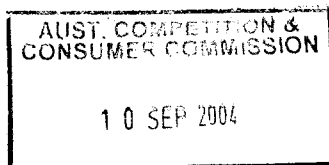




Department of Infrastructure

80 Collins Street
GPO Box 2797Y
Melbourne Victoria 3001
Telephone (03) 9655 6666
Facsimile (03) 9655 6752
www.doi.vic.gov.au
DX210410
Our Ref:

The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
P O Box 1199
DICKSON ACT 2602



Your Ref: C2003/158-03

Dear Sir/Madam

REVIEW OF TAXI AUTHORISATIONS

I refer to a letter dated 26 August 2004 from the Director Adjudication, Ms Isabelle Arnaud, seeking information on Victoria's taxi industry to assist the Commission in its review of Taxi Authorisations.

All taxi-cabs in Victoria are required as a condition of licence to be operated through a depot approved by the Victorian Taxi Directorate (VTD) for the receipt and dispatch of taxi bookings. The power to attach conditions to taxi-cab licences is contained in section 144 of the Transport Act 1983.

For example, in the case of metropolitan taxi-cabs, the relevant licence condition is: *"The licensed vehicle must at all times be operated under radio control from a depot approved by the Victorian Taxi Directorate for the receipt and dispatch of bookings for taxis licensed to operate within the Metropolitan Taxi-cab Zone and must be fitted with fully operational Global Positioning System equipment linked to that depot"*.

The VTD does not require Cabcharge decals to be displayed on taxi-cabs. However, the display of decals relating to payment facilities offered and credit/debit cards accepted as a means of payment in taxi-cabs is approved by the VTD under the Transport (Taxi-cabs) Regulations 1994.

The VTD does not routinely collect or hold data in relation to taxi hirings, market share by depot or revenue generated by the industry. However, the following may be of assistance to the Commission.

Taxi hirings

The method of engaging a taxi can vary considerably within different sectors and by time of day. For example, the proportion of daytime rank and hail hirings within the Melbourne CBD could be as high as 80% while the method of hiring a taxi in suburbs around the metropolitan fringe could be higher than 80% by telephone.

It is generally accepted that the distribution of taxi trips in metropolitan Melbourne averages out at approximately 50% booked through the taxi networks and the remaining 50% a mix of street hire, either at ranks or by hailing a taxi, or by direct contact with the driver via a mobile phone or pager system.

The vast majority of taxi trips in country Victorian towns are booked by telephone to the local taxi service.

Market share by depot within Metropolitan and Outer-suburban area

The Metropolitan and Outer-suburban Taxi-cab Zones are shown on the attached map. There are two approved taxi depots in the Outer-suburban Taxi-cab Zone. One is located at Dandenong, the other at Frankston. The geographic distribution of these depots means they have predominant market coverage for taxi trips originating within their local sector of the Outer-suburban zone.

The VTD does not have information relating to market share by depots within the Metropolitan Taxi-cab Zone. However market share is likely to be reflected by the size of the taxi fleets affiliated with each depot (see below).

Number of taxi-cabs affiliated with metropolitan and Outer-suburban depots

Outer-suburban Taxi-cab Zone

Depot	Conventional taxis	Wheelchair Accessible Taxis
Dandenong Taxis	77	8
Frankston Taxis	46	9
Total	123	17

Metropolitan Taxi-cab Zone

Depot	Conventional taxis	Wheelchair Accessible Taxis
Silver Top Taxi Service	1551	103
Black Cabs Combined	993	59
North Suburban Taxis	295	13
West Suburban Taxis	167	5
Arrow Taxi Service	79	18
Embassy Taxi Service	94	-
Total	3179	198

Revenue generated by taxi-cab fares

This data is not collected by the VTD but, in consultation with the industry, it is estimated that total annual industry revenue is \$320M, of which 30% is generated from the corporate sector, 53% is private travel and 17% tourist travel.

Breakdown of taxi-cab licences on issue in Victoria

	Conventional taxis	Wheelchair accessible taxis	Total
Metropolitan	3179	198	3377
Outer-suburban	123	17	140
Urban*	200	28	228
Country	408	87	495
Total	3910	330	4240

*Urban areas are Geelong, Ballarat and Bendigo

Refer to attached list for distribution of taxi-cabs in regional Victoria.

