MESSAGE FROM THE MINISTER FOR TRANSPORT

I am pleased to present this Position Paper to start a conversation about potential regulatory proposals aimed at creating a modern, safe, innovative commercial passenger vehicle industry for the Northern Territory.

It is important that in the future the industry is able to meet the needs of a growing, diverse population.

The reforms resulting from this discussion must focus on quality service and the needs of customers as its primary driver.

This review is a key element of the Northern Territory Government’s Framing the Future through the Prosperous Economy objectives by making the commercial passenger vehicle industry more competitive, responsive to customer needs and creating jobs and business opportunities.

This review forms part of the Department of Transport’s Roadmap for Future Integrated Transport Planning and Investment which will provide a long term, over-arching plan for delivering transport infrastructure and services to drive economic and social growth for all Territorians.

I invite you to read this document from your perspective as a passenger, driver or operator and provide your comments and suggestions for the future development of the Northern Territory commercial passenger vehicle industry.

The Hon Peter Styles
Minister for Transport
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EXECUTIVE SUMMARY

Introduction
This Position Paper has been prepared by the Department of Transport and follows a number of reviews into the Commercial Passenger Vehicle (CPV) industry including a review conducted by Five Nines Consulting in 2008. The Position Paper examines significant reforms undertaken in the NT in 1998 and in other parts of Australia.

Good regulation needs to protect the interests of both passengers and service providers in the CPV industry. It must ensure passenger safety and comfort, encourage industry growth, and provide flexibility to respond to new challenges, develop new markets, innovative services and business opportunities.

It has been suggested that the current regulatory framework does not best support the needs of customers, restricts the ability of industry to respond to a growing and diverse population and provides barriers to participation for those wishing to join the industry.

A high quality, safe and responsive CPV industry requires a contemporary regulatory approach that supports industry investment and growth, with minimal regulatory burden and recognises the priority and needs of passengers by:

- having customer service as its primary focus;
- ensuring the safety of both passengers and drivers;
- defining the industry by quality services and quality people;
- minimising barriers for entry into the industry for potential participants;
- minimising red tape and reducing compliance and business costs;
- encouraging diversity and competitiveness;
- adopting a co-regulatory approach with industry taking a more active role in self-regulation; and
- providing a rigorous standards-based accreditation regime.

Achieving improvements in the CPV industry would require adopting a comprehensive and integrated package of measures and dedicating the required resources over a sustained period.

The Department of Transport invites CPV users, passengers, industry, key stakeholders and the broader community to participate in the discussion and provide feedback on the issues raised in this Position Paper. Recommendations on each policy area are offered to generate discussion and assist Government in determining the best way forward for this critical service industry.

Vision and Objective

Vision
Our vision is a growing, safe and efficient CPV industry that is driven by quality service and the needs of its customers. The aim of the review is to deliver the following outcomes for all stakeholders.

<table>
<thead>
<tr>
<th>CUSTOMERS</th>
<th>Better services and greater choice of services that are safe, reliable and affordable.</th>
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<td>DRIVERS</td>
<td>Safer working conditions, greater valuing of driver training, experience and quality, and more opportunities to start their own business.</td>
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<tr>
<td>OPERATORS</td>
<td>Streamlined business processes, high standards of service to the community.</td>
</tr>
<tr>
<td>INDUSTRY</td>
<td>A more diverse and dynamic industry, a reduction in red tape and opportunities to expand into new markets and attract more customers.</td>
</tr>
<tr>
<td>GOVERNMENT</td>
<td>A more effective industry regulator and better targeted, less complex regulation that protects customers and improves safety.</td>
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Objective
The aim of this review is to instigate major and enduring improvements to service, safety and competition to the Northern Territory’s CPV industry. The review will be wide-ranging and will consider all transport services including taxis, minibuses, private hire and other demand-responsive services with a particular focus on service outcomes.
Consultation will be conducted to determine the views of all stakeholders including industry experts and the general public.

1 Visions and Objectives are in line with the December 2012 Victorian Taxi Industry Inquiry. References: ‘Taxi Industry Inquiry Setting the Scene’ p.4 and ‘Summary Customers First, Service, Safety, Choice’ p.5.

The Need for Change

A range of issues have emerged that identify the need for change. These include:

- driver complaints that they are unable to enter the industry as operators;
- the need for a reliable and professional customer-focused service;
- improved services to people living with disabilities;
- improved safety for drivers and passengers;
- addressing the service gap between demand and supply;
- addressing service reliability;
- addressing the allegedly widespread sub-leasing licence issue, (which was one of the industry features the 1999 taxi deregulation was designed to address);2
- the use of private hire licences to conduct ‘taxi-like’ work due to an inability to obtain taxi licences; and
- addressing practices that impact on customer service. These include ‘parking up’ once sufficient income has been generated during a shift thus reducing average taxi operating hours and capacity to meet demand.

2 An owner leasing a taxi licence to an operator may mean the owner is more likely to be focused on revenue generated than offering the best possible service to the public.

There are continuing community complaints about poor late night taxi service and availability, particularly in Alice Springs and the Darwin Central Business District (CBD), and a general lack of taxi availability. There is also growing concern within government and the industry about the position of operators who are sub-leasing taxis and drivers driving for operators outside acceptable employment arrangements. Such arrangements have a negative impact on the industry.

The general view of industry experts and government is that over-regulation results in stagnation, a lack of incentive to promote service quality, capacity to meet increasing demand, late night shortages, and increases in allegations of licence sub-leasing. Sub-leasing recently led to court action between parties about the terms and conditions of a sub-lease and reflected poorly on the industry.

There is anecdotal evidence of ‘parking-up’ practices. This evidence is supported by data that indicates that no more than 68 per cent of the Darwin taxi fleet has ever been active at any one time. Similar reports have been received in Alice Springs.

Short fare refusals are also a common complaint in Darwin and Alice Springs. This is consistent with complaints throughout Australia. Drivers refusing to accept short distance fares exacerbate safety issues by leaving people with limited transport options.

Issues addressed in this Position Paper are summarised below.

Open and Competitive Industry

Regulation refers to a cap on the number of taxi licences that can be issued in the NT.

Stakeholders regularly report that supply and demand are often poorly matched especially in the taxi sector. This perceived gap is more complex than a simple shortage or oversupply of vehicles; as a result different stakeholders identify different fundamental causes.

Even at times of peak demand in Darwin and Alice Springs, there is no surety that the majority of licenced taxis are on the road. At these times, queues at the airport and in the city often mean long delays for passengers. Even in quiet times, passengers may have to wait for lengthy periods. Excessive wait times and missed pickups constitute by far the greatest number of complaints.

Government is conscious of the need to foster competition within the industry and to focus on service and quality. There is widespread acceptance that the cap on the number of taxi licences in Darwin and Alice Springs prevents growth in vehicle numbers, restricts service availability and prevents competition resulting in reduced quality of service. This is also the case in regional centres.

To address poor service levels to people living with a disability, or those who are less mobile, it is proposed to set a target for the issue of new taxi and minibus licences as MPTs in consultation with industry, Government and the disabled and less mobile community, to be reviewed annually based on statistical data associated with service satisfaction and the delivery of services to passengers requiring mobility assistance.

Regulatory Complexity

Industry reviews in the NT in the late 1990s, and in 2003, led to significant changes to CPV policy and regulation. These changes, however, have at times been disconnected and ad hoc lacking a holistic approach to reform.

There are now nine different CPV licence classes in the NT. This creates confusion for both customers accessing CPV services and operators trying to assess the section of the market in which they can legally operate. In a developing market this creates tension between competing licence holders.

There is no ideal number of licence categories. There are, however, distinct passenger service needs including:
route services (regular public and school bus services); spontaneous demand (taxis and minibuses); and special purpose pre-booked (private and tourist vehicle hires, limousines, charter buses, special function and special passenger vehicles).

A reformed system, reflecting a deregulated approach, would reduce the nine categories to four, grouping CPVs that have operational similarities. Taxis (including minibuses that could be renamed Taxi Bus to better align with the category); Bus (includes route and flexi-route bus services); Private Hire (may combine the limousine category); and Charter (combines tourist vehicles, pre-booked private bus charters, special passenger and function vehicles and possibly limousines).

Vehicles in each new category will have similar access to the market and pay the same annual licence fee. Courtesy vehicles will be unregulated as they are offered as an inducement in respect of an agreement for the provision of accommodation or activities for recreation, and are provided to passengers at no additional cost.

There is a need for a clearly articulated regulatory framework and development strategy for the CPV industry. This framework should protect the interests of the travelling public and provide for a viable and growing CPV supply sector.

Quality Service and Quality People

Both the CPV industry and passenger experience will suffer if low standards are tolerated. In these circumstances the market is likely to be flooded with those who seek easy returns and do not provide the services the community both deserves and expects.

For example, smartphone applications that provide access to car sharing options / opportunities may jeopardise the safety of passengers, especially the more vulnerable, if not regulated to conform with legislative quality and safety requirements.

Also the national training modules for taxi, minibus and private hire drivers do not always appear to be achieving the desired result of quality drivers providing high quality services.

Establishing service delivery standards and operating obligations for entry to the industry and for drivers, operators and networks wanting to remain in the industry, will promote quality service and people within the industry. These obligations will include a requirement to undertake appropriate training, operate at times determined by passenger needs, delivery of a satisfactory level of service, complaint management and provide monthly reports to the Department of Transport to allow continued accreditation based on performance. This will be supported by;

a Code of Conduct for industry and passengers; the introduction of an annual mystery shopper program to evaluate the quality of services provided by industry; and a Territory-wide driver award program to recognise superior service provision.

The current cap on licence numbers results in a limited career path for drivers. Those who wish to own and operate their own vehicles have very limited opportunity to do so. Drivers in Darwin and Alice Springs identify this lack of a career path as a concern. While some drivers do move from taxis to private hire and limousine work, most remain with their original licence type. These career path issues also apply, to some extent, in the bus sector.

In Singapore and New Zealand, there are no quantity restrictions on taxi licences and quality controls are placed on taxi networks including specified minimum service requirements. All operators, other than a small number of remaining independents in Singapore, must be connected with a network. Operating rules set by the networks must be approved by the regulator, including the requirement for networks to have specific telephone capabilities, provide a 24/7 service, deal with complaints and keep appropriate records. In these jurisdictions, taxi networks are responsible for ensuring the delivery of quality services3.

Quality Infrastructure

Ensuring infrastructure is maintained and upgraded to meet industry, public and safety expectations must also be a priority. Infrastructure improvements and standards need to be adequately considered to ensure an appropriate standard is applied which improves safety and the customer experience. This includes taxi ranks and the standardised appearance and branding of network vehicles.

A competitive market should encourage operators to set high standards with well-presented drivers and vehicles. To ensure that CPV operators in the NT provide best practice service to customers, operators should offer more than transport for a fee.

Services should include maintaining the highest possible safety standards for passengers and drivers, reporting and resolving complaints, keeping comprehensive management records and vehicle maintenance logs.

Some operators may not have strictly applied their internal quality standards, instead relying on the networks and government CPV inspectors to enforce standards. The authority of inspectors is limited and primarily intended to ensure safety rather than broader service quality.
Safety

Safety of vulnerable passengers is a key challenge in the NT, nationally and internationally. Reviewing and improving safety infrastructure such as in-car security cameras (security cameras) to incorporate audio, continuous recording and improved quality will go some way towards addressing this challenge. Security camera infrastructure is also an invaluable tool for deterring potential offenders, assisting investigations, providing evidence for prosecutions and assisting with complaint management investigations.

Drivers often face unacceptable customer behaviour with attendant risks to their personal safety. Previous stakeholder consultation has indicated that the maintenance of quality standards and safety in the CPV industry is a major issue and impacts on the travelling public’s perception of the industry. It also impacts on the industry’s ability to attract new entrants, both drivers and operators. An annual education campaign regarding acceptable passenger behaviours will assist with addressing the safety of drivers in the CPV industry in the NT.

Resourcing CPV Reform

Implementing reforms can be costly, for both government and industry. Physical and human capital improvements in the industry are required to move towards a modern, safe and innovative CPV industry. Adequate resourcing of reform implementation is a requisite for effective and sustainable reform.

A cost neutral model for the reform of regulations, and future development of industry, could be funded through industry licence fees. Licence fees would reflect market access within the new licence categories. This would include reviewing the taxi fare setting process: bringing it in line with the Australian Consumer Price Index (CPI); taxi fare review timeframe; and the concept of taxi fare prepayment.

Industry Engagement

It is recognised that engaging with industry through the appointment of a single body is difficult given the segmentation of the industry and competing interests. While other industry sectors have a single liaison body, the CPV industry across Australia is represented by a variety of organisations.

A CPV Board was established in the NT under The Commercial Passenger (Road) Transport Act. The CPV Board has not played a significant role in the CPV industry for over two years and has been subsequently disbanded. It is proposed that the legislation be amended to remove the statutory requirement for a CPV Board.

Government will continue to work with industry and build on current and new relationships. There is no doubt that a cooperative mechanism for communicating between industry, passengers and government is essential and that the function of this mechanism should be both strategic and advisory.

Conclusion

This Position Paper identifies the need for regulatory reform within the CPV industry in the NT. Research and consultation suggests that the CPV industry is over-regulated, restrictive, and not sufficiently customer-focussed.

A key challenge for the future is to create a culture of customer-focus in the CPV industry. To achieve this objective recommendations address the lack of current focus on customer service, safety of both passenger and driver and taxis availability. An approach, adopted internationally, is to provide no restriction to the size of the taxi fleet. In this model licence numbers are restricted only by passenger demand and licences are available to all eligible applicants who meet entry criteria.

While there is a view, in some parts of Australia, that an open market is neither achievable or desirable, the experience of other countries, such as Singapore, New Zealand, Sweden and previously in the NT, suggests that an open market can function well and deliver benefits to consumers. The principal lessons from these sites are that a successful open market approach requires oversight of fares, retention of controls on safety and service quality, and the effective enforcement of these regulations 4.

Safety of vulnerable passengers and drivers is a key challenge not only in the NT but nationally and internationally. Recommendations in this Position Paper have a safety focus. They include education campaigns, improving infrastructure within vehicles and at ranks, strengthened entry and retention criteria, an improved complaint management system and clear statements of rights and obligations and service delivery standards for the industry.

Education must be a significant part of enforcement and must assist industry to better understand their obligations and the potential consequences of non-compliance or poor service quality. Passengers should understand the consequences of unacceptable behaviour. An education campaign, similar to those conducted in other jurisdictions with a ‘Respect your Cabbie’ theme is recommended.

A total of 25 recommendations have been included in this Position Paper. They combine to provide a regulatory and conceptual framework within which are complementary strategies for sanctions, enforcement and education. It is acknowledged that universal endorsement of the recommendations is unlikely and that informed debate will assist in determining the future direction. It is clear that a significant number of
operators, many passengers and a large proportion of drivers are dissatisfied with the current arrangements. This is a clear indicator of the need for reform.

Ultimately, while the services to customers are a paramount concern, the direction of reform must generate sustainable benefits to all industry stakeholders.

A summary of recommendations is provided below.

**Summary of Recommendations**

**Open and Competitive Industry**

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<th>Recommendation Number</th>
<th>Description of Recommendation</th>
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<tr>
<td>3.1.1</td>
<td>Remove the current cap on taxi numbers in Darwin and Alice Springs.</td>
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<td>3.1.2</td>
<td>Do not introduce any further taxi cap including in regional areas.</td>
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<td>3.1.3</td>
<td>Set a target for the issue of new taxi and minibus licences as MPTs in consultation with industry, Government and the disabled and less mobile community, to be reviewed annually based on statistical data associated with service satisfaction and the delivery of services to passengers requiring mobility assistance.</td>
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Removing the taxi cap and not introducing any further caps will allow drivers to enter the market in their own right, promote competition, improve the availability of taxis to meet demand thus improving customer service and reducing wait times, provide a reliable service and eliminate sub-leasing of taxi licences. Issuing a portion of new taxi and minibus licences as Multiple Purpose Taxis will improve services to those who are less mobile or living with a disability.

**Regulatory Complexity**

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<tr>
<td>3.2.1</td>
<td>Amend <em>The Commercial Passenger (Road) Transport Act</em> to replace the current nine categories of licence with four categories; Bus, Taxi, Private Hire and Charter. This amendment would include the following specifications:</td>
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<tr>
<td></td>
<td>a) The new Bus Category to include only the route and flexi-route bus services such as urban services, airport shuttles, sightseeing and hopper services.</td>
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<td>b) The new Taxi Category to include taxis and minibuses and be renamed taxi bus.</td>
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<td>c) The Private Hire Category will not change.</td>
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<td></td>
<td>d) The new Charter Category to include tourist vehicles, pre-booked private bus charters, special function vehicles and special passenger vehicles.</td>
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<td></td>
<td>e) Limousines will have the option to either be a Private Hire or a Charter with relevant fees and market access.</td>
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<td>3.2.2</td>
<td>Vehicles within each category will have similar access to the market and will pay the same annual licence fee.</td>
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<td>3.2.3</td>
<td>Taxis and taxi buses will have access to combined ranking.</td>
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<td>3.2.4</td>
<td>Courtesy Vehicles will no longer be regulated as a commercial passenger vehicle category.</td>
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<td>3.2.5</td>
<td>Develop a single body of regulations to simplify the current complex system.</td>
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Reducing the licence categories to be more manageable and less regulated will meet government’s requirements of reducing red tape as well as making it less complex for industry. Simplifying the current legislation will benefit industry and government.

**Quality Service and Quality People**

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<td>3.3.1</td>
<td>Develop a Code of Conduct providing clear statements of rights and obligations, including service delivery standards for each of the following: networks / operators / drivers and passengers.</td>
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<tr>
<td>3.3.2</td>
<td>Enhance the current industry requirements to require all new industry entrants to undertake the following. Drivers - Complete the current national training program and English Assessment for taxi, taxi bus and private hire drivers. Operators - Unless exempted, complete a training course on establishing and managing a business (such as the free Department of Business training course).</td>
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3.3.3 Strengthen licence retention criteria for each licence category for drivers and operators, in addition to current requirements, by requiring applicants to demonstrate a satisfactory history of compliance over the previous five years.

3.3.4 Provide operating standards, in regulation, for networks, operators and drivers including the following.
   a) Provide networks, with increased regulatory powers and responsibilities to:
      - actively monitor and direct the performance and standards of operators and drivers through consistent application of procedures and ensuring adherence to safety and service standards contained in, but not limited to, legislation, Codes of Conduct, licence conditions and Information Bulletins;
      - implement and maintain customer complaint handling procedures that are consistent with the Australian Standard AS ISO 10002-2006; and provide monthly reports to the Department of Transport on all booked, rank and hail work provided by that network, including:
         • number of drivers affiliated and active on the network;
         • wait times;
         • number of jobs received;
         • vehicles available;
         • answering time of telephone calls;
         • jobs assigned by suburb;
         • driver and passenger safety; and
         • complaints by type and time to resolve.

   b) Operators:
      - Where an operator is a member of a network, they will be required to:
         • actively monitor the performance of their drivers to ensure they adhere to appropriate safety and service standards contained in, but not limited to, legislation, Codes of Conduct, licence conditions and Information Bulletins; and
         • refer any complaints regarding their drivers to the network for actioning.

   All other requirements are the responsibility of the network.

