

ON-DEMAND TRANSPORT INDUSTRY

REPORT ON WHAT WE HEARD



ON-DEMAND TRANSPORT INDUSTRY 2017 EVALUATION

Two years after reforms were introduced to the on-demand transport industry – that's taxis, rideshare and hire cars – we held a comprehensive conversation with the community and industry about the impacts of the reform.

We asked the community about the impacts of a range of reforms introduced to the industry, including the regulated introduction of rideshare services. Consumers, including people with a disability, also described how their travel experiences changed. Industry participants described the effects of reforms on competition, the viability of delivering their services, the ease of doing business, and other factors.



THE CONVERSATION

The ACT Government received a strong picture of consumer and industry perceptions about impacts from 996 comprehensive surveys, 1,641 quick-polls, 26 written submissions and 14 face-to-face meetings.

Consumers, drivers (taxi, rideshare, hire car), vehicle owners, taxi licence holders and hotels responded to detailed surveys.

Industry participants, peak bodies and agencies provided written submissions and attended meetings with us.

Industry participants and consumers responded to quick polls on our social media channels.

The community and industry consultation was open from **July to October 2017**.

WHO ENGAGED

Passengers of different ages and specific transport needs, as well as organisations and businesses whose people use on-demand transport, special-interest peak bodies and industry participants engaged with us.

Key stakeholders included:

- Taxi, hire car and rideshare passengers
- Passengers who use wheelchair accessible taxi (WAT) services (specifically Taxi Subsidy Scheme Members)
- Taxi drivers and vehicle owners
- Hire car drivers and vehicle owners
- Rideshare drivers and vehicle owners
- Perpetual taxi licence holders
- Peak bodies representing various community and industry groups
- Hotels
- Australian Public Service agencies.

Key insights from the community

Passengers have welcomed rideshare

1. There was strong agreement that it is now easier to get around Canberra and that rideshare is a good thing for the ACT.
2. Survey respondents generally agreed rideshare provided the highest level of satisfaction for service levels, compared to hire cars and taxi service.
3. Passengers who responded to the surveys generally agreed that pricing was the most unsatisfactory element offered by taxi services.
4. Canberra's on-demand transport market has grown, with 37% of rideshare passengers saying they would not have used a taxi or hire car if rideshare services were not available.

People with a disability highly value the ACT's wheelchair accessible taxi services

5. Survey respondents (678 Taxi Subsidy Scheme Members) generally agreed that Wheelchair Accessible Taxi (WAT) services were the same or better since the reforms.
6. Many Taxi Subsidy Scheme (TSS) survey respondents strongly agreed that certain WAT drivers, and the centralised booking service – 13WATS – provided exceptional service to passengers.
7. Some TSS members outlined ongoing issues with the quality and safety of service provided by a few standard-taxi drivers.
8. Survey respondents strongly agreed that WAT service continued to provide a critical and essential role in connecting passengers to medical services, amenities, jobs, family and social networks.

Workers in the on-demand transport industry have identified challenges

9. Taxi operators and drivers generally agreed that revenues and earnings had declined for each shift worked.
10. There was some agreement among taxi owners that drivers are harder to attract because of the strong uptake of rideshare, especially on weekends.
11. Drivers and operators told the evaluation that there were some delays in licencing and accrediting processes while government was adapting to the reforms and an expanding industry.

Holders of perpetual taxi licences expressed concerns

12. There was strong agreement that the reforms have caused, or will cause, a substantial decline in the trading value for perpetual taxi licences, and that current market demand for perpetual taxi licences has almost disappeared. However, the average annual lease income among 31 reporting survey respondents was steady, at around \$21,000.
13. 68% of the 84 respondents to the survey for perpetual licence holders were concerned for their emotional and financial well-being.
14. There was general agreement that perpetual taxi licences comprise a substantial portion of the investment portfolio of many of their holders.
15. Some respondents reported that annual lease income from licences formed a high proportion of their retirement income.

ACT hotels noted improvements since the reforms

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- 16. Three quarters of respondents perceived that wait-times for all modes of on-demand transport were shorter, and quality levels had risen.
- 17. Some hoteliers estimated about 19% of guests used rideshare, while nearly 48% used taxi services.
- 18. When considering driver interaction with hotel properties and operations, some respondents rated rideshare-driver behaviour as above-average.

Australian Public Service agencies are taking to rideshare

- 19. More than 60% of 16 responding agencies said that they permitted staff to use rideshare for official travel.
- 20. Other agencies reported that they were reviewing the potential use of rideshare.

WHAT'S NEXT?

The ACT Government has decided to implement further reforms, based on recommendations from this evaluation process. A few recommendations will be considered through another consultation with the community and industry participants.

The government is immediately releasing 30 additional taxi licences, to meet the demand of our community's growing population and visitation for tourism and business.

Additional conversations will now begin about potential reforms around regulated caps on taxi licences and the structure of regulated fares; and possible environmental conditions for on-demand transport vehicles. These matters are complex and affect stakeholders in different ways, which is why more detailed conversations are important.

You can learn more about the recommendations that came out of the On-Demand Transport Industry Evaluation, at: <https://www.yoursay.act.gov.au/on-demand-transport-reform/evaluation>.

You can participate in the further consultations on taxi licence and taxi fare regulation, at: <https://www.yoursay.act.gov.au/on-demand-transport-reform>.

To find out more about on-demand transport and other initiatives, policies and projects in Canberra visit www.yoursay.act.gov.au.

Key Timings

Step 1 – July – September 2017 / **Community consultation** / Gathering and analysing stakeholder perceptions of to the ACT's on-demand transport reforms

Step 2 – October 2017 – August 2018 / **Government consideration of Evaluation findings** / Government considers recommendations and follow-on actions

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Step 3 – September – October 2018 / **Second phase of community consultation** / Government seeks further community and industry input on possible changes to regulation of taxi-licence supply and taxi fares

Step 4 – November 2018 – early 2019 / **Government consideration of consultation outcomes** / Government will consider ways forward on regulation of taxi supply and taxi fares

THANK YOU FOR YOUR FEEDBACK IN 2017

1,641

We received 1,641
responses via YourSay

30

We had in-depth
conversations 30 individuals

26

We received 26 written
submissions

996

We received 996 responses
to detailed surveys

678

of the 996 detailed survey responses received
were from Taxi Subsidy Scheme Members