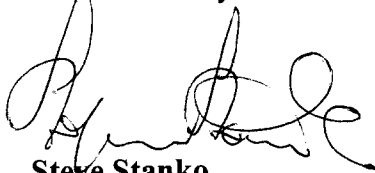
Licence Holder involvement in the industry

Almost all taxi-cab licences in regional Victoria are owner-operated.

There 265 “non-assignable” metropolitan taxi-cab licences on issue. These are Peak Service Taxi-cab (100); High Occupancy Taxi-cab (99); and some Wheelchair Accessible Taxi-cab licences (66). Sixty six percent (2073) of the assignable metropolitan taxi-cab licences (3112) are currently assigned to entities that, in turn, operate taxi vehicles on those licences. Licence holders operate their own taxis on the remaining 34% of that group of metropolitan taxi-cab licences.

I trust this is of assistance to the Commission. Should you require any further information, please contact Garry Ellis, Manager-Policy at the Victorian Taxi Directorate on (03) 9320 4371.

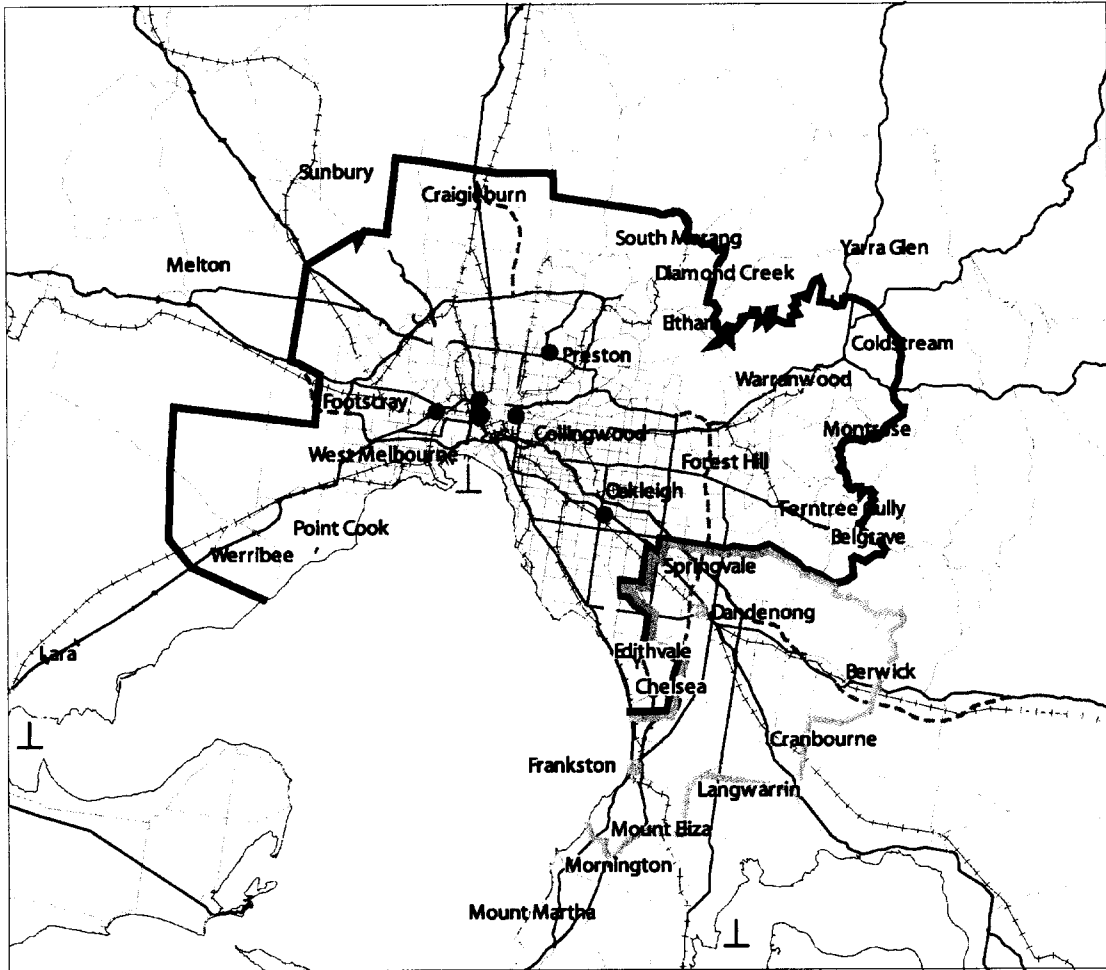
Yours sincerely



Steve Stanko

Director, Victorian Taxi Directorate

7 1 9 /2004



Metropolitan & Outer Suburban Taxi Zones

- Metropolitan Taxi-cab Zone
- - - - -** Outer Suburban Taxi-cab Zone
- Outer Suburban Taxi-cab Zone Depots
 - Frankston radio Cabs (Seaford) & Dandenong Tails (Dandenong)
- Metropolitan Suburban Taxi-cab Zone Depots
 - BlackCabs Combined (Oakleigh)
 - North Suburban Tails (Preston)
 - West Suburban Tails (Footscray)
 - Silver Top Taxi Service (Collingwood)
 - Embassy Tails (West Melbourne)
 - Arrow Tails (West Melbourne)

DISTRIBUTION OF TAXI-CABS IN REGIONAL VICTORIA [@ April 2004]

Operational Area	Conventional Taxis	Wheelchair Accessible Taxis	TOTAL
Alexandra	2		2
Anglesea	1	1	2
Apollo Bay	1		1
Ararat	6		6
