

Financial assistance scheme for taxi licence owners

A financial assistance scheme is being developed by the NSW Government for taxi licence owners who will be most impacted by the proposed changes to taxi licensing.

In the future, it is proposed that taxi licences will not be able to be bought or sold. Renewable non-transferable taxi licences will be issued on application to the Point to Point Transport Commissioner for an administration fee. Licence owners will be able to provide rank and hail taxi services anywhere in NSW.

Transport for NSW is seeking your feedback on the design and the administrative elements of the proposed financial assistance scheme. See below information on how you can provide feedback.

Who will be eligible to apply under the proposed scheme?

Transport for NSW is proposing to use the same eligibility criteria for licence class that was used in the previous Transitional Assistance Payment Scheme in 2016. This was the scheme that paid eligible licence owners \$20,000 per licence, up to a maximum of two licences.

All owners of ordinary licences will be eligible to apply except for owners of short-term, nexus, paired (wheelchair accessible taxi), or annual licences. The proposed eligible licence classes are TX01, TX01A, TX05, TX06, TX06A, TX07, TX08, TX13, TXHAP, TX01New, TX01Wol, TX50, TX50A, TXC1, TX04Wol, TX51, TX52, TXHAPTR.

Will it be easy to apply for a payment?

Transport for NSW has listened to feedback from the taxi industry about the complexity of the application process for the Additional Assistance Payment Scheme. Considering this feedback, Transport for NSW is seeking to design the proposed scheme in line with the following principles:

- Be as **simple as possible** for eligible licence owners to apply for assistance
- Enable **payments to be made as quickly as possible** to eligible licence owners
- **Recognise the different impacts** the changes to taxi licensing will have on taxi licence owners in metropolitan and regional locations
- **Minimise the impact on social security** benefits and income tax liabilities for recipients
- Has **transparent decision making** regarding scheme design and individual payments

How much will I be paid under the proposed scheme?

The total value of the financial assistance scheme is not yet final and will be decided by the NSW Government.

However, **for the purposes of this consultation only**, Transport for NSW has assumed that the total value of the financial assistance scheme will be of similar value to the \$250 million in transitional assistance that was part of the 2015 point to point transport reform package.

The assumed amount is not the final value of the assistance scheme.

The financial assistance scheme will be funded by the passenger service levy that is already in place for the point to point transport industry.

What will Transport for NSW consider in designing the assistance scheme?

Transport for NSW is seeking feedback on how important each of the design choices are to you. Examples of design choices include whether the following licence information affects the amount of assistance an eligible licence owner may receive:

- The operating area of the licence
- When the licence was acquired
- If the licence was bought, how much the current owner paid for the licence
- The number of licences each licence owner has

If more factors are built into the scheme design, it will likely mean a more complex application process, and it will take longer to assess applications and make payments to eligible licence owners.

In order to demonstrate to taxi licence owners how these choices may impact the design of the scheme and the amount of assistance eligible licence owners could receive, Transport for NSW has developed two illustrative examples.

The examples below show the different ways that the **operating area of a licence** can be considered in designing the scheme.

- **Example 1** – Equal flat payment for all eligible licence owners, across NSW
- **Example 2** – Different flat payments for eligible licence owners, based on five geographic zones; one for metropolitan Sydney and four in regional areas.

Considering other factors, such as when the licence was acquired or how much was paid, would change the amount of assistance to be paid, and likely impact the social security payments of eligible licence owners.

Transport for NSW would like to hear from you if there are other factors that should be considered in designing the financial assistance scheme.

Both examples propose simple flat payments rather than payments determined by an assessment of an applicant's individual circumstances.

A simple flat payment will require less documentation from eligible taxi licence owners, will help successful applicants to receive their payments as quickly as possible and is less likely to impact on an individual's social security benefits. A list of the operating areas by zone can be found at the end of this document.

What are the differences between the two examples?

Example 1: Equal flat payment for all eligible licence owners, across NSW

This example proposes a **simple flat payment for all eligible licence owners**, regardless of what type of licence they own, the operating area for the licence, when licence was acquired, how much they paid for the licence, or any previous assistance the licence owner received.

It is proposed that eligible licence owners will be able to apply for an assistance payment for up to **a maximum of two licences**. This is consistent with the previous Transitional Assistance Payment scheme.

In the case of joint licence owners, approved payments will reflect the proportion of the licence owned by each party.