   - Where an operator is not part of a network, the operator will be required to provide all the functions and obligations of a network, as stated above.

   c) Drivers maintain current requirements including the following.
      - Adhere to the Code of Conduct which establishes minimum industry protocols and standards of customer service.
      - Be a professional representative of the industry and drive safely and defensively in all weather and traffic conditions.
      - Conduct themselves in a professional and courteous manner and to comply with all relevant legislation.

3.3.5 Strengthen legislation to allow current and future smartphone applications operating in the Northern Territory.

3.3.6 Introduce a Mystery Shopper program to evaluate the quality of services provided by industry.

3.3.7 Introduce a Territory-wide CPV driver award program.

Improving service standards and behaviours across the board will benefit everyone. Ensuring applicants wanting to enter into the CPV industry and those already operating, are of a high standard and will comply with legislation is paramount. Recognition of superior customer service should be a priority.

Quality Infrastructure

<table>
<thead>
<tr>
<th>Recommendation Number</th>
<th>Description of Recommendation</th>
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</thead>
<tbody>
<tr>
<td>3.4.1</td>
<td>Agree infrastructure priorities with industry to achieve a standard for ranks including provision of CCTV, lighting, seating and directional tactile indicators over a period of time.</td>
</tr>
<tr>
<td>3.4.2</td>
<td>Amend the In-Service Maintenance Standards to achieve network livery (appearance and branding) standardisation over time.</td>
</tr>
</tbody>
</table>

Efficient infrastructure that supports safety and comfort of both industry and the consumer are required. Advances in technology require flexibility of government standards to enable response to technological change.

Safety

<table>
<thead>
<tr>
<th>Recommendation Number</th>
<th>Description of Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.5.1</td>
<td>Raise the minimum standard of security camera infrastructure on vehicles to include audio and continuous recording with improved picture quality.</td>
</tr>
<tr>
<td>3.5.2</td>
<td>Conduct an annual education campaign regarding acceptable passenger behaviours such as ‘Respect your Cabbie’.</td>
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</tbody>
</table>

Safety of the driver and passenger should not be compromised. Infrastructure including technology, such as camera systems, plays an important role in enhancing safety. Improving in car security camera functions will assist with Police investigations and complaint management. Public education regarding expected behaviours will enhance respect for the industry and inform the public about the consequences of unacceptable behaviour.
## Resourcing CPV Reform

<table>
<thead>
<tr>
<th>Recommendation Number</th>
<th>Description of Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.6.1</td>
<td>That new licence categories provide a cost and budget neutral model for the reform of regulations and future development of the industry.</td>
</tr>
<tr>
<td>3.6.2</td>
<td>Adopt a new NT fare setting methodology based on the Australian Consumer Price Index.</td>
</tr>
<tr>
<td>3.6.3</td>
<td>Review taxi fares every two years allowing more timely consideration of any cost movement.</td>
</tr>
<tr>
<td>3.6.4</td>
<td>Investigate prepayment of taxi fares.</td>
</tr>
</tbody>
</table>

Funding the reforms for implementation and delivery could be achieved through a cost neutral recovery model based on licence fees already collected. Adopting a new way of setting taxi fares will be more reflective of fixed and variable costs, providing a fair earning capacity for industry.

## Industry Engagement

<table>
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<tr>
<th>Recommendation Number</th>
<th>Description of Recommendation</th>
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<tbody>
<tr>
<td>3.7.1</td>
<td>Remove the statutory requirement for a CPV Board.</td>
</tr>
</tbody>
</table>
| 3.7.2                 | Develop a CPV Consultation Strategy including:  
  • consolidate Government industry liaison through the industry forums in Darwin and Alice Springs and expand into other markets as required; and  
  • Department of Transport to meet quarterly with peak industry bodies. |

Government will continue to work with industry, key stakeholders and consumers and endeavour to build on current and new relationships where there is an identified need. Currently there are three industry forums in the Territory. These will continue and be expanded where necessary. Peak industry bodies will play an integral role in operational and strategic planning activity with government.

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A key challenge for the future is to create a culture of customer-focus in the CPV industry.
1. COMMERCIAL PASSENGER VEHICLE INDUSTRY PROFILE

1.1 Overview of the CPV Industry

The Commercial Passenger Vehicle (CPV) industry offers a variety of passenger services to meet the transport needs of the Territory travelling public. There are currently nine CPV categories as described below.

Taxis
Taxis may be hired at designated taxi ranks, hailed off the street or pre-booked through an approved network. They are fitted with a meter that indicates the regulated fare payable. If travel is outside a declared area the fare may be pre-arranged with the driver. Multiple Purpose Taxis (MPTs) provide priority service to wheelchair passengers.

Minibuses
Minibuses may respond to ad-hoc hails, take pre-booked journeys or ply for hire at designated minibus ranks. Fares are generally charged according to a zone rate that is calculated by reference to time of hiring or distance travelled. Fares charged must be displayed in the minibus and made available to a passenger on request.

Private Hires and Limousines
Private hires and limousines are luxury-type vehicles that carry pre-booked passengers. Fares payable are pre-arranged or negotiated on booking. Private hires and limousines do not generally stand or ply for hire although private hires may be available at designated private hire ranks at an approved function or event and at the airport.

Buses
Public transport buses have been designed to meet the needs of the general public, students, students with special needs, seniors and the mobility impaired. Buses may also be used as part of pre-booked charters and tours.

Special Function Vehicles
Special function vehicles have a distinctive or unusual appearance and are only permitted to accept a pre-booked hiring for a pre-determined fee during a wedding, funeral, school formals and graduations, Anzac Day or naturalisation ceremonies.

Special Passenger Vehicles
A special passenger vehicle is individually assessed for its ability to provide a unique service. These vehicles are not permitted to stand or ply for hire, or to solicit passengers.

Tourist Vehicles
Tourist vehicles may be used as part of pre-booked charters and tours.

Courtesy Vehicles
Courtesy vehicles are provided free of charge as part of an agreement for the provision of accommodation or recreational activities.
1.2 Estimate of CPV Industry Contribution to the NT Economy

Overview of the NT Economy

The CommSec State of the States report released on 21 July 2014 found the NT leads the way in economic growth, business investment, low unemployment and construction work. CommSec ranked the NT’s economic activity as top in Australia. The NT was almost 36 per cent above the average level of output over the last decade. Figure 1 provides an overview of state and territory economic activity.

CommSec also reported that the NT has the second lowest trend unemployment rate in the nation at 3.9 per cent, which is well below historical levels.

CPV Economic Linkages to the NT Economy

In a report on the economic and social contribution of the NSW taxi industry, Deloitte Access Economics stated that a diverse population of users rely on taxis for business, social and recreational purposes. In addition, they report, a wide range of activities take place ‘behind the scenes’ to ensure that safe and reliable taxis are available to customers when required. This is also the case for the NT’s CPV industry. Figure 2 illustrates the various participants in the taxi industry, the linkages between the taxi industry and related industries and, the various users of taxi services5.

Employment within the CPV industry also contributes to the NT’s economy. To drive a CPV in the NT a driver must have an ‘h’ endorsement on their driver’s licence.
The CPV industry provides:
- a component of the Territory-wide public transport network;
- a first point of contact for tourism and business;
- a safe transport option (including being a ‘designated driver’ for those who have consumed alcohol or drugs);
- transport to and from community events such as the V8 Supercars, Darwin Cup and the Alice Springs Show; and
- a transport service for people living with a disability and the less mobile.
Tourism

Figure 3 provides domestic and international tourism activity for the NT in 2013. The CPV industry provides a service to many of these visitors by way of an airport shuttle service, hop-on hop-off services, taxis, private hire and minibus transport, sightseeing tours, 4WD tours and coach tours.

Figure 3 - Northern Territory Visitors 2013

Recent research conducted in Darwin and Alice Springs by Tourism Research Australia found a varied use of passenger vehicles. Figure 4 illustrates that the use of small shuttle buses is highly significant in Alice Springs. In contrast, Darwin users prefer car hire or the use of a taxi.

Figure 4 - Types of Transport Used (Tourism Research Australia)

<table>
<thead>
<tr>
<th>Category</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxi</td>
<td>216</td>
<td>210</td>
<td>213</td>
<td>221</td>
</tr>
<tr>
<td>Minibus**</td>
<td>37</td>
<td>42</td>
<td>39</td>
<td>35</td>
</tr>
<tr>
<td>Private Hire</td>
<td>31</td>
<td>28</td>
<td>23</td>
<td>16</td>
</tr>
<tr>
<td>Limousine</td>
<td>13</td>
<td>14</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Motor Omnibus</td>
<td>686</td>
<td>667</td>
<td>639</td>
<td>704</td>
</tr>
<tr>
<td>Special Passenger</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Special Function</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Tourist</td>
<td>203</td>
<td>193</td>
<td>204</td>
<td>208</td>
</tr>
<tr>
<td>Courtesy</td>
<td>18</td>
<td>14</td>
<td>14</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1209</td>
<td>1173</td>
<td>1152</td>
<td>1221</td>
</tr>
</tbody>
</table>

*Taxi category includes substitute taxis, Multiple Purpose Taxis (MPT) and MPT substitutes
**Minibus category includes Multiple Purpose Minibuses.

Community Events

The NT Government, in conjunction with event organisers, facilitates special event buses to major events. Approximately 42,500 people were transported to and from community events in 2013. Buses were provided for the following events.

- Alice Springs and Darwin Show Circuit
- Alice Springs Camel Cup
- Bombing of Darwin
- Anzac Day for Darwin and Adelaide River
- Breatheasy Foundation
- Territory Day
- Palmerston Sprint and Darwin Cup
- Darwin Festival
- AFL and NRL
- Seniors events
- Bass-in-the-Grass
- V8 Supercars
- Starlight Special

1.4 CPV Data

The tables and graphs provide an overview of the taxi, minibus, private hire, limousine, tourist, motor omnibus, courtesy, special function and special passenger vehicles in the NT.

Table 1 provides data relating to all CPV industry licence categories over a four year period from 2010 to 2013.

Table 1 – Whole of NT CPV Data from 2010 to 2013

Table 1 demonstrates the minimal number of licence movements across each category as at 31 December in each year, with the exception of the motor omnibus (bus) category which had a significant increase. This increase may be attributable to the INPEX project.

Graph 2 illustrates the breakdown of taxi licences (standard taxis, substitute taxis, MPTs and MPT substitutes) in the NT, by region, over a four year period. The graph illustrates little change in the number of licences.
Graphs 3 to 10 provide a breakdown of each CPV licence category in the NT over a four year period. The graphs illustrate minimal change in licence numbers within each region as at 31 December of each year. An exception is seen in the motor omnibus (bus) category which had a significant increase.
1.4.1 Overview

Graphs 11 to 14 provide an overview of the taxi industry in Australia based on data collected by the Australian Taxi Industry Association from 2004 to 2013. This data provides:

- the number of taxis, showing the trend in licence numbers are similar across Australia (Graph 11);
- average kilometres a taxi travels per annum, demonstrating that the average kilometres travelled in the NT has increased from 2010 onwards (Graph 12);
- average number of jobs per taxi, showing a decline in the NT compared to other jurisdictions (Graph 13); and
- number of taxi drivers, showing the relative number of taxi drivers in the NT are consistent with other jurisdictions (Graph 14).

1.4.2 Taxi Data

The table and graph provide an overview of taxi drivers from 2012 to 2014 in the NT. The active CPV Identification Cards data was sourced from the Motor Vehicle Registry. The taxi driver male and female gender ratio has been relatively consistent over the last three years. Graph 16 provides a breakdown of taxi drivers in the NT by age. Drivers between the ages of 31 to 40 totalled 25 per cent of all drivers in 2014. Drivers aged 21 to 30 constitute a further 23 per cent. Drivers aged 51 plus represent the largest age category at 34 per cent.
In 1998 the NT Government agreed to a set of proposals aimed at reforming the industry, providing greater certainty for passengers and operators and improving regulatory controls.

Government noted that the proposed reforms were designed to address the following key issues:

- community requirements for flexible, safe and affordable passenger transport;
- the need for a fair and equitable regulatory system for all types of CPVs (i.e. a level playing field);
- cost pressures within the taxi industry caused by appreciating taxi licence values and investors seeking to maximise returns from leasing plates;
- the need to address National Competition Policy by removing unnecessary regulation; and
- the nature and extent of future NT Government involvement in the industry.

On 14 August 1998 the NT Government agreed to a number of reforms including:

- deregulation (no cap on taxi licences);
- cancellation of all taxi licences and the provision of compensation at a cost of $27.3 million;
- introduction of a new minibus class of CPV with restricted operational capacity;
- the setting of fees and charges (including fares) by Government; and
- increased enforcement by Government.

The Commercial Passenger (Road) Transport Act and Regulations were subsequently amended and the revised system of regulation was effective from 1 January 1999.

The implementation of these reforms increased taxi numbers, provided improved access to services for the travelling public and increased investment in taxi networks.

In 2003 a newly elected NT Government re-imposed the existing cap on taxi numbers in Darwin and Alice Springs. The cap is based on one taxi per population of 900 people. As a result taxi numbers have only increased consistent with population increases.

2.2 Current Challenges

Since 2003 service concerns have emerged that support the return to a deregulated taxi industry including:

- the provision of a reliable and professional customer-focused service is not necessarily the driving force in the industry;
- people living with disabilities are reported to be receiving a substandard service;
- service demand is not being met;
- there is allegedly widespread sub-leasing of licences. This was one of the industry features the 1999 taxi deregulation was designed to address;7
- the use of private hire licences to conduct ‘taxi-like’ work due to the unavailability of taxi licences;
- driver complaints that they are unable to enter the industry as operators; and
- a return to previous practices that have a negative impact on customer service. These include ‘parking up’ once sufficient income is made during a shift thus reducing average taxi operating hours and capacity to meet demand.

There are continuing community complaints about poor late night service and availability, particularly in Alice Springs and the Darwin Central Business District (CBD), and a general lack of available taxis. There is also growing concern, within government and the industry, about operators who are sub-leasing taxis and drivers doing so on conditions which are outside acceptable employment arrangements. Such employment practices have a negative impact on the industry and service quality.

The general view of industry experts and government is that over-regulation, particularly given the size of the industry, results in stagnation, a lack of incentive to promote service quality, lack of capacity to meet increasing demand, late night shortages, and increases in allegations of licence sub-leasing. Sub-leasing recently led to court action between parties about the terms and conditions of a sub-lease and
reflected poorly on the industry. There is anecdotal evidence of ‘parking-up’ practices. This evidence is supported by data that indicates that no more than 68 per cent of the Darwin taxi fleet has ever been active at any one time. Similar reports have been received in Alice Springs.

Short fare refusals are also a common complaint in Darwin and Alice Springs. This is consistent with complaints throughout Australia. Drivers refusing to accept short-distance fares exacerbates safety issues by leaving people with limited transport options.

Further contributors to the current challenges include:
- the increasing complexity and immediacy of daily life has generated demand for transport that is direct, rapid and responsive;
- there is, in general, a heightened awareness of safety issues;
- the complexity of transport services required to meet the needs of remote and isolated communities across the NT;
- the balance of CPV categories, such as private hires addressing the shortage of taxi services;
- the introduction of specific categories to address a very small need such as the Aqua Duck tourist service;
- the interest in commencing a Dial-a-Driver type transport service; and
- rapid advancements in technology (e.g. smartphone applications such as Go Catch or Uber and car sharing applications) and the subsequent need to ensure legislation is current and that safety is not compromised.

2.3 The Framework for Reform

2.3.1 Reform Principles

The reform of the NT CPV industry should be based on the following principles.

Providing High Quality Customer Service

A key challenge for the future is to create a culture of customer-focus in the CPV service industry. To achieve this objective, this Position Paper includes recommendations addressing the lack of current focus on customer service, enhanced safety of both passenger and driver and taxi availability.

One approach, adopted internationally, is to provide no restriction on the size of the taxi fleet. In this model licence numbers are restricted only by passenger demand and licences are available to all eligible applicants who meet entry criteria.

Achieving a Competitive Marketplace

While there is a view, in some parts of Australia, that an open market is neither achievable or desirable, the experience of other countries, such as Singapore, New Zealand, Sweden and previously in the Northern Territory, suggests that an open market can function well and deliver benefits to consumers. The principal lessons from these sites are that a successful open market approach requires oversight of fares, retention of controls on safety and service quality, and the effective enforcement of these regulations.

2011 Victorian Taxi Industry Inquiry chaired by former Australian Competition and Consumer Commission (ACCC) head Professor Alan Fels AO – Overview of Report.

Enhancing Driver and Passenger Safety

Safety of vulnerable passengers and drivers is a key challenge not only in the NT but nationally and internationally. Recommendations in this Position Paper have a safety focus. Strategies include education campaigns, improving infrastructure within vehicles and at ranks, strengthened entry and retention criteria, an improved complaint management system and clear statements of rights and obligations and service delivery standards for the industry.

Providing Transparency and Public Education

Education must play an important role in industry compliance and enforcement by assisting those in the industry to better understand their obligations and the potential consequences of non-compliance or poor service quality. Passengers should be assisted to understand the consequences of unacceptable behaviour. An education campaign, similar to those conducted in other jurisdictions with a ‘Respect your Cabbie’ theme, is recommended.

2.3.2 Proposed Future System

The preferred NT approach envisages an industry closely reflecting the recommendations of the Five Nines report, which was the most recent NT CPV industry review and was conducted in 2008.

A deregulated industry clarifies and focuses the role of government as regulator, allowing government to concentrate on setting quality standards, compliance of service operation, industry entry and continuing accreditation.

Co-regulation between government and industry develops strong partnerships by sharing responsibilities and achieving a focus on performance and improve accountability. Co-regulation can provide a flexible means of maintaining relevant and enforceable best practice standards within a changing environment. It provides incentives for industry commitment of resources and is likely to achieve reform more rapidly than would be achieved through legislative processes. Co-regulation would represent a consultative and cooperative approach between industry and government.

The development of the Alice Springs to Darwin railway provides an example of successful co-regulation in the NT. In 2002 ADrail had achieved rail safety accreditation allowing the company to own railway infrastructure and operate rolling stock for
the duration of the new railway’s construction. The accreditation, required under the Northern Territory Rail Safety Act, represented a co-regulatory approach to rail safety based on the latest principles of risk management. This meant that ADrail had obligations to continue managing safety when engaging in contracts for construction, maintenance, repair or rail operations.

A deregulated system could have the following characteristics.

- Reduction of the existing nine CPV categories to four, grouping CPVs which have operational similarities. The following vehicle categories are proposed.
  
  **Taxi**
  comprising the current standard taxis, MPTs and minibuses (minibuses could be called Taxi Buses).

  **Bus**
  the route and flexi-route bus services would remain within this category (i.e. urban services, airport shuttles, sightseeing and hopper services). Pre-booked private bus charters would be classified within the charter category.

  **Private Hire**
  combines the current private hire and limousine categories.

  **Charter**
  combining the current tourist vehicles, pre-booked private bus charters that were within the motor omnibus (bus) category, special passenger vehicles and special function vehicles.Courtesy vehicles would be unregulated as this form of transport is offered as an inducement in respect of the provision of accommodation or recreational activities, and is provided to passengers without payment. Providers include organisations such as the Darwin Airport Resort, Tiwi Island Adventures and Katherine Country Club.

- Removal of the cap on taxi numbers and using standards compliance, service levels and enhanced driver training as prerequisites for industry entry.

