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立法會交通事務委員會

各位委員：

Uber 就「提升的士服務質素」提交意見書

香港人煙稠密，即使在以鐵路為骨幹的政策主導之下，個人化點對點交通服務仍然需求甚殷，市民對服務質素及種類的需求亦越趨多元化，因此各種新式的服務應運而起，例如支援輪椅使用者的車輛、網約車平台、共乘汽車服務和收費及質素較高的點對點載客服務等。

Uber 對於政府決意改善的士業界服務質素感到欣慰，反映引入新的競爭才能帶來進步。我們鼓勵政府繼續秉承這種積極求變的態度，處理點對點載客服務業界的困境。

我們留意到現時市場的供應與市民的需求有明顯的落差，市民不滿現時的士服務質素，包括難以截車叫車、需於街上等候良久仍未能獲載，部份的士司機更服務態度欠佳。

可是，當局建議推出的扣分制只能針對兜路、濫收車資等明顯違規事項，無法從根本解決難以截車叫車或言語態度欠佳等服務質素的問題。另外，就算扣分制能抑壓業界不良惡習於一時，亦難以回應上述種種新冒起的乘車需要。從現實而言，香港確實有顯著數量的市民願意支付更多車資，以換取更有效率及更有質素的點對點載客服務。

消費者委員會更罕見地主動研究香港個人化點對點交通服務市場，並於去年 11 月發表題為「更多選擇 更佳服務」的報告。消委會明言政府現階段提出的建議（包括引入專營的士）不足以根治現有問題及應付新的科技應用趨勢。消委會建議政府把握良機，改革「出租汽車許可證」制度，從而規管共乘汽車，提升市場競爭。

而於今年 7 月，杜浩成裁判官在處理案件時，更直指政府早於 2015 年便注意到香港個人化點對點交通服務的問題。他在判辭中指出公共政策必須顧及重大的科技突破，更寄望有關當局盡快為狀況作出補救（*"this court hopes that the relevant authorities ... will soon remedy the position"*）。我們希望當局能與時並進，更新過時法例以適應科技突破及社會需要。

在現有的法律框架下，政府一直擁有適合的法律工具讓共乘汽車合法安全地營運，以補充現有點對點載客服務的不足及提升整體質素。運輸署發出的「出租汽車許可證」就容許的士以外的車輛接載乘客取酬。可惜申請要求相當嚴苛、過時，不但要求車輛規格豪華，更要求司機以紙筆在指定地點記錄乘客姓名及車程概況。在即時通訊及大數據的年代，我們相信政府有更有效益的方法回應時代的需要。

因此，我們認為政府應：

- 1. 全面檢討個人化點對點交通服務的整個框架，而非局限於現有的的士服務；**
- 2. 主動積極地回應市民對共乘汽車的需要，革新過時的法例，拆牆鬆綁；**
- 3. 改革「出租汽車許可證」的相關法例，將共享汽車服務納入規管。**

就此，我們邀請了法律顧問作研究，詳細檢視了香港現行法律及外國的規管情況，提出革新法例的具體方案。詳見附件的完整建議書及中文摘要。

根據我們的建議，當局只需作出少量調整，便可從簡從速地將共乘汽車作出規管。我們更認為可參考外國例子，只容許共乘汽車作預約服務，即禁止在街上往返及停車兜客，從而更有效集中地補足現有業界的不足。

我們希望各委員及當局能積極參考上述意見，推動香港點對點載客服務至智慧科技應用的層次，讓公眾能有更多選擇，能夠更輕鬆舒適地出行往返。

Uber 香港團隊

二零一八年七月二十三日

附件：改革「出租汽車許可證」制度的建議書、中文摘要

UBER 就改革「出租汽車許可證」建議書

中文摘要

背景：

1. 香港共乘汽車服務日漸盛行、需求甚殷，但過時的法規窒礙有關發展。若政府將共乘服務納入規管，可為公眾帶來更富服務質素及安全保障的個人化點對點交通服務。
2. Uber 委託顧問公司詳細研究現行法例後，認為改革現行的「出租汽車許可證」制度，可用作規管共享汽車，並能從速從簡處理現有挑戰。

現行法例：

3. 根據香港法例第 374 章《道路交通條例》¹，若要以私人汽車作載客出租或取酬用途，車主就必須取得「出租汽車許可證」。
4. 根據香港法例第 374D 章《道路交通(公共服務車輛)規例》，「出租汽車許可證」有五個種類：酒店出租、旅遊出租、機場出租、學校出租及私家出租。其中「私家出租」可再細分為私家服務及豪華房車服務兩種。理論上，「私家出租」類別可以涵蓋共乘服務。
5. 然而，現時法例為「私家出租」許可證訂下嚴苛、過時的申請要求，令一般車主難以成功申請，窒礙共乘汽車的發展。申請要求包括：
 - i. 配額制：許可證數量上限為 1500 個²；
 - ii. 需求證明³：須確立出租汽車是「有合理理由需要的」；
 - iii. 車輛規格⁴：就豪華房車而言，車輛車齡不得超越 7 年及其應課稅值須達 300,000 元以上；若申請者未持有出租服務的合約，車輛就必須是全新及其應課稅值須達 400,000 元以上；
 - iv. 營運限制⁵：只能於許可證上列明的地點營運；必須在許可證

¹ 《道路交通條例》第 52 條第 3 款：「任何人不得...駕駛或使用汽車...以作出租或取酬載客用途，除非...該車輛領有生效的出租汽車許可證。」

² 見香港法例第 374L 章第 2 條。截至 2018 年 2 月，已發出的出租汽車許可證只有 696 個。

³ 見香港法例第 374D 章《道路交通(公共服務車輛)規例》第 14 條第 3 款。

⁴ 詳見運輸署網頁：

http://www.td.gov.hk/tc/public_services/licences_and_permits/hire_car_permit/index.html

⁵ 見香港法例第 374D 章《道路交通(公共服務車輛)規例》附表 3 第 1 條。

UBER 就改革「出租汽車許可證」建議書

中文摘要

上列明的地點，在啟程前記錄乘客姓名及行程的簡述。

改革建議

6. 從速從簡而言，政府可就「私家出租」的規例作少量修訂，便可將共乘汽車服務納入規管：
 - i. 配額制：取消許可證數量上限，方便汽車共乘；
 - ii. 需求證明：由運輸署署長基於社會需求而判定共乘汽車是合理需要，無須申請者另行證明；
 - iii. 車輛規格：改以安全考慮為主，取消車齡及應課稅額的限制；
 - iv. 營運限制：放寬至可於任何地點，以電子或書面形式，在啟程前記錄汽車登記證號碼、車主身份及乘客身份。

