

**Response from**

**The Chartered Institute of Logistics and Transport**  
**in Ireland**

**to the Invitation by**

**Ms Kathleen Doyle Commissioner for Taxi**  
**Regulation**

**for submissions on the Consultation Paper No. 5**  
**“National Maximum Taxi Fare Revision”**

11<sup>th</sup> June 2008

## **1. Introduction**

- 1.1. The Chartered Institute of Logistics and Transport in Ireland (CILTI) is the independent professional body for those involved in logistics, air, rail, road and sea transport. It currently has a membership of over 1300 in Ireland. The Institute's mission is "To advance and promote the science and art of logistics and transport". The CILTI's main activity in Ireland is educational; for the logistics and transport industry generally, and for continuing professional development of Institute members. The Institute's qualifications are recognised worldwide as evidence of a high level of professionalism in the industry. The Institute in Ireland maintains close links with the International Institute (CILT), which has a membership of about 31,000 logistics and transport professionals throughout the world.
  
- 1.2. The CILTI is a non profit organisation it is governed by a council made up of senior professionals in the industry, elected by its members. The Institute was established in Ireland in 1950 as part of the then Chartered Institute of Transport. Since that time members have advised and contributed to transport and logistics developments in Ireland through ongoing Institute activities, comments on developments and events, and through membership of various consultative bodies. As an independent professional body, the CILTI does not lobby on behalf of any individual mode or sector of the industry. Rather it strives to take a considered overview grounded in best practice, and tries to influence developments that are likely to impact on the transport and logistics sector as a whole.
  
- 1.3. The Institute welcomes the invitation of Ms Kathleen Doyle Commissioner for Taxi Regulation for submissions on the Consultation Paper No. 5 "National Maximum Taxi Fare Revision". The CILTI believes that the current national fares structure has been successful, both for the customer and operator, and it requires little change. The CILTI recognises the Small Public Service Vehicle (SPSV) sector as a very important part of the public transport system, and one that could play an even more important role in improving the sustainability and integration of the transport system generally. The Institute discusses on a

number of issues and makes three recommendations arising from this discussion. The CILTI hopes that the Regulator will find our submission useful.

## **2. General**

2.1. Given that charges have not increased in over 18 months and that fuel costs have increased by so much over the same period; the CILTI believes that all taxi charges should be increased generally in line with the Consumer Price Index (CPI) over the same period. The CILTI further believes that some other specific changes should be made as detailed below.

## **3. CPI Indexing**

3.1. Being primarily a business of very small scale operators with their charges regulated and their costs difficult to control; the CILTI holds the view that it is inherently unfair for taxi operators not to be allowed a regular increase, or indeed, if circumstances dictate, a decrease in charges. The most obvious link would be with an index such as the CPI.

3.2. A very substantial component of the running costs of any transport business is fuel. The CILTI believes that in a small scale passenger transport business such as the SPSV sector this is particularly so. The CILTI holds the view that a system should be in place that recognises this and provides fair compensation for this.

**3.3. The CILTI recommends that annually an increase be allowed on all taxi charges based on the CPI figures for the preceding 12 months as published by the Central Statistics Office, and that a percentage be added or subtracted from the CPI to openly and fairly ,take into account any significant and unavoidable changes in the SPSV operators costs as well as for general inflation.**

## **4. Initial Charge**

4.1. Given the rise in congestion particularly in urban areas of Ireland and subsequent moves to limit private cars, the CILTI believes that SPSVs have a

very important role in providing quick and efficient point-to-point transport. People who need to make quick short trips in urban areas, and who would have previously used private cars, need such transport. The CILT believes that the Initial Charge may be too low to provide an incentive to operators to provide this type of service, there may also be some instances of operators avoiding these short trips. A substantial increase in the initial charge and the distance covered would, in the opinion of the Institute, increase the availability of operators willing to carry out such trips, and would also encourage taxi service at suburban rail stations, park and ride facilities etc.

- 4.2. **The CILTI recommends that the Initial Taxi Charge should be €8 and include the first two kilometres of the journey, rather than the current one kilometre.**

## 5. Vehicle Standards

- 5.1. Notwithstanding the scope of the call for submissions and the ongoing work by the Commissioner in this regard, the CILTI would like to make further comment. The Institute believes that the difference in the quality and age of SPSV taxi vehicles may be a barrier to their use, particularly by the business community, in urban areas during the course of the working day. The Institute further believes that there should be a connection between granting fare increases and improvements in the quality and age of vehicles.

- 5.2. **The CILTI recommends that meeting a stringent specification with regard to vehicle size, quality and age be a requirement for the issue of a SPSV licence, and that the revision of charges be conditional to the introduction of such a specification.**