INDEPENDENT PRICING AND REGULATORY TRIBUNAL

REVIEW OF TAXI FARES AND NEW ANNUAL TAXI LICENCES FROM 1 JULY 2018

Tribunal Members

Dr Peter Boxall, Chair, and Ms Deborah Cope, Member

Members of the Secretariat

Ms Jennifer Vincent, Ms Fiona Towers, Mr Justin Robinson and Ms Rhonda Nelson

Αt

Dubbo RSL Club Events Centre, Corner of Brisbane and Wingewarra Street, Dubbo

On Tuesday, 6 February 2018 at 11.00am

1	Opening remarks:	
2	THE CHATE. Cood magning even body and values. My name is	11.01.20
3 4	THE CHAIR: Good morning everybody and welcome. My name is	
4 5	Peter Boxall and I am Chair of the Independent Pricing and Regulatory Tribunal. I am joined today by my fellow	11:01:27 11:01:31
6	tribunal member, Deborah Cope, and we are assisted by staff	
7	from the IPART Secretariat.	11:01:34
8	Trom the Tract Secretariae.	11.01.30
9	I would like to begin by acknowledging that we are	11:01:40
10	meeting on the traditional land of the Wiradjuri people and	11:01:42
11	I would like to pay my respects to the traditional	11:01:46
12	custodians of that land and the elders both past and	11:01:50
13	present.	11:01:54
14		
15	At today's forum we would like to hear your views on	11:01:54
16	IPART's draft report on the number of new annual taxi	11:01:58
17	licences to be released outside Sydney, as well as maximum	11:02:01
18	rank and hail fares statewide, both of which we	11:02:03
19	recommend to Transport for NSW.	11:02:07
20	·	
21	As well as the discussion today, we are seeking	11:02:10
22	written submissions on the proposals in our draft report.	11:02:12
23	The closing date for written submissions is 9 February.	11:02:14
24	Our final report is due to be submitted to the Minister for	11:02:18
25	Transport and Infrastructure by 9 March 2018. The Minister	11:02:21
26	will determine when our final report is released publicly	11:02:28
27	and Transport for NSW will make decisions about whether or	11:02:31
28	not to follow our recommendations for fares and licences.	11:02:33
29		
30	I will start today's proceedings with a brief overview	
31	of our approach to the review, our draft findings on	11:02:41
32	competition and some of what we heard from participants in	11:02:44
33	the public forums we held in Sydney and Coffs Harbour last	11:02:47
34	week.	11:02:50
35		44 00 50
36	Our approach to this review started by looking at	11:02:52
37	competition in the point to point transport market.	11:02:54
38	Technology and regulatory changes have made the point to	11:02:57
39	point transport market more competitive now and more open	11:03:00
40	to competition in the future. Ultimately, in a competitive	
41 42	market there is less need to regulate fares because the	11:03:08
43	forces of competition will ensure that participants charge the appropriate price for their services.	11:03:11 11:03:14
44	the appropriate price for their services.	11.65.14
44	One aspect of competition we looked at was the size of	11.02.10
46	the market for point to point transport and how big the	11:03:18
40	the market for hother to hother chanshold and now oil the	11.62.51

taxi industry's share of that market is. We looked at bank 11:03:24

1 2 3 4 5 6 7	electronic transaction data to identify any changes in demand for taxis and rideshare between July 2015 and September 2017. We found that in areas where rideshare has commenced there has been rapid take-up of rideshare services, but this has in general not reduced the number of taxi trips being taken.	11:03:42
8 9 10 11 12 13	We also considered how easy it is to get into the taxi business. We found that in many parts of New South Wales the cost of taxi licences can make it harder for new participants and can prevent existing taxi companies from expanding services where they may want to put on extra vehicles.	11:03:50 11:03:54 11:03:57 11:04:01 11:04:21 11:04:25
15 16 17 18 19 20 21	Our draft finding was that competition was not yet sufficiently developed to remove maximum fare regulation for rank and hail services. We also found that a small increase in the number of new taxi licences would make it easier to get into the market, allow the taxi industry to compete more effectively with hire vehicles and improve services to passengers.	11:04:26 11:04:29 11:04:33 11:04:36 11:04:40 11:04:43 11:04:47
23 24 25 26 27 28 29 30 31 32	At the public forums in Sydney and Coffs Harbour we heard from the industry that competition had developed very rapidly and there had been a decrease in demand for taxi services. Participants said that the number of trips per hour had dropped off, that drivers were having to work longer hours to get the same takings as previously and that many drivers were preferring to work for hire vehicle and rideshare companies. Participants from country areas also reported increased competition from courtesy transport and community transport.	11:04:49 11:04:52 11:04:55 11:05:00 11:05:03 11:05:06 11:05:13 11:05:16 11:05:20
33 34 35 36 37 38 39 40 41	Industry participants also thought there was little distinction between rank and hail work and booked work, so hire vehicles are effectively competing for all the same work as taxis, particularly in country areas where there is not a lot of rank and hail work. We would be interested to see whether this gels with your experiences and in particular to get any data on the percentage of rank and hail trips in areas outside Sydney.	
43 44 45 46 47	I will open up discussion for you now and we would like to test both our draft findings on competition and the views expressed by participants in other public forums against your own experiences. Later we will have a short presentation on our draft recommendations on fares and	11:05:49 11:05:52 11:05:55 11:05:59 11:06:03

1 2	licences and invite discussion on those topics.	11:06:06
3 4 5 6 7	As the hearing is being recorded and transcribed, I ask that speakers please identify themselves and, where relevant, their organisation and to try and speak clearly and loudly.	11:06:11 11:06:14 11:06:17 11:06:21
8 9 10	Before opening it up to the floor, I invite Kelly, from Transport for NSW, to make a short statement.	11:06:23 11:06:26
11 12 13 14	MS MILLER: I am Kelly Miller. I am the director of point to point implementation at Transport for NSW. David Tooze is here as well. He is the director of operations at the Point to Point Transport Commission.	11:06:32 11:06:34 11:06:37 11:06:40
16 17 18 19 20 21 22 23	As Peter mentioned, under the legislation, Transport for NSW determines each year the number of taxi licences to be issued in New South Wales and also the maximum fares for rank and hail taxi services. To assist Transport for NSW in this task, the Minister for Transport and Infrastructure asked IPART to conduct this review and to make recommendations for consideration.	11:06:43 11:06:45 11:06:49 11:06:51 11:06:55 11:07:00 11:07:02
24 25 26 27 28	I would like to thank IPART for their efforts in preparing the draft report and I would really encourage everyone to make submissions to IPART and to have your views heard and also I am looking forward to hearing everybody's views this morning.	11:07:05 11:07:08 11:07:11 11:07:15 11:07:20
29 30 31 32	THE CHAIR: I will ask David, from the Point to Point Transport Commission, to speak.	11:07:21 11:07:36
33 34 35 36 37 38 39 40	MR TAYLOR: Thank you. Hello, everybody. Just a quick wrap-up really. We are just gearing up at the Point to Point Transport Commission. I haven't really got much to say to open up, but I am open to questions afterwards, so if you've got any questions, if you'd like to talk about point to point, please feel free to talk about that after the meeting. Thanks.	11:07:25 11:07:27 11:07:36 11:07:38 11:07:40 11:07:43 11:07:45
41 42 43	THE CHAIR: Thank you very much, David. And now Martin Rogers from the NSW Taxi Council.	11:07:46 11:07:48
44 45 46 47	MR ROGERS: Thank you, Peter. This is Martin Rogers from the NSW Taxi Council. For those who don't know me, I am the new CEO of the NSW Taxi Council and I am glad to be here with each and every one of you today and thank you all	11:07:52 11:07:54 11:07:57 11:08:00

1 2 3	for taking the time out of your busy day to come to this hearing.	11:08:04 11:08:08
4 5	The IPART draft report, from a Taxi Council perspective, we believe should not be adopted. We believe	11:08:09 11:08:11
6	that the report and some of the findings in the report need	
7	to be questioned. We believe that it is open to big	11:08:19
8	business and foreign ownership to come in and take services	
9	away from regional New South Wales, 137 new licences when	11:08:27
10	you've still got 80-odd licences on hold. What are we	11:08:31
11	doing to get them off hold first? It is not, as the report	
12	says, because you're doing market manipulation trying to	11:08:39
13	keep prices high, it's just there's not enough demand.	11:08:43
14		
15	Today is about you sharing your thoughts on how this	11:08:46
16	report will affect your business. The members of IPART	11:08:49
17	need to hear how it will impact you, and the 9th, which is	11:08:54
18	this Friday, a written submission, we urge each and every	11:08:59
19	one of you to write your written submission back for this	11:09:03
20	report. If this report gets adopted, 137 new licences	11:09:06
21	that can operate anywhere across New South Wales,	11:09:11
22	cherry-pick events, take the good times and leave you guys	11:09:14
23	for the times when people still need services.	11:09:17
24	·	
25	The question is will there still be services available	11:09:21
26	if this gets adopted. Today is your time so don't be	11:09:24
27	afraid to get up and share your experiences of how this	11:09:29
28	report will impact your business. Thanks.	11:09:32
29		
30	THE CHAIR: Thanks very much, Martin. Questions, comments	11:09:39
31	from the floor? Who would like to go first?	11:09:43
32	U	
33		
34		
35		
36	MR J SPENCE: Good morning, everyone. My name is Jonathan	11:09:58
37	Spence and I'm with Bathurst Taxis. I'm an owner and	11:09:58
38	operator there, have been for seven or eight years.	11:10:02
39	I noticed in your request for more data from taxis you have	
40	various questions, including the average booked fare and	11:10:10
41	number of trips and vehicle expenses and so on, but you	11:10:13
42	don't include any question about the cost of drivers.	11:10:15
43	There is no recognition in here that drivers are a cost.	11:10:10
44	50 per cent of my income goes to my driver. That appears	11:10:25
45	not to be recognised in here and I'm wondering why it has	11:10:29
46	been omitted.	11:10:32
	555. S25564.	

1 2 3 4 5 6 7 8 9	MS VINCENT: In our report and our approach to the review this time, rather than looking at a detailed breakdown of costs, as Peter set out, we actually looked at the state of competition as an indicator of whether or not going forward fares need to be set as prescriptively, perhaps, as they have been in the past. When you have a look at indicators, like lease fees and things like that, you can see from those that revenues exceed efficient costs without having to do a bottom-up build-up of costs.	11:10:57 11:11:05 11:11:10 11:11:13
11 12 13 14 15	We have done that in the past and we've used data which included driver incomes, but for this review we were looking at data like revenues as an indicator rather than as an attempt at breaking down the cost, so yes, that's why we didn't ask about driver costs.	11:11:28 11:11:31 11:11:38 11:11:44 11:11:49
16 17 18 19 20 21 22 23 24	MR SPENCE: I have a supplementary question or comment. In reality, my income is actually half what it appears to be. Is that recognised? You're looking at the income, that's fine, but I only get half of what it appears. The average fare is, say, \$10 or \$15, whatever it is, but the operator only gets half of that. If it is being reported that the fare is \$10 or \$15, it looks like my income is up here when actually this is my real income.	11:11:53 11:11:59 11:12:03 11:12:06 11:12:09 11:12:13 11:12:15 11:12:19
26 27	THE CHAIR: We recognise that, Jonathan.	11:12:21
28 29	MR SPENCE: Okay.	11:12:26
30 31	THE CHAIR: Yes.	11:12:27
32 33 34 35 36 37	MR M PHILLIPS: Michael Phillips, Orange Taxis. My question is in relation to the 137 proposed licences that you're going to release. Are there any restrictions on these in the sense of how many cars per operator that you will allow?	11:12:30 11:12:35 11:12:39 11:12:43 11:12:48
38 39 40 41 42	The basis of that question is that if you don't allow some sort of restriction then it is open slather for someone to take a number of those licences, move into an area and basically annihilate the local businesses. I find that that doesn't seem to be well enough explained.	11:12:51 11:12:53 11:12:58 11:13:01 11:13:07
43 44 45 46 47	THE CHAIR: Thanks, Michael. It is a draft recommendation - and that's why we're having these discussions - to increase the number of licences by 10 per cent and the draft proposal of those licences in the so-called	11:13:12 11:13:17 11:13:20 11:13:25