外國例子

7. 世界多國已追上時代發展，將共乘汽車納入規管，包括新加坡、馬來西亞、越南、柬埔寨、澳洲、紐西蘭、英國和美國等⁶。雖然細節不盡相同，但通常不為車輛數量設限，只要求車輛符合安全要求，同時將共乘汽車及的士的市場分開，以提供多元優良選擇。
8. 新加坡：修例將共乘汽車納入私家出租車的法例框架下規管，定名為「**Ride-Sourcing Service**」。不設車輛數量上限，無須事先證明需求，只要求車輛符合一般安全規格，另須設有空調及展示牌照。車輛不能街上往來或停候兜客，以分開共乘汽車及的士市場。
9. 澳洲：共乘汽車於全國八個司法管轄區均為合法，納入 **hire vehicle**、**booked hire service**、**chauffeured vehicle service** 等框架作規管，不設車輛數量上限，無須事先證明需求。車輛規格上，新南威爾斯省及維多利亞省近年亦移除了有關車齡及舒適度的要求⁷。雪梨、布里斯本、墨爾本及阿德萊德等市禁止共乘汽車於街上往來或停候兜客，以分開共乘汽車及的士市場。

⁶ 詳見建議書第 22-32 段。

⁷ 維多利亞州：移除規定原因是有證據顯示車輛性能與車禍的關聯薄弱，見建議書第 29B 段。

UBER 就改革「出租汽車許可證」建議書 中文摘要

總結

10. 「出租汽車許可證」適合用作規管共乘汽車，當中只牽涉少量修改。規管細節有大量外國先例參考。當局應可迅速完全處理。
11. 我們建議政府及立法會積極考慮有關方案。

**REGULATING E-HIRE
IN HONG KONG**

Introduction

Context

E-hire overview

Regulatory implications of e-hire

Adapting the HCP framework

Conclusion

Appendix A: Uber survey of global e-hire reform

Summary

The regulation of e-hire within the Hire Car Permit ('HCP') system can be accomplished with four modest reforms. These reforms are consistent with global practice:

1. Abolish the cap on hire car permits
2. Eliminate the requirement to prove demand upon application for an HCP
3. Abolish qualitative vehicle requirements concerning age and taxable value
4. Amend the requirement to record prescribed trip information at a specified address

Introduction

1. Simmons has undertaken a review of the Hire Car Permit ('HCP') framework in Hong Kong to outline how the HCP framework may be adapted to accommodate new transport models such as 'ridesharing' (henceforth described as 'e-hire'). Appendix A contains a survey by Uber of comparable regulatory frameworks.
2. It is our view that the HCP framework could accommodate the e-hire model following a small number of modest technical reforms. These reforms are consistent with the stated policy objectives of the HKSAR Government, the regulatory objectives of the Public Service Vehicle regime, and regional precedent as surveyed by Uber. They are capable of rapid implementation.
3. The findings below are intended to support discussions between the HKSAR Government and industry stakeholders about bringing e-hire services into the regulatory system.

Context

4. Chief Executive Mrs Carrie Lam has signalled her intention for Hong Kong to “catch up in the I&T [innovation & technology] race” and become an “international I&T hub”.¹ In her maiden policy address, the Chief Executive outlined eight policy pillars to realise this objective. The fifth pillar comprises a “review of existing legislation and regulations, so as to remove those outdated provisions that impede the development of innovation and technology”.²
5. The emergence of new transport technology is one development that warrants review. Digital platforms — such as Didi, Uber, Grab, Ola and GoJek in Asia — are facilitating e-hire transport services through smartphone applications that connect drivers with passengers. E-hire is displacing traditional hire (through written or oral contracts) as the primary technique for engaging passengers on pre-booked trips.
6. These models are popular among the travelling public. They seek to improve the safety, quality and efficiency of personalised transport. They eliminate or mitigate many of the risks that accompany traditional taxi and hire vehicle models.
7. However, existing transport regulations predate — by many decades, in some cases — the emergence of e-hire technology. There are relevant differences between e-hire services and traditional taxis or hire vehicles. The regulatory framework should acknowledge these distinctions in order to ensure that e-hire services are subject to effective government management.

E-hire overview

8. E-hire refers to the practice of connecting passengers with local transport operators through a digital application. Typically, the digital application performs at least five functions of regulatory significance:
 - (A) Communicating trip requests;
 - (B) Allowing passengers to verify drivers and vehicles;
 - (C) Disclosing the fare before each trip;
 - (D) Generating a digital record of each trip; and
 - (E) Enabling drivers and passengers to register feedback.
9. Compared to existing rank and hail taxi services, these features help to improve:
 - (A) **Safety.** Applications help drivers and passengers to verify one another. They generate a digital record and GPS map each trip, improving accountability and facilitating the investigation of any issues.
 - (B) **Quality.** Drivers and passengers can register mutual feedback each trip. Regular feedback helps to identify emerging issues and to ensure that service meets community expectations.

¹ ‘Chief Executive’s 2017 Policy Address’, Legislative Council, 2017 available [here](#)

² ‘Speech at Symposium on Innovation and Technology’, 2017 available [here](#)

- (C) **Fairness.** Passengers can obtain a fare estimate before requesting a vehicle.
 - (D) **Reliability.** Passengers can connect with a greater number of available vehicles beyond their immediate vicinity.
 - (E) **Efficiency.** Drivers can better understand real time passenger demand. They can log-on or log-off in response to variable demand, helping to ensure that vehicles are on the road only when they are required.
10. The e-hire application provider does not own vehicles or manage drivers: these are functions of the local transport operator. Instead, the e-hire application is properly described as an intermediary tool that helps to connect operators with passengers. Operators remain accountable for safe and lawful service delivery, vehicle maintenance, and sound business management.
 11. Critically, e-hire vehicles are not taxis. Taxis are defined by their exclusive right to ply for hire in the street or stand at a taxi rank ('rank and hail'). This distinction is reflected in existing hire vehicle regulations: "No person shall permit or suffer a motor vehicle which is licensed as a private car, private light bus or private bus to stand or ply for hire or reward."³
 12. E-hire vehicles do not ply for hire. Passengers must communicate trip requests to drivers in advance via digital application only. Rank and hail trips constitute the vast majority of taxi trips in Asia. Taxi licences typically confer these economic rights on taxis exclusively. As such, regulating e-hire vehicles will not interfere with the established statutory rights of existing taxis. One Legislative Council briefing paper describes the complementary relationship of the two sectors:

Experience reveals that taxi services and hire car services belongs to two different market sectors, responding to different needs of the public. However, if the public is not satisfied with taxi services, it is normal that it expects a greater number of and more flexible hire car services to meet its need for point-to-point personalised transport service.⁴

Regulatory implications of e-hire

13. E-hire models mitigate many of the safety, consumer and efficiency risks that accompany rank and hail taxis. They do so through new technology and new service models. They require a different regulatory response. For example, traditional taxi regulations were intended to mitigate the risks associated with anonymous rank and hail trips. By comparison, traditional hire vehicle regulations avoided these risks by prohibiting hire vehicles from engaging in rank and hail work altogether.
14. Today, e-hire models address these risks without resorting to onerous licensing requirements or intrusive market controls. Regulatory settings should acknowledge new approaches to meeting these regulatory objectives.

