RPS

SUPPLY OF TAXI SERVICES IN QUEENSLAND

Technical Research Report prepared for TCQ








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Summary

Introduction

- RPS has been engaged by Taxi Council Queensland ("TCQ") to undertake comprehensive research on the Queensland Taxi Industry.
- This Technical Research Report includes research and analysis on the Queensland Taxi Industry, examining the current drivers of supply for taxi services in Queensland. This research forms the basis of TCQ's submission to the Opportunities for Personalised Transport Review ("OPT Review").
- This Research Report draws upon extensive information and evidence derived from consultation with industry across the State and representatives of international taxi jurisdictions in the US, UK and Singapore, data provided by Queensland TBCs, market research and desktop research.

Queensland Taxi Industry Profile

- There is a clear and demonstrated need for personalised, point-to-point transport, such as taxi services, in the Queensland community. Meeting this need, including demand from all groups and parts of the community, requires a highly efficient and flexible taxi service. This requirement has been at the heart of the current regulatory framework for the past 22 years and has supported the establishment of a responsive, innovative and customer-focused taxi industry in the State.
- The Queensland Taxi Industry has a sophisticated regulated structure, comprising six distinct but highly inter-related stakeholder groups:

Figure 1 Stakeholders in the Queensland Taxi Industry

- These stakeholders collectively form the Queensland Taxi Industry and how they interact and transact with one another is at the foundation of the delivery of taxi services in the State. These relationships are governed by a series of factors including:
  - » Commercial Contracts
  - » Service Delivery Dependence
  - » Regulation

- The current regulatory framework establishes clearly demarcated roles and responsibilities for each of these stakeholder groups in the delivery of taxi services to Queenslanders. However, it is possible for a single individual or organisation to fulfil more than one role in the industry.

Taxi Drivers

- Driving has been a legitimate career for people of all ages since before the invention of automobiles. Coach drivers, who drove both the traditional two horse-carriages and the more recent one-horse hackney carriage, were either employed directly by individual households or establishments or were private operators. The latter represented the first form of taxi in the world and originated in the UK and France in the early 1600s.
- The availability of drivers for the delivery of taxi services in the State was identified by stakeholders during RPS' industry workshops as the single greatest factor constraining the full and efficient use of the Queensland taxi fleet.
- Between 2011 and 2015, the number of taxi trips grew by over 35% as the Queensland economy recovered and new booking technologies and levels of interstate and overseas travel increased. However, during this time the number of taxi drivers increased by only 5%. This suggests that supply of new drivers into the Queensland Taxi Industry to help meet growing community need is being constrained.
- The principal factor identified in RPS constraining the supply of drivers in the Queensland Taxi Industry is section 20C(2) of the *Transport Operations (Passenger Transport) Regulations 2005*.
- Detailed analysis by RPS of the Australian Bureau of Statistics ("ABS") Census of Population 2011 indicates that of the top 20 countries of birth of Queensland's Taxi Industry workers (which account for 90.6% of total workers in the industry), 38% were born outside of Australia and 23.6% were from countries not on the AustRoads lists.

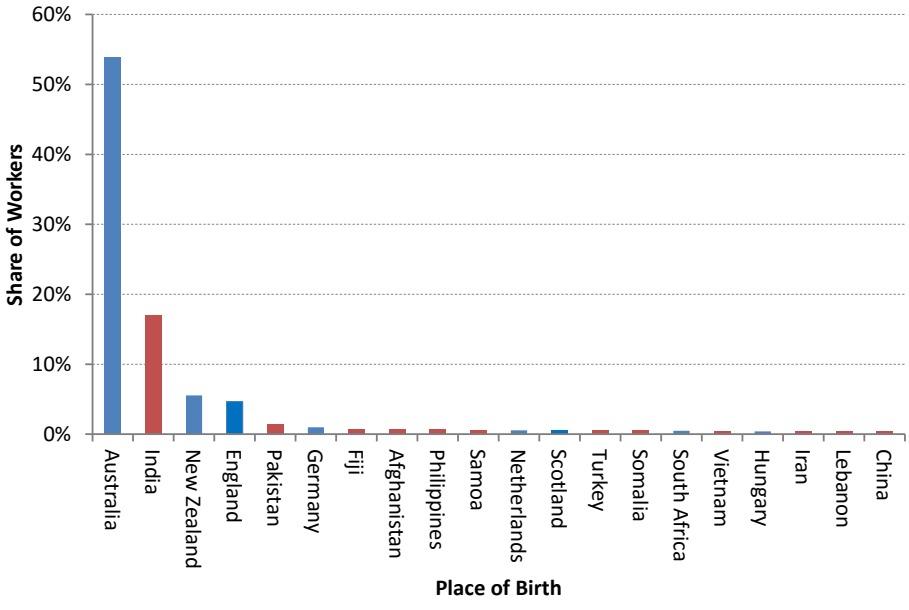

Figure 2 Share of Workers in the Queensland Taxi Industry, by Country of Birth, 2011

- However, the most significant factor is the fact that section 20C(2) represents an unnecessary duplication of regulatory burden.
- Additionally, Taxi Booking Companies ("TBCs") in the State have unique obligations and responsibilities under the Service Contracts to ensure Minimum Service Levels ("MSLs") are met and customer complaints are appropriately managed. As TBCs do not deliver taxi services, they cannot directly influence the level of quality of services delivered to Queenslanders without strong oversight and

engagement with drivers.

- The success of training and TBC by-laws is borne out in the very low level of dissatisfaction among Queenslanders in the manner, skills and knowledge of local taxi drivers.

Vehicles

- The invention of the automobile transformed the taxi industry. The horse and carriage had a number of serious limitations, namely the reliance on a living creature for propulsion. Automobiles quickly proved to be faster, more reliable, more durable and more comfortable for the passenger than the horse and carriage and they were rapidly adopted by taxi cooperatives and individuals across the globe.
- The number of taxi vehicles in the State is generally limited to the number of licences. This is because it is illegal to provide on-demand passenger transport services for a fare in Queensland without a Taxi Service Licence ("TSL").
- The quality of the vehicle has a significant impact on the quality of the service received by the community. A major factor in determining the quality of a vehicle is its age. Research by the Centre for Accident Research and Road Safety Queensland ("CARRS-Q") on the crash involvement of taxis confirmed that older vehicles are not only more likely to be involved in crashes but those accidents are also more likely to result in serious injury.
- In most Australian jurisdictions, there are maximum age of taxi vehicles is enshrined in regulations. In the case of Queensland, the current regulatory framework establishes a maximum age of six (6) years for standard taxis and eight (8) years for wheelchair accessible taxis ("WATs").
- The level of investment in equipment and technology in a standard taxi vehicle in Queensland is increasingly significant. A review of the regulations and consultation with industry stakeholders indicated a range of equipment that must be incorporated into taxi vehicles.
- Focus should be given to minimising the impact on individual taxi operations and the efficiency of the broader fleet from equipment and maintenance compliance and data extraction processes. Innovation is required in the way "big data" collected by security and safety equipment in taxis is extracted. This may include the use of WI-FI and cloud-based download technologies.
- The Queensland Taxi Industry has one of the Greenest taxi fleets in the world. As of 2015, 72% of the fleet were hybrids saving over 50,000 tonnes of CO2 Emissions a year. Assuming a conservative $20 per tonne value, this equates to an annual saving to the community and the economy of $1 million per year.
- Queensland taxi vehicles are some of the most efficient in the world in part because of their high utilisation rates. In 2015, the Queensland Taxi Industry completed more metered jobs per taxi than any other State in Australia, with an average of 14,600 jobs per year. This was 40% above the national average, ahead of NSW (13,200) and more than double that of Victoria (6,100).
- Queensland also performs well under other measures of vehicle utilisation. The average number of passengers per metered job in 2015 was 2.2, the highest in Australia. Similarly, the average number of kilometres travelled by a Queensland taxi while carrying passengers was also the highest at 167,500).

Licences

- Since their introduction by King James in the UK in 1635, taxi services have been regulated by Government's across the world. And the principal regulation implemented in most jurisdictions is the taxi licence.
- A licence is a permit from the Government or another authority to own, provide or use something. While western democracies are, for the most part, characterised by high degrees of personal freedom, this freedom is not absolute. In particular, society must continually seek to resolve when the freedoms and rights of different individuals come into conflict. As such, Government, as the institution of the will of the community, regulates actions and behaviours of individuals through the provision of licences, in order to

ensure an appropriate balance is struck between freedom and community responsibility.

- The provision of a taxi service in Queensland is contingent on service provider having a licence issued by the Government. To operate a taxi service without a licence is a breach of section 70 of the Act
- In 2015, there were 3,261 taxi licences in Queensland. This level has remained broadly consistent 2008, before which the Queensland Government issued 164 new licences in two years. The principal explanations for the limited release of licences in recent years was a combination of deteriorating and soft economic conditions during the post-GFC environment and the result of demand-side modelling by the Government, which indicated sufficient capacity in the existing fleet to meet current and future demand.

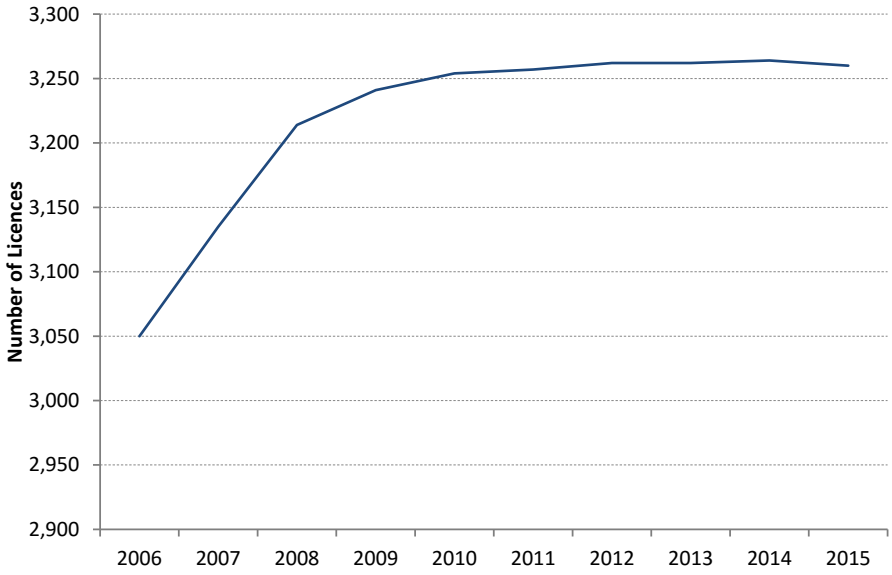

Figure 3 Taxi Licences in Queensland, 2006 to 2015

- The number of taxi licences in Queensland is lower on a per capita basis than the Australian average and more specifically, NSW and Victoria. In 2015, Queensland had 68.3 taxi licences for every 100,000 residents. This is less than the Australian average of 89.7 licences per 100,000 and below the NSW (96.4) and Victorian (97.3).

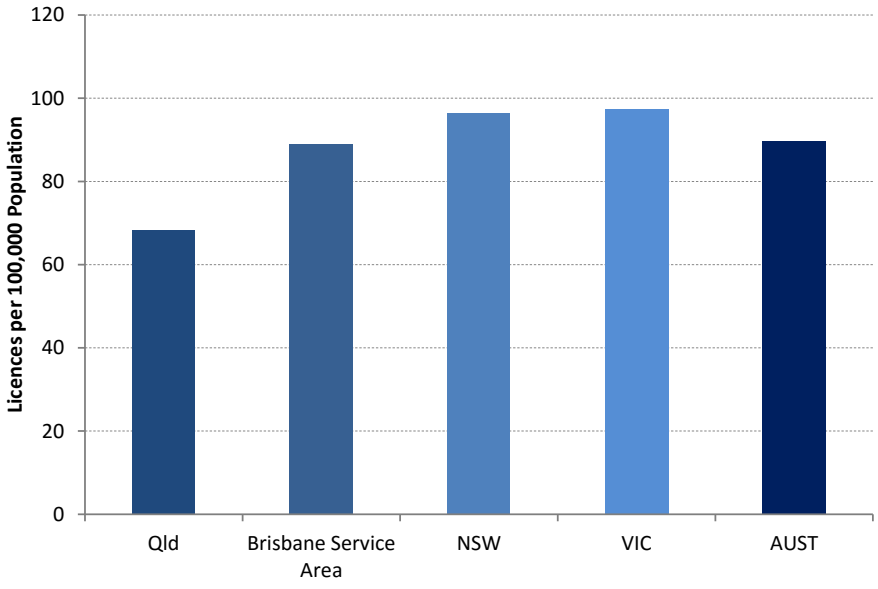

Figure 4 Taxi Licences per 100,000 Residents, Queensland and Select States, 2015

- The distribution of Wheelchair Accessible Taxi ("WAT") licences broadly aligns with that of traditional licences, though they have greater representation in regional centres than in South East Queensland. 2015, there were 310 WATs in Brisbane and a further 142 in other locations in South East Queensland. WATs account for 18.1% of the total taxi fleet in SEQ. In contrast, regional Queensland is serviced by 191 WATs, which account for 23.5% of the regional fleet.

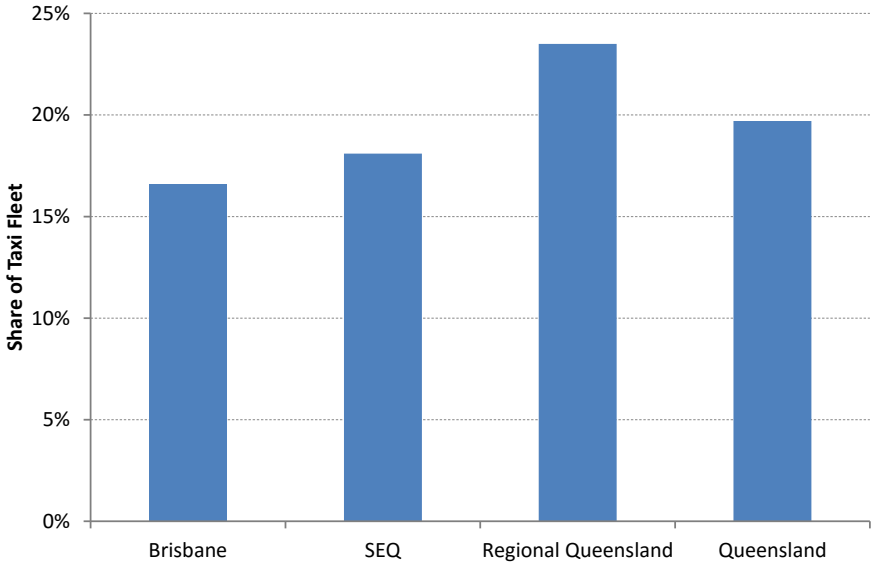

Figure 5 WAT share of Queensland Taxi Licences, August 2015

Operators and TBCs

- A defining feature of modern taxi services is the presence or Operators and TBCs in the broader structure of the Queensland Taxi Industry. While taxis originally were all independent, the emergence of technologies and service requirements and standards placed on taxi drivers and licence holders by Government meant that greater focus on fleet utilisation and management was required.
- Operators exist because of the separation in modern taxi regulations between licence owner and vehicle owner. Licence owners have the right in Queensland to provide a taxi service but require a compliant vehicle in order to deliver the taxi services to the community. This structural separation between licence owners and operators however does not preclude an individual fulfilling both roles in the delivery of taxi services. In fact, a range of owner-driver-operator combinations exist in Queensland.
- The ability for individuals in Queensland to acquire a licence as an investment has seen the rise of passive ownership. This in turn as has seen the importance of Operators grow. Similarly, the focus of both Government transport policy and taxi industry regulation on fleet efficiency, accessibility and availability has meant the current regulatory framework places a significant degree of reliance and burden on Operators to ensure vehicle (in terms of equipment and ongoing maintenance), business sustainability and service delivery standards are met and exceeded.
- As a result of this reliance on Operators in ensuring the quality of taxi vehicles are maintained at globally high standards, Operators in Queensland are accredited. Both the Act (Chapter 3) and Regulations (Division 2) deal with the requirements and process for attaining accreditation.
- TBCs are an integral part of Queensland Taxi Industry. Their establishment as a regulated part of the Queensland Taxi Industry in the Act and the MSL and USO responsibilities under the Service Contracts have been instrumental in establishing Queensland as the premier booked taxi market in the world.
- In 2015, there were 60 TBCs in Queensland. A TBC is required for every town or community with more than 10,000 people. Of these TBCs, 23 operate within Service Areas defined by the Department of Transport and Main Roads ("TMR") and are parties to Service Contracts with the State Government.

These Service Contracts establish the MSLs.

- The core role of TBCs in Queensland is to maximise the efficiency, availability and accessibility of the Queensland taxi fleet to ensure the benefits of this flexible public transport network are realised by all Queenslanders.
- Despite this importance, there continues to be a lack of understanding in the community of the role and function of TBCs in the State, or the overall structure of the industry. The results of the recent survey about the State's taxi industry by UMR Strategic Research ("UMR"), found that 41% of Queenslanders aged 18+ believed TBCs owned the taxis that they dispatched, while a further 28% were unsure.

Regulating Supply

- The current regulatory framework governing the Queensland Taxi Industry is world class. The establishment in 1994, and subsequent refinement of, a co-regulatory model, incorporating legislative regulatory and contractual elements, is unique and provides the Queensland Taxi Industry, the State Government and the wider community with a range of advantages and opportunities not available to other jurisdictions. This includes increasing the alignment of taxi services with other public transport services, helping to realise the Government's vision of *"A single integrated, safe, reliable and efficient transport system that is accessible to all."*
- The *Transport Operations (Passenger Transport) Act 1994* and associated Regulations and Service Contracts with TBCs establishes a regulatory framework solely focused on protecting consumers.
- The supply of taxi licences in Queensland, or the facilitation of a new entrant to any part of the Queensland Taxi Industry, is not capped by the Act or Regulations. Instead the Act, under section 36 (2), provides the Minister with discretionary authority to increase the supply of taxis or enter into a Service Contract with TBC entrants.
- This requirement for justification to increase taxi service supply represents a broad net community benefit test, coupled with a financial cost impost test for Government. This approach is appropriate for managing the supply of providers of public transport services in the State.
- Focus in other State's on issues such as increasing competition and empowering individual consumers is not relevant in a State where taxis perform a critical public transport function. Instead, the focus of Queensland's regulatory framework must continue to be on maximising the benefit of taxi services to the entire community, ensuring that the universal accessibility of high quality taxi services to all Queenslanders is maintained over the long-term.
- The removal of market entry restrictions represents a form of supply de-regulation. Such de-regulation has been undertaken in other jurisdictions in Australia and around the world over the past 20 years.
- The lessons from locations around the world that have undergone taxi supply de-regulations is that the end outcomes are almost always negative and perverse. This reflects the fact that de-regulation is often premised on:
  - » views and understandings of the taxi industry are theoretical, overly simplistic and lacking in context
  - » customer needs and goals being homogenous and universal
  - » taxi demand is entirely discretionary and therefore driven by market forces
  - » that desired outcomes by individual customer and the whole community are not in conflict
- Overall, the international experience regarding market restriction de-regulation has been negative. With the exception of marginal fare declines in Japan and improved wait times in Ireland, all jurisdictions that have undertaken supply de-regulation over the past two decades have experienced significant negative outcomes with corresponding major backlash from the community against politicians.
- The principal source of evidence to assess the need for additional taxi licences in the State is the SAHA International Taxi Licence Review Model.

- The Taxi Licence Model is reviewed annually in South East Queensland, and every two years in Regional areas. If the demand profile has changed then either more taxi licences are issued, or licences are re-allocated to a geographic area that has seen an increase in demand. In doing this, Queensland's model is market-responsive, working on a regional level and taking into account demand factors other than simply population growth. This floating model allows for both increases and decreases in demand in geographic regions and serves as a 'check and balance' against both unfilled demand and over supply of taxis.
- RPS broadly supports the approach adopted and implement by SAHA International and believes the use of the Taxi Licence Model by TMR continues to represent best practice globally.

Meeting the Needs of Queenslanders

- The Act effectively establishes a net community benefit-based evidentiary framework in order for the Minister to justify increases in licence numbers in the State. The primary source of evidence for this is the Taxi Licence Model.
- RPS has assessed the Queensland Taxi Industry against a range of potential performance indicators relating to the criteria in the Act. These indicators providing a comprehensive overview of the performance of the industry and whether additional supply is required to meet the needs of the community.

Figure 6 Performance Indicators Net Community Benefit Test of Current Licence Supply

Adequate Supply	Innovation	Cost to Government	Meeting Community Needs
MSL Average Wait Time – Conventional Taxis	App-Based Booking Platforms	Level of Co-Regulation	MSL Average Wait Times – WAT Taxis
Secure Rank Wait Times	Integrated GPS and Meters	Costs of Subsidising WAT Vehicles or Delivering Paratransit	Customer Satisfaction
Taxi Idle Time	Share of Taxi Trips Booked	Expenditure on the full procurement of Taxi Services on behalf of the community	WAT Shares of State Fleet
Metered Jobs per Taxi	Hybrid Share of Taxi Fleet		WAT Shares of Regional Fleet
Average KMs Per Taxi in 2015			
Taxis per 100,000 Population			
Customer Satisfaction with Taxi Punctuality			

- Overall, the Queensland Taxi Industry performs well against the aforementioned criteria. Queensland has fewer licences per capita than in other States and has a higher rate of passengers per taxi, but this is more a reflection of low utilisation and oversupply in other States. High wait times and continued positive customer satisfaction suggest that there is not currently pent up demand in the system.
- Similarly, Queensland performs well in the delivery of accessible and available services. While WAT services do not always meet MSLs, this reflect the aspirational nature of the MSL targets. In comparison to most jurisdiction's in the world that do not have comprehensive WAT fleets, Queensland's performance is exemplary.

Conclusion

- The Queensland Taxi Industry has a comprehensive regulated structure that delivers a quality accessible taxi services for Queenslanders. It meets the needs of a diverse range of community groups and effectively manages peak demand.

- It is incumbent on the Queensland Government to consider the experiences of overseas jurisdictions when considering regulatory reform options. Supply and fare de-regulation commonly result in perverse and negative outcomes such as fare increases, reductions in quality and availability and increases in cost imposts on the Government.
- Objective and independent analysis of the performance of the Queensland Taxi Industry by RPS confirms that the State performs well by national and international standards and is meeting the needs of Queenslanders.
- Opportunities exist for further licence number increases in the medium term, in response to growing demand. However, current evidentiary tools (including the Taxi Licence Model) will identify the appropriate time at which new supply should be introduced to the Service Areas of the State.

1.0 Introduction

1.1 Research Context

RPS has been engaged by TCQ to undertake comprehensive research on the Queensland Taxi Industry. This research forms the basis of TCQ's submission to the OPT Review.

It also represents the first comprehensive profiling and analysis of the Queensland Taxi Industry in 20 years and will form a key reference source of the characteristics, trends, challenges and opportunities facing the industry over the next several decades.

The research undertaken is comprised of a series of concise, interrelated technical research reports that cover all aspects of the Queensland Taxi Industry. Research topics covered by the reports include:

- **Demand –** analysing the characteristics and drivers of demand for taxi services in Queensland.
- **Supply –** profiling and analysing the supply of taxi services in Queensland, including the current characteristics and structure of the industry, comparisons with the way taxi services are delivered around Australia and overseas and opportunities for improvements in the way taxi supplies are regulated.
- **Pricing –** assessment of the way in which pricing and fares are regulated and set, the appropriateness of these settings based on both industry viability and community affordability concerns, the underlying cost structure of delivering taxi services and complying with regulations.
- **Innovation –** identifying and profiling recent and future innovations in the delivery of taxi services including digital and online dispatch services, in vehicle equipment and technology, business and service delivery models and in the regulations themselves.
- **Economic Analysis –** assessment of the economic contribution of the taxi industry to the Queensland economy including direct and indirect impacts and support provided to industry, the economy and wider community.

These reports include a series of practical recommendations and insights into future development and growth of the industry including business, service, technological and regulatory enhancements that would benefit all stakeholders in the industry and the wider community.

1.2 The OPT Review

In late 2015, the Queensland Government commissioned an independent review of taxi, limousine and ride share services in Queensland. The purpose of the review being:

"…ensure Queenslanders are provided with safe and efficient personalised transport services and with a sustainable industry to deliver the services."

The terms of reference for the OPT Review are broad in nature and cover all aspects of the personalised transport services sector. The scope includes:

- the safety of the community and drivers
- the delivery of a flexible legislative framework that supports competition and innovation for all participants
- customer opinions of ride share services
- steps undertaken by the taxi industry in adapting to changing customer needs and expectations
- supporting a sustainable industry that is forward-looking and fosters innovation

- competition in the sector including vertical integration, anti-competitive practices and incentives for innovation
- the provision of affordable and customer-focused services
- the needs of the community across Queensland, including those with disabilities or reduced mobility
- the current and potential role of taxis, limousines and ride share services in an integrated transport system, with a focus on the role of these services to foster social inclusion
- transitional arrangements from the current regulatory and service arrangements to the recommended model
- other models and new approaches to delivering personalised transport services both in Australia and overseas
- potential use of personalised transport services by participants of the National Disability Insurance Scheme ("NDIS")
- operational procedures and practices within the sector
- any other related matters

TCQ, supported by RPS, has prepared a submission to the Review.

Supply Technical Research Report Structure

This report compiles the results of technical research and analysis of the size, characteristics and drivers of demand and need for taxi services in the Queensland economy and community. It includes a number of key sections:

- **The Queensland Taxi Industry Profile** – a summary of the structure, composition and characteristics of the Queensland Taxi Industry.
- **Drivers** – analysis of the factors impacting the supply of drivers in the Queensland Taxi Industry.
- **Vehicles** – profiling the types and age limits of taxi vehicles in Queensland and the equipment required to meet current regulations.
- **Licences** – a summary of the current number of taxi licences in Queensland, the rationale for licencing taxi services, different types of licences available and the distribution of licences across Queensland.
- **Operators and TBCs –** an outline of the role of Operators in the Queensland Taxi Industry, the Operator Accreditation process and bailment agreements with drivers. Also provides a summary of the unique role of TBCs in Queensland and the role of Service Contracts.
- **Regulating Supply –** an assessment of the rationale for current market restrictions in the current regulatory framework, the purpose of regulating taxi licence supply and international experience of the perverse outcomes of supply de-regulation.
- **Queensland Taxis Meet Community Needs** – assessment of the degree to which Queensland taxis meet the needs of the community. Includes a net community benefit and performance test of the Industry to determine whether there is sufficient evidence to justify additional supply.
- **Conclusions** - summary of key findings from the technical report.

This Technical Report, and the broader Submission, relies upon an extensive base of both quantitative and qualitative information and evidence. The sources of this evidence can be broken into four broad categories.

1.2.1 Consultation

RPS, in partnership with TCQ, undertook a series of consultation workshops and interviews in Queensland and around the world.

Between December 2015 and February 2016, RPS facilitated workshops with industry stakeholders in the following locations:

- Brisbane Metro North
- Brisbane Metro South
- Ipswich
- Gold Coast
- Sunshine Coast
- Toowoomba
- Hervey Bay/Maryborough
- Gympie
- Cairns
- Townsville
- Mackay
- Rockhampton
- Gladstone
- Mount Isa

These workshops included representatives from the taxi industry including drivers, licence owners, operators and TBCs.

In March 2016 representatives of RPS, TCQ and the Australian Taxi Industry Association ("ATIA") travelled to a number of overseas taxi jurisdictions to gain an insight into the regulatory, operational and market characteristics of each location. The jurisdictions visited included:

- San Francisco
- New York City
- London
- Singapore

In each location RPS met with representatives of local regulators, operators and politicians and gained an understanding of both the unique and shared attributes of the local taxi industry to understand the potential lessons that could be learnt for the Queensland context.

1.2.2 TBC Data and Other Statistics

TCQ facilitated the delivery of a comprehensive set of taxi industry performance and operational data to RPS from a number of major TBCs in the State. These statistics included a full profile of the number, duration, cost, frequency and distribution of taxi jobs and trips, as well as information on the operational costs of delivery taxi services and the level of utilisation of the Taxi Subsidy Scheme ("TSS").

Data sets and other information was also made available to RPS by those overseas taxi jurisdictions with which RPS and TCQ consulted in March 2016. The nature and scope of this information varied depending on the jurisdiction and their capacity to collect, collate and analyse data.

In addition to this information, RPS drew on statistical information from a range of publicly available sources. This included the ABS, Queensland Government Statistics Office ("QGSO"), ATIA and individual reports, surveys and other publicly available data sets from desktop research.

1.2.3 Market Research

TCQ engaged the public opinion and strategic market research firm, UMR, to undertake qualitative and quantitative market research on issues and attitudes affecting the Queensland Taxi Industry.

Research included a combination of facilitated workshops and interviews (via online survey) with representative samples of the Queensland population aged 18+.The surveys were conducted in late February and early March 2016 and covered a range of topics including:

- classification of taxis as public transport and the level of integration of taxis into the Queensland public transport network
- attitudes towards taxis and public understanding of the industry
- service satisfaction levels and key areas of impacting satisfaction both positively and negatively
- frequency of use of taxis
- level of discretionary and non-discretionary usage
- the degree to which taxis provide a benefit to the community
- the role of Government regulation in the taxi industry
- the level of support for passengers with disabilities and the TSS
- level of familiarity with usage of and attitudes towards uber
- socio-economic and demographic characteristics of uber supporters
- classification of “ride sharing” as taxis
- level and type of regulation of “ride sharing” services
- attitudes towards a range of specific potential changes to the regulation of the Queensland Taxi Industry

1.2.4 Desktop Research

RPS has also undertaken desktop research on the issue of taxi industry regulation to complement other sources of information and evidence outlined above. The focus of the desktop research has been on gaining further appreciation of national and international taxi jurisdictions recent and past experiences with regulatory reforms. RPS has also undertaken extensive research on the role of “ride sharing” in overseas markets as well as the economic theory and practice around the causes and regulation of informal economic activity.

Research has been comprehensively cited throughout the Report.

1.3 Author Profile

1.3.1 RPS

RPS is an international consultancy providing world-class local solutions in infrastructure, urban growth, energy, mining and natural resource management.

