

12 February 2016

## **Our Submission on the Future of Small Passenger Services Consultation Paper**

### **Introduction**

Thank you for the opportunity to submit on the Small Passenger Services review.

Beca is a professional services firm, headquartered in Auckland with over 3,000 staff in the Asia-Pacific region. We have specialist Transport Advisory consultants in Australia, New Zealand and Singapore, and noted international expertise in Intelligent Transport Systems and Future Transport.

Our staff make considerable use of small passenger services both in New Zealand and overseas and we recognise the importance of Health and Safety in that activity.

### **Summary**

We agree that it is an appropriate time for the Ministry of Transport (MOT) to review Small Passenger Services, particularly given the momentum of change in transport technology that is currently occurring. We see new entrants into the sector as looking to provide innovation and improved customer service, but likely being restricted in doing so by the current rules that are no longer fit for purpose and flexible for the future.

We do not believe that the focus of Option 4 to create a single class as stated will provide the best implementation of the objectives outlined in Sections 2 and 4 of the Consultation Document. Specifically we do not agree with the proposed requirement for ridesharing services to meet the same rules as taxis.

We suggest the following three changes be considered:

- a. The requirements on "Taxi" services be separated from other forms of small passenger services and that taxis be the only small passenger service able to pick up passengers by hail or from ranks. The safety requirements for "Taxi" services require (i) regulated external signage; (ii) electronic tracking of journeys, (iii) electronic driver 'log books' which may include passenger feedback.
- b. The licensing requirements for drivers for non-Taxi services become more flexible than the current P Endorsement process.
- c. The vehicle safety rules be strengthened so that the travellers in the small passenger services fleet more quickly benefit from the latest and future safety design features (e.g. automatic braking, crash avoidance, etc.) emerging in new vehicles. We see those features as being a new core safety requirement.

Our rationale for these three points is explained in more detail:

## **Taxi Services**

Taxi services provide an important transport option as they can be anonymously hailed or found at formal taxi ranks at short notice without the need for a phone, App or credit card. For these two types of rides the only pre-checks available for passengers on the driver and their vehicle are from external signage and the prominent display of the P-Endorsed license with photo identification. We believe that these need to be regulated for passenger safety particularly as in some cases a rider's normal sober level of judgement may be impaired.

While the great majority of taxi rides occur without issue, we believe that the rider and driver will be better protected through a requirement for location-based recording of the journey, through electronic driver log-books and through the ability for post-ride passenger feedback to be incorporated to the P-Endorsed drivers' electronic logbook.

As we are suggesting a separate class for taxis with higher requirements, we recommend that only taxis are able to take hail and rank passengers.

## **Licensing of Drivers for Non-Taxi Services**

We are referring to pre-booked vehicles that may include private hire, ridesharing, *etc.* We recommend that these services not be able to perform the anonymous hailing and rank pickups. We believe that there is sufficient competition amongst taxis without adding in private hire and ridesharing vehicles.

Pre-booked services occur within a closed 'ecosystem' where the identity of the passenger, the driver, any feedback on each, *etc.* will be known before the ride commences. It is most likely that individual trips will be tracked and recorded, and that safety issues and concerns can be raised immediately and escalated through the system.

Our understanding is ridesharing schemes are attractive to drivers who can do this as a supplement to other activities / employment. The economic and environmental benefits of ride-sharing may not occur if the current cost and time requirements to achieve a P-Endorsement remain.

We suggest that the driving / criminal record checks and the ability for an endorsed license to be suspended / revoked must remain, however a ride-sharing endorsed license be available which is available quickly and at a low-cost, be visually displayed in vehicles and include a photo of the license holder and unique ID.

## **Vehicle Safety**

We believe that the future core vehicle safety standards will not be achieved through the Certificate of Fitness process. This process checks compliance of the vehicle with the standards of the date of manufacture. Safety technology in vehicles is rapidly progressing year by year, better protecting the driver, passengers and others both in a collision and from avoiding a collision occurring.

We suggest that consideration be given to how this could be specified, potentially through updating mandated vehicle safety feature requirements, or a maximum period since the vehicle date of manufacture.

## Summary

We agree that the small passenger services regulations should foster innovation and enable technology to provide benefits to the sector. We believe that innovation in private hire and ridesharing requires consideration of the driver licensing regime for those services. Hail and rank hire services should be restricted to taxis with external signage and with the introduction of a requirement for journey tracking and associated electronic logbooks and passenger feedback / quality control. Quicker introduction of vehicles with enhanced safety / technology will directly benefit passenger and overall road safety.

If you have any queries or require clarification on any of our points raised then please do not hesitate to contact us.

**Can you please email us the results of the consultation process to [matthew.ensor@beca.com](mailto:matthew.ensor@beca.com).**

Yours sincerely



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