

10 April 2017

Research Director
Public Works and Infrastructure Committee
Parliament House
George Street
Brisbane Qld 4000
Email: PWUC@parliament.qld.gov.au

Dear Sir/Madam,

Thank you for the opportunity to respond to the Transport and Other Legislation (Personalised Transport Reform) Amendment Bill 2017. RACQ commends the government on its review of the legislative environment for taxis and rideshare.

RACQ is the independent advocate for Queensland motorists with more than 1.6 million members across the State. Our response to this proposed amendment is based upon our understanding of our members' needs and priorities gained through our engagement with them on mobility issues.

We explored a range of ridesharing issues in June 2015 through an online survey of 1,009 adults, representative of the Queensland population. Our policy position, including our views put forward in this submission, are informed by this survey.

Notwithstanding our comments on the proposed legislation, RACQ would like to see the Queensland Government driving a policy agenda that leads to harmonisation of the legislation and operating environment of ridesharing across Australia.

RACQ has endorsed the State Government's legislative approach in legalising ridesharing, but raises serious concerns about the cost burden now being imposed on the industry and the barrier to entry that will erect for many of our members.

The attached paper outlines our response to the proposed legislation. Should you require further information about the RACQ position on ridesharing and on this regulatory reform, please contact me or Michael Roth, Head of Public Policy on [REDACTED] or at [REDACTED]

Kind regards

Paul Turner
Chief Communication Officer

Background

In September 2015, the RACQ Board agreed to three objectives for reform of the Queensland Personalised Transport industry (taxis and rideshare). These were:

Objective 1: The need for regulatory reform: RACQ supports reforms that meet the needs of our members and improve the range of options in point to point public transport, including for vulnerable groups such as people with disabilities and the frail aged. This reform should allow flexible, innovative and responsive transport models to emerge, rather than protecting entrenched business models.

Objective 2: Safety: Regulatory reform of point to point transport services should provide a safety framework that incorporates vehicle safety, driver safety and passenger safety. This would incorporate driver licence and criminal history checks as well as safe driver training and vehicle inspections for taxis, limousines and rideshare providers.

Objective 3: Regulatory cost burden: Regulation should support industry reform and improve service delivery, while minimising regulatory and capital cost burdens that would increase the price structure of point to point services, including rideshare, taxis and limousines. In particular, the high government charges and licencing cost burdens on the taxi industry needs to be reviewed. Specific licences, Compulsory Third Party insurance and motor insurance classes for ridesharing services may also need to be considered. There may be a need for transitional arrangements.

On 9 March 2017, a bill was tabled in the Queensland Parliament that proposes a framework for personalised transport services. The bill seeks to promote greater choice for customers while ensuring safety, accessibility, affordability and accountability.

Key elements of the bill proposed by the Queensland Government

- **Practical licensing:** While taxi service licences and existing limousine licences and plates will be retained, a new annual licence fee of \$237.26 will be introduced for ride-booking operators.
- **Enhanced safety:** New requirements will see reflective signage on the front and back of ride-booking services. Security cameras will be mandatory in vehicles that are not pre-booked or take cash or payment during the journey. Driver fatigue must be managed by booking entities and operators.
- **Improved accountability:** There will be clearer compliance accountabilities for drivers, operators and booking entities, including vehicle maintenance and licensing, and drivers must be affiliated with a booking entity.
- **Standardisation:** All personalised transport vehicles will require an annual certificate of inspection and a new class of Compulsory Third Party insurance, separate to taxis, has been created for ride-booking and limousines.
- **Compensation arrangements** for taxi licence holders and operators.



RACQ overall response to the proposed legislation

RACQ is concerned that the proposed regulation will add undue costs to market participation, meaning that participation will diminish. While some people may work full time as rideshare drivers, there are many who may want to work only intermittently to supplement their main income; support themselves as students; boost their retirement income; or to help the transport disadvantaged in their community. These drivers would be sensitive to price barriers to entry. The proposed legislation is likely to discourage these drivers through the introduction of licensing costs for rideshare; new CTP rates for rideshare and the vehicle inspection requirements requiring annual certificates of compliance conducted by DTMR.

RACQ supports most other changes including the new chain of responsibility and the increased enforcement and penalties for people undertaking rideshare arrangements from a street hail or without a formal operator driver relationship.

RACQ would also like to see the Queensland Government engage with other jurisdictions with the viewing of evolving toward nationally harmonised regulations to minimise problems and compliance costs for those who travel over state borders or operate across the country.