³ Cap 374 (Hong Kong) s 52(6)

⁴ Legislative Council, CB(4)119/15-16(08), 6 November 2015

Regulatory risks		Taxis	E-hire
Safety	<i>Anonymity</i>	Anonymous. Hailed trips are anonymous, untracked and unrecorded, which may encourage dangerous or abusive behaviour between drivers and passengers. Taxi regulations typically mitigate anonymity by requiring CCTV cameras, GPS units in vehicles and driver identification cards. Hire vehicle regulations typically mitigate these risks by requiring that drivers and passengers identify themselves before the trip. ⁵	Accountable. E-hire applications help drivers to verify the identity of passengers, and passengers to verify the identity of the driver. Each trip is tracked via smartphone GPS. The application generates a digital record of the trip, including a map of the route. These systems help to encourage safe, respectful and lawful behaviour.
	<i>Credentials</i>	Unknown. On a hailed trip, passengers cannot verify important details in advance, including the fitness, propriety or competence of the driver, or the vehicle's compliance with inspection and registration requirements.	Verifiable. E-hire applications can prevent drivers from connecting with passengers if they do not meet regulatory standards for fitness, propriety and competence. E-hire support entities verify that drivers meet these standards before a driver is able to use the application. Likewise, e-hire applications can identify and suspend vehicles that do not meet the requirements for a current inspection certificate and valid registration.
	<i>Roadworthiness</i>	Higher mileage. Vehicles that ply for hire on a continuous basis experience greater wear and tear than vehicles that undertake pre-booked trips.	Lower mileage. E-hire drivers typically operate on an ancillary basis, driving relatively few hours per week. E-hire vehicles have a risk profile comparable to private vehicles, not full time taxis that ply for hire in search of passengers.

⁵ See, eg, the existing requirement to record details about the trip before departure, discussed further below

Fairness	<i>Price</i>	Unknown cost. During a street hail, passengers cannot reasonably interpret the cost of a trip in advance. Mitigation strategies typically include regulated fare schemes that prescribe the basis for the fare. Regulated meters then calculate the fare in accordance with the regulated scheme.	Agreed cost. Passengers can obtain a fare estimate through the e-hire application. Passengers agree to the cost before requesting a vehicle. Fares can be adjusted by reference to the digital trip record in the event of a dispute.
	<i>Quality</i>	Unreviewed quality. During a street hail, passengers cannot easily review or object to vehicle quality. In these circumstances, common mitigation strategies may include the imposition of minimum vehicle specifications such as age, size or value.	Reviewable quality. Drivers and passengers can provide mutual feedback through the e-hire application. Regular digital feedback encourages higher quality service, and helps to identify problems associated with particular drivers, vehicles or passengers. The digital rating system reflects the expectations of the local community.
Efficiency	<i>Utilisation</i>	<p>Under-utilised. Taxis depend on ubiquity — continuously plying for hire. Hailed vehicles circulate on the road when they are not required, contributing to unnecessary congestion and low driver productivity.</p> <p>Traditional mitigation strategies may include caps on the number of licensed vehicles. Caps artificially increase vehicle utilisation by undersupplying the market.</p> <p>Additional strategies may include limiting the vehicle operating area or requiring the vehicle to return to its operating base after each</p>	<p>Utilised. E-hire models are highly responsive to fluctuating passenger demand. E-hire technology can help to minimise unnecessary congestion and improve driver utilisation by ensuring vehicles are on the road only when they are needed. Relevant features include:</p> <ol style="list-style-type: none"> Digital matching. Smartphone technology enables drivers to engage passengers beyond line of sight (characteristic of a traditional taxi) and outside their established client base (characteristic of a

		<p>trip. Geographic limits artificially increase vehicle productivity by undersupplying the local market and restricting competition.</p>	<p>traditional hire vehicle). Drivers can access a larger network of potential passengers, and passengers can connect with drivers in less accessible parts of the city.</p> <p>2. Dynamic pricing. Dynamic pricing helps to incentivise drivers onto the road during peak hours, and to distribute themselves to areas experiencing high demand and low vehicle supply.</p> <p>3. Flexible supply. E-hire technology helps drivers to understand real time passenger demand. Drivers can better respond to fluctuations in demand, logging on during peak hours, and logging off when demand subsides to pursue other activities. E-hire drivers are typically ordinary people who undertake e-hire on an ancillary basis.</p>
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Adapting the HCP framework

15. Regulating e-hire advances the public interest in safety, quality service, and certainty for the existing industry. In its current form, the HCP framework does not easily accommodate new e-hire models. A number of modest reforms would extend the HCP framework to include e-hire.
16. The *Road Traffic Ordinance* provides that: “No person shall – (a) drive or use a motor vehicle... for the carriage of passengers for hire or reward unless...(iii) a hire car permit is in force in respect of the vehicle.”⁶ The *Regulations* envisage different categories of hire

⁶ Cap 374 Road Traffic Ordinance (Hong Kong) s 52(3)

car permit. Of these, the “private hire car service” category most closely resembles e-hire. This is divided into further subcategories, including “limousine” and “private service”.

17. However, it is virtually impossible for e-hire vehicles to obtain these permits in practice. Overall, four limitations are placed on these subcategories that effectively exclude e-hire services in the vast majority of cases: limitations on the **availability** of HCPs; requirements to **prove demand** for the service (applicable to “private service” applications); the eligibility of HCP **vehicles** (applicable to “limousine” applications); and the **operation** of HCP services. These are summarised below.
18. **Availability.** The Commissioner may limit the number of HCPs in circulation via Gazette.⁷ The power to limit HCPs is discretionary, not mandatory. Since at least 1998, permits for private hire car services have been limited to a maximum of 1,500 (with a small number of licences available for other specialist hire categories).⁸ Since at least 1997, fees have been set at \$1000.⁹
 - (A) **Recommendation:** The Commissioner eliminate the cap on HCPs, consistent with the approach taken in other developed jurisdictions (see the survey conducted by Uber at Appendix A). The amendment may be effected via notice in the Gazette. The fee for HCPs should be reduced to reflect the administrative cost of regulation and enforcement.
19. **Proof of demand (private service).** Operators must demonstrate the necessity of the service to the satisfaction of the regulator. The Commissioner may issue an HCP if satisfied that the “type of hire car service... is reasonably required.”¹⁰ Further, the Commissioner may have regard to “the extent to which the area from which the applicant proposes to operate the private hire service is served by public transport” and “whether the applicant is able reasonably to demonstrate that a private hire car service is required in the area from which he proposes to operate.”¹¹ The Transport Department publicly describes the purpose of private hire car services as “for the carriage of residents of an area where there is no or inadequate transport.”¹²
 - (A) **Recommendation:** The emergence and uptake of e-hire services in Hong Kong demonstrates, *a posteriori*, that such services are reasonably required. The Commissioner should make a class determination that e-hire applications meet the test of necessity. The Commissioner could attach conditions to this determination, including safety and insurance criteria.¹³ That approach is consistent with the safety-first licensing approach taken in other developed jurisdictions, which do not impose demand-based eligibility tests (see further below).
 - (B) Further, e-hire is known to grow the overall transport market following launch. E-hire induces new demand via lower cost, higher quality or differentiated service offerings. We note from Uber’s survey of other jurisdictions that “[e-hire] has grown the overall point-to-point transport market rather than substituting for taxis”¹⁴ and “[e-hire] has started meeting a pent-up demand from those who did not use the

