

Media release

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Rank and hail taxi fares and regional licence numbers under review

The Independent Pricing and Regulatory Tribunal (IPART) is reviewing the maximum fares taxis can charge passengers for rank and hail services across NSW, and the number of new licences needed in regional areas to improve services.

Under NSW Government reforms, fares for booked trips with taxis will be deregulated from 1 November 2017, putting them on the same footing as booked trips with hire cars and rideshare. Service providers must provide a fare estimate to customers before they book the trip.

Taxis will remain the only services able to pick up passengers from ranks or be hailed from the street. Maximum fares for these services will remain regulated.

IPART Chair Dr Peter Boxall said the review will assess the level of competition for rank and hail services to determine the best approach to regulating maximum fares across NSW and estimating the number of new licences required outside Sydney.

“As ride-sharing and other point to point transport services have become established in NSW, this has introduced a level of competition which provides passengers with more choice and the ability to shop around for both fares and services,” Dr Boxall said.

“In areas where this competition is not yet as effective, regulated maximum fares serve to protect customers from excessive charging while enabling providers to offer lower fares or alternative services to attract more business.”

Dr Boxall said feedback is being sought on how competition should be assessed including:

- How much flexibility should taxis have in setting fares for rank and hail services?
- Is there a shortage of taxi licences outside Sydney?
- Do different regional areas have different levels of competition requiring a different approach?

Taxi operators, drivers and licence holders, and existing and potential users of point to point transport services will be consulted by IPART over the coming months before draft recommendations are published for further feedback in December.

Full details of the review are available at ipart.nsw.gov.au. Submissions to the issues paper released today are due by 13 October 2017.

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More information is available at ipart.nsw.gov.au