

2001

**THE LEGISLATIVE ASSEMBLY  
FOR THE AUSTRALIAN CAPITAL TERRITORY**

**ROAD TRANSPORT (PUBLIC PASSENGER SERVICES)  
AMENDMENT BILL 2001**

**EXPLANATORY MEMORANDUM**

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## Road Transport (Public Passenger Services) Amendment Bill 2001

### Explanatory Memorandum

The Road Transport (Public Passenger Services) Amendment Bill 2001 (the Bill) amends the *Road Transport (Public Passenger Services) Act 2001* (the Act) to provide an expanded regulatory regime for taxis. The Act will ultimately become the overarching legislation for bus, taxi and hire car services. The Act has introduced the concept of 'public passenger services' and the accreditation of bus service operators. The purpose of accreditation is to improve the performance and standards of the public passenger services industry as a whole. The Bill mirrors these concepts by introducing 'taxi services' as a further category of public passenger services and requiring accreditation of taxi service operators and taxi network providers.

The amendments contained in the Bill are designed to strengthen public safety, service quality and consumer protection by increasing the responsibilities of taxi networks and taxi operators. This will be achieved by expanding accreditation provisions for performance and action that may be taken in the event of breaches by taxi networks. The introduction of accreditation for operators will ensure that operators of taxi services will be required to comply with, and maintain, service standards.

The main elements of the Bill are:

- the insertion of provisions allowing for the making of regulations for the granting and refusal of network accreditation, the application procedure, operation of taxi networks, the revocation, suspension and penalties that may be incurred by an accredited network;
- provisions on the licensing requirements for taxis and restricted licences, and the determination of maximum taxi fares;
- regulation making powers covering the accreditation of taxi service operators and other matters associated with the operation of taxi services including the conduct of taxi drivers and passengers; and
- a range of technical, consequential and other amendments including transitional arrangements for existing taxi networks and taxi licence holders to allow for continued operation prior to attaining accreditation.

#### Provisions for Taxi Network Providers

New Part 3 of the Act relates to taxi network providers and accreditation of such providers to enable operation within the ACT. Currently Regulation 57 of the *Road Transport (Taxi Services) Regulations 2000* limits the matters that network accreditation

applies to. The existing regulations provide minimal enforcement provisions as accreditation can only be suspended or cancelled for a serious or persistent contravention of the standards.

The Bill includes comprehensive regulation making powers for network accreditation and the enforcement of accreditation. These provisions will make networks responsible for overall performance and management of taxi services. The intent is to ensure that the obligations of networks are clearly set out. Examples of matters that may be included in the regulations are standards about the off-load of hirings to another network; the management and control of certain types of taxi services such as wheelchair accessible taxis; and the supervision and monitoring of affiliated operators and drivers.

New section 29B sets out the purposes of network accreditation, including the tests that will be used in assessing accreditation applications including the suitability of the applicant; the applicant's capacity to meet standards; and financial viability. This will allow the Road Transport Authority to apply a 'fit and proper' test to applicants for network accreditation. This concept ensures consistency with other public passenger service legislation for bus services. Applicants must also demonstrate their capacity to meet requirements about the operation of the network and the supervision and monitoring of operators and drivers.

New section 29C provides that the components of the accreditation scheme for networks are to be set out in regulations. The components would include the application assessment elements, the granting of accreditation, the actions that may be taken in relation to accreditation, and the kinds of services the accredited network may provide.

New section 29D sets out the matters that may be covered in regulations concerning the operation of networks by accredited people. These include the supervision and monitoring of affiliated operators and drivers of taxis operated by affiliated operators to ensure compliance with network service standards, and the responsibilities of networks regarding a failure to comply with the standards.

New section 29I provides that regulation may set out the obligations of accredited networks in ensuring affiliated operators and drivers comply with the service standards and other requirements about driver and passenger safety, the training of operators and drivers, the operation of equipment and the maintenance and cleaning of taxis.

### **Licensing of Taxis**

New Part 4 of the Act will contain the provisions for licensing of taxis. These provisions basically mirror the current requirements contained within the *Road Transport (General) Act 1999*. The Amendment Bill provides the power for the making of regulations regarding the system for the licensing of taxis and restricted taxis, and action that may be undertaken for breaching the licence conditions.

Consistent with the recommendations of the National Competition Policy Review of ACT Taxis and Hire Car Legislation, the existing provisions limiting the number of licences that may be held by a particular person have not been included as part of these amendments. Similarly, requirements for the Minister to decide a reserve price for a taxi licence under the existing provisions have not been retained.

## **Taxi Service Operators**

New Part 5 of the Act provides for the concept of accrediting taxi service operators. The amendments have been designed to reflect current interstate industry requirements and practices. Only accredited operators will be able to operate a taxi service within the ACT.

Accreditation of taxi service operators will enhance taxi industry performance and the way taxi services are provided to the ACT community. This will be achieved through the regulation making powers provided for by new section 31K. For the first time, the legislation will require operators to comply with network arrangements, procedures and affiliation requirements. To maintain accreditation individual operators will be obliged to take a closer day to day management role especially in relation to taxi drivers and compliance with specific taxi licence conditions.

Consistent with the network accreditation scheme, the Bill also allows for regulations to include the tests that will be used in assessing accreditation applications including the suitability of the applicant; the applicant's capacity to meet standards; and financial viability.

The financial viability tests will enhance the objects of the Act in relation to encouraging public passenger services that meet the community's expectations for safe, reliable and efficient services. Operators therefore will have to demonstrate that they have the financial capacity to effectively maintain equipment and the number of taxis for which they are applying to be accredited for.

## **Taxi Drivers and Passengers**

New section 31M provides for regulation making powers regarding taxi drivers. This will encompass such matters as the minimum training requirements, powers, duties, appropriate dress standards and conduct of taxi drivers towards passengers. Regulations may also be made concerning the conduct of passengers thereby enhancing the safety of taxi drivers and operators while performing taxi services (new section 31N). The regulations for passengers may include such matters as prohibition on certain conduct and circumstances that will permit the passenger being removed from taxis.

## **Technical Amendments**

### **Transitional Arrangements**

New Division 7.7 of the Act provides for a number of transitional arrangements for existing taxi networks, licence holders and operators. New sections 51A and 51C allow for existing networks and existing operators respectively to be deemed to be accredited for an interim period of one year from commencement of the provisions. During this period, accreditation under the new legislation must be applied for, and granted, to enable continued operation within the ACT.

Previous determinations concerning the maximum number of taxi and restricted taxi licences that may be issued have been retained under new sections 51D and 51E

respectively. Similarly, previous applications to transfer taxi licences and the determination concerning maximum taxi fares are provided for under new sections 51F and 51G respectively.

Division 7.7 imposes a sunset clause that will expire one year after the amendments are passed.

#### **Consequential Amendments**

A number of consequential amendments have been proposed to reflect the subsuming of taxi matters from the *Road Transport (General) Act 1999* into the *Road Transport (Public Passenger Services) Act 2001*. The insertions and omissions reflect new concepts and terminology and are contained within Schedule 1.