



## SOUTHERN DISTRICT RADIO CABS CO-OPERATIVE LIMITED.

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RADIO TAXIS - 7 DAYS - 24 HRS.

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### ACCC Submission - Southern District Radio Cabs

General Manager  
Adjudication Branch  
ACCC  
PO Box 1199  
Dickson ACT 2602

FILE No:
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2 June 2004

Dear Ms Arnaud,

Southern District Radio Cabs welcomes your invitation to provide a submission to the ACCC on the issue of taxi industry authorisations relating to payment systems.

The authorisations in question are Numbers A90441, A90448, A90531, A90449, A90447, A 90463, A 90455, A40047, A90498, A40071.

The main issue raised by the authorisations is whether a taxi in a given taxi network accepts credit facilities as part of standard network operating rules.

Credit processing facilities are already provided by multiple different organisations so the issue is whether drivers will take the payment type that a given passenger wishes to use.

We feel it is very important that a taxi network be able to present some certainty to the passengers who use it. Passengers ring a network like ours, or those in the authorisations you are reviewing, expecting to know what service they will get. A large part of that is the passenger knowing how they will be able to pay.

The nature of the taxi industry is that it attracts a variety of participants; unfortunately many of these operators and drivers are quite short-term and without a standard requirement, will chop and change and confusion will reign. Just as taxi networks have internal rules to standardise how long a driver has to pick up a hiring he has accepted, they should be able to have authorised rules to standardise credit acceptance.

Without these authorisations, we feel it is highly unlikely that natural market forces and the general growth of non cash payments in the community will be sufficient to achieve the outcomes that the public deserve.

There is a public benefit in having all drivers offer standard type credit acceptance. It is not simply a matter of saying if one driver doesn't accept credit, the next probably will. People usually catch cabs in situations where they do not have the ability to question several drivers. Examples include:

- Late night use of taxis by staff who have "worked back"
- Disabled people almost universally use non cash payments or combinations of cash and non cash.
- Hailing taxis in the rain
- Calling a taxi to your premises.

In all of these common cases, it will make a difference if the cab accepts a given form of non cash payments. The public benefit is clear.

Taxis have multiple different drivers so when the radio service despatches a job, it is not easy to resolve at that point whether a given combination of taxi network, taxi operator/owner and taxi driver will accept the payment system in question. This is why the taxi groups sought authorisations to standardise their drivers' acceptance of certain credit facilities.

In purely practical terms, networks need to be able to standardise signage, call taking (which has to be kept as simple and cheap as possible) and marketing. These are all things that the taxi networks do currently for their taxi operators and drivers, and these are all things that the public expects them to do!

Often the person booking a taxi is not the person actually travelling (receptionists, hotel and restaurant staff and party hostess all book taxis without knowing the payment type of the ultimate passenger.)

If the authorisations do not continue, the result will be poorer taxi service:

- More delays during actually booking whilst payment is resolved,
- cab time being wasted sent to jobs they cannot carry out because of payment problems ( worse still if this is not clear until the end of a journey in a dark or dangerous place and the security problems)
- More problems for disabled people
- Less disclosure of what the ultimate payment terms are to the public.

We submit that the ACCC should allow the authorisations to continue.

Yours faithfully,



Elias Kopti  
Secretary Manager