cent GST.

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

6. High Occupancy Fee

6.1 A high occupancy fee must not be charged if the unbooked 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 \$15.70 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.

¹² *Commercial Passenger Vehicle Industry Act 2017 (Vic)*, Part 11 – Commercial passenger vehicle service levy. The State Revenue Office of Victoria has general administration of Part 11 of this Act.

¹³ *Commercial Passenger Vehicle Industry Act 2017 (Vic)*, s. 236.

¹⁴ *Commercial Passenger Vehicle Industry Act 2017 (Vic)*, s. 238.

Schedule 1 - maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan Zone or east urban area

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 (Vic)* or the *EastLink Project Act 2004 (Vic)* 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 driver 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, 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 driver 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 of an unbooked commercial passenger vehicle 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.

Schedule 1 - maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan Zone or east urban area

10. Further Conditions

10.1 Fees or charges which are not permitted include:

10.1.1 any additional charge for the carriage of goods or luggage accompanied by a passenger; and

10.1.2 any charge that would result in a person with a disability paying more than an able-bodied person would for the same service.

Schedule 1 - maximum charges for unbooked commercial passenger vehicle services that begin in the Melbourne Metropolitan Zone or east urban area

Schedule 2 - maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

The maximum charges in this Schedule are determined under Part 6, Division 1A of the *Commercial Passenger Vehicle Industry Act 2017* (Vic), together with Part 3 of the *Essential Services Act 2001* (Vic). The maximum charges in this Schedule apply from 15 September 2022 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, the Large Regional areas are all areas of the Urban and Large Regional Zone, except the east urban area, including Geelong, Ballarat and Bendigo SA3s as defined in the Australian Statistical Geography Standard 2011. All charges are GST inclusive.

1. Definitions

- 1.1. 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 2 - 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	\$4.00
Distance Rate	\$2.044 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$0.715 per minute (\$42.90 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 unbooked 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.

Schedule 2 - maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

Fare component	Maximum charge
Flagfall	\$4.00
Distance Rate	\$3.093 per kilometre while the vehicle speed is greater than 21 kmph
Detention Rate	\$1.083 per minute (\$64.98 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:

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	\$4.00
Distance Rate	\$1.661 per kilometre at all times
Duration Rate	\$0.546 per minute at all times

Schedule 2 - maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

TARIFF TWO – HIGH OCCUPANCY TARIFF

- 4.2 Tariff Two must not be charged if the unbooked 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.
- 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	\$4.00
Distance Rate	\$2.739 per kilometre at all times
Duration Rate	\$0.594 per minute at all times

5. CPV Service Levy Recovery Fee¹⁵

- 5.1 The driver of an unbooked commercial passenger vehicle may, after having paid the levy in respect of a commercial passenger vehicle service transaction,¹⁶ charge the hirer a CPV Service Levy Recovery Fee of up to the maximum charge.
- 5.2 The maximum charge for a CPV Service Levy Recovery Fee is equal to the amount of the levy for a commercial passenger vehicle service transaction as provided for in

¹⁵ *Commercial Passenger Vehicle Industry Act 2017 (Vic)*, Part 11 – Commercial passenger vehicle service levy. The State Revenue Office of Victoria has general administration of Part 11 of this Act.

¹⁶ *Commercial Passenger Vehicle Industry Act 2017 (Vic)*, s. 236.

Schedule 2 - maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

the *Commercial Passenger Vehicle Industry Act 2017* or regulations made thereunder,¹⁷ plus 10 per cent GST.

