

# Taxi and Limousine Industry Assistance Scheme Regulation 2016

Explanatory notes for SL 2016 No. 245

made under the

*Rural and Regional Adjustment Act 1994*

*State Penalties Enforcement Act 1999*

*Transport Operations (Passenger Transport) Act 1994*

## General Outline

### Short title

Taxi and Limousine Industry Assistance Scheme Regulation 2016

### Authorising law

Sections 11 and 44 of the *Rural and Regional Adjustment Act 1994*

Section 165 of the *State Penalties Enforcement Act 1999*

Sections 155 and 155A of the *Transport Operations (Passenger Transport) Act 1994*

### Policy objectives and the reasons for them

On 11 August 2016, the Queensland Government announced its program for reform of the personalised transport industry, including taxi, limousine and ride-booking services. The first stage of the reforms involved immediate amendments to legalise booked hire services operating without a taxi service licence while preserving the 'rank and hail' market for taxis. The second stage of the reform program involves comprehensive reform through primary legislation amendments to introduce a new regulatory framework for personalised transport in Queensland.

As part of the reform, the Queensland Government announced a \$100 million Industry Adjustment Assistance Package (IAAP) to assist the existing taxi and limousine industry to transition to a more competitive market. The objective of the regulation is to assist existing holders of taxi service licences and limousine service licences (relevant licences) to adjust to changes in the taxi service industry and limousine service industry.

Further, the Transportation and Utilities Committee recommended in its report on the Heavy Vehicle National Law and Other Legislation Amendment Bill 2016 to increase penalties relating to illegal activity by ride-booking services. It is currently an offence under

the *Transport Operations (Road Use Management—Road Rules) Regulation 2009* for a driver to stop in a taxi zone, unless the driver is driving a taxi. An amendment to increase the infringement notice fine for this offence aims to increase the deterrent against illegally stopping in a taxi zone.

## **Achievement of policy objectives**

The objective of assisting holders of relevant licences to adjust to changes in the taxi service industry and limousine service industry will be achieved by establishing a scheme for making transitional assistance payments. The Queensland Rural Adjustment Authority (QRAA), as specialist administrator of government financial assistance programs, will administer the transitional assistance scheme as an approved scheme under the *Rural and Regional Adjustment Act 1994*.

The objective of increasing the deterrent against stopping in a taxi zone will be achieved by amending the *State Penalties Enforcement Regulation 2014* to increase the infringement notice fine for the offence from 2/5 of a penalty unit to 2 penalty units.

## **Consistency with policy objectives of authorising law**

The amendments are consistent with the policy objectives of the authorising laws.

## **Inconsistency with policy objectives of other legislation**

The amendments are not inconsistent with the policy objectives of other legislation.

## **Alternative ways of achieving policy objectives**

It is appropriate to legislate elements of the IAAP to provide certainty and ensure the integrity of the administration of the scheme. It is also necessary for the scheme to be approved under a regulation made under the *Rural and Regional Adjustment Act 1994* in order for QRAA to administer the scheme.

## **Benefits and costs of implementation**

The provision of transitional assistance payments will assist holders of relevant licences to respond to an increase in competition in the booked hire services market.

One-off funding of \$100 million has been allocated for the IAAP, \$60 million of which has been allocated to transitional assistance payments.

The costs to government of administering the transitional assistance scheme will be met from existing departmental resources.

## **Consistency with fundamental legislative principles**

The amendments are consistent with fundamental legislative principles.

## Consultation

The independent Opportunities for Personalised Transport Review undertook extensive community consultation on the personalised transport reforms. Broad consultation was also undertaken by the Transportation and Utilities Committee on the IAAP and other aspects of the reform program during its examination of the Heavy Vehicle National Law and Other Legislation Amendment Bill 2016. The Department of Transport and Main Roads has also established the Personalised Transport Industry Reference Group to ensure ongoing stakeholder engagement and input into implementation of the reform program, including the IAAP.

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