

IPART

01/02/2018

Re IPART Draft report on taxi fares and Country taxi plate releases

Kay McNiven and Gavin McClure

Kiama Cabs and Hire Cars

We are Gavin McClure and Kay McNiven. We own and operate Kiama Cabs and Hire Cars. Collectively we have operated this business for over 43 years.

Our business engages 22 drivers to use our taxis to enable them to generate an income. Unlike the City Operators, our drivers do not make a set shift payment. Our drivers are on a 43% commission including GST on all the gross income they receive during the shift. We, as Operators, cover the cost of CTP, Comprehensive Insurance, Workers Compensation, fuel, parts, administration, wear and tear, vehicle damage, vehicle fit outs, radio systems, etc, etc. The list is long. Our drivers are all small business owners in their own right, have ABN numbers and remit GST and taxation. We as operators do the same.

What is a Country Taxi driver?

In our instance a Country driver is likely to be male, but females make up 40% of our drivers. In many occasions a country taxi driver may be getting back on his or her feet after injury, may have a mild form of disability, may be in desperate need of work to feed a family after having no luck being able to get a mainstream job. Some drivers may have just come out of domestic situations that have found them somewhat desolate and with very little financial means. Others may be older men that need something to do and possibly help out at the local Men's Shed. All these people are worthy, having a go and making something of themselves.

Our Industry – OUR REGION

The Kiama LGA is only small. Our population is mainly elderly with a recorded 62% over the age of 62 years. Our Taxi service now only has 6 taxis; one plate was handed in three years ago. There was not enough work to warrant keeping that plate. We have no plates on hold, however we average using three cars for Monday to Friday day shift, 1 car for night shift, Friday nights 3 taxis with the third car only staying out until the pubs and clubs close and if there is no work, the driver will go home and back up should there be any need to come back out. The same applies on a Saturday night with 6 cars out with the 6th car going home and backing up if needed. I am aware that in our region, (South Coast of NSW) most operators have a similar procedure. As an approved driver I am always available to go out in a Taxi and cover should there be a need across any of the shifts during the week or weekend. Kiama is no different to most South Coast towns and Villages, not much happens after 4.30 pm on any day of the week.



Kiama Terralong St looking East at 7.45pm Thursday 1/02/2018

IPART Draft Report

I have recently received the IPART draft report and I am very disappointed at its findings and recommendations!

The IPART report is incorrect and paints a picture of a bustling industry with many, many passengers and long wait times and poor service levels. The IPART summary could not be further from the truth. It is not accurate at all. There are fewer taxi trips being taken now compared to even a year ago. We have Government funded Community Transport, we have Ride Share operations, there are many TV plated tourist vehicles and in addition almost every hotel and club has its own courtesy bus to transport the patrons in and out of the venues. We border a Metropolitan Taxi Network and as such we have competition from within our own industry. Not to mention the numerous illegal "hot plates" that tout around ranks and venues. With all this added competition we are finding it increasingly difficult to cover costs and make ends meet. Even at this current time, the Government has an expression of interest open for on Demand Bus Services and additionally the Government is seeking interest in Autonomous vehicle trials in regional NSW.

With the advent of Ride Share, we have endured a new form of competition, not competition with another service provider, but we have the unfair playing field. Our Country Taxi CTP Greenslip is still 10 times that of Ride Share, even after supposed reforms. We pay Workers Compensation Insurance at a far greater rate than our competition, my bill last week was more than \$10,000. It costs around \$17,000 to set up a taxi to the current regulations, Ride Share drivers just use whatever car they have at the time.

Our Customers do not have excessive waiting times for a Taxi in our area and I have not ever been made aware of any complaints from passengers that have had to wait to excess. As previously indicated, we have more than enough Taxis available to cover any peak times.

There is absolutely no need for any new plate release. There is not sufficient work for the numbers of cars that we have now, let alone introducing any new plates. Our average wait time is around 7 -15 minutes including weekend night shifts.



Kiama Terralong St looking West 7.48 pm Thursday 1/02/2018

We find it increasingly difficult to find drivers to fill shifts. If drivers do not make enough money to make ends meet they give the job away, citing “I would make more money on the dole”. During the quiet shifts at night during the week we subsidise the driver’s earnings so at least they have something to take home. Many times, this means that we do not have an income ourselves to even cover the shift expenses, but at least it satisfies the driver. New plate releases will kill these shifts, will cause drivers to leave and there will be additional issues of support required to assist those that will not continue to drive if they have to share the small amount of income they receive with any other competition.