Bairnsdale/Paynesville	8	3	11
Ballarat	50	5	55
Bannockburn	1	1	2
Beechworth	2		2
Bellarine Peninsula	12	2	14
Benalla	3	2	5
Bendigo	38	4	42
Boort	1		1
Bright	2		2
Broadford	1		1
Camperdown	4		4
Casterton	1		1
Chewton/Castlemaine	6	1	7
Churchill	2	1	3
Cobram	3		3
Colac	6	2	8
Cohuna	1		1
Corryong	1		1
Cowes	5	1	6
Creswick	2		2
Daylesford	4	1	5
Dimboola	2		2
Echuca	7	2	9
Emerald	5		5
Euroa	2	1	3
Garfield	2		2

Geelong	113	17	130
Grantville	2		2
Halls Gap	1		1
Hamilton	6	1	7
Healesville	9		9
Heathcote	3		3
Horsham	3	5	8
Inverloch	2		2
Kerang	4		4
Kilmore	3		3
Koo Wee Rup / Tooradin / Lang Lang	2		2
Korumburra / Leongatha	4	1	5
Kyabram	3		3
Kyneton	5	2	7
Lakes Entrance	3	2	5
Loch Sport	1		1
Lorne	1		1
Maffra	2		2
Mallacoota	1		1
Mansfield	2	1	3
Maryborough / Dunolly	4	1	5
Melton / Bacchus Marsh	12	3	15
Merbein	1		1
Metung	2		2
Mildura (Sunraysia Zone)	13	6	19
Moe / Newborough	11	1	12
Mornington Peninsula	26	3	29
Morwell	11	1	12
Mount Beauty	1		1
Myrtleford	2		2
Nathalia	1		1
Nagambie	1		1
Neerim South	1		1

Numurkah	1		1
Orbost	2		2
Ouyen		1	1
Pakenham	4	2	6
Port Fairy	2	1	3
Portland	7	1	8
Red Cliffs	2		2
Robinvale	1	1	2
Rochester	3		3
Romsey	2		2
Rushworth	1		1
Sale	8	2	10
Seymour	7	1	8
Shepparton	19	2	21
St Arnaud	3		3
Stawell	4	2	6
Sunbury	14	3	17
Swan Hill	7	2	9
Tatura	2		2
Terang	1		1
Timboon	2		2
Traralgon	10	3	13
Wahgunyah	1		1
Wallan	1		1
Wandong		1	1
Wangaratta	9	2	11
Warracknabeal	1		1
Warragul	8	2	10
Warrnambool	16	3	19
Wedderburn	1		1
Welshpool	2		2
Whittlesea	3		3
Winchelsea	1		1

Wodonga	10	3	13
Wonthaggi	5	1	6
Woodend	2		2
Yackandandah	1		1
Yarram	1		1
Yarrawonga	3		3