



# Department of Infrastructure

Victorian Taxi Directorate  
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North Melbourne Victoria 3051  
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Our Ref:

Mr Andrew Chow  
Director of Regulation  
Essential Services Commission  
2/35 Spring Street  
MELBOURNE VIC 3000



Dear Mr Chow

## TAXI FARE REVIEW 2008

I refer to the review of the taxi fare structure currently being undertaken by the Essential Services Commission (ESC).

Further to recent emails and discussions with officers of the ESC, the Department of Infrastructure (DOI) formally asks the ESC if it could examine two (2) related matters within the current terms of reference and for any recommendations to be included in the report to the Minister for Public Transport by mid this year.

The matters are as follows:

### New Year's Eve Surcharge

In addition to reporting on the long term applicability of the New Year's Eve surcharge, the DOI seeks the views of the ESC in respect of the surcharge also applying to metropolitan taxi trips on New Year's Eve. The surcharge is currently \$5.50 (includes GST) and applies only to non-metropolitan taxi trips.

Background information on this matter has previously been sent to ESC officers under separate cover.

### 20 per cent Late Night Surcharge

In December 2007, the DOI received representations from the Dandenong taxi depot asking whether the 20 per cent late night surcharge for taxi trips between midnight and 5am each day of the week could also apply to taxi drivers affiliated with the Dandenong fleet. Currently, this surcharge only applies for metropolitan taxi trips and is automatically calculated on the taximeter. The full surcharge is retained by the driver and not shared with the taxi operator.

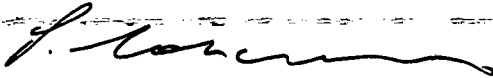
Two taxi fleets, Dandenong taxis and Frankston Radio Cabs (FRC) service the Outer Suburban Taxi-Cab Zone. This zone abuts the metropolitan taxi-cab zone.

Please find attached a copy of the respective taxi-cab zones and a copy of the Dandenong taxis letter outlining their reasons to gain access to the 20 per cent late night surcharge. FRC has previously indicated it would support the proposal.

Your assistance in this matter is most appreciated.

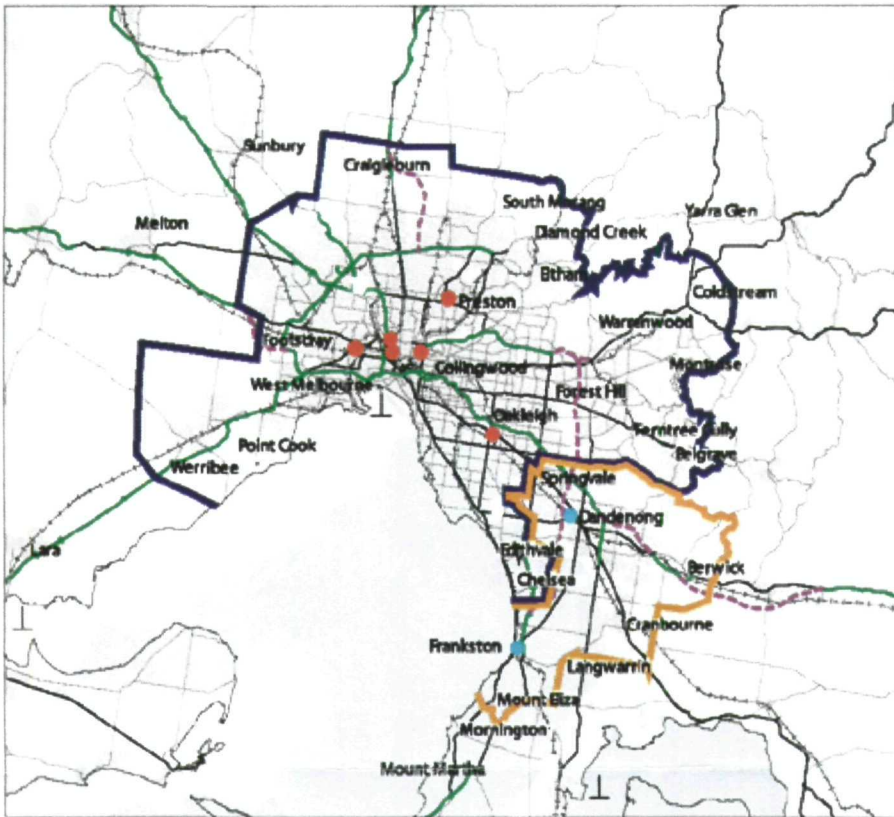
If you require further information, please contact Mr Brendan Kaufmann of the Department of Infrastructure on telephone 03 9320 4146.