RPS employs some 5,000 people in the UK, Ireland, the Netherlands, the United States, Canada, Brazil, Africa, the Middle East, Australia and Asia and undertake projects in many other parts of the world. In the Australia and Asia Pacific region our 1,000 professional and technical staff work from offices in 26 locations, including metropolitan and regional centres in high growth areas.

The geographic spread and experience in these strategic locations means our on-the-ground staff have a strong understanding of the local environment and can be mobilised quickly to respond to client's needs. RPS has a reputation for meeting the challenges posed by large, complex projects and for conducting business in an open and responsible manner.

1.3.2 Mark Wallace

Mark Wallace is the Regional Technical Director and head of the Economics Advisory Services for RPS in Australia Asia Pacific.

He is one of Australia's leading economics consultants and strategic advisors, providing market research, project evaluation, policy development and reform and detailed economic analysis for a wide range of public and private sector clients across Australia.

His career has included time with the Queensland Government, Brisbane City Council, the employment and training sector and economic consultancies.

Over the past decade as an economic consultant, Mark has developed nationally recognised expertise in a range of areas including:

- innovation policy and implementation
- regulatory reform in major public utilities
- property development economics
- major project evaluation and cost benefit analysis
- health economics
- regional and local economic development

Mark is the principal author of the submission by TCQ to the OPT Review and associated Technical Research Reports.

1.4 Glossary and Abbreviations

ABS	Australian Bureau of Statistics
ATIA	Australian Taxi Industry Association
CARRS-Q	The Centre for Accident Research & Road Safety
CAV	Connected and autonomous vehicles
DSAPT	Disability Standards for Accessible Public Transport 2002
DDA	Discrimination Act 1992 (Cth)
QGSO	Queensland Government Statistical Office
IPNRC	Infrastructure, Planning and Natural Resources Committee
ITS	Intelligent Transport Systems
KMS	Kilometres
MSL	Minimum Service Levels
OPT Review	Opportunities for Personalised Transport Review
SEQ	South East Queensland
TBC	Taxi Booking Company

TCQ	Taxi Council Queensland
TNCs	Transport Network Companies
TMR	Queensland Department of Transport and Main Roads
WAT	Wheelchair Accessible Taxi
USO	Universal Service Obligation

2.0 Queensland Taxi Industry Profile

There is a clear and demonstrated need for personalised, point-to-point transport, such as taxi services, in the Queensland community. Meeting this need, including demand from all groups and parts of the community, requires a highly efficient and flexible taxi service. This requirement has been at the heart of the current regulatory framework for the past 22 years and has supported the establishment of a responsive, innovative and customer-focused taxi industry in the State.

This section profiles and analyses the supply of taxi services in Queensland. It summarises the current framework that regulates supply through the establishment and maintenance of demand-linked market entry restrictions. It also assesses the current utilisation of taxis in Queensland.

2.1 Industry Structure

The Queensland Taxi Industry has a sophisticated regulated structure, comprising six distinct but highly inter-related stakeholder groups:

Figure 7 Non-Cash Payment Processing Fees, as at April 2014

The characteristics and attributes of the customers and community served by the Queensland Taxi Industry are profiled and analysed in the Technical Report entitled *The Need for Taxis in Queensland.*

Supply-side stakeholders include:

- **Drivers** – Drivers represent the most fundamental and essential of all components of the industry, because without drivers, there would be no taxi services delivered in the community. There were over 13,000 drivers in Queensland in 2014 or almost four for every taxi licence[1]. Drivers (who are not owner drivers) enter into bailment agreements with Operators and must be affiliated with a TBC.
- **Vehicles** – each licence must be linked to a vehicle. There are a total of 3,261 conventional and WAT licences in the State as well as a number of Peak Demand Permits, all of which require a vehicle to operate.
- **Licence Owners** – owners of a TSL in Queensland either purchased the licence from the Government through a tendering process, inherited the licence from a deceased estate or acquired the licence on the secondary market. Only licenced taxis can provide taxis services in Queensland. Licence owners are most commonly passive investors who lease their licences to Operators.
- **Operators** – Operators mostly own the vehicles, are responsible for vehicle maintenance, operation of vehicles and for ensuring vehicle compliance with quality standards. They are also responsible also for sourcing drivers and providing drivers with access to vehicles under bailment.
- **TBCs** – there were 60 TBCs operating across Queensland in 2014. TBCs receive and dispatch taxi bookings to affiliated drivers. Additionally, TBCs are responsible for driver training, complaints management, lost property management and overall fleet management. Drivers and licences must be affiliated with a TBC in 20 Service Contract Areas in the State.

2.2 Relationship Between Stakeholders

The Queensland Taxi Industry has a sophisticated and comprehensive structure comprising a series of essential stakeholders. These stakeholders collectively form the Queensland Taxi Industry and how they interact and transact with one another is at the foundation of the delivery of taxi services in the State.

These relationships are governed by a series of factors including:

- ***Commercial Contracts*** – commercial contracts exist between a number of stakeholders. Drivers and Operators enter into bailment agreements for the leasing of vehicles, while Licence Owners and Operators may enter into leasing agreements for the Licence.
- ***Service Delivery Dependence*** – taxi services cannot be delivered by any one stakeholder alone. Drivers, Operators (and Vehicles) and Licence Owners are all required, as a minimum, to provide a taxi services. Similarly, the modern Queensland market characterised by high shares of "booked" jobs, taxis would likely not be viable without TBCs dispatching jobs.
- **Regulation** – a number of the relationships that exist are explicitly established by Government through regulation. For example, Service Contracts and the regulatory framework, make TBCs responsible driver performance and behaviour as well as training.

This combination of factors contributes to the effective operation of the Queensland Taxi Industry by aligning commercial interesting and relationships with the objectives of providing quality, availability and accessible taxi services to the community.

[1] Calculated by RPS with data from ATIA (2016) Taxi Statistics, accessed at http://www.atia.com.au/taxi-statistics/

Core relationships in the Queensland Taxi Industry are illustrated in the following matrix:

Figure 8 Core Relationship Matrix, Queensland Taxi Industry Stakeholders

STAKEHOLDERS	DRIVER	VEHICLES	LICENCE OWNERS	OPERATORS	TBCS
		Drivers require a vehicle in order to delivery taxi services.	NA	Drivers secure a compliant vehicle from an Operator by entering into a Bailment Agreement.	Drivers are responsible to TBCs for their behaviour and performance.
	Vehicles require drivers in order to be utilised.		Vehicles must be linked to a Licence in order to be used as a taxi.	Vehicles are owned by Operators, who provide them to Drivers under contractual agreements.	TBCs maintain fleet integrity through by-laws by having the option to refuse to affiliate a vehicle that would not be appropriate for taxi services.
	NA	A licence must be associated with a compliant vehicle in order to provide a taxi service.		Licence owners lease licences to Operators who link them with vehicles.	Licence owners regularly use TBCs to broker licence leases.
	Operators require drivers to deliver taxi services in their vehicles.	Operators own taxi vehicles and are responsible for the compliance, maintenance and upkeep of the vehicles.	Operators lease licences from licence owners.		Operators are responsible to TBCs for service delivery performance and often sub-lease licences from TBCs.
	TBCs are responsible by regulation for driver training and ongoing behaviour and performance. They are also responsible for the dispatch of jobs.	TBCs maintain fleet integrity through by-laws by having the option to refuse to affiliate a vehicle that would not be appropriate for taxi services.	TBCs often broker leases of Licences to Operators on behalf of Licence Owners.	TBCs dispatch taxi jobs to licenced Operator vehicles and also broker the leasing of licences from Licence Owners.	

The current regulatory framework establishes clearly demarcated roles and responsibilities for each of these stakeholder groups in the delivery of taxi services to Queenslanders. However, it is possible for a single individual or organisation to fulfil more than one role in the industry.

These special relationships are outlined in the matrix below.

Figure 9 Special Relationships, Queensland Taxi Industry Stakeholders

STAKEHOLDERS	DRIVER	VEHICLES	LICENCE OWNERS	OPERATORS	TBCS
	✓	The individual owns the vehicle as an Operator.	✓	✓	The individual must affiliate with and is responsible to the TBC as a Driver and an Operator. The TBC also provides the individual with dispatched jobs.
	The individual is responsible for securing drivers as the Operator.	The individual owns the vehicle as an Operator.	✓	✓	The individual is responsible to the TBC as an Operator.
	✓	The individual owns the vehicle as an Operator.	The individual leases a licence from a Licence Owner.	✓	The individual must affiliate with and is responsible to the TBC as a Driver and an Operator. The TBC also provides the individual with dispatched jobs.

While the majority of licences are held as passive investments, the regulations provide the flexibility for Licence Owners to also fulfil the role of either Operators or Operators and Drivers. This flexibility is an important feature of the regulatory framework as it allows different investors to take differing levels of involvement in the physical delivery of taxi services, depending on their skills, capabilities, interests and preferred level of risk.

It also gives taxi drivers genuine long-term growth potential with career drivers able to progress overtime to be either Operators and/or Licence Owners as part of the development and growth of their small business.

Summary of Findings

The Queensland Taxi Industry has a comprehensive and regulated structure with distinct and demarcated roles and responsibilities for the core stakeholders. Each of the stakeholders play a critical role in the

delivery of taxi services to the community and their success is dependent on a range of commercial and regulatory interrelationships with one another.

The regulations also provide the flexibility for an individual or organisation to fulfil multiple roles in the delivery of taxi services. This allows more people to participate in the industry, tailoring their level of involvement and participation in the sector based on their risk profile and career and business goals.

The regulated structure of the industry, coupled with the capacity of individuals or organisations to play multiple roles at once in the delivery of services means the taxi industry in Queensland is often regarded as complex. However, this complexity belies an innovative and relatively seamless structure in which fleet utilisation (Operator responsibility) and overall fleet distribution and MSLs (TBC responsibility) are separated.

3.0 Taxi Drivers

Driving has been a legitimate career for people of all ages since before the invention of automobiles. Coach drivers, who drove both the traditional two horse-carriages and the more recent one-horse hackney carriage, were either employed directly by individual households or establishments or were private operators. The latter represented the first form of taxi in the world, originated in the UK and France in the early 1600s[2].

The invention of the automobile further reinforced the role of drivers in both personalised transport and the broader economy. At first, the cost of purchasing an automobile meant they were owned almost exclusively by wealthy households who employed a driver or chauffer to operate and maintain the vehicle. The salaried nature of the role of a chauffeur and its early links to wealthy households meant that driving was seen as a career with high degrees of upward social mobility.

This continues to be a major factor in taxi drivers choosing driving as a career, with many drivers recognising the opportunity to move from bailee driver to licence owner and operator in the medium term.

This section profiles the supply of drivers in the Queensland Taxi Industry and the factors impacting the continued availability of drivers to meet growing community need.

3.1 Taxi Drivers in Queensland

The availability of drivers for the delivery of taxi services in the State was identified by stakeholders during RPS' industry workshops as the single greatest factor constraining the full and efficient use of the Queensland taxi fleet.

In 2015, there were 13,519 drivers in Queensland, or almost four for every one licence. This is up from 12,864 drivers in 2012 but is down from a high of 16,700 in 2009, prior to the onset of the GFC. This highlights the impact that changing and depressed economic conditions has on driver viability.

[2] Bristol Taxis (2015) A Brief History of Taxis, accessed at http://www.bristoltaxihire.co.uk/a-brief-history-of-taxis/

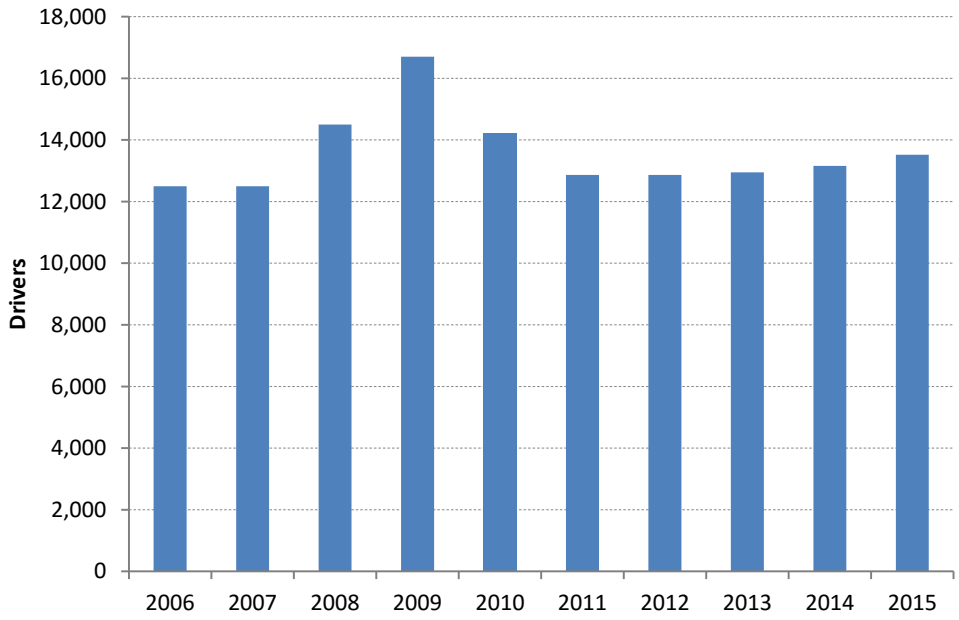

Figure 10 Number of Drivers, Queensland Taxi Industry[3]

Queensland's supply of taxi drivers is proportionally higher than in other Eastern States. While there were 3.2 drivers for every taxi in NSW and 2.8 in Victoria, Queensland had over 4 drivers per taxi as at 2014[4].

Figure 11 Number of Drivers per Licenced Taxi, Queensland and Select States, 2014

State	Drivers	Licenced Taxis	Drivers per Taxi
Qld	13,158	3,264	4.03
NSW	23,750	7,347	3.23
Vic	16,292	5,778	2.82

This in part reflects the comparative attractiveness of the Queensland Taxi Industry to other States. In particular, advantages the Queensland Taxi Industry offers drivers include:

- a high proportion of booked jobs
- a strong number of jobs per driver
- regulated fare and bailment structures
- average longer trip distances
- strong taxi usage rates by the Queensland population.

The bailment and lease model currently used in the Queensland Taxi Industry (first introduced in Melbourne in the 1930s when the Great Depression destroyed the viability of the previous employee model[5]), means that the supply of drivers has generally been responsive to changing economic and market conditions, albeit with some volatility. For example, between 2008 and 2011, during the GFC and associated economic

[3] ATIA (2016) Taxi Statistics, accessed at http://www.atia.com.au/taxi-statistics/
[4] ATIA (2016) Taxi Statistics, accessed at http://www.atia.com.au/taxi-statistics/
[5] VTA (2016) Your Taxis – History accessed at http://yourtaxis.com.au/taxi-history/

downturn, the number of drivers in Queensland fell by 11.3%, the same as the fall in passenger numbers over that time.

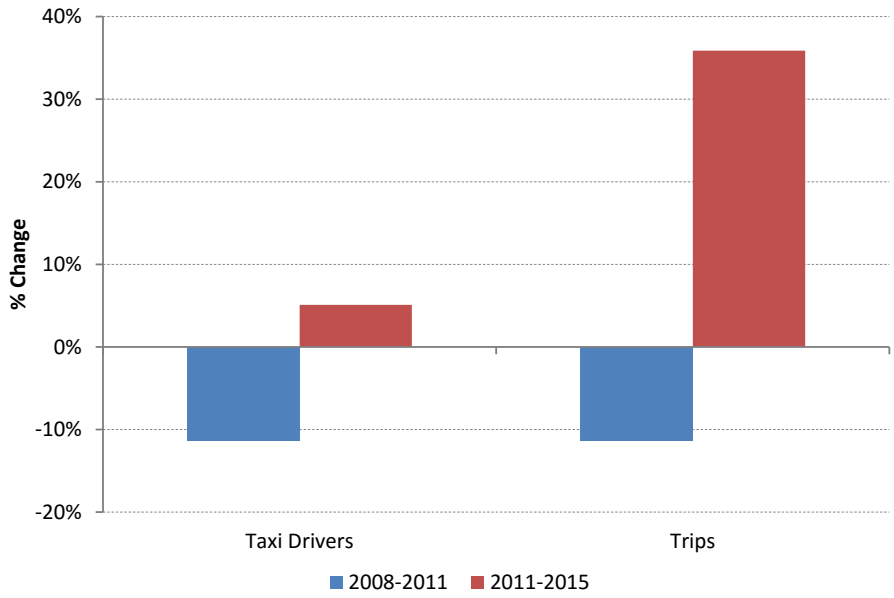

Figure 12 Change in Driver and Passenger Numbers, 2008-2011 and 2011-2015

However, despite the subsequent strong recovery in passenger and trip numbers in recent years, the total number of taxi drivers has not increased proportionally.

Between 2011 and 2015, the number of taxi trips grew by over 35% as the Queensland economy recovered and new booking technologies and levels of interstate and overseas travel increased. However, during this time the number of taxi drivers increased by only 5%. This suggests that the supply of new drivers into the Queensland Taxi Industry to help meet growing community need is being constrained.

3.2 Regulations Are Constraining Driver Supply

The principal factor identified in RPS constraining the supply of drivers in the Queensland Taxi Industry is section 20C(2) of the *Transport Operations (Passenger Transport) Regulations 2005*. This section established additional requirements to drive a taxi in Queensland including:

20C Additional requirements to drive a taxi

(1) An applicant for driver authorisation for the operation of a relevant vehicle that is a taxi must—

(a) have held an Australian open, provisional or probationary licence of the appropriate class for at least 1 year during the 3-year period immediately before the application; and

(b) be able to speak and understand English; and

(c) have a knowledge of common destinations and major connecting roads within the taxi service area where the applicant intends to drive the taxi; and

(d) have—

(i) attained competencies, specified by the chief executive, for the safe operation of taxis and customer service; or

(ii) successfully finished a training course for taxi drivers that the chief executive considers is at least equivalent to the competencies.

(2) Subsection (1)(a) does not apply if the chief executive is satisfied that—

(a) the applicant has held a licence (equivalent licence) that is at least equivalent to an Australian open, provisional or probationary licence of the appropriate class for at least 1 year during the 3-year period immediately before the application; and

(b) under the equivalent licence, the applicant has gained significant practical driving experience in a driving environment similar to that found in major urban centres in Australia.

In their *Information Bulletin PT03/09-15: Driver Authorisation for Taxi Services*[6], TMR confirmed that an ***equivalent licence*** includes Recognised Countries and Jurisdictions and Experienced Driver Recognition countries identified by AustRoads[7] (refer to Appendix 2). The rationale for referencing this national list is that the countries identified either meet all the licence testing requirements of Australian standards or are sufficiently stringent to be regarded as acceptable for immediate licence transfer to Australia.

RPS has identified three major issues with this jurisdiction-based approach:

- no consideration appears to be given to individual level of experience and expertise in driving. ***Rather than adopting a merit's based approach, the regulations rely on the licencing standards of the jurisdiction from which the individual originates***. This is concerning for the community as it means that drivers from a range of countries can get an Australian equivalent licence, and therefore meet part of the qualifications for a Driver Authorisation("DA"), regardless of their actual level of skills or experience. Motor vehicle usage rates vary from country to country and so the level of actual practical road experience from a qualifying driver may be very low.
- the list of countries outlined in AustRoads ***does not take into consideration whether the driver was licenced in a country with left or right hand drive***. The majority of countries globally drive on the right hand side of the road, with left-hand drive countries (such as Australia) predominantly comprised of Commonwealth Countries. In fact, of the 43 countries identified by AustRoads, only 12 drive on the left hand side of the road.
- There is a significant misalignment between the countries identified in the AustRoads lists as being suitable for immediate licence transfer and the traditional ethnic composition of drivers in the Queensland Taxi Industry. ***Detailed analysis by RPS of the ABS ("ABS") Census of Population 2011 indicates that of the top 20 countries of birth of Queensland's Taxi Industry workers (which account for 90.6% of total workers in the industry), 38% were born outside of Australia and 23.6% were from countries not on the AustRoads lists[8].***

[6] DTMR (2015) Information Bulletin
[7] AustRoads (2016) Applying for a Licence – Australia accessed at http://www.austroads.com.au/drivers-vehicles/overseas-driver-licences/applying-for-a-licence
[8] ABS (2012) Census of Population and Housing 2011, Australian Bureau of Statistics, Canberra. Analysis by RPS.

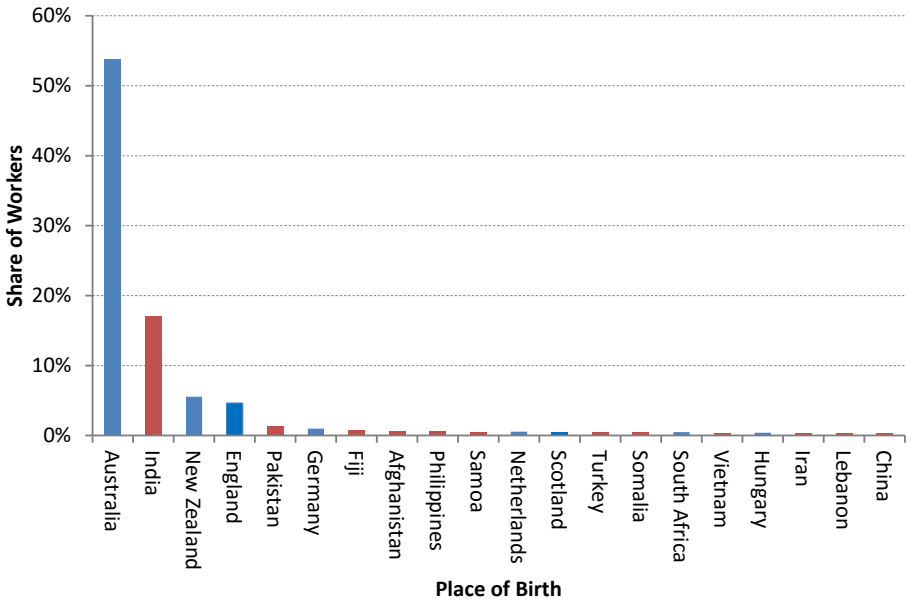

Figure 13 Share of Workers in the Queensland Taxi Industry, by Country of Birth, 2011[9]

In fact, according to this data, the largest source of overseas workers in the Queensland Taxi Industry, is India. This country is currently not included on either AustRoads list which means the regulations as they currently stand are preventing new migrants to the State from gaining meaningful employment in the economy for up to one (1) year.

RPS acknowledges that the need to uphold and maintain driver quality is of paramount importance to the Government and industry, in serving the community. However, the approach adopted from section 20C(2) is comparatively blunt, lacks consideration of the merits and experiences of individual drivers and fails to consider the historical and current cultural composition of workers in the Queensland Taxi Industry.

3.3 Unnecessary Regulatory Duplication

However, the most significant factor is the fact that section 20C(2) represents an unnecessary duplication of regulatory burden.

Taxi drivers are required by regulation to undergo specific training in the delivery of high quality taxi services to the Queensland community. Section 20C 1(d) of the Regulations expressly states that a DA application must have:

(i) *attained competencies, specified by the chief executive, for the safe operation of taxis and customer service; or*

(ii) *successfully finished a training course for taxi drivers that the chief executive considers is at least equivalent to the competencies.*

The TMR has identified these competencies as including:

[9] "Red" countries are not included in either the Recognised Countries or Experienced Driver Recognition Lists of AustRoads

- TLIL 2060A Complete induction to the transport industry
- TLIC 2009A Drive Taxicab
- TLIB 2090A Use communication systems in a cab
- TLIF 2072A Comply with safety and security systems
- TLIH 3004A Identify major roads, services and attractions
- TLII 2019A Provide taxicab customer service
- TLIP 2037A Carry out financial transactions and maintain records
- TLIC 2040A Provide wheelchair accessible taxi services for passengers with disabilities[10]

These competencies are typically delivered in two-week training course by a Registered Training Organisation ("RTO"), normally the TBC or Operator. This process provides drivers with comprehensive training in the delivery of taxi services to the public in a professional, safe and efficient manner.

As such, the need for drivers to obtain these competencies (i.e. all taxi drivers with Driver Authorisations) represents a merits-based approach to ensuring driver suitability and competency, effectively rendering the requirements under s20C(2) obsolete.

This merits-based approach is further reinforced by the role of TBCs play in monitoring driver behaviour and performance in the State. Taxi drivers are required to affiliate with the TBC in the relevant Service Area (or choose which Company to affiliate with in the case of Service Areas with more than one Company).

Additionally, TBCs in the State have unique obligations and responsibilities under the Service Contracts to ensure MSLs are met and customer complaints are appropriately managed. As TBCs do not deliver taxi services, they cannot directly influence the level of quality of services delivered to Queenslanders without strong oversight and engagement with drivers.

This is reflected in the existence of company by-laws in Queensland TBCs, which establish the rules and standards to which affiliated taxi drivers must comply.

3.4 Satisfaction with Queensland Taxi Drivers

The success of training and TBC by-laws is borne out in the very low level of dissatisfaction among Queenslanders in the manner, skills and knowledge of local taxi drivers.

The results of the recent survey conducted of Queenslanders aged 18+ by UMR Strategic Research found that only 8% of Queenslanders were not very or completely dissatisfied with the manner of Queenslander Taxi Drivers and while only 9% were very or completely dissatisfied with their skill and knowledge[11].

[10] Referenced by First Class Taxis (2016) Taxi Driver Training accessed at http://firstclasstaxis.com.au/taxi-driver-training/
[11] UMR (2016), TCQ - Issues affecting the taxi industry, UMR Strategic Research, Sydney

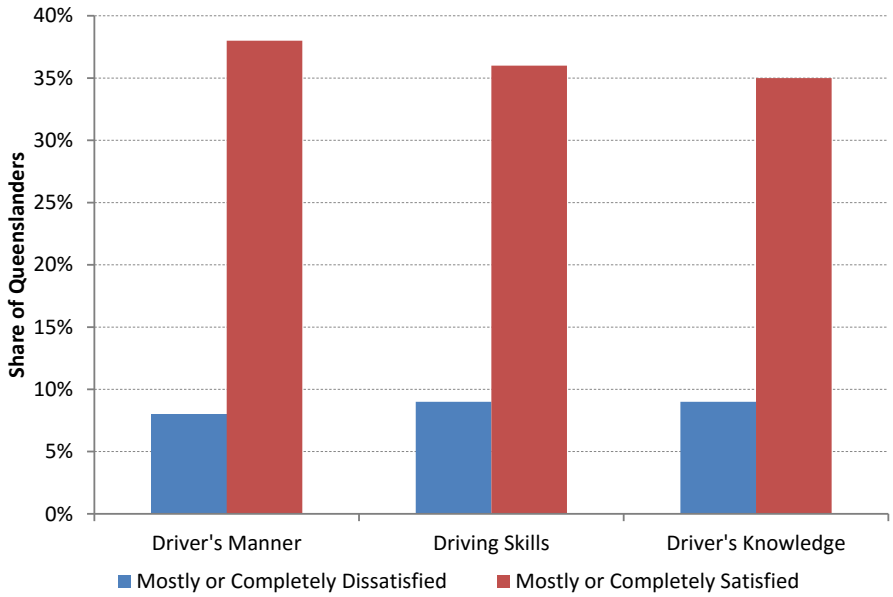

Figure 14 Levels of Satisfaction in Queensland Taxi Drivers, by Service Characteristics, Queenslanders age 18+

This reinforced by the Mystery Shopper survey conducted by Roy Morgan Research for the Queensland Government in December 2013[12] which found that drivers received a score of 73 out of 100 for their overall performance. This reflected positive ratings from customers across a wide range of attributes including driver appearance, communication and knowledge.

3.5 Summary of Findings

The merits-based approach to assessing and maintaining driver quality and suitability underpins the very low levels of dissatisfaction in taxi services in Queensland. By establishing formal training requirements of taxi drivers (with training typically delivered by the TBCs and Operators) and by aligning driver suitability and service quality with the contractual obligations of TBCs, the Queensland Regulatory Framework has had in place an effective co-regulatory model for many years.

This co-regulatory model of assessing and maintaining driver suitability and quality means the requirements under section 20C(2) of the Regulations are obsolete and represent an unnecessary duplication.

Their continued presence in the regulations provides no net benefit to the community and in fact is likely constraining the capacity of the taxi industry to provide high quality, universal and innovative services to the Queensland community.

Recent research by the CARRS-Q found that difficulties in driver recruitment and retention was a key issue in the level of crash involvement of taxis in Queensland[13]. Most TBCs and Operators require all drivers to provide a copy of their driving history from the Queensland TMR. However, in areas of the State experiencing driver shortages or heightened driver competition, this standard is not necessarily applied with

[12] Roy Morgan (2014) Taxi Mystery Shopper Survey December 2013 accessed at http://www.tcq.org.au/uploads/3/0/6/0/30604245/2013_taxi_mystery_shopper_survey_results.pdf
[13] CARRS-Q (2016) Reducing the Crash Involvement of Taxis in Queensland: A Situational Analysis and Analyses of Crash and Exposure Data, QUT, Brisbane

the same rigour. In those circumstances, taxi services in those areas were more likely to be subject to above average numbers of serious accidents over an extended period, placing members of the community (taxi passengers, occupants of other vehicles and pedestrians) at risk.

This highlights the need for the State's regulatory framework to incentivise the recruitment and retention of skilled drivers and the issues that can occur in the industry.

Vehicles

The invention of the automobile transformed the taxi industry. The horse and carriage had a number of serious limitations, namely the reliance on a living creature for propulsion. Automobiles quickly proved to be faster, more reliable, more durable and more comfortable for the passenger than the horse and carriage and they were rapidly adopted by taxi cooperatives and individuals across the globe.

This section examines the regulations regarding the supply of taxi vehicles in Queensland. It examines the relationship between vehicle and licence numbers, the purpose and level of age restrictions, as well as equipment required under the regulations. Finally, this section looks at the different types of vehicles that can be used as taxis, and the innovations in taxi vehicles unique to Queensland.

Limit on Vehicle Numbers

The number of taxi vehicles in the State is generally limited to the number of licences. This is because it is illegal to provide on-demand passenger transport services for a fare in Queensland without a TSL.

