

## **RECORD OF MEETING**

**between**

**Australian Competition & Consumer Commission**

**and**

**Department of Justice, Consumer Affairs Victoria**

16 August 2004, 4 pm

3/452 Flinders St, Melbourne, Victoria

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### Present

ACCC: Ms Isabelle Arnaud, Adjudication Branch  
Mr Jason Byrne, Adjudication Branch

Consumer Affairs Victoria: Mr James Latham, Senior Policy Adviser  
Ms Natalie Staub, Policy Adviser

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Ms Arnaud began the meeting by providing an overview of the review of authorisations in the taxi industry and explained that the conduct related to the provision of radio booking services to taxi operators and drivers on the condition they accept the taxi hiring account system approved by the Network and display the decals of that system, otherwise risk suspension from the radio booking service or the imposition of a penalty. The system is known as the Cabcharge Account System and covers acceptance of most major cards and Cabcharge vouchers.

Ms Arnaud sought the views of Consumer Affairs Victoria (CAV) on whether the authorisations were benefiting the public.

CAV explained that with huge changes in the taxi industry since the authorisations were granted, the authorisations were no longer protecting consumers, but instead were protecting the interests of the Networks.

CAV was of the view that without authorisation the acceptance of cards and vouchers would continue. CAV could not see drivers refusing to accept non-cash payments because they are such a large part of drivers' income. CAV believed that demand for non-cash payments was a market which would not be ignored by taxi operators and drivers.

CAV indicated that drivers do not compete on price, so they try to differentiate themselves by the level of service offered to passengers. CAV was of the view that manifestations of competition can and do exist even in a regulated market.

In relation to the display of decals, CAV indicated that businesses now accept most cards and display the acceptance of those cards. CAV was of the view without authorisation taxi operators and drivers would continue to display the decals of the payment methods on offer.