1 2 3 4 5	designated area, which are the larger areas in regional New South Wales, that the licences would be able to operate anywhere across the state, and also the draft recommendation is not to restrict them to a certain number per operator or to owner drivers, or things like that.	11:13:29 11:13:33 11:13:37 11:13:43 11:13:47
7 8	MR PHILLIPS: Can you see my point?	11:13:51
9 10 11 12 13 14 15	THE CHAIR: We can and we're listening to your point and that's right, we've heard that point of view which we've taken on board. You asked what the draft recommendation was and I'm explaining that.	11:13:52 11:13:55 11:14:00 11:14:02 11:14:10 11:14:17 11:14:21
17 18 19 20 21 22 23 24 25 26	MS COPE: The two issues that we have been told about in the last couple of hearings around that were the concern about a new business coming into a town in competition with the existing business and the concern about licences being bought up by some of the major corporates and coming right across the regional areas in the state. Are both of those issues from your point of view or are there other issues around more licences? So from your perspective what are the biggest issues?	11:14:22 11:14:25 11:14:28 11:14:33 11:14:37 11:14:41 11:14:46 11:14:50 11:14:55
20 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42	MR PHILLIPS: The major issue here is that when you supply your figures, which we have, as far as our income goes, we are operating on less than the basic wage for an income for ourselves personally. That is unsustainable into the future with competition that could come into an area. I think the thing here has got to be understood. There may be on a Saturday night not enough cabs to handle the issue. On a Sunday, Monday, Tuesday, Wednesday night, and in places on a Thursday night, there are far too many cabs to handle the demand and the result - I can speak for Orange because I work of a night-time. We worked last night, we had 11 cabs out, that's out of a fleet of 20-odd cabs. That was twice too many. We didn't even earn \$10 an hour last night.	11:15:06 11:15:10 11:15:15 11:15:20 11:15:25 11:15:25 11:15:28 11:15:33 11:15:38 11:15:44 11:15:50 11:15:54
43 44 45 46 47	You can't sustain an industry on the basis of one-off nights: they're our survival nights. The issue of every other night is supplying a service to our customers. If we get competition into those nights where there is no money around at all, we're going to go belly up.	11:16:09 11:16:14 11:16:18 11:16:22 11:16:27

1		
1 2	THE CHAIR: Thank you, Michael.	11:16:32
3 4 5 6 7 8 9 10 11 12 13	MR M MAHONEY: Thank you. My name is Michael Mahoney and I'm from Orange. I want to say just a couple of things. Everyone seems to think that the pie is so big. The pie is only so big and regional centres like Orange can only sustain a certain amount of competition. In places like Sydney you've got the geographical areas, you've got the population to do it. In regional and country areas we don't have it. What you're doing is a recipe for chaos. It is a recipe for sending this industry into insolvency. Thank you.	11:16:40 11:16:43 11:16:48 11:16:54 11:16:58 11:17:01 11:17:04 11:17:07 11:17:12 11:17:18
15 16	THE CHAIR: Thanks, Michael.	11:17:20
17 18 19 20 21 22	MR M BAGGIO: Good morning. I am Marino Baggio from Wagga Taxis. I have been to a number of these seminars and I'm always cynical that nothing ever changes from what we say or recommend to your final report, but be that as it may, what my concern is over the years I've worked seven days a week to earn a living and pay off an investment for my superannuation and that has all changed.	11:17:28 11:17:34 11:17:39 11:17:43 11:17:49 11:17:55 11:18:00
24 25 26 27 28 29 30 31 32 33 34 35	I am not quite sure what you're trying to do with these extra cabs or plates being released. I just did an exercise with my own vehicle on my average vehicle taking and from that I averaged it over a 52-week period and off that I picked a certain number of weeks, which average it out, and on that my average income of the car is \$33.66 per hour. With that I've got to pay the drivers and I've got to pay the maintenance of the car. How far down do you want us to go on our takings? Are we going to earn less than the lowest income? We are probably earning less than what you're getting.	11:18:05 11:18:08 11:18:13 11:18:25 11:18:29 11:18:33 11:18:40 11:18:43 11:18:47 11:18:52 11:18:57
36 37 38 39 40 41 42 43 44	Have you ever taken that into consideration? In Wagga we have two rideshare services up and running but our biggest competitor is the second car. It's no good saying, "Oh yes, more people will use cabs", but if they've got the second car that's their convenience. Secondhand vehicles are pretty cheap and they're easily obtainable and some families have three or four as the kids grow up, so what are we fighting?	11:19:04 11:19:08
46 47	THE CHAIR: Thanks, Marino. You can be sure, Marino, we do listen and we do change our position, so don't worry	11:19:33 11:19:43

1	about that. We are taking this very seriously. These are	11:19:47
2	draft proposals and what happens is we listen to what	11:19:52
3	happens at the public consultations, we take on board	11:19:56
4	submissions, and then we make some changes before we	11:20:00
5	present it to the Minister, but I just wanted to reassure	11:20:02
6	you on that and thanks for attending.	11:20:05
7		
8	MR R STAPLETON: Thank you. Ray Stapleton from Bathurst.	11:20:13
9	I would just like to make a comment on just how much damage	11:20:17
10	these draft suggestions have made. I am 76. I promised my	11:20:22
11	family I would retire at 75. Now, I know it's nothing to	11:20:27
12	do with IPART, but because of the uncertainty created in	11:20:32
13	the industry since December 2015, I simply cannot retire.	11:20:36
14	I have been working on one of my drivers. I have been in	11:20:42
15	the industry for 30 years. I've been in the workforce	11:20:46
16	since 1956, so I reckon I've done my share. I am entitled	11:20:49
17	to retire.	11:20:54
18		
19	I have been trying to talk my driver into buying the	11:20:56
20	cab. He has been with me since 2001. When this draft came	11:20:59
21	out and we started getting signatures to say how damaging	11:21:04
22	it was going to be, I offered him my plates at half price	11:21:09
23	to try and talk him into it. He immediately dropped out.	11:21:13
24	He is no longer a prospect to buy my plates simply because	11:21:19
25	of the damage that we can all see. He is an experienced	11:21:25
26	bloke and I've been around a fair while. In 1988 I got	11:21:28
27	into the business, so I've been around for a while, I've	11:21:33
28	seen a lot of change.	11:21:36
29	To Dathwest in that time where I same Corn the	44.24.20
30	In Bathurst in that time, where I come from, the	11:21:38
31	population has increased dramatically, but the work has	11:21:40
32	dropped because of the buses now. It wasn't viable for	11:21:45
33	buses 30 years ago when I started. Someone else mentioned	11:21:50
34	about the one car. 30 years ago people had one car. Now	11:21:54
35	cars are like televisions, they've got them in every	11:21:58
36	flaming room almost, so now they don't have to wait for the	
37	car to come home, whereas once they had to use a taxi	11:22:06
38	because they only had one car and the breadwinner was using	
39	it. All that has changed. Supermarkets are open all the	11:22:14
40	time, almost, so people can go and shop whenever there's a	11:22:18
41	car available.	11:22:21
42	Things have also shound like our own. Com	11.00.00
43	Things have also changed, like, my mum, for example,	11:22:22
44	didn't drive a car. You can call me sexist, if you like,	11:22:26
45	but in her era men told women they were too stupid to learn	
46	to drive, so they didn't, they believed them, apparently,	11:22:33

so often women didn't drive, or a lot of people didn't have 11:22:35

1	licences. Now everyone gets a licence when they leave	11:22:39
2	school. So much has changed. I hope you can hear my - it	11:22:42
3	has shattered my future retirement. I promised my family	11:22:46
4	I would retire at 75. I now can't retire. I try and put	11:22:50
5	drivers in the damn thing. I can't get a driver to sit out	11:22:57
6	there and earn eight bucks an hour at night. I can't	11:23:01
7	afford to leave it off the blasted road, so I have to drive	
8	it.	
9		
10	Here I am at 76 driving, picking up drunks at	11:23:08
11	three o'clock in the flaming morning because I can't get a	11:23:12
12	driver. So that's the effect on old blokes like me that	11:23:15
13	this draft report - and I know it's not even fact yet, but	11:23:18
14	that's the sort of damage it is causing. It will kill this	
15	industry and old blokes like me might even pop themselves	11:23:26
16	because they can't see any other flaming way out of it.	11:23:30
17	I am sorry to get so emotional about it, but that's exactly	
18	how I feel.	11:23:38
19		
20	THE CHAIR: Thanks very much, Ray.	11:23:45
21		
22	MR K BYRNE: Ken Byrne from Mudgee Radio Cabs. You're	11:23:52
23	going into this draft report and you're going to be putting	11:23:55
24	more cabs into towns, et cetera, et cetera. My wife and I,	
25	we own the cabs in Mudgee and we find that most of the time	
26	eight out of ten cabs is enough, six is more than enough,	11:24:10
27	with school runs, et cetera, and no-one gets left behind.	11:24:14
28	men sensor rans, ce eccera, ana no one gets rere senimar	
29	On the weekend, the same of a night-time. As other	11:24:18
30	people have said, they put minimum cars on so the drivers	11:24:21
31	can make the maximum they can get, which is not a lot of	11:24:21
32		
	money, then of a Thursday night we put more on: Friday,	11:24:27
33	Saturday night it's open slather.	11:24:32
34		44 04 04
35	Then you have, like in town, one of our buses somehow	11:24:34
36	got attached to my authority and every time we get on to	11:24:39
37	the government it's, "Oh, you've got to see your partner in	
38	crime." He is no partner of mine, he's opposition, but	11:24:46
39	someone in their wisdom gave him all my information,	11:24:50
40	actually, last year until I found out because I was left	11:24:54
41	behind.	11:24:57
42		
43	Then we've overcome that little problem, but the buses	11:25:00
44	are running riot. We have other vehicles running riot.	11:25:03
45	Rank and hail. The buses are doing rank and hail. They	11:25:11
46	pull up just up from the rank. I get on to the government	11:25:15
47	and say, "What about this?" They've become a mirror. They	
т,	and say, what about this. They we become a militor. They	11,25,10

1 2 3	say, "Oh, we'll look into it", and you never even get a result.	11:25:21 11:25:23
4	By putting more cabs on, say, the likes of Mudgee,	11:25:25
5	where are the licensed operators? Who are they going to	11:25:30
6	run on, that's one question, or do they just run riot and	11:25:32
7	do what they want to do and I get the blame for it?	11:25:37
8	do what they want to do and I get the brame for it:	11:25:39
9	T comit see any future for any of us. If this is	
	I can't see any future for any of us. If this is	11:25:39
10	passed and goes through, we'll all go broke, belly up,	11:25:42
11	no-one will be out there to take sick people home from	11:25:46
12	hospital, et cetera, after midnight, and the drunks and all	
13	the others that are hanging around, no-one wants them.	11:25:52
14	I have two cabs on 24/7. They go around and around and	11:25:56
15	around the place. I compensate my drivers for staying out	11:26:00
16	and in the end my income is very little, by the time I keep	11:26:05
17	everything on the road and give them their 45 per cent of	11:26:10
18	the takings and I pay everything else, except their GST and	11:26:14
19	super, and you tell me where we're going to go if this	11:26:18
20	comes in. Down the gurgler.	11:26:21
21		
22	THE CHAIR: Okay, thanks, Ken.	11:26:24
23		
24	MR G COLLIN: Thank you. Greg Collin, Dubbo Radio Cabs.	11:26:35
25	Our biggest concern that we find is the community. We	11:26:41
26	believe the community will suffer. At the moment we run	11:26:46
27	24/7 here in Dubbo, like a lot of other regional country	11:26:51
28	New South Wales taxis, the problem being, as it has been	11:26:57
29	said before, our drivers are out there on the slow nights	11:27:02
30	earning their \$7, \$8, \$9, \$10 an hour, but that's a	11:27:06
31	condition that we have with our drivers that they work	11:27:12
32	those down times so on the weekends they can afford to top	11:27:16
33	up their wage.	11:27:21
34	up their wage.	11.27.21
35	With the release of new licences you don't have to be	11:27:23
	Einstein to know that the work is not there during the	
36		11:27:30
37	down times, so they will buy up these licences to	11:27:34
38	cherry-pick on the Friday and Saturday nights. I have two	11:27:40
39	drivers that work full-time in my taxi. They have	11:27:44
40	indicated to me already that - one bloke is already	11:27:49
41	struggling. He has already told me that if he finds a	11:27:53
42	full-time job, he'll be leaving. The other bloke that	11:27:56
43	works the Friday/Saturday nights has indicated to me that	11:28:00
44	if the competition comes out on Friday or Saturday nights	11:28:03
45	and his wage decreases any more, that he will no longer be	11:28:07
46	able to work a taxi.	11:28:13

