

RESPONSE FORM: *FUTURE OF SMALL PASSENGER SERVICES – CONSULTATION PAPER*

There are no questions for Sections 1, 3 and 6–10.

You do not need to fill out every section.

How we will use your submission

We will consider your responses, along with other responses from the public, the small passenger service sector, and other interested organisations, to develop recommendations for the Government's consideration.

A summary of submissions will be published on the small passenger services page on www.transport.govt.nz. This summary may include the names of the organisations or individuals that made submissions. It will not include their contact details.

Your submission may be made public

Once you make your submission, anyone can ask for it under the Official Information Act 1982.

If you don't want anything in your submission released, you should let us know what material you want withheld, and why, at the time you make your submission.

Under the Official Information Act, we decide whether to release or to withhold material and can only withhold information in accordance with the provisions set out in that Act. Further information is available at www.legislation.govt.nz.

Request to withhold material

I request that the Ministry consider withholding the release of some or all of my submission:

☐ Yes

☒ No

If yes - describe the reasons why:

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Your details

What is your interest in future of the small passenger services sector? Are you:

- ☐ A private individual
- ☒ Part of the small passenger services sector

Your name (optional): [Stephen Wickens](#)

Your address (optional): [14 Broken Hill, Kenepuru, Porirua](#)

Your email (optional): Stephen.passrite@xtra.co.nz

If your submission is made on behalf of an organisation, please name that organisation here:

[Stephen Wickens & Associates Ltd – we are an NZTA Approved Course Provider for Occupational Licence Classes and Endorsements.](#)

Would you like us to email you with the results of the consultation process?

- ☒ Yes – please provide email address Stephen.passrite@xtra.co.nz
- ☐ No

Section 2 – The need for change

Question 1 – *What are the important factors driving the need for change for the small passenger services sector?*

Tick the factors below you think are driving the need for change

- | ☐ Technology is changing the transport sector
- | ☐ The current rules are no longer fit for purpose and flexible for the future
- | ☐ The need for a more innovative sector that delivers improved customer service

If there are other factors you think are important, enter them below:

Section 4 – Features important in the future sector

Question 2 – *What are the important features you would want to see from the small passenger services sector in the future?*

Tick the features below you think are important for the future sector

- | ☐ Responsive to supply and demand
- | ☐ The compliance burden is as low as it can be while achieving regulatory objectives
- | ☐ Transparent fees and charges
- | ☐ Effective choice so people can travel where they wish in a timely manner
- | ☐ Incentivises improved customer services
- | ☐ Mitigates safety risks for passengers and drivers

If there are other factors you think are important, enter them below:

Section 5 – Summary of options for the future

Question 3 – Which of the five options do you think will be best for New Zealand's small passenger services sector in the future?

The Ministry of Transport's review team concluded that option 4 would be best for New Zealand's small passenger services sector in the future. Do you agree?

4 ☐ Yes [but with two serious reservations](#)

☐ No – If you do not agree, tick the option below that you think would be best

- ☐ Option 1 – status quo – modified
- ☐ Option 2 – reinforce separate taxi/private hire markets and their regulatory burdens
- ☐ Option 3 – drivers responsible under new single class system (reduced regulatory burden)
- ☐ Option 5 – existing taxi requirements apply to all operators (higher regulatory burden in new single class system)

Why do you prefer this option over option 4?

Section 11 – Definitions for exemptions

Carpooling would be exempt under all options

Question 4 – *Do you agree the exemption for carpooling should apply where:*

- the people in the vehicle already know of each other (for example, they are friends, members of the same sports team or work for the same company). The driver and passenger may agree to share the responsibility of driving or the passenger will contribute money towards the driver's costs for the trip (that is, the operating costs of the vehicle such as petrol and depreciation, but not any payment for the driver's time).

4 ☐

Yes

☐

No – if you disagree that carpooling should be exempted in the above circumstance, please explain why

and –

Question 5 – *Do you agree the exemption for carpooling should apply where:*

- the people in the vehicle (who may not know each other) are travelling to similar destinations at similar times and use a third party to connect them. The passenger(s) will contribute money towards the driver's costs for the trip (that is, the operating costs of the vehicle such as petrol and depreciation, but not any payment for the driver's time).

4 ☐

Yes [provided that the facilitating third party does not charge for their services](#)

☐

No – if you disagree that carpooling should be exempted in the above circumstance, please explain why below

Exempting companies providing communications functions only

Question 6 – *Do you agree the exemption for companies providing communications functions should apply where:*

- a company (for example, a call centre company) providing back office communication functions for a completely unrelated small passenger service company.

