

Submission to Small Passenger Service Vehicle Review June 2015



TOURISM TRANSPORT
LIMITED



Please find attached Super Shuttle's formal submission to the Small Passenger Services Vehicle Review. Given the express timeframes for submission, this document addresses the **Key Issues** directly and does not seek to provide a view on any preference for an **Option** as offered in the Background Information document provided by the Ministry.

It is an appropriate time to review the current legislation which has evolved over a number of years but does not reflect the current new entrants utilising new and emerging technology.

Whilst we do not consider there to be a lack of capacity in the SPSV sector of the market nor any lack of vigorous competition; we do think current compliance regimes provide an unnecessary barrier to entry and our submission is orientated towards resolving these issues.

For clarity (replace with "For the record"?), Super Shuttle fully supports the emergence of new entrants and considers that new technology potentially offers numerous service advantages to New Zealand consumers.

We consider that current consumer use of [say] Uber is a choice made on the basis of convenience and service rather than price. In other countries, as existing SPSV providers have adjusted to match or better their service offers, Uber has lowered pricing in order to capture market share and we expect the same to occur here in NZ. Given the inevitability of the market adopting such new innovative technology, it is therefore critical to get the future SPSV industry regulatory framework operating on an 'even playing field' basis.

We consider that the current regulations create barriers to entry that should be lowered to allow technology innovations to lift industry accessibility, competitiveness and service.

Whilst we support relaxing some areas of compliance, there are key features that remain fundamental and critical to regulating the SPSV industry:

Safety

- SPSV drivers must continue to have a higher standard of testing, compliance and ongoing scrutiny than that of a standard non-commercial licenced driver.
- SPSV vehicles must pass a higher standard of certification.
- Drivers and Vehicles and Passengers must be conspicuously visible when engaged in commercial operation.

Policing

- With 1000's of SPSV's on the road at any one time, policing issues can never be the sole charge of the New Zealand Police.
- Hence we support self-regulation at an ATO (Approved Transport Operator) level. Owner drivers must not be allowed to self-regulate.
- In car cameras were introduced for driver safety in reaction to a number of attacks. Whilst we consider the new GPS tracking technology combined with known customers etc do provide a degree of customer safety, the in-car camera is on balance, a greater deterrent in our view. Furthermore, cameras are much more valuable from a policing perspective; they provide great evidential proof of criminal activity and significantly improve the chance of conviction.

Our summary observations on the Key Issues are noted below:

1. Booking or hailing SPSV services.
 - a. We consider this distinction no longer relevant.
 - b. On demand taxi/private hire requests can be made in a number of ways now which has blurred this historic distinction.
 - c. We register our concern regarding the risk of hailed, unmarked cars being used in by predators and in our view this needs focussed consideration.
2. Safety.
 - a. We agree with the continuation for the requirement of all SPSV drivers to have a P Endorsement and all vehicles to have a Certificate of Fitness.
 - b. The PSL requirement seems to us to be less relevant.
 - c. All regulatory requirements [as noted above] should be reviewed. GPS technology for example makes the need to have high levels of geographic knowledge for a P Endorsement, less relevant.
 - d. Costs and turnaround time need review for all compliance processes.
3. In-car cameras.
 - a. This initiative was brought in as a response to driver safety. It has worked in this regard.
 - b. The new GPS technology available for new entrants does provide safety for passengers.
 - c. On balance, we support retaining in-car cameras for all SPSV vehicles. The compelling rationale is policing. Cameras have been invaluable in gaining convictions.
 - d. The cost of in-car cameras is reducing and we believe this should not be a material barrier to allow new entrants to enter our market.
4. Panic Alarms.
 - a. We think this should be a choice for individual ATO's.
5. Providing customers access to 24/7 taxis services.
 - a. We think this should be a choice for individual ATO's
6. Consumer protection, pricing and fares.
 - a. We agree with the changes suggested
 - b. We support the requirement for the service provider/drivers to agree a basis of the fare prior to the trip without regulating the charging itself.

7. Regulation of ridesharing.
- a. We agree with the intent to capture this service within the existing/new regulations.
 - b. The ride sharing distinction as offered by Uber etc around the world has largely been used as a way of working outside of existing regulations. It seems clear the same will be intended here.
 - c. As noted in Point 1. We think there should be no distinction needed under any new regulatory framework between Taxi, Private Hire, or Ride Sharing. Rather, anyone operating for commercial gain should be required to comply with current statutory regulations.
 - d. Whilst the concept of 'part-time' drivers earning a few extra dollars driving New Zealander's to destinations seems romantic, this notion ignores key areas of safety and compliance that we consider are essential for New Zealand's SPSV industry to remain safe, consistent and service orientated. Non-negotiable qualifications in our view would be that drivers must:
 - i. Have a P endorsement
 - ii. Have a Certificate of Fitness for their vehicle
 - iii. Be a part of an approved ATO.
 - e. We fully support the Carpooling concept that in the future will contribute to minimising congestion and also reduce travel costs for each traveller. As soon as this activity moves from cost recovery to commercial gain (with a third party benefiting), it needs to be fully captured and designated by the statutes as a normal SPSV service.
8. Ensuring compliance with regulatory requirements.
- a. We support maintaining the ATO structure. [Renamed as Approved Transport Organisation to reflect less distinction between Taxis and other commercial operators].
 - b. It will be difficult and dangerous to have owner drivers self-regulating. If there are issues, the authorities must be able to deal with a corporatised authority to ensure compliance.
 - c. The compliance hurdles to run an ATO should be reviewed and streamlined to lesson any barrier to entry.

End