1 2 3 4 5 6 7	The long and the short of it will be it will be back to me doing the hours. Now, I can only do so many hours, 12 hours. Now, if I wanted to service the people going out to the airport early in the morning, at five o'clock, then, including a meal break at six o'clock that night, my taxi will be in the driveway; so I'll have to go out and cherry-pick.	
9 10 11 12 13	The community heavily relies on us and not just the general community but community transport. They work nine to five and they've asked us can we help out with some of their customers because they've finished work.	11:28:43 11:28:47 11:28:51 11:28:54
14 15 16 17	It is going to be the community - the loss of jobs, number one, but the community will suffer at large because we will not be able to afford the 24/7 operation. Thank you for your time.	11:28:59 11:29:02 11:29:05 11:29:11
19	THE CHAIR: Thank you.	11:29:16
20 21 22 23	MS TOWERS: Can I just ask how much rank work you do, or rank and hail?	11:29:19 11:29:21
24 25 26	MR SPENCE: Can I answer that question for Bathurst, please?	11:29:24 11:29:26
27 28	THE CHAIR: You can in a second, Jonathan. Greg?	11:29:26
29 30	MR COLLIN: In Dubbo, it's roughly around 20 per cent.	11:29:30
31 32	THE CHAIR: Jonathan?	11:29:34 11:29:35
33 34 35	MR SPENCE: Bathurst Taxi is about a bit over 30 per cent rank and around about 70 per cent booking.	11:29:36 11:29:38
36 37	THE CHAIR: Thank you.	11:29:44
38 39	MS TOWERS: Thank you.	11:29:46
40 41 42 43 44 45	MS L PHILLIPS: Lyn Phillips from Orange Taxis. I just wanted to know how you arrived at the figure of 137 extra plates being warranted and is it because of the KPI rates, is that how it is worked out? Are there issues, huge issues in country areas with waiting times?	11:29:48 11:29:53 11:29:58 11:30:05 11:30:09
46 47	THE CHAIR: We will do a presentation on that, Lyn, but, in a nutshell, there is evidence in some areas where, to	11:30:17 11:30:20

1	buy the new plates, the cost is very high to get into some	11:30:30
2	areas. There are situations, according to the survey,	11:30:34
3	where there was an issue of a shortage of cabs in some	11:30:42
4	areas at some times, so we looked at that and as will be	11:30:45
5	explained later, there was an option to have a draft	11:30:51
6	recommendation of a very small increase or to have a large	11:30:56
7	increase. In the end, we opted for around 10 per cent, but	
8	we'll get a chance to discuss it more later. Go ahead.	11:31:04
9		
10	MS PHILLIPS: It doesn't seem to be logical that because	11:31:08
11	some areas may be struggling with pick-up times or their	11:31:10
12	cabs are worth a lot of money, that you just send these	11:31:16
13	cabs out to demolish anyone and everyone.	11:31:20
14		
15	THE CHAIR: No, that's not the aim.	11:31:25
16		
17	MS PHILLIPS: It's going to happen.	11:31:28
18		
19	THE CHAIR: We are listening to you.	11:31:30
20		11:31:32
21	UNIDENTIFIED SPEAKER: Come on, get fair dinkum!	11:31:33
22		
23	THE CHAIR: No, we are listening to you. The point is,	11:31:35
24	Lyn, that, as we'll get to, in the draft recommendation to	11:31:37
25	increase the number of cabs, they were to operate across	11:31:42
26	the state and hence, gravitate to the areas where they were	
27	more required as opposed to going to areas where they're	11:31:49
28	not.	11:31:52
29		
30	MS PHILLIPS: And so how did they get that information?	11:31:53
31	THE CHAIR. Doubles	44.24.56
32	THE CHAIR: Pardon?	11:31:56
33	MC DUTLITECT Use did there are that in Councilian?	44.24.57
34	MS PHILLIPS: How did they get that information?	11:31:57
35	THE CHAIR. The deaft recommendation and I report it is	11.22.00
36	THE CHAIR: The draft recommendation - and I repeat, it is	
37	a draft - is to increase by 10 per cent and in a designated	
38	zone, which is where many of you operate, the larger towns,	
39	that they would be able to operate anywhere across New	11:32:12
40	South Wales. So if you have a particular town where	11:32:17
41	there's not a shortage of cabs or there's an excess number	11:32:21
42	of cabs, it's unlikely that a new cab would go to that	11:32:25
43	town. It is more likely that a new, cab under the draft	11:32:29
44 45	proposal, would go to a town where there is a greater	11:32:32
45 46	demand for them.	11:32:37
46 47	MS PHILLIPS: But I think it is a bit like Michael said.	11.22.40
4/	MS PHILLIPS: But I think it is a bit like Michael said.	11:32:40

1 2 3 4	There are nights we have that are the icing on the cake for us, other nights you do it for not the love of it, but because you've got a sense of duty to your customers.	11:32:42 11:32:46 11:32:52
5 6	THE CHAIR: Sure.	11:32:55
7 8 9 10 11	MS PHILLIPS: So then these floating cabs can just go and deposit themselves on those good nights and then, therefore, it will decrease our incomes on those nights that make our hourly rate not even acceptable, but, you know, somewhat survivable.	11:32:57 11:33:02 11:33:06 11:33:10 11:33:15
13 14 15 16	THE CHAIR: We will get a chance to discuss it further. Thanks, Lyn. Other comments or questions at this stage? Michael?	11:33:20 11:33:22
17 18 19 20 21 22 23 24	MR MAHONEY: The thing that I want to raise is the social benefit of cabs and we of a night-time, you know, from 10 o'clock onwards, take a lot of people home that are intoxicated or on drugs, or whatever else. We feel it is our responsibility to carry that out. I don't think we get too many complaints about the fact that someone was drunk and never got picked up.	11:33:32 11:33:36 11:33:43 11:33:48 11:33:55 11:34:00 11:34:03
25 26 27 28 29 30 31 32 33 34 35 36	These people are appreciative of the fact that we do do that, but the thing is that when you have fly-by-nighters, they do not have that social responsibility to their local community, to take people home. You're never quite sure whether you're going to get them home before they spew in the cab or they pick a fight with you, or whatever else. I think from the experience with Uber in Sydney that that is an issue there, that you tend to like to take the better class of client, and the thing that you destroy when you do something like this is our social connection with our community.	11:34:06 11:34:14 11:34:18 11:34:21 11:34:26 11:34:29 11:34:32 11:34:39 11:34:43 11:34:48
37 38	THE CHAIR: Thanks, Michael.	11:34:55
39 40 41 42 43 44 45	MR G DENNING: My name is Ged Denning from Orange Taxis. You talk about the barrier of entry for the high priced taxi plates in some areas. Why is that an issue? It is like saying that the Commonwealth Bank share price is overpriced at \$80 and it should be \$50 so everyone else can buy some. It doesn't make any sense.	11:35:07 11:35:10 11:35:13 11:35:18 11:35:21 11:35:25
46 47	If a taxi plate has gone up in value because it has been a successful area and those people have invested in it	11:35:26 11:35:29

1	and that's their superannuation then why should a	11:35:32
2	government report take their superannuation and tear it in	11:35:35
3	half? That is the first question.	11:35:37
4	The state of the s	
5	THE CHAIR: Would you like a response to that now, Ged?	11:35:44
6		
7	MR DENNING: Please, that would be lovely.	11:35:47
8		
9	THE CHAIR: The reason why it is looked at in this context	11:35:49
10	is because if you have licensing, and in this case it's	11:35:53
11	taxi cabs but it could be anything else, liquor licensing,	11:35:57
12	anything else, but in this case it's taxi licences, if you	11:36:01
13	have a licence which says that there are only 20 taxi	11:36:05
14	cab licences for a particular area, say a large country	11:36:09
15	town, and then what happens is that if the market drives up	
16	the price of those cabs and in some cases, as you guys well	
17	know, it gets up to 400,000, it might not be 400,000 now,	11:36:24
18	I notice a few of you shaking your heads, but it has been,	11:36:29
19	anyway, it gets up to several hundred thousand, if you	11:36:33
20	have a situation like that, it's basically people who want	11:36:36
21	to enter the industry have to pay several hundred thousand	11:36:39
22	just to get the licence to operate the cab.	11:36:42
23 24	That is indicative that there is a shortage in that	11:36:46
2 4 25	That is indicative that there is a shortage in that area and so that's why that's an issue which is looked at	11:36:49
26	in this context and it's not just in country areas, it's	11:36:49
27	looked at in the metropolitan area and in other	11:36:57
28	jurisdictions, but that's the answer to it. It is	11:37:01
29	different than the Commonwealth Bank because the	11:37:05
30	Commonwealth Bank is actually a purchaser of equity and	11:37:07
31	you're purchasing your share of an asset. In this case,	11:37:10
32	you're purchasing the right to hold a licence and that's	11:37:15
33	what's called economic rent and the higher the economic	11:37:19
34	rent, the more indicative that there is a shortage, but	11:37:22
35	that's the rationale, Ged.	11:37:25
36		
37	MR DENNING: Thank you for your explanation, I understand	11:37:28
38	what you're saying. However, the KPIs should indicate	11:37:30
39	whether the service levels are sufficient in those areas	11:37:32
40	and the takings of the tax in particular should determine	11:37:35
41	whether the value that the person is expending to buy that	11:37:39
42	licence makes it viable or not.	11:37:42
43	THE CHATE W	44 37
44	THE CHAIR: Yes, we do look at that as well, yes, thanks.	11:37:46
45	MD DENNITAGE. The second want of many and it is it.	11.37 54
46	MR DENNING: The second part of my question, if I could	11:37:51
47	finish on this	

1		
2	THE CHAIR: I am sorry, yes.	
3	1112 011112111 2 0111 30111 30111	
4	MR DENNING: It's nice to see that Transport for NSW is	11:37:53
5	here because they should hear this. In the particular	11:37:56
6	areas, especially in western New South Wales, the rise of	11:37:59
7	community transport has been absolutely phenomenal.	11:38:02
8	Community transport in Orange, for example, which is	11:38:05
9	somewhere that I can speak with some authority about	11:38:08
10	because I live there, is massive. They have more vehicles	11:38:10
11	than we have taxis. We have 26 taxis on the fleet in	11:38:14
12	Orange and community transport would have in excess of that	
13 14	in the combination of wheelchair accessible vehicles, cars and other buses that they operate.	11:38:21 11:38:25
15	and other buses that they operate.	11.50.25
16	Everyone in this room pays tax, I'm assuming, and a	11:38:29
17	lot of people in this room pay tax and derive that income	11:38:33
18	from taxi services and those taxes are being used by the	11:38:37
19	government to put on competition.	11:38:41
20	·	
21	THE CHAIR: We have noted the increase in competition from	11:38:46
22	community transport and other alternatives. Deborah?	11:38:49
23		
24	MS COPE: Just a question around that, and somebody might	11:38:57
25	want to answer it after the other gentleman has had his	11:39:00
26	chance to have a say, and that is we have heard in other	11:39:03
27 28	areas that the level of competition from community transport and also courtesy vehicles has increased	11:39:09 11:39:11
29	dramatically in recent years. Is that your experience?	11:39:11
30	dramacically in recent years. Is that your experience:	11:39:20
31	MR SPENCE: Yes.	11:39:20
32		
33	MS COPE: And also, taxis haven't had a chance to be able	11:39:21
34	to get into that area and get access to the same subsidies	11:39:24
35	that other organisations have. Is that also your	11:39:30
36	experience?	11:39:33
37		11:39:33
38	MR SPENCE: Yes and yes.	11:39:34
39	TUE CHAID. Therely Debends	11.20.27
40 41	THE CHAIR: Thanks, Deborah.	11:39:37
41 42	MR D CURRAN: My name is Darryl Curran, I am the chairman	11:39:42
43	of Orange Taxis. I find it hard to believe that you've put	
44	a report together - and I missed the start of the meeting,	11:39:48
45	so I'm not sure who is who up there - but you really didn't	
46	know what the rank and hail compared to point to point	11:39:56
47	transport is. You are, effectively, doing something	11:39:59

