



**Independent  
Consumer &  
Competition  
Commission**

*of Papua New Guinea*



## In brief

*Passengers & Operators  
of  
PMV Services*

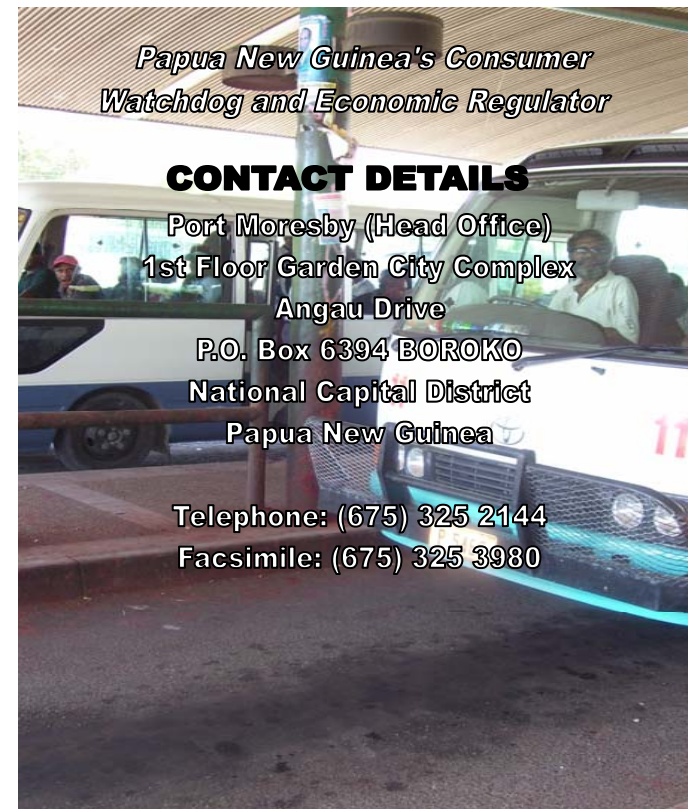
- A PMV should at all times complete its designated route from one end to the other, on every journey during each day on which it carries passengers;
- A PMV may only charge the maximum fares if it is to complete its designated route;
- Concession fare paying passengers should not be discriminated at any time;
- Students from Primary up to High schools (Gr. 10) should pay 50% of the Normal Adult fare, while students from Higher schools (Gr. 11 & 12) & Tertiary institutions should pay 75% of the Normal Adult fare. Similarly, this also applies for the express routes (*Gerehu to Town via Poreporena Highway*);
- PMV Operators should at all times ensure that their buses are road worthy and conducive for the traveling public;
- PMV Drivers & Crews including passengers should not smoke cigarettes or chew bettel nuts inside the buses.
- Consumers should appreciate the type of services provided and help improve and sustain this Industry.

*“The PMV & Taxi Fares Review has been approved by the NEC and it has been gazetted in the National Gazette, thus it is an Act that has been amended therefore anyone found to be in breach of this Act will be guilty of an offence and shall be prosecuted”.*

**LET US ALL WORK TOGETHER FOR A BETTER ECONOMY...**



**Independent Consumer &  
Competition Commission**



*Papua New Guinea's Consumer  
Watchdog and Economic Regulator*

### **CONTACT DETAILS**

Port Moresby (Head Office)  
1st Floor Garden City Complex  
Angau Drive  
P.O. Box 6394 BOROKO  
National Capital District  
Papua New Guinea

Telephone: (675) 325 2144

Facsimile: (675) 325 3980

## **Knowing Your Rights & Responsibilities :**

- As a Consumer (Passenger or Customer), and
- As a PMV bus Owner (including Driver & Crew)

### **For further information**

Complaint Hotline : 180 3333  
Website : [www.iccc.gov.pg](http://www.iccc.gov.pg)  
Email: [info@iccc.gov.pg](mailto:info@iccc.gov.pg)

*Independent Consumer & Competition Commission, PNG*

## 1. Introduction

PMV and Taxi services are declared under Section 10 of the Prices Regulation Act, which empowers the Independent Consumer & Competition Commission (Commission) to determine fare adjustment periodically.

When the Commission took over from the Department of Land Transport on the function of fare adjustment, it became apparent for a need to Review the PMV and Taxi services industry prompted by operators of the PMV and Taxi services requesting for fare adjustment whilst Consumers expressing concerns over the quality of services in the industry.

