

Taxi non-cash payment surcharge review 2022

Consultation on the current maximum non-cash payment surcharge

Submission received via Engage Victoria

Date submitted: 22 June 2022

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What best describes you?

Consumer Advocate

To what extent is data for the years 2019-20 and 2020-21 useful for assessing the non-cash payment surcharges, given these years were affected by the coronavirus pandemic, particularly the 'stay at home' and other restrictions that were in place in Victoria?

During this period, especially the periods with movement restrictions clearly would have had an impact on the non-cash payment amounts and transaction numbers. Consequently, this would have put upward pressure on the cost per transaction. For this reason, the pre-pandemic period would be a more useful indicator as we gradually transition back to our new normal.

Has there been any substantive changes to the taxi non-cash payment industry since our 2019 review? If so, what were these? Are there permanent changes in costs? Please explain the nature and cost drivers.

There may have been changes during the pandemic period however I think it would be unwise and premature to use data from this period to change the industry regulation of non-cash payment surcharges.

The 2019 review assessed costs and revenues on the basis of two payment terminals per taxi. Are two terminals still necessary? Is this assumption still reasonable and valid? Would a single payment terminal approach now be more or less representative of the industry in 2022?

The single terminal model is more reflective of the conditions as the technology has matured and become more mainstream and reliable.

How many taxi payments in 2019-20 and 2020-21 were made by non-cash means compared to earlier financial years?

I would suggest that this would increase as we are moving towards a cashless society. The pandemic has highlighted the additional hygiene issues associated with handling cash. Non-Cash payments should be encouraged for hygiene reasons and also security improvements by taxi drivers not collecting and holding large amounts of cash.