1 2 3	without the information. Rank and hail in Orange is 30 per cent. Okay?	11:40:02 11:40:06
4 5 6 7 8 9 10 11 12 13	I think the other thing that needs to be said is that if you really believe that somebody is going to choose where they put their taxi, one of these 134 taxis, that's crazy. If I'm going to put one on - and I live in Orange and I have a family in Orange - I'll just put it on in Orange. I'm not going to grab a taxi to Wagga or somewhere else. People aren't going to uproot their families because they can earn \$50 more in Wagga than they can in Orange. They'll just put it on in Orange and keep their lifestyle the same.	
15 16 17 18 19 20 21	I don't think there has been enough input into the KPIs. Orange's average pick-up time is four minutes. I guarantee you that if you release plates, we will get plates in Orange. That would decrease, so that four-minute pick-up time, which I think is very reasonable, it will go down to three minutes. I don't understand what that's going to achieve.	11:40:39 11:40:42 11:40:46 11:40:48 11:40:52 11:40:54 11:40:57
23 24	THE CHAIR: Okay, thanks, Darryl.	11:40:58
25 26 27 28 29	MS TOWERS: Could I just say that we do have information about rank and hail. We collect information every year. We were just testing it with you here to see whether our information is consistent with what your experience is.	11:41:02 11:41:04 11:41:08 11:41:10
30 31	THE CHAIR: Yes. Jonathan?	11:41:14
32 33 34 35 36 37 38 39 40 41 42	MR SPENCE: I would like to go back and talk some more about the viability of this industry. I think the idea of introducing 10 per cent additional plates at any time is highly questionable, but I really wonder if you've taken on board the turmoil that this industry has been going through in the last couple of years, I'd say, with the legalisation of ride sharing, booked services, and the huge impost that has resulted from the New South Wales Government just handing over responsibility to the networks to manage their business.	11:41:36 11:41:39 11:41:42 11:41:46
43 44 45 46 47	It is a huge amount of additional work that networks have to pick up and irrespective of their size it is an enormous workload, the cost of which is borne by who can say. Who is going to pay for the additional costs that our network incurs in complying with those compliance costs?	11:41:53 11:41:55 11:42:00 11:42:04 11:42:07

1 2	Would you like to answer me that?	11:42:11
3 4	THE CHAIR: I assume that you will pay some of it.	11:42:13
5 6 7 8 9 10 11	MR SPENCE: Exactly. We will pay a lot, sir. It will have to come out of our margin. You are recommending yet another fare freeze. We have had a 2 or 3 per cent fare increase in the last five years. That has nowhere near kept up with inflation and the cost of providing services. Yet, we're being squeezed with all these additional costs and you want to put on additional plates.	11:42:15 11:42:17 11:42:21 11:42:25 11:42:28 11:42:32 11:42:35
13 14	THE CHAIR: Thanks, Jonathan. Anybody else?	11:42:38
15 16 17 18 19 20 21	MR D TAYLOR: David Taylor from Narromine. Probably because we're so small I don't think anybody would start up a new taxi business in Narromine. It is basically struggling now, you would have to be silly to get out there, but then most of us probably are to start with in the first place.	11:42:47 11:42:50 11:42:53 11:42:57 11:42:59 11:43:05
22 23 24 25 26 27 28 29	My comment is to do with the proposed freeze on fares. Because we had a change of situation a few years ago, actually, a lot of customers in town were being subsidised by the then operator. They had to then pay full fare. I don't think anybody stopped using the taxis because of that. Some went up \$3 or \$4 a trip just because of where they were and everything like that.	11:43:05 11:43:09 11:43:15 11:43:18 11:43:22 11:43:25 11:43:29
30 31 32 33 34 35 36 37 38	Most people just accepted it. Even now with the levy that has been put on, we haven't had any real negative comment on that. Okay, it's early days, but most people say, "Okay, it's \$10, now it's \$11, okay, we've got to wear it." If we were to put a freeze on taxi prices so people can't afford to pay an extra \$1 a trip, I don't think it's going to be a problem. If we actually have an extra dollar or two a trip, people are going to accept it, because if we don't, our fuel costs are still going up.	11:43:52 11:43:56 11:44:02
40 41 42 43 44 45	I am not an operator, I'm just a driver, but I do know there are day-to-day costs just living that are going up and, you know, why can't everybody else be part of that increase to help subsidise and to keep somebody on the road. I don't think people are going to have a problem paying an extra dollar or two for a fare if it's going to keep their business or their transport in place.	11:44:12 11:44:17 11:44:20 11:44:24 11:44:29 11:44:31 11:44:34

1 2 3 4	THE CHAIR: Thank you very much, David. I was just wondering whether now is a good time to have a brief presentation and then we will continue the discussion.	11:44:37 11:44:39 11:44:42
5 6 7 8 9 10 11 12	Just a point to keep in mind, David, that under the draft proposals Narromine is in the exempt area. We have this concept of designated and exempt, which you might or might not agree with but we'll go through that now, and Narromine is an example of a town in the exempt area and the draft proposal is not to regulate at a maximum regulatory fare in the exempt areas. I will call on Justin now from the secretariat to give a brief presentation.	11:44:44 11:44:53 11:44:57 11:45:00 11:45:06 11:45:11 11:45:16
14 15 16 17 18 19	MR ROBINSON: Thank you, Peter. I will now briefly run through the draft recommendations we made in our draft report for taxi licences outside Sydney and maximum fares for rank and hail services across New South Wales, on which we are seeking feedback.	11:45:21 11:45:24 11:45:26 11:45:30 11:45:33
20 21 22 23 24 25 26	After considering a range of changes to taxi numbers, we have recommended a 10 per cent increase in licences for outside Sydney. This will reduce the cost of acquiring a licence, help the taxi industry transition and compete in the growing point to point transport market by lowering costs and making more taxis available to meet demand.	11:45:36 11:45:39 11:45:42 11:45:46 11:45:49 11:45:52
27 28 29 30 31 32 33	A 10 per cent increase in the number of licences would also be likely to improve taxi services for customers: for example, by reducing waiting times. We have recommended that new licences be released in several tranches throughout the year to provide price signals to buyers and sellers and to help develop the market for licences.	11:45:56 11:45:59 11:46:03 11:46:06 11:46:10 11:46:12 11:46:16
35 36 37 38 39 40 41	We are also required to consider where these licences should be able to operate rank and hail services, noting that there are no longer operating area restrictions on booked services. However, for existing licence holders the current operating areas for rank and hail work would remain.	11:46:18 11:46:21 11:46:25 11:46:28 11:46:32 11:46:36
42 43 44 45 46 47	We have proposed two zones to ensure that some new licences are available in regional and remote areas that would not be able to attract a new taxi licence under a competitive tender process. The zones we proposed are a designated zone, the blue area on the map on screen, which includes those operating areas with populations over 10,000	11:46:36 11:46:39 11:46:42 11:46:45 11:46:49 11:46:52

1 2 3	people, as well as operating areas with high licence values, more than five taxis, or in busy tourist areas.	11:46:57 11:46:59
4 5 6 7 8 9 10 11	The rest of New South Wales would form an exempt area, the grey area on the map on the screen, covering the rest of New South Wales, including areas that are currently exempt from fare regulation. New licences would be specified for either the designated zone or the exempt zone and we have recommended that there be separate allocation for each new zone.	11:47:03 11:47:07 11:47:10 11:47:13 11:47:16 11:47:20 11:47:23
11 12 13 14 15 16 17	As shown on screen, based on the number of licences of 1 September last year, a 10 per cent increase in the taxi licences results in 124 new annual licences to be released by competitive tender in the designated zone and the initial allocation of 13 new annual licences for the exempt zone.	11:47:32 11:47:35 11:47:40
19 20 21 22 23 24 25 26 27	We have recommended that licences issued for the exempt zone are offered for an annual administrative fee that reflects the cost of issuing a licence similar to the fee for annual taxi licences recently introduced in Victoria. However, if this low licence fee leads to an oversubscription of these new licence, we have recommended that Transport for NSW makes a further determination for more licences in the exempt area.	11:47:47 11:47:49 11:47:53 11:47:56 11:47:59 11:48:05 11:48:07 11:48:11
28 29 30 31 32 33 34 35 36 37	We have recommended that the new licences for the designated zone be able to provide rank and hail services anywhere in New South Wales outside of Sydney, across both the designated and exempt zones. New licences for the exempt zone would be able to provide rank and hail services only within the exempt zone. They would not be able to provide rank and hail services in the designated zone. This is intended to prevent low fee licences moving into areas where licence values are much higher. It will also help attract and maintain taxi services in the exempt zone.	11:48:28 11:48:31 11:48:34 11:48:37
39 40 41 42 43 44 45	We have also recommended maintaining maximum fare regulation for rank and hail trips outside of Sydney in the designated zone and removing it in the exempt zone. Booked trips in taxis are no longer regulated in New South Wales. We are not recommending any changes to the existing fares in the designated zone except for allowing a pass through of the passenger service levy imposed by	11:48:51 11:48:54 11:48:59 11:49:02 11:49:05
47	government from 1 February. Places in the designated zone	11:49:08

1 2 3 4 5	currently covered by the urban fare schedule will continue to be regulated by the urban fare schedule and places in the designated zone covered by the country fare schedule will continue to be regulated by the country fare schedule.	11:49:11 11:49:14 11:49:18 11:49:20
6 7 8 9 10 11 12 13 14	We were also asked to look at maximum non-tariff charges for rank and hail trips, such as the maxi-taxi surcharge and the cleaning fee. We are not recommending any changes to these except, as noted earlier, to pass through the passenger service levy which we have recommended be identified as a separate charge in the fares order. This will mean no change to the fares order that has applied since last Thursday. I will now hand back the hearing to the Chair. Thank you.	11:49:23 11:49:26 11:49:29 11:49:32 11:49:35 11:49:37 11:49:40 11:49:43 11:49:47
16 17 18	THE CHAIR: Thanks, Justin. Further questions, comments, discussion, observations?	11:49:51 11:49:54
19 20 21 22 23 24	MR MAHONEY: Just with the disability services, we provide disability services in Orange. We run two maxi-taxis, they've cost \$80,000 each, we provided the working capital. We bought a couple of plates for \$430,000. What is your position in relation to disability services?	11:50:04 11:50:08 11:50:14 11:50:18 11:50:22
25 26 27 28	MS VINCENT: This review doesn't include WAT licences. They will continue to be available on the same terms that they're currently available, so we are only looking at	11:50:29 11:50:32 11:50:35
29 30 31 32 33	MR MAHONEY: If we do the economics - I am an accountant - the cost of putting a wheelchair vehicle on, plus the working capital, is the same price as buying a taxi licence in Orange now. I just wanted to make a point on that.	11:50:40
34	THE CHAIR: Thanks, Michael.	11:50:53
35 36 37 38	MR PHILLIPS: The presentation is a presentation based on supply and demand and price, basic economics, but what is missed in this one is that in the market, in the taxi	11:51:05 11:51:09 11:51:16
39 40 41	market, it is such a dynamic market, that to say that by not increasing prices, you're going to get your various scenarios. I dispute that because I think that in reality	11:51:22 11:51:32 11:51:37
42 43 44	people use taxis for various reasons. They use a taxi to provide transport. They use a taxi to make sure they don't get DUI. They use a taxi because they can't get into a bus	11:51:47
45 46 47	or whatever else and the issue that you end up by just using something like a basic economic model is that I think it would be very helpful for you people to get out into a	11:51:52 11:51:59 11:52:04