However, the Queensland Taxi Industry has, at any one time, more vehicles than this in its fleet. For example, the regulations specifically allow for the use of substitute vehicles under Division 3 of the *Transport Operations (Passenger Transport) Regulations 2005*. Substitute vehicles are supplementary to normal taxi vehicles, in that they can only be used in certain circumstances that render the use of the normal vehicle impossible. These circumstances include major mechanical failures or accidents[14]. The regulations also provide the Department (as the substitute taxi authority) the power to nominate other circumstances where substitute taxi vehicles can be used but in all circumstances, substitute taxi vehicles must be used in place of a normal vehicle, not in addition to it.

Age Restrictions

The quality of the vehicle has a significant impact on the quality of the service received by the community. A major factor in determine the quality of a vehicle is its age. Research by CARRS-Q on the crash involvement of taxis confirmed that older vehicles are not only more likely to be involved in crashes but those accidents are also more likely to result in serious injury[15].

The logic for restricting the age of a taxi vehicle is multi-faceted:

- It promotes a higher turnover of vehicles in the fleet, ensuring new technologies (such as those associated with improved fuel efficiency and emissions) are continuously being incorporated into the fleet through new vehicle purchases.

[14] Section 75 of the Transport Operations (Passenger Transport) Regulations 2005
[15] CARRS-Q (2016) Reducing the Crash Involvement of Taxis in Queensland: A Situational Analysis and Analyses of Crash and Exposure Data, QUT, Brisbane

- It encourages maximum utilisation of the vehicle within its lifetime by the owner/operator, to ensure the capital cost is paid off and a return is secured.
- It ensures the condition of the fleet is maintained at the highest average standard, with old vehicles continuously being replaced by new vehicles.

In most Australian jurisdictions, there are maximum age of taxi vehicles is enshrined in regulations. In the case of Queensland, the current regulatory framework establishes a maximum age of six (6) years for standard taxis and eight (8) years for WATs[16].

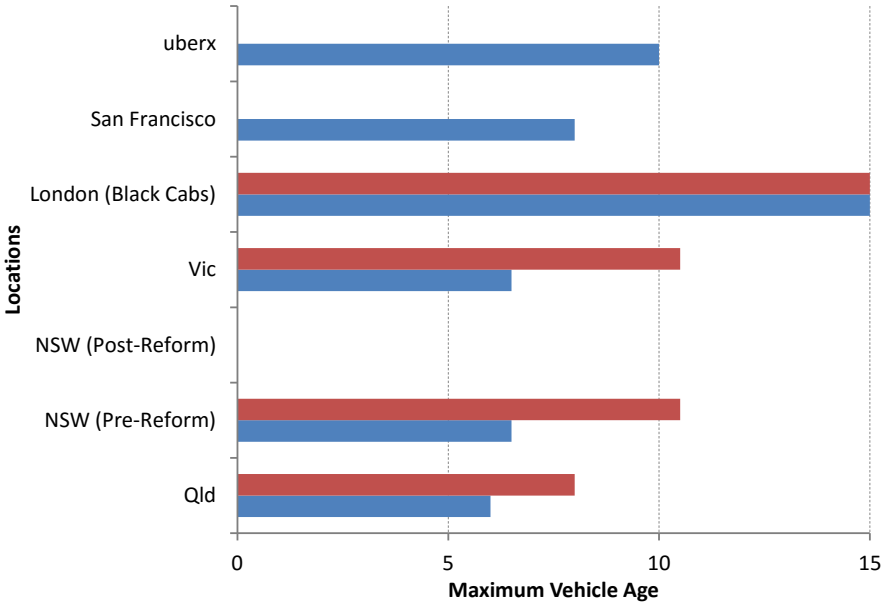

Figure 15 Maximum Vehicle Age, by Location, 2016

Queensland's standards are stricter than all jurisdictions in Australia while a number of overseas jurisdictions lack comparable maximum vehicle ages regulations (such as New York City). Both Standard and WAT age restrictions are more onerous than Victoria and were more stringent than the age restrictions in place in NSW before the December 2015 reform package scrapping maximum taxi vehicle age was announced. The age limit of London Black Cabs sits at over double that of Standard taxis in Queensland and is likely to remain so for the foreseeable future[17].

In particular, Queensland's age restrictions for maximum vehicle age are the strictest in the world for WAT vehicles. Despite the significant investment required to not only purchase a suitable vehicle (approximately $50,000) but also the fitout of required equipment (a further $35,000), WATs are generally regarded by the industry as commercially viable, particularly in urban areas in South East Queensland. In many other jurisdictions (such as NSW, New York and San Francisco) WAT vehicles are unviable and instead regulators and Governments in those jurisdictions must provide large subsidies[18] or run paratransit services costing hundreds of millions of dollars a year.

[16] Section 67(1) of the Transport Operations (Passenger Transport). Regulations 2005
[17] Financial Times (2015) London's black cab drivers face squeeze accessed at http://www.ft.com/intl/cms/s/0/ccdde2f0-c0d0-11e4-876d-00144feab7de.html#axzz44xgQLdVr
[18] Transport for NSW (2015) Point-to-Point Transport accessed at http://www.transport.nsw.gov.au/pointtopoint

This represents one of the greatest innovations in the Queensland Taxi Industry over the past two decades – the use of WATs is commercially viable in the State. This commercial viability reflects the fact that earnings from group bookings and general taxi jobs cross-subsidise the higher capital and operational cost and lower margins of the delivery WAT services. It is this commercial viability that has allowed the Government to impose strict WAT age limits at a time when WAT services are either being squeezed out in de-regulated markets or where services are being delivered by paratransit services at a great cost to taxpayers.

The overall effect of restricting the age of taxi vehicles is to improve safety, ensure continuous incorporation of advances in automotive technologies (including fuel efficiency) and incentivises the industry to maintain the youngest taxi fleet in the world. This is confirmed by the fact that as at December 2014, the average age of a taxi vehicle in Queensland was 2.3 years[19]

3.6 Vehicles Fitout and Equipment

The level of investment in equipment and technology in a standard taxi vehicle in Queensland is increasingly significant. A review of the regulations and consultation with industry stakeholders indicated a range of equipment that must be incorporated into taxi vehicles. These include:

- in-car dispatch equipment (either owned by the Operator or leased from the TBC)
- non-cash payment equipment
- integrated and tamper proof meters – in terms of both physically securing the meter to the vehicle as well as providing a direct link back-to-base to the central dispatch centre.
- integrated GPS units
- security cameras
- WAT hoist (where applicable)

Collectively the fitout of a taxi vehicle costs between $20,000 and $35,000[20].

During our recent study tour to overseas taxi jurisdictions the requirement for these types of safety and security equipment varied dramatically. While the installation of this equipment is a requirement of the Operator and/or licence holder under Queensland regulations[21], in other jurisdictions some or all of this equipment is not required and instead is at the discretion of the operator/owner.

[19] TCQ (2016) Unpublished Data, TCQ, Stones Corner
[20] Based on information provided Booking Companies and feedback.
[21] Under both the Transport Operations (Passengers Transport) Act 1994 and the Transport Operations (Passenger Transport) Regulations 2005

Figure 16 Key Characteristics of Taxi Industries in Queensland and Select International Locations

Regulated Equipment	QLD	San Francisco[22]	New York	London	Singapore
Standardised Livery	✓	✓	✓	✓	✓
In-car dispatch equipment	✓	✓	✗	✗	✓
Non-cash payment equipment	✓	✗	✓	✗	✓
Integrated meters	✓	✗	✗	✗	✗
Integrated GPS units	✓	✗	✓	✗	✓
Security cameras	✓	✓	✗	✓	✗
WAT hoist	✓	✗	✗	✗	✗

The financial and compliance burden placed on the taxi industry by this requirement for additional equipment is substantial and directly contributes to the cost effectiveness of taxi operations in the State. However, it is acknowledged that much of this equipment is designed to ensure that passengers and the community are safe, secure and protected.

Additionally, there is a genuine argument for some equipment, that the investment required actually provides a commercial return. The Queensland Taxi Industry and the booking culture of the Queensland community would not exist as it does today for example, without base-linked, in-car dispatch equipment being incorporated into vehicles. Similarly, security cameras not only provide benefits in terms of passenger safety but also driver safety and help to reduce instances of non-payment by passengers.

The Government, when imposing regulations requiring new equipment to be incorporated into taxi vehicles, should seek to minimise the regulatory burden on the Industry in line with the ***Regulatory Burden Measure*** framework of the Australian Department of Prime Minister and Cabinet[23]. Where it can be demonstrated by evidence and analysis that the proposed technological or equipment change would benefit the industry commercially then it is appropriate for the industry to contribute to the cost of delivering this change. However, where the change is being implemented for wider policy reasons, compensation should be provided to offset the increased compliance burden associated with the new equipment requirement.

Further, consideration should always be given to which stakeholders in the taxi industry should have responsibility for this compliance. Historically, regulatory burdens and responsibilities have been placed on parts of the industry where they lacked the ability to properly enforce and monitor ongoing compliance. An example of where this was rectified in the Regulations was the December 2013 amendment to the *Transport Operations (Passenger Transport) Regulations 2005*, which saw a number of responsibilities for security camera installation and maintenance shift from licence holders to operators[24].

[22] City of San Francisco (2016) San Francisco Code accessed at http://transportation.sanfranciscocode.org/1100/1113/
[23] DPMC (2016) Regulatory Burden Measure accessed at https://www.dpmc.gov.au/office-best-practice-regulation/publication/regulatory-burden-measure
[24] DTMR (2016) Taxi Security Cameras accessed at http://www.tmr.qld.gov.au/business-industry/Taxi-and-limousine/Taxi-security-cameras.aspx

Figure 17 Changes in December 2013 Amendment to the Transport Operations (Passenger Transport) Regulations 2005

December 2005 to December 2013	After December 2013
Drivers must not drive the vehicle while it is available for hire if the camera system is not fully operational (as indicated by the visual indicator).	In addition to the previous requirement, drivers must make sure that the view from the camera system lenses are not obstructed or obscured and, if applicable, the recording of audible sound is not obscured.
Licence holders in mandatory areas, must ensure that a taxi operated under the licence is fitted with a camera system.	***Operators are now responsible for this.***
Licence holders must make sure that: ***- the camera system is fully operational when they make it available to the operator*** ***and*** ***- the taxi has an approved sign at each relevant place in the taxi.***	***These requirements have been removed from licence holders.***
Licence holders or operators can give the department notice if the camera system is not fully operational.	Only operators can give notice if the camera system is not fully operational. Operators are also responsible for giving notice if the camera system is not properly fitted.
Operators must ensure that when they make the taxi available to a driver the camera system is fully operational.	In addition to the previous requirement, operators must also make sure that: - the camera system is properly fitted (this means fitted and aligned in accordance with the approved specifications - the view from the camera system's lenses are not obstructed or obscured; and - the recording of audible sound is not obscured, if applicable
Operators are responsible for ensuring that downloaded recordings are kept for not less than 30 days, but not more than 35 days, after the day the recording was downloaded.	The timeframe that operators must do this has changed. Downloaded recordings are to be kept for not less than 60 days but not more than 90 days.

Finally, focus should be given to minimising the impact on individual taxi operations and the efficiency of the broader fleet from equipment and maintenance compliance and data extraction processes. Innovation is required in the way "big data" collected by security and safety equipment in taxis is extracted. This may include the use of WI-FI and cloud-based download technologies.

Vehicle Fuel Types

The Queensland Taxi Industry has one of the Greenest taxi fleets in the world. As at 2015, 72% of the fleet were hybrids saving over 50,000 tonnes of CO2 Emissions a year[25]. Assuming a conservative $20 per tonne value, this equates to an annual saving to the community and the economy of $1 million per year.

[25] TCQ (2016) Queensland Taxi Industry Overview accessed at http://www.tcq.org.au/uploads/3/0/6/0/30604245/qld_taxi_industry_updated_09102015_2.pdf

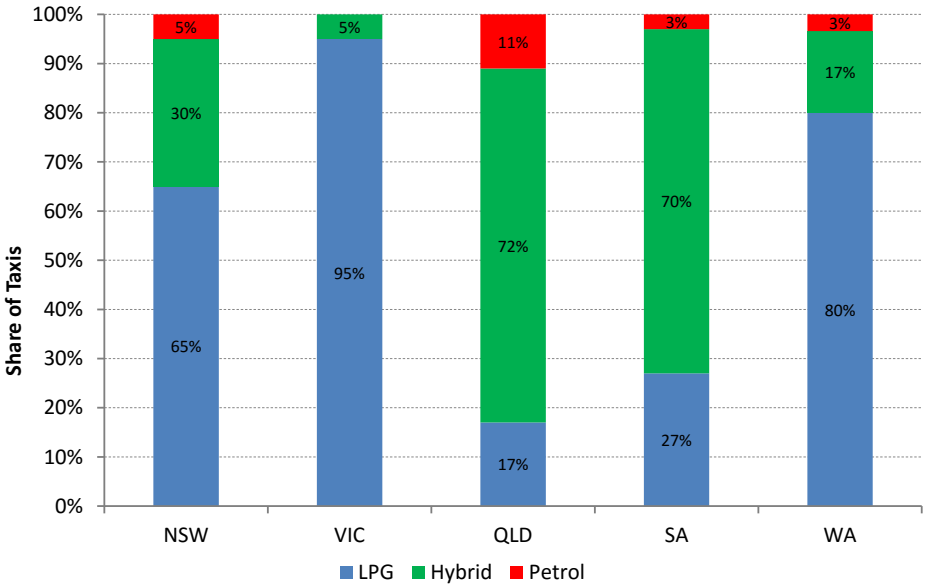

Figure 18 Taxi Vehicles, by Fuel/Engine Type, Queensland and Select States, 2015

A further 17% of vehicles were converted to LPG[26]. LPG fuel provides both environmental and fuel efficiency/cost benefits to the taxi fleet[27]. LPG burns cleaner than petrol and therefore emissions of particulates is low. LPG is also non-toxic, non-corrosive and free of tetra-ethyl lead and additives. LPG has historically costs between 50-60% that of petrol or diesel while fuel economy is about 20-25% lower. This results in an overall net positive benefit to the vehicle owners from using LPG over traditional petrol engines.

In other State's LPG vehicles figure more prominently that in Queensland, where the majority have hybrid engines. In the short-term RPS considers the current share of taxis as hybrids to be approaching saturation in Queensland due the high proportion of WATs and maxi-taxis which are generally not available as hybrids.

Vehicle Utilisation

Queensland taxi vehicles are some of the most efficient in the world in part because of their high utilisation rates. In 2015, the Queensland Taxi Industry completed more metered jobs per taxi than any other State in Australia, with an average of 14,600 jobs per year. This was 40% above the national average, ahead of NSW (13,200) and more than double that of Victoria (6,100)[28].

[26] ATIA (2016) Taxi Statistics, accessed at http://www.atia.com.au/taxi-statistics/
[27] Sustainable Business Toolkit (2015) Benefits of LPG vs Petrol Vehicles accessed at http://www.sustainablebusinesstoolkit.com/lpg-vs-petrol-vehicles/
[28] ATIA (2016) Taxi Statistics, accessed at http://www.atia.com.au/taxi-statistics/

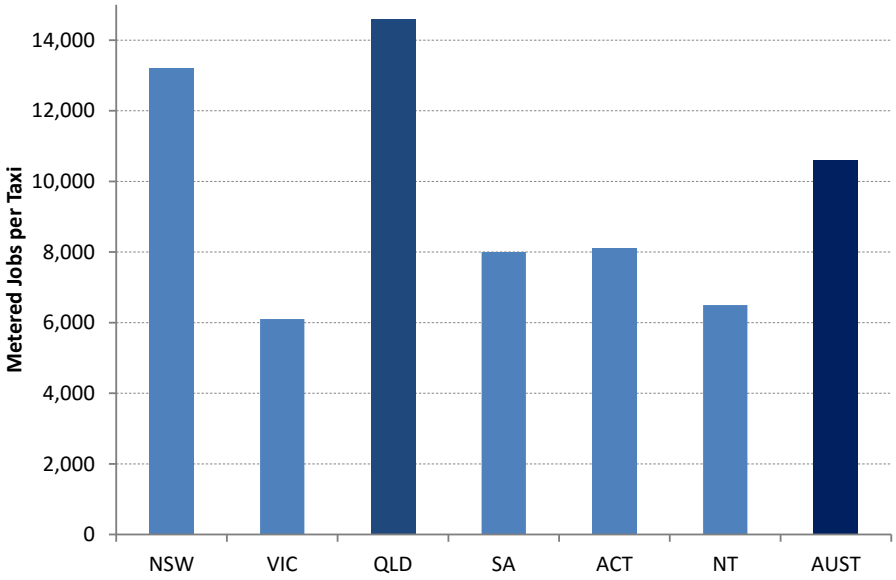

Figure 19 Metered Jobs per Taxi, Queensland and Select States, 2015

Queensland also performs well under other measures of vehicle utilisation. The average number of passengers per metered job in 2015 was 2.2, the highest in Australia. Similarly, the average number of kilometres travelled by a Queensland taxi while carrying passengers was also the highest at 167,500[29].

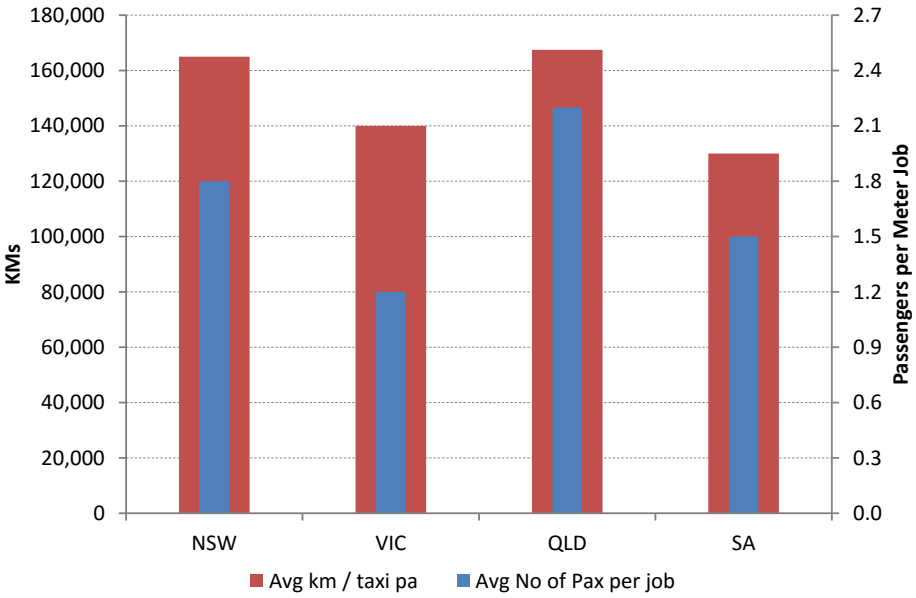

Figure 20 Average KMs per Taxi and Average Number of Passengers per Jobs, Queensland and Select States, 2015

However, this comparatively high level of utilisation does not mean that Queensland taxis are carrying passengers 100% of the time, let alone on the road for all shifts.

[29] NT taxis were higher in 2015 at 270,000km but this reflects geographical reasons, rather than underlying vehicle utilisation and efficiency. NT taxis only perform 6,100 metered jobs on average in 2015.

Firstly, the requirements to for Queensland TBCs to meet MSLs and USOs means that Queensland taxis spend a large proportion of their time idle. Data from TBCs, provided to RPS for analysis, showed that the amount of time taxis spent idle when on the road varied between 40-50%[30]. This means that up to half the time a Queensland taxi vehicle is on the road it is not carrying passengers and is idle. It is difficult to argue in light of this fact that there is either a shortage of supply or pent up demand in the delivery of taxi services for the Queensland community.

Secondly, there is often a significant difference between the theoretical capacity of a taxi and its actual practical service capacity. This reflects the fact vehicles are often "off the road" due to:

- mechanical repair
- download of data
- regulatory compliance
- drivers choosing not to work
- a lack of available drivers

In 2015, major metropolitan TBCs recorded taxi utilisation rates of 75-90%, meaning on average, up to as much as a quarter of the fleet was off-the-road at any one point in time. Despite this, the Queensland Taxi Industry consistently meets its MSLs and USOs and provides a high level of satisfaction for Queensland commuters.

Vehicle Types

Conventional taxis continue to account for the vast majority of taxi services in Queensland. However, the Queensland taxi industry has a long history of responding to changing needs with new innovations in taxi services.

Premium taxi services were introduced in Queensland in 1990 – the first time premium taxi services were introduced anywhere in the world. Premium taxis are differentiated from conventional by the use of higher quality and luxury vehicles and drivers commonly have different uniforms. Premium taxis operate as conventional taxis unless booked specifically as a premium taxi. This has the effect of increasing the average quality of the conventional taxi fleet.

The fare structure of premium taxi services is the same as that of conventional taxis with the exception of an $11 fee. This approach ensures the simplicity of the fare structure is maintained while allowing for the differentiation in quality of vehicle and service to be appropriately costed and compensated.

Similarly, Queensland is a leading jurisdiction in the supply of group booking and maxi-taxi services. Queensland's above average occupancy per taxi job is in part a reflection of the role of maxi-taxis in the State. Maxi-taxis are also one of the most efficient forms of public transport in Queensland, combining the route efficiency of a taxi with a mass passenger capacity of a bus. The success of maxi-taxis in the State has also helped to commercialised WAT vehicles in Queensland. When not providing services to wheelchair and disabled passengers, WATs operate as both conventional taxis and maxi taxis. This has enabled the Queensland Government to sell WAT licences to the Queensland public – the only jurisdiction in the world.

[30] TCQ (2016) Unpublished Data from Taxi Booking Companies

Summary of Findings

The Queensland taxi fleet is the youngest, most well-equipped, most technologically advanced, most efficient and highest utilised fleet in the world. Queensland taxi vehicles are subject to some of the strictest age limits, which is supported by success of the Queensland Taxi Industry in building and delivering profitable business models for services such as WATs. The fleet has high proportions of hybrid vehicles, as well as the most comprehensive set of compulsory safety and security technology of any major taxi jurisdiction. Finally, Queensland performs well against its national peers in terms of vehicle utilisation, though high idle times and variability in the share of the fleet off-the-road at any one time suggest the lack of pent up demand in the Queensland community and sufficient capacity to meet growth in demand for services in the short-to-medium term.

4.0 Licences

Since their introduction by King James in the UK in 1635, taxi services have been regulated by Government's across the world. And the principal regulation implemented in most jurisdiction is the taxi licence.

A licence is a permit from the Government or another authority to own, provide or use something. While western democracies are, for the most part, characterised by high degrees of personal freedom, this freedom is not absolute. In particular, society must continually seek to resolve when the freedoms and rights of different individuals come into conflict. As such, Government, as the institution of the will of the community, regulates actions and behaviours of individuals through the provision of licences, in order to ensure an appropriate balance is struck between freedom and community responsibility.

Similarly, some individuals or organisations are placed in positions of trust or provide goods and services that are essential to the effective functioning of the community and economy. In these circumstances, Government's regularly issue licences, linked to appropriate standards of output or behaviour. This approach helps to mitigate some of the risk to the community as a whole of negligent or nefarious behaviour by parties in positions of trust.

Finally, many markets in Western Economies do not function optimally when left unregulated. Imperfect information, rent seeking and profit maximising behaviour, power imbalances between good and service providers and customers, can result in sub-optimal and even negative outcomes for the community. This is particularly the case for market-based goods and services that are also essential for the community and economy.

In each of these cases, licencing plays a role in legitimising, controlling, monitoring and improving the delivery of goods and services to the community and providing certainty and addressing the risks to consumers from imperfect markets and inappropriate behaviour by parties in positions of trust.

This section examines the number, composition and distribution of taxi licences in the State, different types of taxi licences that are available in Queensland and around Australia and the role of taxi licences in driving high consumer and community outcomes.

4.1 Defining TSL

The provision of a taxi service in Queensland is contingent on service provider having a licence issued by the Government. To operate a taxi service without a licence is a breach of section 70 of the Act

According to section 69 of the *Transport Operations (Passenger Transport) Act 1994*, a TSL is defined as:

"a licence issued by the chief executive under which the holder is required to provide a taxi service in an area in a way that meets or exceeds specified performance levels.

Of particular interest in this definition is the use of the word "require" which highlights the fact that the licence holder does not simply gain rights and privileges under the licence but also obligations. These obligations entail the delivery of taxi services at a high standard.

4.2 Taxi Licence Numbers

In 2015, there were 3,261 taxi licences in Queensland. This level has remained broadly consistent 2008, before which the Queensland Government issued 164 new licences in two years[31].

The principal explanations for the limited release of licences in recent years was a combination of deteriorating and soft economic conditions during the post-GFC environment and the result of demand-side modelling by the Government, which indicated sufficient capacity in the existing fleet to meet current and future demand[32].

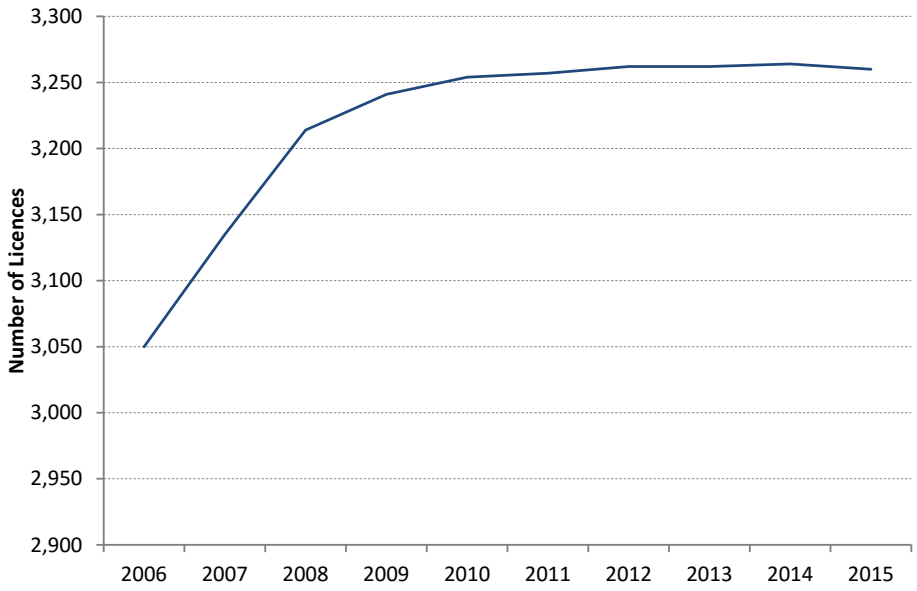

Figure 21 Taxi Licences in Queensland, 2006 to 2015

The number of taxi licences in Queensland is lower on a per capita basis than the Australian average and more specifically, NSW and Victoria. In 2015, Queensland had 68.3 taxi licences for every 100,000 residents. This is less than the Australian average of 89.7 licences per 100,000 and below the NSW (96.4) and Victorian (97.3)[33]

[31] ATIA (2016) Taxi Statistics, accessed at http://www.atia.com.au/taxi-statistics/
[32] SAHAA
[33] ATIA (2016) Taxi Statistics, accessed at http://www.atia.com.au/taxi-statistics/ and ABS (2015) Estimated Residential Population, Cat No. 3218.0, Australian Bureau of Statistics, Canberra

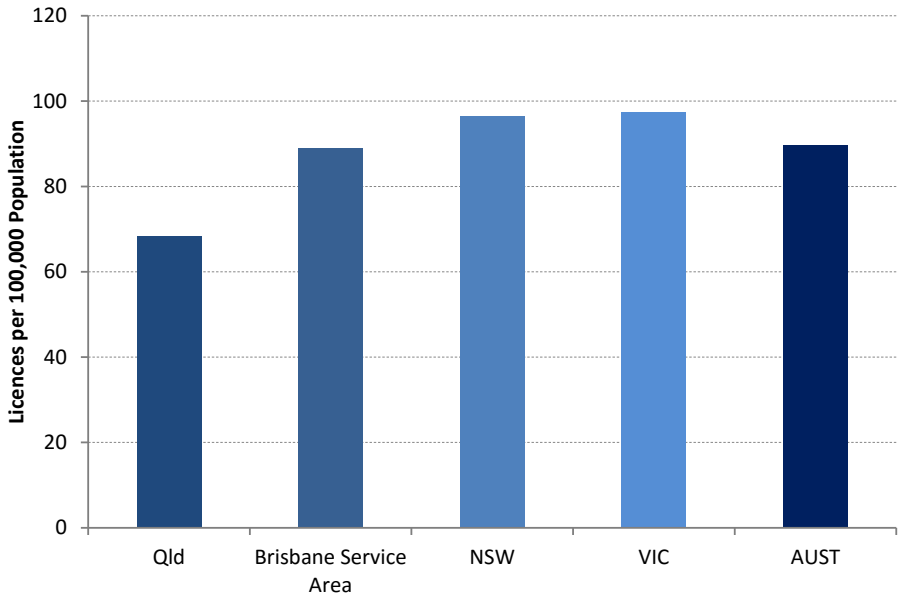

Figure 22 Taxi Licences per 100,000 Residents, Queensland and Select States, 2015

A number of factors influence this difference in taxi licence ratios between Queensland and other Australian jurisdictions:

- ***Queensland has a regionally decentralised population*** with more people living outside of Greater Brisbane than inside the capital – a unique characteristic in the State[34]. Taxi licence numbers have therefore been heavily influenced by the viability of providing taxi services in a large number of small communities across the State and the comparatively smaller size of major metropolitan markets. When the rate of taxi licence supply in the Brisbane Service Area is examined, the rate is much closer to that of NSW and Victoria which have much more urban and higher concentrated populations.
- ***Queensland regulations have historically emphasised fleet availability and service accessibility*** as a priority. The central importance of taxis as the major form of public transport in Queensland is relatively unique to the State and formed the basis for the establishment of Service Contracts and associated USOs and MSLs.
- The current regulations establish that ***the Minister must provide "justification" for increasing licence numbers***, with section 36 (2) establishing the criteria that must be met or substantially met. This requirement lead to the establishment of a demand-side taxi licence model.
- ***Queensland has a perpetual licence structure***. In contrast, NSW and Victoria both have a combination of perpetual and annual licences, which inflates and distort the numbers of licences in those States (and nationally given the size of those States). Further, the majority of licences in NSW and Victoria are actually owned by the State and are leased out to operators.
- ***Queensland learnt from the mistakes of overseas jurisdictions*** of the negative community impacts of an oversupply of taxis, particularly in terms of congestion and regulatory costs to Government and the community.

