



Chris Steel MLA

Minister for Transport and City Services

Minister for Skills

Special Minister of State

Member for Murrumbidgee

Mr Endre Kovacs

Chairperson

ACT Taxi Plate Owners Association (ACTTPOA)

secretary@acttpoa.com.au

Dear Mr Kovacs

Thank you for your letter about increasing the ACT Government's annual tax lease fee.

Please thank Dean for his time on 25 November 2022 to discuss the challenges the taxi industry is currently experiencing and the ACTTPOA's request for an increase in lease fees.

While the ACT Government is committed to ensuring that taxis continue to play a significant role in transporting the community, our position on any further compensation remains unchanged. The ACT Government considers taxi plates to be a community asset that delivers essential services to the community rather than an exclusive investment product.

The ACT Government has provided a number of supports to the industry in recent years. The ACT Government's 2020 economic survival package provided support to the on-demand transport industry by waiving all government leased taxi plate fees for 12 months, including wheelchair accessible taxis, and providing a one-off payment of up to \$5,000 to taxi operators who lease their taxi plates from private owners.

In 2021, the ACT Government also delivered a range of measures to support local business and industry, including business support grants. In 2022, I provided a two-year extension to the legislated taxi vehicle age and use requirements, and as you highlighted in your email, I also increased fares by 6.3% in line with CPI.

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Thank you for providing the data for taxi and rideshare vehicles registered in the ACT from 2018-2022, I acknowledge that there are less taxis on the road compared to rideshare. At the meeting on 25 November 2022, I noted that there is not currently a clear argument to support an increase in taxi lease fees, including the rationale for how such an increase would result in improved benefits for the community.

I also noted during the meeting that an estimate of the average perpetual lease amount may be beneficial to better understanding the situation. I understand that there are currently 216 perpetual licences in the ACT, with 154 of those being used on operational taxis as at 1 January 2023. Understanding the average perpetual lease amount and how many owners are driving vehicles would provide further insight.

The ACT Government remains committed to supporting the taxi industry, which includes being mindful of current issues affecting both taxi licence holders and perpetual plate owners. TCCS will take into consideration concerns raised by the ACTTPOA and other perpetual licence holders during any future reviews of taxi regulation.

Thank you for raising this matter. I trust this information is of assistance.

Yours sincerely



Chris Steel MLA
Minister for Transport and City Services
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