



# Geelong Taxi Network

Pty Ltd

ABN 59 121 417 383

*Nov*  
7<sup>th</sup> October 2012

Share-ride Taxi Pilot  
Essential Services Commission  
Level 2, 25 Spring Street  
MELBOURNE VIC 3000

Dear Sir or Madam

**Re: Late Night, Share-ride Taxis – A Pilot Program Issues Paper – October 2012**

Thank you for the opportunity to make a submission on the Share-ride Taxi Pilot Program as part of the Essential Services Commission's review.

Please find attached our response (5 pages) to the Issues Paper.

This is a project which has the full support and encouragement of Geelong Taxi Network as we have been negotiating the commencement of a very similar program with the City of Greater Geelong for a number of years and believe all parties are ready to act and commence the service.

We wish to identify the section of our submission sub-titled "**The Geelong Taxi Network Proposal**", on the fourth page as confidential and commercially sensitive information and suggest it should not be published

We trust our submission assists the ESC in the review process and offer our continued assistance should it be needed for the purpose of the Pilot Program.

Yours Sincerely

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Chief Executive Officer

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## LATE NIGHT SHARE-RIDE TAXIS – A PILOT PROGRAM

### Introduction

Geelong Taxi Network support the principle of operating a “Late Night Share-ride Taxi Pilot” on a fixed-fare per head pricing structure for the late night passengers for the Melbourne metropolitan and outer suburban taxi zones. The principles contained and offered to the Victorian State Government for the operation of the late night share-ride taxis have been well demonstrated and supported in Brisbane. The longevity of the program is clear evidence of the success of the program which could be easily replicated in Victoria as a similar program.

Geelong Taxi Network have for a number of years been consulting with the City of Greater Geelong and Victoria Police in order to operate a “Night Link Maxi Service” in the Geelong Urban and Torquay and Bellarine Country Taxi Zones. Our proposal in principle and detail is almost identical to the late night, share-ride taxi service proposed for the pilot.

In saying that, simplicity is the key to the success of the pilot and a sustainable late night share-ride program beyond the pilot. Simplicity is necessary for all stakeholders and we would suggest would be more efficient and successful without some of the added complications of the Brisbane model e.g. multiple zones, passenger groups and discounts.

### Benefits to All

Geelong Taxi Network maintains that there are benefits to all stakeholders, being passengers, drivers, the City of Melbourne (in our case the City of Greater Geelong) and Victoria Police. **The passenger** benefits by the availability of a share ride taxi both as a financial saving in comparison to hiring a taxi exclusive for their own use, but moreover to have a better service than has been previously offered on a fixed route, and the added safety of being removed from the CBD when it is time to go home. **The driver** benefits as it gives the driver added safety and security when picking up from a central point with pre-determined destinations along with an arranged prepaid fare and departing from a safe and secure “Safe City Taxi Rank”. **The City of Melbourne** (and City of Greater Geelong) will benefit from the process as it is able to move a volume of people travelling in the same basic direction out of the city away from the trouble spots in an orderly fashion and being more time efficient than having more people gathered in the city when it is time to go home. The **Victoria Police** benefit from the lower instances of trouble as passengers have been dispersed quicker.

Geelong Taxi Network consider that this may only be one measure to improve and assist in the dispersion of people from the CBD and there are many other factors which are the subject of another topic which also should be considered for the improvement, increased safety and security of people contributing to, and being a part of Melbourne’s (and Geelong’s) night life.

### **Geelong Taxi Network Support for the Pilot**

Whilst Geelong Taxi Network is not and would not be part of the proposed pilot for the City of Melbourne, we offer the following comments in regard to the questions asked in order to stimulate consideration. We would love to run a pilot in parallel in Geelong at the same time.

### **Establishing Fare Zones**

**Question 1** – Geelong Taxi Network would suggest that in the case of the pilot a single flat fare would be a good starting point to enable all parties to judge in a practical manner any future need for the introduction of multiple zones. In saying that, GTN would suggest that the minimum number of zones be used in the future in order to provide less confusion to the passenger and also to assist in the rapid processing of passengers at the Queen Street Rank a) for the purpose of simplicity, b) for the purpose of efficiency and c) for the purpose of safety.

**Question 2** – If fare zones are to be introduced we would suggest they are broken very simply into an inner zone and an outer zone.

