

RECORD OF MEETING

between

Australian Competition & Consumer Commission

and

Geelong Radio Cabs

17 August 2004, 11.15 am

21 - 27 Church Street, Geelong West, Victoria

Present

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

Geelong Radio Cabs: Mr Peter Valentine, General Manager

Mr Byrne asked how Geelong Radio Cabs had been using the authorisation and what requirements were being imposed on taxi operators and drivers under the terms of authorisation.

Mr Valentine sought clarification as to what the authorisation actually allowed Geelong Radio Cabs to do.

Ms Arnaud explained that the conduct covered by authorisation related to the provision of radio booking services to taxi operators and drivers on the condition they accept the taxi hiring account system and display the decals of that system, otherwise risk suspension from the radio booking service or the imposition of a penalty. The taxi hiring account system is known as the Cabcharge Account System and covers most major cards and vouchers.

Mr Byrne asked whether Geelong Radio Cabs was actually using the authorisation.

Mr Valentine indicated that in the 4 years he had been in the position of General Manager, he was not aware of any operator or driver refusing to accept a card or voucher, unless of course the card or voucher was fraudulent.

Mr Valentine indicated that non-cash payments are often preferred by drivers because if the passenger is paying by cash, there is a risk they will not have enough money to pay for the fare at the end of the trip. Mr Valentine indicated that drivers would accept any method of payment as long as they know the fare will be paid.

Mr Valentine indicated that non-cash transactions were growing strongly, particularly with the introduction of the M40/50 smart cards under the Multi Purpose Taxi

Program. The smart cards have replaced to a larger extent the use of paper based subsidy vouchers.

Mr Byrne asked what details Geelong Radio Cabs took when taking a booking from a passenger.

Mr Valentine indicated that Geelong Radio Cabs is lucky to get anything more than the very basic details from a passenger. Generally, passengers don't give much information, just the pick up address and rarely do they get the destination. No information is taken on the passengers' payment method.

Mr Arnaud asked what would be the likely situation if authorisation was revoked.

Mr Valentine was of the view that cards and vouchers would continue to be accepted in the absence of authorisation, but if an operator or driver were to refuse to accept these then there would be little the Network could do about it, consequently the passenger would be inconvenienced and likely to be disgruntled. This would result in a loss of future business, thus penalizing all drivers and all cars in the fleet, and not just the offending driver. We require the authorization to guarantee the continuation of the service and the protection of all drivers' interests via our co-operative members.

Mr Valentine explained that Geelong Radio Cabs is a co-operative with around 70 taxi-cabs and around 250 drivers. It is the largest fleet in the urban zone. Geelong Radio Cabs works closely with Silver Top Taxis as they are part of the same national telephone network.