



IPART Sydney taxi fares to apply and new licences to be released from July 2015

## **goCatch submission**

30th January 2015

goCatch welcomes IPART's draft report into Sydney taxi fares and licenses, and supports a number of recommendations contained within the report. We do however call on IPART to go further in its recommendations to ensure improved outcomes for the travelling public.

goCatch was launched in 2010 as a national, smartphone based, taxi bookings and payments platform with a vision to shake up a highly monopolised taxi industry, one which has shown little regard for customer service. Our platform directly connects passengers with the nearest available driver, delivering greater certainty for both parties. In addition, we enforce a strict code of conduct on drivers and have implemented a simple mechanism for passengers to report drivers delivering a poor quality of service, something the taxi industry has failed to implement in the past.

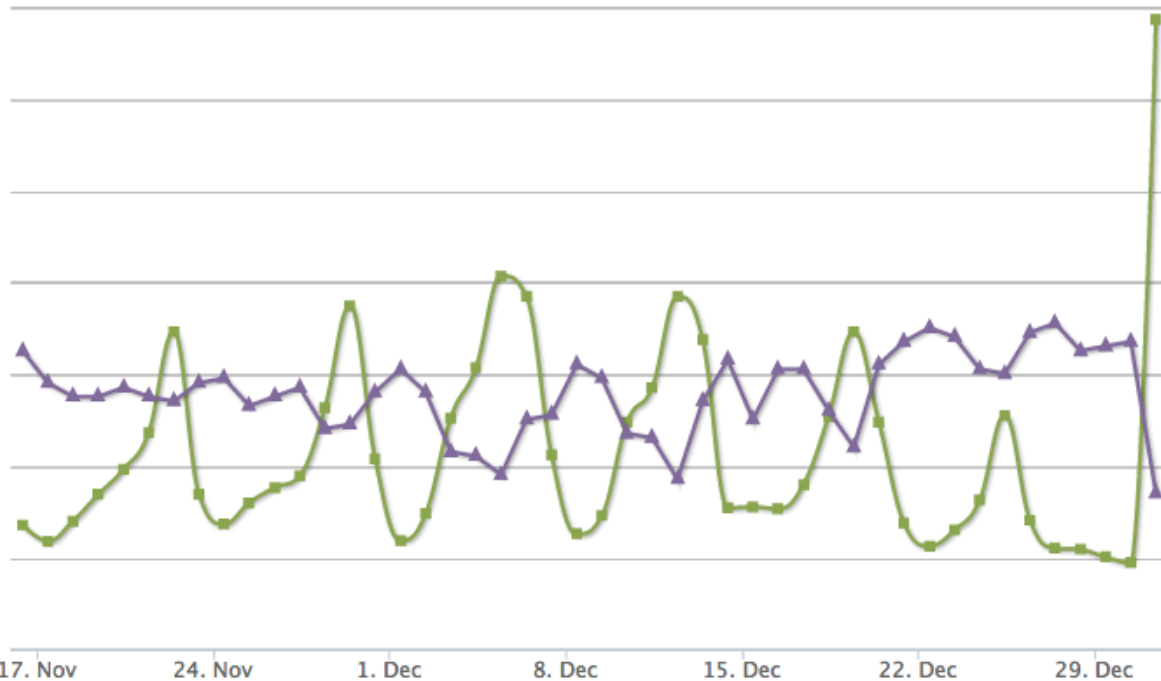
We believe that the residents of Sydney, and for that matter across Australia, pay far too much for point-to-point travel and this is largely a result of the regulatory framework that the industry operates in and artificial and unnecessary costs imposed on the industry in the form of license costs.

On this basis, goCatch makes the following submissions in relation to the IPART draft report.

In relation to pricing and new licenses

1. goCatch calls on the NSW government to recognise that plate owners have received above Australian Government bond yields on their investment due to the existence of regulatory risk for this class of investment. State governments should in no way feel obliged to continue to protect the returns of plate owners at the expense of reducing excessive fare pricing for consumers
2. goCatch calls on all State governments to cease issuing in perpetuity licences and only issue licences under an annual leasing scheme to ensure future license owners do not continue to pressure government over annual leasing rates
3. goCatch calls for the NSW government to commit to reduce annual taxi plate leasing costs to below \$6,000 per annum with the transition to this cost occurring over a 3 year period

4. goCatch also calls for the removal of mandatory membership of taxi networks for taxi operators in NSW to allow them to further reduce costs and upward pressure on fares
5. goCatch calls for maximum taxi fares to be reduced over this period inline with reduction in plate leasing costs (given IPART reports these costs represent 20% of the fare)
6. goCatch calls for the cap to be removed on peak availability licenses (PAL) for taxis. We believe that the market should be left to determine the correct level of supply to match demand. We currently see a dramatic shortage of supply during peak periods (demonstrated by the chart below showing our own data) which has a large negative impact on consumers



*goCatch posted jobs in Sydney (green line) and booking completion rate (purple line) from the 16th of November to the 31st of December 2014. The peaks are each Friday and Saturday plus New Years Eve. Note no Y axis labels provided due to commercial considerations*

7. We do however welcome the maintaining of a cap on off-peak licenses in recognition that many taxi drivers during these non peak period struggle to find sufficient work

In relation to a review of the regulatory of all point-to-point services

8. goCatch welcomes IPART's call for a review of the regulatory of all point-to-point services
9. goCatch calls for the NSW government to further deregulate hire car vehicle requirements inline with the Victorian government changes. Any vehicle within a maximum age threshold that meets basic safety requirements should be allowed to operate as a hire car

10. goCatch calls for more flexible hire car licensing arrangement, including allowing a virtual license to be transferred between vehicles rather than requiring a physical plate to be placed on the vehicle
11. goCatch calls for a removal of any cap on the number of hire car plates. The market should be left to determine the appropriate level of supply and demand
12. goCatch calls for far more effective enforcement of regulation requiring drivers carrying fare paying customers to be accredited and driving an accredited vehicle. Lax enforcement is creating an extremely uneven playing field for industry participants. This is likely to result in a new, foreign owned, monopoly player in the industry which is not in the best long term interests of consumers

goCatch would welcome the opportunity to meet with representatives of IPART, the NSW Roads and Maritime services, and the NSW government in relation to this submission.

Kind regards  
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CEO & Co-Founder