⁷ Cap 374D Road Traffic (Public Service Vehicles) Regulations (Hong Kong) r 19

⁸ Cap 374L Hire Car Permits (Limitation on Numbers) Notice (Hong Kong)

⁹ Cap 374D Road Traffic (Public Service Vehicles) Regulations (Hong Kong) r 20

¹⁰ Cap 374D Road Traffic (Public Service Vehicles) Regulations (Hong Kong) r 14(3)

¹¹ Cap 374D Road Traffic (Public Service Vehicles) Regulations (Hong Kong) rr 15(5)(a)-(b)

¹² Transport Department, ‘Hire car permits’, 2018 available [here](#)

¹³ “Amongst other matters”: Cap 374D Road Traffic (Public Service Vehicles) Regulations (Hong Kong) r 15(5)

¹⁴ Independent Pricing and Regulatory Tribunal (New South Wales), 2017 available [here](#)

services of taxi drivers”.¹⁵ That induced or “unlocked” demand cannot be readily proved in advance by an individual vehicle owner.

20. **Vehicle eligibility** (limousine). Under Transport Department policy (effective February 2017), applicants for an HCP in the limousine category must demonstrate that they hold a contract for future service. If so, the HCP vehicle must be newer than seven years old with a taxable value of more than HKD300,000. If the applicant holds no contract for future service, they may apply for special consideration. In this case, the HCP vehicle must be brand new and with a taxable value of over HKD400,000.¹⁶

(A) **Recommendation:** The Transport Department should abolish vehicle requirements unrelated to safety. Any hire car that meets roadworthiness criteria should be permitted to operate, satisfying public demand for affordable and pre-booked transport service.

21. **Operation.** Impractical conditions are placed on the operation of hire services. In particular, hire car services must record the name of the passenger and a description of the journey at the address specified in the hire car permit.¹⁷

(A) **Recommendation:** The requirement to generate a record at the registered address of the HCP holder serves no identifiable public interest. In view of new e-hire applications, the regulations should be amended to require that the name of the hirer, name of the driver and registration number of the vehicle are recorded prior to the trip, either in writing or in a digital record. The regulation should not require this information to be recorded at a specific address.

Conclusion

22. The foregoing analysis confirms that e-hire may be regulated within the HCP framework. These reforms are consistent with the purpose of the hire car designation and, as set out in the Uber survey at Appendix A, consistent with global precedent. We commend these reforms to the Administration for consideration.

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¹⁵ Administrative Council for Economic Defense, 2015 available [here](#)

¹⁶ Transport Department, 'Hire car permits', 2018 available [here](#)

¹⁷ *Cap 374D Road Traffic (Public Service Vehicles) Regulations* (Hong Kong) sch 3(1)

Appendix A

Uber survey of global e-hire reform

23. Reform efforts in comparable jurisdictions may help to inform e-hire reform in Hong Kong. There are seven common reforms of particular relevance:
- (A) **Apps.** Permitting the use of e-hire applications;
 - (B) **Framework.** Recognising that e-hire is different to taxis;
 - (C) **Supply.** Encouraging responsive vehicle supply;
 - (D) **Pricing.** Permitting responsive or “dynamic” pricing;
 - (E) **Vehicle.** Imposing reasonable vehicle standards based on relevant safety criteria;
 - (F) **Implementation.** Implementing reforms quickly via subordinate regulation; and
 - (G) **Industry transition.** Announcing a package of reforms for incumbent taxis.

Reform in select jurisdictions

	SG	MY	VN	PH	KH	AU	NZ	US	UK	HK
Apps permissible	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Distinct class from taxis	✓	✓	✓	✓	✓	✓	*	✓	✓	
Responsive supply	✓	✓	✓		✓	✓	✓	✓	✓	
Responsive pricing	✓	✓	✓		✓	✓	✓	✓	✓	✓
Reasonable vehicle standards	✓				✓	✓	✓	✓		
Rapid implementation	✓		✓	✓	✓	✓		**	✓	
Industry transition	✓	✓			✓	✓	✓			

* New Zealand licences all commercial vehicles in the same class but imposes different safety requirements on hailed and pre-booked services

** Depending on jurisdiction

24. In general, these reforms reflect an emerging consensus that “[r]ules governing market entry, geographic restrictions and fare setting for taxis are neither in line with the reality of mobility demand in many cities, nor are they adapted to the types of services provided by [e-hire application providers]”.¹⁸ Illustrative extracts are included below.
25. **Apps.** In our survey, the above jurisdictions authorise the use of apps to connect drivers and passengers. They do not impose requirements that explicitly or implicitly exclude the use of apps. By comparison, existing HCP provisions implicitly restrict the use of apps: “no hire car service hiring shall commence unless there is first recorded in the specified form of record at the address [specified in the hire car permit]... the name of the person hiring the private car, and a brief description of the journey for which the private car is hired”.¹⁹
- (A) Singapore: “ride-sourcing service” is defined as “a service where (a) a passenger books transport for a journey... through a private hire car booking service operator; (b) the private hire car booking service operator communicates the passenger’s booking to a private hire car driver; and (c) that driver carries out the transport booked using a licensed chauffeured private hire car.”²⁰
- (B) Malaysia: “e-hailing” is defined as “the carriage of persons on any journey in consideration of a single or separate fares... in which the arrangement, booking or transaction, and the fare for such journey are facilitated through an electronic mobile application.”²¹
- (C) Vietnam: “To meet actual demand of commuters in saving time and cost ... to strengthen management ... to promote drivers’ professionalism and service quality ... to improve business efficiency ... saving transaction time and cost and reducing non-use trips on roads ... [to] improve competitiveness in the transportation sector ... and limiting the number of personal vehicles on the road ... electronic applications may be used in replacement of written contracts.”²²
- (D) China (mainland): The national government introduced a series of reforms to “better meet the diversified travel needs of the public, promote the integration of the transport industry and the internet [and] standardise the behaviour of online booking of transport services... The term ‘net-based vehicle management services’ refers to the construction of service platforms based on internet technology, the integration of supply and demand information, the use of qualified vehicles and drivers, and the provision of bookings for non-cruising transport services.”²³
- (E) Australia: The use of apps is permitted in each of the eight Australian jurisdictions — New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania, Australian Capital Territory and the Northern Territory.
- (F) New Zealand: Legislation recognises “facilitators” who “enable drivers and passengers to connect by electronic or any other means (for example, by

