

# Commercial passenger vehicle review 2018

## Submission received through Engage Victoria

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From 28 February 2018, we began accepting submissions on our 2018 commercial passenger vehicle review via Engage Victoria ([www.engage.vic.gov.au](http://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. Fares for commercial passenger vehicles should be:**  
higher

- 2. How could the maximum fare structure for unbooked services be improved?**

It is an absolute nonsense to suggest or even contemplate having different fare structures for booked and unbooked fares. We currently operate under 3 tariffs depending on the time/day that the vehicle is hired. To follow what is proposed, you would need to have 6 tariffs and be able to select which one applies. Ridiculous! Plainly this is an attempt by our inept Government to impose further regulation on an unregulated taxi sector that has been bullied and harassed for as long as I can remember. The cost of running a taxi does not vary depending on whether it is booked or unbooked! Nor does it vary by the time or day it is booked. Costs are fixed. The driver share of the farebox is also fixed! All that taxi operators request is a fair return on their investment in line with the fare structures enjoyed in other states of Australia. We have not had a significant fare increase on tariff 1 since Adam was a boy, and tariffs 2 and 3 increased with the demise of the former late night surcharge. We do not enjoy CPI increase nor do we receive penalty rates for all public holidays. I'm sure that the members of our esteemed public service would find these government-imposed conditions intolerable yet we in the taxi community are expected to live with them on a daily basis.

- 3. Given existing metering technology, how should maximum fares be calculated?**

Clearly every taxi has 1 meter and the applicable tariff is pre-programmed (at a cost of at least \$150 to the operator). The driver cannot select the tariff, and nor should he be able to. The ability to select tariffs would be a disaster (give some people an inch and they will take a mile). A meter is a "dumb" device. It cannot differentiate between the levels of supply and demand (unlike a smartphone app.). Yet you somehow think that it can???? So the only solution seems to be to install an extra meter - ludicrous. Our CPV competitors do not have

a meter and they can charge whatever they like. Is that fair???In short, forget about what is proposed and give this industry a fair (and substantial) fare increase on existing tariffs.As this is clearly no longer within your scope, it seems to me that this entire exercise is a complete waste of time and money.

**4. How could maximum fares change to help unbooked services compete more effectively with booked services?**

As argued above, they should be the same.

**5. Should maximum fares for unbooked services in Melbourne be different to fares in Ballarat, Bendigo, and Geelong? Why?**

NO. As argued above, the cost of running a taxi service does not vary due to locality. Why can't this be understood?

**6. What are your views on our assessment approach for maximum fares?**

I have read the paper and I can see where you are coming from, but at the end of the day the feasibility of having 6 different tariffs is unworkable and completely unnecessary.

**7. Which of the following items is most important in relation to setting maximum fares for unbooked commercial passenger vehicles?**

Benefits of changes to fares should outweigh the associated costs.

**8. What other matters should we consider in setting maximum fares for unbooked commercial passenger vehicles?**

Forget about it. Those of us in the industry that have survived just want a fair income for the long hours that we work. Nothing less will be acceptable.

**9. Upload submission**

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