

MODEST INCREASE IN TAXI FARES

DRAFT RECOMMENDATION ON TAXI FARES IN NSW

Embargoed until 11am Wednesday 23 April 2008

SYDNEY, 23 April 2008: The Independent Pricing and Regulatory Tribunal (IPART) today released its draft recommendations for an average increase in taxi fares of 3.8 per cent in urban areas (Sydney, Wollongong and Newcastle) and 3.2 per cent in country areas from 1 July 2008. These increases reflect IPART's estimate of the change in the cost of providing taxi services over the past year.

IPART's draft recommendations also include:

- ▼ an increase in the taxi booking fee from \$1.60 to \$2.00 in urban areas and from \$1.00 to \$1.25 in country areas
- ▼ removal of the luggage fee¹
- ▼ removal of the ability to charge passengers the return-trip toll on northbound crossings of Sydney Harbour.

IPART also proposes a 12 month trial deregulation of booking fees for premium taxis stating this should encourage competition and innovation in taxi services. Under the proposed approach, the booking fee for standard and wheelchair accessible taxis would continue to be regulated but the booking fee for premium taxis would be set by the taxi companies.

Other components of the fare for premium taxis would continue to be regulated. All taxis hired at a rank or hailed in the street (including premium taxis) should continue to be subject to regulated maximum fares.

The draft recommendations also include the minimum information that taxi networks must provide to passengers. In addition, networks will be obliged to continue making standard taxi services available at the regulated booking fee.

Submissions on the draft recommendations are due to IPART by 16 May 2008. IPART will then provide final recommendations to the Minister for Transport in June.

IPART's draft report is available on the IPART website <<http://www.ipart.nsw.gov.au>>. Information on how to make a submission is also available on the website.

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¹ Currently drivers are able to charge 10 cents for each 25 kilograms of luggage over the first 25 kilograms, up to a maximum of 55 cents.