

SUBMISSION

to

IPART DEC 2014 TAXI DRAFT REPORT

“IPART , A GROSS WASTE OF TIME “

This submission is surely a waste of time.

Because IPART'S tax reviews are largely a gross waste of time ; a uni-directional process wasteful of government and tax payers resources, of multiple repetitive IPART reports, an expensive useless "public forum" pro forma farce, and multiple repetitive stakeholder submissions which are rarely responded to, let alone enacted.

- Instead of the numerous 2015 IPART tax issues, this submission commences by recommending that IPART improve its information procedures and thus cut costs to the government and taxpayers and the gross time wastage of taxi drivers and stakeholders.
- Plus addressing only the critical taxi Lease costs as well as UberX.

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1.

IPART annual procedures ; a gross waste of time of IPART, taxi drivers, stakeholders and government and tax payer resources.

Stop wasting IPART time.

Stop the gross waste of taxidrivers' time, whose time after five 12 hour shifts per week is almost non-existent to respond to IPART papers. And the time of other taxi industry stakeholders.

Stop wasting government and tax payer resources.

By means of simplified and improved IPART annual review procedures and greatly improved effectiveness and accountability of the IPART information process !

Recommended annual IPART procedures :

- a. Table the usual Issues Paper setting out IPART's proposed "initiatives". But in clearer simpler formats as per past recommendations with routine matters in re-issued appendices.
 - b. Follow with the TfNSW required so called "Public Forum". Not as an expensive formality and useless pro forma farce, but in a productive format where IPART, instead of attending mutely as for so many years, participates professionally by responding to and explaining questions regarding its Issues paper plus any other comments raised.
 - (Issue – simply from the Transcript record - a draft Appendix of Answers summarising in simple one-liners the questions and answers from the "Public Forum" for the use of stakeholders and submissions.)
 - c. Follow with Submissions from stakeholder on the Issues paper - with vastly better informed comments from the "Public Forum" and Appendix of Answers.
 - (DELETE the often highly repetitive IPART Draft Report – and thus save major IPART and tax payers resources.)
 - (DELETE the stakeholder often highly repetitive submissions to a IPART Draft Report. Saving further critical stakeholders' time, especially that of overworked, earnings and time poor taxi drivers.)
 - d. Table the Final Report by IPART.
- Plus re-instated IPART Objectives - as all responsible organisations have – critically including driver earnings as were central in all past IPART taxi fare reviews !

- And including a finalised Appendix of Answers augmented simply from the official Transcript with further answers to submission comments.
- Plus the Glossary, updated and comprehensively including for the first time the strangely omitted IPART current economic terms.
- And simplified shortened IPART taxi reports as previously recommended.

It is recommended that significantly improved simpler IPART information procedures, can substantially reduce, after some 14 years, much unnecessary waste of government, tax payer, stakeholder, driver and IPART time and resources !

2.

The IPART strategy of the past 3 years for ridding the \$30,000 /annum lease costs for each taxi paid by the public is a complete failure and waste of time.

The cost of taxi plates and lease fees is the critical problem of the taxi industry !

Lease fees add some 20% or more to all taxi fares. Lease costs rob 20-30% of drivers earnings time. Lease costs add zero services to the taxis and their passengers.

Failed IPART leases strategy.

Today arrogantly IPART is claiming success in reducing the lease fees since 2012 from some \$30,000 in 2011 to \$27,000 .

An IPART rate of reduction that at \$3000 per 3 years would eliminate lease costs in 10 years ! Or at 10% in 3 years, would eliminate plate licence fees in 50 years ! (If IPART – and the taxi industry - then still exist ?)

An IPART strategy of issuing more taxi licences for each of the past 3 years, thus flooding the industry (despite lack of business and consumer confidence) and reducing driver earnings. From a disgraceful drivers earnings of \$11/hour in 2011/12, way below the \$16 minimum wage, to even lower earnings in 2014 !! Disgusting !

