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# MEDIA RELEASE

## PUBLIC ACCOUNTS COMMITTEE

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23 November 2017

### TAXI LICENSING AND SUBLEASING REPORT TABLED

Mrs Kate Worden MLA, Chair of the Public Accounts Committee today tabled the *Inquiry into Taxi Licensing and Subleasing* Report.

“This inquiry was referred to the Committee following allegations of corrupt regulation and illegal dealings with taxi licences in Alice Springs” Mrs Worden said.

Rather than corruption, the Committee found a regulatory system with some significant shortcomings.

“The Department had been advising stakeholders that subleasing was illegal. The Committee agreed that subleasing was against the public interest, but found there was nothing in the law to say it was illegal,” Mrs Worden noted. “The confusion this situation created was exacerbated when the Department implemented a temporary policy to allocate previously cancelled licences to drivers who could show they had a sublease”.

As detailed in the Report, the ‘temporary’ cap on licence numbers kept in place for the past 16 years inadvertently created incentives for subleasing. Consequently, the options for dealing with this issue were either to prohibit subleasing and fund the Department to enforce this prohibition, or to remove the cap on licence numbers.

“The impacts of the licence cap has required the Committee to consider the merits of making the cap permanent or removing it. Neither option is straightforward” said Mrs Worden. “However, based on the evidence received, the Committee has concluded that maintaining a cap on licence numbers cannot be justified.”

“The Committee recognises the vital role taxi services play for many in our community and our economy, and acknowledges the challenges the industry is facing with the anticipated arrival of ridesharing services. However, the future of the industry can only be sustained through innovation, not protection. The Committee has therefore recommended removing the licence cap in a staged reform process in consultation with industry to support the transition to a new environment” Mrs Worden said.

“The Committee received over 70 submissions to the inquiry, illustrating that issues relating to regulation of the industry are of concern to many Territorians. I sincerely thank all those that provided submissions and attended hearings to inform the Committee’s deliberations” Mrs Worden said.

The report can be accessed from <https://parliament.nt.gov.au/committees/PAC/northern-territory-taxi-industry>.

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