- Setting a target for the issue of new taxi and minibus licences as MPTs in consultation with industry, Government and the disabled and less mobile community, to be reviewed annually based on statistical data associated with service satisfaction and the delivery of services to passengers requiring mobility assistance.

- Enhanced data collection from networks to allow continuing accreditation based on performance. Data would also facilitate a greater understanding of industry operations.

- Provision of authority and responsibility to networks to encourage them to take action regarding driver behaviour and complaints.

- Enhancement of the current training requirements for drivers and investigation of options to assist with training expenses and access.

- Customer-focused services characterised by high service standards and diversity of supply.

- Recognition of high levels of achievement through an industry awards forum.

- Maintenance of high-level compliance and regulatory oversight by Government.

- Continuing government regulation of fares based on an agreed methodology.

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From the outset, the inquiry has taken the approach that the customer comes first and that the taxi and hire car industry – as with any service industry – exists to serve the customer, not the other way round. Our examination of the industry and our draft recommendations for reform are grounded firmly in the belief that there is no point in undertaking reform if the results do not meet the needs of consumers.

Prof. Alan Fels, Victorian Taxi Industry Inquiry 2011

DEPARTMENT OF TRANSPORT   |    21
3. ISSUES AND POLICY OPTIONS

3.1 Open and Competitive Industry

3.1.1 Introduction

Stakeholders regularly report that supply and demand are often poorly matched especially in the taxi sector. This perceived gap is more complex than a simple shortage or oversupply of vehicles, as a result, different stakeholders identify different fundamental causes.

Even at times of peak demand in Darwin and Alice Springs, there is no surety that the majority of licenced taxis are on the road. At these times, queues at the airport and in the city often mean long delays for passengers. Even in quiet times, passengers may have to wait for lengthy periods. Excessive wait times and missed pickups constitute by far the greatest number of complaints.

There is evidence, that in Darwin and Alice Springs, a proportion of vehicles are inactive for much of the time. There is also evidence that many drivers work until they have generated sufficient income and then return the taxi or ‘park-up’ for the remainder of the shift. This means that the existence of the taxi cap and taxi availability are not necessarily related. The taxi cap, however, does create a significant barrier to participation in the industry for those unable to gain a licence in the current ballot process9.

In regional areas, where no taxi cap exists, passenger demand determines the number of taxis licences in use. Unique transport demands are experienced in regional areas, such as transporting passengers to and from Indigenous communities on the outskirts of towns like Katherine and Nhulunbuy for social outings, shopping and medical appointments. Taxis need to meet these needs as well as the day-to-day demands within the regional centre.

Government is conscious of the need to foster competition within the industry and to focus on service and quality. There is widespread acceptance that the cap on the number of taxi licences in Darwin and Alice Springs prevents growth in vehicle numbers, restricts service availability and prevents competition resulting in reduced quality of service.

Demand for services, customer-focus and the need for high quality reliable services should be the key determinants of the availability of taxi licences. A customer-focussed industry would support strategies that meet the needs of passengers as an industry priority.

3.1.1.1 Taxi Usage Data

The following data is provided to inform debate about the creation of an open industry marketplace.

Graph 17 provides airport passenger movements for Darwin and Alice Springs from 2008-09 to 2012-13. Alice Springs airport passenger movements had a slight increase in 2012-13 from the previous financial year. Overall, there were over 2.8 million passenger movements for Darwin and Alice Springs.

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</tr>
</thead>
<tbody>
<tr>
<td>Darwin</td>
<td>1,998,000</td>
<td>2,140,000</td>
<td>2,287,000</td>
<td>2,254,000</td>
<td>2,202,000</td>
</tr>
<tr>
<td>Alice Springs</td>
<td>676,000</td>
<td>681,000</td>
<td>638,000</td>
<td>578,000</td>
<td>606,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,674,000</td>
<td>2,821,000</td>
<td>2,925,000</td>
<td>2,832,000</td>
<td>2,808,000</td>
</tr>
</tbody>
</table>

9 As new taxi licences issued in Darwin and Alice Springs are restricted and are released based on population data, allocation of these licences are via a ballot system.

3.1.2 Licensing

The current licensing system is of considerable concern to holders of taxi and hire car licences who report that they have contributed significant resources and effort to maintain a vehicle in a competitive market but lack the opportunity to realise the capital value of this investment. This is perhaps the most contentious issue raised by industry in consultations and discussions.

There are, however, many examples of small businesses in service industries, where successful operators depend on customer goodwill and loyalty, which achieve no accrued capital value in their business.

Understanding the views of all stakeholders, and considering the commercial context, there are fundamental principles that should inform the discussion.

- The CPV industry is regulated to provide a service to passengers. The obligation of a regulator is to provide industry with an opportunity to provide the service and achieve a sustainable commercial return, not to underwrite businesses or create wealth.
- Licences are a form of permission to operate a
service in accordance with regulation. They are a means to require quality criteria for entry and operation, for the benefit of service regulation, not a financial asset.

- Any value that arises should be commensurate with the value of the business to its customers, not the value attributable due to the scarcity of licences.

Guided by these three principles, there is an argument that operators and network service providers should create a business with some enduring value through applying the following practices.

- Building customer loyalty and goodwill through reliable, high quality services.
- Acquiring capital assets (the vehicle).
- Creating a working business (processes, infrastructure etc).
- Recruiting and managing drivers to drive the vehicle as part of a business.

The history of taxi licensing in the NT is relevant to the current process of review.

Originally taxi licences were owned by the operator with an approximate value of $250,000 each. In 1999 the NT Government bought back the taxi licences paying $27.3 million compensation to the operators, and leased them back to industry for an annual licence fee. At the same time, the Government implemented industry reforms including the deregulation of entry to all CPV sectors and the cancellation of all taxi licences with the provision of compensation. The implementation of these reforms increased taxi numbers, provided improved access to the travelling public and increased investment in taxi networks. The changes were broadly supported and endorsed by the 1999 Productivity Commission Report into Taxi Regulation.

At the time of this paper’s documentation the NT Taxi Council’s position, in relation to taxi licences, is allowing operators to buy licences providing three optional strategies.

1. Buy out of the licences immediately.
2. Buy the licences over five years.
3. Lease the licences over 10 years prior to their purchase.

A number of operators have expressed concern that, if government implements this model, they would be unable to purchase licence plates and be unable to maintain their position in the industry.

There is also concern that the NT Taxi Council’s proposal could be detrimental to competition and innovation, limit industry participation and would not address the current problem of taxi subleasing.

In addition, the holders of these restricted licences would be in a position to capture a substantial share of industry income without re-investing back into the industry.

The NT Government does not support the sale of plates for the following reasons.

- The sale of taxi licences, as proposed by industry operators is based on the accrual of value and control, not necessarily the provision of a customer service.
- There is no benefit to the consumer (the potential passenger) in taxi licence sales and little likelihood of improvement of service levels or peak period taxi availability.
- The sale of taxi licences provides a significant barrier to entry to the industry by new participants but does provide opportunities for industry domination by existing participants.
- Substitution of private hire vehicles to service taxi call-outs, when no taxi is immediately available, has been requested to address demand due to the limitations imposed by the taxi cap.
- There is no support from any review or commentary for the accrual of plate asset value for operators. Indeed this is criticised in a number of publications as counter to the best interests of industry and consumer.

The Department of Transport’s preferred approach is to remove the taxi cap (requiring no buy-back). This closely reflects the Five Nines Report recommendations and provides the basis for a competent and sustainable model. The Department does not believe the suggested sale of the taxi licence plates option would encourage industry growth and development, be responsive to population growth pressure, or have a focus on quality services and the needs of customers as its primary driver.

3.1.1.3 Taxi Usage and Disability

Disability and disadvantaged passenger advocates are highly critical of limits on the number of mobility accessible transport options due to the taxi cap. Waiting times for MPTs, for example, for people with restricted mobility can often be very lengthy, creating major problems for passengers in achieving access to everyday activities, medical appointments or other essential services.

Government recently attempted to address this problem by increasing incentives for taxi drivers to provide services to passengers with limited mobility and increasing the wheelchair space within a vehicle. These incentives are clearly only a partial solution to the service needs of people living with disabilities or reduced mobility.
There are approximately 39,500 people with a disability in the NT.

About 40 per cent (or 15,800) of these people are Indigenous.

Approximately 11,000 to 12,000 people in the NT have a severe or profound disability.

Of these, approximately 43 per cent (or 5,000) people are Indigenous.

The following tables provide a breakdown of people with a disability in the NT.

Graph 18 shows transactions using the Lift Incentive Scheme following the increased subsidy for taxi drivers from $10 to $20 per trip on 1 December 2012. There has been an increase in transport of wheelchair passengers (an additional 1,534 in 2013-14 compared to 2009-10), but a slight decrease in the overall usage of the NT Taxi Subsidy Scheme.

A Review of Disability Services in the Northern Territory (KPMG 2005) reported the following key findings.

- There are approximately 39,500 people with a disability in the NT.
- About 40 per cent (or 15,800) of these people are Indigenous.
- Approximately 11,000 to 12,000 people in the NT have a severe or profound disability.
- Of these, approximately 43 per cent (or 5,000) people are Indigenous.

The following tables provide a breakdown of people with a disability in the NT.

Table 2 – Estimated Number of People with a Disability of Age Group and Indigenous Status

<table>
<thead>
<tr>
<th>Age</th>
<th>Indigenous</th>
<th>Non-indigenous</th>
<th>Total</th>
<th>Indigenous</th>
<th>Non-indigenous</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-14</td>
<td>4,100</td>
<td>2,400</td>
<td>6,500</td>
<td>2,100</td>
<td>1,300</td>
<td>3,400</td>
</tr>
<tr>
<td>15-44</td>
<td>6,500</td>
<td>8,200</td>
<td>14,700</td>
<td>1,500</td>
<td>1,900</td>
<td>3,400</td>
</tr>
<tr>
<td>45-64</td>
<td>3,800</td>
<td>9,300</td>
<td>13,100</td>
<td>900</td>
<td>2,100</td>
<td>3,000</td>
</tr>
<tr>
<td>TOTAL UNDER 65</td>
<td>14,400</td>
<td>19,900</td>
<td>34,300</td>
<td>5,300</td>
<td>9,800</td>
<td>15,700</td>
</tr>
<tr>
<td>65+</td>
<td>1,300</td>
<td>3,800</td>
<td>5,100</td>
<td>1,400</td>
<td>1,900</td>
<td>3,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15,700</td>
<td>23,700</td>
<td>39,400</td>
<td>5,000</td>
<td>6,700</td>
<td>11,700</td>
</tr>
</tbody>
</table>

Proportion 40% 60% 43% 57%

Indigenous 4,500 6,700 5,000 6,700

Table 3 – Northern Territory People with a Disability by Location

<table>
<thead>
<tr>
<th>Age</th>
<th>Darwin</th>
<th>Alice Springs</th>
<th>Katherine</th>
<th>Remote</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-14</td>
<td>2,400</td>
<td>700</td>
<td>300</td>
<td>3,100</td>
<td>6,500</td>
</tr>
<tr>
<td>15-44</td>
<td>6,500</td>
<td>1,700</td>
<td>600</td>
<td>5,800</td>
<td>14,600</td>
</tr>
<tr>
<td>45-64</td>
<td>6,500</td>
<td>1,700</td>
<td>600</td>
<td>4,300</td>
<td>13,100</td>
</tr>
<tr>
<td>65+</td>
<td>2,500</td>
<td>700</td>
<td>300</td>
<td>1,600</td>
<td>5,100</td>
</tr>
<tr>
<td>Total</td>
<td>17,900</td>
<td>4,800</td>
<td>1,800</td>
<td>14,900</td>
<td>39,300</td>
</tr>
</tbody>
</table>

Proportion 45% 12% 5% 38% 100%

Indigenous 2,900 1,400 600 10,900 15,800

Table 4 – Northern Territory People with a Severe / Profound Disability by Location

<table>
<thead>
<tr>
<th>Age</th>
<th>Darwin</th>
<th>Alice Springs</th>
<th>Katherine</th>
<th>Remote</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-14</td>
<td>1,300</td>
<td>400</td>
<td>&lt;200</td>
<td>1,600</td>
<td>3,500</td>
</tr>
<tr>
<td>15-44</td>
<td>1,500</td>
<td>400</td>
<td>&lt;150</td>
<td>1,300</td>
<td>3,300</td>
</tr>
<tr>
<td>45-64</td>
<td>1,500</td>
<td>400</td>
<td>&lt;150</td>
<td>1,000</td>
<td>3,000</td>
</tr>
<tr>
<td>65+</td>
<td>900</td>
<td>300</td>
<td>&lt;150</td>
<td>600</td>
<td>1,900</td>
</tr>
<tr>
<td>Total</td>
<td>5,200</td>
<td>1,500</td>
<td>500</td>
<td>4,500</td>
<td>11,700</td>
</tr>
</tbody>
</table>

Proportion 44% 12% 5% 39% 100%

Indigenous 900 400 200 3,500 5,000

Notes: Darwin is defined as the Darwin urban area and Palmerston; Alice Springs is the Alice Springs urban area (excluding town camps); Katherine is defined as the Katherine Local Government Area; Remote is defined as all areas outside of Darwin, Alice Springs and Katherine and includes all remote communities, small settlements, and the towns of Tennant Creek and Nhulunbuy.

Source: KPMG estimates derived from ABS (2003): Survey of Disability, Ageing and Carers (SDAC); Burden of Disease data provided by the NT Department of Health and Community Services (DHCS) and 2006 estimated population, Charles Darwin University and NT Government.

Source: KPMG estimates derived from ABS (2003): SDAC; Burden of Disease data provided by NT DHCS, 2006 estimated population (Charles Darwin University and NT Government); and ABS (2005): Regional Statistics NT.
KPMG provide the following 20 year projections.

- Total NT population with a disability increasing 47 per cent (more than 11,500 people), an average increase of 1.9 per cent per year.
- Population with a disability aged < 65 years increasing 34 per cent (an additional 3,000 people) or 1.5 per cent per annum.
- Population with a severe or profound disability increasing 48 per cent (or more than 5,600 people) or 2 per cent per annum.
- Population with a severe or profound disability aged < 65 years increases by 31 per cent (an additional 3,000 people) or 1.4 per cent per annum.

### 3.1.2 Options for Reform

#### 3.1.2.1 Taxi Cap

The administrative cap on taxi licences, reintroduced in 2003, is a form of economic regulation that prevents competition in service delivery and quality. The cap ratio, in terms of taxis on the road at any time of the day, is rarely met. This indicates that industry sustainability and driver earnings are not being driven by the need to maximise the operating returns of the taxi fleet and that passenger demand is not being met. The cap provides a significant barrier for new operators wishing to enter the industry and would appear to be encouraging unlawful activity relating to the operation of licences.

Removal of the cap on taxi numbers, where a cap exists, would allow market forces to determine the balance of the number of taxis. For the same reason no cap should be introduced in regional areas.

### Jurisdictional Comparison

Table 10 in the Appendices provides a jurisdictional comparison of the issue of standard taxi licences. Of note is the fact that in Victoria, from 30 June 2014, taxi licences are available ‘as of right’ to all eligible applicants for an annual fee\(^\text{11}\).

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### Recommendation 3.1.1

Remove the current cap on taxi numbers in Darwin and Alice Springs.

### Recommendation 3.1.2

Do not introduce any further taxi cap including in regional areas.

### Implementation

As this is an administrative action, no change to legislation is required and the recommendation can be implemented in line with the licence entry and retention recommendations. This reform would not increase administrative processes for applicants and would improve customer service.

#### 3.1.2.2 Multiple Purpose Taxis and Taxi Buses (Minibuses)

It is proposed that a portion of all new taxi and taxi bus licences in the NT be issued as MPTs to address the lack of access to any form of public transport for people living with disabilities or those who are less mobile.

To determine the portion of licences to be issued as MPTs would require consultation between industry, Government, disability and the less mobile groups. Once a percentage of the fleet has been determined it is proposed to review it annually based on statistical data associated with service satisfaction and the delivery of services to passengers requiring mobility assistance.
Table 5 provides a breakdown of standard and MPT vehicles across the NT. Alice Springs currently has the highest MPT taxi licences, 22 per cent of the taxi fleet while Darwin has the highest MPT minibus licences, 40 per cent of the minibus fleet. Overall the NT only has 17 per cent of its taxi fleet servicing the disabled and less mobile and 24 per cent for its minibus fleet. Currently this does not meet the needs of these passengers.

Implementation of this recommendation would also assist government and industry to meet Disability Discrimination Act (DDA) compliance without burden on individual operators.

The increase in numbers of taxi licences following the removal of the taxi cap is expected to be between 5 and 20 per cent. This estimate is based on advice from the NT Taxi Council. The Taxi Council anticipates little demand for MPT licences, while CPV drivers advise government they wish to enter the industry in their own right.

Graph 19 demonstrates a growth rate from 5 to 20 per cent. In Darwin there may be an increase of only seven vehicles (at 5 per cent growth) compared to 28 vehicles (at 20 per cent growth). In Alice Springs, there may be an increase of two vehicles (5 percent growth) or an additional seven vehicles (20 per cent growth).

Table 5 - Percentage of Taxi and Minibus Fleet that are Multiple Purpose Taxis across the NT as at 1 Oct 2014

<table>
<thead>
<tr>
<th>Region</th>
<th>Standard Taxi</th>
<th>MPT Taxi</th>
<th>Total Taxi</th>
<th>% of MPT Taxi</th>
<th>Standard Minibus</th>
<th>MPT Minibus</th>
<th>Total Minibus</th>
<th>% of MPT Minibus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alice Springs</td>
<td>28</td>
<td>8</td>
<td>36</td>
<td>22%</td>
<td>6</td>
<td>0</td>
<td>6</td>
<td>0%</td>
</tr>
<tr>
<td>Darwin</td>
<td>111</td>
<td>25</td>
<td>136</td>
<td>18%</td>
<td>12</td>
<td>8</td>
<td>20</td>
<td>40%</td>
</tr>
<tr>
<td>Katherine</td>
<td>17</td>
<td>1</td>
<td>18</td>
<td>6%</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>6</td>
<td>0</td>
<td>6</td>
<td>0%</td>
<td>6</td>
<td>0</td>
<td>6</td>
<td>0%</td>
</tr>
<tr>
<td>Tennant Creek</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0%</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>163</td>
<td>34</td>
<td>197</td>
<td>17%</td>
<td>25</td>
<td>8</td>
<td>33</td>
<td>24%</td>
</tr>
</tbody>
</table>

Jurisdictional Comparison

Table 11 (located in the Appendices) provides a jurisdictional comparison on the issuing of MPT licences, also referred to Wheelchair Assessable Taxis (WATs).

Recommendation 3.1.3

Set a target for the issue of new taxi and minibus licences as MPTs in consultation with industry, Government and the disabled and less mobile community, to be reviewed annually based on statistical data associated with service satisfaction and the delivery of services to passengers requiring mobility assistance.

Implementation

As this is an administrative action, no change to legislation is required and the recommendation can be implemented in line with the licence entry and retention recommendations. This reform would not increase administrative processes for applicants and would improve customer service to people living with a disability or who are less mobile.

Information Bulletins would require amendment to ensure currency and consistency with new requirements.