- 5.3 If applied, the CPV Service 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 \$3.80 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 \$4.65 may be applied:

7.1.1 all day on Christmas Day;

7.1.2 all day on Boxing Day;

7.1.3 from 6pm on New Year's Eve until midnight at the end of New Year's Day;

7.1.4 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* (Vic) and:

7.2.1 include:

- a. additional public holidays, as per Section 7 of the *Public Holidays Act 1993* (Vic); and

¹⁷ *Commercial Passenger Vehicle Industry Act 2017* (Vic), s. 238.

b. 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 (Vic)*;¹⁸

7.2.2 exclude:

a. the Monday after 1 January (New Year's Day) when New Year's Day is a Saturday or Sunday;

b. the Monday after Christmas Day when Christmas Day is a Saturday and the Tuesday after Christmas Day when Christmas Day is a Sunday; and

c. 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 (Vic)* or the *EastLink Project Act 2004 (Vic)* 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.

¹⁸ 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.

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

Schedule 2 - maximum charges for unbooked commercial passenger vehicle services that begin in the Large Regional areas

Schedule 3 - annual adjustment of maximum charges for unbooked commercial passenger vehicle services

Part 1: Adjustment

1. Adjustment of maximum charges on 1 October 2023

- 1.1 Certain Adjustable Maximum Charges that apply from 15 September 2022 may be adjusted with effect from 1 October 2023 to reflect changes in driver labour and fuel costs, in accordance with the formula specified in Part 2 of this Schedule 3 and the procedure specified in Part 3 of this Schedule 3.

2. Adjustable Maximum Charges

- 2.1 For the purposes of this Schedule 3, the Adjustable Maximum Charges include:

- 2.1.1 flagfall;
- 2.1.2 distance rates;
- 2.1.3 detention rates;
- 2.1.4 duration rates;
- 2.1.5 high occupancy fees;
- 2.1.6 late night fees; and
- 2.1.7 holiday surcharges,

- 2.2 but do not include:

- 2.2.1 CPV service levy recovery fees;
- 2.2.2 City Link and EastLink tolls;
- 2.2.3 airport taxi rank fees; and
- 2.2.4 cleaning fees.

Schedule 3 – annual adjustment of maximum charges for unbooked commercial passenger vehicle services

Part 2: Formula

1. Adjustment

- 1.1 Subject to clause 3, each Adjustable Maximum Charge will be adjusted with effect from 1 October 2023 in accordance with the formula in clause 2.

2. Formula

2.1
$$AMC_{23} = AMC_{22} \times ((\text{labour price change} \times 0.55) + (\text{fuel price change} \times 0.07) + 0.38)$$

where:

- 2.1.1 **AMC₂₃** is the Adjusted Maximum Charge to apply on and from 1 October 2023;
- 2.1.2 **AMC₂₂** is the Maximum Charge that applies on and from 15 September 2022;
- 2.1.3 **labour price change** will be calculated in accordance with the following formula:

a.
$$\text{labour price change} = \frac{\text{labour 2023}}{\text{labour 2022}}$$

where:

- i. **labour 2023** is the national minimum wage specified in the Fair Work Commission's Annual Wage Review under section 285 of the *Fair Work Act 2009* (Commonwealth) for 2022-23 that takes effect on 1 July 2023;
- ii. **labour 2022** is the national minimum wage specified in the Fair Work Commission's Annual Wage Review under section 285 of the *Fair Work Act 2009* (Commonwealth) for 2021-22 that takes effect on 1 July 2022, being \$812.60 per week;
- 2.1.4 **Fuel price change** will be calculated in accordance with the following formula:

a.
$$\text{Fuel price change} = \left(\frac{\text{petrol 2023}}{\text{petrol 2022}} \times 0.68 \right) + \left(\frac{\text{LPG 2023}}{\text{LPG 2022}} \times 0.23 \right) + \left(\frac{\text{diesel 2023}}{\text{diesel 2022}} \times 0.09 \right)$$

Schedule 3 – annual adjustment of maximum charges for unbooked commercial passenger vehicle services

where:

- i. **petrol 2023** is the average price of petrol in Melbourne, Ballarat, Bendigo and Geelong in June 2023 as determined by FuelTRAC and communicated by FuelTRAC to the Commission;
- ii. **petrol 2022** is the average price of petrol in Melbourne, Ballarat, Bendigo and Geelong in June 2022 as determined by FuelTRAC and communicated by FuelTRAC to the Commission;
- iii. **LPG 2023** is the average price of LPG in Melbourne, Ballarat, Bendigo and Geelong in June 2023 as determined by FuelTRAC and communicated by FuelTRAC to the Commission;
- iv. **LPG 2022** is the average price of LPG in Melbourne, Ballarat, Bendigo and Geelong in June 2022 as determined by FuelTRAC and communicated by FuelTRAC to the Commission;
- v. **diesel 2023** is the average price of diesel in Melbourne, Ballarat, Bendigo and Geelong in June 2023 as determined by FuelTRAC and communicated by FuelTRAC to the Commission; and
- vi. **diesel 2022** is the average price of diesel in Melbourne, Ballarat, Bendigo and Geelong in June 2022 as determined by FuelTRAC and communicated by FuelTRAC to the Commission.

Note: As explained in the Commission's final decision, 0.55 represents the Commission's assessment that driver labour accounts for 55% of total taxi costs.

Note: As explained in the Commission's final decision, 0.07 represents the Commission's assessment that fuel accounts for 7% of total taxi costs.

Note: As explained in the Commission's final decision, 0.38 represents the Commission's assessment that the other cost components combined account for 38% of total taxi costs.

3. When no adjustment will be made

- 3.1 An adjustment will only be made to Adjustable Maximum Charges if the adjustment calculated in accordance with the formula would result in either Adjustable

Maximum Charges increasing by more than 1% or decreasing by more than 1% (before applying the rounding rules in clause 4).

4. Rounding

4.1 If an adjustment is made to an Adjustable Maximum Charge, then:

4.1.1 the following Adjustable Maximum Charges will be rounded to the nearest three decimal places:

- a. distance rates;
- b. detention rates; and
- c. duration rates.

Note: for example, \$1.7893 will be rounded to \$1.789.

4.1.2 the following Adjustable Maximum Charges will be rounded to the nearest five cents:

- a. flagfall;
- b. high occupancy fees;
- c. late night fees; and
- d. holiday surcharges.

Note: for example, \$3.54 will be rounded to \$3.55

Note: for example, \$3.56 will be rounded to \$3.55

Part 3: Procedure

1. Commission assessment

1.1 As soon as practicable after the Fair Work Commission's Annual Wage Review for 2022-23 is published and FuelTRAC's determination of petrol, LPG and diesel average prices in Melbourne, Ballarat, Bendigo and Geelong in June 2023 is made available to the Commission, the Commission will;

1.1.1 assess whether an adjustment should be made to the Adjustable Maximum Charges; and

1.1.2 if so, calculate and specify the new Adjustable Maximum Charges to apply from 1 October 2023, in accordance with Part 2 of this Schedule 3 (**the**

Commission Assessment). If new Adjustable Maximum Charges are to apply from 1 October 2023, the Commission Assessment will include a statement of those new Adjustable Maximum Charges in the same format as Schedules 1 and 2 of this Determination.

2. Commission to publish Commission Assessment

2.1 The Commission will, by no later than 1 September 2023, publish notice of the making of the Commission Assessment:¹⁹

2.1.1 in the Government Gazette;

2.1.2 in a daily newspaper generally circulating in Victoria; and

2.1.3 on the Victorian Government Public Notices website (www.publicnotices.vic.gov.au)²⁰

2.1.4 on the Commission's website.

2.2 The Commission will also, by no later than 1 September 2023, publish the Commission Assessment on the Commission's website.

3. Effective date

3.1 Any new Adjustable Maximum Charges specified in the Commission Assessment will take effect from 1 October 2023.

¹⁹ *Essential Services Commission Act 2001 (Vic)*, s. 35(2).

²⁰ *Interpretation of Legislation Act 1984 (Vic)*, s. 38M.