And would not include:

- a company providing technology or communications, but actually participates in the small passenger services market in a manner similar to other operators (this company would be required to comply with the relevant rules).

4 ☐

Yes

☐

No – if you disagree that communications companies be defined in this way, please explain why

Applying the rules to ridesharing services

Question 7 – *Do you agree that the requirement for ridesharing services to meet the same rules as the rest of the small passenger services sector should apply where:*

- third parties (often a technology-based company using apps) connect people who are driving to a destination with other people who want to travel to a similar place. The third party that connects a driver and passenger receives revenue from the transaction, commonly by taking a percentage of the money paid by the passenger to the driver.

4 ☐

Yes

☐

No – if you disagree that ridesharing service be defined in this way, please explain why

Section 12 – Common requirements under options 3 and 4

What are the right core passenger safety rules we need for the future small passenger services system?

Question 8 – Do you agree that the core requirements for passenger safety can be achieved through:

- *P endorsement* – all drivers would have to hold a 'P endorsement' issued by the NZ Transport Agency. A person applying for a P endorsement would have fewer requirements to meet than now. To obtain a P endorsement, a driver would have to pass a criminal record and driving record check, be medically fit to drive, and have held a full New Zealand driver licence for at least two years. A P endorsement identification card would have to be displayed in the vehicle.

☐

Yes

4

☐

No – if no, please explain why

In addition the P endorsed driver should have to demonstrate a good knowledge of the law about carrying passengers for hire or reward, and about how to be compliant with the work time and logbooks rule. This would be met by a revised version of the current NZTA Passenger endorsement course.

Question 9 – Do you agree that the core requirements for passenger and driver safety can be achieved through:

- *work time limits* – to ensure that drivers were not fatigued, they would have to comply with work time limits that set a maximum number of work hours and require rest breaks. Drivers would need to maintain logbooks covering all of the time that they worked. All drivers could work to the existing time limits for taxis, of up to 7 hours before a rest break is required.

4

☐

Yes But there needs to be mechanisms in place for this to be enforced.

☐

No – if no, please explain why

Question 10 – *Do you agree that the core requirements for passenger safety can be achieved through:*

- *reporting serious complaints to the NZ Transport Agency* – to ensure a P endorsement holder remains fit and proper, the person or company responsible for providing the service* would be required to notify the NZ Transport Agency of any complaints received alleging serious improper behaviour by a driver. The person or company responsible would also be required to support the NZ Transport Agency or the NZ Police in undertaking any regulatory or compliance action.

*This would be a driver under option 3 or an approved transport operator under option 4

☒ Yes

☐ No – if no, please explain why

What are the right core driver safety rules we need for the future small passenger services system?

Question 11 – *Do you agree that the core requirements for driver safety can be achieved through:*

- *power to refuse to accept some passengers* – this enables drivers to refuse to accept passengers if drivers consider that their personal safety could be at risk.

☒ Yes

☐ No – if no, please explain why

Question 12 – *Do you agree that the core requirements for driver safety can be achieved through:*

- *duty to promote driver safety* – this requires drivers (under option 3) or approved transport operators (under option 4) to make business choices from the range of mechanisms available to them. Such measures would be in addition to the mandated safety requirements.

☒ Yes

☐ No – if no, please explain why

What are the right core in-vehicle security camera rules we need for the future small passenger services system?

Question 13 – *Do you agree that the core requirements for in-vehicle security cameras can be achieved through:*

- *in-vehicle security cameras* – all passenger service (all taxi, private hire, shuttle, dial-a-driver, and rideshare) vehicles would have to meet the existing rules for in-vehicle security cameras that currently apply to taxis.

☒ Yes

☐ No – if no, please explain why

Question 14 – *Do you agree that the core requirements for in-vehicle security cameras can be achieved through:*

- *exemption from camera requirement* – the NZ Transport Agency would exempt a vehicle from the camera requirement where a driver (under option 3) or an approved transport operator (under option 4) met all of the following criteria:
 - *providing services to registered passengers only* – the service is only provided where the passenger is registered with company or driver
 - *collection of driver and passenger information* – when registering with the company or driver, a passenger and driver must provide their name, photo, address, and phone number
 - *availability of driver and passenger information* – before each trip starts, the company or driver makes the name and photo of the passenger and driver available to each other
 - *retaining a record of each trip* – the company or driver keeps a record of each trip, including the start and end points.

☒ Yes

☐ No – if no, please explain why

What are the right fatigue management rules we need for the future small passenger services system?