The Commission conducted the Review into the industry to justify these concerns. The industry was found to be poorly structured thus lacks coordination given the numerous individual operators compounded with limited competition for services offered which warrants the need for continued regulation. Having made the decision to continue price regulation, the Commission has attempted to strike a balance between the interest of the operators of the PMV and Taxi services that is recognizing the need for them to recover their efficient cost and make an appropriate return on their investment while seeking to protect the interest of the consumers. The Commission concluded the Review and has determine new sets of fare adjustment for PMV operators to take effect as of **16th November 2007** for NCD, Lae, Kokopo, Wewak, East Sepik and Kimbe and the new express routes from Town to Gerehu via Poreporena Freeway whilst all the other centres will effect their new fare by **1st January 2008**.

To this end, the Commission has developed this pamphlet to educate the operators of PMV and Taxi services and the public at large in the National Capital District on the consequences of the Commission's decision for fare adjustment.

## 2. Consumers Right to Better PMV & Taxi Services

The public at large have the right to better PMV and Taxi services in the country and this will come at a cost of providing these services efficiently.

The recent fare adjustment granted by the Commission is justified on the increases in cost drivers in maintaining and operating PMV and Taxi services in the country.

## 3. Fare Adjustment For PMV And Taxi Services

The Commission has determined revisions to certain urban PMV fares for NCD, Lae, Kokopo, Wewak, East Sepik, Kimbe and the introduction of a K1.00 fare for the direct Gerehu/Town route (via the Poreporena Highway) “express route” to take effect on **16 November 2007**, on all other PMV routes a 5% increase plus the additional fare adjustment mechanism will be applied from **1 January 2008**. For the Taxi fares the flag fall rate of K1.50 and distance rate of K2.00 per kilometre will be applied. Adults in NCD will now be paying K0.80 for the regular routes.

An annual fare adjustment mechanism will be used to adjust fares for PMV and Taxis (subject to an industry decision on mandatory meter installation in all taxis) to apply to 1st January of each year from 2009 to 2012. The maximum fare for any taxi without an installed operating meter after 1 January 2009 will be K1.50 for flag fall and K2.00 per kilometre.

## 4. Concession Fare

For the purposes of concession paying passengers, the Commission has defined “school children” will be those in Primary and High school up to grade 10 whilst “Senior and Tertiary” student are those in higher schools (Gr.11 & 12) and in tertiary institutions (University, technical schools and colleges). Senior and Tertiary students will pay 75% of the full fare and the school children will pay 50% of the full fare. In NCD Senior and Tertiary students will pay K0.60 (75% of 80) and School Children will pay K0.40 (50% of 80) for the regular routes and the same will apply for the express route - K0.75 and K0.50 respectively.

## 5. Consumer Responsibilities

Having known that in NCD adult passengers should be paying 80 toea for the regular routes and K1.00 for the express route, the traveling public should comply accordingly. The consumers should also be aware that PMV owners have been required to improve on the

standard of the services that they provide and therefore the increase in PMV fares should be appreciated.

The users and providers of PMV services should all have/develop a common understanding between yourselves in order to sustain and to improve the PMV Industry in this country.

## 6. ICCC's Role as the Regulator

The Commission's role in ensuring the PMV & Taxi services industry operate efficiently will require a joint effort from the operators of the services, users of the services, Department of Police, Department of Lands Transport and National Road Safety Council. In ensuring that consumers get the quality of the services they pay for and PMV operators get a fair return of the services they provide, Commission at best would like to see the current practice of in-completed routes and down payment of PMV fare become something of the past.

The Commission will institute procedures whereby its Price Inspectors make random checks on the fare being charged on PMVs and taxis. The Commission has established a ‘telephone complaints line’ with the toll free number **180 3333** that can be used by commuters to report instances of overcharging, discrimination against concession paying passengers or lack of completion of licensed routes. The need to enforce service standards on PMVs (in particular) and taxis has been identified by a number of commentators and is supported by the Commission. To address this issue, the Commission will use its powers under the PRA to ensure that bus routes are fully completed by licensed PMVs, that passengers are not rejected from the PMV or refused entry on the grounds of being school children on concession rates or any other reason inconsistent with the licence to operate granted to the PMV operator.

## 7. Penalties and Complaints Registration

The penalties pertaining to continuous breach of the Prices Regulation Act will be severe resulting in court proceedings and eventual prosecution of the accused. All complaints regarding any aspects of the PMV and Taxi operations can be registered through the toll free number **180 3333** or report to the *Commission's office located at 1st Floor, Garden City, Angau Drive, Boroko*. Alternatively, the Commission can be contacted on 325 2144.