

19th April. 2009.

Ipart Taxi Fare Review 2009,

Dear Ipart,

My submission is fairly limited, in part backing up the Taxi Council's view on productivity.

As in my previous submissions I cannot stress enough that the productivity of a taxi driver has been eroded dramatically in recent years with the introduction of No Stopping Zones. These have replaced No Standing Zones and most No Parking Zones. This has made it illegal and almost impossible to pick up and set down street hails in the manner expected by both them and the level of service the Ministry of Transport expects. The consequence is many dead kilometres and loss of business both immediate and long term, as passengers tend to not understand why they are not being picked up by a vacant cab and find other means of travel. That Ipart refers to a general community level of productivity change is intriguing as it bears little, if any, reference to that of a taxi driver operating legally. Any productivity changes within networks should show up in the charges levied on taxi operators. It should also be noted that taxi owners, drivers and operators have very little influence on the operation of networks and their associated methods. This, in my experience, has been largely driven by cost, computer companies with no understanding of taxi services and regulation. The basis of current dispatch methods caters to the lowest common denominator as a driver, thus not allowing the best possible service to many of the customers.

Other elements that Ipart considers are social impact and levels of government spending. I suggest that the profitability of a business and its participants must be considered separate to those elements. If the business is not able to make a proper level of profit it cannot provide a proper level of service to its customers. Such a situation would also mean that it would, effectively, be subsidizing its customers and that is, by and large, not the job of business or those involved in that business to do as individuals. Included in this is the effect on government spending. Government spending is at two levels in this business; one as a direct customer, at which level it should be looked at no different to any other customer and the other level is as a subsidizer to some passengers, in which case it is acting as a government welfare provider and, therefore, its subsidy should not be a matter for the setting of fares relevant to the profitability of a business. It is a separate welfare matter for government to consider as part of its own policy.

Thanks for the opportunity to contribute to your deliberations. My views are from about thirty five years experience in the business and about thirty years as an owner/driver.

Yours sincerely,

Paul Fletcher