

### Taxi Levy

It is not fair that taxis should raise their own compensation. In fact if you have to raise your own compensation it is no compensation at all. How ridiculous is this?

Surely it is only fair and obvious that Ride sharing must raise the compensation for us. Ride sharing has taken 50% of our business but they pay us no compensation. How is that fair?

We request that the NSW Government consider removing the extra levy from taxis altogether.

There are two sets of rules for Levy Collection, Networks under NSW Taxi Council are charging the Drivers directly and 13CABS are charging the operators and drivers have to reimburse the operators which causes hardship to monitor the Levy and the administration hardship for Taxi bases with more than 10 taxis.

In the mean time we urgently request that the levy and any penalties attached be suspended for a period of grace for 90 days. The actual functional collection of the levy is awkward and too sudden for all the taxi drivers to adjust to without incurring penalties. It is not clear how an accurate number of jobs, and therefore the \$1.10 levies can be submitted.

As per P2P website “For taxi service providers, it means \$1 for every **passenger service transaction**’ provided as a result of the taxi being hailed in the street or taken from a taxi rank. For booking service providers (including for booked taxis), it means \$1 for every booking which results in the provision of a **passenger service transaction**’.” It has been stated by The P2P

Commissioner that the Levy is not Mandatory for passenger to pay and its not Taxi Operators liability to collect it, but should be paid by the taxi drivers and the Networks. Then why should the Operators pay to networks like 13 CABS, this has to be stopped and the Drivers should be charged directly by the Networks.

The total Levy to be collected is \$250 Million and out of which \$92 Million is already paid to Licence Holders for compensation and

\$10 Million is allocated for HC Plate owners as compensation and the balance of \$148 million is not accounted for who will benefit from the Levy collection, which needs to be told to Tax payers whether this fund Pool will be distributed for Taxi Operators as per the submission of \$100.00 per week per Taxi for 4 years. If this amount is not allocated then what is the reason to collect.

A secondary factor that the Government has not taken into account is the further deterioration of our business when our customers get annoyed at the extra visible charge. What if the customer doesn't pay the surcharge? Is the driver then liable to a fine if he does pay the surcharge that he doesn't collect? What defence does the driver have? The collection of this extra charge is flawed and not clearly thought out. It is not fair on taxi drivers. We therefore request at least a stay of proceedings until this can be sorted out properly.

If the Government is still determined to extract this onerous levy from taxi drivers, can it at least be incurred after a fare change and be incorporated into metered fare. This at least is a far more functionally smooth way of implementing this measure. As it stands, it just adds insult, to dysfunction, to injury

We remain sceptical that under the present scheme the Government would collect any money from Ride sharing drivers, so we think that the taxi drivers would be the only ones paying it.

Further, it would be very simple for the Government to get the required money direct from Ride sharing, based on the statistics raised by IPART as to the total amount of work taken from Taxis by Ride sharing [about 50%]. The Government would sooner, more easily, and more certainly, get the money required. Then Ride sharing can collect the money from their drivers however they may.

That would work, it is fair to taxi drivers, it is simple, and the Government gets their money.

Generally, anything we say does not imply that we accept Ride sharing at all. We don't want Ride sharing. Ride sharing has taken at least 50% of our business

The taxi industry is devastated! The plates are worth nothing.  
We protested before Ride sharing came in.  
We protested when Ride sharing came in  
We still protest  
We request that the Government get rid of Ride sharing, please!

To get to the issue, years of work by the transport department and the taxi industry to protect public safety have been abandoned. This means in this now deregulated industry public safety has been abandoned. How can this be? Suddenly without consultation, major drastic changes are made to the taxi industry. Who benefits from this? The only one we can see is Uber. Why is this?

In all, the Point to Point Transport (Taxis and Hire Vehicles) Act 2016, is a failure. It is really two separate acts in one title of legislation. Two completely different sets of rules and market regimes. A complete dichotomy of regulation and operation. In one set of rules, taxis are constricted, and maximum fares set with heavy penalties waiting like the sword of Damocles. In the other side there *are* **no maximum fares** and virtually no rules. In this situation we taxis have to compete with private cars with no infrastructure costs. So of course we cannot possibly compete with that cost structure. We request that the review of the act be brought forward and the Act repealed.