We have not had a fare increase for at least 4 years, however our passengers believe that the Government imposed \$1.10 Passenger Service Levy is a fare increase. The Levy in some cases represents a 10% additional cost to the passenger. The PSL is having a negative impact on the number of passengers travelling which in turn will reduce our income.

The administration process for the driver and the operator is very time consuming, however there is no administration fee to assist in covering the cost of the process. I do not believe the Taxi Industry wants a fare increase and I'm sure if we could get the suggested reduction in our operating costs, this could still put some sort of hope in the minds of many Operators.



Kiama Leagues Club, Terralong Street Kiama 8.10 pm 01/02/2018. Own Courtesy bus.

Regarding the IPART recommendation for new Taxi plates to be released around country NSW, there is no reason for this to happen. We have minimal wait times in the country, there are insufficient taxi trips undertaken and drivers are not making reasonable living in the current situation. We cannot continue to afford to prop up the earnings of our drivers. If the Government is going to release new plates, it is most likely to be the major players in our industry that pick them all up. They will then set up in the regional areas, sending the little bloke to the wall and then pull out when they see there is no money in taxis in the bush. What happens then? Their existing taxi business will be finished, there will be no taxi service.

There are many cases in country towns across NSW and Australia where the local taxi service is the only form of transport there is. It needs to be remembered that we are not funded by the Government in any way. Some care must be considered for the sight impaired person that has just arrived off a bus at 7.30 pm on a Monday night that usually catches my Taxi Home because of the added assistance that my drivers give, or the Domestic Violence victim that calls for a cab to get out of a volatile situation. We help to keep drink drivers off the roads and in most cases, are on the register of Transport in the licensed venues.

When the Taxis are gone, or the service severely reduced, some of the most vulnerable people in our Community will be denied transport. We will become a transport disadvantaged Community.

The IPART report suggests the reason that there are Taxi plates on hold across NSW, is so that the Operator or Networks can control market value of Taxi plates by supply and demand. This statement could not be less accurate. Country Taxi plates are on hold around NSW because there are not enough drivers to drive the cabs and the demand for taxi usage over many years has diminished to the point where having non-used Taxis in storage is no longer affordable.

Standby Taxis still required the same CTP, registration, and Insurance costs even though that car was not likely to be used often.

Taking a plate off the road can help bolster a driver's income in the hope that there will be sufficient takings to reward the efforts of the drivers. The plates on the shelf are there in the hope that one day the Taxi business picks up and the plate can be taken off the shelf and used again at some time in the future.



*Kiama Grand Hotel Beer Garden corner of Manning at Bong Bong Streets 8.00pm
1/02/2018*

It is very important for IPART to consider the needs of the many Taxi drivers across Country NSW. I have firsthand knowledge of all my drivers as I have onboarded each and every one of them over the last 17 years. Quite a number of these drivers have come to me with varying genuine reasons why they want to be a Taxi driver. Some of my drivers have previous medical conditions that would not allow for main stream work. Some are driving Taxis so that they have a feeling of self-esteem, adding something to the economy or just having a go. It's not the best vocation for many but at least they are having a go. If the IPART recommendation is left unchanged and the Government accepts the report, that will have a negative effect on the livelihoods of many Country Taxi drivers.

I have included several actual pictures taken at dates and times as indicated. These pictures show very clearly the lack of patronage we have in Kiama. Thursday evenings used to be vibrant and a good taxi night. Those good times have gone as well.

In all honesty we believe that there will be very few recipients of the collected PSL hardship fund. It would be in the best interests of the Government and Taxi customers around Country and Regional NSW to have that Levy amount used to assist with funding the continuation of late night Taxi services. If the IPART report is adopted in its current form, Country Taxis will be forced to walk away from the Industry. This Levy could be paid to the taxi operator with a split payment between the driver and the Taxi Service. This is a way to keep drivers in our Industry and to ensure that there will be safe, reliable services into the future. We do not have funding from the Government other than 50% of the Taxi Transport Subsidy Scheme. We have been told that it looks like that TTSS scheme will be opened to other forms of transport as well so again our Industry will suffer.

Governments are already funding passenger transport with other modes of Transport, so why not the Taxi Industry. The PSL will not be a cost impost to Government as the levy is only being collected by the very people that catch Ride Share or Taxis. It makes sense to put it back into the industry. There is no reason this PSL could not be used to assist our Industry.

We respectfully ask that IPART seek accurate information for their review of the draft report and give accurate representation of the actual situation in the Regional areas of NSW.

Thank You

Gavin McClure and Kay McNiven

Kiama Cabs and Hire Cars

