

20.09.24

Submission to IPART's Review of Maximum Fares for Rank and Hail Taxi Services.

A2B Australia appreciate the opportunity to contribute to IPART's 2024 review of the Maximum Fares for Rank and Hail Taxi Services. A2B's taxi brands, 13cabs and Silver Service, have over 2,300 taxis affiliated across NSW. 13cabs are the largest taxi Booking Service Provider (BSP) in the State.

Our submission will speak to the metropolitan taxi zone where the majority of our operations are centered.

As the Tribunal would be aware, IPART's review is taking place during a period of great economic uncertainty. A downturn in discretionary spending by consumers due to the higher inflationary environment has had both direct and indirect negative implications for taxi service providers and taxi drivers.

The taxi industry is also facing significant headwinds from ride share giants who provide the majority of point-to-point trips in the Sydney Metropolitan region with one major operator having recently announced a fare reduction.

A2B recommends that the Tribunal consider suspending its review of the maximum rate of fares for rank and hail taxi services in the metropolitan areas for 6 months given the current uncertainty in the market.

There is no doubt that taxi drivers are facing an increase in the cost of providing their service due to the increase in unit costs across their business. However, this pressure must be balanced against lower trip volumes and the fact that increasing the fare could further reduce demand.

A2B does not support a reduction in the maximum fare. We acknowledge that there will be a need to increase the fare at some point to account for the effect of inflation.

A2B would be happy to meet with Tribunal or respond to any further requests for information.

Yours sincerely,