3.2 Regulatory Complexity

3.2.1 Introduction

Industry reviews in the NT in the late 1990s and in 2003 led to significant changes to CPV policy and regulation. These changes, however, have at times been ad hoc and lacking a holistic approach to reform.

There are nine different CPV licence classes in the NT. This creates confusion for both customers accessing CPV services and operators trying to assess the section of the market in which they can legally operate. In a developing market this creates tension between competing licence holders.
There is a need for a clearly articulated regulatory framework and development strategy for the CPV industry. This framework should protect the interests of the travelling public and provide for a viable and growing CPV supply sector.

### 3.2.2 Options for Reform

#### 3.2.2.1 Licence Categories

The variety of CPV services in the NT is a response to the variety of service needs of passengers. The capacity to meet diverse needs must be protected while achieving greater administrative simplicity and clarity. While there is no ideal number of licence categories there are distinct passenger service needs that can be identified. These include:

- route services (regular public and school bus services);
- spontaneous demand (taxis and minibuses); and
- special purpose pre-booked (private and tourist vehicle hires, limousines, charter buses, special function and special passenger vehicles).

Key characteristics in distinguishing categories include the authority to acquire passengers (for example ranking and hails) and the means by which fares are set. This is illustrated in Figure 5 (Five Nines Review 2008).

![Figure 5 - Distinguishing Elements between Categories in the NT Commercial Passenger Vehicle Industry as at 2014](image)

Current business models in the NT suggest four licence categories would be optimal, with some variation where special consideration is required. The four categories proposed are Bus, Taxi, Private Hire and Charter. Each category would have separate identifying licence plates which would assist with regulation. Vehicles within each of the four categories would have similar market access and would be charged the same annual licence fee.

Taxis and minibuses, for example, would be charged the same licence fee if they have access to all ranks. Should a limousine choose to move into the Private Hire Category, for example, the operator would pay the same licence fee as a private hire car and be able to rank at approved ranks for private hire cars.

Those wishing to establish a CPV transport service in a remote or regional area have a range of options depending on the type of service to be established. The proposed reforms would provide greater flexibility and business opportunity in remote and regional areas. Each transport service would be assessed on individual merit.

Further detail regarding the proposed categories is provided below.

#### Buses

There is a demand for services that aggregate trips by bringing unconnected passengers together for the same journey. The journey is not necessarily from door-to-door nor at a preferred time, but is at a predictable time and at lower cost than a trip made for each passenger. Route buses providing scheduled network services fall into this category.

There were a total of 81 urban network buses in the NT, delivering 43 routes of travel through 713 timetabled services, as at December 2013. In the school bus network there were 116 buses delivering 147 routes of travel through 352 timetabled services. Regional data are provided.
Feedback from stakeholders has provided evidence of unmet demand for flexible bus services with more formal routes and fares than minibuses but which would use similar vehicles. Such services would suit initiatives such as the Palmerston Hospital Shuttle service which is designed to get passengers to medical appointments that are difficult to access using an urban bus service. In addition, such a service would provide an opportunity for new businesses, providing more than a single door-to-door service, but having greater flexibility in terms of frequency and span of service. Current regulations do not allow for the development of such services. Increased flexibility in regulating bus services would allow vehicles such as minibuses to extend into new passenger service markets.

It is recommended that urban and school bus routes, airport shuttle services, sightseeing and hop-on hop-off services remain within the bus category. All other pre-booked bus services should be within the charter category allowing both greater flexibility and clarity for the industry.

It should be noted that a Public Transport Strategy is currently being developed by the Department of Transport. This Strategy will outline a framework for future service delivery and plan for the long-term sustainable growth and improvement of the Territory’s urban and school bus networks.

The framework will consist of key public transport improvement projects including:

- the Darwin Public Transport Network Review;
- a new bus ticketing and data system with real time functionality and reporting;
- revenue generating advertising on the Darwinbus fleet which commenced in March 2014; and
- the transfer of Darwin Bus Service business (effective 14 July 2014).

The Strategy will be completed in 2015 and will contain high-level principles and policies for planning and delivering public transport services in the NT.

### Taxis and Minibuses

Taxis provide a standardised service which is available to all passengers within designated areas. Rules and conventions are well understood, demand is guaranteed, even though the sector is dominated by very small, often individually operated businesses.

Minibuses are more like taxis than a route bus, in that minibuses and taxis often substitute for each other. Due to this similarity, and the fact that both groups use set fares, i.e. taxi fares are set using a tariff and minibus fares are set before the passenger has entered the vehicle, it is proposed that taxis and minibuses be combined into one category with no change to their current operating standards. Combining taxis and minibuses into a new taxi category would allow them to continue to have exclusive access to spontaneous, on-street trip demand, pre-booking through a network, as well as their existing right to market access. In return for this right, services within this category would be required to meet closely monitored service standards.

In addition, combining taxi and minibus ranks, enabling access for both industry groups and giving the passenger greater choice, is recommended. It is also proposed that minibuses be renamed Taxi Buses to better align vehicles within this category and reduce...
any confusion for the travelling public.

**Private Hire Vehicles**

It is recommended that existing arrangements for private hire vehicles remain, including having limited access to ranks, in view of their ability to meet excess demand at various passenger concentration points. For private hire vehicles, this would include existing ranks at the airport, railway station, special events, cruise ship terminal and casinos.

Limousines could be included in the private hire category, allowing them the same access as private hires cars. Licence fees would be increased to reflect improved access to the market. Alternatively, limousines could be included in the charter category below.

There were 15 private hire vehicles and 15 limousines in the NT as at 1 August 2014.

**Charter Vehicles**

It is proposed that all other existing services be included in the charter category. These services include the following:

- Tourist vehicles - used to carry tourists on prearranged tours.
- Pre-booked private bus charters - charter services booked in advance such as school excursions or conferences.
- Special function vehicles - vehicles that are of a distinctive external appearance such as the Aqua Duck.
- Special passenger vehicles - vehicles operated for a purpose that does not fall into any other category of CPV such as a ‘Dial-A-Driver’ type of transport service.
- Limousines (a possible inclusion) - a pre-booked luxury vehicle.

These services are individually chartered (i.e. one person books either a seat or the whole vehicle). These services are pre-booked and can fall within one category, as there is no reason to distinguish by vehicle type. This allows operators greater flexibility to deploy vehicles to meet specific needs and to structure their business around delivery of flexible and responsive client service.

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**Recommendation 3.2.1**

Amend *The Commercial Passenger (Road) Transport Act* to replace the current nine categories of licence with four categories, being Bus, Taxi, Private Hire and Charter. This amendment would include the following specifications.

a) The new Bus Category to include only the route and flexi-route bus services such as urban services, airport shuttles, sightseeing and hopper services.

b) The new Taxi Category to include taxis and minibuses and will be renamed taxi bus.

c) The Private Hire Category will not change.

d) The new Charter Category to include tourist vehicles, pre-booked private bus charters, special function vehicles and special passenger vehicles.

e) Limousines will have the option to either be a Private Hire or a Charter with relevant fees and market access.

**Recommendation 3.2.2**

Vehicles within each category will have similar access to the market and will pay the same annual licence fee.

**Recommendation 3.2.3**

Taxis and taxi buses will have access to combined ranking.

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**Implementation**

*The Commercial Passenger (Road) Transport Act* and regulations require amendment to reduce the nine categories to four and afford them the same market access. This will reduce administrative complexity.

New licence plates would be required and the computer system (MOVERS) would require system changes. Policies, guidelines and Information Bulletins would need to be updated or created to reflect the new requirements.
**Courtesy Vehicles**

As the courtesy vehicle category provides transport as an inducement for access to accommodation, recreation, entertainment or other services or facilities, and is provided to passengers without payment of a fare, it is proposed to remove the courtesy vehicle category.

With the removal of the category, drivers would still be required to undergo the fit and proper assessments, ensuring the safety of the travelling public.

There were 15 courtesy vehicles in the NT as at 1 August 2014.

**Recommendation 3.2.4**

Courtesy Vehicles will no longer be regulated as a commercial passenger vehicle category.

**Implementation**

The *Commercial Passenger (Road) Transport Act* and regulations require amendment to deregulate the courtesy vehicle category. This would reduce administrative complexity.

3.2.2.2 Simplifying Legislation

Currently the CPV industry is regulated through a variety of Acts and Regulations including the following.

**Acts**

- *Commercial Passenger (Road) Transport Act*
- *Motor Vehicles Act*
- *Traffic Act*

**Regulations**

- *Commercial Passenger (Miscellaneous) Regulations*
- *Courtesy Vehicle Regulations*
- *Minibus Regulations*
- *Motor Omnibus Regulations*
- *Motor Vehicles Regulations*
- *Passenger Bus Regulations*
- *Private Hire Car Regulations*
- *Special Function Vehicle Regulations*
- *Taxi Regulations*
- *Tourist Vehicle Regulations*
- *Traffic Regulations*.

The CPV industry specific legislation is outdated, complex and restrictive, and requires substantial legislative reform. This situation results in legislation that is not user-friendly and transport governance is more costly and less efficient than is necessary.

It is proposed to remove CPV specific clauses from the *Motor Vehicles Act* into the *Commercial Passenger (Road) Transport Act* and amalgamate all CPV categories into one regulation. This would provide a single body of regulation that would simplify the current complex system.

The diagram (Figure 6) provides the current and proposed management hierarchy regulating the CPV industry.

**Figure 6 - Hierarchy Overview of Managing and Regulating the NT Commercial Passenger Vehicle Industry as at July 2014**

Elevation of the obligations, roles and responsibilities for each CPV category from licence conditions to regulations is proposed. This elevation would provide greater responsibility for each segment of the industry and ensure co-regulation is achieved.

A definition of each section in Figure 6 is provided below.

**ACT** Primary legislation providing the authority to create rules.

**REGULATION** A set of rules designed to control or govern conduct.

**CODE OF CONDUCT** A set of guidelines designed to set minimum industry protocol, rights and obligations including service delivery standards.
Recommendation 3.2.5
Develop a single body of regulations to simplify the current complex system.

Implementation
Amend the Motor Vehicle Act and Commercial Passenger (Road) Transport Act to simplify legislation. This would reduce administrative complexity and enhance the focus on customer service and safety. Amalgamate CPV regulations into a single regulation.

LICENCE CONDITIONS A set of conditions and rules that is associated with each licence category.

IN-SERVICE MAINTENANCE STANDARDS Standards that detail the minimum acceptable vehicle, technical, comfort and aesthetic standards applicable to prospective and in-service vehicles.

INFORMATION BULLETINS Information sheets which are a guide only and contain general information and requirements in relation to CPVs. They do not provide a strict interpretation of NT law.
3.3 QUALITY SERVICE AND QUALITY PEOPLE

3.3.1 Introduction

Both the CPV industry and passenger experience would suffer if low standards are tolerated. In these circumstances the market is likely to be flooded with those who seek easy returns and do not provide the quality service the community both deserves and expects.

The national training modules for taxi, minibus and private hire drivers do not always appear to be achieving the desired result of quality drivers providing high quality services. Currently only two Registered Training Organisations (RTOs) are conducting national training modules in the NT, one in Darwin and one in Alice Springs. Both RTOs have successfully passed the Australian Skills Quality Authority (ASQA) audit and are providing training at the required level. Unfortunately no formal training provider is available in Katherine, Nhulunbuy or Tennant Creek and training of drivers is conducted by the owner of a vehicle. In some instances, drivers from these regions have travelled either to Darwin or Alice Springs to undertake training at their own expense.

Appropriate standards for entry into, or continuation within, the industry would establish operator obligations. These obligations would include a requirement to operate at times determined by passenger needs and to deliver a satisfactory level of service.

The current cap on licence numbers results in a limited career path for drivers. Those who wish to own and operate their own vehicles have very limited opportunity to do so. Drivers in Darwin and Alice Springs identify this lack of a career path as a concern. While some drivers do move from taxis to private hire and limousine work most remain with their original licence type. These career path issues also apply, to some extent, in the bus sector.

In Singapore and New Zealand, there are no quantity restrictions on taxi licences and quality controls are placed on taxi networks including specified minimum service requirements. All operators, other than a small number of remaining independents in Singapore, must be connected with a network. Operating rules set by the networks must be approved by the regulator, including the requirement for booking networks to have telephone capabilities, provide a 24/7 service, deal with complaints and keep records. In these jurisdictions, taxi networks are responsible for ensuring the delivery of quality services 12.

3.3.2 Options for Reform

3.3.2.1 Codes of Conduct

A Code of Conduct is a set of guidelines designed to set minimum industry protocols and standards of customer service. These are service standards that can be enhanced by licensed operators, drivers and networks who seek to differentiate themselves from other competitors in the CPV industry. Those operating in the CPV industry are expected to maintain high standards and provide a high quality of service to customers.

The impression of the NT that visitors gain can be significantly influenced by the quality of service they have received from a CPV driver. Codes of Conduct are designed to advise networks, drivers, operators and passengers of their responsibilities and obligations to comply with the relevant legislation. These Codes also inform the general public of the minimum standard of service they can expect from those in the CPV industry.

The development of Codes of Conduct should reflect four proposed target groups.

Recommendation 3.3.1

Develop a Code of Conduct providing clear statements of rights and obligations, including service delivery standards for each of the following:
- networks;
- operators;
- drivers; and
- passengers.

Implementation

The Commercial Passenger (Road) Transport Act and regulations would require strengthening to incorporate and enforce Codes of Conduct for all four target groups. Codes of Conduct, developed in consultation with all stakeholders, will improve customer service and safety and provide clarity for networks, operators and drivers.

3.3.2.2 Licence Criteria

Service quality and skills of all engaged in the industry are a primary concern. It is proposed that an achievable but high level of standards be set for industry entry or ongoing participation. New entrants will need to carefully consider their business’ viability but also their capacity to satisfy and maintain accreditation standards, ensuring a high quality customer-focused service. In addition they will need to be familiar with their obligations under the Work Health & Safety (National Uniform Legislation) Act.

Industry Entry

It is recommended that current industry requirements be enhanced to require all new industry entrants to achieve the following.

---

Complete the current national training program and English Assessment for taxi, minibus (taxi bus) and private hire drivers. A summary of the training is provided below.

Complete a training course on starting and running a business (such as the free Department of Business training course). Recognition of previous training or if the applicant has previously operated a successful business, an exemption may be provided.

In addition it is important that entrants are made aware of the need for financial capacity to enter and maintain a presence in the industry, including vehicle, setup costs, government fees, insurances and other business costs. Relevant information bulletins would be updated to provide a guide.

National Training Program
A national taxi training program was approved and implemented in 2010. The NT adopted all eight modules of the national training program in January 2012 for taxi, minibus and private hire drivers.

The eight national training modules are as follows.
1. Use Communication Systems in a Taxicab
2. Drive Taxicab
3. Provide Wheelchair Accessible Taxi Service to Passengers with Disabilities
4. Identify Major Roads, Services and Attractions
5. Provide Taxicab Customer Service
6. Complete Induction to the Transport Industry
7. Carry out Financial Transactions and Maintain Records
8. Comply with Safety and Security Procedures

The previous CPV driver training course was adapted to the nationally agreed framework that is delivered in two stages. The first stage covers an induction to the industry which enables the participant to apply for a Provisional CPV ID Card and gain on the job experience driving CPVs. The second stage of the training is to be completed within six months to achieve upgrading to an Open CPV ID Card.

Despite the implementation of the national training program in the NT, complaints about service delivery and driver knowledge continue. It is recommended that the Department of Transport advocate in the national arena for the service delivery modules of the national training program to be enhanced.

The Department of Transport would work with RTOs that deliver the national training program to ensure that participants demonstrate a comprehensive knowledge of the area of operation, its geography, key places, hotels, restaurants and entertainment venues.

English Assessment
The national minimum English standard for new taxi drivers in Darwin was introduced in January 2012. The standard measures an individual’s proficiency in the English language through speaking, listening, reading and writing.

Currently, new applicants are required to pass the English assessment at Charles Darwin University prior to undertaking the taxi driver training course. Since this requirement was introduced complaints about a driver not understanding directions or having a general level of English comprehension have reduced. It is proposed to extend the English assessment to all new taxi, taxi bus and private hire car drivers in the NT. This initiative further improves customer service and ensures drivers meet a nationally consistent standard.

Remaining in the Industry
The strengthening of licence retention criteria for each licence category, in addition to current requirements, require applicants to have a satisfactory history of compliance over the previous five years.

Jurisdictional Comparison
Detailed information providing jurisdictional comparisons regarding requirements for new and existing operators in the taxi industry is provided in the Appendices. The following are significant findings of the jurisdictional comparison.

- The majority of the jurisdictions require an applicant (new and existing) to prove financial capacity to enter and remain in the industry and capacity to understand and meet work health and safety requirements (Table 12).
- Each jurisdiction differs in its requirements but a majority require some type of training for an operator to enter into the industry (Table 12).
- Public liability insurance is required in ACT, South Australia and Western Australia (Table 14).

In the NT it is a condition of a taxi and minibus licence that the holder of the licence obtains insurance to cover any injury to a person arising out of a person’s engagement to drive the taxi. Any motor vehicle registered in the NT must carry Compulsory Third Party Insurance.

Currently an approved CPV driver must have an ‘h’ endorsement added to their driver’s licence. This creates an administrative burden on both the driver and the Department of Transport if the driver no longer requires the ‘h’ endorsement, or has had their CPV approval suspended or cancelled.

It is proposed that a CPV ID card, separate from a driver’s licence and inclusive of all CPV categories, be created. This would reduce the risk of a suspended or cancelled CPV driver continuing to operate.

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Recommendation 3.3.2
Enhance the current industry requirements to require all new industry entrants to undertake the following.
**Drivers** - Complete the current national training program and English Assessment for taxi, taxi bus and private hire drivers.
**Operators** - Unless exempted, complete a training course on establishing and managing a business (such as the free Department of Business training course).

**Implementation**
Amendment to regulations, strengthening licence entry and retention criteria, is required. Amendments would reflect current practice and improvements in training requirements across the NT and ensure industry participants are of a high standard. New processes will also incorporate exemptions if applicable.

The Department of Transport and the Department of Business must work together to ensure the continuation and frequency of the ‘Starting and Running a Business’ course.

It is proposed the Department of Transport work with RTOs, the Department of Business and NT WorkSafe to produce an information pack for new and existing industry participants focused on their responsibility to provide a healthy and safe workplace under the *Work Health & Safety (National Uniform Legislation)* Act. This module should be incorporated into the national training program for new taxi, taxi bus and private hire drivers, including an information pack for CPV operators.

The creation of the CPV ID card, and removal of the ‘h’ endorsement, require amendment to *The Commercial Passenger (Road) Transport* Act, *the Motor Vehicles Act* and regulations. Issuing of new driver’s licences and CPV ID cards would be required.

The computer system (MOVERS) will need system changes to accommodate the CPV ID card requirements. Policies, guidelines and Information Bulletins would need to be updated or created to reflect the strengthened licence requirements.

3.3.2.3 Industry Operating Rules
Dealing with complaints is a significant issue in addressing instances of poor customer service. There are a number of aspects that require review to encourage the industry to achieve high-quality customer-focused service.