[34] ABS (2015) Estimated Residential Population, Cat No 3218.0, Australian Bureau of Statistics, Canberra

Ultimately, the Queensland Taxi Industry has a smaller number of taxi licences that operate within a structured and regulated environment resulting in higher rates of productivity, efficiencies while achieving greater levels of customer satisfaction that in other States.

Licences by Location

The majority of taxi licences in the State are located in South East Queensland. In Brisbane, 1,867 licences or 57% of the fleet are affiliated with either Black and White or Yellow Cabs. Additional taxi licences in SEQ currently operate in:

- Gold Coast – 367
- Ipswich – 68
- Redcliffe – 37
- Sunshine Coast - 110[35]

All taxis in South East Queensland are within Service Contract Areas.

Regional Queensland is serviced by 1,393 taxi licences. These licences are distributed across regional Queensland, operating in both major population centres (covered by Service Contracts) and small towns and communities, which are for the most part are outside of Service Areas and operate as Exempted taxi licences.

Major regional centres with taxi licences include:

- Cairns - 137
- Gladstone – 28
- Mackay – 73
- Rockhampton – 67
- Toowoomba – 86
- Townsville – 135[36]

Cairns and Townsville are the only locations outside of South East Queensland with more than 100 licences, while only five centres have more than 50 licences.

This decentralised distribution of taxi licences is further reinforced when licence numbers non-Service Contract Area locations are considered. Most towns and communities in regional Queensland have less than 5 taxis, servicing populations up to 10,000 people. Exceptions include:

- Dalby – 8
- Yeppoon – 10
- Thursday Island – 15

[35] TCQ (2016) Queensland Taxi Numbers and Locations, accessed at http://www.tcq.org.au/uploads/3/0/6/0/30604245/queensland_taxi_statistics_2015.pdf
[36] TCQ (2016) Queensland Taxi Numbers and Locations, accessed at http://www.tcq.org.au/uploads/3/0/6/0/30604245/queensland_taxi_statistics_2015.pdf

WAT Licences

The distribution of WAT licences broadly aligns with that of traditional licences, though they have greater representation in regional centres than in South East Queensland.

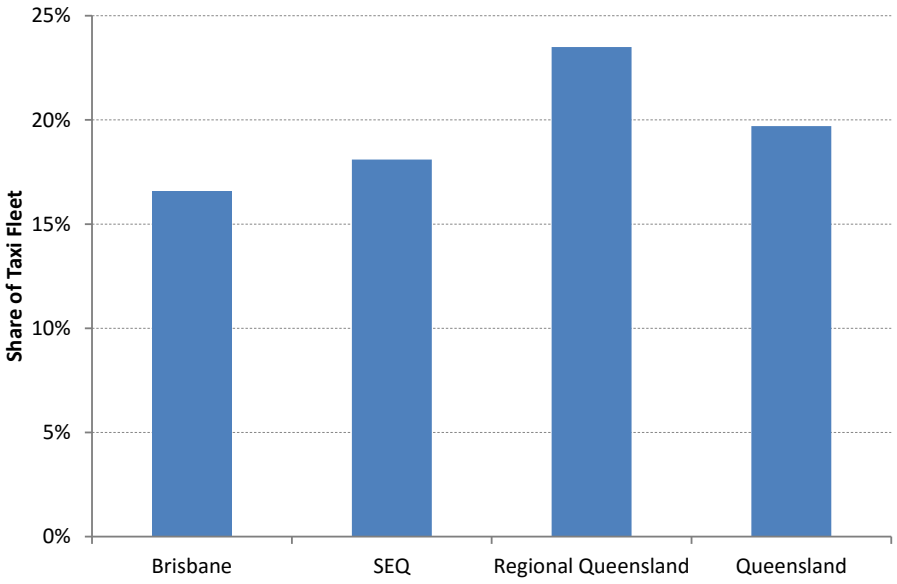

Figure 23 WAT share of Queensland Taxi Licences, August 2015[37]

In 2015, there were 310 WATs in Brisbane and a further 142 in other locations in South East Queensland. WATs account for 18.1% of the total taxi fleet in SEQ. In contrast, regional Queensland is serviced by 191 WATs, which account for 23.5% of the regional fleet.

This outcome reflects the active policy of TMR to maximise the number of WATs in regional Queensland to addressed perceived and actual concerns regarding taxi service accessibility by people with disabilities. However, the small size of many markets, and increased unregulated competition from community transport services provided by care organisations mean that WAT taxis often provide very few WAT-related services. Industry stakeholder consultation confirmed that some WATs do as few as one (1) trip per year, yet incur vehicle purchase and fitout costs that far exceed that of other taxis.

Consideration should therefore be given by Government to subsidising or in some way co-funding the delivery of WAT services in regional Queensland so as to share of cost burden with the licence holder and operator in the delivery of an essential public transport service in the regions.

Peak Demand Taxi Permits

There are two primary types of licences in Queensland:

- ***Conventional licences*** – issued by the Government pursuant to section 72 of the Act for a five yearly renewable or non-renewable period[38] based on conditions established by the Government[39]

[37] TCQ (2016) Queensland Taxi Numbers and Locations, accessed at http://www.tcq.org.au/uploads/3/0/6/0/30604245/queensland_taxi_statistics_2015.pdf
[38] Transport Operations (Passenger Transport) Act section 73

- ***Peak Demand taxi permits*** – section 80A of the Act defines a peak demand taxi is a vehicle, that is not a traditional licenced taxi, that can provide taxi services during periods peak patronage and demand.

The existence of peak demand taxi permits in the licence structure of the Queensland Taxi Industry reflect an attempt by the regulators to provide the Industry with the flexibility needed to respond to volatility in demand from the community without "gold plating" supply.

In other words, peak demand taxi permits represent a form of demand volatility management that complements the stock of traditional taxi licences. This model allows Operators and TBCs to respond to periods of high demand from the community by providing extra taxi capacity, without causing structural issues in the sustainability and viability of traditional licences. The need to meet MSLs, including for peak times, under the Service Contract provides an incentive for Operators and TBCs to secure peak demand management capacity in their respective fleets[40].

Through this model, the regulatory framework has successfully managed to address the issue facing all public utility infrastructure (of which taxis are a decentralised form of transport infrastructure) which is how to balance the need to meet average daily demand for taxi services, with the need to meet peak demand.

However, it is acknowledged the peak demand taxis must comply with all the regulations for traditional taxis licences. The Act applies regulations and conditions on Peak Demand Taxi Permit holders that are, for the most part, equivalent to the responsibilities and investments required in a traditional licenced taxi[41]. This includes incurring costs associated with fitout and equipment.

This raises serious questions regarding the viability of peak demand taxi permits as a commercial proposition. The combination of a full-cost structure with significant constraints on the times during which a peak demand taxi can operate, means that peak demand taxis are more susceptible to deteriorating commercial sustainability in response to increased costs.

Consideration should be given to ways in which peak demand taxi permits could be improved as a way of managing demand volatility by the Queensland taxi fleet. Potential considerations may include:

- The use of differentiated, potentially temporary, livery to make the customer aware that the taxi they are using is a peak demand taxi.
- Changes in the fare structure to provide an additional fixed or variable fare component for peak demand taxis, to enhance their viability and respond to consumer willingness to pay more during peak times.

Summary of Findings

The number of taxi licences in Queensland appear low compared to other States. However, this is principally a reflection of the decentralised nature of the State's population. When Brisbane alone is considered, taxi licence numbers are broadly comparable with national averages, on a per capita basis. It also reflects the historical focus and emphasis by the Queensland regulatory framework on maximising the efficiencies of the Queensland taxi fleet so as to ensure USOs and MSLs are achieved and accessible taxi services are available to all Queenslanders.

[39] Transport Operations (Passenger Transport) Act section 74
[40]
[41] Transport Operations (Passenger Transport) Act section 80G

WAT taxi licence numbers are some of the highest in the world and are in fact higher in regional Queensland than they are in metropolitan and urban areas. This reflects a bias towards the release of WAT licences in Queensland in previous years and the desire to ensure regional Queenslanders with a disability have access to adequate and appropriate taxi services. However, consultation with industry indicated that many WATs in regional areas do as little as one (1) wheelchair related trip a year and yet incur additional costs in terms of vehicle purchase and fitout in order to meet Government's social policy objectives.

Similarly, the Queensland regulatory framework provides for the existence of peak demand taxi permits, in addition to traditional licences. This one-year permit is an effective tool for management of volatility in demand, without creating a structural glut of taxi capacity within Queensland and undermining the long-term sustainability of taxi services in the State. However, the capital cost impost of owning a peak demand taxi is comparable to a licenced taxi, despite significantly lower utilisation rates. This means that the commercial viability of peak demand taxis is likely more susceptible to increased costs (including from new regulatory burdens) and therefore consideration must be given to improving the long-term viability of peak demand taxi services to ensure this service remains a part of the overall taxi fleet.

Operators and TBCs

A defining feature of modern taxi services is the presence or Operators and TBCs in the broader structure of the Queensland Taxi Industry. While taxis originally were all independent, the emergence of technologies and service requirements and standards placed on taxi drivers and licence holders by Government meant that greater focus on fleet utilisation and management was required.

This lead to the emergence of both Operators – responsible for owning taxi vehicles, complying with vehicle and service regulation, maintaining vehicles at the necessary quality and standard and bailing out vehicles to drivers – and TBCs – responsible for the receipt and dispatch of taxi jobs booked by customers.

While most jurisdictions have Operators within their industry structures, though the role, function and responsibilities of this stakeholder group can vary dramatically. In contrast, very few jurisdictions have TBCs similar to the Queensland context.

This section examines the unique role that Operators and TBCs play in the Queensland Taxi Industry and the advantages to the community and Government of the current regulatory framework, specifically Service Contracts.

Operators

Role of Operator

Operators exist because of the separation in modern taxi regulations between licence owner and vehicle owner. Licence owners have the right in Queensland to provide a taxi service but require a compliant vehicle in order to deliver the taxi services to the community. This structural separation between licence owners and operators however does not preclude an individual fulfilling both roles in the delivery of taxi services. In fact, a range of owner-driver-operator combinations exist in Queensland. These include:

- ***Owner-Driver-Operator –*** *This option suits an owner who wish to be in complete control of their taxi operation and would include driving full-time or part-time in addition to business management.*
- ***Owner-Operator –*** *The Owner-Operator option is the same as above without the owner themselves driving the vehicle. The Owner-Operator finds drivers to hire the taxi under a Bailee/Bailor arrangement for a negotiated share of the shift takings, typically 50%; with the Owner-Operator bearing all costs.*
- ***Leasing –*** *Leasing a taxi licence is a passive investment. The licence owner leases their licence to a TBC or Operator who provides the vehicle. Under this arrangement, the owner has no involvement in the running of the business.*

- ***Management –*** *This alternative is for the owner for the TSL to provide the taxi vehicle as well, and have an Operator manage the vehicle and licence (including dealing with drivers and arranging vehicle maintenance). Instead of a passive investment, the licence now becomes a taxi business – an active asset.*[42]*.*

This combination of potential licence owner-operator models has been instrumental in maximising the investment of private capital into the Queensland Taxi Industry by providing a cascading series of investment management options that meet different risk profiles and preferred level of management and service delivery involvement of investors. This has ensured that the taxi services, one of Queensland's highest patronage public transport mode, continues to be delivered to the community at no cost to the taxpayer.

The ability for individuals in Queensland to acquire a licence as a passive investment has seen the rise of passive ownership. This in turn as has seen the importance of Operators grow. Similarly, the focus of both Government transport policy and taxi industry regulation on fleet efficiency, accessibility and availability has meant the current regulatory framework places a significant degree of reliance and burden on Operators to ensure vehicle (in terms of equipment and ongoing maintenance), business sustainability and service delivery standards are met and exceeded.

Corporate Operators are also increasingly common in Queensland, due to the efficiencies that can be gained from the operation and management of a fleet of vehicles assisting to offset very high regulatory cost burdens and comparatively small margins.

Operator Accreditation

As a result of this reliance on Operators in ensuring the quality of taxi vehicles are maintained at globally high standards, Operators in Queensland are accredited. Both the Act (Chapter 3) and Regulations (Division 2) deal with the requirements and process for attaining accreditation.

The Act establishes in section 12 that the purpose of operator accreditation is to:

11) …encourage the high quality operation of public passenger services by:

> *a) raising the standard and awareness of operators in the areas of safety, service delivery and business acumen; and*
>
> *b) ensuring public passenger service operators are held accountable for complying with the standards.*

This highlights the multi-faceted nature of operator responsibilities under the regulatory framework and the compliance requirement created by the Act. Section 14 establishes the operator accreditation standards that the operator must meet in order to receive and maintain their qualifications. These standards include:

(a) the applicant's capacity to ensure the appropriate operation and maintenance of public passenger vehicles; and

(b) the applicant's ability to provide a quality public passenger service; and

[42] Black and White Cabs (2016) Buying a Licence accessed at http://blackandwhitecabs.com.au/brisbane/buying-a-licence

(c) *an operator's responsibility to comply with vehicle design, safety and operational requirements; and*

(d) *the applicant's business management skills, including, expertise in timetabling, route planning, marketing, customer services and financial management; and*

(e) *the operator's responsibility to comply with or ensure that a driver complies with an Act, or a provision of an Act, that would promote safety or customer service; and*

(f) *other matters prescribed by regulation.*

Broadly, the standards in the Act are clear and concise and sufficiently flexible given the inclusion of sub section (f). However, an area of potential confusion relates to the apparent shared responsibility between Operators and TBCs in the management of drivers.

This is a potential issue for drivers who may be unaware of the party to which they are accountable under the current Queensland industry structure. As both Operators and TBCs are reliant on drivers for the delivery of taxi services for which both stakeholder groups are accountable under the regulations, this has the potential to result in conflicting objectives with regard to driver management.

There is an opportunity for greater understanding and communication of the responsibilities of drivers to Operators and TBCs and the role of these stakeholders in facilitating and supporting drivers providing quality and accessible taxi services for the community.

TBCs

What are TBCs?

TBCs are an integral part of Queensland Taxi Industry. Their establishment as a regulated part of the Queensland Taxi Industry in the Act and the MSL and USO responsibilities under the Service Contracts have been instrumental in establishing Queensland as the premier booked taxi market in the world.

However, during our recent study tour of international taxi jurisdictions, there is significant variation in understanding of what constitutes a TBC (or equivalent centralised dispatch), what its role and function was in the industry and its relationship with other taxi stakeholders.

Many taxi jurisdictions around the world claim to have TBCs in their industry structure. However, what is a "TBC" in most jurisdictions bears closer resemblance to Operators in Queensland.

In Singapore, the dispatching of booked jobs is a requirement of Operators, but is a secondary responsibility after the bailment of vehicles. This is reflected in the performance measures of Singapore taxi companies, captured by the Land Transportation Authority ("LTA"), which focus on vehicles reaching a minimum daily mileage, rather than on the timeliness of services to customers[43].

Singapore also legalised the use of third-party dispatch apps in the taxi market, providing an online platform for customers to booked taxi services[44]. These apps generally operate separate to and in competition with

[43] Land Transport Authority (Singapore 2016) http://www.lta.gov.sg/content/dam/ltaweb/corp/PublicTransport/files/TA_Results.pdf
[44] Channel News Asia (22 August 2015), Laws passed to regulate third-party taxi booking apps accessed at http://www.channelnewsasia.com/news/singapore/laws-passed-to-regulate/1840050.html

taxi operators and are simply a booking clearinghouse and payment platform. The apps lack the capacity to provide fleet distribution, management and efficiency support for the industry or Government.

Another example of a potential "TBC" was the establishment of Transportation Network Companies ("TNCs") in California. Originally established by the California Public Utilities Commission ("CPUC"), TNCs are permitted in the State to:

"provide prearranged transportation services for compensation using an online-enabled application or platform (such as smart phone apps) to connect passengers with drivers using their personal vehicles.[45]"

Consultation by RPS with the CPUC confirmed their belief that the establishment of a TNCs was a genuine global innovation. However, in the Queensland context, TNC's simply provide the services of TBCs, albeit with a far narrower range of booking and communication channels and the use of private instead of commercial vehicles.

TNCs lack the capacity or the requirement to ensure universal accessibility. The establishment of TNCs in California instead represented an attempt to create a segmented market – between taxi rank-and-hail and pre-arranged point-to-point transport services – analogous with the existing structure of London and New York markets.

In New South Wales, the recent reforms have fundamentally changed the role and function of TBCs in that State. While the previous regulations required the taxi industry to provide some universal services (though the regulatory framework lacked enforcement capabilities due to a lack of comparable service contracts) the legalisation of "ride sharing" in that State was coupled with a wholesale removal of the universal service obligations, responsibilities and requirements of Government on the taxi industry.

This included removal of:

- the obligation on taxi drivers to accept all hirings when offered
- the obligation on booking services for taxis to provide coverage throughout the licensed area 24 hours a day, 7 days a week
- the obligation on booking services for taxis to ensure that 10 per cent of taxis in their taxi fleet be required to carry a child restraint[46].

Queensland TBCs

In 2015, there were 60 TBCs in Queensland. A TBC is required for every town or community with more than 10,000 people. Of these TBCs, 23 operate within Service Areas defined by the TMR[47] and are parties to Service Contracts with the State Government. These Service Contracts establish the MSLs.

Queensland TBCs have no direct comparison in Australia or around the world. No other jurisdiction has a taxi industry in which TBCs are:

- parties to service contracts with Government[48]

[45] California Public Utilities Commission (2016) Transportation Licencing accessed at http://www.cpuc.ca.gov/transportationlicensing/
[46] NSW Department of Transport (2015) Point-to-Point Transport Taskforce – Report to Minister accessed at http://www.transport.nsw.gov.au/sites/default/files/b2b/publications/point-to-point-transport-taskforce-report-to-minister.pdf
[47] Department of Transport and Main Roads (2016) Taxi Fares, Service Areas and Maps accessed at http://www.tmr.qld.gov.au/Travel-and-transport/Taxis/Taxi-fares-service-areas-and-maps

- required contractually to meet MSLs set by the Government[49]
- required by the regulatory framework to ensure universal availability of taxi services within the service area, 24/7[50]
- responsible for driver training and performance management[51]
- required to maximise the efficiency and accessibility of the taxi fleet in the service area
- responsible for the management and resolution of customer complaints

Ultimately, RPS defines Queensland TBCs as:

"contracted providers of centralised taxi booking and dispatch services, responsible for maximising the accessibility, availability, safety, quality and transparency of taxi services for all members of the community in the service area."

This definition is more closely aligned with the characteristics of other contracted public transport providers in the State and around the country. For example, the TMR currently administers transport-related service contracts that include relevant MSLs[52]. This contractual approach reflects the fact that the Queensland Taxi Industry, more so than any other taxi industry in the world, is a core provider of essential and flexible public transport services.

Therefore, the core role of TBCs in Queensland is to maximise the efficiency, availability and accessibility of the Queensland taxi fleet to ensure the benefits of this flexible public transport network are realised by all Queenslanders.

Lack of Understanding about TBCs

Despite this importance, there continues to be a lack of understanding in the community of the role and function of TBCs in the State, or the overall structure of the industry. The results of the recent survey about the State's taxi industry by UMR, found that 41% of Queenslanders aged 18+ believed TBCs owned the taxis that they dispatched, while a further 28% were unsure.

Only 31% or less than one in three Queenslanders were aware that TBCs received bookings and dispatched taxis owned by others[53].

This lack of understanding of the current regulatory structure of the Queensland Taxi Industry and the role played by TBCs potentially reflects a number of factors:

- consumers associate company branding with ownership and do not understand the concept of affiliation
- TBCs are one of the main points of interface with the customer
- Service Contracts have made TBCs responsible for the customer experience including the receipt, management and resolution of complaints

[48] Chapter 6 of the Transport Operations (Passenger Transport) Act 1994
[49] Section 40 of the Transport Operations (Passenger Transport) Act 1994
[50] Section 41 of the Transport Operations (Passenger Transport) Act 1994
[51] Section 20C of the Transport Operations (Passenger Transport) Regulations 2005
[52] Department of Transport and Main Roads (2016) Transport Service Contracts accessed at http://www.tmr.qld.gov.au/business-industry/Transport-sectors/Rail-services-and-infrastructure/Transport-Service-Contracts.aspx
[53] UMR (2016), TCQ - Issues affecting the taxi industry, UMR Strategic Research, Sydney

- TBCs market and advertise taxi services, on behalf of Operators, Licence Holders and Drivers, has reinforced this sense of “ownership”; similar to a franchise model with the major difference being that the services provided are essential rather than retail
- “TBCs” in many other jurisdictions do in fact own their taxi fleet, as they are effectively Operators in the Queensland context with secondary booking and dispatch functions

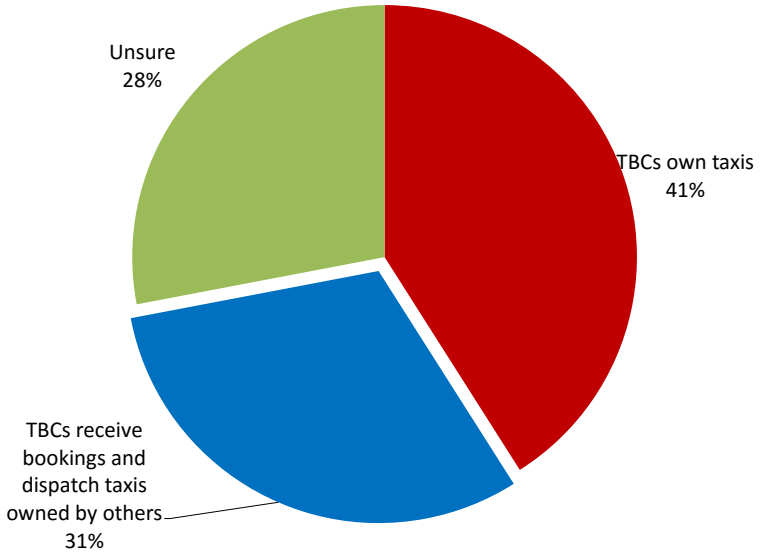

Figure 24 Figure 25Response of Queenslanders to Survey Question on the Role that TBCs

Summary of Findings

Operators and TBCs are essential components of the Queensland Taxi Industry, although their roles and responsibilities and therefore contributions to the industry and the wider community differ. Taxi Operators are critical in maximising the availability of taxis to Queenslanders, by matching licenced vehicles with drivers and by ensuring ongoing compliance and maintenance of those vehicles.

In contrast, TBCs in Queensland are the stakeholder ultimately responsible to the community for the taxi service provided. While delivered by the driver, the existence of a service contract between the Government and the TBC vests responsibility for the customer experience, their safety and security, with the TBC. This responsibility makes Queensland TBCs unique compared to their international counterparts and instead are more akin to contracted providers of public transport services in Queensland and in other State in Australia.

Regulating Supply

The current regulatory framework governing the Queensland Taxi Industry is world class. The establishment in 1994, and subsequent refinement of, a co-regulatory model, incorporating legislative regulatory and contractual elements, is unique and provides the Queensland Taxi Industry, the State Government and the wider community with a range of advantages and opportunities not available to other jurisdictions. This includes increasing the alignment of taxi services with other public transport services, helping to realise the Government's vision *of:*

"A single integrated, safe, reliable and efficient transport system that is accessible to all[54]."

This section examines and analyses the current regulatory framework in Queensland as it relates to the supply and quality of taxi services in the State. It includes a discussion on the rationale and objectives of the regulations, the importance of market entry restrictions and the experiences of international jurisdictions where supply de-regulation has occurred.

4.1 Protecting the Consumer, Not the Industry

A prima facie examination of the Act and Regulations may lead to the reader classifying the current regulatory framework as "industry protection". In particular, regulations establishing market restrictions[55] provide the impression that the purpose of the Act and the regulation is to protect the industry from new market entrants and associated competition. This view has been reinforced by recent reviews of the Taxi Industry in Victoria and New South Wales, where issues of cartel behaviour, abuse of market power and protection from competitive forces were raised[56]. It is also a view that is enshrined in the Terms of Reference of the OPT Review, which classified the Queensland Taxi Industry as a "protected industry"[57].

However, this interpretation of the Act and Regulations in Queensland is incorrect and is at odds with the views of the majority of Queenslanders. The results of a recent survey conducted by UMR on the Queensland Taxi Industry found that 67% of Queenslanders were aware that the industry was regulated by the State Government and 72% Agreed or Strongly Agreed with the statement that *Government Regulation of Taxis Benefits Consumers* with only 11% disagreeing[58].

The Transport Operations (Passenger Transport) Act 1994 and associated Regulations and Service Contracts with TBCs establishes a regulatory framework solely focused on protecting consumers.

[54] DTMR (2014) Transport and Main Roads Strategic Plan 2014–2018 Connecting Queensland – Delivering transport for prosperity, Department of Transport and Main Roads, Brisbane
[55] Chapter 5 of the Transport Operations (Passenger Transport) Act 1994
[56] For example, Victorian Taxi Commission (2016), Taxi Industry Inquiry accessed at http://taxi.vic.gov.au/taxi-reform/taxi-industry-inquiry
[57] OPT Review (2015) OPT Review Task Force Terms of References, OPT Review, Brisbane
[58] UMR (2016), TCQ - Issues affecting the taxi industry, UMR Strategic Research, Sydney

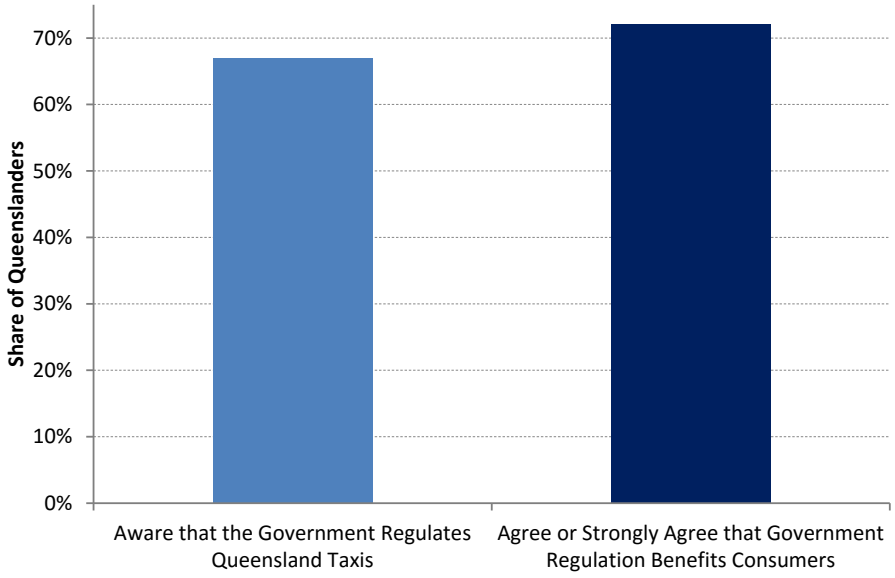

Figure 26 Knowledge and Views of Queenslanders on Current Taxi Industry Regulations, February 2016

This consumer and community protection-focus reflects the fact that taxis in Queensland are public transport. As a responsive, flexible, point-to-point form of public transport, the objectives of the regulations are to maximise the availability, accessibility, long-term sustainability and quality of taxi services. This has helped to establish a taxi-based public transport system that ensures all Queenslanders – regardless of location, time of day, disability, gender, ethnicity, age or travel distance – can secure a safe, high quality and reliable taxi service.

4.2 Market Entry Restrictions

The supply of taxi licences in Queensland, or the facilitation of a new entrant to any part of the Queensland Taxi Industry, is not capped by the Act or Regulations.

Instead the Act, under section 36 (2), provides the Minister with discretionary authority to increase the supply of taxis or enter into a Service Contract with TBC entrants, in circumstances where they are convinced such an increase will:

- improve the level and access of service
- improve service innovation and
- would better meet the Government's social justice objectives at a lower cost[59]

This requirement for justification to increase taxi service supply represents a broad net community and social benefit test, coupled with a financial cost impost test for Government. This approach is appropriate for managing the supply of providers of public transport services in the State.

Focus in other State's on issues such as increasing competition and empowering individual consumers is not relevant in a State where taxis perform a critical public transport function. Instead, the focus of Queensland's

[59] Section 36 (2) Transport Operations (Passenger Transport) Act 1994

regulatory framework must continue to be on maximising the benefit of taxi services to the entire community, ensuring that the ***universal accessibility of high quality taxi services to all Queenslanders is maintained over the long-term.***

Since 1994, Queensland regulation has put the customer unequivocally first.

The removal of market entry restrictions represents a form of supply de-regulation. Such de-regulation has been undertaken in other jurisdictions in Australia and around the world over the past 20 years. In almost all instances, the principal rationales or justification of supply deregulation included:

- Increased competition and choice – customers benefit from having greater choice of taxi service providers
- Reduced cost – supply de-regulation is commonly coupled with fare de-regulation. Competition theory claims that increasing competition in the taxi industry, through removal of market entry restrictions places downward pressure on prices
- Higher quality services – increased competition incentivises higher quality customer service
- That supply controls are a blunt form of regulation and the focus should instead be on setting and enforcing quality standards

However, the lessons from locations around the world that have undergone taxi supply de-regulations is that the end outcomes from such an approach are almost always negative and perverse. This reflects the fact that de-regulation is often premised on:

- views and understandings of the taxi industry are theoretical, overly simplistic and lacking in context
- customer needs and goals being homogenous and universal
- taxi demand is entirely discretionary and therefore driven by market forces
- that desired outcomes by individual customer and the whole community are not in conflict

RPS has undertaken a comprehensive review of the experiences and lessons learnt from other jurisdictions who has de-regulated the supply of taxis or have introduced uncapped taxi-equivalent services into their markets. This has included analysis of the review of the impacts of supply de-regulation and competition by Professor Des Nichols of Australian National University in 2012[60] as well as desktop research and feedback from consultation with international taxi jurisdictions from our study tour.