Yours sincerely



**Peter Corcoran**  
**General Manager**  
**Victorian Taxi Directorate**

15 / / 2008



### Metropolitan & Outer Suburban Taxi Zones

- Metropolitan Taxi-cab Zone
- Outer Suburban Taxi-cab Zone
- Outer Suburban Taxi-cab Zone Depots
  - Frankston Metro Cabs (Frankston) & Dandenong Taxis (Dandenong)
- Metropolitan Suburban Taxi-cab Zone Depots
  - Mack Cabs Combined (Collingwood)
  - North Suburban Taxis (Preston)
  - West Suburban Taxis (Footscray)
  - Silver Top Taxi Service (Collingwood)
  - Embassy Taxis (West Melbourne)
  - Arrow Taxis (West Melbourne)

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# DANDENONG TAXIS

D & D CYMA TAXIS LTD  
A.B.N. 83 004 377 351



P.O. Box 584  
Dandenong 3175

Office: 9792 9720  
Fax: 9792 1412  
Taxi: 9791 2111



Victorian Taxi Directorate  
Attention: Gary Ellis  
P.O. Box 666  
North Melbourne 3051

Wednesday 12<sup>th</sup> December 2007

## Driver's Late Night 20% Surcharge

Dear Gary,

The metropolitan taxi fleets had a 20% Late Night Surcharge introduced approximately 4 years ago to encourage drivers to work beyond midnight and be compensated for that fact. The Late Night Surcharge was applied as an increase of 20% to the distance and detention rate between 12.00 midnight and 5.00 am and was wholly payable to the driver.

At the time of this decision, the non-metropolitan taxi fleets lobbied to be excluded from this adjustment in taxi tariff rates. We did not see any advantage at the time in increasing the costs of taxi travel as it may have resulted in a drop in taxi patronage. History has shown this did not have that effect and taxi users continued to use taxis in approximately the same numbers during the effected times.

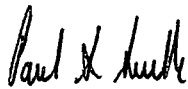
Lately there has been some discussion within our fleet from drivers that work these late night hours and they have approached Management and Board members to voice their opinions. These drivers feel that their services are not being properly valued as they are not being compensated like the metropolitan drivers for working these late hours and putting up with difficult customers.

Some drivers within our fleet who have metropolitan driver's accreditation have decided to move across and drive for metropolitan fleets where they are being compensated better for their services due to the 20% Late Night Surcharge. This has occurred on both weekends and during the week as drivers have made the decision to chase the extra money available in the metropolitan fleets. This drain on our driver resources has made the Board of Directors of Dandenong Taxis re-appraise the decision on the 20% Late Night Surcharge.

This drain of drivers would not have been as apparent within the Urban and Country fleets but is apparent within our fleet due to our proximity to the metropolitan area. Drivers within our fleet have the option of driving only a little further in order to drive a metropolitan affiliated vehicle.

The Board of Directors has weighed up both options and has come to the conclusion that our drivers and operators are at a disadvantage by not having the 20% Late Night Surcharge. We would request that the VTTD look at the introduction of the Late Night Surcharge to be applied to the Outer-Suburban Taxi Zone to stop the loss of drivers from our fleet and bring back equality in earnings for our drivers. Your prompt response to our request would be greatly appreciated.

Yours truly,

A handwritten signature in cursive script, appearing to read "Paul S. Smith".

Paul S. Smith  
MANAGER