

## **SECOND READING SPEECH**

**(The Hon Nick McKim MP)**

### **TAXI AND LUXURY HIRE CAR INDUSTRIES BILL 2011**

**Mr McKim (Minister for Sustainable Transport) – I move:**

That this Bill be now read a second time.

#### **MR SPEAKER / MADAM PRESIDENT**

I present to the House the *Taxi and Luxury Hire Car Industries Amendment Bill 2011*.

Mr Speaker/Mr President, this Bill accompanies the *Passenger Transport Services Bill 2011 and the Passenger Transport and Related Legislation (Consequential Amendments) Bill 2011*.

The Bill amends the *Taxi and Luxury Hire Car Industries Act 2008* by bringing into its scope those passenger transport services that are currently known as limited passenger services. Until now, these have been regulated under the *Passenger Transport Act 1997*.

This Bill will ensure that all commercial passenger transport services operated with small passenger vehicles are regulated under the same instrument.

Accordingly, this Bill also amends the title of the Principal Act, which will become the *Taxi and Hire Vehicle Industries Act 2008*.

As a result, in respect of services provided by small passenger vehicles, the Passenger Transport Services legislation will focus solely on ensuring that the services are safe and that the operators of these services are suitable people to be providing transport to members of the public.

Regulation of licensing, vehicle standards and operational matters for all passenger transport services provided by small vehicles will be contained within the new Taxi and Hire Vehicle Industries Act.

The Bill will enable better enforcement of the activities of these vehicles, and is intended to prevent these vehicles competing unfairly with taxis and luxury hire cars.

The issue of unfair competition was raised by the taxi industry in the taxi legislation review, which took place in 2006 and 2007. Limited passenger services were not considered in that review, due to the fact that the provisions for these services did not lie within the Taxi Act.

The transfer of these services to the Taxi Act effectively concludes the work started by the taxi review to better distinguish between the different segments of the small passenger vehicle transport market.

The taxi review initiated reforms to improve the delineation between taxis and luxury hire cars, and this Bill ensures that the third segment of this market, restricted hire vehicle services, is also more readily identifiable and, therefore, more effectively regulated.

I am confident that the reforms made by this Bill will address the concerns of taxi and luxury hire car operators in this regard.

Limited passenger services, which are currently regulated under the *Passenger Transport Act 1997*, are a group of particular transport services that are provided by small vehicles, other than taxis and luxury hire cars.

They include services such as wedding transport, transport to and from school formals and tours such as wine tours, sightseeing and fishing tours.

In the new Act, they will be referred to as “restricted hire vehicles”. This term is considered to be more accurate and meaningful than “limited passenger services”.

Operators of restricted hire vehicles will be able to operate largely in the same way that they currently do as providers of limited passenger services. However, they will require a licence to operate their services and will have to display a licence number plate on the vehicle in the same way as taxis and luxury hire cars are required to do. Other than in specified circumstances, the hiring of these vehicles must be booked in advance of the hiring.

The Bill provides for two types of restricted hire vehicle services:

- **“General” restricted hire vehicle services** are largely unlimited transport services, in that they may include point-to-point transport

for any type of journey. However, while the service provided is not restricted, the type of vehicle that may be used to provide a general restricted hire vehicle service is narrowly specified, in order to ensure that the service provided does not compete illegitimately with a taxi or luxury hire car service. These vehicles include veteran or vintage vehicles, classic vehicles, street-rods and motor cycles, and any other vehicles prescribed by the Regulations. Generally speaking, these are vehicles where the special or unusual nature of the vehicle is the main attraction of the service.

- A vehicle used to provide a general restricted hire vehicle service must be approved for use as a restricted hire vehicle by the Transport Commission and will be specified in the relevant licence.
- **“Specific” restricted hire vehicle services** may be delivered using any vehicle that the operator deems suitable to provide that service. However, these services are limited to transport for special events such as weddings, funerals formals, and tours. These services are not to be employed to meet everyday point-to-point transport needs, such as airport or hotel transfers. To reduce the risk of the improper deployment of these vehicles under the guise of the tour category, the term “tour” is extensively defined in the Bill. If there is any doubt as to whether a service is a tour for the purposes of the Bill, the Transport Commission is empowered to make a binding determination on the matter.
- The difference between vehicles providing specific restricted hire vehicle services and vehicles providing general services is that the

type of vehicle used to deliver the service is not of central importance. Accordingly, vehicles used to provide a specific restricted hire vehicle service are not required to be approved and will not be specified in the licence.

