



## Department of Justice

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The General Manager  
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To the General Manager

### REVIEW OF TAXI AUTHORISATIONS

Thank you for providing Consumer Affairs Victoria (CAV) with the opportunity to make a submission on the proposed revocation of taxi authorisations. CAV fully supports the policy of the ACCC to review the efficiency and effectiveness of existing interventions in the market place.

A key objective of CAV is to ensure markets work in the interest of the broad community and consumers. Concerning the taxi service industry, a number of significant developments have occurred since the ACCC acted in the interests of the broader community by granting taxi authorisations. These have included the development of electronic payment system technology, significant improvement in the availability and affordability of this technology and considerable growth in the volume of consumer payments made using electronic systems.

These developments have significantly changed the nature of the service industry, including the taxi service industry. CAV considers that an Authorisation to enforce the acceptance of taxi hire accounts no longer protects consumer interest to a level that justifies intervention in the market.

The growing preference for electronic payment methods has reduced the significance of the taxi account system, as an alternative non-cash system is now available. The increasing demand for electronic payment systems places pressure on the taxi industry to accept various popular payment options to ensure their business remains viable and appropriate for the contemporary consumer.

The payment methods accepted by a taxi service providers can effectively differentiate its service from other providers, as it potentially influences the amount of business that they attract and retain. As such, competition for business amongst taxi drivers will drive the widespread acceptance of various types of payment methods. This significantly reduces the necessity of the Authorisations to protect the consumer benefit, as competition ensures a high level of service.

Thank you again for the opportunity to provide feedback on this issue.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David Cousins', written in a cursive style.

**Dr David Cousins**  
**Director**