



**Australian  
Competition &  
Consumer  
Commission**

Our Ref: 54572  
Contact Officer: John Rouw  
Contact Number: (03) 9290 1402

GPO Box 3131  
Canberra ACT 2601

13 May 2014

23 Marcus Clarke Street  
Canberra ACT 2601

tel: (02) 6243 1111  
fax: (02) 6243 1199

By email:

[www.accc.gov.au](http://www.accc.gov.au)

Dear Madam / Sir

### **Victorian Taxi Association – application for authorisation A91428 - interested party consultation**

The Australian Competition and Consumer Commission (the ACCC) has received an application for authorisation from the Victorian Taxi Association (VTA) on behalf of certain taxi operators in country and regional zones. The application was lodged on 12 May 2014.

As a potentially interested party, the ACCC invites you to comment on the application. Attached is a summary of the authorisation process, including how to make a submission to the ACCC.

#### **Application for authorisation**

The VTA is seeking authorisation to allow taxi operators in cooperative booking networks in country or regional taxi licence zones to reach agreements on consistent maximum fares for booked and contracted work. The VTA submits that it is not seeking authorisation to stop operators charging less than the agreed maximum fare.

Authorisation has been sought for five years.

The background to this application is that the Victorian Government is implementing changes in fare regulations in regional and country zones, replacing formal regulation of maximum fares with a system under which taxi operators will set their own fares. The scheme is scheduled to be implemented on 1 July 2014.

A full copy of the application for authorisation is available on the ACCC's website <[www.accc.gov.au/AuthorisationsRegister](http://www.accc.gov.au/AuthorisationsRegister)>. Alternatively, you can contact John Rouw on (03) 9290 1402 to obtain a hard copy of the application and submission.

#### **Request for interim authorisation**

The VTA has also requested interim authorisation to be able to begin the conduct when the new system is implemented on 1 July 2014.

The ACCC endeavours to deal with requests for interim authorisation quickly. In making an assessment as to whether it is appropriate to grant interim authorisation,

the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result of the proposed conduct.

The ACCC decides whether to grant interim authorisation on a case by case basis. Should an applicant request interim authorisation, the ACCC will usually consider a range of factors, including:

- harm to the applicant and other parties if interim is or is not granted
- the urgency of the matter
- possible benefit and detriment to the public and
- whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation.

If you intend to provide a submission on interim authorisation, please do so by **23 May 2014**.

### **Submissions on the overall application**

The ACCC also invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements. In particular the ACCC would appreciate your views on the following issues:

- The VTA submits that absent authorisation, customers in rural and regional areas (either individuals or contractors of taxi services) would need to individually negotiate with the taxi operator for their services.
  - What do you consider would be the likely conduct of taxi networks absent authorisation? Would features of the network system (other than the ability to agree prices) be able to be retained? Which features and how would this operate?
  - If you are an existing customer, how would you be affected?
- The VTA's submits that, if taxi network operators were prevented from agreeing on maximum prices, their cooperative networks would break down and not be able to function.
  - What do you consider would be the benefits or detriments of the conduct the VTA has proposed? Specifically would the conduct impact on the quality of service or price of existing services? If so, how?

Submissions on the overall application should be received by **11 June 2014**.

### **Making a submission**

As stated above, submissions on interim authorisation should be received no later than **23 May 2014** and submissions on the substantive application should be received no later than **11 June 2014**.

Submissions should be emailed to [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au) with the subject 'A91428 – Victorian Taxi Association – submission'.

Alternatively, if you would like to provide comments orally, please contact John Rouw on (03) 9290 1402 to organise a suitable time.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

Please advise if you do not wish to make a submission at this time but would like to be informed of the progress of the application at the draft and final determination stages. If you can, please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application.

### **Timetable**

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information.

<b>12 May 2014</b>	Lodgement of application and supporting submission.
<b>13 May 2014</b>	Public consultation process begins.
<b>23 May 2014</b>	Closing date for submissions on interim authorisation.
<b>June 2014</b>	ACCC decision regarding interim authorisation.
<b>11 June 2014</b>	Closing date for submissions from interested parties.
<b>June 2014</b>	Applicant responds to issues raised in the public consultation process.
<b>August 2014</b>	Draft determination.
<b>August / September 2014</b>	Public consultation on draft determination including any conference if called.
<b>October 2014</b>	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact John Rouw on (03) 9290 1402 or [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Richard Chadwick', with a long horizontal stroke extending to the right.

Dr Richard Chadwick  
General Manager  
Adjudication Branch

**A91428 Victorian Taxi Association – addressees of initial invitation to make submissions – 14 May 2014**

13 CABS (Emerald Taxi Service)	Latrobe Regional Hospital
13 CABS Victoria	Maryborough Taxis
13 CABS (Yarra Valley)	Mildura Taxis Associated
Albury Wodonga Health	Moe Taxis
Amalgamated Taxis Wodonga Co-op	Morwell Taxis
Aspire Support Services	Northeast Health Wangaratta
Australian Taxi Drivers Association	Ovens and King Community Health Service
Bairnsdale Taxis	Pakenham Taxis
Baptcare St Hilary's Community	Sale/Maffra Taxis
CabIT	Shepparton Taxis
Consumer Action Law Centre	Tambo Valley Cabs
Department of Veterans' Affairs	Taxi Services Commission
Echuca Moama Taxi Group	Taxis of Portland
Essential Services Commission	Taxis Wangaratta
goCatch	Warrnambool Radio Taxis
Greater Shepparton Taxis	Yellow Cabs Victorian (Warrnambool)
Latrobe Community Health Service	Yooralla
Ingogo	