Examples of outcomes from supply de-regulation include:

Jurisdiction	Reforms/Outcomes	Re-Regulated
Netherlands	**Reforms** • Phased supply de-regulation between 2000 and 2004. • Market entry restrictions removed • Fixed fares changed to maximum fares • Removal of Service Areas • Nationally consistent regulations • Promotion of self-regulation, particularly in terms of quality. **Outcomes**	Yes. Partial in 2004. More fully in 2012.

[60] Nichols, D, (2012) Competition and Regulation Revisited – Current Trends in the Taxi Industry, ANU, Canberra

Jurisdiction	Reforms/Outcomes	Re-Regulated
	• Significant (25%) increase in taxi supply within the first 4 years. • No increase in demand or realisation of pent up demand • Difficulties in securing a taxi despite increased numbers, due to concentration of supply at key economic nodes (CBD/Airports) and at peak times. • Evaluation of the reforms in 2004 confirmed expected outcomes were not realised.	
Sweden	**Reforms** • Removal of market restrictions and far regulations in 1990. • Licence areas consolidated. • Compulsory affiliation requirements removed. • Regulation undertaken due to perceived undersupply of services and lack of price competition. • Introduction of value added tax (GST) to taxi services • Limited quality standards **Outcomes** • Fares increased across all markets and locations across the country. • Supply concentration in cities and major urban areas at the expense of regional areas. • Service quality dropped significantly and resulted in significant community backlash against politicians and the Government. • Market failure in the service of a range of groups in the community resulted in requirement for central and local governments to pay for taxi services on behalf of the community. Within 10 years, 50% of all taxi trips were publicly funded and up to 90% in some regional areas.	Yes. Stringent quality standards and geographic distribution restrictions. Licence supply caps current under investigation.
Norway	**Reforms** • Removal maximum fare regulations in 5 largest cities in 2000. • Maintenance of market entry restrictions. • Decentralisation of taxi regulation and enforcement to country governments. • County government given authority to set number of dispatch centres and require compulsory affiliation. **Outcomes** • General increase in fares, particularly at night and on the weekends. • Reduction in demand in response to higher fares.	No
New Zealand	**Reforms** • Removal of market entry restrictions in 1989. • Maintenance of quality regulations **Outcomes** • 100% increase in taxi supply within 16 years, despite only 6% increase in demand over the same time period. • Significant congestion major economic nodes, particularly airports. Lead to violence between taxi drivers and against passengers with short trips. • Increase in reported number of instances of drivers refusing service to passengers in contravention of service denial regulations. • Establishment of cartel behaviour among major taxi companies including negotiating exclusive service agreements with major venues excluding smaller operators and charging significant “buy-in” fees for taxis to join booking and dispatch networks. • Introduction of more extensive and comprehensive quality regulations. • Substantial increase in the enforcement and compliance burden and costs on the regulator which subsequent audits revealed was unable to “keep up” with compliance activities.	Yes. Airport regulation of taxi movements. Increased focus on mandatory equipment requirements such as security cameras.

Jurisdiction	Reforms/Outcomes	Re-Regulated
Ireland	**Reforms** • Immediate and instantaneous market entry de-regulated in 2000 • Maintenance of regulated fares at the local level. **Outcomes** • 530% increase in taxi numbers within 7 years. • Reduction in waiting times but only 6% increase in total service demand over 7 years. • Full extinguishment of licence market values, requiring compensation from the Government totalling $17.5m. • Failure of reforms lead to appointment of a taxi regulator • Centralisation of fare setting to the regulator. • Reduction in taxi driver earnings and increase in hours and shifts worked – the number of drivers working 70hrs+ doubled to 2005. • Dispatch centre affiliation declined • Substantial increase in congestion in major centres, particularly Dublin • Fall in demand in the 4 years to 2011 was not matched with a corresponding fall in supply. • Recommendation from the 2010 review to remove the right to transfer licences, eliminating the secondary market. • Increase in claims by customers against taxi drivers including price gouging, fraud and extortion.	Yes. Moratorium of new licences introduced in 2010.

Perverse Outcomes of "Competition"

Overall, the international experience regarding market restriction de-regulation has been negative. With the exception of marginal fare declines in Japan and improved wait times in Ireland, all jurisdictions that have undertaken supply de-regulation over the past two decades have experienced significant negative outcomes with corresponding major backlash from the community against politicians.

Specifically, the case studies summarised above indicate that removing market restrictions results in

- ***De-coupling of supply from demand –*** *supply increases far faster than demand and does not respond to changes in demand*
- ***Increases in fares –*** *greater supply competition does not lead to price competition as the dilution of the market forces individual taxi operators and drivers to increase fares to maintain commercial viability*
- ***Deterioration in vehicle quality –*** *as drivers and operators reduce costs in order to improve financial and operational viability is a diluted market*
- ***Decreased service accessibility –*** *particularly for the disabled and those in wheelchairs and regional communities*
- ***Increased customer exploitation*** *– including price gouging, racial and gender discrimination and short-fare refusal*
- ***Increased regulatory enforcement burden*** *– with regulatory burden and responsibility falling entirely to Government to enforce quality compliance across a larger number of personalised transport vehicles.*

The experience of overseas and international jurisdictions is that in the absence ***of supply regulations, the delivery of personalised passenger transport services represents a failed market***. Inevitably, this leads to some degree of re-regulation, at the very least in terms of service and vehicle quality but also with a corresponding increase in regulatory compliance burden. It also can result in a significant cost shift to Government as the State is often forced to procure taxi services on behalf of groups in the community, effectively creating a publicly funded taxi sector.

The reason for this market failure reflects the fact taxi licences and drivers are individuals and do not have access to sufficient real-time and comprehensive information on the state of the taxi market to make informed investment decisions. This not only results in a disproportionate increase in taxi supply, relative to actual demand, but an over concentration of supply in locations of perceived high demand. The capital and labour intensive nature of taxi services mean that drivers are forced to work longer hours to mitigate income losses while operators allow vehicle quality and standards to deteriorate to reduce capital and maintenance costs.

Taxi Licence Model

The principal source of evidence to assess the need for additional taxi licences in the State is the SAHA International Taxi Licence Review Model. Devised in 2004 and independently reviewed by SAHA International in 2008, the model takes into account:

- demographic changes
- industry issues
- service levels and community expectations

The Taxi Licence Model is reviewed annually in South East Queensland, and every two years in Regional areas. If the demand profile has changed then either more taxi licences are issued, or licences are re-allocated to a geographic area that has seen an increase in demand. In doing this, Queensland's model is market-responsive, working on a regional level and taking into account demand factors other than simply population growth. This floating model allows for both increases and decreases in demand in geographic regions and serves as a 'check and balance' against both unfilled demand and over supply of taxis.

RPS has undertaken a critical assessment of the SAHA International model, namely through a review of the model purpose, architecture, inputs, methodology and broader processes.

RPS broadly supports the approach adopted and implement by SAHA International and believes the use of the Taxi Licence Model by TMR continues to represent best practice globally.

The following recommendations are made by RPS from our review of the Model:

- A formal review of the Model should be undertaken or commission by TMR. While RPS considers the broad approach and application of the Model as sound and appropriate, underlying economic and social conditions in Queensland have changed dramatically since 2008.
- Consider using age-related population estimates (either as a second population variable using ABS Catalogue 3235.0 or as a single combined weighted population measure) to reflect differences in draw down rate of taxi services by different age cohorts and the potential medium and long-term changes in the demographic structure of the State's population.
- Source location-specific employment projections from Queensland Treasury for use in the model instead of rolling historical 10-year average growth rates forward. Also consider refinement of the employment input to consider changes in employment in industries with higher drawn down of taxi services.
- Review the continued appropriateness of the GSP inputs.
- Consider using data from the National and International Visitor Surveys, rather than Tourism Accommodation data sets from the ABS. The prior is superior in terms of the ability of the data to be extracted for specific travel reasons and is now more frequently updated.
- Car ownership data is also available in the early part of each year from the ABS Count of Vehicles data set and includes the specific indicators required.
- Review potential to incorporate possible drivers that were excluded in the 2008 report namely the

level/patronage of public transport services in each service area.

- Shift the model to the number of trips now that this information is available to TMR.
- Incorporate Queensland specific taxi cost and revenue data.

Overall, apart from specific questions regarding the currency and continued appropriateness of inputs above, RPS believes the Taxi Licence Model remains global best practice.

Summary of Findings

Queenslander's understand that the Government regulates the taxi industry for the benefit of the consumer and the community. This includes safety and quality regulations as well as market entry restrictions regulations. The Act does not itself restrict market entry but empowers the Minister to increase licence supply where doing so is in the best interest of the community.

To meet this net community benefit test, the Queensland TMR and SAHA International developed a model to determine current and future taxi demand and the corresponding need for licences. Our review of the Taxi Licence Model confirms that it remains the international best practice approach to ascertaining the need for additional taxi service capacity. RPS recommends that the model be reviewed and updated to reflect the changes in the underlying socio-economic environment over the past 8 years and to respond to improvements in the quality and availability of select data inputs.

In the absence of these market restriction regulations and evidence-based demand modelling, international experience over the past 20 years tells us that personalised transport is a market failure. Imperfect information and conflicting objectives between individual drivers and licence holders and the wider community results in a range of perverse and negative outcomes. This includes rapid increases in supply with associated congestion (particularly at major economic nodes), but decreased availability and accessibility of services, particularly outside of major economic nodes (airports and CBDs).

Demand does not respond to increased supply while prices increase as drivers' attempt to mitigate financial losses from the reduction in relative market size. Vehicle quality also falls and instances of price gouging, extortion, racial and gender discrimination, short-fare refusal and even violence increase dramatically.

But most dramatically is the cost to Government and the community. Government takes on a larger regulatory compliance and enforcement responsibility that is increasingly costly to enforce due to the 25-500% increase in the personalised transport fleet. Further, Government needs to address the market failure in personalised transport accessibility by procuring taxi services from the market on behalf of the disabled, those in wheelchairs and those in smaller and more regional communities. The experience of other jurisdictions is that this comes at a cost of hundreds of millions of dollars per annum.

Meeting the Needs of Queenslanders

The principal objective of the Queensland Taxi Industry is to serve the community. This means that that the supply of taxis must be sufficient to meet the needs of all members of the community, regardless of their location, disability and ethnicity. This focus on community is embedded in the Act where Chapter 5 effectively ***establishes the criteria for a net community benefit test of increasing licences***. These criteria include:

- ***adequate supply***
- ***innovation***
- ***cost to Government***
- ***meeting the needs of the community***

In their review of the Queensland Taxi Industry in 2009, AECOM confirmed that average taxi supply capacity was slightly greater than average demand[61]. This suggested there was no structural issue in the supply of taxis in Queensland. Instead AECOM recommended that the focus be on servicing peak demand through the release of peak demand permits.

Since that time, taxi patronage has grown strongly and there is currently an opportunity to review licence numbers in the State.

The Taxi Licence Model, developed by SAHA International and TMR, provides an evidence-base for the Minister to assess the need for additional licences. RPS regards this model as international best practice and a genuine innovation in taxi industry regulation.

However, there are other indicators that can also be assessed to determine whether current supply of taxis in Queensland are sufficient to meet the needs of the community for accessible, available, innovative and high quality taxi services across the State.

In this section, RPS undertakes a multi-variate Net Community Benefit assessment to determine whether the current fleet of taxis in Queensland meet the needs of the community.

[61] AECOM (2009) Technical Input for Taxi Industry Strategy Plan, AECOM, Brisbane

4.1 Relevant Performance Indicators

RPS has identified a series of indicators of the performance of the Queensland Taxi Industry under each item in the Criteria. These indicators have been examined in this and other Technical Reports prepared by RPS.

Figure 27 Performance Indicators Net Community Benefit Test of Current Licence Supply

Adequate Supply	Innovation	Cost to Government	Meeting Community Needs
MSL Average Wait Time – Conventional Taxis	App-Based Booking Platforms	Level of Co-Regulation	MSL Average Wait Times – WAT Taxis
Secure Rank Wait Times	Integrated GPS and Meters	Costs of Subsidising WAT Vehicles or Delivering Paratransit	Customer Satisfaction
Taxi Idle Time	Share of Taxi Trips Booked	Expenditure on the full procurement of Taxi Services on behalf of the community	WAT Shares of State Fleet
Metered Jobs per Taxi	Hybrid Share of Taxi Fleet		WAT Shares of Regional Fleet
Average KMs Per Taxi in 2015			
Taxis per 100,000 Population			
Customer Satisfaction with Taxi Punctuality			

The performance of the Queensland Taxi Industry in each of these indicators has been reviewed and compared with other national and international jurisdictions as well as the State's historical performance.

For each indicator, RPS has used a "traffic light" based scoring system to visually represent the whether the indicator suggests that additional supply of taxi licences is required.

4.2 Adequate Supply

Ensuring an adequate supply of taxis in the State is critical to ensuring that all Queenslanders have timely access to quality taxi services. Queensland's current performance under the Adequate Supply criteria is summarised below:

Figure 28 Criteria 1 – Adequate Supply

Indicator	Statistics	Performance
MSLs – Conventional Taxis	As at December 2015, the Queensland Taxi Industry exceeded the MSL requirements, posting lower average wait times during peak and non-peak[62]	

[62] Department of Transport and Main Roads (2016) Taxi Service Levels accessed at http://www.tmr.qld.gov.au/Travel-and-transport/Taxis/Taxi-Service-Levels.aspx. Refer to Appendix 10 for further details.

Indicator	Statistics	Performance
Secured Rank Wait Times	As at December 2015, the average wait time for a taxi at a secure rank in Brisbane, Gold Coast and Ipswich was less than 90 seconds during peak times on Friday and Saturday Nights[63].	
Taxi Idle Time	In 2015, the amount of time taxi spent idle varied between 45-50% across Queensland. Indicates significant capacity within the existing fleet to cater for growing passenger need.[64]	
Metered Jobs per Taxi	In 2015, Queensland averaged 14,600 per taxi, the highest volume in Australia[65]. Reflects a combination of increased taxi demand in the past 4 years, constrained driver availability and sub-par taxi utilisation performance in other States, particularly Victoria.	
Average KMs per Taxi	Queensland's average KM travelled per taxi in 2015 was above the national average but in line with NSW. The more decentralised nature of the State's population likely leads to a higher average travel distance. This suggests that Queensland taxis are currently not overstretched in terms of the distance they are required to travel.	
Taxis per 100,000 Population	Queensland has a significantly lower number of taxis per 100,000 residents than NSW or Victoria. However, this is a reflection of licence structures and lower taxi utilisation rates and performance levels in those States, as well as Queensland's decentralised population. Analysis of Brisbane suggests taxi levels are appropriate[66].	
Customer Satisfaction with Taxi Punctuality	The UMR survey in 2016 of a representative sample of the Queensland population aged 18+ indicated a high degree of satisfaction with the punctuality of Queensland taxis. 64% or almost 2 in every three Queenslanders were broadly satisfied with the level of punctuality, with only 7% either Mostly or Totally Dissatisfied.[67]	

Overall, RPS considers the current number of taxis in Queensland to be adequate to ensure universal availability. The comparatively smaller number of taxis per 100,000 residents in this State reflects larger numbers of underutilised taxis in NSW and Victoria and the impact on Queensland's decentralised population on taxi levels. It is likely that the current supply will experience some mid-term pressure in supply

[63] TCQ (2016) Secure Rank Unpublished Data, TCQ, Stones Corner
[64] TCQ (2016) Unpublished data from Taxi Booking Companies, TCQ, Stones Corner
[65] ATIA (2016) Taxi Statistics, accessed at http://www.atia.org.au/taxi-statistics
[66] ATIA (2016) Taxi Statistics, accessed at http://www.atia.org.au/taxi-statistics
[67] UMR (2016), TCQ - Issues affecting the taxi industry, UMR Strategic Research, Sydney

but passenger wait times continue to be below required levels and are generally regarded as punctual by the community.

Based on this assessment, RPS considers the current supply of taxi licences in Queensland as adequate with additional taxi licences not required in the short-term. Instead focus should be afforded maximising the utilisation of current taxis to an optimal level, in line with the role of taxis as an integral part of the State's Public Transport System.

4.3 Innovation

RPS prepared a technical report in response to the OPT Review's draft Innovation Paper, entitled *Innovation in the Queensland Taxi Industry.* That report provides a comprehensive overview of the history and current innovation performance of the Queensland Taxi Industry. Information from that Technical Report is used as the basis for the innovation assessment below:

Figure 29 Criteria 2 – Innovation

Indicator	Statistics	Performance
App-Based Booking Platforms	Queensland Taxi Companies first introduced app-based booking interfaces for their existing central computerised booking and dispatch platforms in 2011. Functionality of current apps are equivalent in many ways to that of "ridesharing" platforms, though the centralised computer-based booking and dispatch platforms that sit behind TBC apps possess greater capacity and capability.	
Integrated GPS and Meters	Queensland pioneered the integration of GPS units and meters into Taxis and is one of the only fleets in the world with meters that directly link to the centralised booking and dispatch systems of TBCs.	
Share of Taxi Trips Booked	In 2015, 65% of all taxi trips in Queensland were booked. This is higher than NSW (20%) and significantly higher US jurisdictions which, prior to the introduction of "ride sharing" were almost exclusively rank and hail markets.	
Hybrid Share of Taxi Fleet	72% of the Queensland taxi fleet in 2015 were hybrid vehicles, the highest rate in Australia. This was achieved without regulatory requirements.	

The Queensland Taxi Industry has a proud history of innovation, both in terms of the pioneering development of new technologies, process and services as well as the early and rapid adoption of innovations from around the world. The Queensland Taxi Fleet is one of the youngest in the world, thanks to stringent age limits encouraging continuous vehicle turnover, promoting maximum utilisation of assets and ensuring the fleet's base technological capabilities are continuously evolving.

The emergence of app-based booking and dispatch platforms are not regarded by RPS as innovative within the Queensland context as those systems lack the capabilities and capacities of the centralised booking and dispatch systems already employed by Queensland TBCs.

4.4 Cost to Government

The review of international experience in supply de-regulated markets suggests that Government end up shouldering a huge cost. This cost is either in the form of increased regulatory compliance and enforcement burden, due to a larger number of vehicles and declining quality standards, or the need to address accessibility and availability market failures through either the procurement or delivery of taxi services for certain groups and locations.

Queensland's current performance under the Cost to Government criteria is summarised below:

Figure 30 Criteria 2 – Cost to Government

Indicator	Statistics	Performance
Level of Co-Regulation	Queensland has the most effective co-regulatory framework in the world. The existence of Service Contracts in the framework allows the Government to reduce its regulatory compliance and enforcement burden by shifting responsibility to contracted TBCs.	
Costs of Subsidising WAT Vehicles or Delivering Paratransit	The Queensland Government does not provide any subsidy for the delivery of WAT services in the State nor does it operate an extensive paratransit network. Other jurisdictions in Australia and around the world provide a number of subsidies to the taxi industry including: • Free WAT licences[68] • Concessional and interest free loans[69] • Lift fees[70] Equally, the operation of paratransit services cost hundreds of millions of dollars a year. In the case of New York, recent estimates on the Access-a-Ride program indicated an expected budget for the program of US$420.7 million (A$549.4 million)[71]. Paratransit services can also require extensive administrative and management overheads and fail to deliver a service to people with disabilities that is as comprehensive, available and accessible as Queensland WAT taxis.	
Expenditure on the full procurement of Taxi Services on behalf of the community	The Queensland Government is not the principal procurer of taxi services in Queensland, as is the case in Sweden. Council cab programs run in Queensland are niche contracts between the Council's and the taxi industry, the cost of which is significantly less than if the Local Government's involved were to provide the services themselves. Similarly, TSS costs do not represent a procurement of taxi services by the Government but instead are a social policy	

[68] Transport for NSW (2016) Wheelchair Accessible Taxis, accessed at http://www.transport.nsw.gov.au/operators/taxis/wheelchair-accessible-taxis
[69] Transport for NSW (2016) Wheelchair Accessible Taxis, accessed at http://www.transport.nsw.gov.au/operators/taxis/wheelchair-accessible-taxis
[70] Transport for NSW (2016) Wheelchair Accessible Taxis, accessed at http://www.transport.nsw.gov.au/operators/taxis/wheelchair-accessible-taxis
[71] NYC TLC (2015) Access a Ride Fact Sheet, NYC TCL, New York. Refer to Appendix 12 for further information.

Indicator	Statistics	Performance
	and welfare program to help defray the costs of travel of those in the community most reliant and dependent on taxis for their workforce and community participation.	

The current regulatory framework is delivering high quality, at almost no cost to taxpayer. The principal cost of the framework is enforcement and compliance, but the current co-regulatory model means a large part of this cost is shifted to TBCs through the Service Contracts. Similarly, the successful commercialisation of WATs in Queensland has meant the State has not had the shoulder any cost burden in the delivery of these services, such as providing free licences, lift fees, concessional loans or running a paratransit services that cost hundreds of millions of dollars per year.

For example, a review of the Access-A-Ride paratransit program in New York City indicated a budget of 2016 of US$420.7 million (A$549.4 million). This delivers approximately 6.6 million trips a year at a service delivery cost (excluding administration) of A$83.3 per trip. This represents a potential perverse outcome of poorly constructed regulatory reform which undermines the operation of the Queensland WAT fleet which currently delivers more trips than New York City at no cost to tax payers[72].

4.5 Meeting Community Needs

A diverse range of Queenslanders rely upon taxis for their transport needs and to ensure their participation in the community and the economy. Meeting the needs of all Queenslanders – regardless of location, ethnicity, disability, age, gender or the time of day at which they are travelling – is the cornerstone of the Queensland taxi regulatory framework. To achieve this Government requires the industry to meet a range of USOs and MSLs.

Queensland's current performance under the "Meeting Community Needs" criteria is summarised below:

Figure 31 Criteria 4 – Meeting Community Needs

Indicator	Statistics	Performance
MSL Average Wait Times – WAT Taxis	As at December 2015, the Queensland Taxi Industry exceeded the MSL requirements for the provision of WAT taxi services during peak periods. However, average waiting times exceeded targets levels for most Service Areas[73].	
Customer Satisfaction	According to the recent survey by UMR, only 12% of Queenslanders were Mostly or Completely Dissatisfied with Queensland taxi services, with 59% either Somewhat, Mostly or Completely Satisfied by the service[74]. Broad satisfaction was strong across all characteristics and attributes of the services, with the transparency and cost of fares receiving the highest negative satisfaction rates.	

[72] NYC TLC (2015) Access a Ride Fact Sheet, NYC TCL, New York. Refer to Appendix 12 for further information.
[73] Department of Transport and Main Roads (2016) Taxi Service Levels accessed at http://www.tmr.qld.gov.au/Travel-and-transport/Taxis/Taxi-Service-Levels.aspx. Refer to Appendix 10 for further details.
[74] UMR (2016), TCQ - Issues affecting the taxi industry, UMR Strategic Research, Sydney

Indicator	Statistics	Performance
WAT Shares of State Fleet	In 2015, approximately 20% or one in five taxis in Queensland were WATs. This provides the most accessible taxi service to people with disabilities anywhere in the world[75].	
WAT Shares of Regional Fleet	The share of WATs in the Regional Queensland (outside of SEQ) taxi fleet was higher than the State and metro shares, at 23.5% or almost one in every four taxis. While other jurisdictions have struggled to provide commercially viable WATs in urban areas, Queensland's regulatory framework and licence release policies has resulted in the regional	

Queensland has one of the most accessible fleets in the world. Customer satisfaction is high, with only small shares of Queenslander's expressing dissatisfaction with the service. Similarly, the availability of WATs across the State, particularly in regional Queensland is very strong compared to other national and international jurisdictions. However, MSLs, particularly during Off-Peak times, are not being met by the WAT fleet. While it is acknowledged that the targets set by the MSL are extremely aggressive (being the same as the conventional taxi MSLs), this does suggest the need for continued focus on the expansion of WAT shares of the Queensland fleet.

4.6 Summary of Findings

Queensland taxis are currently meeting the needs of the Queensland community. The supply of taxis is adequate, particularly when the decentralised nature of the State's population and high utilisation rate of the assets is considered. Innovation is strong in the taxi industry, with the level of technological and service development and adoption extremely high by national and international standards, while the costs to Government of regulation, compliance, enforcement and service delivery are minimised by the existence of Service Contracts with MSLs and USOs. Finally, WAT accessibility and availability is very strong, though there continues to be opportunity to enhance this availability, particularly during Off-Peak times and in regional Queensland.

However, the most telling factor is that Queenslanders are generally very satisfied with the services provided by the Queensland Taxi Industry. Overall satisfaction is strong, with all attributes of the service receiving net positive responses. The exception to this is the transparency and cost of fares, which is the principal issue of dissatisfaction by the community and is an area of the Queensland Taxi Industry that is fully set and controlled by Government.

Based on this analysis, RPS believes there is currently no net community benefit justification for increasing taxi or point-to-point passenger transport supplies in the State. However strong trend growth in demand, coupled with the likely impact of population ageing on WAT need, means an increase in fleet numbers will be likely in the medium term. The need for such an increase will be identified by the Taxi Licence Model.

[75] TCQ (2016) Taxi Statistics, accessed at http://tcq.org.au

Conclusion

The Queensland Taxi Industry has a comprehensive regulated structure that establishes the roles and responsibilities of a range of inter-related stakeholders. The relationships between stakeholders, established by commercial contract and regulation, ensure that taxi services in Queensland are more accessible, available, and affordable than in other States.

In terms of drivers the merits-based approach to assessing and maintaining driver quality and suitability underpins the very low levels of dissatisfaction in taxi services in Queensland. By establishing formal training requirements of taxi drivers (with training typically delivered by the TBCs and Operators) and by aligning driver suitability and service quality with the contractual obligations of TBCs, the Queensland Regulatory Framework has had in place an effective co-regulatory model for many years. This co-regulatory model of assessing and maintaining driver suitability and quality means the requirements under section 20C(2) of the Regulations are obsolete and represent an unnecessary duplication.

The Queensland taxi fleet is the youngest, most well-equipped, most technologically advanced, most efficient and highest utilised fleet in the world. Queensland taxi vehicles are subject to some of the strictest age limits, which has been supported by success of the Queensland Taxi Industry in building and delivering profitable business models for services such as WATs. The fleet has high proportions of hybrid vehicles, as well as the most comprehensive set of compulsory safety and security technology of any major taxi jurisdiction. Finally, Queensland performs well against its national peers in terms of vehicle utilisation, though high idle times and variability in the share of the fleet off-the-road at any one time suggest the lack of pent up demand in the Queensland community and sufficient capacity to meet growth in demand for services in the short-to-medium term.

Operators and TBCs are also essential components of the Queensland Taxi Industry, although their roles and responsibilities and therefore contributions to the industry and the wider community differ. Taxi Operators are critical in maximising the availability of taxis to Queenslanders, by matching licenced vehicles with drivers and by ensuring ongoing compliance and maintenance of those vehicles.

In contrast, TBCs in Queensland are the stakeholder ultimately responsible to the community for the taxi service provided. While delivered by the driver, the existence of a Service Contract between the Government and the TBC vests responsibility for the customer experience, their safety and security, with the TBC. This responsibility makes Queensland TBCs unique compared to their international counterparts and instead are more akin to contracted providers of public transport services in Queensland and in other States in Australia.

The current regulatory framework governing the Queensland Taxi Industry is world class. The establishment in 1994, and subsequent refinement of, a co-regulatory model, incorporating legislative regulatory and contractual elements, is unique and provides the Queensland Taxi Industry, the State Government and the wider community with a range of advantages and opportunities not available to other jurisdictions. This includes increasing the alignment of taxi services with other public transport services, helping to realise the Government's vision *of:*

"A single integrated, safe, reliable and efficient transport system that is accessible to all."

Queenslander's understand that the Government regulates the taxi industry for the benefit of the consumer and the community. This includes safety and quality regulations as well as market entry restrictions regulations. The Act does not itself restrict market entry but empowers the Minister to increase licence supply where doing so is in the best interests of the community.

To meet this net community benefit test, TMR and SAHA International developed a model to determine current and future taxi demand and the corresponding need for licences. Our review of the Taxi Licence Model confirms that it remains the international best practice approach to ascertaining the need for additional taxi service capacity.

In the absence of these market restriction regulations and evidence-based demand modelling, international experience over the past 20 years tells us that personalised transport is a market failure. Imperfect information and conflicting objectives between individual drivers and licence holders and the wider community results in a range of perverse and negative outcomes including price rises, reduced availability and quality and higher cost impost on Government.

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Appendix 1 – Information Bulletin PT303/09-15

Information Bulletin released by the Department of Transport and Main Roads following the introduction of section 20C of the Transport Operations (Passenger Transport) Regulations 2005.

Department of Transport and Main Roads

Information Bulletin PT 303/09-15

Driver Authorisation for Taxi Services

What is driver authorisation?

The *Transport Operations (Passenger Transport) Act 1994* requires, with some exceptions, drivers of motor vehicles that are used to provide public passenger services to hold driver authorisation. Driver authorisation is a qualification that a driver of a motor vehicle providing a public passenger service must attain and maintain to operate the vehicle.

The purpose of driver authorisation is to ensure drivers of public passenger vehicles are suitable persons, having regard to the safety of children and other vulnerable members of the community, the personal safety of passengers and their property, public safety and the reputation of public passenger transport.

There are different categories of driver authorisation for the different types of public passenger transport services. A driver must hold the appropriate category of driver authorisation for the type of public passenger service being provided by the driver. Separate information bulletins provide information on driver authorisation for drivers of taxi services, limousine services, scheduled services and motorcycle tourist services.

Additional information about public passenger services is available on the Department of Transport and Main Roads' internet site at www.tmr.qld.gov.au.

Who needs to hold driver authorisation for taxi services?

Any person who drives a taxi for hire or reward is required to hold driver authorisation for taxi services.

Please note that taxi services driver authorisation and limousine services driver authorisation are separate authorities and each has its own application criteria and requirements. Driver authorisation for taxi services does not authorise the holder to provide a limousine service. Similarly, driver authorisation for limousine services does not authorise the holder to drive a taxi. A person may, however, apply for, and be issued with, both these categories of driver authorisation if they meet all of the requirements applicable to each authorisation.

Requirements for obtaining driver authorisation

Minimum age

Applicants for taxi driver authorisation must be at least 20 years of age before their application can be accepted by the Department of Transport and Main Roads.