¹⁸ International Transport Forum, Organisation for Economic Cooperation and Development, *App-Based Ride and Taxi Services: Principles for Regulation*, 2016 at 7

¹⁹ *Cap 374D Road Traffic (Public Service Vehicles) Regulations* (Hong Kong) sch 3(1)(b)

²⁰ *Road Traffic (Public Service Vehicle) Rules* (Singapore) r 2

²¹ *Land Public Transport Amendment Act 2017* (Malaysia) s 30(a)(ii)

²² *Decision 24/QD-BGTVT 2016* (Vietnam) art IV(4)

²³ *Interim Measures for the Administration of Online Transport Bookings (Order 60)* (People’s Republic of China), 27 July 2016 arts 1-2

telephone, internet site, application, or software); but... does not include the mere provision of an answering or call centre service.”²⁴

- (G) Philippines: “Transportation network vehicle services” are defined as transportation that “must be pre-arranged through the use of an internet-based digital technology application.”²⁵
- (H) United Kingdom (London): The regulator licenses “operators” who “mak[e] provision for the invitation or acceptance of... private hire bookings”²⁶ including via digital application. The digital application is not a taximeter: “a taximeter... does not include a device that receives GPS signals in the course of a journey, and forwards GPS data to a server located outside of the vehicle, which server calculates a fare that is partially or wholly determined by reference to distance travelled and time taken, and sends the fare information back to the device.”²⁷
- (I) United States: 48 states and the District of Columbia have passed legislation for digital networks²⁸ defined, e.g., as “any online-enabled application, website, or system offered or used by a transportation network company that enables the prearrangement of rides between passengers and drivers.”²⁹

26. **Framework.** E-hire regulations should acknowledge relevant differences between e-hire and taxis. Regional experience suggests that regulating e-hire services within existing hire vehicle frameworks may be the least disruptive approach to e-hire reform. That approach is consistent with the distinction already recognised in Hong Kong between taxis and private hire vehicles: “private car (私家車) means a motor vehicle constructed or adapted for use solely for the carriage of a driver and not more than 7 passengers and their personal effects but does not include ... taxi”³⁰; the Commissioner may authorise “the use of a private car for the carriage of passengers for hire or reward.”³¹

(A) Singapore:

- (1) Regulated as a “private hire car” — a “motor car that does not ply for hire on any road, and... is hired or made available for hire, under a contract (express or implied).”³²
- (2) “While [taxis and ridesharing] serve similar markets, there are key differences not only in how we regulate them, but the concessions available to them... We are adopting a balanced, light-touch regulatory stance that protects the safety of passengers and other road users, and yet ensures that these technologies can flourish.”³³
- (3) “Today, 80% of taxi trips are by street hail. If you completely level the playing field, it means that the private hire cars will have street hail privileges as well.

²⁴ *Land Transport Act 1998* (New Zealand) s 2(1) as amended by the *Land Transport Amendment Act 2017*

²⁵ *Memorandum Circular 2015-016* (Philippines) r 1

²⁶ *Private Hire Vehicles (London) Act 1998* (United Kingdom) s 1(b)

²⁷ *Transport for London v Uber* [2015] EWHC 2918 at [49]

²⁸ Texas A&M Transportation Institute, 2017 available [here](#)

²⁹ *Florida Statutes 2017* (Florida) s 627.748(1)(a); *Occupations Code* (Texas) s 2402.001(1); see also *Taxi and Limousine Commission Rules* (New York City) ch 51-03

³⁰ *Cap 374 Road Traffic Ordinance* (Hong Kong) r 2

³¹ *Cap 374D Road Traffic (Public Service Vehicles) Regulations* (Hong Kong) r 14(1)

³² *Road Traffic (Public Service Vehicle) Rules* (Singapore) r 2

³³ Hansard, Parliament of Singapore, 7 February 2017 (Second Minister for Transport)

This will not bring the outcomes desired... So, in terms of welfare, transition for the taxi drivers, and impact on income, we do not want these to be disrupted overnight. In terms of commuters' interests, if you completely level the playing field, and chauffeured service companies and taxi companies become homogenous, then we will not be able to enjoy the innovative disruption that private hire cars bring to the industry."³⁴

- (B) Australia:
- (1) New South Wales (Sydney): Regulated as a "hire vehicle" — "a motor vehicle that is used to provide a passenger service that is not a taxi service" where "taxi service" means transport by a vehicle that "plies or stands for hire ..."³⁵
 - (2) Queensland (Brisbane): Regulated as a "booked hire service" in contradistinction to a taxi that "plies or stands for hire."³⁶
 - (3) Victoria (Melbourne): Distinguishes booked hire services from "taxi-cabs" defined as a vehicle that "operates by being hailed or from a stand appointed for the use of such vehicles or which has been previously booked or ordered but does not include such a vehicle which operates solely by being previously booked or ordered."³⁷
 - (4) South Australia (Adelaide): Regulated as a "chauffeured vehicle service" in contradistinction to a "taxi service".³⁸
- (C) Vietnam: Regulated as a "contract vehicle" — "transport without fixed routes following a passenger transport contract between the operator and the hirer" in contradistinction to a taxi that undertakes trips on a metered basis.³⁹
- (D) China (mainland): Legislative guiding principles include to "to build a diversified and *differentiated* travel service system to promote the continued healthy development of the industry and better meet people's travel needs" (emphasis added).⁴⁰
- (E) United Kingdom (London): Regulated as a "private hire vehicle" — "a vehicle constructed or adapted to seat fewer than nine passengers which is made available with a driver for hire for the purpose of carrying passengers, other than a licensed taxi or a public service vehicle".⁴¹

27. **Supply.** A number of regulators acknowledge that e-hire models help to resolve the inefficiency associated with rank and hail taxi operations. Other jurisdictions note that "[e-hire] has grown the overall point-to-point transport market rather than substituting for taxis"⁴² and "[e-hire] has started meeting a pent-up demand from those who did not use

³⁴ Hansard, Parliament of Singapore, 11 July 2016 (Minister of Transport)

³⁵ *Point to Point Transport (Taxis and Hire Vehicles) Act 2016* (New South Wales) ss 5(1), 6

³⁶ *Transport Operations (Passenger Transport) Act 1994* (Queensland) ss 70, 71

³⁷ *Transport (Compliance and Miscellaneous) Act 1983* (Victoria) s 86

³⁸ *Passenger Transport Regulations 2009* (South Australia) r 3A as amended by *Passenger Transport (Point to Point Transport Services) Variation Regulations 2017*

³⁹ *Decree 86/2014-NDCP* (Vietnam) arts 3, 6

⁴⁰ *Guiding Opinion of the General Office of the State Council on Deepening Reform and Promoting the Healthy Development of the Taxi Industry* (People's Republic of China) art I(a)

⁴¹ *Private Hire Vehicles (London) Act 1998* (United Kingdom) s 1(a)

⁴² Independent Pricing and Regulatory Tribunal (New South Wales), 2017 available [here](#)

the services of taxi drivers”.⁴³ However, new or “unlocked” demand cannot be readily proved in advance by an individual vehicle owner. In that environment, e-hire service should be permitted to grow organically in response to real passenger. Following e-hire reforms, many regulators do not impose formal caps, high fees or require applicants to “prove” demand for their service.