Question 15 – *Do you agree that the core requirements to mitigate driver fatigue can be achieved through:*

- *work time and log books* – current requirements permit taxi drivers to drive for up to 7 hours before taking a break, and the rest of the sector up to 5.5 hours before a break. The review proposes applying the work time requirements for taxi services to the whole sector under the single class approach.

4 ☒ Yes [Again, as long as there is an effective mechanism for enforcement](#)

☐ No – if no, please explain why

What are the right vehicle safety rules we need for the future small passenger services system?

Question 16 – *Do you agree that the core requirements for vehicle safety can be achieved through:*

- *Certificate of Fitness* – this is a general safety check. It is more robust than a Warrant of Fitness for private cars and is required every six months.

4 ☒ Yes

☐ No – if no, please explain why

What are the right consumer protection rules we need for the future small passenger services system?

Question 17 – *Do you agree that the core requirements for consumer protection can be achieved through:*

- *agree the basis of the fare* – drivers would have to agree the basis of the fare with the passenger before the trip starts. This could be a set fare or a per km rate. The fare could also be agreed between the passenger and the company at the time of booking.

4 ☐ Yes

☐ No – if no, please explain why

Question 18 – *Do you agree that the core requirements for consumer protection can be achieved through:*

- *driver to take most advantageous route* – this would require the driver to take the route that is most advantageous to the passenger (unless agreed otherwise for example where multiple passengers are going to different locations within the same trip).

4 ☐ Yes

☐ No – if no, please explain why

Question 19 – *Do you agree that the core requirements for consumer protection can be achieved through:*

- *Driver to accept first hire offered* – this imposes a duty on the driver to accept the first hire offered (subject to exceptions for driver safety) so a driver could not refuse to take passengers only travelling short distances.

4 ☐ Yes [But with reservations. There needs to be a mechanism for taxis to be able to discourage a fare from Auckland Airport Domestic Terminal to International, or from a taxi from Hamilton being called to take a Ngauruwahia resident to the local dairy. This is currently managed through fare schedules. Under the model can that continue?](#)

☐ No – if no, please explain why

What rules are no longer needed to control specific outcomes, leaving companies to their own business decisions?

Question 20 – Do you agree that the following is no longer required?

- *registered fares* – the Ministry of Transport's review proposes removing the rules governing pricing that require taxis to register their fares with the NZ Transport Agency and charge using a meter. Instead, the Ministry of Transport's review proposes that all small passenger service drivers should have a duty to agree the basis of pricing with the passenger prior to the commencement of the trip or when the booking is made. This would mean the NZ Transport Agency would no longer have a role to intervene in fare disputes between passengers and drivers, and existing consumer protection law (Consumer Guarantees Act 1993 and the Fair Trading Act 1986) would be relied on.

4 ☐

Yes

☐

No – if no, please explain why

Question 21 – Do you agree that the following is no longer required?

- *regulated signage (including Braille)* – the current rules set out specific signage requirements for taxi services that relate to the operator's brand, taxi roof sign, contact details, and fares. We propose removing these requirements. Operators would be able to make a choice about what signage they used and the information provided in it. The current rules require information in Braille: the name of the taxi organisation, its contact telephone number and the vehicle's fleet number. The Ministry of Transport's review proposes removing this requirement. Blind passengers can use alternative ways to obtain the information currently provided in Braille, such as enquiring at the time of booking, and using smartphone apps that provide a record of the trip.

4 ☐

Yes

☐

No – if no, please explain why

Question 22 – Do you agree that the following is no longer required?

- *area knowledge* – taxi drivers in urban areas are required to have passed an area knowledge test. The purpose of the requirement is to ensure that drivers are able to take passengers on a direct route to their destination. The Ministry of Transport's review proposes removing the area knowledge requirement and leaving companies to make their own decisions. Technology, such as GPS systems, provides alternative means to achieve the objective. Passengers are also able to use this type of technology to track the route that the driver is using.

4 ☐

Yes

☐

No – if no, please explain why

Question 23 – Do you agree that the following is no longer required?

- *English language* – taxi drivers are required to have a sufficient knowledge of the English language. The Ministry of Transport's review proposes removing the English language requirement and leaving companies to make their own decisions about the language competency of their drivers. The NZ Transport Agency considers that few drivers are currently tested.

☐

Yes

4 ☐

No – if no, please explain why

This recommendation is strongly opposed. The Area Knowledge Certificate is supposed to be a proxy for competency in English. The likelihood of that Certificate being discontinued is not good reason to also discontinue the English language requirement. The current Passenger Endorsement Course also requires a reasonable knowledge of English. Currently we are putting approximately 30 people a month through the Passenger Endorsement course, and for a majority of these, English is a second language. Often we are asked if a student can bring an interpreter, and we refuse to allow this believing that functional English is essential for passenger service drivers. If the course continues to be a requirement for a P endorsement, but the English language requirement is dropped, then we would have no grounds to disallow interpreters.

