



12 February 2016

Ms Jaime Martin
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Dear Ms Martin

ihail Pty Ltd application for authorisation [A91501] – further amendments to the ihail arrangements

I am writing with respect to ihail Pty Ltd's application for authorisation for a joint venture between a number of taxi companies and other participants in the taxi industry to launch the ihail smartphone application within the Australian market.

I would like to bring to your attention some changes in the market in New South Wales which may be relevant in your consideration of ihail Pty Ltd's application.

On 17 December 2015, the Minister for Transport and Infrastructure announced reforms to the point to point transport industry, which came into effect on 18 December 2015.

One of the precursors to these reforms is the proliferation of technology which facilitates finding, booking and tracking a journey, as well as paying for, and leaving feedback on the trip. These technological advances are generating significant consumer benefits in terms of convenience, transparency and accountability.

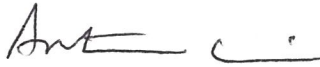
In making reforms to increase competition in the point to point market, the NSW Government has recognised the potential for these technologies to improve productivity and customer outcomes.

The reforms include removing restrictions on the supply of vehicles able to be used for booked services, and significantly lowering the barrier to entry for providers of those services. There has already been an increase in the number of vehicles and drivers providing services, and this is expected to continue.

As a consequence, it is anticipated that booking and payment system providers will have more opportunities to enter or expand in this market. Existing market participants will also need to respond to this increase in competition.

Further information about these reforms can be found at
www.transport.nsw.gov.au/pointtopoint.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Anthony Wing', with a stylized flourish at the end.

Anthony Wing
Executive Director, Transport Policy