(A) Singapore: does not limit the number of private hire vehicles or require operators to prove demand for their service.

(1) The Minister explained that, “in the morning peak hours, when we have an inadequate supply of taxi drivers, many of the commuters’ interests are served because there is a supplementary group of drivers that come in the form of Uber and Grab. They are mostly part time drivers...Today, an estimated 8,000 to 10,000 drivers provide chauffeured services during peak hours. This has effectively increased the supply of point-to-point transport services by about a third during these hours. Many commuters I met, told me that they really appreciate how chauffeured services supplement taxi services, especially during periods when taxis are in short supply.”⁴⁴

(2) There is speculation that the growing private hire sector will become an increasingly important transport alternative following the imposition of “zero growth” limits on private / family car ownership in Singapore.⁴⁵

(B) Australia: None of the eight Australian jurisdictions limit the number of e-hire vehicles in circulation or require operators to prove demand for their service. E-hire accreditations are obtainable by right after meeting the relevant statutory criteria. These criteria concern matters of safety and consumer protection, not market demand:

(1) New South Wales:

(a) “The taskforce recommends that... there be no restrictions imposed on the supply of booked-only service providers or vehicles. Further, any government-imposed fees... should reflect the efficient cost of regulating the booked point to point transport industry.”⁴⁶

(b) “Booked services won’t have to operate in particular geographical areas and will be able to accept bookings for journeys anywhere in NSW.”⁴⁷

(c) “[Hire car] number plates will no longer be issued and geographic boundaries for all booking services, including hire cars, have been removed... This means that hire car operators no longer need to pay the annual fee.”⁴⁸

⁴³ Administrative Council for Economic Defense, 2015 available [here](#)

⁴⁴ Hansard, Parliament of Singapore, 11 July 2016 (Minister of Transport); Ministry of Transport, ‘Speech by Senior Minister of State Ng Chee Meng at the Committee of Supply Debate 2016’, 2016 available [here](#)

⁴⁵ ‘Tens of thousands of households will have to give up car as zero-growth policy kicks in’, *The Straits Times*, 2017

⁴⁶ *Point to Point Transport Taskforce: Report to the Minister for Transport and Infrastructure*, 2015 at 11

⁴⁷ New South Wales Government, *Response to the Taskforce Report*, 2015 at 2

⁴⁸ Hansard, Parliament of New South Wales, 2 June 2016 (Minister for Transport and Infrastructure)

- (2) Victoria: “The purpose of accreditation... is to facilitate the provision of safe and reliable commercial passenger vehicle services that meet reasonable community expectations.”⁴⁹ Victoria did not impose supply controls following reform.
- (3) Queensland: Legislation stipulates that supply restrictions may only be imposed if “(a) the level of services would be greater than the level that would otherwise be provided; (b) access to public passenger transport would be greater than would otherwise be achieved; (c) service innovation would be greater than would otherwise be achieved...”⁵⁰ Queensland did not impose supply controls following reform.
- (C) New Zealand: There is no cap on the number of vehicles in circulation. New Zealand deregulated vehicle supply in 1989.
- (D) Indonesia: The Supreme Court of Indonesia advised that the government should not impose supply controls, reasoning that “the restriction on the number of vehicles does not bring about healthy competition, resulting in a very low probability of a healthy market-determined tariff set by supply and demand mechanisms... The amount of vehicles required by the market should be determined by supply and demand, ultimately resulting in a normal tariff on the ground.”⁵¹
- (E) United Kingdom:
- (1) There is no cap on the number of private hire vehicles in circulation. Transport for London must grant licences if the applicant meets criteria stipulated in regulations. These criteria are limited to matters of safety and consumer protection, not market demand.⁵²
- (2) Even in the hailed taxi sector, supply regulation is limited. Authorities must positively justify that there is no significant unmet demand before introducing a licence cap — the applicant does not need positively to establish unmet demand: “In the event of a challenge to a decision to refuse a licence, the local authority concerned would have to establish that it had, reasonably, been satisfied that there was no significant unmet demand. Most local licensing authorities do not impose quantity restrictions; the Department regards that as best practice. Where restrictions are imposed, the Department would urge that the matter should be regularly reconsidered. The Department further urges that the *issue to be addressed first in each reconsideration is whether the restrictions should continue at all*. It is suggested that the matter should be approached in terms of the interests of the travelling public - that is to say, *the people who use taxi services*. What benefits or disadvantages arise for them as a result of the continuation of controls; and what benefits or disadvantages would result for the public if the controls were removed? Is there evidence that removal of the controls would

⁴⁹ *Transport (Compliance and Miscellaneous) Act 1983* (Victoria) s 130

⁵⁰ *Transport Operations (Passenger Transport) Act 1994* (Queensland) s 36

⁵¹ Supreme Court of Indonesia, Decision 37 P/HUM/2017, 2017

⁵² *Private Hire Vehicles (London) (Operators' Licences) Regulations 2000* (London) r 9

result in a deterioration in the amount or quality of taxi service provision?” (emphasis added).⁵³

(3) “The principle of cost recovery should continue to apply in respect of taxi and private hire licensing fees.”⁵⁴

(F) United States: TNC legislation does not impose quantitative restrictions or demand-based tests on vehicle licences.

(G) Organisation for Economic Cooperation and Development (OECD): “Restrictions on entry to the taxi industry constitute an unjustified restriction on competition... There is no evidence that drivers fare better in restricted markets... Increasing numbers of OECD countries have removed or loosened supply restrictions on taxis. The results of these reforms have been strongly positive, with reduced waiting times, increased consumer satisfaction... Arguments regarding impacts on congestion and pollution are of little relevance to policy in relation to taxis.”⁵⁵

28. **Price regulation.** Regulations should require that passengers can obtain a fare estimate in advance via the e-hire application, but should avoid restricting the price. Dynamic pricing models encourage drivers to service areas of high demand, ensuring reliable transport service across the city. Jurisdictions including Singapore, Malaysia, Vietnam, Cambodia, Australia (all eight states and territories), New Zealand, the United States and the United Kingdom permit dynamic pricing on pre-booked trips.