**Networks**
- Increasing the regulatory powers and responsibilities of networks will enable networks to deal with complaints and work with operators and drivers to enforce standards. In a competitive market, operators must offer a product that is sufficiently attractive to passengers. The market, rather than government, should determine levels of service and will encourage operators and drivers to develop a competitive edge for their services. It is recommended that networks:
  - actively monitor and direct the performance of operators and drivers to ensure they adhere to appropriate safety and service standards contained in but not limited to legislation, Codes of Conduct, licence conditions and Information Bulletins;

- implement customer complaint handling procedures that are consistent with the Australian Standard AS ISO 10002-2006 and are updated as required. The AS ISO 10002-2006 provides guidance for the design and implementation of effective and efficient complaints-handling processes for all types of commercial or non-commercial activities, including those related to electronic commerce. It is intended to benefit the organisation, its customers, complainants and other interested parties; and

- create disciplinary procedures, approved by the Director appointed under *The Commercial Passenger (Road) Transport* Act, to ensure standard application across the NT, in relation to operators and drivers who fail to adhere to customer service expectations and standards. Sanctions in the Taxi Category would be the subject of consultation with industry stakeholders.

- Enhancing data collected from networks and meters to allow continued accreditation based on performance and to facilitate greater understanding of industry operating parameters. This would allow the Department of Transport to monitor high-level compliance requirements and improve regulation oversight. To achieve enhanced data collection, networks would provide monthly reports to the Department of Transport on all booked, rank and hail work provided by that network including the following.
- Number of Drivers Affiliated and Active on the Network
- Wait Times
- Number of Jobs Received
- Vehicles Available
- Answering Time of Telephone Calls
- Jobs Assigned by Suburb
- Driver Safety
- Passenger Safety
- Complaints Handling.

Some networks are already providing limited data to the Department of Transport and both parties are continually working together to improve the quality and usefulness.

**Operators**

- Increasing the regulatory powers and responsibilities of operators to deal with complaints and work with drivers to enforce overall standards. Where an operator is a member of a network, they would be required to:
  - actively monitor the performance of drivers to ensure they adhere to appropriate safety and service standards contained in, but not limited to, legislation, Codes of Conduct, licence conditions and Information Bulletins; and
  - refer any complaints regarding their drivers to the network for actioning.

All other reporting requirements are the responsibility of the network.

Where an operator is not part of a network, the operator would be required to provide all functions and obligations of a network.

**Drivers**

- All CPV drivers would maintain current requirements by:
  - adhering to the Codes of Conduct;
  - being professional and courteous in their approach;
  - driving safely and defensively in all weather and traffic conditions; and
  - compliance with all relevant legislation.

**Government**

- The Department of Transport would focus on:
  - setting quality standards;
  - compliance for service operation;
  - industry entry; and
  - continuing accreditation.

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**Recommendation 3.3.4**

Provide operating standards, in regulation, for networks, operators and drivers including the following:

a) Provide networks with increased regulatory powers and responsibilities to:
   - actively monitor and direct the performance and standards of operators and drivers through consistent application of procedures and, ensuring adherence to safety and service standards contained in, but not limited to, legislation, Codes of Conduct, licence conditions and Information Bulletins;
   - implement and maintain customer complaint handling procedures that are consistent with the Australian Standard AS ISO 10002-2006; and
   - provide monthly reports to the Department of Transport on all booked, rank and hail work provided by that network, including:
     - number of drivers affiliated and active on the network;
     - wait times;
     - number of jobs received;
     - vehicles available;
     - answering time of telephone calls;
     - jobs assigned by suburb;
     - driver and passenger safety; and
     - complaints by type and time to resolve.

b) Operators.
   - Where an operator is a member of a network, they will be required to:
     - actively monitor the performance of their drivers to ensure they adhere to appropriate safety and service standards contained in, but not limited to, legislation, Codes of Conduct, licence conditions and Information Bulletins; and
     - refer any complaints regarding their drivers to the network for actioning.

All other requirements are the responsibility of the network.

Where an operator is not part of a network, the operator will be required to provide all the functions and obligations of a network.

c) Drivers maintain current requirements including the following.
   - Adhere to the Code of Conduct which establishes minimum industry protocols and standards of customer service.
   - Be a professional representative of the industry and drive safely and defensively in all weather and traffic conditions.
   - Conduct themselves in a professional and courteous manner and to comply with all relevant legislation.
Implementation

Regulation amendments are required to implement these reforms. Changes to NT Police, Fire and Emergency Services and the Department of Transport processes and systems would also be required.

The Department of Transport and the NT Taxi Council would continue working together to finalise disciplinary sanctions for networks to ensure consistent adherence to customer service expectations and standards.

An IT system, with the capacity to manage data and provide reports that meet national reporting requirements and to assist with compliance, would be required.

A complaints management system, similar to that of the Ombudsman’s Office, would be required to enable the Department of Transport to monitor and report on the industry’s complaints management performance. The Department would work cooperatively with industry and peak industry bodies to achieve desired performance outcomes.

3.3.2.4 Smartphone Applications

Smartphone applications have become increasingly more integrated into everyday life and have a presence in the transport arena. There are approved smartphone applications (formally bookings) that are associated with taxi and private hire networks that meet legislative requirements in Australia. There are unauthorised third party apps that do not meet legislative requirements but that are increasingly used in Australia and internationally.

The Commercial Passenger (Road) Transport Act provides for communications and dispatch networks. These are networks for communicating with, controlling or coordinating CPVs used to carry passengers for hire or reward; or a dispatch network for accepting bookings for the use of CPVs for hire or reward or allocating CPVs for hire or reward on pre-booked journeys. Communications networks can include smartphone applications.

Those operating or driving a CPV in the NT must be found to be of good repute and in all other aspects ‘fit and proper’. The ‘fit and proper’ assessment may include, but is not limited to, reviewing criminal history and traffic offence records, records of complaints history, work history, rehabilitation and referee reports. The Department of Transport also assesses vehicles to be used as a CPV. The vehicle must meet the minimum acceptable standards outlined in the in-service maintenance standards. Unauthorised third party smartphone apps do not provide these checks and assessments and therefore safety of passengers, particularly those more vulnerable, can be compromised.

Uber, a smartphone app is in usage in Australia, and has been used in facilitating ‘ride-sharing’. In April 2014, the Sydney Morning Herald reported that the ‘Victorian Transport Minister has warned people about driving others for a fee, in their own car, using the ‘ride-sharing’ feature in Uber. The Minister reported that Uber is being used by non-CPV drivers to transport other Uber users in Sydney, Brisbane and Melbourne.

In WA the Taxi Council is concerned that removing any barriers to ‘ride sharing’ would pave the way for an unregulated taxi industry, operating from private passenger vehicles, with no requirements other than a private driver’s licence13.

NT legislation currently allows a motor vehicle to be used to carry passengers in a car pooling arrangement when:

- the trip is incidental to the main purpose of the journey;
- the person does not in any way advertise it as a service;
- it is not part of a commercial operation;
- the passengers agree to share the car pooling arrangements; and
- no profit is made.

If an arrangement does not meet these requirements, it is considered to be ‘hire or reward’ and would require accreditation and licencing under the Commercial Passenger (Road) Transport Act.

Although Uber does not yet appear to be operating in the NT, it is proposed that current legislation be strengthened to ensure that, when a smartphone app is present in the NT, that it meets all requirements to ensure passenger safety.

Recommendation 3.3.5

Strengthen legislation to allow current and future smartphone applications operating in the Northern Territory.

Implementation
Amend the Commercial Passenger (Road) Transport Act and regulations.

3.3.2.5 Mystery Shopper Program
It is proposed to introduce an annual mystery shopper program that applies to all four CPV categories to assess the extent to which the CPV industry is meeting customer service performance expectations and requirements.

The mystery shopper would conduct consumer research on CPV services including waiting times, presentation of the vehicle and driver, fares charged, customer services and the overall experience. Data collected from this program would provide valuable insight into the effectiveness of CPV industry reform, and provide benchmark data to allow the Department of Transport to track changes in the performance of the CPV industry over time.

Results would be published on the Department’s website and would assist government and industry to recognise superior customer service, potential improvements and compliance issues.

Mystery shopper audits are conducted in Queensland by a consultant and in South Australia by auditors of Adelaide Metro services.

3.3.2.6 Driver Award System
Superior customer service should not go unnoticed or unrecognised, and should be celebrated.

Alice Springs will hold its eighth Tourism Central Australia Awards Night in October 2014. The awards celebrate outstanding achievements in the tourism industry and include a CPV Driver of the Year.

In 2011 Tourism Central Australia and the Central Australian Commercial Passenger Vehicle Advisory Committee collaborated to provide an inaugural Central Australian CPV Driver of the Year award.

To recognise significant achievements in the CPV industry Territory-wide, it is proposed that a driver award program be introduced, similar to that of the Victorian model. The award program would provide a reward and encourage high standards.

Nominations would be through a marketing campaign that could include radio advertisements, in-vehicle information, website promotion and flyers. Winners would be selected through an independent judging process involving business leaders from a range of industry sectors.

Prizes would be allocated against all four CPV categories and would be in the vicinity of $14,000 annually. Additional sponsorship may be attracted and prizes may vary if this occurs.

Jurisdictional Comparison
Industry awards are organised by Taxi Councils in Queensland, South Australia and Western Australia. These awards recognise and celebrate professional taxi drivers and operators who make an outstanding contribution to the improvement of the industry.

Recommendation 3.3.7
Introduce a Territory-wide CPV driver award program.

Implementation
The Department of Transport would work with industry to establish guidelines, award categories and to determine whether a CPV driver award program can be incorporated into an existing award forum such as the Tourism Central Australia Awards Night.

The CPV driver awards program would encompass all four CPV categories. A communications and marketing strategy would be developed and a judging panel could include business leaders representing disability, tourism, police, hotel associations, the airport and the Department of Transport.
3.4 QUALITY INFRASTRUCTURE

3.4.1 Introduction

Taxi rank infrastructure in the NT is minimal and does not take into account either the safety or comfort of the passenger and driver. There is only one secure rank in the NT, located in the Darwin CBD.

3.4.2 Options for Reform

Ensuring infrastructure is maintained and upgraded to meet industry and passenger expectations, and safety considerations, must be a priority. Infrastructure includes taxi ranks and standardised appearance and branding of taxi network vehicles.

Taxi Rank Infrastructure

The Australian Taxi Industry Association (ATIA) published a ‘Taxi Rank Design Specification’ in April 2012. This specification provides guidance for the design of taxi ranks appropriate for various facility types located in urban centres in Australia. ATIA provides the following hierarchy of taxi rank types and suggests infrastructure for each level14.

■ **Low Use Rank** - a rank that predominately has low passenger volume i.e. a taxi every 60 minutes. Low use ranks are generally located in suburban areas such as local neighbourhood centres.

Guidelines for typical infrastructure at low use ranks include a passenger waiting area 1.2 metres wide, regulatory signage, line markings, totem pole with general information, rubbish bin, lighting and tactile ground surface indicators.

■ **Medium Use Rank** - a rank that has moderate passenger volumes i.e. a taxi every 30 minutes. These ranks are typically located in suburban areas such as shopping centres and community centres.

Guidelines for infrastructure at medium use ranks include a passenger waiting area 1.2 metres wide, regulatory signage, line markings, totem pole with general information, rubbish bin, tactile ground surface indicators and shelter with solar lighting.

■ **High Use Rank** - a rank where there are high passenger volumes i.e. a taxi every 15 minutes. High use ranks are typically located in city and town CBDs, casinos, hotels and clubs.

Guidelines for infrastructure at high use ranks include a passenger waiting area 1.2 metres wide, regulatory signage, line markings, totem pole with general information, rubbish bin, tactile ground surface indicators, shelter with solar lighting and Closed Circuit Television (CCTV).

■ **Premium Rank** - a rank that services locations where there are high passenger volumes and high demands for taxi services and are generally located at airports and major shopping centres.

Guidelines for infrastructure at premium ranks include a passenger waiting area 1.2 metres wide, regulatory signage, line markings, totem pole with general information, rubbish bin, tactile ground surface indicators, shelter with solar lighting, CCTV, queuing rails and help point facilities including a public telephone.

Figure 7 is the ATIA flowchart used as a guide in determining the rank infrastructure requirements for Darwin, Katherine and Alice Springs.

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An audit, using this framework as a guide, was conducted during February and March 2013 on 75 taxi and minibus ranks in Darwin, Katherine and Alice Springs.

The only secure rank in the NT has lighting, CCTV, rank queue railings, shelter provided by the cinema complex and weekend security presence. Graph 20 shows that the average usage of the secure rank is approximately 1,100 passengers per month. Predictably, there is a decline in usage during the Christmas period and a steady rise through the Dry Season.

Graph 20 - Darwin, Northern Territory Secure Rank Usage for 2013-14

It is proposed that a taxi rank upgrade program be implemented to provide improved infrastructure to assist with security and comfort for passengers and drivers. Depending on the location and use of a specific rank, infrastructure may include the following.

- Information - signage, line marking and totem poles (as pictured).
- Accessibility - boarding and alighting areas, rank queue railings, waiting areas, wheelchair space, tactiles and pedestrian crossing.
- Street Furniture - seating, shelter with lighting, CCTV and lighting.

**Recommendation 3.4.1**

Agree infrastructure priorities with industry to achieve a standard for ranks including provision of CCTV, lighting, seating and directional tactile indicators over a period of time.

**Implementation**

The findings of the 2013 rank audit indicate that Darwin, Katherine and Alice Springs are priorities for infrastructure upgrades.

The Department of Transport and the NT Taxi Council are to work with local councils and authorities, those who own the land on which ranks are located such as casinos, hotels and shopping centres, to progress the upgrading of ranks. On completion of the priority listing, and following security of funding, the Department of Infrastructure would contract out the upgrade works over a period of time.

The Department of Transport and the NT Police are to work together to ensure the installation of CCTVs are compatible with NT Police systems and form part of the NT Police live monitoring program. Funding for installation and maintenance of CCTVs will be the responsibility of the Department of Transport.

**Livery**

Branding identifies the goods and services of one provider and differentiates them from others. The objectives of branding are as follows.

- To differentiate a product from competitors’ products. This makes it easy for customers to recognise products of genuine producers.
- To assist in promotion such as advertisement and publicity.
- To increase prestige and status.
- To maintain product quality in order to sell a product.
- To increase customer loyalty.
- To build customer value and benefit of the products.

Networks have the option of using branding (i.e. the colour of its vehicles affiliated to their network) in each region in the NT. When a network applies to government for a specific livery (or branding) or already has approval, it is recommended that only one colour shade is approved. This means all vehicles belonging to a network are to have exactly the same livery. If a network has approval for all vehicles to be the colour green, for example, only one shade of green will be approved and all vehicles must comply with the approved shade.

It is understood that this recommendation cannot be implemented immediately; instead it would occur as new vehicles enter the industry. Initial inquiries indicate to change a colour of a vehicle, both internally and externally, are in the vicinity of $5,000, but cost is reduced if there is more than one vehicle or if the network has the facilities to undertake the work in-house.

Use of only one colour shade for each network will assist with brand recognition. The approved colour for all taxis in the NT is white. Alternative colour approvals include the following.

- Darwin  Blue  The Blue Taxi Company
- Silver  Darwin Radio Taxis
- Katherine  Silver  Katherine Taxis

**15 Business Marketing Insurance**

Recommendation 3.4.2
Amend the In-Service Maintenance Standards to achieve network livery (appearance and branding) standardisation over time.

Implementation
The In-Service Maintenance Standards for the Taxi Category would require amendment.
Information Bulletins would require updating.
Networks with an approved colour, other than white, would need to advise the Department of Transport of the exact colour shade and provide a sample. This would only apply to new vehicles that enter the industry.
Networks wanting to introduce a new colour are required to write to the Department of Transport seeking approval, identifying the colour shade and providing a sample.
3.5 SAFETY

3.5.1 Introduction
To provide a best practice service to customers, operators should offer more than transport for a fee. Services should:

■ maintain the highest possible safety standards for passengers and drivers;
■ report and resolve complaints;
■ keep comprehensive management records; and
■ maintain vehicle maintenance logs.

The safety of vulnerable passengers is a key challenge in the NT, nationally and internationally. Drivers also often face unacceptable customer behaviour with attendant risks to their personal safety.

Stakeholder consultation has indicated that the maintenance of quality standards and safety in the CPV industry is a major issue and impacts on the travelling public’s perception of the industry and the industry’s ability to attract new entrants, both drivers and operators. This must to be addressed to ensure the long-term sustainability of the CPV industry in the NT.

Some operators may not always have strictly applied their internal quality standards, instead relying on the networks and government CPV inspectors to enforce standards. The authority of inspectors is limited and primarily intended to ensure safety rather than broader service quality.

3.5.2 Options for Reform

3.5.2.1 Improved In-Car Security Cameras
The Northern Territory Government mandated the introduction of in-car security camera systems in taxis and minibuses in 2011. A $3,000 grant was provided to every operator to assist with the purchase and installation of a government approved camera system. Extensive consultation was undertaken with the taxi industry, government agencies and other interested parties on the regulatory framework for the camera system. Amendments were made to taxi and minibus regulations to clarify responsibilities regarding the operational and privacy aspects involved in the use of camera systems. Amendments included:

■ making the fitting and use of security cameras in taxis mandatory in the NT;
■ ensuring only departmental approved camera systems are fitted to NT taxis and minibuses;
■ ensuring the technical specifications of camera systems are approved by the Department;
■ ensuring security camera systems fitted in taxis are operational at the time of hire;
■ placing obligations on parties involved in the operation of the taxi regarding use of the camera systems;
■ protecting the privacy of individuals and safeguarding the integrity of camera system evidence through data security measures; and
■ providing significant penalties for breaches of the legislation.

While in-car security camera systems have enhanced driver and passenger safety, further progress is required to achieve improved safety measures.

Advances in in-car security camera systems technology are fast moving and the current standards in the NT are insufficiently flexible to ensure safety standards are in line with these advancements. NT current standards require a maximum interval between recording of any two images of five seconds. It has been reported that drivers have been assaulted between the five second intervals and this has hampered investigations. It is proposed that continual recording, with improved image capture quality, become the minimum standard.

A further improvement would be the introduction of audio recording. This is supported by the NT Police who advised it would assist with investigations. Current in-car security camera systems standards do not allow the recording of audio.

As evidence of the enhanced community benefit of improving NT in-car security camera system infrastructure, in August 2014, a Perth taxi driver was sentenced to 10 years jail for sexually abusing five female wheelchair-bound passengers and raping one. Vehicle security camera recorded the offences.

In summary, new in-car security camera systems specifications should include the following features.

1. Camera systems with continuous recording for a minimum of 72 hours capture time (currently 32 hours) and capacity for event-triggered recording. Events that trigger the camera system would include the opening of a door or the activation of a duress button.

2. Cameras with audio recording capacity.

3. Improved image capture quality, taking into account the need to achieve the best results in various lighting situations. The Australian Standard provides standards for establishing operational requirements, documenting specifications, selecting equipment, installing, commissioning, using and maintaining an in-car security camera system.

As the NT Government grants for the installation of camera systems has now ceased, the cost of higher quality camera systems to industry have been carefully considered. A balance of improved safety of drivers and passengers and the cost to industry needs to be achieved.
Recommendation 3.5.1
Raise the minimum standard of security camera infrastructure on vehicles to include audio and continuous recording with improved picture quality.

Implementation
Regulations would require amendment to include detailed CCTV specifications. The implementation schedule would be determined based on industry and potential camera system supplier feedback and achieving clarity regarding for lead-in times for system development, departmental approval and production schedules.