Entitlement to work in Australia

Applicants for driver authorisation or renewal of driver authorisation must provide documentary proof of their entitlement to work in Australia.

Queensland Government

Before the Department of Transport and Main Roads can accept an application, a person must provide evidence that they are—

- an Australian citizen
- a permanent resident of Australia
- a New Zealand citizen who is the holder of a special category visa as defined by the *Migration Act 1958* (Commonwealth), section 32; or
- entitled under a visa granted under the *Migration Act 1958* (Commonwealth) to work in Australia.

If you are an Australian citizen, permanent resident or a New Zealand citizen holding a special category visa you will need to provide one of the following to have your application accepted—

- current Medicare card (other than an interim card issued to some applicants for permanent residency)
- full Australian birth certificate
- Queensland birth extract
- Australian citizenship certificate or extract
- Australian naturalisation certificate
- Australian passport (which cannot be expired for more than two years)
- Repatriation Health Card - for all conditions (Gold Card)
- New Zealand passport
- evidence of your Australian permanent residency.

If you are not an Australian citizen, permanent resident or New Zealand citizen holding a special category visa, you must present your overseas passport at the time of application. You must also complete the Department of Transport and Main Roads' *Authority to Check a Visa Holder's Work Entitlement* form (F4595) so the department can verify your entitlement to work in Australia before your application can be accepted.

For visa holders, if driver authorisation is approved the maximum term of the authority is to the expiry date of the Australian work entitlement.

Criminal history check

The applicant must have a satisfactory criminal history record having regard to the safety of children and other vulnerable members of the community, as well as the personal safety of passengers and their property.

Please note, under the *Transport Operations (Passenger Transport) Act 1994*, a conviction includes a finding of guilt or the acceptance of a plea of guilty by a court, whether or not a conviction is recorded.

Applicants who have been convicted of a driver disqualifying offence, or charged with a driver disqualifying offence which has not been finally disposed of, should obtain a copy of the information bulletin 'PT17 *Driver Authorisation – Effect of a Driver Disqualifying Offence*' for further information.

Licence requirements and driving history

- The applicant must hold a current Australian open driver licence or a restricted driver (work) licence of the appropriate class.

- The applicant must have held an open or provisional driver licence (Australian or overseas) continuously for at least three years for a car, truck or bus.

- In addition, the applicant must—
  - have held an Australian driver licence (other than a learner licence) for at least 12 months in the three years immediately preceding the application; or
  - satisfy the department that they have held an equivalent licence* for at least 12 months in the three years immediately preceding the application and, while holding that licence, gained significant practical driving experience in a driving environment similar to that found in major urban centres in Australia.

  * An equivalent licence is a licence issued either in New Zealand or in a country that is recognised as having comparable standards to the driver licensing requirements in Australia. The countries recognised as having comparable standards are countries approved by Austroads and listed on its website as being a ***recognised country*** or an ***experienced driver recognition country***.

- The applicant must have a driving history that the chief executive, Department of Transport and Main Roads, considers is suitable to hold driver authorisation.

For more information, applicants should obtain a copy of the information bulletin 'PT16 *Driver Authorisation - Effect of a Driving History*'.

English Proficiency Requirements

An applicant for taxi driver authorisation must be able to speak and understand English.

Effective from 1 July 2012:-

- All new applicants for taxi driver authorisation who intend to drive in **major taxi service areas** in Queensland (areas with 35 or more taxi service licences listed below under *Training Requirements*) will need to undertake an English assessment through a Registered Training Organisation (RTO) approved by the department.
- All new applicants for taxi driver authorisation who intend to drive in **non-major taxi service areas** in Queensland (areas with 34 or fewer taxi service licences) will not be required to undertake an English assessment through an approved RTO, but are still required to successfully complete an English assessment administered by the Taxi Council of Queensland.

Applicants wishing to undertake an English assessment should contact their local taxi booking company or taxi operator for information about assessment booking options.

Further information on the English Assessment is available on the Department of Transport and Main Roads' website at: www.tmr.qld.gov.au/Business-and-industry/Taxi-and-limousine/Taxi-industry-reform-package.aspx.

Training Requirements

Under section 20C of the *Transport Operations (Passenger Transport) Regulation 2005*, applicants for taxi driver authorisation are required to have successfully completed a training course specified by the chief executive.

From 24 January 2011, all new applicants for taxi driver authorisation who intend to drive in major taxi service areas will be required to successfully complete training delivered by a Registered Training Organisation (RTO) in the following seven nationally endorsed competency units:

TLIL6009A	or	TLIL2060A	Complete induction to the transport industry
TLIC907C	or	TLIC2009A	Drive taxicab
TLIB9009A	or	TLIB2090A	Use communication systems in a taxicab
TLIF7209A	or	TLIF2072A	Comply with safety and security procedures
TLIH407B	or	TLIH3004A	Identify major roads, services and attractions
TLII1909A	or	TLII2019A	Provide taxicab customer service
TLIQ1609A	or	TLIP2037A	Carry out financial transactions and maintain records

Major taxi service areas are defined by the department as areas that have 35 or more taxi service licences. They are Brisbane, Cairns, Gold Coast, Ipswich, Mackay, Redcliffe, Rockhampton, Sunshine Coast, Toowoomba and Townsville.

Applicants for taxi driver authorisation who intend to drive in non-major taxi service areas (areas with 34 or fewer taxi service licences) will not be required to complete the seven competencies listed above, but are still required to successfully complete the Queensland 'Taxiplus' training course.

From 24 January 2011, drivers who are granted taxi driver authorisation to drive in other taxi service areas will *not* be able to drive taxis in major taxi service areas without successfully completing the seven required competency units delivered by an RTO.

All drivers who were granted driver authorisation before 24 January 2011 or who finalise applications for driver authorisation lodged before 24 January 2011 will be able to drive in all taxi service areas.

All new applicants for taxi driver authorisation in major taxi service areas must meet the new training requirements even if they have previously held taxi driver authorisation. However, if their taxi driver authorisation remains current they will not be required to meet the new training requirements on renewal.

Prospective taxi drivers should contact their relevant taxi booking company or taxi operator for information about suitable RTOs and appropriate training courses.

Further information on the new training requirements, including frequently asked questions, is available on the Department of Transport and Main Roads' website at: www.tmr.qld.gov.au/Business-and-industry/Taxi-and-limousine/Taxi-industry-reform-package.aspx.

Medical fitness

The applicant must obtain a medical certificate for a commercial vehicle driver. The medical certificate is to be obtained from a medical practitioner and assessed in accordance with the Austroads Inc publication "Assessing to Drive – For Commercial and Private Vehicle Drivers" national medical standards.

A medical certificate must be no more than six months old when presented to the department. For the purposes of driver authorisation, once a medical certificate has been presented to the department it may remain valid for up to five years from its date of issue unless an earlier expiry date is specified on the certificate.

Applicants are required to meet any costs associated with obtaining a medical certificate.

Driver authorisation holders must notify the department if there is any change in their medical fitness that makes them continuously unfit to safely operate a vehicle for more than one month.

Other requirements

Further to the requirements outlined above, the applicant must also meet any other applicable requirements of the *Transport Operations (Passenger Transport) Act 1994*, the *Transport Operations (Passenger Transport) Regulation 2005* or the *Transport Operations (Passenger Transport) Standard 2010*.

The following factors may also affect the granting of the driver authorisation—

- Whether a previous driver authorisation granted to the person has been cancelled or suspended.
- Whether the chief executive considers it necessary to refuse driver authorisation in the public interest.
- If required, the applicant must allow the chief executive to take, keep and use the applicant's digitised photograph and digitised signature.

How to apply

- Obtain an application form (F2978) and relevant information bulletins from the Department of Transport and Main Roads' website at www.tmr.qld.gov.au customer service centre or passenger transport office.
- Complete the application form and lodge it with evidence of your identity and your Australian work entitlement at a Department of Transport and Main Roads customer service centre or at a selected QGAP.
- All applicable fees must be paid at the time of lodgement (fees payable include the cost of conducting a criminal history check).
- The required medical, training and English documents can be lodged either together with the driver authorisation application form or after the criminal and traffic history checks have been completed and approved.
- All requirements of an application must be finalised within three months otherwise the application will lapse and a new application will need to be lodged before driver authorisation can be issued.
- If requested, you must allow your photograph and signature to be recorded so that it may be reproduced on your industry authority card (which will be your evidence of holding driver authorisation) or to verify your identity when transacting business with the department.

Criminal convictions, charges and traffic history must be declared on application

On your application you must declare any traffic history you have and details of any charges or convictions you have for a criminal offence (including details of any offences against the *Transport Operations (Passenger Transport) Act 1994* or *Transport Operations (Passenger Transport) Regulation 2005*. A list of driver disqualifying offences is available in the information bulletin 'PT17 *Effect of a Driver Disqualifying Offence*'.

Please note—

- Under the *Transport Operations (Passenger Transport) Act 1994*, a conviction means a finding of guilt and the acceptance of a plea of guilty by a court, whether or not a conviction is recorded. A finding of guilt includes a fine, good behaviour bond, compensation and restitution and also offences where a conviction was not recorded.

- Sections 5 and 6 of the *Criminal Law (Rehabilitation of Offenders) Act 1986* do not apply to the provision of criminal history information to the department for driver authorisation purposes. All charges and convictions must be disclosed regardless of the outcome of the charge or the time elapsed since the charge or conviction.
- All charges and convictions must be declared regardless of jurisdiction where the offence occurred.
- Failure to declare a charge or conviction of a driver disqualifying offence is an offence and can incur a fine.
- If required, applicants are responsible for obtaining their overseas criminal history (New Zealand excluded). The original of the criminal history must be submitted to the Department of Transport and Main Roads before an application can be assessed.

Granting of driver authorisation

Applicants will be notified of the approval or refusal of their application.

Approved applicants for driver authorisation will be issued an Industry Authority card.

If your application is approved, an Industry Authority card will be sent to your postal address within 7-14 days.

Once your application has been approved an Interim Industry Authority may be issued to you. An Interim Industry Authority is a document that may be used as evidence of your driver authorisation while you wait to receive your Industry Authority card by post.

Period of issue

Applicants who fully meet the requirements applying to driver authorisation for these services may have authorisation for a period of up to five years. Driver authorisation may be issued on a part year basis for the purpose of aligning the expiry date with other Department of Transport and Main Roads products. Generally a minimum period of one year is required unless specific conditions exist which necessitate the driver authorisation being issued for a shorter period (for example medical condition, the end date of a visa holder's work entitlement or hasn't met the relevant training requirements).

Responsibilities of driver authorisation holders

Holders of driver authorisation cards must conduct themselves responsibly, be responsible in the act of driving, be capable of safely operating a public passenger vehicle, be aware of their customer service responsibilities and be accountable for complying with appropriate standards.

Non-compliance with requirements may result in a fine or the amendment, suspension or cancellation of a person's driver authorisation.

The holder of a driver authorisation must notify the department if they are charged with an offence that is identified as a driver disqualifying offence in the *Transport Operations (Passenger Transport) Act 1994*. The driver authorisation holder must also notify the department about the result of the charge.

The holder of a driver authorisation for taxi services must display their Authorised Queensland Taxi Driver Display Card in the vehicle at all times when it is available for hire. For more information, refer to information bulletin 'PT330 *Authorised Queensland Taxi Driver Display Card (AQTDDC)*'.

More information about driver responsibilities and driver disqualifying offences is provided in the following information bulletins 'PT307 *Driver Responsibilities*', 'PT17 *Driver Authorisation - Effect of a Driver Disqualifying Offence*' and 'PT16 *Driver Authorisation - Effect of Driving History*'.

Taxi Service Bailment Agreements

Operators of taxi services must ensure a written taxi service bailment agreement is entered into with an authorised driver before permitting them to drive a taxi. Penalties apply to both operators and drivers for not meeting this requirement unless the driver is an employee of the operator and can provide a statutory declaration that states the employment relationship.

The following information must be included in a taxi service bailment agreement:

- the date the parties signed the agreement
- the name and address of each of the parties
- the operator's accreditation number
- the driver's driver authorisation number
- the following information about any personal injury insurance (for the authorised driver) relating to the taxi service bailment agreement –
  - (a) whether the accredited operator has obtained the personal injury insurance
  - (b) if the accredited operator has obtained the personal injury insurance -
    - (i) whether the accredited operator agrees to maintain the personal injury insurance for the duration of the taxi service bailment agreement
    - (ii) the expiry date of the personal injury insurance
    - (iii) either of the following for the personal injury insurance -
      - (A) the personal injury insurance information
      - (B) how the personal injury insurance information can be obtained from the accredited operator.

- the following details about amounts payable under the taxi service bailment agreement -

  if the authorised driver must pay the accredited operator a percentage of the takings - the percentage
  - (b) if the taxi service bailment agreement provides for a set pay in arrangement between the parties - the set pay in amount for the taxi service bailment agreement
  - (c) who is responsible for the cost of fuel
  - (d) if the cost of fuel is to be shared between the parties - the amount or percentage of the cost each of the parties must pay
  - (e) if the authorised driver must contribute to the cost of the premium for any insurance relating to the taxi service bailment agreement - the amount or percentage of the contribution
  - (f) if the authorised driver must contribute to the cost of any excess payable under any insurance relating to the taxi service bailment agreement - the amount or percentage of the contribution.

Under section 35N of the *Transport Operations (Passenger Transport) Act 1994*, operators may only enter into a Taxi Service Bailment Agreement with a set pay in arrangement with an authorised driver who has held Queensland driver authorisation for at least 12 months, consecutively or cumulatively, within the five years before the agreement is entered into. The maximum penalty for not complying with this requirement is 40 penalty units.

For more information on taxi service bailment agreements, refer to information bulletin 'PT331 *Taxi Service Bailment Agreements*'.

Amendment, suspension, cancellation or refusal of driver authorisation

A driver authorisation may be refused, amended, suspended or cancelled for any of the following reasons:

- Conviction for a driver disqualifying offence or being charged with a driver disqualifying offence and the charge has not been heard or finally discharged.
- Unsuitable driving history.
- Driver licence suspension, cancellation, disqualification or expiry.
- Failure to meet requirements applicable to driver authorisation specified in the *Transport Operations (Passenger Transport) Act 1994*, the *Transport Operations (Passenger Transport) Regulation 2005* or the *Transport Operations (Passenger Transport) Standard 2010*.
- Provision of false or misleading documentation or information, in relation to their application for driver authorisation.
- Failure to meet medical fitness standards.
- The chief executive considers it necessary in the public interest.

Reviews of decisions affecting driver authorisation

If a person is dissatisfied with a decision regarding driver authorisation, they may request an internal review of the decision. If the person is not satisfied with the outcome of the review, the person may appeal to the Queensland Civil and Administrative Tribunal (QCAT) for an external review. For more information, please refer to the information bulletin 'PT18 *Reviews of Decisions affecting Operator Accreditation and Driver Authorisation*'.

Note: If a person has been convicted of a category A driver disqualifying offence for which an imprisonment order was imposed, or is subject to an order or obligation under section 170(b) of the *Working with Children (Risk Management and Screening) Act (2000)*, there is no provision to appeal against the ineligibility to apply for, or hold, driver authorisation.

Additional information

The information contained in this bulletin has been produced as a guide to assist in the understanding of the legislation and policy. Clarification of any information in this bulletin may be obtained from the Department of Transport and Main Roads by contacting your local passenger transport office.

This bulletin is an interpretation of the relevant Acts, Regulation and Standard and should not be used as a reference to a point of law.

The legislation may be viewed on the internet at www.legislation.qld.gov.au. Additional information about public passenger services is available on the Department of Transport and Main Roads internet site at www.tmr.qld.gov.au/information_bulletins.

Appendix 2 – AustRoads Recognised Countries and Jurisdictions

A list of Recognised and Experienced Driver Recognition countries and Jurisdictions, identified by AustRoads, which are the basis for the TMR definition of “equivalent licence” under the Transport Operations (Passenger Transport) Regulations 2005.

Recognised countries and jurisdictions

Australian state and territory driver licensing agencies recognise certain overseas countries and jurisdictions as having comparable licensing standards to Australia. Individual applicants from the countries listed below are exempt from undertaking a knowledge and drive/ride test when applying for an Australian car or motorcycle licence. This makes it simpler to exchange a driver's licence.

Recognised countries and jurisdictions are:

- *Austria*
- *Belgium*
- *Bosnia and Herzegovina*
- *Canada*
- *Croatia*
- *Denmark*
- *Finland*
- *France*
- *Germany*
- *Greece*
- *Guernsey*
- *Ireland*
- *Isle of Man (for licences first issued on or after 1 April 1991)*
- *Italy*
- *Japan*
- *Jersey*
- *Luxembourg*
- *Malta (for licences first issued on or after 2 January 2004)*
- *Netherlands*
- *New Zealand*
- *Norway*
- *Portugal*
- *Singapore*
- *Spain*

- *Sweden*
- *Switzerland*
- *UK*
- *USA*

Experienced Driver Recognition

Countries and jurisdictions whose licence testing standards meet the stringent assessment criteria relating to evidence of identity, security features of the card and licence examiner training and assessment standards but do not meet all of the licence testing requirements will be considered for Experienced Driver Recognition status. The experienced driver recognition category aims to recognise a person's driving experience and age as a substitute for licensing measures aimed at novice drivers.

The following countries and jurisdictions have obtained Experienced Driver Recognition status:

- *Bulgaria*
- *Czech Republic*
- *Estonia*
- *Hong Kong (Special Administrative Region of the People's Republic of China)**
- *Hungary*
- *Latvia*
- *Lithuania*
- *Poland*
- *Republic of Cyprus*
- *Republic of Korea (South Korea)*
- *Romania*
- *Slovakia*
- *Slovenia*
- *South Africa*
- *Taiwan*

A person who holds a driver's licence from one of these countries and is 25 years of age or older may be able to exchange their overseas licence for an Australian issued driver licence without driver testing.

A person who holds a driver's licence from one of these countries and is under 25 years of age will be required to undertake theory and practical driving tests. If a person passes the tests set by the jurisdiction, their overseas licence will be converted, based on years of driving experience and age, to the class of licence they would have been on had they commenced driving in that Australian jurisdiction.

* A person wishing to exchange a Hong Kong licence without driver testing must be 25 years or older and must have held the Hong Kong Licence for at least 12 months.

Other Countries

Applicants for an Australian issued driver's licence who hold a driver's licence from a non-recognised country, are required to undertake a theory test and a practical driving test. If applicants pass both the theory and practical tests, their overseas licence will be converted, based on years of driving experience and age, to the class of licence they would have been on had they commenced driving in that Australian jurisdiction.

Appendix 3 – List of Countries by Right or Left Hand Drive

A list of countries, by right and left hand drive, by Recognised Country or Experienced Driver Recognition categories under the AustRoads Overseas Drivers Licence classification.

Recognised countries and jurisdictions	Right (R) or Left (L) Hand Drive
Austria	R
Belgium	R
Bosnia and Herzegovina	R
Canada	R
Croatia	R
Denmark	R
Finland	R
France	R
Germany	R
Greece	R
Guernsey	***L***
Ireland	***L***
Isle of Man (for licences first issued on or after 1 April 1991)	***L***
Italy	R
Japan	***L***
Jersey	***L***
Luxembourg	R
Malta (for licences first issued on or after 2 January 2004)	***L***
Netherlands	R
New Zealand	***L***
Norway	R
Portugal	R
Singapore	***L***
Spain	R
Sweden	R
Switzerland	R
UK	***L***
USA	R
Experienced Driver Recognition	**Right (R) or Left (L) Hand Drive**
Bulgaria	R
Czech Republic	R
Estonia	R
Hong Kong (Special Administrative Region of the People's Republic of China)*	***L***
Hungary	R

Recognised countries and jurisdictions	Right (R) or Left (L) Hand Drive
Latvia	R
Lithuania	R
Poland	R
Republic of Cyprus	***L***
Republic of Korea (South Korea)	R
Romania	R
Slovakia	R
Slovenia	R
South Africa	***L***
Taiwan	R

Appendix 4 – Place of Birth of People Employed in Taxi and Other Road Transport Industry, Queensland, 2011

Data from the ABS Census of 2011 on the place of birth of people employed in the Taxi and Other Road Transport Industry in Queensland

Country of Birth	Taxi and Other Road Transport
Australia	2811
India	890
New Zealand	290
England	243
Not stated	80
Pakistan	71
Germany	52
Fiji	39
Afghanistan	35
Philippines	33
Samoa	29
Netherlands	29
Scotland	27
Turkey	25
Somalia	25
South Africa	25
Vietnam	22
Hungary	21
Iran	21
Lebanon	21
China	21
Papua New Guinea	20
Indonesia	19
Bangladesh	18
Italy	17
Bosnia and Herzegovina	15
Greece	15
South Eastern Europe, nfd	14
Malaysia	14
United States of America	14
Ethiopia	14
Ireland	12
Croatia	12
Poland	11
Iraq	11
Sri Lanka	11

Country of Birth	Taxi and Other Road Transport
Wales	10
Sudan	10
Korea, Republic of (South)	9
Eritrea	9
Finland	8
Egypt	7
Hong Kong (SAR of China)	7
El Salvador	7
France	6
Serbia	6
Algeria	6
Canada	6
Uruguay	6
Sweden	5
Kuwait	5
Syria	5
Singapore	5
Kenya	5
Northern Ireland	4
Switzerland	4
Denmark	4
Former Yugoslav Republic of Macedonia (FYROM)	4
Romania	4
Eastern Europe, nfd	4
Russian Federation	4
Burma (Republic of the Union of Myanmar)	4
Thailand	4
Brazil	4
Chile	4
Zimbabwe	4
Inadequately described	4
Tonga	3
Belgium	3
Cyprus	3
Ukraine	3
Taiwan	3
Japan	3
Mauritius	3
Total	**5222**

Appendix 5 San Francisco Code, Section 1113

This is a copy of the section 1113 of the San Francisco Code which outlines taxi and ramp taxi equipment requirements.

Section 1113 - TAXI AND RAMP TAXI EQUIPMENT REQUIREMENTS

a. Vehicle Operation.

1. Safe Operating Condition. All Taxis and Ramp Taxis must be maintained in a safe operating condition. Except as otherwise specified herein, all Taxi and Ramp Taxi Medallion Holders and Color Schemes are jointly and severally responsible for ensuring that all Taxis and Ramp Taxis for which they hold permits or with which they are affiliated meet all equipment requirements listed in this Section. In addition to imposing any applicable penalty for non-compliance with equipment requirements, The SFMTA may remove any vehicle from service for any violation of this Section until the violation is corrected and the vehicle is inspected and approved by the SFMTA.

b. Equipment Placement. The placement of any equipment or information required by this Section 1113 shall not interfere with the Driver's visibility or the operation of any O.E.M. equipment.

c. Exterior Display of Identifying Information. Every Taxi or Ramp Taxi shall have the following information displayed on the exterior of the vehicle:

1. Vehicle Number.

A. The Vehicle Number in numerals of a color that contrasts with the color of the rest of the vehicle, at least four inches high and positioned directly under the windows on or within six inches of the forward-most portion of both front doors, and on the rear facing portion of the trunk lid of the vehicle.

B. The Vehicle Number on the roof, hood or trunk of the vehicle in numbers at least 18 inches in length of a color that contrasts with the color of the rest of the vehicle. If the numbers are displayed on the roof, they shall be mounted and centered directly behind the top light.

2. San Francisco Taxicab. The words "San Francisco Taxicab" with letters at least two inches high, in a color which contrasts with the color of the rest of the vehicle on both sides of the vehicle's rear quarter panels and to the trunk directly above the rear bumper.

3. Inspection Certificate. A current and valid decal indicating satisfactory completion of vehicle inspection.

4. Trade Name. The name of the Color Scheme with which the vehicle's Medallion is affiliated in letters at least two inches in height on the exterior of the side doors of each side of the vehicle.

5. Trade Dress. The exterior of every Taxi and Ramp Taxi shall be well painted with the color(s) of the Color Scheme with which it is affiliated.

6. Medallion. During all hours of operation of a Motor Vehicle for Hire the Medallion shall be placed in the front windshield in such a manner that the Medallion number shall be clearly visible from the exterior of the vehicle.

7. Security Camera Notice. A notice meeting all requirements of applicable law notifying passengers of the presence of a security camera in the vehicle.

8. Telephone Number for Dispatch. A telephone number enabling the public to reach the dispatch service with which the vehicle is affiliated.

9. Tobacco Advertising Ban.

A. Color Schemes and Medallion Holders are prohibited from placing or maintaining, or causing or allowing to be placed or maintained, any advertising or promotion of cigarettes or tobacco products on any Taxi or Ramp Taxi.

B. For the purposes of this subsection, “tobacco product” shall mean any substance containing tobacco leaf, including but not limited to, cigarettes, cigars, pipes, tobacco, snuff, chewing tobacco and dipping tobacco. For the purposes of this Section, “promote” or “promotion” shall include a display of any logo, brand name, character, graphics, colors, scenes, or designs that are trademarks of a particular brand of tobacco product.

d. Interior Display of Information. Every Taxi or Ramp Taxi shall have the following items in the interior of the vehicle in a place clearly visible to passengers and in a format approved by the SFMTA:

1. Rate Information. Information regarding the rates and fees that a Driver is authorized to charge a passenger.

2. 311 Information. Information about using the 311 system for complaints and lost property, including the Vehicle Number and the name of the Color Scheme.

3. By a date to be determined by the SFMTA, every Taxi shall be equipped with an operational rear-seat passenger information monitor (PIM) that is connected to the Taximeter. The PIM must meet any functional requirements and standards established, in writing, by the Director of Transportation. Not less than six months before the date by which the equipment must be installed, the Director of Transportation shall provide all Color Scheme Permit Holders with notice of the installation deadline, and notice of any functional requirements and standards.

A. Any back seat PIM that is connected to the Taximeter shall:

i. Display, at a minimum, the information required in this subsection (d), in addition to any further display specifications established, in writing, by the Director of Transportation;

ii. Be accessible to individuals with visual impairments and compliant with standards that shall be developed by the SFMTA to ensure that the Color Schemes’ interface to the visually impaired is uniform; and

iii. Provide the Driver and the passenger the ability to completely mute the sound and dim or turn off the display by means of clearly perceptible instructions.

B. Any PIM that is not connected to the Taximeter shall allow a passenger with visual impairments to hear the total to be charged to a payment card, and to swipe his or her own card and select his or her own tip amount from the back seat of the taxicab by means of audio cues.

4. Driver Identification. A holder for a Color Scheme Identification Card.

e. Communication Equipment. Every Taxi and Ramp Taxi shall be equipped with direct voice access and two-way communication with a Dispatch Service affiliated with the Taxi or Ramp Taxi.

f. Taximeters.

1. Seal Required. The Taximeter installed in any Taxi and Ramp Taxi must have a current and valid seal from the Department of Public Health Weights and Measures. Any Taximeter removed from a Taxi or Ramp Taxi with or without its seals intact and placed in the same or another Taxi or Ramp Taxi must be certified and resealed by the Weights and Measures. Any Taxi or Ramp Taxi found to have Taximeter seals that are broken, removed, destroyed, marred or otherwise tampered with will be taken out of service until correctly repaired.

2. Installation. All Taximeter makes and models must meet the approval of the SFMTA prior to their installation and must meet all requirements of the Paratransit Program. The Taximeter shall be mounted in an area that is clearly visible at all times by any passenger in the vehicle.

g. Safety Partition. Safety partitions of a design that is approved by the SFMTA may be installed in Taxi and/or Ramp Taxi vehicles at the option of the Color Scheme.

h. Emergency Equipment. All Taxis and Ramp Taxis shall have at all times a functional spare tire, a working jack and wrench to replace a flat tire, and two 2 flares or 2 two freestanding reflectors.

i. Signage, Advertising and Displays. Advertising or other displays on the exterior or interior of a taxi:

1. May not impede the Driver's vision in any way.

2. May not cover any vehicle identifiers required by law or regulation.

3. May not cover any portion of the license plate of the vehicle.

4. May not interfere with vehicle operation, including but not limited to the tire inflation valve or any wheel balancing dynamics. Defects in any portion of the wheel must be remedied before any advertisement or other display is affixed to the wheel.

5. May not interfere with any safety features of the vehicle or present a safety hazard to passengers.

6. Vehicle wrap advertising, whether partial or full, is not allowed on a Taxi or Ramp Taxi vehicle.

j. Lights.

1. Standard Lights. All Taxi and Ramp Taxi vehicles shall be equipped with exterior lights as required by the Vehicle Code, an inside dome light, and dashboard lights. All O.E.M. lights must be maintained in working condition as designed, and all lenses of such lights are to be reasonably intact. No O.E.M. light may be obstructed or disconnected during operation. Any additional modifications of O.E.M. lights or installation of additional lights requires prior approval by the SFMTA.

2. Top Lights.

A. All Taxis and Ramp Taxis must be equipped with a working top light containing a light or lights permanently attached to the roof of the vehicle, which may either have the name of the Color Scheme printed on it, or the words “Taxicab” or “taxi”.

B. Each Driver shall ensure that such top light is illuminated at all times except when the vehicle is engaged in the transportation of a passenger. The top light shall turn on while the Taximeter is in the non-recording position and shall turn off while the Taximeter is in the recording position.

k. Standard Equipment. All Taxis and Ramp Taxi vehicles shall have all equipment required by the Vehicle Code maintained in good working order such that the equipment functions effectively for the purpose for which it was intended. All Taxi and Ramp Taxi vehicles shall also be equipped with:

1. Automatic door locks that can be controlled by the Driver and the passenger.

2. Available and easily visible seat belts in all seating positions where passengers may ride.

3. Speedometer and odometer.

4. Heater and air conditioner.

5. Door hinges, locks and latches.

6. Doors that operate easily and open and close securely from either the outside or inside of the vehicle.

7. Bumpers and body moldings in good condition and securely attached as the manufacturer intended.

8. Shock absorbers and springs.

9. Suspension.

10. Steering.

11. A holder for the Medallion placed in such a position that the Medallion is clearly visible from the front exterior of the vehicle and that is either attached to the dashboard or to the left side of the right front support beam, on the interior of the vehicle.

