



Committee seeks fair go for all on ride sourcing

The Victorian Parliament's Economy and Infrastructure Committee has today tabled its report on ride sourcing services, calling for a level playing field for all commercial passenger vehicle operations in Victoria.

The Committee has recommended that the Legislative Council defer debate on the Commercial Passenger Vehicle Industry Bill 2017 while two major issues of concern are resolved:

- Finalisation of a satisfactory compensation package for taxi industry members who must transition to the new regulatory regime
- Determination of the efficacy, cost of implementation and effect on users of the proposed \$2 levy on all rides.

"The 'new economy' that allows for collaborative consumerism and sharing of resources is exciting and brings new opportunities for business and consumers. But it also presents challenges for traditional industries," Committee Chair, Bernie Finn said.

"In the case of the taxi industry in Victoria their services have been undercut by unregulated ride sourcing services offered by Uber. What the government needs to do now is to implement regulations to ensure a level playing field for all participants in the commercial passenger vehicle industry," he said.

The Committee found that ride sourcing services can be defined as taxi services, even though the method to book these services is technology based, and should therefore be subject to regulation.

It also found that traditional taxi industry stakeholders have invested in assets that have now lost their value and should be compensated to assist them in their transition to new industry standards.

In relation to the \$2 levy proposed by the government to help fund compensation for the taxi industry, Mr Finn expressed concerns about how that has been developed.

"A major concern is that there is no sunset clause attached to the levy. An open ended tax that could potentially raise many millions beyond what its stated funding purpose is, and continue indefinitely does not seem like an efficient or welcome development for Victorians," Mr Finn said.

The report is available from the Committee's [website](#).

Media Queries

For media queries, contact the Committee Secretary, Lilian Topic, on 0417322053.

Issued: 23 March 2017