It is proposed that owners of certain HAP licences (limited equity holding) will receive 50% of the approved payment. It is proposed that owners of peak availability licences will receive 60% of the approved payment.

Indicative payment schedule

Number of eligible licences	Sydney (Metropolitan Transport District)	Outside Sydney (Outside Metropolitan Transport District)
1	\$50,000	\$50,000
2	\$100,000	\$100,000
3 or more	\$100,000	\$100,000

Example 2: Different flat payments for eligible licence owners, based on 5 geographic zones

This example proposes a simple flat payment for all eligible licence owners regardless of when the licence was acquired, how much they paid for the licence, or any previous assistance the licence owner received.

However, **a different flat payment is proposed based on five geographic zones**. It is proposed that licences are grouped into zones made up of different operating areas.

It is proposed that eligible licence owners will be able to apply for an assistance payment for up to **a maximum of two licences**. This is consistent with the previous Transitional Assistance Payment scheme.

In the case of joint licence owners, approved payments will reflect the proportion of the licence owned by each party.

It is proposed that owners of certain HAP licences (50% held by government) will receive 50% of the approved payment; and that owners of peak availability licences will receive 60% of the approved payment. A list of the operating areas by regional zone (Regional 1-4 zones) can be found at the end of this document.

Indicative payment schedule

Number of eligible licences	Metro (Metropolitan Transport District)	Regional 1	Regional 2	Regional 3	Regional 4
1	\$55,000	\$95,000	\$65,000	\$45,000	\$30,000
2	\$110,000	\$190,000	\$130,000	\$90,000	\$60,000
3 or more	\$110,000	\$190,000	\$130,000	\$90,000	\$60,000

How is the payment amount set for each zone?

Transport for NSW has suggested a flat payment based on a percentage of median licence sales for each zone.

Transport for NSW would like to hear from you

The operating areas included in each regional zone are listed on the last three pages of this factsheet. Transport for NSW has allocated each operating area to a regional zone in consideration of the median licence value, the population, and the number of people per taxi licence. Similar locations are grouped in the same regional zone.

- Has your operating area been allocated to the right regional zone? Is it similar to the other operating areas that have been included in the same regional zone?
- Are there any other factors, or characteristics of your town, that we should consider in allocating an operating area to a regional zone?

When will these changes happen?

Transport for NSW will consult with the taxi industry throughout September 2021 about the proposed financial assistance scheme. It will take time to change the point to point transport law and to establish the financial assistance scheme. The financial assistance scheme will be set up before any changes are made to taxi licensing.

Transport for NSW will provide more information to taxi licence owners once consultation is complete and a Bill is being prepared for Parliament. The final Bill will then be subject to passage through Parliament.

Why are these changes happening?

The changes are part of the NSW Government's response to the *Point to Point Transport Independent Review* led by Sue Baker-Finch in 2020. Information on the review is available on the [Transport for NSW website](#). The aim of the reforms is to improve customer choice and better position the industry for the future.

How do I participate in this consultation?

A series of webinars were held in September 2021 that provided information about the proposed financial assistance scheme and provided a question and answer session.

Further information can be found at www.transport.nsw.gov.au/PointtoPoint2021

We also invite you to complete an online survey by 1 October 2021 to provide your feedback.

Where can I find more information?

Transport for NSW will inform customers and stakeholders in advance of the changes. More information is available on website at: www.transport.nsw.gov.au/PointtoPoint2021. The website will be updated regularly as more information becomes available.

We also invite you to email questions or feedback to us directly at pointtopoint@transport.nsw.gov.au.

Indicative Allocation of Operating Areas by Zone

How are regional licences assigned to a zone?

Transport for NSW considered the median sale price of each operating area during the pre-reform period 2010 to 2015 and allocated operating areas with similar prices into the same zone.

For operating areas with a low number of sales, Transport for NSW considered sales before 2010 in order to allocate an operating area to a zone.

Where there were no sales in an operating area, Transport for NSW considered other operating areas with similar characteristics including location, total population, the number of people per taxi licence, and used this information to allocate the operating area to a zone.