Dropping the English language requirement would be high risk for both drivers, and passengers. Imagine a group of intoxicated males hailing a cab and then being unable to adequately communicate their destination to a non-English speaking cabbie. The driver will at best be abused, and at worst assaulted. And what about the passenger, who gives his/her destination, and then promptly falls asleep, only to wake up a long way from the chosen destination, due to the language difficulty. Recently I had a Passenger Endorsement student who asked me to send his pre-course readings to what I heard as "Ngatea". Only when I couldn't find his address on NZ Post Postcode Finder, did I call him back and

[eventually work out that he was in Napier.](#)

Question 24 – Do you agree that the following is no longer required?

- *panic alarms* – currently, taxis are required to have in-vehicle panic alarms. There are no mandated driver safety requirements for private hire vehicle drivers. The Ministry of Transport's review proposes removing the mandatory requirement for panic alarms. Drivers should be able to refuse to accept a passenger where they consider their personal safety could be compromised and passenger service operators should have a duty to promote driver safety. Passenger service operators should make their own business decisions on how they promote driver safety (which could include the use of panic alarms or other technologies).

4 ☐

Yes

☐

No – if no, please explain why

Question 25 – Do you agree that the following is no longer required?

- *passenger service licence (PSL)* – regulatory compliance is currently managed through a range of mechanisms including approved taxi organisations, passenger service licence and driver obligations. The Ministry of Transport's review proposes requiring all passenger service operators to be an approved transport operator. A key responsibility of approved transport operators would be making sure all of their drivers had a P endorsement, worked within work time limits, and drove vehicles with a valid Certificate of Fitness.

☐

Yes

4 ☐

No – if no, please explain why

I am opposed to this only because the discussion document appears silent on the replacement process to become an approved transport operator. Currently the TSL/PSL process is the process to become an approved transport operator. What does the replacement process look like? And if the PSL requirement is dropped for small passenger services, would it also be dropped for large passenger services? And if them what about the TSL requirements for goods, vehicle recovery and rental vehicles?

Question 26 – Do you agree that the following requirement is no longer required?

- 24/7 service – taxis are currently required to provide services 24/7 in large cities. There is no similar requirement for private hire operators (or carpooling or ridesharing). The Ministry of Transport's review proposes removing the regulatory requirement for taxis to provide a 24/7 service, and leaves operators to provide levels of service in response to their understanding of demand.

4 ☐ Yes

☐ No – if no, please explain why

Question 27– Do you agree that the following is no longer required?

- restrictions on private hire services connecting with customers – currently, private hire services can only take pre-booked customers. Taxis can take pre-booked or hailed customers. Shuttles can only take passengers travelling between specific destinations. The Ministry of Transport's review proposes removing the restrictions on how passenger service operators can connect with customers. This will promote enhanced competition and improved customer service.

4 ☐ Yes

☐ No – if no, please explain why

Question 28 – Do you agree that the following is no longer required?

- driver passed driving test in last five years – all P endorsement holders have to have passed a full licence test in the five years preceding their applying for their P endorsement. The Ministry of Transport's review proposes removing this requirement. A fully licensed New Zealand driver is deemed competent to be on the road without having to sit ongoing tests (certain circumstances excluded). The existing provision of having passed a test in the last five years imposes a cost on the driver, with little benefit.

4 ☐ Yes [However, I do have reservations about this. Currently we are able to assess an applicant for a "Large" P endorsement as competent in driving a Class 2 vehicle, and on the basis of that assessment a full class 2 driver licence can be issued. However the applicant then has to prove his/her competence in driving a car to gain the P endorsement. That requirement has always struck me as at least a little odd. If it is dropped for a Small P endorsement, then surely it must be dropped for large as well. A concern, however, is that we do have a number of applicants for a small passenger endorsement request a "pre-full licence test assessment drive", and for many of them, especially those who gained their full NZ licence on the basis of an overseas conversion – especially from South Africa.](#)

[where the conversion does not require a practical test, their driving is actually dangerous. Does the Ministry have figures on the pass rates for Class 1 Full Licence Practical Tests where the test was done for the purposes of a P endorsement? Further research is needed here, especially where the candidate for a small P endorsement has never been subjected to a practical driving test in NZ.](#)

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No – if no, please explain why

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Question 29 – *General comments on the proposals in the Future of small passenger services — consultation paper*

Please add any general comments here:

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