



14/07/2023

RM/23/14466

Ms Natalie Reiter  
Deputy Secretary  
Policy and Reform  
Department of Transport and Planning

Vai email: [natalie.reiter@transport.vic.gov.au](mailto:natalie.reiter@transport.vic.gov.au)

c.c. Mr Chris Barrett  
Deputy Secretary  
Economic Division  
Department of Treasury and Finance

By email: [chris.barrett@dtf.vic.gov.au](mailto:chris.barrett@dtf.vic.gov.au)

Dear Ms Reiter

### **Commercial passenger vehicle fare negotiation and taxi meters consultation**

I write in respect of the proposed change to regulations governing the provision of unbooked taxi services, currently open for consultation on Engage Victoria's website.

As Victoria's independent economic regulator that sets fares for unbooked taxi service across metropolitan Melbourne and Ballarat, Bendigo and Geelong, the Essential Services Commission has an interest in the effectiveness of the regulatory regime.

The proposed amendments seek to clarify that a taxi hailed from the street or a rank amount to an unbooked service, that taximeters are therefore to be turned on, and that maximum fare regulation applies to such trips.

We support proposed regulation amendments that would clarify the intent of section 110G of the Commercial Passenger Vehicle Industry Act 2017 (Vic). That provision states it is an offence to charge or ask for a fare for an unbooked service in excess of the maximum fare.

Drivers making own arrangements with customers about fares, and whether these understandings amount to unbooked services has caused ambiguity, inconsistency, or confusion within industry.

Amending the regulations to remove that vagueness is a sensible reform. Although, we consider that enforcement of these rules is an important part of improving compliance.

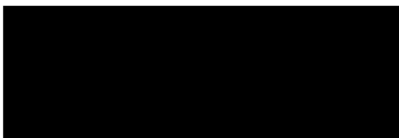
The proposed amendments will provide transparency around key consumer protections for unbooked services (rank and hail) and overcome public concerns about unbooked taxi services that have arisen around major events, such as the Australian Open.

Complaints data, although limited, also supports the proposed amendments. Our research when reviewing maximum taxi fares in 2022 indicated that grievances per trip were on the rise. Safe Transport Victoria numbers also reveals approximately one in four complaints are about fares.

The taxi industry has evolved significantly in recent years. The Department of Transport and Planning may wish to think about a broader review encompassing how to manage potential consumer harm connected with ride refusals, how the industry's structure impacts drivers, and service quality requirements for operators and drivers. Such a review may uncover means to deliver even better value to the paying public.

If department staff wish to discuss this matter further please contact Marcus Crudden, Executive Director, Price Monitoring and Regulation ([marcus.crudden@esc.vic.gov.au](mailto:marcus.crudden@esc.vic.gov.au)) or Craig Madden, Director, Transport, Price Monitoring and Regulation ([craig.madden@esc.vic.gov.au](mailto:craig.madden@esc.vic.gov.au)).

Yours sincerely,



**Kate Symons**  
Chairperson

