



Hire car operators FAQs

Why have these changes been made?

The Point to Point Transport Taskforce found that the 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 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 for the hire car industry into the 21st century and to free up the industry so that it can compete more effectively in providing a great service for customers.

How will these reforms affect hire car operators?

We expect that the reforms will increase the demand for point to point transport services, including taxis and traditional hire cars.

Under the reforms, many of the regulatory requirements that hire car operators must meet have been simplified, reducing the red tape burden and increasing opportunities for the market to grow.

Taxis continue to have an exclusive right to service the rank-and-hail market. Booked services, including hire cars and ridesharing services, will not be permitted to stand at a rank or on a street and ply for fares, and they will not be allowed to tout for fares.

What is changing for hire car operators?

Hire car licences

A hire car licence is no longer needed to provide a hire car service, nor are they issued - meaning that Sydney based hire car operators no longer need to pay the annual fee of \$8,235 in Metro Sydney, and approximately \$3,000 in regional NSW.

From 18 December 2015 RMS will not be issuing new 'HC' plates. If you have existing plates and they are damaged or stolen you can apply for replacement plates.

Geographic boundaries for booked services have been removed meaning hire cars can provide booked services anywhere in NSW. An adjustment assistance package will be available for perpetual hire car licence owners in recognition of this change.

Existing hire car operator accreditations

All valid existing operator accreditations will be automatically considered to be renewed up to 31 December 2016, and operators will be exempted from paying any renewal fee during that time.

Roads and Maritime Services (RMS) could still take action to vary, suspend or cancel an accreditation.

Vehicle specifications

Vehicle specification requirements have been simplified so that unrestricted hire cars that were not licensed vehicles before 18 December 2015 must comply with the Australian Design Rule definition of being a:

- a) Passenger Car (MA) having up to 9 seats (including the driver's seat); or
- b) Off-Road Passenger Vehicle (MC) having up to 9 seats (including the driver's seat); or
- c) Light Omnibus (MD1) having up to 12 seats (including the driver's seat).

These changes mean that new providers can only use a car, 4WD or small bus, though existing providers can continue to use vehicles that were licensed on 18 December 2015.

Vehicle maintenance, equipment and condition

Vehicle maintenance requirements have been simplified to provide that vehicles are maintained in line with manufacturer maintenance standards (in addition to roadworthy checks) and that auditable records of maintenance are kept.

This will ensure that safety protections are maintained while also reducing regulatory burden for operators. This change means that, for example, maintenance properly carried out and recorded in a vehicle log book that is in line with the manufacturer's standards will meet this requirement. You no longer need to inform RMS if you modify your hire car vehicle.

The requirement for meters not to be installed in hire cars has been removed. However, it is still against the law for a hire car to stand or ply for hire or to tout for fares. Stiff penalties apply for breaches of these requirements.

Hirings and fares

Requirements about the manner in which a hiring is carried out (such as taking the shortest practicable route) have been removed. Service quality issues are best managed by industry participants, who have an incentive to attract and retain customers.

Requirements about the payment of fares (for example, that the hirer must pay the fare after termination of the hiring and that fares are not charged by the service for avoidable delays) have been removed, as it is a matter for the business arrangement between the hire car service and the customer.

Use of bus lanes by hire cars

All current Hire Car plate owners will continue to have access to bus lanes while we work with the industry on the next steps of the reforms.

The Government is committed to working with industry to finalise the next steps on issues like bus lane access before any decision is made.

Access to the Sydney Airport

Sydney Airport Corporation Limited (who controls who can access parts of the airport, including the prearranged can pick up areas) has advised that while a longer term solution is finalised, HC-plated vehicles will still be permitted into the pre-arranged pick up area of the airport.

What requirements are still the same for hire cars?

Hire cars are not able to ply or stand for hire

There are still restrictions on booking a hire car in rural NSW – a driver or operator of a hire car must not accept a hiring outside of Sydney, Newcastle, Wollongong and the Central Coast if the booking is made, or the hiring is otherwise offered, less than 30 minutes before the hiring is required.

Advertisements in or on hire cars

Hire cars in metro Sydney, Newcastle, Wollongong and Central Coast can advertise their brand on their licensed hire car. But they may not infer they are offering a taxi service.

For hire cars providing services in rural NSW, that is, outside of Sydney, Newcastle, Wollongong and the Central Coast, there are further restrictions advertising. As is the case now, the driver, operator or licensee of a hire car must not display, affix or install, or cause or permit another person to display, affix or install, any service advertisement within or on the outside of the vehicle.