taxi area, experience what goes on in the taxi area over a two or three days period and just see the reality of how basic economics is divorced from how the industry runs.	11:52:11 11:52:14 11:52:19
THE CHAIR: Thanks, Michael. What we have observed is that with the entrance of ride-sharing, particularly in Sydney but also in some places outside Sydney, that there has been an increase in the use of point to point transport.	11:52:25 11:52:30 11:52:35 11:52:39 11:52:45
What we have observed - and some people dispute this - is that there hasn't really been a decrease in the number of taxi rides, but any growth in the market has tended to go to rideshare and because rideshare in the Sydney area, for example, or Melbourne, can often be cheaper than taxi, it shows that people do respond to price.	11:52:47 11:52:50 11:52:55 11:52:59 11:53:03 11:53:07
• • •	
reaction of you and your colleagues on is that in the event	11:53:50
cost of their operation is getting a return. In country areas people, as I said before, use taxis for purpose. I have had some response to the dollar levy. That response	11:54:22 11:54:27 11:54:32
	two or three days period and just see the reality of how basic economics is divorced from how the industry runs. THE CHAIR: Thanks, Michael. What we have observed is that with the entrance of ride-sharing, particularly in Sydney but also in some places outside Sydney, that there has been an increase in the use of point to point transport. What we have observed - and some people dispute this is that there hasn't really been a decrease in the number of taxi rides, but any growth in the market has tended to go to rideshare and because rideshare in the Sydney area, for example, or Melbourne, can often be cheaper than taxi, it shows that people do respond to price. What you're saying is - and you might be right - you're putting forward a proposition that basically people who use taxis in your town and other comparable towns use it, in a sense, irrespective of whether there's a price increase or not. That is not the evidence that we've seen but we're here to listen. What is apparent is that there's what's called this demand out there of people who would use taxis or rideshare if it's cheaper and what those people tend to be doing is using the ride-shares. The issue which we would be very interested to get the reaction of you and your colleagues on is that in the event that you did increase the maximum fares and you all charged an increase in the maximum fares, whether you would start losing business to rideshare and other booked services who are not subject to the rank and hail fare. MR MAHONEY: I think the thing here with rideshare is in the country areas you are not going to attract rideshare until there is a profit margin in it, that they can see the cost of their operation is getting a return. In country areas people, as I said before, use taxis for purpose. I have had some response to the dollar levy. That response has been, basically, "Well, if this is going to cost me too much I'm going to have to cut back on my taxi usage." The thing with increasing prices in the country or increasing our fares is that y

1 2	rely on us to transport them.	11:55:02
3 4 5 6 7 8 9	The issue that you get with other people is that if they need the taxi, if they're going to go to the pub or they're going to get taken home from the pub, or whatever else, in all honesty, it's a lot cheaper than getting a \$600 DUI fine and they really say, and you get this in the cab, people will say, "Look, this is far better for me than to run the risk of being caught."	11:55:05 11:55:09 11:55:12 11:55:17 11:55:22 11:55:26 11:55:30
11 12	THE CHAIR: Thank you, Michael.	11:55:34
13 14 15 16	MS TOWERS: Would you prefer to have some flexibility so that you can charge the current price or a slightly lower price to your fixed income pensioners, with a slightly higher price when it's a Friday or a Saturday night?	11:55:37 11:55:40 11:55:43 11:55:47
18 19 20	MR MAHONEY: I think we need that flexibility, I most certainly do.	11:55:51 11:55:54
21 22 23	MS TOWERS: I would be interested in whether everybody else had that same view as well.	11:55:57 11:55:58
24 25	THE CHAIR: Darryl?	11:56:02
26 27 28 29 30	MR CURRAN: First of all, you made a point there before and we hear it all the time. If you really believe that people get rideshare in Sydney because it is cheaper, you guys have done no research. Okay?	11:56:05 11:56:08 11:56:10 11:56:15
31 32	UNIDENTIFIED SPEAKER: Yes, spot on.	
33 34 35 36 37	MR CURRAN: They catch it because Sydney taxis provided a terrible service, that's why they use rideshare. I would like to know how many towns are in an undesignated area - I am sorry, in the non-exempt zone.	11:56:17 11:56:19 11:56:28 11:56:32
38 39	THE CHAIR: There's a list in the report.	11:56:35
40 41 42 43 44 45	MR CURRAN: I will have to have a look at that, but if you've got all this data and you know where the problem areas are, if you've really got the data, you'll know where the problem areas are. Why throw a blanket over the whole of New South Wales like this?	11:56:37 11:56:40 11:56:43 11:56:47 11:56:51
46 47	THE CHAIR: This was, essentially, Lyn's question earlier on. The issue here is that the draft recommendation is to	11:56:53 11:56:56

1	release more licences, which you don't agree with but	11:57:01
2	that's the draft recommendation, and that those licences	11:57:04
3	would be unrestricted and so they would gravitate towards	11:57:07
4	the areas where they're wanted or required and they	11:57:11
5	wouldn't go to areas where there's just not enough work.	11:57:16
6		
7	In general, I wouldn't have thought people would buy a	11:57:22
8	licence from the government competitive tender process and	11:57:27
9	take it to a town where there's no work.	11:57:30
10		
11	MR CURRAN: No. However, they will take it to a town	11:57:35
12	The contract. No. Howevery they will take it to a com	11.57.55
13	THE CHAIR: Where there is work.	11:57:37
14	THE CHAIR. WHERE CHERE IS WORK.	11.57.57
15	MD CUDDAN. No that has appeal	11.57.20
	MR CURRAN: No, that has appeal.	11:57:38
16	THE CHAIR. That has what?	11.57.40
17	THE CHAIR: That has what?	11:57:40
18	MD CUDDAN. That has access?	44.57.44
19	MR CURRAN: That has appeal.	11:57:41
20	TUE (114 TP 4 1)	44 57 40
21	THE CHAIR: Appeal?	11:57:42
22		
23	MR CURRAN: Appeal, somewhere where you want to live.	11:57:44
24	They don't really care, they're not going to go and split	11:57:45
25	hairs. The other thing that I just wanted to ask is we	11:57:47
26	regularly have to request a value of a plate. Okay? We	11:57:51
27	cannot be told how much a plate is worth in Orange. The	11:57:55
28	only thing that they do is they base it on the last sale.	11:57:59
29	When did you get the information on what a plate value is	11:58:02
30	because Orange has already dropped 50 per cent down to	11:58:04
31	\$115,000 in the last 12 months?	11:58:09
32		
33	THE CHAIR: Yes, that's a good question - and I'll get to	11:58:11
34	you, Lyn - and we've had a discussion of that at other	11:58:14
35	forums. We collected the data over the last three years, I	
36	think, from RMS. At the Sydney forum, for example, people	11:58:24
37	made the point that it has moved rapidly within the last	11:58:28
38	few months. We are listening to that, but we have the most	
39	e de la companya de	11:58:37
	recent data. If there was a transaction last week, maybe	
40	we haven't got it yet, but that's another reason, and we're	
41	picking this up from the forums that it has actually gone	11:58:45
42	down by more than the data is showing.	11:58:48
43	MD CURRAN V T III I T T	44 50 51
44	MR CURRAN: Yes, I can't stress that enough. I would	11:58:51
45	throw the previous two years out and look at nothing less	11:58:53
46	than 12 months old.	11:58:56

1 2 3 4 5	MS TOWERS: And just to note now that the Point to Point Commission is actually publishing on their website transfers of licences and the value, so that's a fairly instantaneous publication.	11:58:58 11:58:59 11:59:02 11:59:05
6 7 8	MR TOOZE: Yes, by the third working day of the following month.	11:59:09 11:59:12
9 10 11 12 13 14 15 16 17 18	MS PHILLIPS: The introduction of more cabs, I'm just puzzled how you would see that as putting competitiveness into the market. They're taxis, I'm assuming they'll operate under the local network which sets the fares for bookings, and the rank and hail services, well, there's a maximum fare, so unless you get a rideshare company in like Uber or Oi, or someone else, how is this creating a competitive market, except just competition for the operators? It's not competitive for the customer price base.	11:59:17 11:59:19 11:59:25 11:59:29 11:59:36 11:59:40 11:59:47 11:59:52 11:59:56 12:00:02
20 21 22 23 24 25 26 27 28 29	THE CHAIR: Let's say you have a large town where the recent transfers of plates is very high and people want to get in there and the government puts out a tender and somebody bids and buys that to operate in that particular town. Because it is a taxi licence they can do rank and hail and booked. Anybody can do booked now, anybody can go into that town and do booked, and that in itself is competitive pressure for taxis, as we've discussed, along with rideshare.	12:00:04 12:00:10 12:00:13 12:00:18 12:00:27 12:00:27 12:00:33 12:00:35 12:00:38
30 31	MS PHILLIPS: But our prices are set.	12:00:41
32 33 34 35 36	THE CHAIR: No, the prices are not set. Your operator or your network might set the prices, but that's up to you guys. Prices are not set by Transport for NSW. They set the maximum.	12:00:43 12:00:47 12:00:50 12:00:58
37 38 39	MS PHILLIPS: But that operator is going to have to be operating under the network, aren't they?	12:01:00 12:01:02
40 41	THE CHAIR: No.	12:01:05
42 43	MS VINCENT: No.	
44 45	MS PHILLIPS: They can come in and cut their prices.	12:01:07
46 47	THE CHAIR: They can come in, they can buy a taxi plate and what's more, existing plate holders can too and they	12:01:08 12:01:11

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TAXI FARES DUBBO HEARING

1 2 3 4 5	can operate independently. That is part of the reforms. This has nothing to do with IPART. These are the changes that the Government has made. That is how it would work, Lyn. Does that give you an idea?	12:01:15 12:01:18 12:01:22 12:01:28
6 7	MS PHILLIPS: Yes.	12:01:31
8 9 10 11 12 13 14 15 16	MR PHILLIPS: Just to add that, the complexities of running a taxi, first of all, you need a booking service to be able to provide the work to you. You can try and run, say, off an app. You have got to establish a market. In establishing that market you need some access to rank and hail because, simply, you're going to have to advertise, that costs you money, that sort of thing. The reality is that getting into an area with a new network or a new cab, or something or other else, isn't as easy as it seems.	12:01:36 12:01:38 12:01:46 12:01:50 12:01:55 12:01:59 12:02:05 12:02:08 12:02:13
18	MS PHILLIPS: No.	12:02:17
19 20 21 22	MR PHILLIPS: Your competition in that area isn't going to happen when there's no return.	12:02:22 12:02:24
23 24 25 26 27	THE CHAIR: You are right, it's not going to happen if there's no return because nobody will go to an area where there's no money in it. It is up to the people to make a judgment about whether they want to go into a particular area or not.	12:02:28 12:02:30 12:02:34 12:02:37 12:02:41
28 29 30 31 32 33 34 35 36 37	On the one hand we've heard a lot of testimony, a lot of comment about the competition from - I know you don't have rideshare in all your areas, but rideshare where rideshare is operating, community transport, courtesy vehicles, buses, et cetera, et cetera, so that competition is recognised. I think you could also argue that if somebody moved into your town, that would be competition as well. Lionel?	12:02:42 12:02:46 12:02:51 12:02:55 12:02:58 12:03:05 12:03:08 12:03:10
38 39 40	MR L HARRIS: Good morning. Lionel Harris, I have a connection with Yass Taxis. Is there a fee structure that you have in place for the new releases?	12:03:19 12:03:23 12:03:28
41 42 43 44 45	MS VINCENT: This is probably a good opportunity to explain how the new releases will work because I know this is the first time it has been done this way in areas outside Sydney.	12:03:35 12:03:37 12:03:40 12:03:43
46 47	UNIDENTIFIED SPEAKER: It's already done.	12:03:50

