

Submission to the IPART review of taxi fares in NSW and taxi licences outside Sydney from 1 July 2018

Thank you for your Draft Report & the Public Hearings.

The Designated Zone includes some small towns with less than 10 Taxis with little growth & larger Towns with bigger Taxi Fleets already competing with quickly growing providers of Point to Point (P2P) services.

The legitimate fear is that release of 124 plates for tender with no operating area could see large numbers gravitate to one area or (as seen with the last Sydney allocation) be largely won by a single corporation which could use these “mobile” licences in large numbers to disrupt or destroy the balance that is developing between Taxis & P2P in larger growing towns.

I suggest that a release of 10% of licences for each operating area specifically would be ideal. Where the licences were viable they would be taken up. A town with less than 10 taxis could have 1 plate for tender & a town with say 26 plates would have 3 for tender (rounded up).

In subsequent years the process could continue triggered by an application to RMS for a Taxi Licence Plate for Town “x” which would generate a tender process limited to 10% annually of existing licences in that operating area . The tender process could then be advertised in local media to encourage participation.

This process has some good aspects & addresses many of IPART’s objectives as stated in the Draft Report.

*Growth generated by local demand, anyone can apply.

* Transparent orderly on-going process to assist ALL players in making sound business decisions.

* Existing plate prices should be dramatically reduced by the knowledge that NEW plates are available after application & tender.

*Rank & Hail fares should follow Point to Point to efficient cost levels in an orderly transition as new plates are introduced to growing operating areas

Yours faithfully,

Sid McKenzie