

Taxi non-cash payment surcharge review 2019

Submission received through Engage Victoria

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From 11 December 2018, we began accepting submissions on our 2019 taxi non-cash payment surcharge review via Engage Victoria (www.engage.vic.gov.au). On this website, people were given the opportunity to send us a response to a set of questions we provided.

1. Is the current 5 per cent non-cash payment surcharge for taxis too low, too high or at the right level?

Too high.

2. What major differences exist between payment processing in the taxi industry and other industries?

I think it's too high as we already pay account keeping fees, and if banks are levelling merchant charges on taxi that mean they must charge 5% then that's double dipping.

Paying by card is safer and more secure for drivers and travellers alike compared to carrying cash.

Using a card to pay allows the car owner to track payments and cuts the time required for cash reconciliation and banking.

So many other industries offer fee-free electronic payment options including my small, local cafe. If they can wear the bank's fees for the convenience of having patrons pay by card why does the taxi industry have to charge 5%.

3. What are your views on our methodology and approach for assessing the maximum surcharge?

I have no feedback about the approach.

4. Should there be a single maximum non-cash payment surcharge or a separate maximum for each type of payment method accepted in taxis?

A tiered system so consumers have fee-free card payment options.

5. What other matters should we consider in setting the maximum non-cash payment surcharge for taxis?

I consciously choose Taxis over Uber so want Taxis to have a point of difference on pricing, offering fee-free for MasterCard and Visa at minimum, would be a good starting point.

6. Upload submission

No file specified.