1		
2	MS VINCENT: It is established in the legislation, the way	12:03:53
3	it works. If there's anything other than a zero number,	12:03:54
4	this is the way it will work. The process has been	12:03:57
5	established. The number is what we've been asked to	12:04:00
6	recommend. I am not describing a proposal, I'm describing	12:04:04
7		12:04:04
	something that's already there, if you want to go and have	
8	a look at the legislation, and this is the way it has been	12:04:12
9	working in Sydney for several years now.	12:04:15
10		
11	The licences are annual, they're automatically	12:04:20
12	renewable up to nine times, so up to 10 years. They're	12:04:24
13	released by tender, so Transport for NSW announces the	12:04:27
14	number that will be released, the tender is called for and	12:04:33
15	people are asked to make bids for the annual price that	12:04:37
16	they would like to pay for that licence.	12:04:41
17		
18	Say that there are 10 licences released, the 10	12:04:49
19	highest tenders get those 10 licences at the price they	12:04:52
20	bid. If you bid \$10,000 and that's the highest bid, or one	
21	of the top 10 bids, that's how much it will cost you. If	12:05:02
22	· · · · · · · · · · · · · · · · · · ·	12:05:06
	you bid \$2,000 and that is one of the 10 highest prices,	
23	that is the amount you will pay, even if other people have	12:05:11
24	bid different amounts. If you're one of the winning	12:05:14
25	tenderers you pay the amount that you have bid for a year	12:05:18
26	of having that licence and then, if you want, at the end of	
27	the year you can renew at that same price and that is the	12:05:23
28	price you will always pay for each year that that licence	12:05:26
29	is valid. You don't have to renew, so it is there for a	12:05:29
30	year at a time.	12:05:36
31		
32	With the licences not having a defined area of	12:05:40
33	operations, that means, as Peter has said, people will make	12:05:44
34	a decision about what a licence is worth to them to operate	
35	in a particular area. If there's an area where they think	12:05:52
36	that they can make money from a licence at \$10,000, they'll	
37	bid \$10,000 and take that licence to that spot. If you're	12:06:00
	· · · · · · · · · · · · · · · · · · ·	
38	in an area which is already saturated where there are no	12:06:04
39	opportunities to make money from the licence, people won't	12:06:07
40	bid for it.	12:06:10
41		
42	I am hearing people here being concerned that licences	
43	will be forced into their area, but the decision is not	12:06:13
44	being made about where they're going to go by the	12:06:19
45	government, by IPART, by Transport for NSW, the decision	12:06:22
46	will be made by the people who make the bids and they will	12:06:25
47	make the bids based on what value they think that licence	12:06:28
	-	

1 2 3	has and what opportunity there is in that area to work the licence.	12:06:32 12:06:38
4 5 6 7	THE CHAIR: Thank you. Jennifer is quite right, the process is in place. This is a discussion about the number, it could be zero or it could be more. Jonathan?	12:06:39 12:06:42 12:06:44
8 9 10	MR SPENCE: I've lost my question. Would you mind coming back?	12:06:54 12:06:56
11 12	THE CHAIR: Michael?	12:06:58
13 14 15 16 17 18 19	MR MAHONEY: Thank you, Peter. When you sit down and think about it and really separate the wheat from the chaff, at the end of the day, as far as this industry is concerned, we can't have unfair competition. We must have a level playing field. I reiterate what I said earlier, the pie is only so big and if you have an oversupply, it will end up in catastrophic mayhem.	12:07:02 12:07:05 12:07:08 12:07:10 12:07:13 12:07:17 12:07:21
21 22	THE CHAIR: Thanks, Michael.	12:07:27
23 24 25 26 27	MS S PERCEVAL: Sandy Perceval from Parkes Taxis. If those people have those licences and they find they're not making money in that area, can they just pick up that licence and go to another area?	12:07:36 12:07:38 12:07:41 12:07:44
28 29 30 31 32 33	THE CHAIR: Yes, they could under this proposal because, as Jennifer explained, Transport in the event they'd want to issue more licences, they would put them out to tender, people can bid, the winning bidder could take the licence anywhere in New South Wales if they're in the designated zone.	12:07:46 12:07:50 12:07:57 12:08:00 12:08:04 12:08:08
35 36 37 38	MS PERCEVAL: Say they find out that there's a big function going on somewhere, they'd just take their licence and their vehicle and just go and work in that area.	12:08:10 12:08:12 12:08:15
39 40 41 42 43 44	THE CHAIR: Yes. As happens now, if they're booked, you can have somebody who lives in Dubbo who runs a booked taxi and they can go elsewhere, but it has to be booked, it can't be rank and hail. Obviously, you need a taxi licence to do rank and hail. Jonathan?	12:08:29
45 46 47	MR SPENCE: Thank you, Jonathan from Bathurst Taxis. My question is who do you see taking these licences up? Do you see it being small networks and individuals or the	12:08:45 12:08:47 12:08:52

1	larger networks?	12:08:55
2 3 4 5 6 7 8	THE CHAIR: We don't have a view on that, but what we can point to is that recently there were a number of licences auctioned in the Sydney area and the prices that they were sold for, and I think the people who bought them, is on the public record.	12:08:57 12:09:01 12:09:05 12:09:13 12:09:17
9 10	MR TOOZE: That's correct, it is on the website.	12:09:20
11 12 13	THE CHAIR: It is on the Point to Point Commissioner's website.	12:09:21 12:09:23
14 15	MS TOWERS: And the price they paid.	12:09:25
16 17 18	THE CHAIR: And the price they paid. From memory, there is a mixture of small operators and one large operator.	12:09:27 12:09:29
19 20 21 22 23 24	MR SPENCE: I would like to posit that the likely people to pick up these plates are the large networks and I wonder what the impact on competition is going to be if the large networks do come in and cause the mayhem that has been described in this room today.	12:09:35 12:09:36 12:09:39 12:09:42 12:09:46
25 26 27	THE CHAIR: That is not the experience thus far in Sydney but we note your point.	12:09:49 12:09:51
28 29	MR SPENCE: This is not Sydney.	12:09:55
30 31	UNIDENTIFIED SPEAKER: This is not Sydney.	12:09:58
32 33	THE CHAIR: Who is next? Michael?	12:10:01
34 35 36 37 38 39 40 41 42	MR PHILLIPS: Just as a scenario, the rule is in or out. Okay. You have the licences across the state in the designated areas. If one large operator - I won't call them a network, I'll just call them an operator - wins a tender for X number of cabs and he moves into a particular area that he thinks is lucrative, he deposits X number of cabs there in competition with the local businesses, is there any means of preventing him from wiping out the competition and establishing his own network in that area?	12:10:06 12:10:12 12:10:16 12:10:24 12:10:31 12:10:35 12:10:41 12:10:48
44 45 46 47	MS VINCENT: I might respond to that question with a question, which is that people here have been telling us about their businesses and their customer base and the regular work that they're doing and I'm just wondering what	12:11:03 12:11:08 12:11:13 12:11:20

4		42 44 27
1	you think the competitive advantage would be for someone	12:11:27
2	new coming in and trying to establish and why you would be	12:11:32
3	the one going out of business rather than the new entrant?	12:11:37
4		
5	You also earlier talked about the difficulty of	12:11:42
6	getting into towns because it is not just about getting a	12:11:45
7	licence, it's about advertising and all the rest of it, and	12:11:48
8	I'm just wondering why you think the inevitable consequence	12:11:52
9	of competition is that the incumbent would suffer rather	12:11:57
10	than it being the new entrant not being able to get a	12:12:04
11	foothold because you're already there.	12:12:08
12		
13	MR MILLER: I can answer that. I come from an owner cab	12:12:13
14	co-op. I have been in business for 20 years	12:12:15
15		
16	THE CHAIR: I am sorry, just a second.	12:12:15
17	The children is all sorry; just a second.	12:12:20
18	MR MILLER: I come from an owner cab co-op and we're taking	12:12:20
19	steps to rectify that. I can assure you of what happened	12:12:24
20	in New Zealand when they deregulated the industry there.	12:12:24
	, ,	
21	I've been here for 20 years and had various positions	12:12:30
22	,	12:12:33
23	fights. They got into it in the parks, they got into it	12:12:39
24	out at the airport, people fighting over fares because	12:12:43
25	we've oversupplied them: that's the reality of it.	12:12:47
26		
27	Firstly, that's what we did. We spent most of our	12:12:49
28	time at board meetings with, "Someone had a fight with me",	12:12:53
29	"Someone took a fare off me", "Someone did this", and we	12:12:57
30	spent time on it. There were fights on the ranks, there	12:13:01
31	were fights in the park, and as directors we had to go and	12:13:02
32	try and separate people and that's the consequence of	12:13:05
33	having a free market that's oversupplied. Thank you.	12:13:08
34		
35	THE CHAIR: Thank you, Michael. Anybody else, comments or	12:13:12
36	questions?	12:13:17
37		
38	MR PHILLIPS: Can I just answer the direct question that	12:13:20
39	was put? If you're a large operator, now, I'm not going to	12:13:23
40	put names here, but if you're a large taxi operator, now,	12:13:29
41	this is in Victoria, large operations have established	12:13:33
42	themselves with the new leasing arrangement, and you put	12:13:35
43	into there, you've got the resources to back you to be able	
44	to advertise, you've got the resources to be able to buy	12:13:46
45	vehicles, you've got the backing of an existing network	12:13:51
46	that you can put into that town, you're well-resourced to	12:13:54
47	make a very hard hit on an area that you might decide that	12:14:00
• •	make a fery hard life on an area chae you might accide that	

1 2	you want to take out and have for yourself.	12:14:05
3 4 5 6 7 8 9 10 11 12	This is not Guns N' Roses type stuff, it is just simply economics, that if you really do want an area, this presents an ideal opportunity for you to establish yourself quickly in an area. Once you beat off a few of the local people, you can then offer it to say to the rest of them, "I will give you X amount of dollars for your cab if you sell to me", and, effectively, you wipe out that existing operation to establish your own operation and if I was in business I wouldn't rule that out, if I was a major operator.	12:14:11 12:14:20 12:14:23 12:14:27 12:14:31 12:14:35 12:14:43 12:14:43 12:14:47 12:14:50
14 15	THE CHAIR: Thank you.	12:14:53
16 17	MS PHILLIPS: And they can do it cheaply.	12:14:54
17 18 19 20 21 22 23 24 25 26 27 28 29	MR ROGERS: I might just make a couple of comments and ask a couple of questions. Peter mentioned just earlier on, and it was discussed also in Coffs Harbour and maybe in Sydney as well, in terms of making a statement that taxi trips had not decreased, I don't know who made the presentation, that taxi rides had not decreased as a result of the increase of rideshare, or rideshare has been incremental. Just for the record, we would disagree with that and there is evidence to show from taxi companies and fares that the number of fares have decreased by up to 30 per cent.	12:15:07 12:15:09 12:15:13 12:15:16
30 31 32 33 34	THE CHAIR: Martin, we're happy to have you submit that evidence to us, as we said before, and I think we asked the Taxi Council in September to provide any data that they could.	12:15:39 12:15:44 12:15:48 12:15:51
35 36 37 38 39 40 41 42	MR ROGERS: I think this goes to the question around information, the information that is being used, and Darryl asked the question about the information and research that has been done to provide the recommendations in the report, and at Coffs Harbour one of the things that came up was around a survey that was conducted to look at making these recommendations.	12:15:56 12:15:57 12:16:00 12:16:02 12:16:05 12:16:08 12:16:13
43 44 45 46 47	I will ask a question to the panel, that in the survey that came back it noted that if any of the sample sizes dropped below a minimum threshold and they appear as grey or semi-transparent form, these should be interpreted with caution and be as indicative only.	12:16:15 12:16:19 12:16:24 12:16:27 12:16:31