Metro Region

- Metropolitan Transport District

Regional 1

- Ballina
- Coffs Harbour, Sawtell
- Port Macquarie
- Tweed Heads / Fingal Head (the greater area of)

Regional 2

- Albury
- Alstonville
- Batemans Bay
- Blaxland / Glenbrook
- Broken Hill
- Dubbo
- Dubbo (the city of)
- Forster / Tuncurry
- Gosford Wyong LGA (TX) & the townships of Wyee & Wyee Point
- Mullumbimby, Brunswick Heads, Billinudgel, South Golden Beach, New Brighton, Ocean Shores & Bangalow
- South West Rocks
- Tamworth & district
- Tamworth, Kootingal, Moonbi, Attunga & Duri
- Tomaree Peninsula
- Wagga Wagga

Regional 3

- Armidale
- Bathurst
- Corowa
- Evans Head
- Glen Innes
- Grafton
- Griffith LGA
- Inverell
- Katoomba
- Katoomba / Leura / Medlow Bath & Wentworth Falls
- Kingscliff, Chinderah, Cudgen, Casuarina, Cabarita (Bogangar), Pottsville & Hastings Point
- Laurieton, North Haven, Lake Cathie, Bonny Hills, Camden Haven, Lakewood, Kew & Kendall
- Leeton
- Lismore
- Lithgow
- Macksville
- Mittagong, Bowral, Moss Vale, Colo Vale & Hilltop
- Mudgee
- Murwillumbah, Cabarita, Hastings Point & Pottsville
- Muswellbrook
- Muswellbrook, Denman, Aberdeen & Scone
- Nambucca Heads

Regional 3 (continued)

- Newcastle Transport District (TX) & the townships of Caves Beach, Catherine Hill Bay, Nords Wharf, Cams Wharf, Fern Bay, Minmi, Toronto, Williamtown, Medowie, Campvale & Ferodale.
- Nowra
- Nowra / Bomaderry
- Orange
- Parkes
- Queanbeyan
- Scone
- Springwood
- Springwood (independent taxi)
- Springwood, Valley Heights, Faulconbridge, Winmalee
- Walgett
- Wollongong Transport District & Shellharbour LGA
- Woolgoolga

Regional 4

- Aberdeen
- Balranald LGA
- Bargo
- Bega
- Bellingen
- Bermagui
- Berry / Shoalhaven Heads
- Blackheath
- Blayney
- Bombala
- Bourke
- Bowraville
- Branxton / Greta
- Bungendore
- Byron Bay / Suffolk Park / Ewingsdale /Bangalow
- Casino, Coraki
- Cessnock
- Cobar
- Condobolin
- Cooma
- Cooma Airport
- Coonabarabran
- Coonamble
- Coonamble (the township of)
- Cootamundra
- Cowra
- Culburra

- Dareton, Buronga & Coomealla
- Deniliquin
- Eden
- Fingal Head
- Forbes
- Gilgandra
- Goulburn
- Gundagai
- Gunnedah
- Guyra
- Harden / Murrumburrah
- Howlong
- Huskisson / Sanctuary Point / St Georges Basin
- Jindabyne
- Junee LGA
- Kempsey, Crescent Head
- Kiama / Gerringong / Jamberoo
- Kurri Kurri, Weston
- Kyogle including the suburbs of Bonalbo, Cawongla, Grevillia, Mallanganee, Tabulam, Old Bonalbo, Urbenville, Wiangaree & Woodenbong
- Lawson
- Lawson, Woodford, Hazelbrook, Linden & Bullaburra
- Maclean
- Maitland, Thornton & Woodberry in the city of Maitland, the townships of Beresfield, Tarro & Hexham
- Maitland, Thornton & Woodberry in the city of Maitland, the townships of Beresfield, Tarro & Hexham in the city of Newcastle Council Area & the townships of Raymond Terrace, Medowie, Campvale & Ferodale in the Port Stephens Shire
- Merimbula
- Merriwa LGA
- Milton / Ulladulla
- Moama
- Moree
- Morisset, Wyee, Wyee Point
- Moruya
- Murray LGA
- Murrumbateman
- Narooma
- Narrabri
- Narrandera
- Narromine
- Oberon
- Picton / Tahmoor / Thirlmere

Regional 4 (continued)

- Portland
- Quirindi
- Singleton
- South Bowenfels
- Sussex Inlet
- Taree
- Taree LGA
- Taree, Coopernook, Harrington, Manning Point, Old Bar, Wallabi Point, Diamond Beach, Hallidays Point and Nahiab
- Temora
- Tenterfield
- Thredbo
- Tumut
- Uralla
- Urunga
- Wauchope
- Wellington
- Wentworth
- West Wyalong
- Wingham
- Yamba
- Yass
- Young