

### The Taxi Industry Inquiry

In 2011, the Victorian Government established the Taxi Industry Inquiry (TII) to investigate all aspects of the Victorian taxi and hire car industry.

The TII made a number of recommendations to reform the industry. These reforms aimed to increase and improve the supply of taxis and hire cars, restore consumer trust in the taxi industry and boost demand and competition in taxi and car hire services. The TII also made recommendations to taxi fares and the structure of those fares.

### Our response to the Taxi Industry Inquiry's fare recommendations

TII Recommendation	Our response
Increase taxi fares late on Friday and Saturday nights (peak times) and reduce fares at all other times (off-peak)	<p>Our new fares have a three period fare structure:</p> <ol style="list-style-type: none"> <li>1. A 'day' fare period (9am to 5pm)</li> <li>2. An 'overnight' fare period (5pm to 9am, excluding the 'peak' fare period)</li> <li>3. A 'peak' fare period (10pm to 4am on Friday and Saturday nights).</li> </ol> <p>Under our tariff structure, the 'day' is the cheapest fare and 'peak' is the highest fare.</p>
Increase the flagfall and reduce the price per kilometre to address short fare refusal	<p>We have increased the flagfall relative to the distance rate. Short fare refusals are a bigger problem than refusals of longer trips. Until more sophisticated fare structures can be implemented, this suggests a rebalancing of fares that increases the flagfall relative to the distance rate in order to make short fares relatively more attractive than under the current fare structure.</p>
Replace tariff 3 '50 per cent surcharge' on the distance and time rate with a flat fee of between \$10 and \$15	<p>We have replaced the tariff 3 and 4 surcharges with a flat fee of \$14. This flat fee produced equivalent (high occupancy vehicle trip) revenue that would be generated by a 50 per cent surcharge on the distance and waiting time rates of the new fares.</p>
Simplify multiple hire	<p>We have not had the opportunity to undertake the necessary analysis into how this arrangement can be simplified. However, we believe this is an area where industry leadership is appropriate in finding new and innovative ways of offering multiple hire arrangements to passengers.</p>