



Taxi and Chauffeur Vehicle Industry Reform

Changes to the Taxi, Chauffeur and Rideshare Vehicle Industry in South Australia

Taxis and chauffeur vehicles are important components of South Australia's transport industry. Known as 'personalised' or 'point-to-point' transport, they provide flexible services that take customers on a route they choose and at a time that suits them.

Innovative technologies, such as smartphone apps to book, track and pay for these services, and new business models, such as 'rideshare' schemes, have recently expanded the range of point-to-point transport available. This will lead to greater choice and more competitive fares for customers, and fresh business opportunities for new and existing operators.

Why are changes needed?

In order for the point-to-point transport industry to take advantage of these trends and undertake sustainable growth, the transport services market will be opened up to healthy competition. The industry needs to embrace new technologies and a culture of high quality customer service.

The Taxi and Chauffeur Vehicle Industry Review

Point-to-point transport services are provided by private companies but are subject to state laws, regulation and, in some cases, local requirements.

In 2015, the State Government initiated an independent review of the taxi and chauffeur vehicle industry. The review panel recommended several changes, from regulatory reforms to support a more open market and increased competition, to improvements around service experience for customers.

Details of the changes

A new regulatory regime will involve:

- the creation of Transport Booking Service entities (TBSs) to replace the current Centralised Booking Service system for taxis and to provide and rideshare booking services for chauffeur vehicles
- six monthly inspections of taxis and annual inspections of chauffeur/rideshare vehicles
- development of an appropriate Compulsory Third Party Insurance Premium (CTP) category for providers
- simplified hire/chauffeur car categories and vehicle standards
- reduced credit card surcharges on taxi fares
- preservation of exclusive rights to rank and hail work for taxis
- no release of taxi licences for at least five years
- reduction in regulatory costs through reduced government fees
- the driver training program to become the responsibility of the relevant booking service (taxis will be subject to a streamlined yet robust training regime)
- taxi fares will increase by 3 per cent and through the introduction of a new peak period payment of \$2 payable to the driver (midnight to 6.00 am) for weekends and public holidays to commence 1 October 2016
- less regulation around the type of vehicles to be used by chauffeur services and rideshare
- introduction of a lifting fee in the near future to replace metering charges while passengers are assisted in and out of vehicles
- introduction of industry assistance package to permanent taxi licence holders and lease holders, funded by a levy on all metropolitan journeys.

What will not change?

Current accreditation standards for all drivers will be maintained.

Road worthiness standards for vehicles and minimum cleanliness.

Future changes

The review panel also recommended several longer-term initiatives including:

- introduction of Chain of Responsibility provisions and Disqualifying Offences
- adoption of new technologies for the South Australian Transport Subsidy Scheme
- changes to the Passenger Transport Standards Committee.

Further information

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