

Commercial passenger vehicle review 2018

Submission received through Engage Victoria

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From 28 February 2018, we began accepting submissions on our 2018 commercial passenger vehicle review via Engage Victoria (www.engage.vic.gov.au). On this website, people were given the opportunity to send us a response to a set of questions we provided.

1. Fares for commercial passenger vehicles should be:

the same as they are now

2. How could the maximum fare structure for unbooked services be improved?

I think that the only time charges should be higher is at night. Other than that, it seems to me that the zoning structure is very old and requires updating much like Zone 3 on the public transport network was removed. Melbourne is big and growing bigger and having the zones as they are no longer appropriate.

3. Given existing metering technology, how should maximum fares be calculated?

Technology is improving all the time. Operators need to move with the times or fall behind. We update our vehicles with safer ones at our own cost. We pay for our own additional training for our own benefits. Operators are no different. If updating the equipment costs money then they need to pay that money as in the long run it will be for their benefit

4. How could maximum fares change to help unbooked services compete more effectively with booked services?

Uber falls down with its pricing structure at peak times when rates go up. Setting a maximum charge at the beginning of the trip gives the hirer a definitive figure that he can use to determine if he wants to use that service or not. It is entirely up to the customer. This is important in that at the end, the customer has been advised in advance and must pay. If not told, the operator could receive trouble.

5. Should maximum fares for unbooked services in Melbourne be different to fares in Ballarat, Bendigo, and Geelong? Why?

No, because each taxi service is unique to its local environment. Many times I have noticed fuel charges as lower in the country than the city. On top of that, it is a market decision.

Most people will still live close to the core population centre and as such additional costs of long distance travel are not an issue.

6. What are your views on our assessment approach for maximum fares?

I disagree in your approach to give reasonable opportunities for an unbooked service to recover costs. This is a private business in the end and costs are known before people commit to the business model. A taxi ride should be simple and cost effective. The customer is the main focus here as the customer simply wants the ride. An unbooked fare to an operator is almost like bonus income and as such charging additional fees because 1 trip or 2 trips cost more to run than the other 30 trips of the day is simply not acceptable.

7. Which of the following items is most important in relation to setting maximum fares for unbooked commercial passenger vehicles?

Fares give incentives to unbooked service providers to provide the service outcomes consumers want.

8. What other matters should we consider in setting maximum fares for unbooked commercial passenger vehicles?

All operators need to operate under the same rules and set the same prices including surge pricing.

9. Upload submission

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