

New South Wales Taxi Drivers Association Inc

FOR: BAILEE DRIVERS, OWNER DRIVERS, AND LESSEE DRIVERS, Inclusive

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A Fair Share of a Fair Fare

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SET FARES

The NSW Taxi Drivers Association Inc. (NSW TDA) is vehemently opposed to the proposal advanced by the Tourism & Transport Forum (TTF) that flat fees be introduced for taxi travel between certain venues such as the airport and the city.

Whilst the TTF claims to speak on behalf of the 200 most prestigious companies in the transport and tourism sector it appears to be seeking to advance their lot at the expense of Sydney's taxi drivers and also at the expense of the low budget, off-peak, airline traveller. The TTF has no taxi drivers that we know of on its board. Sydney's taxi meters already calculate "set fares" accurately based on the carefully defined mix of the two critical variables, time and distance, that combine to measure the inputs of driver labour and vehicle usage. To vary the process to any other scheme would invariably see some redistribution of the cost burden amongst travellers and taxi drivers. The NSW TDA Inc sees the proposal put by the TTF as a mean spirited grab aimed at shifting the higher cost burden of peak time travel onto the shoulders of the off peak travellers and taxi drivers.

Winners and Losers

Any restructure of taxi fares resulting from set fares will inevitably see winners and losers. Even if one assumes that a median fare could be struck that would see no net gain to taxi drivers there would still be significant costs shifts between travellers if they were to all pay the same cab fare for their journey regardless of the time of day of their travel. Such a redistribution would see the peak time (business) travellers' fares subsidised by loadings foisted onto

the mums and dads who already routinely opt for the cheaper, off peak, airfares.

Congestion Tax

Peak time delays are entirely outside of the control of the taxi drivers. Taxi drivers would view a flat fare as a congestion tax imposed on journeys to and from a small number of venues that should all be avoided in peak times. The inevitable consequences of flat fares would be disastrous, especially to the wealthy peak time travellers who might hope to benefit from such a scam. Taxi drivers are independent operators, not gov't funded or salaried employees and as such they are free to ply for hire wherever they feel that they can maximise their income. By the same token they are also free to avoid those areas where their labours might be inadequately rewarded. Business travellers are in cloud cuckoo land if they think that taxi drivers will come to an airport during busy times and accept lower rewards for their labours than can be earned simply by plying for hire in every other street in Sydney! Any attempt to stifle the earnings of drivers at prescribed locations during peak times will simply be met by a withdrawal of our labour from those sites. Those business travellers will be welcome to wait in long taxi rank queues until the traffic subsides sufficiently to make an airport pick-up viable for the taxi driver.

Regulatory Conundrum

Flat fares, if implemented, would trigger a regulatory nightmare and inevitable conflict between passengers and drivers. Taxi drivers are already bound to comply with passengers' route instructions. If a miscreant passenger elects to take either a circuitous or overly expensive path along a set fare route the taxi driver's entitlements would be in chaos. Would a set fare traveller be entitled to break their set fare journey from the airport to the city whilst e.g. they take a relaxing dip between the flags at Bondi? How about going through McDonalds' drive through en route? What about if they wish to avail themselves of the time savings that the Eastern Distributor charges a \$5 toll for? Would all passengers have the \$5 toll (and possibly the \$4.28 CCT toll) included in their set fares just in case some passengers might ever wish to choose such routes? The converse applies to those passengers who choose to travel via Botany Rd. Would a driver be entitled to charge MORE than the

metered fare to those passengers who have chosen an off peak travel time and arrived at their destination under budget? Drivers can, at present, be prosecuted for charging more than the metered fare. Would they be exempted once a set fare was implemented? What of the morality of charging extra to off peak travellers because peak time travellers lobbied successfully to have their burden offloaded onto the unsuspecting off peak traveller?

Tariff 1 Rates Vs Tariff 2

Two different rates currently apply to metered taxi fares according to the time of day. Fares commencing before 6.00 a.m. or after 10 p.m. attract the 20% night time surcharge. Any meddling with the current rates would simply see drivers avoiding any artificially depressed journey offers. Alternately an attempt to prescribe a range of “set” fares would need to take into account this variability. The complexity and operability of such a scheme, not using the meter, would cause more confusion and conflict.

Status Quo Proven Fair and Accepted

The NSW TDA Inc has every confidence in the currently existing charging practice of metered fares using a distance and time component. Any deviation from the status quo would inevitably lead to disputes between passengers and drivers, to overcharging on some occasions and to a gross shortfall of available taxis during peak times. The naive and ill considered proposal for the implementation of set fares must be consigned to the dustbin.

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