12. In-Taxi Equipment.

13. Wheels with all lug nuts in place and secured, of matching design, and with matching hubcaps attached. Hubcaps must be of either the original manufacturer’s design or of a design authorized by the SFMTA, unless wheels are of a custom design that does not use hubcaps.

14. Tires in safe operating condition and of matching design (i.e., all whitewalls or all black walls), without tire repair plugs or cuts in the sidewall, separated treads, bumps, bubbles, or anything protruding from the tire; and with a minimum remaining tread of at least 1/32 of an inch. Any Taxi or Ramp Taxi that violates this requirement will be placed immediately out of service.

15. Only O.E.M. size tires of the same size used at the time of the Taximeter inspection may be used on any vehicle, including spare vehicles.

l. Windows. All windows and the windshields of Taxis and Ramp Taxis shall be kept clean and clear, both the outside and inside. No additional tinting or reflective material may be placed on any vehicle window except factory installed tinting. Only safety glass with the lowest factory installed tint may be used.

m. Security Cameras.

1. All Taxis and Ramp Taxis shall be equipped with an operational security camera manufactured after December 31, 2006.

n. Condition of Vehicle.

1. Vehicle Integrity. The vehicle shall be structurally sound and operate with minimum vibration and noise.

2. Vehicle Body. Vehicle bodies must be free of noticeable dents, rust and holes. A Taxi or Ramp Taxi shall not be placed in service if:

A. There are visible dents that exceed three square feet in any single area of the exterior surface of the vehicle and the deepest point of depression is ¾ of an inch or greater; or

B. There are visible dents that exceed four square feet of the total exterior surface of the vehicle and the deepest point of depression is ¾ of an inch or greater, or

C. There are visible dents that exceed six lineal feet of the total exterior surface of the vehicle and the deepest point of depression is ¾ of an inch or greater, or

D. There is any area of the exterior surface of the vehicle that contains a hole larger than six square inches, or there is a visible dent that exceeds 144 square inches and the deepest point of depression is more than two inches.

o. Cleaning and Disinfection of Vehicle.

1. Every Taxi or Ramp Taxi must be regularly cleaned so that the interior is clean, orderly and kept free of offensive odors and stains.

2. A Taxi or Ramp Taxi vehicle must be disinfected whenever required by SFMTA.

3. Seats. Rear seats shall be upholstered with vinyl or leather in good repair and matching the vehicle's interior colors Seat covers may not be stained or torn. Seat springs may not be broken nor may they protrude through the upholstery. Seats shall be firm and comfortable with the tension of the seat springs evenly distributed.

4. Floormats. Rubber floormats are required on the floor of the rear seating area of the vehicle.

p. Vehicle Title. The principal vehicle authorized for the operation of a Medallion may be registered only in the name of the Medallion Holder or Color Scheme.

q. Vehicle Mileage. Starting mileage may not be more than 70,000 miles when a vehicle is placed into service. No vehicle may be operated as a Taxi or Ramp Taxi after the vehicle has reached 325,000 miles.

r. Vehicle Age. No vehicle older than six model years may be placed into service as a Taxi or Ramp Taxi vehicle, and no vehicle older than eight model years may remain in service as a Taxi or Ramp Taxi vehicle.

s. Inspections.

1. Inspection Required. All Taxis and Ramp Taxis shall be inspected by the SFMTA or its designee, every six months if they are used as spare vehicles or have 200,000 miles or more on the odometer, and every 12 months for regular vehicles, at a date and time designated by the SFMTA, and at any other time deemed necessary by the SFMTA. At the time of a scheduled inspection of the vehicle, the Color Scheme or Taxi or Ramp Taxi Medallion Holder must provide the following:

A. Valid and current State of California vehicle registration.

B. Valid and current Brake Certificate issued by an official inspection station certified by the State of California within 60 days prior to inspection.

C. Proof of insurance meeting the requirements of all applicable laws and regulations.

D. A Vehicle Introduction Form signed and approved by the SFMTA.

2. New Vehicle. If a new vehicle is purchased for use as a Taxi or Ramp Taxi, the vehicle owner may furnish a written certificate of compliance issued by the automobile dealership in lieu of the documents required in subparagraphs 1113(s)(1)(A) through 1113(s)(1)(D) above, provided that the certificate is dated within 60 days of the annual inspection. The automobile dealership must be certified by the State of California as an official inspection station.

3. Salvage Vehicle. No vehicle which has been designated as “Salvage” by the California Department of Motor Vehicles may be placed into service as a taxicab unless the vehicle has been inspected and approved by the SFMTA. The SFMTA may require documents to establish the chain of title for Salvage Vehicles.

4. Inspection Certification. Upon satisfactory completion of all inspection requirements the SFMTA shall affix a decal and transponder to the Taxi or Ramp Taxi that authorizes the Taxi or Ramp Taxi to be operated for the time period specified upon the decal.

5. Failing Inspection. If, on inspection the SFMTA determines that a vehicle does not meet applicable requirements, the vehicle may fail inspection and may be ordered out of service until the condition(s) are corrected. A failed vehicle must be re-inspected and approved before being returned to service and must pass another inspection in six months from the date of return to service. The decision whether to pass or fail a vehicle shall be within the sole discretion of the SFMTA.

6. Removal of Vehicle from Service.

A. A Color Scheme shall make any vehicle available for inspection upon SFMTA request. If a Color Scheme fails to make a vehicle available for inspection or if the SFMTA determines that a vehicle is not in compliance with all applicable laws and regulations, the SFMTA may order the vehicle to be removed from service until it passes inspection.

B. If the SFMTA determines that additional repairs or further inspection of the mechanical condition or safety equipment of a Taxi or Ramp Taxi is necessary, the Color Scheme or Medallion Holder shall make the necessary repairs or arrangements in order to determine if repairs are necessary, and must provide a statement of findings to the SFMTA from the repair person.

7. Fraud in Connection with Inspection Prohibited. Misconduct in connection with required inspection is strictly prohibited and is grounds for revocation of a permit. Misconduct may include, but is not

limited to, substitution of registered owners on a temporary basis for inspection purposes, substitution of any vehicle part or equipment within 30 days before or after an inspection for the purpose of passing inspection, or knowingly making false statements to SFMTA or SFPD or their designees in connection with an inspection. This Section shall be strictly enforced to ensure the integrity of the San Francisco taxi fleet and the safety of the public.

t. Replacement Vehicles. Whenever an existing Taxi or Ramp Taxi is replaced with another vehicle, the replacement vehicle must be inspected and approved prior to use.

u. Ramp Taxis. Every vehicle used as a Ramp Taxi shall have a ramp at least 30 inches wide. Any new model of Ramp Taxi vehicle proposed for use as a Ramp Taxi shall be subject to the prior approval of the SFMTA and the Paratransit Coordinating Council.

v. Retired Vehicles. No Permit Holder may offer any Taxi or Ramp Taxi vehicle for sale to the public until all remnants of the Color Scheme, including the top light and all exterior lettering, numbering, signage, and any other item required to be displayed on a Taxi or Ramp Taxi are completely removed.

Appendix 6 – Distribution of Taxi Licences Across Queensland

The following tables summarising the distribution of taxi licences across Queensland Services area and communities for recent years.

Queensland Taxi Statistics

Qld Taxi Licences by Location	No of Licences	Conventional	WAT	No of Licences	Conventional	WAT	No of Licences	Conventional	WAT
	Aug-13	Aug-13	Aug-13	Aug-14	Aug-14	Aug-14	Aug-15	Aug-15	Aug-15
Metropolitan Companies									
Black & White Taxis Ltd									
Yellow Cabs Queensland Pty Ltd									
Sub-total	1867	**1557**	**310**	**1867**	**1557**	**310**	**1867**	**1557**	**310**
Provincial City Companies / Co-Operatives									
Bowen	4	3	1	4	3	1	4	3	1
Bundaberg	29	24	5	30	24	6	30	24	6
Cairns	137	115	22	137	115	22	137	115	22
Gold Coast	357	267	90	357	267	90	357	267	90
Gladstone	28	22	6	28	22	6	28	22	6
Gympie	11	8	3	11	8	3	11	8	3
Hervey Bay	17	11	6	18	12	6	18	12	6
Innisfail	11	9	2	11	9	2	11	9	2
Ipswich	68	53	15	68	53	15	68	53	15
Mackay	73	53	20	73	53	20	73	53	20
Maryborough	15	11	4	15	11	4	15	11	4
Mount Isa	34	33	1	34	33	1	34	33	1
Redcliffe	36	29	7	37	29	8	37	29	8
Rockhampton	67	53	14	67	53	14	67	53	14
Sunshine Coast	109	81	28	110	82	28	110	82	28
Toowoomba	86	73	13	86	73	13	86	73	13
Townsville	135	112	23	135	112	23	135	112	23
Sub-total	**1217**	**957**	**260**	**1221**	**959**	**262**	**1221**	**959**	**262**
Towns									
Atherton	3	2	1	3	2	1	3	2	1
Ayr	4	3	1	4	3	1	4	3	1
Bamaga	1	0	1	1	0	1	1	0	1
Barcaldine	1	0	1	1	0	1	0	0	0
Beaudesert	3	2	1	3	2	1	3	2	1
Biloela	2	1	1	2	1	1	2	1	1

Blackall	1	0	1	1	0	1	1	0	1
Blackwater	0	0	0	1	0	1	1	0	1
Boonah	2	1	1	2	1	1	2	1	1
Bribie Island	4	2	2	4	2	2	4	2	2
Bulwer / Moreton is	0	0	0	0	0	0	0	0	0
Burketown	0	0	0	0	0	0	0	0	0
Caboolture (now amalgamated with Brisbane)	0			0	0	0	0	0	0
Capella	0	0	0	0	0	0	0	0	0
Cardwell	1	0	1	1	0	1	1	0	1
Charleville	4	3	1	4	3	1	4	3	1
Charters towers	7	6	1	7	6	1	7	6	1
Childers	1	0	1	1	0	1	1	0	1
Chillagoe	0	0	0	0	0	0	0	0	0
Chinchilla	2	1	1	2	1	1	2	1	1
Clermont	0	0	0	0	0	0	0	0	0
Cloncurry	3	2	1	3	2	1	3	2	1
Collinsville	1	0	1	1	0	1	1	0	1
Cooktown	2	1	1	2	1	1	2	1	1
Crows Nest	1	1	0	1	1	0	1	1	0
Cunnamulla	0	0	0	0	0	0	0	0	0
Dalby	8	7	1	8	7	1	8	7	1
Dysart	0	0	0	0	0	0	0	0	0
Emerald	6	4	2	6	4	2	6	4	2
Fraser Island	1	1	0	1	1	0	1	1	0
Gatton	1	0	1	1	0	1	1	0	1
Gayndah	1	0	1	1	0	1	1	0	1
Gin Gin	0	0	0	0	0	0	0	0	0
Glasshouse Mts/Beerwah	1	0	1	1	0	1	1	0	1
Goondiwindi	5	4	1	5	4	1	5	4	1
Gordonvale / Yarrabah	3	2	1	3	2	1	3	2	1
Horn Island	1	0	1	1	0	1	1	0	1
Ingham	2	1	1	2	1	1	2	1	1
Inglewood	0	0	0	0	0	0	0	0	0
Karumba	1	0	1	1	0	1	1	0	1
Kilcoy	1	0	1	1	0	1	1	0	1
Kingaroy	4	3	1	4	3	1	4	3	1
Kumbia	0	0	0	0	0	0	0	0	0
Kuranda	1	0	1	1	0	1	1	0	1
Laidley	1	0	1	1	0	1	1	0	1

Longreach	3	3	0	3	3	0	3	3	0
Lowood	1	0	1	1	0	1	1	0	1
Macleay Island	1	0	1	1	0	1	1	0	1
Magnetic Island	4	3	1	3	2	1	3	2	1
Malanda	0	0	0	0	0	0	0	0	0
Maleny	1	0	1	1	0	1	1	0	1
Mareeba	7	6	1	7	6	1	7	6	1
Millmerran	0	0	0	0	0	0	0	0	0
Miriam Vale	0	0	0	0	0	0	0	0	0
Mission beach	2	1	1	2	1	1	2	1	1
Mitchell	0	0	0	0	0	0	0	0	0
Monto	1	0	1	1	0	1	1	0	1
Moranbah	3	2	1	3	2	1	3	2	1
Mossman	2	1	1	2	1	1	2	1	1
Mount Morgan	1	0	1	1	0	1	1	0	1
Mount Tamborine / Canungra	2	1	1	2	1	1	2	1	1
Moura	1	0	1	1	0	1	0	0	0
Mundubbera	0	0	0	0	0	0	0	0	0
Murgon	2	1	1	2	1	1	2	1	1
Nanango	1	0	1	1	0	1	1	0	1
North Stradbroke Isl (Dunwich)	2	1	1	2	1	1	2	1	1
Normanton	2	1	1	2	1	1	2	1	1
Oakey	1	0	1	1	0	1	1	0	1
Pittsworth	1	0	1	1	0	1	1	0	1
Port Douglas	2	2	0	3	2	1	3	2	1
Rainbow Beach	1	0	1	1	0	1	1	0	1
Ravenshoe	1	0	1	1	0	1	0	0	0
Roma	8	7	1	7	6	1	7	6	1
Russell Island	1	0	1	1	0	1	1	0	1
Stanthorpe	2	1	1	2	1	1	2	1	1
St George	0	0	0	0	0	0	0	0	0
Tara	1	0	1	1	0	1	1	0	1
Theodore	0	0	0	0	0	0	0	0	0
Thursday Island	15	14	1	15	14	1	15	14	1
Tin Can Bay	1	0	1	1	0	1	1	0	1
Toogoolawah	1	0	1	1	0	1	1	0	1
Town of 1770	1	0	1	1	0	1	1	0	1
Tully	2	1	1	2	1	1	2	1	1
Warwick	6	5	1	6	5	1	6	5	1

Weipa	3	2	1	3	2	1	3	2	1
Winton	1	0	1	1	0	1	1	0	1
Capricorn Coast (Yeppoon)	10	5	5	10	5	5	10	5	5
Woodford	1	0	1	1	0	1	1	0	1
Wondai	1	0	1	1	0	1	1	0	1
Sub-total	**176**	**104**	**72**	**176**	**102**	**74**	**173**	**102**	**71**
TOTAL	**3260**	**2618**	**642**	**3264**	**2618**	**646**	**3261**	**2618**	**643**

Queensland Taxi Statistics

Year	No. Conv	No. WAT	Total TSL	% Increase from Previous Yr
2013	2618	642	3260	0.2%
2014	2618	646	3264	0.1%
2015	2618	643	3261	-0.1%

Appendix 7 - Taxi "Quality of Service" Data (Singapore)

TAXI COMPANIES QUALITY OF SERVICE (QoS) STANDARDS FOR JAN 2016

Performance Indicators			Comfort	CityCab	Trans-Cab	SMRT	Premier	Prime *
1	**Taxi Booking**							
1-1	**Call Answer Rate**	0600-0700	P	P	P	P	P	P
	Percentage of calls answered by the taxi dispatch	0700-0800	P	P	P	P	P	P
	system	0800-0900	P	P	P	P	P	P
		0900-1000	P	P	P	P	P	P
	Standard	1000-1100	P	P	P	P	P	P
	At least 95% (90% for small companies)	1700-1800	P	P	P	P	P	P
		1800-1900	P	P	P	P	P	P
		1900-2000	P	P	P	P	P	P
		2000-2100	P	P	P	P	P	P
		2100-2200	P	P	P	P	P	P
		2200-2300	P	P	P	P	P	P
		2300-0000	P	P	P	P	P	P
1-2	**Waiting time for despatch system to answer**	0600-0700	P	P	P	P	P	P
	incoming telephone calls	0700-0800	P	P	P	P	P	P
		0800-0900	P	P	P	P	P	P
	Standard	0900-1000	P	P	P	P	P	P
	Within 20 secs, 90% of the time	1000-1100	P	P	P	P	P	P
		1700-1800	P	P	P	P	P	P
		1800-1900	P	P	P	P	P	P
		1900-2000	P	P	P	P	P	P
		2000-2100	P	P	P	P	P	P
		2100-2200	P	P	P	P	P	P
		2200-2300	P	P	P	P	P	P
		2300-0000	P	P	P	P	P	P
1-3	**Cater Rate**	0600-0700	P	P	P	P	P	F
	Percentage of calls despatched that are	0700-0800	P	P	P	P	P	F
	successfully matched with taxis	0800-0900	P	P	P	P	P	F
		0900-1000	P	P	P	P	P	F
	Standard	1000-1100	P	P	P	P	P	F
	At least 92% (80% for small companies)	1700-1800	P	P	P	P	P	F
		1800-1900	P	P	P	P	P	F
		1900-2000	P	P	P	P	P	F
		2000-2100	P	P	P	P	P	F
		2100-2200	P	P	P	P	P	F
		2200-2300	P	P	P	P	P	F
		2300-0000	P	P	P	P	P	F
1-4	**Waiting time for despatch centre to confirm**	0600-0700	P	P	P	P	P	P
	taxi from the time the call is answered	0700-0800	P	P	P	P	P	P
		0800-0900	P	P	P	P	P	P
	Standard	0900-1000	P	P	P	P	P	P
	Within 5 mins, 90% of the time	1000-1100	P	P	P	P	P	P
		1700-1800	P	P	P	P	P	P
		1800-1900	P	P	P	P	P	P
		1900-2000	P	P	P	P	P	P
		2000-2100	P	P	P	P	P	P
		2100-2200	P	P	P	P	P	P
		2200-2300	P	P	P	P	P	P
		2300-0000	P	P	P	P	P	P
1-5	**Passenger waiting time for taxi to arrive**	0600-0700	P	P	P	P	P	P
		0700-0800	P	P	P	P	P	P
	Standard	0800-0900	P	P	P	P	P	P
	Within 10 mins, 95% of the time (90% for small	0900-1000	P	P	P	P	P	P
	companies)	1000-1100	P	P	P	P	P	P
		1700-1800	P	P	P	P	P	P
		1800-1900	P	P	P	P	P	P
		1900-2000	P	P	P	P	P	P
		2000-2100	P	P	P	P	P	P
		2100-2200	P	P	P	P	P	P
		2200-2300	P	P	P	P	P	P
		2300-0000	P	P	P	P	P	P
2	**Safety**		**Comfort**	**CityCab**	**Trans-Cab**	**SMRT**	**Premier**	**Prime ***
2-1	**First Inspection Passing Rate**							
	Standard							
	At least 98%		P	P	P	P	P	P
2-2	**^Accident Rate**							
	Standard							
	Not more than 0.02 per 100,000 km		P	P	P	F	P	P
3	**Taxi Drivers' Conduct**		**Comfort**	**CityCab**	**Trans-Cab**	**SMRT**	**Premier**	**Prime ***
3-1	**Offence Rate**							
	Standard							
	Not more than 0.02 per 100,000 km		P	P	P	P	P	P

Footnote

* Refer to small companies, i.e. with taxi fleet of not more than 1,000 taxis

^ Accident rate based on results for May 2015
Accident statistics for June 2015 - January 2016 are pending updates from Traffic Police
Companies that fail the QoS standards are liable to a financial penalty.
P=Pass , F=Fail

Appendix 8 – Basic Information for TNCs

An information sheet, produced by the California Public Utilities Commission outlining the role, function and purpose of the Transport Network Companies and their obligations and requirements under CPUC Decision 13-09-045.

TRANSPORTATION LICENSE SECTION
STATE OF CALIFORNIA PUBLIC UTILITIES COMMISSION

BASIC INFORMATION FOR TRANSPORTATION NETWORK COMPANIES AND APPLICANTS

Who should read this information?

If you will transport passengers over California public streets and highways as a company using an online-enabled platform to connect passengers with drivers using their personal vehicles, you will find important information here on how to apply and how to keep your authority in good standing. Also, keep it for your reference after you have your authority, as there is information to help you. Thank you!

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Abbreviations

CPUC	California Public Utilities Commission
DMV	California Department of Motor Vehicles
TCP	Transportation Charter-Party. This can refer to a charter-party carrier, a charter-party permit or certificate, or a charter-party carrier number—the number assigned to a TCP carrier by the License Section.
TNC	Transportation Network Company. A sub-type of charter-party carrier providing transportation services using an online-enabled platform to connect passengers with drivers using their personal vehicles.
LLC	Limited Liability Company
LP	Limited Partnership

What are the insurance requirements?
Each TNC must file its insurance policies under seal with the Safety and Enforcement Division as part of applying for a license. TNCs must also file an insurance certificate to be posted on the Commission website.

New insurance requirements came into effect on July 1, 2015. It defined TNC services as having three periods, with each period having its own insurance level.

Period One is when the app is on but the driver has not yet accepted a ride request. For Period One, TNC shall have primary insurance of at least $50,000 for death and personal injury per person, $100,000 for death and personal injury per incident, and $30,000 for property damage. The TNC shall also have $200,000 in excess coverage (per occurrence).

Periods Two and Three are when the driver has accepted a ride but has not yet picked up a passenger, and when the driver is transporting the passenger, respectively. During these two periods, primary commercial insurance of $1,000,000 for death, personal injury, and property damage is required. In addition, TNCs shall maintain $1,000,000 of uninsured motorist insurance from the moment the passenger enters the vehicle until the passenger exits the vehicle.

TNCs must obtain proof of insurance from each TNC driver before the driver begins providing service and for as long as the driver remains available to provide service. TNC drivers are required to provide proof of both their personal insurance and the commercial excess liability insurance in the case of an accident.

Do drivers have to be licensed and trained?
TNCs must establish a driver training program to ensure that all drivers are safely operating the vehicle prior to the driver being able to offer service.

TNC drivers must possess a valid California driver's license, be at least 21 years of age, and must provide at least one year of driving history before providing TNC services. TNCs must obtain each TNC driver's driving record before the driver begins providing service and annually thereafter.

Are drivers required to be drug tested?
TNCs must institute a policy of zero tolerance for intoxicating substances with respect to drivers in accordance with Decision 13-09-045.

Each TNC is required to include on its website, mobile application and riders' receipts, notice and information on the TNC's zero-tolerance policy and the methods for reporting a driver whom the rider reasonably suspects was under the influence of drugs or alcohol during the course of the ride. Also, the TNC's website and mobile application must include a phone number or in-app call function and email address to contact to report the zero-tolerance complaint. Promptly after a zero-tolerance complaint is filed, the TNC is required to suspend the driver pending further investigation.

A TNC's website and mobile application must also include the phone number and email address of the Commission's Consumer Intake Unit that handles passenger carrier complaints: 1-800-894-9444 and CIU_intake@cpuc.ca.gov.

Are drivers required to be background checked?
TNCs must perform national criminal background check including the national sex offender database on drivers utilizing their app. The criminal background check must be based on the applicant's social security number and not just the applicant's name.

In order to protect public safety, any person who has been convicted, within the past seven years, of driving under the influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage and/or theft, acts of violence, or acts of terror shall not be permitted to provide TNC services.

Drivers with convictions for reckless driving, driving under the influence, hit and run, or driving with a suspended or revoked license shall not be permitted to be a TNC driver. Drivers may have a maximum of three points on their driving records for lesser offenses (e.g., equipment problems, speeding, or child safety seat violations).

What are the requirements for vehicles operating under a TNC's permit?
TNCs may only use street-legal coupes, sedans, or light-duty vehicles including vans, minivans, sport utility vehicles (SUVs) and pickup trucks. Hatchbacks and convertibles are also acceptable. The maximum seating capacity is seven passengers, including the driver. TNC vehicles must not be significantly modified from factory specifications, (e.g., no "stretch" vehicles).

The app used by a TNC to connect drivers and passengers must display for the passenger: 1) a picture of the driver, and 2) a picture of the vehicle the driver is approved to use.

TNCs must allow passengers to indicate whether they require a wheelchair-accessible vehicle or a vehicle otherwise accessible to individuals with disabilities.

TNC vehicles must display consistent trade dress (i.e., distinctive signage or display on the vehicle) when providing TNC services that is sufficiently large and color-contrasted as to be readable during daylight hours at a distance of 50 feet. The trade dress must be sufficient to allow a passenger, government official, or member of the public to associate a vehicle with a particular TNC (or licensed transportation provider). Acceptable forms of trade dress include, but are not limited to, symbols or signs on vehicle doors, roofs, or grills. Magnetic or removable trade dress is acceptable.

The TNC include photograph of their trade dress with its application for TNC authority.

TNCs must inspect all vehicles and maintain the record of such inspection in case of an audit. TNCs, or a third party licensed by the California Bureau of Automotive Repair, must conduct a 19-point inspection:

1. Foot brakes (check stopping: at 20 mph, a vehicle must be capable of stopping within 25 ft)	11. Front seat adjustment mechanism
2. Emergency brakes (engine stall test)	12. Doors (open, close, lock)
3. Steering mechanism	13. Horn
4. Windshield	14. Speedometer
5. Rear window and other glass	15. Bumpers
6. Windshield wipers	16. Muffler and exhaust system
7. Headlights	17. Condition of tires, inc. tread depth
8. Tail lights	18. Interior and exterior rear view mirrors
9. Turn indicator lights	19. Safety belts for driver and passenger(s)
10. Brake lights	

Where can TNCs provide service?
TNCs may operate from any point to any point within California.

Are you a Transportation Network Company?
After reading all of this information, if you've decided to apply for a TNC permit, you may obtain a Transportation Network Company Application Packet in any of the following ways:

Download it from the CPUC web site:
http://www.cpuc.ca.gov/PUC/Enforcement/TNC/

Request by email: Licensing_TNC@cpuc.ca.gov

TCP/TNCs and Taxicabs Distinguished
Based on the information above, it may seem that there is little or no difference between a charter-party carrier/TNC and a taxicab. In fact, the two are separate and distinct types of transportation. A charter-party carrier/TNC may not operate as a taxi, *or advertise* as to indicate that it provides taxicab service. Taxis are licensed and regulated by cities and counties, while charter-party carriers/TNCs operate under authority from the CPUC, subject to the Public Utilities Code and CPUC regulations. Taxis have meters and top lights; charter-party/TNC vehicles do not have either one. The most important operational difference is that TCP/TNC transportation must be prearranged. Taxis may provide transportation "at the curb", that is, a customer may "arrange" taxi transportation by simply hailing a cab from the sidewalk. All transportation performed by charter-party carriers/TNC must be arranged beforehand, and the driver must have a completed waybill in his or her possession at all times during the trip.

Expiration and Renewal
All TNC permits expire after 3 years. If the carrier completes and submits a renewal application with enough time for the License Section to process its application, the authority will be renewed for another 3 years and there will be no lapse in authority. The expiration date of your authority will appear on the permit itself. We will send you a renewal application approximately 120 days prior to your expiration date. You are required by Commission General Order 157-D to complete and return this to us no less than 3 months prior to expiration. The filing fee for renewal applications is $100 for all types of permits. General Orders are available on line at www.cpuc.ca.gov/PUC/documents/go.htm.

You've decided to apply. Now what?

Think about who or what will apply (and have CPUC authority)
This is your first major decision after (or even before) deciding to apply. Several types of legal entities may apply for authority.

If you are applying for charter-party authority, on the first page of your application, you will check a box indicating whether you are applying as an Individual, a General Partnership, a Corporation, an LLC (Limited Liability Company) or LP (Limited Partnership). All applicants will indicate the *name of the applicant*. That name will be your CARRIER NAME, the *legal entity* to which your permit will be issued.

If you apply as a corporation, LLC or LP, the License Section will verify that the entity is in good standing with the California Secretary of State.

Think carefully! If you apply and later change your mind about which type of entity you wish to operate as, you will not receive a refund. You will have to file another application and pay the fee again.

Here are a few things to consider:

1. You can look at all carriers in our database by going to the CPUC's home page (www.cpuc.ca.gov), clicking on the "Transportation" tab, then the link, "Search our List of Companies to find out if a company is licensed". Click on any carrier's File Number ("PSG" or "CA" Number). Unless the carrier is revoked or expired, you will see that carrier's name, mailing address, physical address, and phone number. Keep in mind that whatever address and phone number you place on your application—including your home address and phone number—they are **public information**, posted on our web site, and available to any member of the public. *We will not accept a P.O. Box or mail drop* for a physical address. If you apply as an individual, your name will be part of that public information. If you apply as a general partnership, the names of all partners are public information. Of course, if you are an officer of a corporation, your name is also public information, though it may not be quite as visible as though you were to apply as an individual. Many carriers choose to have a separate business address and phone number.
2. If you apply as a general partnership, be aware that a general partnership consists of the *specific* individuals or entities named as part of that general partnership[1]. If *any partner* leaves the business (including by death) or if another partner is added to the business, then the general partnership which applied for or holds authority no longer exists. The remaining partners(s) must apply for new authority as a new general partnership, or as individual(s), a corporation, etc. The new entity will have a new TCP or PSC number. By contrast, a corporation, LLC, or LP has the advantage that it can change officers, managing members, partners, even owners, and continue as the same legal entity, without the need to apply for new authority.

[1] Other types of legal entities, such as corporations, may also form general partnerships. For example, a general partnership may consist of an individual and an LLC.

The difference between "Carrier Name" and "DBA"
Again, the name under which you apply (individual, partnership, corporation, etc.) will be your "carrier name", the name (the legal entity) to which your permit will be issued, and which must appear *exactly* on all your insurance certificates. This is not to be confused with any *fictitious business name or "DBA"* (Doing Business As) you may choose to use.

Example 1: John Doe applied as an individual, doing business as "Acme Limousine Service". In that case, *"John Doe"* is the carrier name and the permit holder, and not "Acme Limousine Service".

Example 2: Mr. Doe forms a corporation, "Doe Transportation, Inc." doing business as "Acme Limousine Service". "Doe Transportation, Inc." is the carrier name and the permit holder, and not "Acme Limousine Service".

If you are a TNC, before you use any fictitious business name, you must inform the License Section in writing of your intent to use it (General Order 157-D, Section 3.06). If you show a DBA on your application, we will print that DBA on your permit, and will post it on our web site. Otherwise, it is not necessary to state your DBA on any document you or your insurer sends us, and may cause confusion, or worse.

Within a few weeks after applying, you will receive a letter from the License Section. On that letter (and every letter you ever receive from us) you will see a File Number. For passenger carriers, this begins with "PSG" followed by some numbers, for example, "PSG0012345".