The licensing arrangements for restricted hire vehicle licences are similar to those for luxury hire cars and some types of taxis. The Commission may impose conditions on the licences and they may be suspended or cancelled.

A restricted hire vehicle licence that is issued in respect of a general restricted hire vehicle service may be transferred to another restricted hire vehicle of the same kind, but cannot be transferred to a different kind of vehicle.

For example, a restricted hire vehicle licence issued in respect of a vintage car can only be transferred to another vintage car that has been approved for use as a restricted hire vehicle.

A restricted hire vehicle licence is not transferrable to another person.

Existing operators of limited passenger services will be issued with a new restricted hire vehicle licence for each vehicle they are operating at the time the Act commences, and this will be at no cost. New licences for additional vehicles will be available on application to the Transport Commission for a small licence fee (of 70 fee units, or \$98 in the current year), plus an application fee.

As well as the new restricted hire vehicle provisions, the group of offences known as “small passenger vehicle offences”, currently spread across the

Passenger Transport Act and the Taxi and Luxury Hire Car Industries Act, will be consolidated into the Taxi and Hire Vehicle Industries Act.

These provisions include offences for:

- hiring out a small passenger vehicle, other than a taxi, to a person who has hailed the vehicle on the street;
- configuring a vehicle as a taxi if that vehicle is not used (or intended for use) as a taxi. This includes fitting a taximeter to the vehicle, which confirms that taxis will be the only vehicles able to have meters installed;
- soliciting trade for any type of motor vehicle. “Soliciting” in this instance is taken to mean actively encouraging passers-by to hire a vehicle. It does not include the placement of a sign near the vehicle advertising a tour in the vehicle, unless that sign is accompanied by such active soliciting.

It also includes general offences for people who carry passengers in a small passenger vehicle for financial consideration when the vehicle is not a taxi, a luxury hire car or a restricted hire car. However, this does not apply if the person is carrying out community transport, car-pooling or similar activities that are not in the nature of “commercial” passenger transport services.

The Bill creates offences for operating or purporting to operate a taxi, luxury hire car or restricted hire car service if the person is not the responsible operator of the relevant type of licence.

This Bill contains no changes to the policy framework that applies to taxis and luxury hire cars.

However, there are some technical amendments to existing provisions.

Some of these amendments are simply to ensure consistency in wording between the existing provisions relating to taxis and luxury hire car services and the new restricted hire vehicle provisions.

The definitions of terms such as “taxi”, “taxi service”, “luxury hire car” and “luxury hire car” are amended, as these definitions currently call on terms that are in the Passenger Transport Act, but that have not been transferred into the Passenger Transport Services Bill – in particular the terms “public passenger vehicle” and “public passenger service”.

The amendments also clarify the original intent of the Act in relation to the definition of a taxi.

Because standard taxis are not specifically licensed – an operator may use any compliant vehicle to provide these taxi services – the only way a vehicle can be unambiguously identified as a taxi operating under the authority of a taxi licence is if the licence number plate is affixed to it. This is implied, but not stated explicitly in the current Act, a technical issue that has been remedied in the Bill.

The Bill carries over the definition of “small passenger vehicle” used in the Passenger Transport Services Bill – that is, a vehicle with nine seats or fewer.

Taxis, including wheelchair-accessible taxis, will continue to be able to have up to 12 seats. However, any luxury vehicles with more than nine seats that

might otherwise have been operated as luxury hire cars, will now be defined as large passenger vehicles. Accordingly, these vehicles will be able to undertake “general hire” without needing to be operated under the authority of a luxury hire car licence, in accordance with the requirements for large passenger vehicles under the Passenger Transport Services Bill.

This ensures consistency in relation to vehicle sizes across both pieces of legislation, except in the case of taxis, where larger vehicles are used to deliver taxi services, such as in the case of wheelchair-accessible taxis.

This Bill and the Passenger Transport Services Bill, together with the accompanying Consequential Amendments Bill, form a cohesive package for regulating the passenger transport industries and, in regard to the services provided by smaller vehicles, not only ensures the safety of these services, but also that they are appropriately licensed.

This Bill forms an important part of this package, without which the Passenger Transport Services Bill could not be implemented.

Mr Speaker/ Madam President, I commend this Bill to the House.