1		40 46 35
2	I would ask the panel that if you look at all of the	12:16:35
3	research from that report that has come back to do with	12:16:37
4	regional New South Wales, how much of that is grey or	12:16:40
5	semi-transparent on which you made decisions based on the	12:16:45
6	outcomes of the livelihoods of these people?	12:16:48
7	THE CHAIR AND A CONTRACT OF THE CONTRACT OF THE CHAIR AND A CONTRACT OF THE CHAIR AND A CONTRACT OF THE CHAIR AND A CONTRACT OF THE CONTRACT OF TH	12 16 52
8	THE CHAIR: What do we is when the government gives us a	12:16:53
9	terms of reference to do something, we go and do it and we	12:16:56
10	collect the best possible information there is and we made	12:17:00
11	a considerable effort in this case to get additional	12:17:02
12	information and to conduct surveys. As we've said before,	12:17:06
13	if anybody has data and they want to pass it over and that	12:17:10
14	will improve our data, we are happy to take it and that	12:17:14
15	offer has been on the table for years. This is not the	12:17:18
16	first time where we've had a review of taxi fares or taxi	12:17:22
17	licences.	12:17:26
18		
19	What we have done is we've made the best possible use	12:17:28
20	of the data available. If you have additional data which	12:17:32
21	you say is different from what we have, then we are more	12:17:37
22	than happy to receive it.	12:17:40
23		
24	MR ROGERS: The data says that all you've got is to be	12:17:43
25	treated with caution and indicative only and you still make	
26	recommendations?	12:17:48
27		
28	THE CHAIR: We have to make recommendations, Martin,	12:17:49
29	that's our job. Our job is to make recommendations when	12:17:51
30	the government asks us to and we make those recommendations	12:17:55
31	based on the best possible data available and an extensive	12:18:01
32	consultation process. For example, this is us collecting	12:18:04
33	data, all your input is recorded and we go through that	12:18:07
34	when we prepare our final recommendations. In a sense, you	12:18:11
35	guys are giving us data now. The people in Coffs Harbour	12:18:15
36	gave us data and the people in Sydney gave us data.	12:18:19
37		
38	If the Taxi Council, or anybody else, wants to give us	12:18:21
39	more data, we're happy to take it and then what we do is	12:18:25
40	when we've got all that information, we then make	12:18:30
41	recommendations and indeed a lot of that information which	12:18:33
42	is collected by survey is scientifically and statistically	12:18:37
43	based and it is not the first time that we've done it.	12:18:42
44		
45	MR ROGERS: It's a new survey format, though.	12:18:46
46		
47	MS TOWERS: We just used different companies.	12:18:49
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2	THE CHAIR: Different companies, similar approach.	12:18:50
4	MR ROGERS: I have concerns that you're going to make a	12:18:52
5	recommendation and if the information that's provided does	12:18:54
6	not meet the statistical perspective, do you make the	12:18:56
7 8	recommendation based on assumptions or judgments?	12:19:01
9	THE CHAIR: We don't have the luxury of throwing our arms	12:19:04
10	in the air and saying to the Minister, "We can't decide	12:19:06
11	anything." We have to make a judgment and that's why you	12:19:09
12	have a tribunal. There are three of us, including one	12:19:11
13	other, where we have to exercise judgment. We exercise	12:19:14
14	that judgment in the context of what you guys are telling	12:19:19
15 16	us.	12:19:21
17	MR ROGERS: I feel that	12:19:23
18		12:19:24
19	MS TOWERS: There was a survey done, as you know, and also	
20	we've got the bank transaction data.	12:19:26
21 22	MR ROGERS: The bank transaction data operates, as we have	12.10.20
23	spoken about before, on just the transactional data and	12:19:32
24	EFTPOS transactions and it has been adjusted, but when you	12:19:35
25	look at the other ways, we've got evidence that shows that	12:19:36
26	there has been a decrease in fares of 30 per cent. You	12:19:42
27	have that. That data has been presented to the Minister,	12:19:45
28	showing that there has been a decrease of 30 per cent.	12:19:49
29	TUE 0007B V I I I I I I I I I I I I I I I I I I	10 10 50
30	THE CHAIR: You haven't provided that to us, so we're	12:19:52
31 32	happy to take that, Martin.	12:19:54
33	MR ROGERS: We just have the concern that the livelihoods	12:19:57
34	of people here is being based on data that's not sufficient	12:19:59
35	to make a valid judgment. There's a concern for us with	12:20:05
36	this draft report.	12:20:09
37		
38	THE CHAIR: You need not have that concern because the	12:20:11
39	final recommendations we make are based on the data that	12:20:14
40 41	we've used thus far, plus any additional data that you or anybody else provides to us, plus an extensive consultation	12:20:17
42	process. It is based on the best available information.	12:20:25
43	We don't have the luxury of throwing our arms in the air	12:20:30
44	and saying to the government, "IPART can't do it."	12:20:35
45		
46	MS TOWERS: And we have been requesting the data for some	12:20:39
47	time. We did approach the Taxi Council back in September.	12:20:42

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2	THE CHAIR: We approached the Taxi Council back	12:20:45
3	in September, possibly before your time.	12:20:45
4		
5	MR CURRAN: You keep using the words "best available	12:20:48
6	data". Two and three years ago, that data is not relevant	12:20:51
7	so don't use it. It's quite simple, it is not the best	12:20:55
8	available data. The best available data is what has	12:20:58
9	happened in the taxi industry in the last 12 months.	12:21:01
10		
11	THE CHAIR: Yes, and we have that information, Darryl.	12:21:03
12	•	
13	MR CURRAN: You need to take the third and the second year	12:21:06
14	out.	12:21:08
15		
16	THE CHAIR: We have taken your point on that. We have had	12:21:08
17	that information in the last 12 months and what has been	12:21:11
18	particularly relevant as part of these sessions is,	12:21:14
19	including from people like yourself and also in	12:21:17
20	Coffs Harbour and Sydney, that people have advised us that	12:21:20
21	things have changed very fast.	12:21:22
22		
23	In the report we made it clear that with the changes	12:21:24
24	recently introduced by the government, the point to point	12:21:28
25	transport and things like that, that competition would move	12:21:32
26	fast and we have that in the report. What these sessions	12:21:35
27	have confirmed is that, indeed, it is moving fast and it's	12:21:38
28	possibly moving faster than anybody, including IPART,	12:21:43
29	anticipated. That's why these situations are valuable and	12:21:47
30	we take that on board.	12:21:51
31		
32	MR COLLIN: Greg Collin, Dubbo Radio Cabs. I am actually	12:21:57
33	astounded that you can sit there and a couple of you have	12:22:04
34	got very defensive at some of the data that Martin was	12:22:09
35	putting out. I have always looked up to government	12:22:17
36	departments that come up with recommendations. In the past	12:22:24
37	I've trusted them where they've done their utmost to get	12:22:29
38	the best information possible.	12:22:34
39		
40	I think it is irresponsible to say that you can't just	12:22:36
41	throw your hands in the air. You should be saying, "We	12:22:41
42	don't have the best data that we can have, so we'll take a	12:22:46
43	guess at what we do have and we will give you our	12:22:52
44	recommendations." I am a little disappointed there. You	12:22:56
45		12:23:02
46	how that was asked. Was it an email, one letter? How far	12:23:05
47	did you actually go to do your research?	12:23:12

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2	THE CHAIR: Greg, that's not quite a fair description of	12:23:18
3	what we did, right? We are not taking a guess. We are	12:23:20
4	making a judgment based on	12:23:25
5		
6	MR COLLIN: On an assumption.	12:23:28
7		
8	THE CHAIR: No, based on the information that is available	12:23:30
9	and we will refine that judgment based on these sessions	12:23:33
10	and you can rest assured that we've made considerable	12:23:38
11	effort, and not just this year, in our previous reviews, to	
12	have the data supplied by the various bodies and it has not	12:23:46
13	been forthcoming.	12:23:50
14		
15	MS COPE: There seems to be an assumption that what's in	12:23:54
16	the recommendation is actually a final recommendation and	12:23:57
17	that this isn't part of the process. The draft report is	12:23:59
18	very transparent in purposely putting down on paper exactly	
19	what we had to date in order to be able to have exactly	12:24:09
20	this conversation about where the holes in it are and what	12:24:13
21	you've got that will enable us to fill those holes.	12:24:18
22	TC 1111 1 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1	12 24 22
23	If we didn't do that and we didn't make the	12:24:23
24	recommendations that we thought fell from that then we	12:24:25
25	wouldn't be having an honest and open conversation with you	
26 27	about where things are at the moment and allowing you to be	12:24:34
27 28	able to provide this feedback.	12:24:57
29	This is not the end of the road, this is not the final	12.24.20
30	recommendation, and it is not going to government based on	12:24:42
31	simply what is in the draft report. This is part of the	12:24:44
32	process to be able to speak now about what we've got so	12:24:47
33	far, what extra we need, what we have missed and how it	12:24:52
34	should change the recommendations.	12:24:56
35	Should change the recommendations.	12.230
36	MR COLLIN: Thank you for that. We do appreciate the time	12:24:58
37	that you've given up to come out here and talk to us and	12:25:02
38	take on board what we've got to say. We're hoping that our	
39	message is getting across.	12:25:11
40		
41	My real concern is how do you think these plates are	12:25:17
42	going to service the public? Really and truly, we've heard	
43	some emotional stuff here and like I said before, and	12:25:30
44	I don't want to repeat myself, I've got drivers saying	12:25:34
45	they're looking for work already if competition does come	12:25:36
46	and what will happen is they will cherry-pick. If they	12:25:40
47	pick up a licence for \$2,000 or \$10,000, they will be able	12:25:44

1 2 3 4 5 6	to afford just to sit back, not worry about the downtimes, but cherry-pick on Friday and Saturday nights and special events. That is where our biggest concern is. I won't be able to have my cab out there, so the public again will suffer because we won't be able to run a 24-hour 7-day-a-week organisation. Thank you.	12:25:48 12:25:56 12:26:00 12:26:04 12:26:09 12:26:14
8 9	THE CHAIR: Thanks, Greg.	12:26:17
10 11 12 13 14 15	MS PHILLIPS: On the collection of data, how many networks have actually supplied statistics to the organisation? I can see your point and I said to Michael I don't know how you can do your job if we are not open and honest with the panel. We are not going to get the answers we're looking for if we don't provide the data.	12:26:30
17 18 19 20 21	I have provided some data but it's only my individual data and I don't see how we can argue a case if we're not going to provide the information. I can see your point of view. We're kicking ourselves in the head.	12:26:55 12:27:00 12:27:04 12:27:08
22 23	THE CHAIR: Thanks, Lyn. Jonathan?	12:27:13
24 25 26 27	MR SPENCE: Mr Boxall, can you answer that question? How many submissions have you had from networks with valuable statistics, firstly?	12:27:19 12:27:22 12:27:26
28 29	MS VINCENT: To date, none.	12:27:28
30 31	MS PHILLIPS: What are we doing here? Honestly.	12:27:29
32 33	MR BARLOW: You must have one: they just said none.	12:27:34
34	MS PHILLIPS: I have, but that's personal.	
35 36	THE CHAIR: From networks.	12:27:40
37 38	MS VINCENT: We have had some individual submissions.	12:27:42
39 40 41 42	THE CHAIR: I am sorry, sir, for the record, could you identify yourself?	12:27:45 12:27:46
43 44 45 46 47	MR BARLOW: I am Greg from Dubbo Radio Cabs. I do have one question and it is to do with the licences. What is to stop a person coming in and buying 50 per cent of those licences, or tendering for 50 per cent and getting 50 per cent?	12:27:50 12:27:54 12:28:00 12:28:05 12:28:10