Please keep that number handy and refer to it whenever you call, write, or email the License Section! Ideally, it should be prominently displayed on every page of every document you send us. (You can ignore the leading "0's", so in the above example, all we need is "PSG12345".)

When your authority is issued, the numbers of your File Number will also be the numbers of your permit, for example, "TCP 12345-P". Whenever you contact the License Section, you may refer to that number by any of the prefixes, (i.e., "PSG" or "TCP").

Insurance
All TNC carriers must file under seal their commercial liability insurance with the CPUC before we will issue an operating authority to them. All TNC carriers must also file an un-redacted copy of their insurance certificate to be posted on the Commission's website.

In addition, TNC carriers who have employees (e.g., administrative assistants, engineers, sales associates) must have their insurance company file a certificate of workers' compensation insurance with the Commission's License Section. The License Section is now accepting only insurance that is e-filed with the Commission. The License Section will not communicate with your insurer on your behalf. It is your responsibility to select an insurer that is able to e-file your insurance.

Sign all forms
It is your responsibility to ensure that your application and all attachments are signed. If you are a partnership, all partners must sign; if a corporation, an officer of the corporation; if an LLC, a managing member.

If my application is not 100% complete and error-free, will it be denied?
No (at least not right away). We will accept your application and begin processing it. However, we recommend that you include as many of the required attachments as possible, as this will greatly expedite the process. Applications without the correct filing fee will be rejected.

For TNC applicants, typically, within 1 - 3 weeks after we receive your application, it will be reviewed by a technician who will determine what information and documents are lacking or incomplete. You will receive a letter telling you anything and everything you need to do before your authority can be issued.

Thirty days later, if those items have not been completed, you will receive a second letter telling you what remains to be done. Thirty days after that, you will receive a "Final Notice", advising you that if the remaining items are not completed within 20 days, we may deny your application.

We will wait at least those 20 days before denying your application, and will be somewhat more flexible if you communicate, and we can see that you are making a good faith effort. You will have plenty of opportunities to get everything done before we will deny your application.

HOWEVER, there is a limit to how long we will keep an application pending before we deny it. Do not send us an application if you're not absolutely sure you'll be ready to start operating within 3 months. Once again, filing fees are not refundable, so if your application is denied, you must re-file and pay the application fee again.

How long will it take to get my permit issued?
That will depend largely upon how complete and accurate your application is when you submit it *and* how responsive you are to our requests for additional information or documents. So pay careful attention to these instructions, and those in the application packet, and to your mail from the License Section!

TNC applicants who are attentive to these details can typically have their authority issued within about 3-6 weeks, sometimes less. Remember, however, that we have no control over certain factors, such as how quickly your insurer e-files the necessary workers' compensation insurance to us. (See discussion above, under "Insurance".)

Your responsibilities after authority is issued

Keep your Authority Active
Once you have your authority, you must keep it active in order to continue operating. Your responsibilities include:

- Generally paying prompt and careful attention to all mail you receive from the CPUC. Under normal circumstances, we will notify you of any impending suspension, and tell you what you must do to prevent it, in plenty of time for you to do so.
- Being sure the CPUC knows of any change in your mailing address. You'll find a form on our web site for that purpose.
- Addressing all correspondence to "CPUC License Section" as shown throughout this document. The CPUC has many divisions, branches, etc., so it isn't obvious where your mail should go unless you specify. Include your File Number on all documents, including

checks. The License Section may also be contacted by email at Licensing_TNC@cpuc.ca.gov.

- Keeping copies of all forms and correspondence with the License Section. We handle many thousands of documents every month, and occasionally a document is misplaced or misdirected. This will be far less inconvenient for you if you have backup copies.
- Paying your quarterly fees on time (you will receive notification in the mail when these are due, and all necessary forms and instructions).
- TNCs must apply for renewal no less than 3 months prior to expiration, as required by Commission regulation.
- Provide a copy of any new and/or updated insurance policies. If we find out your insurance was cancelled and you have not provided us with a copy of any new insurance, you permit is liable to be suspended.

We will notify you by mail any time your authority is suspended, revoked, expired, or reinstated. If you have any doubts about your authority status, you may verify it on the Commission's web site, which is updated several times daily, or contact the License Section. If your authority is suspended, revoked, or expired you may not operate. Only "active" authority allows you to operate.

Obey All Laws

Your authority may be suspended or revoked for violations of laws and regulations governing your business. You are responsible for knowing and following these requirements, including the following:

The Public Utilities Code. Sections pertaining specifically to charter-party carriers are §5351 through §5420. Many of these sections contain references to other California codes, such as the Vehicle Code. Carriers are also responsible for obeying those laws as well. All California codes are on line at www.leginfo.ca.gov/calaw.html.

Commission General Orders. Commission General Order (GO) 157 Series contains rules and regulations governing charter-party carriers. You are responsible for knowing and following all applicable regulations in these General Orders, which you may view or download at www.cpuc.ca.gov/PUC/documents/go.htm.

If you have thoroughly read the preceding material and are still not sure whether you need CPUC authority, or which type, or if you have other questions, you may contact the License Section for assistance.

Email: Licensing_TNC@cpuc.ca.gov

Phone: (800) 877-8867

Your input telling us how we can make the information above more clear or useful to our customers in the future is welcome! Address input to:

Licensing_TNC@cpuc.ca.gov.

THANK YOU from the License Section!

Rev. 7/6/15

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Appendix 9 – List of TBCs within Service Contracts

The following TBCs have a Service Contract with the State Government and associated Minimum Service Level requirements.

- Brisbane Black and White Cabs
- Brisbane Yellow Cabs
- Bundaberg Cab Co
- Cairns Taxis Ltd
- Gladstone Blue and White
- Gold Coast Cabs
- Gympie Golden Cabs
- Hervey Bay Taxis
- Innisfail Taxis
- Ipswich Yellow Cabs
- Mackay Taxis
- Maryborough Black and White Cabs
- Mt Isa United Cabs
- Redcliffe Black and White Cabs
- Redcliffe Yellow Cabs
- Rockhampton Cabs
- Sunshine Coast (Suncoast Cabs)
- Toowoomba Black and White Cabs
- Total Average Waiting Times (all areas)
- Townsville Standard White
- Yeppoon (Capricorn Coast)

Appendix 10 - Competition and Regulation Revisited – Current Trends in the Taxi Industry

Executive Summary of the review of competition and regulation in the Taxi Industry by Professor Des Nichols, Australian National University.

Competition and Regulation Revisited – Current Trends in the Taxi Industry

by

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for the

Australian Taxi Industry Association

23 May 2012

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Executive Summary[1]

As this report indicates, many factors, in addition to entry policies, affect the availability and quality of a taxi service in any given location. All these factors should be taken into account when making regulatory decisions affecting the industry. This is what is occurring in jurisdictions throughout Australia and is the approach which should continue into the future.

It has been recognised that different jurisdictions have different needs with respect to matching the demand and supply of taxis. Within taxi markets themselves there is a significant difference between market sectors, including the rank and hail markets and the taxi booking market. In cases where these two markets are separate, such as in Manhattan in New York where the yellow cabs (hail) and the black cabs (booked) are quite distinct, it is more straight forward to deal with supply and demand issues. When these markets are not separate entities however, as is the case in major cities in Australia, taxis are attached to a network service provider to service booked fares yet at the same time service the rank and hail market, matching supply and demand is much more difficult. In most rural communities/small towns many of the problems which occur in major cities are not present since there is virtually no hail market.

When entry has been deregulated the increase in the supply of taxis has far outstripped the increase in demand. This has been clearly demonstrated in the case of the two case studies undertaken in this review in the case of Ireland and licencing authority areas which have deregulated entry (since 2003) in the UK. In such situations, while there has been consumer benefits through the reduction in waiting time for taxis, there has also been a significant loss in productive efficiency as a result of increased waiting times for drivers; the study conducted by Europe Economics in the UK indicates that the costs attached to the latter far outweigh the savings associated with the former.

In the case of Ireland, surveys and reviews have concluded that:

- In 2008, cab drivers worked more shifts and worked longer hours than three years previously; the number of taxi drivers working in excess of 70 hours per week has more than doubled between 2005 and 2008.
- The supply structure of the cab industry has undergone significant change. This has involved increased part-time work and an increased proportion of drivers with a second job.
- Demand for taxis in Dublin has only risen 6% during the 11 year period 1997-2008, while the number of taxi licences issued during the same period increased by 530%.
- Full-time taxi drivers experienced a reduction in nominal earnings in the period 2005-2008.

[1] This report updates and extends the report completed in December 2011 (see www.atia.com.au/publications). In particular Section 7 has been extended to now include all Australian states and territories.

- Cab drivers have to work longer hours to achieve their income targets and on an hourly basis they are earning well below the current average industrial wage.

It is notable that the Minister for Public and Commuter Transport, in announcing a review of the Irish taxi industry in June 2011, said 'most people were aware of the difficulties of taxi drivers in making a living in Dublin and the advice of the Attorney General would be sought in relation to potential limits on the number of licences.' The first of 12 terms of reference relating to this review is to determine 'whether the existing licensing system ensures an appropriate balance of the interests of consumers and drivers through an adequate supply of taxi services at reasonable cost to the consumer.' This review is still in progress.

The case study in the case of the UK reports the findings of a major review in 2003, together with an overview of an evaluation of the outcomes of this review (in 2007) by Europe Economics, an independent economic consulting firm.

By means of surveys and the projection of the findings across all Licencing Authorities (LAs) who had deregulated entry since 2003, as well as those LAs which have maintained entry restrictions, the effects on consumer welfare and productive efficiency were determined. The consultants concluded that there was a net loss in productive efficiency in the street rank and hail market.

A 2007 OECD report on competition and regulation in the taxi industry (footnote 5) in commenting on Europe Economics findings states :

> 'Europe Economics' results appear to show that trying to introduce more competition into such a market only by removing quantity controls, and without considering whether regulated prices are above market clearing levels, may have mixed results: consumers do benefit, but not to the extent that they could do, and entry could be excessive.'

It is clear that the UK experience has found, as has been the case in Ireland, that the removal of quantity restrictions attracted new entrants to the market which led to a substantially increased supply of taxis. While the increased supply benefitted consumers by decreasing waiting times, the consequent increase in consumer demand for taxis has been small, resulting in a loss in productive efficiency.

Deregulation of entry also results in significant congestion problems at popular busy taxi ranks, airports and train stations. Where entry deregulation has occurred this has led to specific locations such as airports and train stations introducing regulations with respect to the servicing of these locations. After more than twenty years of deregulated entry, as recently as last year there were still significant issues relating to taxis servicing Wellington airport in New Zealand.

Where entry has been deregulated, as is the case in New Zealand, quality restrictions have been introduced and managed through the requirement that all taxis be members of a network. While maximum fare levels have been set to protect customers such as tourists, there is little, if any, competition with respect to the fares charged by networks in major cities in that country.

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The type of taxi market operating in one jurisdiction is normally quite different from that operating in another. As a result the features of individual markets must be taken into account when creating an environment where all the relevant stakeholders needs are taken into account when considering the introduction for change.

As this report indicates, many Australian jurisdictions have developed appropriate models to apply to determine the need for an increase in the supply of taxi plates and the setting of fares. These models give weightings to changes to relevant economic, and other, indicators to take account of changes in supply and demand for taxi services. The models are applied on an annual basis.

A number of jurisdictions have adopted the approach of leasing taxi plates for a fixed period of time, for a fee, either determined by the relevant Government (the ACT, Western Australia, Northern Territory and Victoria), by means of a tendering process (NSW) or a plate auction process (Queensland, South Australia and Tasmania).

By setting a fixed annual fee for the leasing of taxi plates, rather than releasing extra plates by means of a tendering or auction process, Governments can indirectly impact on the values of those conventional perpetual plates currently in the market. If the annual lease fee for plates is significantly reduced to encourage a 'take-up' of leased plates for example, this will impact on the market value of conventional perpetual plates.

By adopting mechanisms where transparent models have been applied for the annual review of taxi fares, and an annual review of the need to increase (or otherwise) taxi plate numbers, significant stability appears to have been introduced into those markets.

While the review of Australia's future tax system (the Henry Review) recommended that entry into the taxi industry be deregulated, this has not, to date, received any attention at the Federal level. Indeed it was not raised as an issue at a two day Tax Forum held in October 2011 to discuss issues/recommendations in the Henry review report. In reality decisions relating to the taxi industry, including those relating to entry deregulation, are matters to be determined by individual states/territories, not the Commonwealth.

In cases where deregulation has occurred overseas, the issue of compensation has been considered in the courts (eg Ireland) based on a claim for the loss of property rights. While none of the cases have been successful, in the case of Ireland, following deregulation hardship payment claims were considered on a case by case basis, with more than fifteen hundred being successful. Many hardship payments were paid to plate owners who were nearing retirement.

There seems little doubt that the rapid increase in the timely and efficient use of relevant (to taxi industry stakeholders) apps available for smartphones has the potential to have a major impact on the operation of both the taxi and hire car industries. There seems little doubt that there is a clear need for taxi networks/companies to embrace this rapidly emerging technology and use it to the advantage of all stakeholders.

The importance of the development, and maintenance of relevant data bases to Government agencies who manage the supply and operation of the taxi services in their jurisdictions cannot be overemphasised. The importance of these databases is reflected in their need for the application of models relating to both taxi fare increases, and the increase in supply of taxi plates, on a regular (annual) basis. In addition the management of the information (data) relating to the application of new technology should be available to the relevant agencies to assist with the model based decision making processes.

What has emerged from this review is that a framework for the operation of an efficient taxi fleet in a particular location/jurisdiction should include a careful consideration of:

- All taxis being required to be members of a network/dispatch centre.
- Networks/dispatch centres being required to maintain regularly updated data bases to be used to inform relevant agencies responsible for the management of the industry, including those responsible for the development and application of appropriate models for the determination of both fare increases and the ordered release of taxi plates.
- Easily applied models (in the case of jurisdictions that haven't already done so) based on relevant cost indices being developed to review fare increases on a regular basis (eg annually).
- The need for individual jurisdictions to develop appropriate models to determine the future release of taxi plates. These models should be applied on a regular basis (eg annually) and comprise appropriately weighted components, including those relating to the demand and supply of taxi services, reflecting the needs of all relevant stakeholders.
- The model to determine the future release of taxi plates should be such as to promote the productive efficiency of the industry, including the avoidance of significantly longer periods of waiting time for drivers for little or no overall benefit to customers.
- The fact that the taxi market is a dynamic industry which must be managed in an orderly manner to reflect current and future relevant changes expected to impact on the industry, including demographic and technological changes.

Appendix 11 – MSL Performance, Conventional Taxis Sept-Dec 2015

Minimum Service Level performance of the Queensland Taxi Industry, Sep-Dec 2015

Department of Transport and Main Roads

Minimum Service Level (MSL) Data for Conventional & High Occupancy Vehicles - October to December 2015
Maximum Waiting Times - All Bookings by vehicle type

Taxi Service Contract Area	MSL Target	Peak	MSL Target	Off-Peak
Brisbane Black and White Cabs	85% within 18 minutes	96.87%	85% within 10 minutes	86.38%
	95% within 30 minutes	99.44%	95% within 20 minutes	98.28%
Toowoomba Black and White Cabs	85% within 18 minutes	97.75%	85% within 10 minutes	90.29%
	95% within 30 minutes	99.52%	95% within 20 minutes	98.56%
Maryborough Black and White Cabs	85% within 18 minutes	98.74%	85% within 10 minutes	90.60%
	95% within 30 minutes	99.73%	95% within 20 minutes	98.75%
Gladstone Blue and White	85% within 18 minutes	97.28%	85% within 10 minutes	91.19%
	95% within 30 minutes	99.35%	95% within 20 minutes	98.18%
Bundaberg Cab Co	85% within 18 minutes	97.95%	85% within 10 minutes	90.25%
	95% within 30 minutes	99.72%	95% within 20 minutes	98.35%
Cairns Taxis Ltd	85% within 18 minutes	98.32%	85% within 10 minutes	92.84%
	95% within 30 minutes	99.66%	95% within 20 minutes	99.05%
Yeppoon (Capricorn Coast)	85% within 18 minutes	85.18%	85% within 10 minutes	82.93%
	95% within 30 minutes	93.59%	95% within 20 minutes	94.27%
Gold Coast Cabs	85% within 18 minutes	96.83%	85% within 10 minutes	86.62%
	95% within 30 minutes	99.17%	95% within 20 minutes	97.97%
Gympie Golden Cabs	85% within 18 minutes	93.61%	85% within 10 minutes	81.63%
	95% within 30 minutes	97.98%	95% within 20 minutes	94.33%
Hervey Bay Taxis	85% within 18 minutes	96.50%	85% within 10 minutes	79.38%
	95% within 30 minutes	98.88%	95% within 20 minutes	95.87%
Innisfail Taxis	85% within 18 minutes	98.78%	85% within 10 minutes	94.08%
	95% within 30 minutes	99.78%	95% within 20 minutes	99.17%
Mackay Taxis	85% within 18 minutes	97.72%	85% within 10 minutes	93.94%
	95% within 30 minutes	99.34%	95% within 20 minutes	99.02%
Townsville Standard White	85% within 18 minutes	97.99%	85% within 10 minutes	93.51%
	95% within 30 minutes	99.53%	95% within 20 minutes	99.16%
Sunshine Coast (Suncoast Cabs)	85% within 18 minutes	95.98%	85% within 10 minutes	86.10%
	95% within 30 minutes	96.72%	95% within 20 minutes	96.54%
Mt Isa United Cabs	85% within 18 minutes	98.51%	85% within 10 minutes	92.82%
	95% within 30 minutes	100.00%	95% within 20 minutes	98.97%
Brisbane Yellow Cabs	85% within 18 minutes	96.96%	85% within 10 minutes	88.38%
	95% within 30 minutes	99.27%	95% within 20 minutes	98.39%
Ipswich Yellow Cabs	85% within 18 minutes	94.13%	85% within 10 minutes	82.63%
	95% within 30 minutes	98.44%	95% within 20 minutes	97.34%
Redcliffe Yellow Cabs	85% within 18 minutes	76.64%	85% within 10 minutes	51.11%
	95% within 30 minutes	92.40%	95% within 20 minutes	82.46%
Rockhampton Cabs	85% within 18 minutes	98.81%	85% within 10 minutes	93.47%
	95% within 30 minutes	99.73%	95% within 20 minutes	99.09%
Redcliffe Black and White Cabs	85% within 18 minutes	93.40%	85% within 10 minutes	80.88%
	95% within 30 minutes	98.30%	95% within 20 minutes	95.76%
Total Average Waiting Times (all areas)	85% within 18 minutes	95.40%	85% within 10 minutes	86.45%
	95% within 30 minutes	98.53%	95% within 20 minutes	96.97%

Great state. Great opportunity.

Appendix 12 – New York City TLC Access a Ride Fact Sheet

Fact sheet summarising the current and historical budget and cost of delivering a paratransit (Access a Ride) services in New York City by the Taxi and Limousine Commission

NYC Taxi & Limousine Commission

Access-a-Ride and NYC Taxis: Collaboration for Improved Service

The MTA through Access-a-Ride, a State and City funded program costing about 400 million per year, provides transit alternatives for people unable to take the subway or bus. Generally, these are done through 24 hour advance reservation and require a three hour window for pick up. About 25% of these rides are for passengers who are in wheelchairs. The City and the Taxi and Limousine Commission (TLC) has committed to converting its yellow taxi fleet to 50% accessible by 2020 (about 7,000 accessible vehicles) and today has about 600 wheelchair accessible yellow taxis in service. Additionally, the TLC has committed to increase the percentage of accessible green taxis to 33% or 5900 by 2024, today there are about 900 accessible green taxis on the road. Over 100 million dollars has been dedicated to funding these conversions. Through leveraging the existing and growing accessible taxi fleet, the City and State could improve Access-a-Ride's customer experience, by providing a spontaneous, mainstream travel option while simultaneously reduce operating costs.

MTA - Access-a-Ride	TLC - Wheelchair Accessible Taxis
▪ One of the NYCT's fastest growing costs ▪ Fare is the cost of a single ride metro card, with additional costs subsidized by MTA/State and NYC **AAR Quick Facts** ▪ 139,000 registrants ▪ Estimated Cost of $50-$68 per trip ▪ 6.6M total trips per year; ~16,400 trips per day ▪ 9M total boardings per year ▪ 30% of boardings are caregivers and guests ▪ 14% of total registrants are wheelchair users ▪ Wheelchair users make 25% of total trips ▪ MTA capital plan appears to include the purchase of additional wheelchair accessible vans **AAR Service Contract Costs – NYCT*** 2013 - $366.75M 2014 - $374.44M 2015 - $385.56M 2016 - $420.67M	▪ Every driver must take training in assisting passengers in wheelchairs, and vehicles must pass a 200 point TLC inspection three times a year ▪ Estimated costs of a taxi trip in Manhattan $13.89 ▪ TLC estimate of average fare plus estimated program costs of Access-a-Ride, $35.00 ▪ City currently has a Manhattan only dispatch program for wheelchair accessible taxis that connects passengers to drivers, average wait time for trips taken approximately 15 minutes ▪ TLC plans to roll out this service Citywide to incorporate the growing fleet of accessible taxis ▪ TLC licensed E-hail vendors provide approved secure methods of hailing a taxi and paying for it via app, and today there are three active E-hail vendors and a few others approved and preparing to operate ▪ All taxis have secure payment systems based on metered fare and auditable GPS based trip tracking

Phased incorporation of Accessible Taxis in the Access-a-Ride Program: Missed Connections

Every day a number of Access-a-Ride trips are categorized as "missed connections," customers who were scheduled by Access-a-Ride and for whatever reason could not make their connection, for example late vehicle or late customer. As a start, Access-a-Ride could utilize both TLC licensed E-hail vendors and TLC's growing fleet of accessible yellow taxis to provide alternative transportation for these customers at a reduced cost. To date the MTA and the TLC have been working closely to implement this initiative as it would be an excellent start to a longer and wider collaboration.

*Does not include administrative costs associated with the Access-A-Ride Program

Appendix 13 – MSL Performance, WATs, Sept-Dec 2015

Minimum Service Level performance for WATs in Queensland Sep-Dec 2015

Department of Transport and Main Roads

Minimum Service Level (MSL) Data for Wheelchair Accessible Vehicles - October to December 2015

Maximum Waiting Times - All Bookings by vehicle type

Taxi Service Contract Area	MSL Target	Peak	MSL Target	Off-Peak
Brisbane Black and White Cabs	85% within 18 minutes	91.50%	85% within 10 minutes	69.92%
	95% within 30 minutes	98.42%	95% within 20 minutes	92.39%
Toowoomba Black and White Cabs	85% within 18 minutes	83.12%	85% within 10 minutes	70.03%
	95% within 30 minutes	94.60%	95% within 20 minutes	92.39%
Maryborough Black and White Cabs	85% within 18 minutes	84.21%	85% within 10 minutes	71.54%
	95% within 30 minutes	94.74%	95% within 20 minutes	92.09%
Gladstone Blue and White	85% within 18 minutes	94.92%	85% within 10 minutes	83.37%
	95% within 30 minutes	98.31%	95% within 20 minutes	95.84%
Bundaberg Cab Co	85% within 18 minutes	95.92%	85% within 10 minutes	73.65%
	95% within 30 minutes	99.14%	95% within 20 minutes	95.84%
Cairns Taxis Ltd	85% within 18 minutes	91.35%	85% within 10 minutes	73.87%
	95% within 30 minutes	97.97%	95% within 20 minutes	93.94%
Yeppoon (Capricorn Coast)	85% within 18 minutes	100.00%	85% within 10 minutes	84.71%
	95% within 30 minutes	100.00%	95% within 20 minutes	92.77%
Gold Coast Cabs	85% within 18 minutes	82.15%	85% within 10 minutes	59.68%
	95% within 30 minutes	93.23%	95% within 20 minutes	83.01%
Gympie Golden Cabs	85% within 18 minutes	92.19%	85% within 10 minutes	77.60%
	95% within 30 minutes	97.58%	95% within 20 minutes	96.01%
Hervey Bay Taxis	85% within 18 minutes	78.65%	85% within 10 minutes	68.45%
	95% within 30 minutes	93.26%	95% within 20 minutes	90.73%
Innisfail Taxis	85% within 18 minutes	100.00%	85% within 10 minutes	84.90%
	95% within 30 minutes	100.00%	95% within 20 minutes	97.59%
Mackay Taxis	85% within 18 minutes	90.65%	85% within 10 minutes	98.55%
	95% within 30 minutes	98.37%	95% within 20 minutes	96.99%
Townsville Standard White	85% within 18 minutes	94.72%	85% within 10 minutes	71.94%
	95% within 30 minutes	98.33%	95% within 20 minutes	93.28%
Sunshine Coast (Suncoast Cabs)	85% within 18 minutes	97.89%	85% within 10 minutes	88.02%
	95% within 30 minutes	98.42%	95% within 20 minutes	95.33%
Mt Isa United Cabs	85% within 18 minutes	80.00%	85% within 10 minutes	36.33%
	95% within 30 minutes	100.00%	95% within 20 minutes	69.73%
Brisbane Yellow Cabs	85% within 18 minutes	83.82%	85% within 10 minutes	61.91%
	95% within 30 minutes	93.88%	95% within 20 minutes	88.40%
Ipswich Yellow Cabs	85% within 18 minutes	79.55%	85% within 10 minutes	55.89%
	95% within 30 minutes	93.08%	95% within 20 minutes	84.55%
Redcliffe Yellow Cabs	85% within 18 minutes	71.55%	85% within 10 minutes	46.03%
	95% within 30 minutes	84.48%	95% within 20 minutes	72.22%
Rockhampton Cabs	85% within 18 minutes	94.45%	85% within 10 minutes	77.67%
	95% within 30 minutes	99.15%	95% within 20 minutes	94.86%
Redcliffe Black and White Cabs	85% within 18 minutes	81.31%	85% within 10 minutes	64.42%
	95% within 30 minutes	94.24%	95% within 20 minutes	85.74%
Total Average Waiting Times (all areas)	85% within 18 minutes	88.40%	85% within 10 minutes	70.92%
	95% within 30 minutes	96.36%	95% within 20 minutes	90.18%

Great state. Great opportunity.

Queensland Government

Appendix 14 – AECOM Technical Input for Taxi Industry Strategy Plan

Assessment by AECOM in 2009 of the likely supply/demand balance of the taxi industry in Brisbane out to 2026.

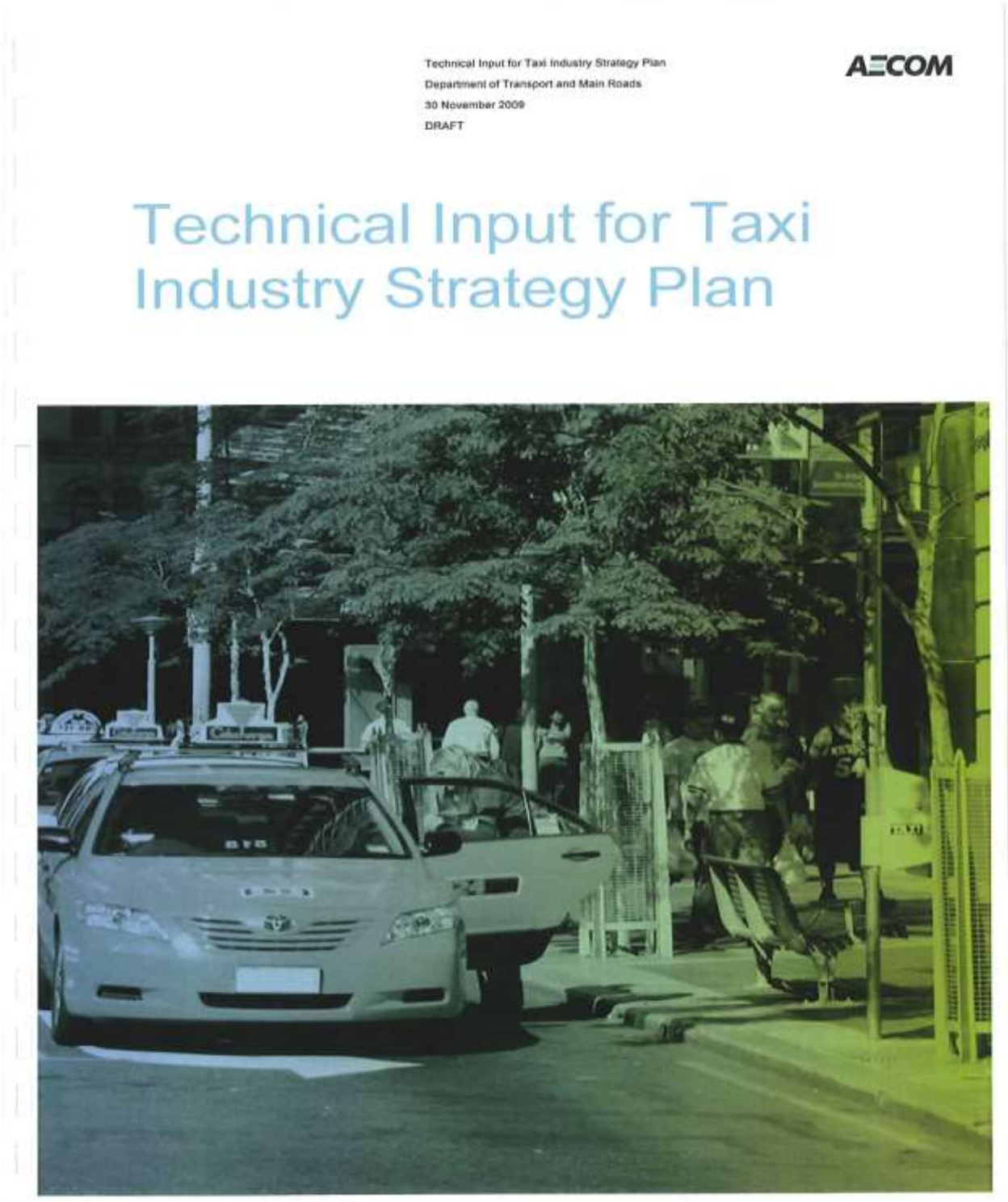

Figure 5-4 Projected taxi supply in Brisbane