(A) Singapore: “Commuters are in the best position to decide whether fares are set too high or too low. If taxi fares are set too high, the demand will drop and taxi companies will not be able to operate their business profitably. Conversely, if fares are set too low, supply will not be able to match demand and service standards will drop. The deregulation of taxi fares therefore serves to optimise the utilisation of resources in meeting the demand for taxi services. Commuters stand to gain as it ensures that the pricing of taxi services is competitive.”⁵⁶

(B) Australia:

(1) New South Wales:

(a) “The taskforce recommends that... All booking services be required to offer a potential customer an estimate of the total fare for the customer’s journey before a booking is confirmed. The potential customer should also be informed about whether and how the final fare payable may vary from the estimate provided.... The Government continue to determine the maximum fare components (flagfall, distance rate and waiting time rate) and other charges for rank and hail taxi journeys.”⁵⁷

(b) “A fare estimate, including an estimate of variations, may be expressed as an amount per hour, a rate per distance travelled or a set amount, or

⁵³ Transport Department (United Kingdom), *Taxi and Private Hire Licensing: Best Practice Guidance*, 2010 at [46]-[47]

⁵⁴ Law Commission (United Kingdom), *Taxi and Private Hire Car Services* (No 347), 2014 at [10.12]

⁵⁵ OECD, *Taxi Services: Competition and Regulation*, 2007. See also OECD, ‘Taxi, ride-sourcing and ride-sharing services’, 2018

⁵⁶ Hansard, Parliament of Singapore, 30 June 2000 (Minister for Communications and Information Technology)

⁵⁷ *Point to Point Transport Taskforce: Report to the Minister for Transport and Infrastructure*, 2015 at 10

any combination of any of them... A person must not commence to provide a related booked service to a passenger unless the fare estimate for the journey has been accepted by or on behalf of the passenger.”⁵⁸

(2) Victoria:

(a) “Booking service providers will be able to set their own prices...Maximum fares for unbooked (rank and hail) services will still be regulated ...”⁵⁹

(b) “For the purposes of [price regulation legislation] the services provided by commercial passenger vehicles operating [only] as taxi-cabs... are prescribed services [for which prices may be regulated].”⁶⁰

(3) Queensland: “Fares for booked hire services — A person must not charge a hirer of a booked hire service a fare more than (a) the estimated fare stated in a fare estimate; or (b) if the fare estimate states the circumstances when the amount of the fare may be higher than the estimated fare—the estimated fare plus an additional amount worked out in the way stated in the fare estimate.”⁶¹

(C) New Zealand: “A driver of a vehicle used in a small passenger service must agree with the prospective hirer the scale or basis of the fare prior to the start of the trip.”⁶²

(D) United States (New York City): “A driver of a for-hire vehicle... on pre-arranged trips must not charge a passenger more than the rate, fare quote or fare estimate provided to the passenger by the [dispatch entity]... (unless the trip destination is changed by the passenger after the initial fare quote or fare estimate.”⁶³

29. **Safety-based vehicle standards.** Regulations should stipulate roadworthiness standards that recognise e-hire vehicles are fundamentally private vehicles providing ancillary and *ad hoc* transport services. These standards should not impose artificial restrictions on vehicle specifications, value or quality.

(A) Singapore: Vehicles are not limited by size, value or quality. Vehicles must only carry air conditioning and two government-issued stickers.

(1) “Suitability of vehicle — Upon receiving an application for a private hire car licence, the Registrar may require to be satisfied that the vehicle in respect of which the application is made is air-conditioned... The holder of a chauffeured private hire car licence must cause to be affixed on the motor vehicle... two identical decalcomanias. Each bearing the chauffeured private hire car marking; and a set of serial numbers assigned by the Registrar to that vehicle.”⁶⁴

⁵⁸ *Point to Point Transport (Taxis and Hire Vehicles) Regulation 2017* (New South Wales) r 52

⁵⁹ Transport for Victoria, ‘Taxi and hire car industry reforms’, 2017

⁶⁰ *Transport (Compliance and Miscellaneous) Act 1983* (Victoria) s 162C(1)(a)

⁶¹ *Transport Operations (Passenger Transport) Regulation 2005* (Queensland) as amended

⁶² *Land Transport Rule: Operator Licensing 2017* (New Zealand) r 3.7(3)

⁶³ *Taxi and Limousine Commission Rules* (New York City) r 80-17(a)(2)

⁶⁴ *Road Traffic (Public Service Vehicles) Rules* (Singapore) rr 38-38A

(2) “The inspection requirements for private hire cars are the same as those for private motorcars, while taxis have to go for more frequent inspections. This is because LTA’s data shows that on average, currently, taxis run about 145,000 km annually, about five times the annual mileage of private hire cars.”⁶⁵

(B) Australia:

(1) New South Wales:

(a) “We’re removing restrictive regulations for services booked by customers. This reform will create a more level playing field by stripping back unnecessary red tape which has been adding to costs and stifling innovation.”⁶⁶

(b) “Taxis caught from a rank or hailed in the street are anonymous, and so additional security measures... are necessary. Booked trips come with a record of the journey and so have different safety requirements.”⁶⁷

(c) “The taskforce recommends that... Regulations on the quality of point to point transport services be removed, including those covering... specifications for vehicles used to deliver point to point transport services [and] vehicle inspections for quality and comfort standards.”⁶⁸

(2) Victoria:

(a) “Vehicle licensing requirements will be removed and replaced with a simple vehicle registration process. This will make it cheaper and easier for service providers to enter and compete in the market.”⁶⁹

(b) “Taxi and hire car age limits will no longer apply... there was no clear correlation between the age of a vehicle and its crash risk. Available evidence suggests that the link between roadworthiness and crash risk is weak.”⁷⁰

(3) New Zealand: “The proposals in this Bill are to be part of a package that includes revised rules. The package will remove a number of the current regulatory requirements that impose costs on operators but no longer offer any significant benefits.”⁷¹

(4) China (mainland): The overarching condition for vehicle eligibility is whether the “technical performance meets operational safety standards.”⁷²

(5) United Kingdom (national law commission):

⁶⁵ Hansard, Parliament of Singapore, 11 July 2016 (Minister of Transport)

⁶⁶ Government of New South Wales, ‘NSW Government response to the taskforce report’, 2015 at 2

⁶⁷ Government of New South Wales, ‘NSW Government response to the taskforce report’, 2015 at 1

⁶⁸ *Point to Point Transport Taskforce: Report to the Minister for Transport and Infrastructure*, 2015 at 10