IPART claims the key to plate values and lease fees is its unproven theory of taxi plates “scarcity”– (while also totally ignoring the factual loss of Australian business and consumer confidence and loss of trading since the GFC). A theory of market “scarcity” of plates which ignores the reality that the value of plates has for 30 years been determined, not by scarcity, but by the secret manipulation of unofficial unregulated increases in lease costs charges siphoned off from taxi fare increases!

A secret siphoning off that IPART had for 10 years failed to know about, let alone what to do about in the past 4 years, but which it now refers to euphemistically as “economic rent”. But what in fact is, colloquially, a giant bloody rip-off of the public and of the taxi drivers and their earnings time and payin costs - by the “rent seeker” plate owners, in reality the leeches, bloodsuckers and bludgers providing zero services to the public for the past 30 years !

After some 10 or more years of fare reviews IPART to its surprise and horror discovered only in 2011/12 that an extra \$30,000 /annum for each taxi is paid in fares by the public.

(How is it that IPART did not know this for the 10 years since it commenced taxi fare reviews in about 2000 ? How come that IPART failed to give recognition to the “Plucked Turkey Rort” from the NSW TDA that its fare increases were annually diverted by plate owners to increase licence fees for providing zero services !? How come that IPART did not know, and to this day does not acknowledge openly, that some \$30,000 must be earned by taxi drivers using 20% or more of their shifts before they can earn a cent for themselves?)

Alternative lease costs reduction strategies resisted by IPART.

And how, in the face of this clear failure, can IPART continue with its strategy?

Why has IPART not attempted alternative strategies?

An alternative strategy, such as openly advertising new licences at a minimum cost of \$8000, like (say) Hire Cars. As is referred to and dismissed in the IPART Final Report on Annual taxi licence release for Sydney 2013/14 issued in Feb2014.

Which stated as follows.

“We received one submission on our draft report that proposed a ‘lowest successful bid’ approach in conjunction with an \$8000 reserve price .

While the lowest successful bid has some advantages, we consider that they are not significant enough to justify moving away from the current approach.

The current approach is well understood and now has several years of published results that potential bidders can use to inform themselves.

For the sake of stability, we recommend that the pay-as-bid method be retained. “

The IPART reasoning is puerile and evasive ! It fails to explain “some advantages”. And that it’s “not significant enough to justify moving away from the current approach”, while the current approach has clearly and utterly failed !

It argues there are “published results that potential bidders can use to inform themselves” which shows IPART’s lack (or reluctance?) of industry understanding.

Yes, as per IPART, the - largely routine - tender info made available is useful and should be continued. However that an \$8000 reserve price is possible would be VITAL information ! It would be a revolutionary eye opener and undoubtedly turn the tender bidding upside down !

That however is possibly (secretly) the reason why IPART argues for “stability” instead of significant progress and reform of lease costs !

What a scandalous continued useless waste of time and resources by IPART !

3.

IPART's proposed review of "point-to-point services" a gross waste of time.

There exist no such new fangled "point-to-point" industries. Unless IPART means taxis and hire cars which coexist and compete reasonably and usefully. Or if it refers to legal 3 year old booking aps such as GoCatch and InGOGO, as well as Uber (but not UberX), which work well to assist the public booking of taxis.

Or unless IPART refers to legal taxis and the illegal dangerous paid hitchhiking practice. Namely UberX, which is illegal dangerous paid hitchhiking which must be banned in the interests of public safety. As it is in Delhi and other cities.

What has IPART suggested to ban UberX ?

IPART notes TfNSW and RMS have “booked” some drivers, but so what, and to what effect ?

Instead by “regulation“ IPART implicitly suggests legalising UberX - at the expense of the taxi industry !

IPART doesn't have the in depth knowledge of the taxi industry, let alone that of the seemingly clever UberX, to formulate such regulatory recommendations. Having failed for 14 years in the task of improving taxi driver earnings and for the past 3 years in significantly reducing taxi plate and lease costs, then IPART is clearly incompetent in wider more complex regulatory issues.

To demonstrate its skills, IPART might first volunteer a scheme on how to ban UberX. And if it cannot do that, then its claim to “point-to-point”_regulation is vacuous .

IPART's proposal is self promotion. It deserves to be dismissed.