



Review of maximum fares for rank and hail taxi services in NSW

6 November 2024

IPART is currently reviewing the maximum fares for travel in taxis caught from a taxi rank or hailed from the street (“rank and hail taxi services”). The Minister for Transport has recently requested we also consider the pricing methodology for fares from Sydney Airport to different destinations including to the CBD.

Current fares from the airport

Fares for taxis caught from the Sydney Airport ranks cannot exceed the maximum urban fare components below (tolls, the airport access fee, and passenger service levy can be charged in addition). The taxi’s meter must be activated for all trips originating from Sydney Airport, as they are classified as rank and hail services. However, taxi service providers are able to charge below the maximum regulated fare (i.e. below what is on the meter) should they wish.

Table 1 Maximum rank and hail taxi fares in NSW

Fare component	Urban	Country
Hiring charge	\$3.60 per trip	\$4.10 per trip
Peak time charge (in addition to hiring charge)	\$2.50 per trip	N/A
Distance rate (speed ≥ 26 km/h)	\$2.29 per km	\$2.36 per km (first 12 km) \$3.23 per km thereafter
Night distance rate (speed ≥ 26 km/h)	\$2.73 per km	\$2.81 per km (first 12 km) \$3.85 thereafter
Waiting time (speed < 26 km/h)	\$56.68 per hour (94.4c per minute)	\$57.65 per hour (96c per minute)
Maxi-taxi surcharge	150% max fare	150% max fare

Source: Point to Point Transport Fares Order (2023)


Some options for airport fares

Fare Position	Fare Methodology (example)	Structural/Regulatory Changes (example)
Lower some or all tariff components for trips originating from the Airport	<ul style="list-style-type: none"> Airport trips metered at these lower tariffs <ul style="list-style-type: none"> e.g. Tariffs 5/6 which are lower than the other maximums and charged for airport trips 	<ul style="list-style-type: none"> Taxi service providers can already implement this under the current fares order Airport ranks may need re-arrangement to accommodate taxis and passengers who are willing to take lower fares.
Advertise optional flat fares that are generally at or lower than the typical rank and hail fare	<ul style="list-style-type: none"> Charge the flat fare at the end of the trip if it is below the maximum metered fare. If the meter is lower than the advertised flat fare, the metered fare must be charged. 	<ul style="list-style-type: none"> Taxi service providers can already do this Airport ranks may need re-arrangement to accommodate taxis and passengers who are willing to take lower fares.
Raise some or all tariff components for trips originating from the Airport	<ol style="list-style-type: none"> Airport trips metered at a higher tariff on some or all of the current fare components Create new tariff components e.g. extra flag fall(s) that are applied only when leaving an airport taxi rank. 	<ul style="list-style-type: none"> Fares Order needs to be changed to accommodate higher than standard fare components, or to add new components
Implement a flat fare that is typically at, or higher than the current maximum	<ul style="list-style-type: none"> Flat fare as its own single tariff component (journey is unmetered) Possible variation depending on destination, time & terminal. 	<ul style="list-style-type: none"> Fares Order needs to be changed to accommodate new fare components Airport rank may need re-arrangement to accommodate taxis and passengers for different journeys i.e. ones that fall outside of the flat fare area


We want to hear from you about airport fares

We want to hear your view on fares from Sydney Airport. You can tell us your views on the options we've identified above, answer the questions below, or add any other options or information. **Submissions to this paper are due by 22 November 2024.** You can make a submission via the [Have Your Say](#) page on our website.


To help inform our analysis we are seeking feedback on the following questions:

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1. Would different fares (including fixed fares) from Sydney Airport to the CBD and other areas be beneficial for passengers?

 - Why/why not?
 - What would be the benefits for passengers?
 - What would be the risks for passengers?
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2. Would different fares (including fixed fares) from Sydney Airport to the CBD and other areas be beneficial for the taxi industry?

 - Why/why not?
 - What would be the benefits for taxi drivers and taxi service providers?
 - What would be the risks for taxi drivers and taxi service providers?
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3. Would different fares (including fixed fares) going **TO** Sydney Airport be beneficial for the taxi industry and passengers? Why/why not?

4. What would an appropriate fixed fare from Sydney Airport to the CBD be?

 - Should the fare vary by time of day or other conditions e.g. traffic, demand?
 - Should this differ for the T1 International and the T2/T3 Domestic Terminals?
 - Should tolls and the airport access charge be included in the fixed fare(s)?
5. What **OTHER** fixed fare trip destinations/zones from Sydney Airport should be considered?

 - How would fares vary between different areas?
 - How would you determine the boundaries of fixed fare areas?
 - What about fares on or just beyond boundaries?
6. If a fixed fare were set at a level below the standard maximum fare, how could that be implemented?

 - Taxi rank arrangements at the airport for drivers and passengers willing to take a lower fare?
 - Prescribed fare for airport trips that is lower than the maximum fare schedule – that is, drivers must charge the fixed fare?
 - In a different way?
 - Are there any other issues with implementation?
7. If a fixed fare for the airport were to be set higher than the standard maximum fares, how could that be implemented?

 - As a separate maximum fare in the Fares Order?
 - As an additional flag fall?
 - In a different way?
 - Are there any other issues with implementation?

Our revised review timeline



There will be further opportunities to provide your input at the Draft Report submission and public hearing stage scheduled for February 2025. Our Final Report will also be informed by ongoing stakeholder consultation.

In order to complete the additional consultation and analysis, the timeline for the review has been extended. We will now provide our Final Report to the Minister for Transport in May 2025.

Stakeholders who would like to be notified when relevant material is released can subscribe to receive updates from IPART on our website: <http://www.ipart.nsw.gov.au>.