



Booked fares

Point to Point Transport

February 2018

The *Point to Point Transport (Taxis and Hire Vehicles) Act 2016* (the Act) and the *Point to Point Transport (Taxis and Hire Vehicles) Regulation 2017* (the Regulation) set the rules for the fares charged by taxi service providers and booking service providers in NSW in any vehicle with 12 seats or less (including the driver) that can take customers on the route they choose, at the time that suits them for a fare.

From 1 November 2017 booked taxi trips are no longer subject to a maximum regulated fare. This means that all booking service providers, including providers that provide booking services for taxis, traditional hire car, rideshare and similar services will be able to set their own fares.

This gives service providers the flexibility to differentiate prices in a number of ways that benefit them and their customers. For example, service providers might offer loyalty or 'frequent rider' discounts or set fixed fares for certain trips, such as from the CBD to the airport. This flexibility aims to create more competition and choice for customers.

From 1 February 2018, the temporary \$1 Passenger Service Levy applies on all point to point transport trips in NSW, including on all booked trips. Service providers can absorb this cost or pass it on to passengers (with GST).

Taxi Transport Subsidy Scheme fares

Booked fares for Taxi Transport Subsidy Scheme (TTSS) customers remain regulated. The fare calculation device must be used for TTSS journeys, and the fare charged cannot exceed the regulated maximum set by Transport for NSW.

Fares for rank and hail taxi services remain subject to a maximum regulated fare – see our 'Taxi Fares – Point to Point Transport' Fact Sheet.

Fare estimates

Booking service providers now need to provide a fare estimate to an intending customer before a trip commences. This applies to all booked trips, whether they are in a taxi, traditional hire car, rideshare vehicle or other similar vehicle.

A fare estimate may be based on:

- Rate per distance;
- Rate per time;
- Flat rate; or
- A combination of these.

The estimate must be in Australian dollars and must include information about how the fare may vary and how the variation may be calculated.

Importantly, a service cannot start unless the passenger has accepted the fare estimate.

It is also important to note that a booking service provider must now provide a customer with information to identify the vehicle they have booked and its driver.

Examples

Examples of a fare estimate for a booked trip from the Sydney CBD to Sydney Airport might include one of the following:

- \$120 per hour (rate per time);
- Flat rate fare of \$40 (set amount);
- \$3 per kilometre (rate per distance); or
- \$30 for first half hour plus \$2 for each additional minute (rate per time).

It is important to note that service providers might also choose to estimate using a combination of means such as rates per time and distance. An example might be '\$3.60 hiring charge + \$2.19 per kilometre + 94.4c per minute waiting time (where vehicle is travelling under 26 kilometres) per hour'.

For many years, fares for rank and hail services have been calculated as a rate per distance and rate per time. If a fare estimate for a booked taxi is expressed in this way, the booking service provider might use a fare calculation device (such as a meter) to calculate the fare for the booked trip.

A booking service provider may set their fares at any rate they determine. Passengers will need to exercise their judgment and shop around to find a service and price that suits them.

Non-cash payment surcharge

While the maximum surcharge for a non-cash payment for taxis (for both rank and hail trips and booked taxi trips) is set by the NSW Government and capped at five per cent, the maximum surcharge for a non-cash payment for hire vehicles is set by the Reserve Bank of Australia (RBA) under the RBA Standard No 3 of 2016. The Standard allows a merchant to set their own surcharge amount for accepting a non-cash payment, as long as the surcharge does not exceed the reasonable cost of accepting the non-cash payment. For more information, please see the RBA Standard at www.rba.gov.au/payments-and-infrastructure/review-of-card-payments-regulation/pdf/standard-no-3-of-2016-scheme-rules-relating-to-merchant-pricing-2016-05-26.pdf

More information

For the latest updates on point to point transport, please phone 131 727, email pointtopoint@transport.nsw.gov.au or visit www.transport.nsw.gov.au/pointtopoint.

You can also speak with a NSW Business Connect advisor who specialises in point to point transport by calling 1300 661 539, or visit www.industry.nsw.gov.au/business-and-industry-in-nsw/businessconnect to learn more.