3.5.2.2 Driver Protection Screens
A driver protection screen is a partition between a driver and passengers that reduces the chance of a driver being assaulted by a passenger. A screen must not present any hazard for the driver, or hinder the driver’s control of the vehicle, nor should it adversely affect the comfort or safety of any occupants of the vehicle.

While the NT Taxi Council has not supported the installation of driver protection screens in the past, the Department of Transport does support their installation and a number of vehicles in the NT have this feature.

This Position Paper provides an opportunity for all stakeholders to have input into the discussion about the mandatory installation of driver protection screens for all vehicle within the Taxi category. Options include the following.

1. Mandatory installation in all vehicles within the taxi category.
2. Mandatory installation on driver request.
3. Continue with the current arrangement of installing screens on a case-by-case basis (on approval from the Department).

Jurisdictional Comparison
A jurisdictional comparison regarding driver protection screen requirements is located in the appendices. The comparison found that most jurisdictions provide for driver protection screens installation on driver or operator request. In Queensland and Victoria installation is mandatory on request.

Implementation
If the consultation process endorses the installation of driver protection screens, the Department of Transport would work with industry, manufacturers and installers to implement required standards and procedures. In-service maintenance standards and regulations would require amendment. If the installation of screens is not supported the Department of Transport would continue to support any application to install a screen on a case-by-case basis.

3.5.2.3 Education Campaign
Passenger behaviours can at times be unacceptable, jeopardising the safety of drivers, other passengers and other road users. An education campaign regarding acceptable passenger behaviour, such as ‘Respect your Cabbie’, is proposed for the NT.

This campaign would inform the public about acceptable and unacceptable behaviour and highlight the consequences of behaviour that is not acceptable. In a recent alleged assault on a taxi driver, reported in the NT News on 20 May 2014, a driver was physically assaulted, and the vehicle stolen, by a person who was allegedly under the influence of alcohol.

The education campaign would be conducted using a multi-media strategy including newspaper, radio, TV, ATM, flyer, Departmental website and social media advertising.
Jurisdictional Comparison

The Taxi Council South Australia’s website advises that the Council is building on the “Give Cabbies a Fair Go” campaign of 2008 and has embarked on a new driver and passenger safety campaign. Launched in November 2013, the campaign is based on the theme of “we all just want to get home safely” and includes radio advertisements and billboard advertising. The campaign is designed to promote mutual respect between drivers and passengers, reduce violence against taxi drivers and encourage the use of taxi services. The campaign is also designed to increase awareness of on-board cameras and to emphasise the safety benefits cameras provide for both the drivers and passengers. ‘Respect your Cabbie’ campaigns have also been conducted in Victoria and Western Australia.

Recommendation 3.5.2
Conduct an annual education campaign regarding acceptable passenger behaviours such as ‘Respect your Cabbie’.

Implementation

The Department of Transport would work with industry to draft a Campaign Strategy in line with similar campaigns in other jurisdictions. The NT campaign would be conducted annually. The Strategy would be implemented once funding has been secured.
3.6 RESOURCING CPV REFORM

3.6.1 Introduction
Implementing reform can be costly, for both government and industry. Physical and human capital improvements in the CPV industry are required in order to move towards a modern, safe and innovative industry. Adequate resourcing of reform implementation is a pre-requisite for effective and sustainable reform.

3.6.2 Options for Reform

3.6.2.1 Cost and Budget Neutral Model
A viable CPV sector, that meets the needs of the travelling public, requires investment in both people and infrastructure. This section outlines an approach which would support the recommended improvements and enable investment in the industry to address safety, customer service, regulatory requirements and service quality.

A cost neutral model for the reform of regulations, future development and ongoing support of industry, could be funded through industry licence fees. Licence fees would reflect the extent of market access provided within the new licence categories.

This review provides an opportunity to direct a proportion of licence fees revenue to fund the proposed reforms. Once Government has received feedback on the proposed reforms, including comments about possible license fee structures, and determined a way forward, a funding option, including license fees, will be finalised.

Recommendation 3.6.1
That new licence categories provide a cost and budget neutral model for the reform of regulations and future development of the industry.

Implementation
The Department of Transport would work with the Department of Treasury and Finance to implement a cost and budget neutral model for the reform of regulations and future development of industry.

Regulations will require amendment as CVL fees may change. To achieve consistency with government processes, CVL fees will need to be converted to revenue units.

The computer system (MOVERS) will require system changes to accommodate the new categories and CVL fees. Policies, guidelines and Information Bulletins will need to be updated or created to reflect the changes.

3.6.2.2 Taxi Fare Review Process
The Department of Transport completes a taxi fare review using the ‘basket of costs’ model. This model, which has been in use since the 1990s, takes into account the costs incurred in operating a taxi with all identifiable costs included for consideration. The model does not consider income in the calculation. The model recognises changes in fixed and variable costs of operating a taxi in the NT. Petrol, driver salary, maintenance labour, vehicle parts and panels, cleaning and tyres are considered as variable costs. Vehicle lease costs, insurance, government charges, network fees, plate lease fees and establishment costs are considered fixed costs.

Table 8 provides a jurisdictional comparison of taxi fares as at June 2014. Darwin is currently the cheapest taxi fare over a 10 kilometre trip in Australia.
### Table 8 - Jurisdictional Comparison of Taxi Fares as at June 2014

<table>
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<tr>
<th>Region</th>
<th>Booking Fee</th>
<th>Flagfall</th>
<th>Kilometre Rate</th>
<th>10 km Fare (Tariff 1)</th>
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<td></td>
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<td>Nil</td>
<td>$4.85</td>
<td>$4.85</td>
<td>$1.99</td>
</tr>
<tr>
<td>Darwin</td>
<td>Nil</td>
<td>$4.20</td>
<td>$5.00</td>
<td>$1.49</td>
</tr>
<tr>
<td>Average</td>
<td>$1.85</td>
<td>$3.69</td>
<td>$4.91</td>
<td>$1.82</td>
</tr>
</tbody>
</table>

---

*This data is based on flagfall and travel time only and does not take into account any additional costs such as waiting stationary travel time which is more relevant to cities with higher traffic volumes.*
While other jurisdictions have undertaken considerable investigation into the costs of providing a taxi service, the most recent review was undertaken by the Victorian Essential Services Commission (ESC) in March 2014. The ESC identified key operational cost components which included fixed and variable costs. Figure 8 describes the ESC’s operational costs.

Both the current NT and Victorian review processes are complex, time consuming and expensive and require significant buy-in from taxi operators to provide detailed costing information.

The Australian Consumer Price Index (CPI) is an important economic indicator. It provides a general measure of changes in prices of consumer goods and services purchased by Australian households. CPI figures are produced by the Australian Bureau of Statistics (ABS) for each quarter and are compiled according to international standards based on robust data collection and compilation methodology.

The CPI measures changes in the price of a ‘basket of goods’ and services which account for a high proportion of expenditure by metropolitan households. This ‘basket’ covers a wide range of goods and services categorised within the following groups.

- Food and non-alcoholic beverages
- Alcohol and tobacco
- Clothing and footwear
- Housing
- Furnishings, household equipment and services
- Health
- Transport
- Communication
- Recreation and culture
- Education
- Insurance and financial services.

The CPI Transport category is made up of two separate sub groups; Urban Transport Fares and Private Motoring. The Private Motoring sub group includes expenditure of motor vehicles; spare parts and accessories for motor vehicles; automotive fuel; maintenance and repair of motor vehicles; other services in respect of motor vehicles.

Graph 21 demonstrates the movements of both the general CPI and the Transport CPI from 2000 to 2013. As illustrated, the Transport CPI is volatile whereas the general CPI is reasonably consistent over time.
A detailed comparison of the impact of a fare review process, using both the CPI and the BoC, is provided in the appendices. This comparison demonstrates little significant difference in fare review outcomes.

As a result use of the less complex and resource-intensive CPI is recommended. The CPI is a transparent and credible indicator informed by ABS data. It is proposed that taxi fares be reviewed every two years.

**Recommendation 3.6.2**
Adopt a new NT fare setting methodology based on the Australian Consumer Price Index.

**Recommendation 3.6.3**
Review taxi fares every two years allowing more timely consideration of any cost movement.

**Implementation**

The Department would work with the NT Taxi Council to decide on the timing of the CPI-based fare review process.

Tariff stickers and taximeters would require updating and reprogramming to reflect the changes in fares.

3.6.2.3 Prepayment of Taxi Fares

Fare evasion is a consistent problem in the NT. Drivers do have the right to refuse a fare if the passenger is unable to demonstrate an ability to pay. This right of refusal is not effective and fare evasions occur frequently.

Industry representatives suggest that prepayment of taxi fares may address this issue.

If fare prepayment was introduced, the taxi driver would estimate the fare at the start of the trip using an authorised fare schedule. The prepayment would be considered a deposit on the fare.

The taximeter would then log the journey as currently occurs. Should the fare be more than the prepaid deposit the passenger would pay the balance to the driver at the destination. If the fare was less than the deposit, the driver would refund the difference to the passenger.

Drivers will have the right to refuse a fare if the passenger does not have the money or cannot demonstrate that they can pay for the trip.

This process could lead to conflict between drivers and passengers, particularly late at night or early in the morning. Mandatory prepayment may reduce the likelihood of conflict as passengers would understand that prepayment was not the choice of the driver.

While there is no quantitative data available there is strong anecdotal evidence that the incidence of violence, unacceptable behaviour and fare evasion occur in peak taxi usage times (see 3.1.1.1).

Key issues to consider in the prepayment debate include the following.

- Prepayment may reduce, but not eliminate, fare evasion and increase income that has been earned by drivers.
- Prepayment requirements may incite unacceptable passenger behaviour and increase risk to drivers.
- Peak taxi service usage includes those periods when passengers are more likely to be affected by alcohol or drugs.
- Public education regarding prepayment would need to be continuous and resourced effectively.
- Prepayment requirements could be structured to exclude specific ranks or locations (e.g. airports).
- Implementation of prepayments would result in additional calculations and additional transactions between passenger and driver would be required.
- Prepayment is payment for a service not yet received.
- Prepayment could be seen to be establishing a relationship between driver and passenger characterised by a lack of trust. This could be in contradiction to a customer-focused industry direction and the intention of a public education campaign aiming to achieve mutual respect.

Options for further investigation include the following.

- Option 1 - All trips are prepaid between 10 pm and 5 am, excluding airport pickups.
- Option 2 - All trips from identified taxi ranks are prepaid between 10 pm and 5 am on Thursday, Friday and Saturday nights.
- Option 3 - All trips from identified taxi ranks will be prepaid between 10 pm and 5 am.
- Option 4 - A combination of Options 1, 2 and 3.

**Jurisdictional Comparison**

Table 9 provides an overview of the prepayment of taxi fares across Australia. All jurisdictions allow prepayment of taxi fares. The only jurisdiction that has mandated prepayment, during a particular timeframe, is Victoria.
Table 9 - Jurisdictional Comparison of Prepaid Taxi Fares at as September 2014

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Capital Territory</td>
<td>Yes. The Regulations allows for a driver to request a fare deposit before accepting a hiring, if the driver believes on reasonable grounds that the person may not be able to, or will not, pay the estimated fare for the hiring.</td>
</tr>
<tr>
<td>New South Wales</td>
<td>Yes. The NSW Government has introduced pre-paid taxi fares to the nine secure taxi ranks in the Sydney CBD Entertainment Precinct as a part of the CBD Plan of Management. Taxi drivers may request that passengers pre-pay their taxi fares for journeys starting at the nine Sydney CBD secure taxi ranks between 9 pm and 6 am on Friday and Saturday nights and other nights publicised from time to time, such as Christmas or New Year.</td>
</tr>
<tr>
<td>Queensland</td>
<td>Yes. Pre-payment of taxi fares is not mandatory but Regulations enables a driver to request the estimated fare or an agreed amount for the hiring as a deposit before the journey begins if the driver believes that they will not be able to obtain the fare at the destination.</td>
</tr>
<tr>
<td>South Australia</td>
<td>Yes. Not mandatory but driver can request estimated fare in advance. If person refuses driver can refuse the fare.</td>
</tr>
<tr>
<td>Tasmania</td>
<td>Yes. Taxi Industry Regulations state that before accepting any hiring, a driver may request payment of a deposit that does not exceed the expected cost of the hiring. The driver does not have to provide a reason for requesting a deposit. One of the grounds on which a driver may refuse a hiring from a taxi rank is if they had reasonable grounds for believing that the intending hirer would not be able to pay for the hiring.</td>
</tr>
<tr>
<td>Victoria</td>
<td>Yes. Prepaid fares are supported by taxi regulations. Taxi fares must be prepaid for all trips between 10 pm and 5 am with prominent signage (external) alerts passengers about the requirement to prepay fares.</td>
</tr>
<tr>
<td>Western Australia</td>
<td>Yes. Taxi Regulations allows prior to accepting a hiring, a driver may require a hirer to pay a deposit equal to the anticipated fare as estimated by the driver. A driver can refuse a fare if the prospective passenger refuses to pay a deposit.</td>
</tr>
</tbody>
</table>

Recommendation 3.6.4
Investigate prepayment of taxi fares.

Implementation
If prepayment of taxi fares were approved, legislation would require amendment.

A public education campaign, marketing materials regarding estimated fares to different locations and decals on taxis would be required to assist with informing the travelling public.

An online fare estimator, as well as a ‘ready reckoner’, would need to be created and made available on the Department’s website.
3.7 INDUSTRY ENGAGEMENT

3.7.1 Introduction

3.7.1.1 CPV Board

The CPV Board was established under The Commercial Passenger (Road) Transport Act and was tasked to:

- provide advice at the strategic level to the Minister on CPV matters (other than motor omnibuses, tourist vehicles and special passenger vehicles) that focused on:
  - positioning the industry for the future;
  - industry and consumer service policy; and
  - regulatory policy settings;
- provide advice which is based on sound information, legislation and reasoned policy argument;
- liaise with industry and consumers as necessary to remain informed on CPV issues; and
- act as a sounding board for the Minister and Department on CPV policy options or proposals.

Despite the efforts of CPV Board members, the structure of the industry makes the task of providing a single and effective link between government, industry and passengers extremely difficult. The CPV Board had struggled to establish credibility with all stakeholders and had not met since April 2012 and has been disbanded. The NT Taxi Council, as a parallel body representing a sub sector, is considered to have greater influence due to its specific advocacy role. In spite of these structural challenges the NT Government is committed to working in collaboration with the industry.

3.7.1.2 Industry Forums

The Department of Transport has established three regional working groups to address the need to engage with industry in facilitating ongoing improvements to the delivery of CPV services. While the main focus of these groups is the operational needs of transport users and operators, outcomes from these groups provide valuable input into the policy making process. The three working groups have been established under The Commercial Passenger (Road) Transport Act and the Department provides ongoing secretariat support.

The regional structures assist industry groups in coordinating the CPV transport task in Darwin and the central and southern regions of the NT. Industry groups also assist with identifying potential areas for industry promotion and provide a regional focus for the shaping of future policy and legislative change. Detail of the membership of these groups is provided in the appendices.

3.7.1.3 Consultation Group

NT Taxi Council and the Department of Transport

The Department meets frequently with the NT Taxi Council executive. The scope of this Consultation Group considers operational issues including the following.

- Improving overall service delivery
- Routine operational issues
- Infrastructure and asset issues
- Operational and policy initiatives.

The Consultation Group can establish specific project teams to investigate and report on particular issues. Project teams are be of a limited duration and are guided by the Consultation Group.

Membership of the Consultation Group includes the following.

**Department of Transport**

- Chair - Director, Passenger Transport;
- Executive Director, Transport Planning, Policy and Reform;
- Manager, Commercial Passenger Vehicles;
- Senior Compliance Officer, Commercial Passenger Vehicles; and
- Director, Motor Vehicle Registry.

**NT Taxi Council**

- President of the NT Taxi Council; and
- NT Taxi Council Executive Officer.

3.7.2 Options for Reform

Engaging with industry through the appointment of a single body is difficult given the segmentation of the industry and competing interests. While other industries usually have a single liaison body, the CPV industry throughout Australia is represented by a number of organisations in liaison with government.

As the CPV Board has not played a significant role in the industry for over two years, it is proposed to amend legislation to remove the statutory requirement
for a CPV Board. Government will continue to work with the industry to build on current, and to establish new, relationships. There is no doubt that a cooperative mechanism to facilitate communication between industry, passengers and government is essential. The role of this mechanism should be both strategic and advisory. New and existing working groups could include representatives of the following:

- Taxi and taxi bus operators
- Network service providers
- Bus operators
- Private Hire operators
- Chartered vehicle operators
- Drivers (of all licence types)
- Passengers
- Disability organisations
- Councils
- Tourism industry
- Department of Transport

It may be useful to identify peak bodies for each sector. These would have a local focus, resolving local or immediate issues and representing the industry in dealings with government (Territory and local), community organisations and businesses. These organisations would be recognised by the Department of Transport and would be invited to provide advice to the Department of Transport and the Minister for Transport.

Recommendation 3.7.1
Remove the statutory requirement for a CPV Board.

Recommendation 3.7.2
Develop a CPV Consultation Strategy including:
- consolidate Government industry liaison through the industry forums in Darwin and Alice Springs and expand into other markets as required; and
- Department of Transport to meet quarterly with peak industry bodies.

Implementation
Removal of the statutory requirement for a CPV Board would require amendment to the Commercial Passenger (Road) Transport Act.

The Department of Transport would work with industry and key stakeholders to develop and implement a CPV Consultation Strategy.

Established industry forums will continue to operate and will expand as required to provide whole-of-Territory coverage.

Quarterly meetings between peak industry bodies and the Department of Transport would continue. Any new peak industry bodies will also meet with the Department of Transport quarterly.

Government will continue to work with the industry to build on current, and to establish new, relationships.
4. NEXT STEPS

Comments on the proposed regulatory reform issues set out in this Position Paper are invited from all participants in the commercial passenger vehicle industry, the community and interested stakeholders.

Feedback on the proposals outlined in this Position Paper will be considered in detail prior to final recommendations being presented to Government.

Informed contributions will assist in determining the most effective and sustainable way forward for this important service industry.

The consultation phase will be from 20 November 2014 to 25 January 2015.

