

17 October 2017

## WHAT

IPART is providing advice to the NSW Government on:

- ▼ maximum fares for rank and hail taxi services **across NSW** to apply from 1 July 2018, and
- ▼ the number of new taxi licences (other than licences for wheelchair accessible taxis) to be issued in **areas outside Sydney** from 1 July 2018.

We have released an Issues Paper on 12 September. Submissions of the Issues Paper have now closed. We will release our draft findings and recommendations in a Draft Report in December and again call for submissions.

## WHY

The Government is changing the way it regulates point to point transport services. A new regulatory framework will commence on 1 November 2017.

Under the new rules:

- ▼ **Rank and hail** trips in a taxi will still be subject to maximum authorised fares, determined by Transport for NSW.
- ▼ **Booked** trips in a taxi will no longer be subject to maximum authorised fares.

The new framework also requires Transport for NSW to decide how many new annual taxi licences will be issued each year. This will extend existing licencing arrangements for Sydney to all other parts of the state.

## HOW

We will assess the effectiveness of competition in the point to point transport market to inform our recommendations on maximum fares and licence numbers. We will examine:

- ▼ taxi licence values,
- ▼ passenger demand for rank and hail services, and
- ▼ the availability of alternative point to point transport options.

If we find that competition is effective we are likely to recommend authorised taxi service providers have more flexibility in how they set their fares than they have had in the past. This would allow them to set fares that reflect their costs and customers' willingness to pay.

## WHAT NEXT

Submissions on IPART's Issues Paper have now closed. We will release a Draft Report in December 2017 and provide our Final Report to the Minister in March 2018.