Vehicle identification

This comment relates to Division 1 General provisions 14 Replacement of s 117C (Booked hire service signs)

RACQ supports the proposed reforms related to safety of ride-booking services, including the requirement for front and rear retroreflective signage (146 mm²). This reform will enhance passenger safety as passengers booking a service will see the ride booking sign on the vehicle from front and rear, day or night. It will also assist with enforcement activities at hail and ride locations.

Penalties

This comment relates to the new section 78: Booking services must be provided by authorised booking entity and subsection 2 which prohibits a person from driving a motor vehicle to provide a booked hire service unless the booking for the service was arranged by an authorised booking entity.

RACQ supports the increased fines for rideshare drivers operating outside the regulatory framework and providing rank and hail services. The safety requirements for rank and hail drivers are set higher because of the anonymity implicit in the rank and hail environment. Drivers caught touting or using hail services face fines of \$487 and \$243 for using a taxi rank. Continued breaches may invoke a licence suspension and are not subject to the usual administrative appeal processes.

RACQ is concerned there is no access to appeal if a person's license is suspended. The statement related to the FLPs is clear that this is a breach of individual rights, but claims this is justified.

In vehicle camera safety

This comment refers to part 3 (new part 7B)

The safety reforms related to cameras are supported by RACQ.



Driver training

This is found in a number of sections of the legislation reform package. However, the comments by RACQ are general and relate to the overall intent and delivery of the training.

The government will prescribe standards for driver training in relation to disability awareness, anti-discrimination (including sexual harassment) and the provision of wheelchair accessible services. RACQ has no objection to such training but government should avoid unnecessary administrative requirements on this training that increase cost or inconvenience and prevent some drivers or operators from entering the industry.

Annual vehicle inspections

This comment relates to Part 3 Amendment of Transport Operations (Passenger Transport) Regulation 2005, second amendment of schedule 11.

Rideshare drivers are required to have a current (annual) Vehicle Safety Certificate. The government is proposing to increase this requirement to an annual Certificate of Compliance, conducted by TMR.

This is unnecessary red tape on drivers of rideshare vehicles. RACQ supports the annual safety certificate as is currently required, but not the TMR certificate of compliance that imposes another cost and convenience barrier.

Annual licence and fee of \$237.26 for ride-booking.

This comment relates to Division 3 Booked hire service licences.

Rideshare drivers require a Driver Authorisation, which includes an application fee of \$41.50 plus a term fee ranging from \$140.55 for one year, increasing to \$437.10 for five years. This is like the Driver Authorisation required for taxi drivers and is supported by RACQ.

The proposed annual licence outlined in Division 3 in addition to the Driver Authorisation is in direct contradiction to RACQ's 3rd objective to minimise the regulatory burden. The annual fee does not serve any purpose other than revenue generation. It is set at a higher rate than the renewal fee for taxis and applies to both the driver and the vehicle. It is not transferable or renewable, which increases the regulatory burden on rideshare drivers significantly.

RACQ does not support additional licence fees for ride share vehicles. The driver authorisation process and booking entities regulation provides all the information necessary to regulate who is operating in the industry.

Furthermore the additional fees associated with the licence for ride sharing is likely to reduce participation of casual drivers in the rideshare market as it sets a significant barrier to entry.

New CTP class

This comment relates to recommendation 22 (Compulsory Third Party (CTP) insurance), part 2 of the draft regulation.

The government has proposed that a new CTP class be introduced, but provided no cost details for this new class, except to say they are doing a risk analysis.

RACQ is concerned that any new CTP class for rideshare drivers does not impose excessive costs for those who only occasionally provide rideshare services. RACQ also accepts that taxis



pay much higher CTP based on their higher risk and it would be appropriate for a rideshare vehicle to also pay much higher CTP if it were used all the time for ridesharing.

Additional CTP costs for ridesharing should therefore be based on the incremental amount of driving associated with rideshare. Rideshare drivers must be registered for GST and in a booking entity. These mechanisms could be used to identify incremental costs of CTP based on the time or distance travelled as a rideshare driver.

Restriction on providing booked hire services in particular taxi service areas

This comment relates to section 75 Restriction on providing booked hire service for particular taxi service area.

It is unclear from this section the circumstances in which a regulation may be used to restrict booked hire services in particular taxi service areas. RACQ understands the intention is to enable limitations to ridesharing in small, remote communities where there is only one or a few taxi licences that are also wheelchair accessible. If the limitation is to protect the viability of these taxi services in such areas, then the legislation should incorporate direction outlining these circumstances when such competition limitations can be included. RACQ is concerned that without further direction in the legislation there is potential for misuse of this provision.