

Commercial Passenger Vehicle Reforms

Information for Rideshare Platform Operators

Background

After an extensive period of consultation with industry and the community, the Northern Territory Government is reforming the way commercial passenger vehicles are regulated. This includes:

- making ridesharing services legal;
- reducing red tape for taxi, minibus, and private hire vehicles; and
- reducing operator licence fees, to be offset by the introduction of a \$1 per trip levy.

Prospective Rideshare Platform Managers are encouraged to have their say on the draft regulations available at: <https://dipl.nt.gov.au/transport/transport-strategies-and-plans/commercial-passenger-vehicle-reforms>.

New Opportunities in Ridesharing

Draft Ridesharing Regulations have been prepared which will provide a regulatory framework for ridesharing.

Although other Commercial Passenger Vehicle industries are generally regulated according to the distinction of driver, operator or network, that distinction does not neatly fit the business model of ridesharing, which generally involves only a driver and the platform manager. Draft Ridesharing Regulations have been prepared to facilitate that business model.

This lack of the traditional “operator” is the reason the draft regulations give rideshare platforms responsibility for reporting on and collecting the passenger services levy.

Enabling Regulations

While the draft Ridesharing Regulations provide the regulatory framework for ridesharing, the related draft Commercial Passenger Vehicle Legislation Amendment Regulations repeal and consolidate a number of commercial passenger vehicle industry regulations in general. This has the effect of reducing red tape for industry, ensuring a level playing field, and opening up space for new and innovative services to enter the market.

For example, where previous regulations were very prescriptive concerning what type of vehicles could be used as commercial passenger vehicles, now the regulations only specify that the vehicle must be safe. Vehicles of up to nine years of age may be used as commercial passenger vehicles, provided they are roadworthy. (Note: Government will continue to set prescriptive standards for Wheelchair Accessible Vehicles).

Although Government will continue its role in ensuring only fit and proper people can drive commercial passenger vehicles, Government will no longer mandate specific training requirements for drivers. The relevant industry sector will be responsible for training their drivers.

Passenger Services Levy

In the past, Government has recovered the cost of regulating the industry and funding various disability subsidies through large, annual licence fees from Commercial Passenger Vehicle operators.

The shift from a large annual fee to a levy means that instead of operators paying a large annual fee up front, they pay a debt monthly, derived from the number of fares the platform has facilitated the previous month.

For rideshare vehicles, the rideshare platform manager (not the driver) will be liable for the \$1 per trip levy.

The rideshare platform manager will be required to report the number of **passenger services transactions** (the number of times a person or persons is carried for reward in a rideshare car facilitated by their platform) each month that their platform has undertaken a passenger service transaction.

This reporting will occur through a user-friendly, online system. Platform managers who have not paid their previous month's levy will receive a reminder through an email message before it is ultimately payable.

Criminal offences apply for any operator who misleads the Department of Infrastructure, Planning and Logistics in relation to their levy liability, for example where an operator reports fewer fares than their platform has actually facilitated. The Department will be regularly auditing driver and platform records to ensure levy obligations are met.

Further information regarding the levy is available at: dipl.nt.gov.au/transport/transport-strategies-and-plans/commercial-passenger-vehicle-reforms.

Code of Conduct for Drivers

A new Code of Conduct for Rideshare Drivers has been drafted.

Government expects industry to take more responsibility for service quality, which will be necessary in light of the increased competition the regulatory reforms will enable.

In particular, Government will not be enforcing things like driver uniforms and dress standards, or specific training requirements for drivers.

Rideshare platform managers are encouraged to review the draft Rideshare Code of Conduct.