### **Approach to Setting Late Night, Share-ride Fares**

**Question 3** – Geelong Taxi Network would consider the Commission's methodology would meet the pricing principles on the basis that each individual would pay a fixed fare. The fare at the destination of that individual is not going to exceed the metered fare.

**Question 4** – The Commission seeks to ensure that the driver receives payment at least as great as the comparable metered taxi fare. Given the calculation of the minimum fare with the minimum passenger numbers per vehicle before the service runs, then the driver must receive payment at least as great as the comparable fare. If the parameters are correct in the multiplication then all facets of the principles will be met.

### **Fares for Friends Travelling Together**

**Question 5** – Clearly for simplicity the taxi pilot should only include a single fare option with no offer of a varying fare for a double or group of people.

**Question 6** – If a group of people are travelling together to a single destination or multiple destinations and that group is known to one another, then this may not be a question of a late night share-ride taxi but it may be one of the following:-

- a) If the group chooses to use a share-ride taxi under the proposed pilot then the group size would be seven and they would pay a single fare per person.
- b) If the group is of less number or seven or greater, then that group can choose to hire an individual taxi or maxi taxi as a group and pay the metered fare under the current regulation. The group must decide which way they wish to travel before they leave and accordingly comply with the requirements of the service they choose to use.

### **Discounts Off the Set Fare**

**Question 7** – Geelong Taxi Network would suggest that no discounts should be allowed by agreement of the marshal or the driver or by reference of the metered fare at the drop off destination. This service is being delivered for simplicity with a known fare to known destinations and therefore no discount should be allowed. The discounting process has already occurred in the overall principle of the provision of this service.

### **An Initial Analysis of Fare Levels**

**Question 8** – The question of balance of supply and passenger incentives is answered by the analysis of benefits to the passenger in terms of availability and overall reduced fare compared to individual taxi-cab travel. The incentives to the drivers and operator are the availability of these fares at an appropriate rate equal to or better than a metered fare in order to deliver a professional, courteous and timely service whilst strengthening the safety of the passenger and the driver by known factors.

**Question 9** – The appropriate comparators are the consideration of the HOV maxi-cab fares and ordinary taxi-cab fares complete with all appropriate additions relative to the time of pickup measured between the pick-up point and destination at that time of day with all financial factors considered. In order to set the fare being \$25.00, \$30.00 or \$35.00 as mentioned in the report, a chart of distance travelled including an allowance for door to door drop off must be considered as part of the overall fare to the owner/driver as well as the benefits to the passenger from a financial and safety perspective.

### **About the Review**

As mentioned earlier Geelong Taxi Network both support the operation of this pilot and the principles behind share-ride taxis. Geelong Taxi Network is asking the Commission and the Minister for Public Transport, to give consideration to the following proposal which relates to Geelong Urban Taxi Zone. Geelong Taxi Network will submit this document to the Minister for Public Transport for his consideration.

Geelong Taxi Network has been in consultation with the City of Greater Geelong for a number of years regarding the merits of the operation of a “Night Link Maxi Service” which is a share-ride taxi service using maxi cabs. Geelong Taxi Network would like to run the pilot for the “Geelong Night Link Maxi” in parallel to the pilot program set up for Melbourne.

The reason for this operation is that Geelong City Council have for some two to three years been running a style of Night Rider Bus which is now understood to be under financial pressure and is likely to stop as it is non-viable as the projected number of passengers is only half the estimated number of passengers that would use the service.

The service was set up against the previous advice, suggestion and offer of Geelong Taxi Network, and was done so on the basis of price alone. The fare being \$5.00 per person per trip.

The cheap fare is clearly is not an incentive for the passengers to travel as the bus is in trouble even with low fares, which indicates the service type is unsuitable to meet the needs of the passengers. The problems with the bus are also that the bus leaves at fixed times in fixed directions and it has a single destination drop off point.

### **Conclusion**

Geelong Taxi Network support the proposed pilot which is for the VTD to implement a late night, share-ride taxi pilot, based on a proposal from the VTA. The details are well documented in the Essential Services Commission issues paper of October 2012.

We trust our submission has been both helpful and supportive of the State Government and again reiterate our willingness to support and participate in a pilot program for the operation of a "Geelong Night Link Maxi Service" to be run in parallel with the Melbourne based pilot program proposal.