

Australian Capital Territory

Road Transport (Public Passenger Services) Maximum Fares for Taxi Services Determination 2009 (No 1)

Disallowable instrument DI 2009–145

made under the

Road Transport (Public Passenger Services) Act 2001, s60 (power to determine maximum taxi fares)

EXPLANATORY STATEMENT

This instrument revokes Determination DI2008-233 dated 10 September 2008 and notified on 11 September 2008.

Section 60(1) of the *Road Transport (Public Passenger Services) Act 2001* specifies that the Minister may, in writing, determine the maximum fares relating to hiring or using a taxi. A determination under section 60(1) is a disallowable instrument.

The Department of Territory and Municipal Services (the department) requested the taxi industry to make a submission for annual fare increases and has adopted an approach based on the Taxis Composite Cost Index (TCCI) methodology for the review of taxi fares for the coming financial year. The department engaged an independent consultant to review the industry's submission to ensure the process remained transparent and defensible.

The consultant recommended that, based on the TCCI methodology to calculate the fare adjustment for the coming year, the figures and calculations contained in the submission are accepted as correct and the department accepts the proposed fare increase of +4.00%.

Unlike other road transport fee increases, whereby most fees and charges are increased in line with the Wage Price Index, the TCCI model is based on actual cost movements.

The waiting time rate has increased from \$47.50 per hour to \$49.50 per hour based on increased traffic congestion. The flag fall rate has been increased from \$4.20 to \$4.40. The baby capsule fee has been increased from \$4.50 to \$4.70.

This determination gives effect to the fare and fee charges recommended and will commence on 1 July 2008.