We have been told of a new green slip insurance scheme. On questioning Ride sharing drivers we have found that they don't take up this insurance. It is one thing to have an insurance scheme in theory. It is another thing to implement it. In this laissez faire unregulated environment there is no effective way to make the Ride sharing drivers comply. So they basically are still carting around paying customers without insurance.

When this pilfering, or let me say piracy, of our work was legalized, this government did not realise that it was opening Pandora's box. In enabling this 'new ridesharing', which I call privateering, that is, legalised piracy, there are additional unforeseen outcomes. We have seen complete amateur drivers who are not even ride sharing, picking up paying customers without any standards or supervision whatsoever. The black market in personal travel is wide open.

So this has destroyed all safety standards for customers. Among other things they are not green slip ensured for personal injury.

#### Restore Taxi cost index

We thought that the taxi cost index was suspended for one year that was bad enough, but it seems that the government has decided not to restore the taxi cost index at all. The taxi cost index is exact that, a cost index, calculated by the government regulator. The reason for it is to keep a taxi business cost viable. It is not profit; it is just a basic cost adjustment. Without a taxi cost index, taxis will get less and less in real terms every year, and it will eventually, or perhaps sooner, force taxis out of business altogether.

Is that the intention of this government? I say that the taxi industry is a vital and necessary service to the public. It must be retained. Restore the taxi cost index now!

#### Harbour Bridge Toll.

Who decided to remove the harbour bridge toll? We don't agree, and we were not even consulted. This issue has been raised a number of times before. The last time it was publicly raised by IPART and discussed and thoroughly analysed and a comprehensive report on the subject was published by IPART and the answer, the IPART recommendation, was that the harbour bridge toll for taxis was to stay. That is the definitive formal answer. Why has this government contradicted its own IPART regulator? This misguided, unfair, dysfunctional, rash, and wrong decision must be reversed immediately!

In the report, there is an undue focus on monopoly, citing the alleged prices of taxi plates, even though taxi plates are virtually unsaleable. There are many factors that influence the price of a commodity or stock that do not relate to the fundamentals. The PE ratios of stocks on the stock market are all over the place. If the fundamental theory were dominant the PE ratios would be in alignment. They are not. So citing the prices of taxi plates as evidence of 'monopoly pricing' is a very weak argument and misconceived.

The truth is that in Sydney, 6000 individual cab drivers compete fiercely with one another for the few jobs available, and further there is no chance of 'monopoly pricing' by taxies, because the pricing is controlled by the government and has been for a long time.

What we actually have is lazes fair. That means no rules, where the people with the unfair advantage, wipe out the competitors. This leads to the monopoly-pricing situation that the government is so concerned about. Lazes fair was an idea that was introduced in about the 1850s even then it's proponents admitted it could not be applied in all cases. It didn't work then, and it doesn't work now, as a way of getting a good fair outcome.

The current truth is that with private cars being legalised, taxies with a fixed cost and pricing structure, cannot hope to compete with private cars with no fixed costs and no pricing rules. This is the perfect example of unfair competition, [which is the expected result from 'monopoly pricing'], but the taxies, in this instance, are the victims. Is that understood?

Let us take the theory that all monopolies are evil. Well IPART is a monopoly; there is only one IPART. Does it follow then that IPART should be scrapped and all the employees sacked?

Let me take a theoretical vote of all employees, scrapped yes, no? I will guess the noes have it 100%. If it is 100%, is that a monopoly, and therefore discounted? Or is it a democratic vote? I think the latter. I agree, IPART should not be scrapped because it does valuable work for NSW, even though it is a monopoly. Does that make the point that all monopolies are not necessarily evil?

In the case of small towns, and even smaller towns. It is pretty Obvious that the economic infrastructure that exists is fragile. For instance, if we had a one-horse town, a town so small that it only had one horse plying trade, but that horse is a monopoly. Do we shoot the horse?

If we have a small town that can only support one taxi group or operator, is it fair or even allowable that we let in privateers to destroy that business? Taxies in a small town may be a monopoly but they cannot apply monopoly pricing. Government fixes taxi pricing. Taxi drivers in that town have no other employment options and they inherently have motivation and a symbiotic

imperative to satisfy local customer's needs. This is really the diametrically opposite situation to that theorised in the IPART report.

In country towns the taxi and even the general economic infrastructure is fragile. The government should be very careful and take care to do a lot of local consulting before they disturb things in country towns. Once the thin economic roots are pulled up they cannot be replaced easily.

**Kind Regards**

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