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1 2	THE CHAIR: The draft recommendation is to have no	12.20.11
3		12:28:11
	restrictions on people purchasing the licences.	12:28:13
4	MD DADIOU. Tault that a major issue)	12.20.17
5	MR BARLOW: Isn't that a major issue?	12:28:17
6	THE CHAIR. That I a show that have a discovering about it	12.20.20
7	THE CHAIR: That's why we're having a discussion about it.	
8	I've picked up from a number of people, including yourself,	
9	that that's a matter of concern.	12:28:26
10	MD DADLOU V	12 22 22
11	MR BARLOW: Yes. Okay. The other thing that I've heard	12:28:29
12	and I'm not being picky - I have spent most of my life in	12:28:33
13	western New South Wales, like, the other side of the	12:28:36
14	Darling, and I've been in Dubbo for 17 years, and I've	12:28:38
15	heard you all say, "That's not our experience in Sydney."	12:28:44
16	It stops at the range. There's no comparison to Sydney	12:28:48
17	west of the range, and it's not just yourselves, I've heard	
18	it through more government departments than I care to think	
19	about.	12:29:02
20		
21	THE CHAIR: I think the point that we were trying to make	12:29:02
22	there, Greg, was that we were asked a question by Jonathan	12:29:04
23	and others about, "Well, you know, somebody might come in	12:29:08
24	and buy all the licences", right, one corporation might	12:29:09
25	come in and buy the licences. What we can point to is	12:29:13
26	because there has not been this sort of competitive tender	12:29:17
27	outside Sydney before, that in Sydney, where they've had	12:29:19
28	this competitive tender for about nine years, or something,	12:29:24
29	that has not been the case.	12:29:27
30		
31	MR BARLOW: The other thing is, well, straight off, I look	12:29:33
32	at rideshare. We have not had a major issue with rideshare	12:29:36
33	and that's due to price because there would be no	12:29:40
34	difference in price because we've got an average fare of	12:29:43
35	\$15 or \$14, so price is not the issue here, straight off.	12:29:46
36	I've got a son who lives in Sydney. He uses rideshare in	12:29:53
37	Sydney because they turn up. In Dubbo, when he comes home,	12:29:57
38	he uses the cabs.	12:30:02
39		
40	THE CHAIR: Thanks, Greg. Other questions or comments?	12:30:04
41	Jonathan?	12:30:06
42		
43	MR SPENCE: I seem to be monopolising this, don't I.	12:30:11
44	I would just like to pick up on a point that was made	12:30:14
45	earlier on and that is there are several networks here that	
46	I'm sure would welcome a member of the panel riding in our	12:30:19
47	businesses for one or two days to find out what actually	12:30:23
	,	

1 2 3	happens, so I would like to really put that out there for the panel to consider, please.	12:30:25 12:30:28
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	Secondly, I would like to ask whether you're prepared to give an indication of whether the feedback you've received so far is likely to change your recommendation of 137 plates and if so do you have a gut feeling about by how much? In other words, has this been of any real use to you or are you going to say, "We're recommending in the first place, in the draft recommendations."	12:30:30 12:30:32 12:30:36 12:30:41 12:30:46 12:30:49 12:30:53
	THE CHAIR: This has been really useful and we will be modifying - I can't speak for the tribunal because we're yet to meet and there's a third member, but I am quite confident that we will be looking to review some of our recommendations. I can't say to what because that would be preempting the decision of the tribunal. We are independent, that's why the government asks us to do it, and so we'll do that, but as I said to Marino, who I think left early on, this is not a waste of time for you people.	12:30:55 12:30:58 12:31:02 12:31:06 12:31:10 12:31:13 12:31:17 12:31:19 12:31:24
21 22 23	MR SPENCE: Thank you very much.	12:31:29
24 25 26 27 28 29 30 31 32	MS COPE: What I can also say is that in previous inquiries there have been concrete changes to recommendations between the draft and the final as a result of feedback from people in regional areas. For example, in the buses we had a recommendation on fare structures. We were told by the operators in small regional areas that their technology didn't allow them to adopt, that it would be too costly. We changed that recommendation.	
33 34 35 36 37 38 39 40	We had hearings around prices for water for irrigators in regional areas and they said, "We need a fundamental restructure of the price because it's damaging to our businesses." Those structures had been in for many years and we changed the structure of the prices in direct response to what they've said. There are some concrete examples of where we've changed our recommendations.	12:32:02 12:32:08 12:32:11 12:32:14 12:32:18 12:32:24 12:32:27
41 42 43 44 45	THE CHAIR: Thank you, Deborah. I was going to mention the water one too. We are really proud of that: it is in Bega, the Northern Rivers and the Peel Valley. Any other questions or comments?	12:32:30 12:32:32 12:32:36 12:32:41
46 47	MR J FAULKNER: John Faulkner from Dubbo Radio Cabs. Earlier you mentioned the value of the sale of taxi plates	12:32:47 12:32:50

1 2 3 4 5 6 7 8 9 10 11	in Dubbo as a factor in governing what was going on in the town and whether they needed more cabs and you considered that it was a factor that we must need more cars here. Do you ever give any credit to the people who operate this taxi service in Dubbo, Orange and Bathurst, the efficiency of the companies, the money we've spent over the years? We've put the call centre in Orange. We run our taxis like an army. I just can't see where you're coming from to work on the valuation of a taxi, to work out, say, you must need more taxis.	12:33:22
11 12 13 14 15 16 17	THE CHAIR: Thanks, John. I think the point that we were making and also the point about whether it is a designated zone or an exempt zone, that one of the factors we do look at is the recent transfer price for the licence and that's the transfer price for the licence aspect of it and we do look at that.	12:33:33 12:33:36 12:33:41 12:33:45 12:33:50 12:33:55
19 20 21 22 23 24 25 26 27	The reason is, as I explained before to somebody from up the back, that if you have a restricted number of licences for anything, including taxis, and people are prepared to pay a premium to get the right to operate it, then it is indicative, other things being equally, especially if it is a high amount, if it is a high amount it is indicative, other things being equal, that there might be an issue there.	12:33:57 12:34:05 12:34:07 12:34:10 12:34:15 12:34:20 12:34:22 12:34:26
28 29 30 31 32 33 34 35 36	MR FAULKNER: I am 80 years old this year and I'd love to sell out and I wouldn't even bother putting it on the market because I know I'd get nothing. I'd get a refusal, it's worth nothing. It's part of a superannuation package that I dreamed of. I've been in the taxi industry over 20 years and everything that I value there is just wiped out by you blokes sitting up there. THE CHAIR: We get that, that the price has fallen	12:34:32 12:34:35 12:34:39 12:34:44 12:34:47 12:34:50 12:34:53
37 38	recently. We get it.	12:35:00
39 40	MR FAULKNER: "Crashed" is the better word.	12:35:04
41 42	THE CHAIR: "Crashed". Okay.	12:35:05
43	MS PERCEVAL: Wouldn't it be better, if somebody wanted to	
44 45	buy a plate, like one of those plates you've got on offer,	12:35:19
45 46	and they wanted to work in a particular area, if they find out there are plates for sale in that area before they	12:35:21 12:35:26
46 47	actually bought it?	12:35:26

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1 2 3 4 5 6	THE CHAIR: They might do that but that's up to them. If they want to investigate a certain area and see whether there are any plates they could buy, they might decide to do that rather than go along to the auction.	12:35:31 12:35:35 12:35:38 12:35:42
7 8 9	MS PERCEVAL: I thought that would be a better choice than having other plates up for sale.	12:35:44 12:35:47
10 11 12	THE CHAIR: You mean rather than having plates up for sale?	12:35:48
13 14 15	MS PERCEVAL: Yes, the ones that you said, the 137, if someone wants to buy plates then check that area out first.	12:35:51 12:35:54
16 17 18	THE CHAIR: Yes, and there is the issue also of licences on hold, which is a similar point.	12:35:58 12:36:00
19 20 21 22 23 24 25 26	MS L DAVIDSON: My comment was exactly the same. Lorna Davidson. I wanted to back John up. I've been in the cabs exactly the same time as he has and at that time, 20 years ago, I paid \$300,000 for one cab. 20 years later, I think I would probably get a little over half that, if that, now. That must tell us that something has gone radically wrong somewhere.	12:36:07 12:36:12 12:36:22 12:36:28 12:36:36 12:36:40 12:36:45
27	THE CHAIR: Thank you, Lorna.	12:36:49
28 29 30 31 32 33 34 35 36 37 38 39 40	MR K BYRNES: Ken Byrnes from Mudgee Radio Cabs. We're going down the line of some years ago, not that far back, where a certain bus company over in my area in Mudgee decided to do hail-a-ride, dial-a-ride. I got on board with that. "This is a taxi service. What are you trying to do?" He argued and we fought and we fought and we went through and we went right to the government and we stopped him from doing dial-a-ride, but now I can see with releasing of these plates that we'll get one or two plates start up and then run in hard competition against what we do and wipe us right out.	12:36:54 12:36:57 12:37:03 12:37:06 12:37:14 12:37:18 12:37:21 12:37:23 12:37:28 12:37:36
41 42 43 44 45 46 47	He had the offer of buying the plates at a reasonable price some years ago and he didn't want to do it. I can see this is where this is going to go. Down the line I've got seven freehold plates that won't be worth a crumpet and I won't make decent money out of them because this operator will go hard against me and put me down, put me under. He won't worry about the people after two o'clock in the	

1 2 3 4 5	morning or four or five o'clock in the morning, where I go 24/7. He will just close it, I'll have to close, and that's where this is going to end up. We'll all be broke, thanks to IPART and the government. Thank you.	12:38:03 12:38:07 12:38:10 12:38:13
6 7 8	THE CHAIR: Thank you, Ken. Any other comments or questions? Jonathan?	12:38:16 12:38:19
9 10 11 12	MR SPENCE: I would like to follow up and get an answer to my earlier question about is someone on the panel willing to come and do a ride-on in one of my networks?	12:38:26 12:38:29 12:38:34
13 14 15 16 17 18	THE CHAIR: We will take that on notice, Jonathan. Thank you. Any other questions or comments? Can I wrap up? Yes? All right. Thank you very much for coming and thanks very much for a very useful discussion and I appreciate the effort that you've put in in taking time out from your jobs to come here.	12:39:00
20 21 22 23 24	We have had a lot of useful input. We have had input which has reinforced the input that we received in Coffs Harbour and Sydney and this will help the tribunal in making its decision.	12:39:11 12:39:15 12:39:19 12:39:23
25 26 27 28 29	I will just reiterate that submissions to our draft report are due by 9 February and I encourage you to make a submission, including any information you have to support your position, any data. That would be much appreciated.	12:39:26 12:39:28 12:39:33 12:39:35
30 31 32 33 34 35	The transcript of this hearing will be available on our website in a few days time. We will consider all the feedback we receive and submit our final report with the final recommendations to the Minister by 9 March. Thank you very much and have a good afternoon. Martin?	12:39:40 12:39:42 12:39:46 12:39:50 12:39:55
36 37 38 39 40	MR ROGERS: I was just going to say, obviously, thank you to Peter and the members of IPART for taking the time to come out to Dubbo today and especially also to Kelly and David for their time.	12:40:01 12:40:04 12:40:06 12:40:09
41 42 43 44 45 46 47	The 9th, which is Friday, which is this week, is what's required for the submissions. While we've given our feedback here today, I think it is really important that each of us do document our concerns and you may add to those from what you've heard today. We may also be reaching out to you to help provide some data to provide a final recommendation that is appropriate to our industry,	12:40:12 12:40:14 12:40:17 12:40:19 12:40:22 12:40:25 12:40:32

1	so you may see some correspondence from us.	12:40:34
2 3 4 5 6 7 8 9 10 11 12 13	As at this date, IPART has mentioned that they have no data from the taxi industry to make their recommendations, so if we're able to assist in that then we may look at that and help them. Note that Friday the 9th is our deadline to get those submissions in. Thank you again for taking the time to travel far and wide to come here today. We just have to note that that date is the date we have to meet. Thanks very much.	12:40:42 12:40:45
	THE CHAIR: Thank you, Martin. Have a good afternoon. There is lunch if you want a bite of lunch on the way.	12:41:03 12:41:08
14 15 16	THE TRIBUNAL ADJOURNED AT 12.41PM	12:41:29
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