Comments can be sent to:

**E-mail:** cpv.reform@nt.gov.au

**Post:**
Reform Manager
Commercial Passenger Vehicles
GPO Box 2520
DARWIN NT 0801

**Fax:** 08 8924 7585

**Survey:** https://www.surveymonkey.com/s/CPV_Review

**Website:** www.transport.nt.gov.au/taxi

Closing date for comments is 25 January 2015.
## 5. APPENDICES

### 5.1 Jurisdictional Comparisons

**Table 10 - Jurisdictional Comparison on Issuing of Standard Taxi Licences as at May 2014**

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Response</th>
</tr>
</thead>
</table>
| Australian Capital Territory | The Minister determines the number of taxi licences to be issued. Licences are issued by Ballot. Of note the ACT is in the process of amending regulations to remove the requirement to hold a ballot to release licences and establish a register of accredited operators to offer surplus / surrendered licences to as they become available. Standard licences are either owned in perpetuity or leased from Government:  
- Perpetual licences - owned by a private entity and are sold in the market.  
- Transferable government licences - can be transferred unlimited times. These licences are leased from Government and are issued by ballot.  
- Non-transferable government licences - cannot be transferred under any circumstance but can be surrendered and re-issued through a ballot system. |
| New South Wales   | Government must determine, before 31 March in each year, the number of annual licences to be issued for taxi-cabs during the year commencing on the following 1 July.  
In making a determination, Government is to have regard to the following matters:  
a) likely passenger demand and latent demand for taxi-cab services;  
b) the performance of existing taxi-cab services;  
c) the demand for new taxi-cab licences;  
d) the viability and sustainability of the taxi-cab industry;  
e) any other matters Government considers relevant, having regard to the objective of ensuring improved taxi-cab services.  
An annual licence must not be renewed more than nine times (i.e. 10 year licence) but can apply for a new annual licence before or after the 10 year period. |
| Queensland        | Government issues 'Taxi Service Licences' through public tender, when they become available. They are issued for a specific Taxi Service Area. The number of Taxi Service Licences within each area is fixed.  
In fixing the number of taxi service licences for a taxi service area, the chief executive must:  
a) ensure there are enough taxi service licences for the area to meet public demand; and  
b) take into account:  
(i) the views of users of taxi services in the area; and  
(ii) recent changes in travel patterns in the area; and  
(iii) the types of taxi services available in the area; and  
(iv) the performance of the existing taxi fleet in the area; and  
(v) the productivity of the fleet. |
| South Australia  | Government issues licences for sale by public tender. The tender process (taxi licence allocation process). There is no minimum value for tenders.  
A maximum of 50 licences for Adelaide Metropolitan region can be released in a 12 month period.  
Government determines the number of licences to be released based on demand and may consider a range of factors including population, economic indicators, taxi complaints, etc.  
In 2011, the Taxi Council engaged Professor Des Nicholls to develop a methodology for determining licence releases. The indicators recommended by Professor Des Nicholls, through the Taxi Council SA, are:  
- Adelaide population size.  
- State final demand for financial year that licences may be released (economic indicator).  
- Adelaide Airport pickups (or annual passenger numbers).  
- Percentage pickups within 15 minutes.  
- Percentage pickups between 15 and 30 minutes. |
### Jurisdiction Response

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Australia</td>
<td>Total jobs - bookings and pickups <em>(Note: this is an alternative measure to meter activations recommended by Professor Nicholls).</em> Consideration will also be given to additional indicators of complaints, licence sale and lease information, and licence payments and other factors as required.</td>
</tr>
<tr>
<td>Tasmania</td>
<td>Licences made available by Government each year and are non-assignable owner-operator licences. Licences are available via a tender process and the sale price must be greater than a pre-determined reserve price. A reserve price for each taxi area is specified in legislation. The number of licences made available in each taxi area is equivalent to 5 per cent of the total number of licences (excluding Wheelchair Assessable Taxi (WAT) licences) on issue in that area, or one licence, whichever is greater. If all licences are sold in an area and the average sale price is more than double the reserve price, further licences are made available in that area. Licences do not have to be purchased. If they are not sold at tender, they remain available for sale at the reserve price until the next year’s tender is called.</td>
</tr>
<tr>
<td>Victoria</td>
<td>The licensing authority must grant a taxi licence application who nominates the Melbourne Metropolitan Zone or the Urban and Large Regional Zone, therefore removing restrictions on the number of new taxi licences issued, with the commission monitoring the impact. The licensing authority receives an application for a taxi licence that nominates the Regional Zone or the Country Zone, the licensing authority, before granting or refusing to grant the application, must have regard to the interests of existing and future users of taxi services in any particular district or districts in the Zone within which the service is proposed to be provided. The licensing authority must have regard to whether the financial viability of providers of taxi services in the relevant Zone is diminished, but only to the extent to which that diminution impacts negatively on the interests of existing and future users of taxi-cab services in that Zone and the impact is significant.</td>
</tr>
<tr>
<td>Western Australia</td>
<td>Government leases new licences instead of releasing them to the market. This aims to address availability issues and to stimulate additional competition in the industry. Government determines a number of licences to be leased each year based on a demand formula which primarily takes into account waiting times and ‘no shows’. This demand-based formula is intended to provide incentives to taxi operators / drivers to improve services via increased availability and reliability. In country towns, a percentage per population formula is used to determine as to whether extra plates are required. The two key factors to guide the decision to issue new taxi plates are population growth and service standards. The three-yearly review examines population statistics to see if there has been an increase in the population. In general terms, where there are significant increases in population, it could be expected that an additional taxi licence will be tendered. As a guide, when the population of a town has increased by more than half the population per taxi in that town at the time of the previous review, it would suggest there may be a case for the provision of additional taxi services. For example, if the taxi: population ratio in a particular town was one taxi per 1000 persons at the time of the previous review and the population of the town has increased by 500 persons, there may be a case for an additional taxi. Taxi plates shall not be issued to a tenderer if that tenderer would thereby become the owner of more than five sets of taxi plates, either solely or in partnership with another person. Before granting or refusing a licence for a commercial goods vehicle, the Minister:</td>
</tr>
<tr>
<td></td>
<td>• may take into account the necessity for the service proposed to be provided and the convenience that would be afforded to the public by the provision of the proposed service; and</td>
</tr>
<tr>
<td></td>
<td>• he existing service for the carriage of goods upon the routes, or within the area, proposed to be served in relation to its present adequacy and possibilities for improvement to meet all reasonable public demands; and</td>
</tr>
<tr>
<td></td>
<td>• the effect upon the existing service of the service proposed to be provided; and</td>
</tr>
<tr>
<td></td>
<td>• the condition of the roads to be included in any proposed route or area;</td>
</tr>
<tr>
<td></td>
<td>• and the character, qualifications, and financial stability of the applicant; and</td>
</tr>
<tr>
<td></td>
<td>• the interests of persons requiring transport to be provided, and of the community generally, but shall not be obliged, in relation to any particular licence application, to take into account all of these matters; and</td>
</tr>
<tr>
<td></td>
<td>• shall take into consideration economic development and decentralisation.</td>
</tr>
</tbody>
</table>
## Table 11 - Jurisdictional Comparison on Issuing of Multiple Purpose Taxi Licences as at May 2014

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Capital Territory</td>
<td>Wheelchair Assessable Taxi (WAT) licences are non-transferable leased government leased licences and are released based on the same formula as standard taxi licences.</td>
</tr>
<tr>
<td>New South Wales</td>
<td>Must clearly demonstrate how they will operate a WAT in a way that gives preference to transporting people confined to a wheelchair.</td>
</tr>
<tr>
<td></td>
<td>A WAT licence is issued for a period of up to 12 months and the operator can reapply every 12 months, and the amount of wheelchair taxi jobs that was undertaken is considered in determining whether a licence should be reissued.</td>
</tr>
<tr>
<td></td>
<td>If an operator or driver of a WAT fails to give preference to wheelchair jobs or fail to comply with the licence conditions or requirements of the Passenger Transport Regulation, 2007, the regulator will take action to either cancel, suspend, vary or show cause on the WAT licence, and may take action.</td>
</tr>
<tr>
<td></td>
<td>Applicants will need to provide details of: a) the vehicle proposed to use as a WAT, b) details of at least two WAT endorsed drivers who will be driving the vehicle, c) the proposed budget and/or business plan.</td>
</tr>
<tr>
<td>Queensland</td>
<td>Released by public tender.</td>
</tr>
<tr>
<td></td>
<td>No cap on licences issued but there is a mechanism which sets the number of licences in a particular service area.</td>
</tr>
<tr>
<td></td>
<td>A taxi licence review model is used to determine the optimum number and mix of licences to meet demand for WATs.</td>
</tr>
<tr>
<td></td>
<td>The model looks at several factors: increases in population, performance of current fleet against prescribed response times, complaints and surveys local business and customers about taxi performance.</td>
</tr>
<tr>
<td></td>
<td>Every WAT licence is for a term of five years and perpetually renewed.</td>
</tr>
<tr>
<td>South Australia</td>
<td>Same method as general licences for release of licences.</td>
</tr>
<tr>
<td></td>
<td>Consideration is given to disability population growth, WAT booking data and jobs per WAT vehicle per day, response time comparisons with general taxis, complaints and South Australian Taxi Subsidy Scheme data.</td>
</tr>
<tr>
<td></td>
<td>Note: WAT licences are included in the maximum number which can be released.</td>
</tr>
<tr>
<td>Tasmania</td>
<td>Available on application, provided that the applicant is an accredited taxi operator and presents a fully compliant vehicle. Apart from taxi areas classified as 'remote', the new WAT licence must be assigned to a new vehicle (i.e. a vehicle that is less than 12 months old and has no more than 1000 km on the odometer).</td>
</tr>
<tr>
<td>Victoria</td>
<td>As per conventional / standard licences.</td>
</tr>
<tr>
<td></td>
<td>Regional WAT licences are issued when demand warrants.</td>
</tr>
<tr>
<td>Western Australia</td>
<td>Same method as standard licences.</td>
</tr>
<tr>
<td></td>
<td>The Director General may impose conditions on the operation of an Multiple Purpose Taxi (MPT) in relation to the minimum number of occasions each month on which the taxi is to be hired for the transport of persons who use wheelchairs.</td>
</tr>
</tbody>
</table>
### Table 12 - Jurisdictional Comparison for New and Existing Operators in the Taxi Industry as at May 2014

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jurisdiction</td>
<td>Response</td>
</tr>
<tr>
<td>--------------</td>
<td>----------</td>
</tr>
</tbody>
</table>
| Tasmania     | • Is a fit and proper person to operate the service; and  
• implements, as far as reasonably practicable, appropriate safety, security and related systems for the service; and  
• has the requisite competence and capacity to manage the safety, security and related risks associated with operating the service; and  
• is held accountable for any deficiencies in the safety, security or related performance of the service.  
Fit and proper assessment includes conviction for a serious offence, a history of non-compliance regarding accreditation and/or taxi legislation and specified offences leading to driving disqualification.  
Applicants must demonstrate compliance with the Accreditation Standards that are specified in the Operator Accreditation Manual.  
Conditions may be placed on accreditation pertaining to developing and maintaining an approved safety and security management plan for the service; undergoing approved audit; vehicles undergoing approved inspections; and record-keeping and the provision of approved returns or reports on any matter relevant to the safety, security and related performance of the service.  
Accreditation is not transferrable. |
| Victoria     | • Fit and proper;  
• has sound knowledge of the activities in respect of which accreditation is sought;  
• financial capacity to meet the business and service standards;  
• is not bankrupt; and  
• the vehicle is maintained in a fit and serviceable condition. |
| Western Australia | To obtain a taxi lease the applicant is selected on the basis of merit by:  
a) the extent of an applicant’s experience as a taxi driver; and  
b) any conviction of an applicant of an offence under the State’s Act or an Act of another State or a Territory corresponding to either of those Acts; and  
c) any infringement notice given to an applicant (and not later withdrawn) under the State’s Act or an Act of another State or a Territory corresponding to this Act; and  
d) any other matter relating to an applicant’s character or experience that is relevant to the operation of a taxi. |
### Table 13 - Jurisdictional Comparison for Operating Training Requirements as at May 2014

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Capital Territory</td>
<td>Educational qualifications only required for accredited bus operators who operate five or more buses.</td>
</tr>
<tr>
<td>New South Wales</td>
<td>Must, whenever reasonably required to do so by Government, undertake and satisfactorily complete (or pass an examination in respect of) such course, or refresher course, relating to the operation of the relevant service as is approved by Government and conducted by a registered training organisation, or a higher education institution approved by Government.</td>
</tr>
<tr>
<td>Queensland</td>
<td>To obtain full accreditation, operators of general services must have one of the following qualifications:</td>
</tr>
<tr>
<td></td>
<td>a) A Statement of Attainment from an Registered Training Organisation for the following competencies from the Transport and Distribution (Road Transport) Training Package:</td>
</tr>
<tr>
<td></td>
<td>• implement and monitor occupational health and safety procedures;</td>
</tr>
<tr>
<td></td>
<td>• apply quality procedures; and</td>
</tr>
<tr>
<td></td>
<td>• coordinate fleet control logistics.</td>
</tr>
<tr>
<td></td>
<td>b) A Certificate of Transport Management or an equivalent university qualification.</td>
</tr>
<tr>
<td></td>
<td>c) Successful completion of the Operator Accreditation Workbook included in the Operator Accreditation Training Certification Package.</td>
</tr>
<tr>
<td>South Australia</td>
<td>If required by the Minister, a condition that the accredited person has successfully completed a course recognised by the Minister.</td>
</tr>
<tr>
<td>Tasmania</td>
<td>Nil.</td>
</tr>
<tr>
<td>Victoria</td>
<td>Requirement has been removed.</td>
</tr>
<tr>
<td>Western Australia</td>
<td>None for omnibuses. Taxi driver training includes the ‘Drive Taxi-cab’ national unit of competency; the other seven units of competency reflect the national standard for taxi drivers. WA imposes additional training requirements on Multiple Purpose Taxi (MPT) drivers.</td>
</tr>
<tr>
<td>Jurisdiction</td>
<td>Response</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>ACT requires Public Liability Insurance (for accreditation) and at a minimum, compulsory third party (for registration of their vehicle). Comprehensive is optional.</td>
</tr>
<tr>
<td>New South Wales</td>
<td>NSW do not require public liability insurance. Their regulation states:</td>
</tr>
<tr>
<td></td>
<td>1. The operator of a taxi-cab must maintain insurance policies, and provide evidence of their currency.</td>
</tr>
<tr>
<td></td>
<td>2. The operator must maintain one or more policies that indemnify the driver for the time being of a taxi-cab in relation to any damage (including any excess payable on a claim) arising out of the use of the taxi-cab.</td>
</tr>
<tr>
<td></td>
<td>3. The policies must be maintained with a corporation authorised under the Insurance Act 1973 of the Commonwealth to carry on insurance business.</td>
</tr>
<tr>
<td></td>
<td>4. The operator must provide an authorised officer, on request, with evidence that the policies are current.</td>
</tr>
<tr>
<td></td>
<td>5. The operator must ensure that evidence that the policies are current is carried in the taxi-cab at all times.</td>
</tr>
<tr>
<td></td>
<td>The Passenger Transport Act 1990 states that the insurance cover needs to be, in the opinion of RMS, sufficient for the taxi.</td>
</tr>
<tr>
<td></td>
<td>Transport for NSW is remaking the regulation as part of a review of passenger transport legislation.</td>
</tr>
<tr>
<td>Queensland</td>
<td>Queensland do not require operators to have insurance, but they do require bailment agreements to include certain information about insurance including whether or not the operator has obtained personal injury insurance for the driver and whether they agree to maintain it for the duration of the bailment agreement, the expiry date of the insurance and whether the driver must contribute to the cost of the premium for any insurances and if so, the amount or percent to be contributed.</td>
</tr>
<tr>
<td></td>
<td>This is to create awareness for the driver of what they are and are not covered for so in the event that the operator is not providing any insurance, they can choose to seek that protection independently.</td>
</tr>
<tr>
<td></td>
<td>While not relevant to Queensland’s taxi operators, it is a contractual requirement that taxi booking companies have public liability insurance of $20 million per incident.</td>
</tr>
<tr>
<td>South Australia</td>
<td>In Adelaide all metropolitan taxis must have Public Liability Insurance, comprehensive and third party is optional.</td>
</tr>
<tr>
<td>Tasmania</td>
<td>Comprehensive and third party property insurance is not required in Tasmania.</td>
</tr>
<tr>
<td>Victoria</td>
<td>From 30 September 2014 and as part of implied conditions for Driver Agreements, a taxi operator must hold an insurance policy, in the operator’s own name, with an insurer regulated by the Commonwealth Government (a corporation authorised under the Insurance Act 1973 (Cth) to carry on an insurance business), covering the driver against liability for third party property damage caused through the driver’s use of the taxi. The operator must pay any applicable excess on the policy.</td>
</tr>
<tr>
<td></td>
<td>The implied conditions apply even if the conditions are not included in a written agreement between the operator and driver.</td>
</tr>
<tr>
<td></td>
<td>The implied conditions are supported by legislation.</td>
</tr>
<tr>
<td>Western Australia</td>
<td>$5 million (minimum) against liability in respect to the use of the taxi for personal injury and property damage including loading or unloading and goods falling from the taxi; and $5 million (minimum) public liability cover.</td>
</tr>
<tr>
<td></td>
<td>In addition all taxis are required to have the statutory third party insurance which is included as part of the vehicle licensing fee. The requirement for comprehensive insurance was removed a couple of years ago.</td>
</tr>
</tbody>
</table>
### Table 15 - Jurisdictional Comparison on Driver Protection Screens as at May 2014

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Capital Territory</td>
<td>No requirement, however if an operator wants to install one in their vehicle they are able.</td>
</tr>
<tr>
<td>New South Wales</td>
<td>Yes, but not mandatory. Fewer than 10 vehicles are currently fitted.</td>
</tr>
<tr>
<td>Queensland</td>
<td>The policy position requires operators to fit them by an approved fitter if a written request is provided by a driver. Currently unaware of any Queensland taxis fitted with security screens.</td>
</tr>
<tr>
<td>South Australia</td>
<td>No requirement, however if an operator wants to install one in their vehicle they are able.</td>
</tr>
<tr>
<td>Tasmania</td>
<td>No requirement.</td>
</tr>
<tr>
<td>Victoria</td>
<td>Yes. Metropolitan and outer suburban taxis are subject to a licence condition that requires operators to purchase and make available driver protection screens and fit them on request of a driver.</td>
</tr>
<tr>
<td>Western Australia</td>
<td>Yes, but not mandatory. Metropolitan Taxi Vehicle Standards allow for Department of Transport approved Taxi Driver Protection screens to be fitted as optional equipment. They must comply with relevant Australian Design rules.</td>
</tr>
</tbody>
</table>
5.2 Regional Industry Group Membership

- Central Australian Commercial Passenger Vehicle Advisory Committee

Members of the Advisory Committee include:
- private hire, taxi, minibus and tourist vehicle industry representatives;
- Eagle Training (registered training organisation);
- Tangentyere Council;
- Alice Springs Town Council;
- Tourism Central Australia;
- Australian Hotels Association NT;
- Disability Advisory Services; and
- Department of Transport including a representative from the Motor Vehicle Registry.

- Darwin Commercial Passenger Vehicle Forum

Members of the Forum include:
- motor omnibus, private hire, limousine, taxi and minibus industry representatives;
- City of Darwin;
- Tourism Top End;
- Australian Hotels Association NT; and
- Department of Transport.

- Multiple Purpose Taxi (MPT) Services Working Group

The MPT Services Working Group was established to assist with identifying the needs of MPT users and operators, and to provide sound advice for improvements to the MPT services.

Members of the Working Group include:
- Integrated Disability Action Inc;
- Sommerville Community Services;
- taxi industry representatives;
- retired MPT operator;
- retired MPT driver;
- IS Australia (registered training organisation);
- City of Darwin; and
- Department of Transport.

5.3 Taxi Fare Review Process

Comparing the current NT Basket of Costs (BoC) against CPI movements from 2003 to 2012 demonstrates that there are minimal differences in the outcomes. Graph 22 compares a 10 kilometre taxi trip in Darwin using the BoC, CPI and Transport CPI measures. Over the period 2004 to 2013 the average 10 kilometre trip cost based on CPI is $17.26 and on BoC is $17.46, being only a 20 cent difference for a 10 kilometre trip. As the Transport CPI is volatile, the 10 kilometre average is $16.37, a difference of 89 cents per 10 kilometre trip compared to CPI. Further, Transport CPI is continually less than both BoC and CPI over the 10 year timeframe.

