

The Secretary
Legislative Council, Economy and Infrastructure Committee
Parliament House, Spring Street
EAST MELBOURNE VIC 3002

26th June 2019

Re: Economy and Infrastructure Committee inquiry into the Commercial Passenger Vehicle Industry Act 2017 Reforms

Thank you for the opportunity to provide input into the Economy and Infrastructure Committee inquiry into the Commercial Passenger Vehicle Industry Act 2017 Reforms.

There is a global shift in policy where Demand Responsive Transport (DRT) now forms an integral part of many public transport networks. In many countries, transport authorities and regulators have sought to integrate DRT services with the public transport network, providing the last/first mile services in areas that have poor interchange with train services, in particular in peri urban areas and regional areas.

These service arrangements are most popular where major trunk public transport services terminate (typically rail), but the supporting public transport network (i.e. buses) runs at very low frequencies that do not align with train services, has poor geographic coverage and span of hours of operation. In the delivery of these services, transport authorities have attempted to create partnership arrangements with DRT service providers to provide that last mile service, connecting commuters with their home. But enabling DRT as a formal mode of public transport has been clunky (with a handful of failed trials over the years), exclusionary (community transport) and unsustainable to the extent that Government can't afford to subsidise it as they do rail and bus.

To overcome these obstacles, BusVic proposes that the Commercial Passenger Vehicle (CPV) payment system be reviewed to support the use of myki to pay part of the CPV fare with the equivalent public transport fare. The opportunity exists to link electronic payments systems via the Booking Service Provider (BSP). An example of this type of transaction is a customer who takes the Hurstbridge line train home with the journey terminating at Hurstbridge train station at 11.30pm. There is no local bus service available. The customer books a CPV for the journey home. The fare comes to \$20.00. The customer uses their registered myki card with the BSP to deduct the myki fare (\$4.50) and their credit card for the balance (\$15.50). The payment transaction can be processed at the same time (incorporating myki and credit card transactions). The benefit of doing this is the total fare payable by the passengers will reduce and the transport provider still receives the full fare. This facility will be valuable in Melbourne's peri urban and regional areas where last mile connectivity is poor.

The following section provides a specific response to the questionnaire prepared by the Economy and Infrastructure Committee.

1. *Are you a booking service provider or a driver?*

BusVic, through its fully owned subsidiary Get There DRT is a registered Booking Service Provider (BSP).

2. *What are your thoughts on how the new registration system is functioning?*

The BSP registration process is currently functioning well.

3. *What has been the effect on your business, including compliance costs?*

There has been negligible cost impact on our business.

4. *What has been your experience with the regulator the Commercial Passenger Vehicle Commission (previously the Taxi Services Commission)?*

The level of engagement with the regulator has been satisfactory. Where issues have existed, they have sought to rectify these issues. Their feedback and response to enquiries has been satisfactory.

5. *Do you have any ideas for improving legislation governing the commercial passenger vehicle industry in the future?*

The CPV legislation could provide for the integration of CPV and public transport journeys so as to support shared transactions in the provision of public transport services. This may require a broader review of other legislation associated with the provision of public transport services in Victoria.

6. *With these changes, have you remained a member of the Commercial Passenger Vehicle Industry?*

Yes.

7. *Are there any other issues you would like to raise with the Committee?*

BusVic is of the view that the State Government should pursue all endeavours to provide greater funding for compensation of taxi and hire car licence holders. The amount of money on offer does not, in our view, adequately compensate the taxi licence owners for the revocation of their privately held assets and loss of income stream. Further, the introduction of the Commercial Passenger Vehicles legislation and associated regulations has pushed the industry into a market which is over-supplied to the extreme and one which is neither sustainable nor viable.

If you have any queries regarding this submission or wish to discuss the content further, please do not hesitate to contact me on [REDACTED] or via email [REDACTED]

Yours faithfully

Parry Serafim
General Manager
Planning and Policy