



Bus operators, community transport and courtesy transport FAQs

Why have these changes been made?

The Point to Point Transport Taskforce found that the taxi and hire car industry is facing fundamental challenges from changing customer expectations and new technologies. Decades of increasing regulation have increased costs and restricted the industry's ability to innovate.

Hire cars and taxis remain a crucial part of the NSW transport system, but it is unviable to keep things the way they were.

These changes were recommended by the Taskforce to bring the legislation into the 21st century and to free up the industry so that it can compete more effectively in providing a great service for customers.

What do the reforms mean for tourist service providers?

There is no immediate change for tourist service operators.

Subject to the passage of legislation in 2016, all services provided in vehicles with less than 12 seats (including the driver) will be classed as booked services, and treated like any other booked services (for example, those that are currently ridesharing or traditional hire cars).

This means that – subject to meeting safety obligations – tourist service providers will have more opportunity to compete for a wider range of booked work, including work for government agencies and large corporations, as they will no longer be restricted to providing services to “tourists”.

The taskforce suggested that around 1,000 tourist vehicles with eight to 12 seats that are currently classed as buses will come under the new laws.

What do the reforms mean for community transport providers?

There will be no changes to arrangements for community transport services provided under service contracts with Transport for NSW.

However, there will be more opportunities for community transport providers to provide other services, subject to meeting safety obligations. This might include booked work for government agencies or the private sector, provided community transport providers comply with requirements of their contracts in relation to not using contract funds to cross subsidise other services.

What do the reforms mean for courtesy buses?

Currently, most courtesy buses are not regulated under passenger transport laws as they are not “public passenger services”. In line with the Taskforce recommendation, there will be no change for these services.