Graph 22 - Comparison of a 10 Kilometre Taxi Fare in Darwin from 2003 to 2013

Overall, there is no significant difference in fare review outcomes when calculated using the BoC or CPI. The BoC is a complex methodology that basically reflects the CPI movements.
### 5.4 Glossary

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
</table>
| **Accreditation** | To require the operator of a commercial passenger vehicle to be accredited, where accreditation indicates:  
(a) that the accredited person is (or, in the case of an accredited body corporate, the designated directors and managers of the body corporate are) considered to be of good repute and in all other respects fit and proper to be responsible for the operation of a commercial passenger vehicle; and  
(b) that the accredited person has demonstrated the capacity to meet the required standards of safety of passengers and the public to the degree and in the manner required in respect of the operations and in accordance with the conditions specified in the person’s accreditation. |
| **ASQA** | Australian Skills Quality Authority. |
| **ATIA** | Australian Taxi Industry Association. |
| **Australian Skills Quality Authority** | Is the national regulator for Australia’s vocational education and training sector. ASQA regulates courses and training providers to ensure nationally approved quality standards are met. |
| **Australian Standard AS 4806.2** | An Australian standard for establishing operational requirements, writing specifications, selecting equipment, installing, commissioning, using and maintaining a CCTV system. |
| **Australian Standard AS ISO 10002-2006** | An Australian standard on customer satisfaction and provides guidelines for complaints handling in organisations. |
| **Australian Taxi Industry Association** | The ATIA provides a voice articulating the Australian taxi industry’s position and working with the Federal Government and its agencies to find workable solutions to legislative, regulatory and policy matters. |
| **Bus** | Means a Motor Omnibus which is an approved motor vehicle fitted, equipped and constructed in accordance with the Australian Design Rules, or other standards as the Director determines, to carry more than eight passengers and used to carry passengers for hire or reward. |
| **CCTV** | Closed Circuit Television. |
| **Closed Circuit Television** | Is the use of video cameras to transmit a signal to a specific place, on a limited set of monitors (security camera system). |
| **Code of Conduct** | A set of guidelines designed to set minimum industry protocol and standards of customer service. |
| **Commercial Passenger (Road) Transport Act** | An Act to regulate the carrying of passenger in motor vehicles for hire or rewards, and for related purposes. |
| **Commercial Passenger Vehicle** | Means a taxi, private hire car, limousine, special function vehicle, minibus, courtesy vehicle, motor omnibus, tourist vehicle or special passenger vehicle. To carry passengers for hire or reward includes any case where the operator or driver of a motor vehicle used:  
(a) offers the carriage as an inducement in respect of an agreement for the provision of other services or goods; or  
(b) receives consideration for an arrangement whereby the carriage is affected or to which the carriage is related. |
| **Commercial Passenger Vehicle Board** | The functions of the CPV Board are:  
(a) to provide advice to the Minister on all matters relating to commercial passenger vehicles (other than motor omnibuses, tourist vehicles and special passenger vehicles); and  
(b) any other functions conferred on the Board in writing by the Minister. |
| **Commercial Vehicle Licence** | A licence for the holder to operate a vehicle as a commercial passenger vehicle for hire or reward in the Northern Territory. |
| **Co-regulation** | Co-regulation between government and industry develops strong partnerships by sharing responsibilities achieving a focus on performance and improve accountability. Co-regulation can provide a flexible way of maintaining relevant and enforceable best practice standards within a changing environment; it provides incentives for industry commitment of resources and potentially enables achievement of reform more quickly than through legislative processes. This can be achieved through a consultative approach and mutual cooperation between industry and government. |
| **Courtesy Vehicle** | Means an approved motor vehicle (not being a motor vehicle operated as a taxi, private hire car, limousine, special function vehicle, minibus, motor omnibus, tourist vehicle or special passenger vehicle) used, with the services of a driver, to carry passengers for hire or reward where the carriage:
(a) is offered as an inducement in respect of an agreement for the provision of accommodation or activities for recreation or pleasure; and
(b) is provided to passengers without payment of a fare. |
| **CP(R)T Act** | Commercial Passenger (Road) Transport Act. |
| **CPV** | Commercial Passenger Vehicle. |
| **CPV Board** | Commercial Passenger Vehicle Board. |
| **CPV Inspector** | An NT Government employee who is responsible for providing advice to staff, the public and industry on matters relating to the operation of commercial passenger vehicles in the Northern Territory, and ensuring that commercial passenger vehicles operate in a safe and reliable condition in compliance with legislative requirements. |
| **CVL** | Commercial Vehicle Licence. |
| **DDA** | Disability Discrimination Act. |
| **Deregulation** | The removal or reduction of regulations i.e. the removal of the taxi cap. Regulation is a rule or law designed to control or govern conduct. |
| **Disability Discrimination Act** | Provides protection for everyone in Australia against discrimination based on disability. It encourages everyone to be involved in implementing the Act and to share in the overall benefits to the community and the economy that flow from participation by the widest range of people. Disability discrimination happens when people with a disability are treated less fairly than people without a disability. Disability discrimination also occurs when people are treated less fairly because they are relatives, friends, carers, co-workers or associates of a person with a disability. |
| **Driver Protection Screen** | An approved taxi / minibus driver protection screen is constructed of suitable material and designed to primarily restrict a seated driver being attacked from behind. Examples of attack the screen should deter include being grabbed by hand; a person pulling against the driver’s seat belt; assault with a weapon or liquid; or a sharp instrument such as a knife or screwdriver being pushed through the driver’s seat back. At the same time, the screen must not present any hazard for the driver, passengers or any other road users. In this context, a screen must not hinder the driver’s control of the vehicle and not adversely impact upon the comfort and safety of vehicle occupants. |
| **EFTPOS** | Electronic Funds Transfer at Point of Sale which is an electronic payment system involving electronic funds transfers based on the use of payment cards, such as debit or credit cards, at terminals located at points of sale. |
| **Essential Services Commission** | Victoria’s independent economic regulator of essential services. The Commission has a role in undertaking reviews, investigations, assessments and approvals in relation to various transport matters, as requested by relevant Victorian Ministers under industry specific legislation. |
| **Framing the Future** | Framing the Future strategic plan sets out the Government’s policy that will underpin service delivery for all Territorians. The Framing the Future strategic plan will help Government maximise the new and evolving opportunities within the Territory, Northern Australia and with our Asian neighbours. It will also guide Government decision-making and will be a tool for Ministers and government agencies to ensure work is focused on what is important to Territorians. |
| **Hail** | To signal to a taxi or minibus that you want to be picked up. |
| **Hopper Service** | A transport service that allows passengers to hop on and hop off along the route of travel. |
| **In-Service Maintenance Standards** | Standards to provide the CPV industry with a set of guidelines determining the minimum acceptable standards for vehicles. These guidelines include, but are not limited to vehicle type, comfort requirements, aesthetic standards and vehicle technical standards. These guidelines are applicable to vehicles when being assessed for first registration and to vehicles that are already in-service. |
Lift Incentive

An eligible person who requires the wheelchair capability of a multiple purpose taxi may offer a lift incentive to the driver of the taxi.

The lift incentive may be provided in the form of:

(a) a redeemable voucher; or
(b) another means of payment approved by the Minister.

If the taxi driver accepts the offer of the lift incentive:

(a) the hiring is taken to commence only after the wheelchair, and any person in the wheelchair, have been loaded into the vehicle and made secure; and
(b) the driver must not charge for any time spent waiting:
   (i) for the hirer before loading the wheelchair; or
   (ii) in loading and unloading the wheelchair.

A taxi driver is not obliged to accept a lift incentive and may instead charge for time spent waiting for the hirer and in loading and unloading the wheelchair.

Limousine

Means an approved motor vehicle that:

(a) is fitted, equipped or constructed to carry not more than 8 passengers and is used, with the services of a driver, to carry passengers for hire or reward on pre-booked journeys at pre-arranged fares;
(b) is not fitted with a meter that either calculates or indicates the fare payable; and
(c) does not stand or ply for hire.

Livery

A livery is a uniform, insignia or symbol adorning a person, an object or a vehicle that denotes a relationship between the wearer of the livery and an individual or corporate body. Alternatively, some kind of a personal emblem or badge, or a distinctive colour, is featured.

Minibus

Means an approved motor vehicle that:

(a) is fitted, equipped or constructed to carry more than 8 passengers but not more than 15 passengers;
(b) is used to carry passengers for hire or reward, including by responding to ad hoc hailings or by pre-booked journeys, for a fare (including a pre-arranged fare) determined in accordance with a rate of hire calculated by reference to the period of time the vehicle is hired or to the distance to be travelled;
(c) is not fitted with a meter that either calculates or indicates the fare payable; and
(d) is licensed to stand and ply for hire only at a minibus rank or at an approved place.

Minimum Operating Hours

A set about of hours per week that the taxi is to operate as a minimum i.e. 100 hours per week.

Motor Omnibus

Means an approved motor vehicle fitted, equipped and constructed in accordance with the Australian Design Rules, or other standards as the Director determines, to carry more than 8 passengers and used to carry passengers for hire or reward.

Motor Vehicles Act

An Act relating to motor vehicles.

Movers

MOVERS is a database that records all Northern Territory licence, vehicle and commercial passenger vehicle information.

MPT

Multiple Purpose Taxi.

MPV

Multiple Purpose Vehicle.

Multiple Purpose Taxi

Means a standard taxi fitted to carry a passenger seated in a wheelchair and in respect of which the licence contains a condition that priority is to be given to carrying passengers in wheelchairs.

Multiple Purpose Vehicle

Means a standard vehicle fitted to carry a passenger seated in a wheelchair and in respect of which the licence contains a condition that priority is to be given to carrying passengers in wheelchairs.

MVA

Motor Vehicles Act.
| **Mystery Shopper Program** | It is a tool used externally by market research companies, watchdog organisations, or internally by companies themselves to measure quality of service, or compliance with regulation, or to gather specific information about products and services. The mystery consumer’s specific identity and purpose is generally not known by the establishment being evaluated. Mystery shoppers perform specific tasks such as purchasing a product, asking questions, registering complaints or behaving in a certain way, and then provide detailed reports or feedback about their experiences. |
| **National Competition Policy** | The term refers to a set of policies introduced in Australia in the 1990s with the aim of promoting microeconomic reform. A key principle of the program was that competitive markets will generally best serve the interests of consumers and the wider community. |
| **Network Service Provider** | A communications network for communicating with, controlling or co-ordinating commercial passenger vehicles used to carry passengers for hire or reward; or a dispatch network for accepting bookings for the use of commercial passenger vehicles for hire or reward or allocating commercial passenger vehicles for hire or reward on pre-booked journeys. |
| **NT Taxi Council** | A peak body that represents the taxi industry as a whole. |
| **Open Market** | No restriction on the amount of taxi licences being available to all eligible applicants on payment of an administrative fee. |
| **Peak Body** | An advocacy group, an association of industries or groups with allied interests. They are generally established for the purposes of developing standards and processes, or to act on behalf of all members when lobbying government or promoting the interests of the members i.e. the NT Taxi Council. |
| **Person Conducting a Business or Undertaking** | In line with the Work Health & Safety (National Uniform Legislation) Act, a person conducts a business or undertaking:  
(a) whether the person conducts the business or undertaking alone or with others; and  
(b) whether or not the business or undertaking is conducted for profit or gain.  
A business or undertaking conducted by a person includes a business or undertaking conducted by a partnership or an unincorporated association.  
If a business or undertaking is conducted by a partnership (other than an incorporated partnership), a reference in the Act to a person conducting the business or undertaking is to be read as a reference to each partner in the partnership.  
A person does not conduct a business or undertaking to the extent that the person is engaged solely as a worker in, or as an officer of, that business or undertaking.  
An elected member of a local authority does not in that capacity conduct a business or undertaking.  
The Regulations may specify the circumstances in which a person may be taken not to be a person who conducts a business or undertaking for the purposes of the Act or any provision of the Act.  
A volunteer association does not conduct a business or undertaking for the purposes of the Act. (A volunteer association means a group of volunteers working together for one or more community purposes where none of the volunteers, whether alone or jointly with any other volunteers, employs any person to carry out work for the volunteer association). |
| **Private Hire Car** | Means an approved motor vehicle that:  
(a) is fitted, equipped or constructed to carry not more than 8 passengers and used, with the services of a driver, to carry passengers for hire or reward on pre-booked journeys at pre-arranged fares determined in accordance with a rate of hire calculated by reference to the period of time the vehicle is hired or by reference to the distance to be travelled in the vehicle;  
(b) is not fitted with a meter that either calculates or indicates the fare payable; and  
(c) does not stand or ply for hire. |
| **Rail Safety Act** | An Act regulating rail safety, and for related purposes. |
| **Rank** | Means an area identified by signs as a taxi or minibus rank, where taxis and minibuses may stand or ply for hire, set aside for that purpose by a competent authority. |
**Rank Infrastructure**

Equipment and structures that may form part of a rank being but not limited to regulatory signs, line marking, totem poles, boarding and alighting areas, waiting areas, queuing rails, shelter, directional tactiles, seating, rubbish bins, CCTV and / or lighting.

**Registered Training Organisation**

A vocational education organisation that provides students with training that results in qualifications and statements of attainment that are recognised and accepted by industry and other educational institutions throughout Australia.

**Revenue Unit**

A revenue unit is a monetary amount of fee or charge. It is a reference in a law of the Territory to a fee or charge that is expressed as a number of revenue units is a reference to an amount of money equal to the amount obtained by multiplying the monetary value of a revenue unit, as calculated in accordance with section 4 of the Revenue Units Act 2009, by the number of revenue units.

**Revenue Units Act 2009**

An Act to provide for fees and charges expressed as revenue units, the indexation of the monetary value of revenue units and for related purposes.

**RTO**

Registered Training Organisation.

**Smartphone Application**

Means an approved motor vehicle (not being a motor vehicle operated as a taxi, private hire car, limousine, minibus, courtesy vehicle, motor omnibus, tourist vehicle or special passenger vehicle) that:

(a) is a distinctive or unusual make or model or has a distinctive or unusual external appearance; and

(b) is used, with the services of a driver, to carry passengers for hire or reward on pre-booked journeys for a pre-determined fee where the purpose of the journey is to transport the passengers in connection with an approved function or event or an approved class of functions or events.

**Special Function Vehicle**

Operating a CPV licence that has not been issued to him / her. This is usually by arrangement with the operator for a weekly / monthly based fixed payment, thereby, the sub-lessee retains all income from the operation after making the set payments, and after paying the driver the agreed percentage. A driver is not considered a sub-lessee where the driver has no interest in the operation other than driving. A person paid by the operator to management day to day operations for an agreed amount is not considered a sub-lessee. In these instances, the operator would still derive an income based on vehicle takings rather than a fixed weekly / monthly payment.

**Sub-leasing**

Taxi fares vary based on distance, location and time of travel. A tariff sets the price for a particular day and time of that day i.e. in Darwin on a Tuesday between 6 am to 6 pm you would be charged on Tariff 1. This is made up of a flagfall (the initial cost of ordering a taxi), the distance charged per kilometre ($1.488 / km) and any waiting time (10 cents for every 6.7 seconds).

**Tariff**

Means an approved motor vehicle fitted with an approved meter which is equipped or constructed to carry not more than:

(a) 11 passengers; or

(b) if the vehicle is exempt under section 18A – 15 passengers, and is used for the purpose of:

(a) standing or plying for hire; and

(b) carrying passengers for hire or reward, including by responding to ad hoc hailings or by pre-booked journeys, for a fare (including a pre-arranged fare) determined in accordance with a rate of hire calculated primarily by reference to distance travelled that, unless exempted by the Director in respect of particular types of hire, is indicated by the meter.

**Taxi Booking Dispatch System**

A communications network for communicating with, controlling or co-ordinating commercial passenger vehicles used to carry passengers for hire or reward; or a dispatch network for accepting bookings for the use of commercial passenger vehicles for hire or reward or allocating commercial passenger vehicles for hire or reward on pre-booked journeys.

**Taxi Cap**

An administrative restriction imposed by the Northern Territory Government on the number of taxi licences available to operate in Darwin and Alice Springs. The taxi cap is based on a 1:900 formula being one taxi per 900 people.
Taxi Subsidy Scheme

The Taxi Subsidy Scheme (TSS) provides assistance to permanent residents of the Northern Territory who have been assessed as having a disability or significant mobility restriction that prevents them from being able to use public transport to access the community. The disability may be physical, sensory, psychiatric or intellectual.

TSS is intended to assist with transport needs, not meet all transport costs, by subsidising half of a taxi fare.

TSS membership is not transferable to and/or from other States and Territories.

Current TSS members who are temporarily travelling interstate can apply for interstate vouchers. When making an application for interstate vouchers, please allow at least five working days prior to departure date.

Taximeter

A mechanical or electronic device installed in taxis that calculates passenger fares based on a combination of a flagfall, distance travelled and waiting time.

Totem Pole

An information pole that may include:

- taxi / minibus icon
- rank number and location
- all taxi and minibus networks and contact details
- locality map
- NT Police contact information
- Braille signage advising the rank location
- NT Government logo and Department of Transport website.

Tourist Vehicle

Means an approved motor vehicle (not being a motor vehicle operated as a taxi, private hire car, limousine, special function vehicle, minibus, courtesy vehicle, motor omnibus or special passenger vehicle) used for the carriage of tourists for hire or reward:

(a) pursuant to pre-arranged bookings, outside the environs of a municipality;
(b) within the environs of a municipality if that carriage is part of a tour package; or
(c) on a tour of an approved type within the environs of a municipality.

Traffic Act

An Act to regulate traffic, and for other purposes.

WAT

Wheelchair Assessable Taxi.

Wheelchair Assessable Taxi

Means a standard taxi fitted to carry a passenger seated in a wheelchair.

Work Health & Safety (National Uniform Legislation) Act

The main object of this Act is to provide for a balanced and nationally consistent framework to secure the health and safety of workers and workplaces by:

(a) protecting workers and other persons against harm to their health, safety and welfare through the elimination or minimisation of risks arising from work or from specified types of substances or plant; and
(b) providing for fair and effective workplace representation, consultation, cooperation and issue resolution in relation to work health and safety; and
(c) encouraging unions and employer organisations to take a constructive role in promoting improvements in work health and safety practices, and assisting persons conducting businesses or undertakings and workers to achieve a healthier and safer working environment; and
(d) promoting the provision of advice, information, education and training in relation to work health and safety; and
(e) securing compliance with this Act through effective and appropriate compliance and enforcement measures; and
(f) ensuring appropriate scrutiny and review of actions taken by persons exercising powers and performing functions under this Act; and
(g) providing a framework for continuous improvement and progressively higher standards of work health and safety; and
(h) maintaining and strengthening the national harmonisation of laws relating to work health and safety and to facilitate a consistent national approach to work health and safety in the Territory.
This review forms part of the Department of Transport’s Roadmap for Future Integrated Transport Planning and Investment which will provide a long term, over-arching plan for delivering transport infrastructure and services to drive economic and social growth for all Territorians.

THE HON PETER STYLES - MINISTER FOR TRANSPORT