



Ministerial Statement
by
The Hon. Wayne Furbert JP, MP
Minister of Transport
Public Service Vehicle Reform
15th March 2024

Mr. Speaker, Mr. Speaker, I would like to present an update on the ongoing initiatives concerning the Public Service Vehicle Reform, commonly referred to as the Modernization and Harmonization of the Public Vehicle Service Industry.

Mr Speaker, understanding the background of this endeavour is crucial to appreciate the current status and the path that has led us to this point today.

Mr Speaker, in 2019, the Government introduced the Transport Green Paper, serving as a consultative document designed to present options and generate discussions for input into policy formulation. Following extensive consultations and feedback, the discussions initiated in the Green Paper have evolved into recommendations, outlining the Government's policy or proposed policy on specific issues, potentially leading to legislative changes. Our aim is to propel progress in this direction.

During the consultation process, a comprehensive study was conducted, involving consultations with 137 stakeholders from key business groups. These stakeholders represent a diverse array of organizations and entities involved in transportation reform in Bermuda. Industry associations, including the Bermuda Taxi Association, and Bermuda Hotel Association, demonstrated a vested interest in transportation

reforms. The study also encompassed local businesses tourism related organizations like the Bermuda Tourism Authority, and cruise lines, including Royal Caribbean and Norwegian Cruise Lines. Educational institutions such as Bermuda College and the Ministry of Education, along with community groups and municipalities were also a part of the study.

Mr Speaker, the Transport Green Paper outlined the top 25 desired outcomes for consideration. Notably, it was recognized the availability of transport during specific periods, specifically during the afternoons, evenings and on weekends and holiday consistently had gaps.

Therefore, the Transport Green Paper drove the modernization and harmonization of the Public Service Vehicle (PSV) industry which has multifaceted approaches.

The key principles are:

- 1) Customer focus
- 2) Standardization in fees and requirements
- 3) Optimal use of technology
- 4) Increase in ride capacity.

Mr Speaker, I am pleased to share that the Cabinet has approved increases to the Taxi Industry rates and charges will be implemented effective April 1, 2024.

Mr Speaker, following are the approved increase in rates and charges for the taxi Industry:

- 1) An increase in rate 1 and 2 of 15%:
 - i. **Rate 1** – Mileage Initial Charge will increase from \$5.15 to \$5.93 and for each subsequent one-fifth of a mile or part thereof will increase from \$0.55 to \$0.64.

- ii. **Rate 2** - Waiting time First 5 minutes before commencement of journey will remain free of charge and for each subsequent period of 3 minutes will increase from \$1.60 to \$1.84.

2) A change in the hours that rate 3 is applicable:

- i. **Rate 3 at 25% surcharge** – which currently occurs between the hours of midnight and 6:00 a.m. and the taxi carries up to 4 passengers will change to 10:00 p.m. and 6:00 a.m.
- ii. **Rate 3 at 25% surcharge** – which currently occurs between the hours of 6:00 a.m. and midnight the taxi carries 5 to 7 passengers will change to 6:00 a.m. and 10:00 p.m.
- iii. **Rate 3 at a 50% surcharge** – which currently occurs between the hours of midnight and 6:00 a.m. or occurs on a public holiday and the taxi carries 5 to 7 passengers will change to 10:00 p.m. and 6:00 a.m.

3) Tour rates for sightseeing will increase as follows:

- I. **4-Seater Taxi** - 1 to 4 passengers \$50.00 will increase to \$60.00
- II. **7-Seater Taxi** -
 - 1 to 4 passengers \$50.00 will increase to \$60.00.
 - 5 to 7 passengers \$70.00 will increase to \$85.00.

4) The Motor Taxi Regulations 1952 Section 6(3) states: 'Maximum number of passengers, a child in arms shall not be counted as a passenger, and two children under the age of twelve years shall count as one passenger.' Age twelve will be revised to 'under the age of five years.' This change will allow the charges related to passenger count to be more equitable for the vehicle space used by two persons.

Mr Speaker, in conjunction with this increase in rates, the Cabinet has approved the Ministry of Transport to launch a pilot ridesharing program that will increase the current capacity of transportation for our residents and visitors during peak times.

By way of background, the rideshare industry has experienced global growth and evolution in recent years, transforming the way people commute and travel. Ridesharing, also known as ride-hailing or transportation network services, refers to the on-demand service that connects passengers with operators through mobile applications in their private vehicles. This innovative concept has gained popularity worldwide due to its convenience, cost-effectiveness, and user-friendly interface. These advancements have made it possible for passengers to seamlessly request a ride at their convenience, track the operator's arrival, and make cashless payments.

Mr Speaker, as part of this initiative, the Cabinet has authorised the grant of a maximum of 150 new permits to be known as rideshare permits. This permit, granted to the holder of a Public Service Vehicle license, will come with a nominal fee of \$1,000. The rideshare permit will be easily identifiable through a designated logo affixed to the vehicle's windscreen, signifying compliance with established guidelines. Moreover, as the purpose of this change is to ensure additional transportation capacity during peak times, a rideshare permitted vehicle will be permitted to operate daily from 1st April through 30th September. During the rest of the year, rideshare vehicles will be permitted on weekends, starting Friday, and public holidays. One crucial condition of the rideshare permit is that permit holders are only allowed to be dispatched through an online platform, ensuring a controlled and orderly ridesharing service.

It is our intention to put this programme in place for a one year pilot period, so that adjustments can be made to ensure that we enhance the transportation.

Mr Speaker, this new initiative will be under the oversight of the Public Service Vehicle Licensing Board. Legislation will be revised to officially recognize and regulate ridesharing as a legitimate mode of transportation, aligning it seamlessly with existing regulations governing public service vehicles. The proposed expansion of the Act encompasses regulations for the ridesharing industry, guaranteeing a safe, reliable, and efficient service for both drivers and passengers.

Mr Speaker, in conclusion – the Government has sought Modernisation is necessary if we are to be a successful tourism jurisdiction and is pivotal for advancing transportation infrastructure and systems. By embracing modern technologies and practices, we can enhance efficiency, safety, and sustainability across all modes of transportation.

Mr Speaker, Thank you.