⁶⁹ Transport for Victoria, ‘Taxi and hire car industry reforms’, 2017

⁷⁰ Taxi Services Commission, 2016 available [here](#)

⁷¹ Explanatory Note, Land Transport Amendment Bill 2016 (New Zealand)

⁷² *Interim Measures for the Administration of Online Taxi Bookings, Business Operations and Services (Order 60)* (People’s Republic of China), 27 July 2016 art 11

- (a) “We accept that vehicle age limits can impose a significant financial burden, and can arbitrarily rule out cars that are perfectly safe and roadworthy. The purpose of national standards relating to vehicles is to prevent unsafe vehicles from continuing to operate as taxis or private hire vehicles. Whilst such standards might include age limits in respect of both taxis and private hire vehicles, such determinations should be made by the Secretary of State on the basis of advice from the technical panel.”⁷³
- (b) “[T]he best practice is for local licensing authorities to adopt the principle of specifying as many different types of vehicle as possible. Indeed, local authorities might usefully set down a range of general criteria, leaving it open to the taxi and PHV trades to put forward vehicles of their own choice which can be shown to meet those criteria.”⁷⁴
- (c) “It is perfectly possible for an older vehicle to be in good condition. So the setting of an age limit beyond which a local authority will not license vehicles may be arbitrary and inappropriate.”⁷⁵
- (6) United States: “[Ridesharing] use part-time drivers extensively, and it is believed that these part-timers drive their cars fewer miles on average than taxicab drivers, who are constantly patrolling the streets in hope of being hailed; and the fewer miles driven the less likely a vehicle is to experience wear and tear that may impair the comfort of a ride in it and even increase the risk of an accident or a breakdown. There are enough differences between taxi service and [ridesharing] service to justify different regulatory schemes.”⁷⁶

30. **Implementation.** Many jurisdictions introduced initial e-hire rules via subordinate legislative instruments such as ministerial regulations or decrees. These interim or “stage one” reforms were introduced quickly in the interests of safety and industry certainty. They provided governments with an opportunity to observe e-hire in practice, before introducing fuller “stage two” industry reforms via later legislation.

- (A) Singapore: E-hire was already permissible under the existing private hire car framework established by the *Road Traffic Act*. Government introduced additional reforms in due course via legislative amendment.
- (B) Australia: In New South Wales, Queensland, South Australia, Western Australia and Tasmania, e-hire rules were initially introduced via a series of exemptions issued through ministerial Regulations. The exemptions were conditional on applicants meeting defined safety criteria.⁷⁷
- (C) Vietnam: E-hire rules were introduced in a regulatory “pilot” established by ministerial Decree. The pilot framework exempted “e-contract” vehicles from the

⁷³ Law Commission (United Kingdom), *Taxi and Private Hire Car Services* (No 347), 2014 at [5.56]

⁷⁴ Transport Department (United Kingdom), *Taxi and Private Hire Licensing: Best Practice Guidance*, 2010 at [27]

⁷⁵ Transport Department (United Kingdom), *Taxi and Private Hire Licensing: Best Practice Guidance*, 2010 at [32]

⁷⁶ *Illinois Transportation Trade Association v City of Chicago* (no. 16-2009, 2077, 2980) decided 7 October 2016

⁷⁷ See, eg, *Transport Operations (Passenger Transport) Regulation 2005* (Queensland) as amended; *Passenger Transport Amendment (Taxis and Hire Cars) Regulation 2015* (New South Wales); *Exemption Notice 2016* (Tasmania)

requirement to enter a written contract with passengers. The exemption was conditional on using an e-hire application approved by the Ministry of Transport.

- (D) Cambodia: E-hire rules were introduced via ministerial decree (*prakas*) following approval by Cabinet.
- (E) Philippines: E-hire rules were initially introduced in a series of four subordinate Memorandums Circular issued by the regulator at the direction of the Secretary of Transportation.⁷⁸
- (F) United Kingdom: E-hire was already permissible under the existing *Private Hire Vehicles (London) Act 1998*. Regulatory ambiguity about the status of e-hire applications was resolved by the High Court of England and Wales (see citation above).

31. **Industry transition.** Some governments announced industry transition strategies to minimise the impact of reform on incumbent taxis. These strategies included:

- (A) Preserving “rank and hail” rights for taxis (eg. Singapore, Malaysia, Australia, the United States and the United Kingdom);
- (B) Extending some e-hire reforms to taxis on pre-booked trips (eg. dynamic pricing);
- (C) Eliminating obsolete regulatory requirements for taxis;
- (D) Modest hardship payments for taxi drivers or operators who can demonstrate financial distress.

32. Examples of reasonable transition strategies include:

- (A) Singapore: “Our taxi drivers are embracing new technologies ... The number of pre-booked taxi trips has increased by 50% over the last three years, with the bulk of this increase coming from bookings via apps ... As a result, both taxi commuters and drivers have benefitted. Taxi drivers, especially those from the smaller taxi companies, tell me that they get more jobs from bookings, and earn more. Indeed, taxi driver incomes have increased continuously over the past three years.”⁷⁹
- (B) Malaysia: “Metered taxi licence drivers will have the flexibility of street hailing and e-hailing. They will have the option of applying a dynamic pricing structure which allows them to use the meter for street-hails and e-hailing fare should they provide e-hailing services.”⁸⁰
- (C) Australia (New South Wales): “From midnight tonight, more than 50 pieces of red tape for taxi and hire car drivers will be repealed, creating a more level playing field in the point to point transport market... [This is] expected to generate \$30 million in benefits each year for the industry.”⁸¹

⁷⁸ *Department Order 2015-11* (Department of Transportation and Communications); *Memorandums Circular 2015-015, -016, -017, -018* (Land Transportation Franchising and Regulatory Board)

⁷⁹ Hansard, Parliament of Singapore, 11 July 2016 (Minister of Transport); Ministry of Transport, ‘Speech by Senior Minister of State Ng Chee Meng at the Committee of Supply Debate 2016’, 2016 available [here](#)

⁸⁰ Land Public Transport Commission, 2016 available [here](#)

⁸¹ Press release, 2015 available [here](#)

- (D) Australia (Queensland): The government established an AUD100 million “industry adjustment assistance” fund to pay licence holders up to AUD20,000 per licence (maximum of two) with a further AUD26.7 million in targeted hardship relief and AUD4.3 million in waived fees. “Unlike other jurisdictions, the Palaszczuk Government will not be delivering adjustment and reform by applying a tax on personalised transport.”⁸²
- (E) United States: Jurisdictions such as New York City have announced plans to authorise dynamic pricing for taxis. “[Surge pricing is] an opportunity for taxis to have a bigger presence in the smartphone arena... That flexibility will allow them to do pricing... that reacts to need.”⁸³

⁸² Government of Queensland, ‘New level playing field for personalised transport’, 2016

⁸³ TLC interview with *Politico*, 2018 available [here](#)