

INDEPENDENT PRICING AND REGULATORY TRIBUNAL

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

Tribunal Members

Dr Peter Boxall AO, Chairman
Mr Ed Willett and Ms Deborah Cope, Members

Members of the Secretariat

Mr Hugo Harmstorf, Ms Fiona Towers, Ms Jennifer Vincent,
Ms Heather Dear and Mr Justin Robinson

At

Corinthian Room, SMC Conference & Function Centre
66 Goulburn Street, Sydney

On Tuesday, 30 January 2018, at 10.30am

1 OPENING REMARKS

2
3 THE CHAIRMAN: Good morning, everybody. My name is
4 Peter Boxall and I am Chair of the Independent Pricing and
5 Regulatory Tribunal.
6

7 I would like to begin by acknowledging that we are
8 meeting on the Gadigal land of the Eora people and I would
9 like to pay my respects to the traditional custodians of
10 that land and elders both past and present.
11

12 I would also like to welcome you to this public forum,
13 which is part of the consultation process for our review of
14 the maximum rank and hail fares for taxis and a number of
15 new licences to be released outside Sydney.
16

17 I am joined today by my fellow tribunal members,
18 Ed Willett and Deborah Cope. Assisting the tribunal today
19 are members of the IPART secretariat, Hugo Harmstorf,
20 Fiona Towers, Jennifer Vincent, Heather Dear and
21 Justin Robinson.
22

23 Today's hearing provides both you and us with the
24 opportunity to discuss IPART's draft report on maximum rank
25 and hail fares as well as the number of new annual taxi
26 licences to be released outside Sydney, both of which we
27 recommend to Transport for NSW.
28

29 As well as the discussion today, we are seeking
30 written submissions on the proposals in the draft report.
31 The closing date for written submission is 9 February. Our
32 final report is due to be submitted to the Minister for
33 Transport and Infrastructure by 9 March 2018. The Minister
34 will determine when our final report is released publicly,
35 and Transport for NSW which will make decisions about
36 whether or not to follow our recommendations for fares and
37 licences.
38

39 I might just start today's proceedings with a brief
40 overview of our approach to this review and our draft
41 findings and recommendations before we move on to the
42 agenda.
43

44 The approach we took was quite different from the
45 approach we have taken in previous fare and licence
46 reviews. This is because the point to point transport
47 industry has been undergoing major change in the past few

1 years, including changes to the regulatory framework.

2
3 Technological and regulatory changes have made the
4 point to point transport market more competitive now and
5 more open to competition in the future. Ultimately, in a
6 competitive market, there is less need to regulate fares
7 because prices will be set based on supply and demand and
8 will reflect the efficient cost of providing the service
9 needs.

10
11 So we decided that the first step in our approach
12 would be to assess how competitive the market is at the
13 moment. We will discuss this further in later agenda
14 items, but our draft finding on competition is that, while
15 competition has increased, in most areas of New South Wales
16 where there are taxis, competition is still not sufficient
17 to remove maximum fare regulation.

18
19 Having found that competition was not yet sufficient,
20 we considered that the appropriate setting for maximum rank
21 and hail fares is to freeze them at current levels, aside
22 from the passenger service levy, which we consider could be
23 passed through to customers as a separate additional item
24 of fares.

25
26 To assist the development of competition in future and
27 to allow the taxi industry to compete more successfully
28 with hire vehicles, we are recommending a 10 per cent
29 increase in the number of regional taxi licences.

30
31 We also consider that there is a case to treat taxi
32 fares and licences in small towns and remote areas somewhat
33 differently. In those areas where populations are small
34 and there is little rank and hail work, we consider there
35 is no need for maximum fare regulation, and that provision
36 should be made for access to low-cost licences on demand.

37
38 The sessions this morning will cover these draft
39 findings and recommendations in more detail. We would like
40 to hear feedback from those around the table and from
41 others present at this hearing. To facilitate this, a
42 member of IPART's secretariat will give a brief
43 presentation introducing each topic. I will then invite
44 discussion on the topic.

45
46 The four topics are:

- 47 1. Rank and hail fares in Sydney;

- 1 2. Competition in the point-to-point transport
2 market;
3 3. Licences outside Sydney; and,
4 4. Rank and hail fares outside Sydney.

5
6 As this hearing is being recorded and transcribed,
7 I ask that speakers please identify themselves and, where
8 relevant, their organisation, and to speak clearly and
9 loudly.

10
11 Now I call on Jennifer Vincent, from the IPART
12 secretariat, to give a brief presentation on fares in
13 Sydney, Jennifer.

14
15 Session 1: Maximum rank and hail fares for taxis from
16 July 2018

17
18 MS VINCENT: Thank you, Peter.

19
20 In our first session today, we are focusing on maximum
21 rank and hail fares in Sydney, and we will talk about
22 maximum rank and hail fares for the rest of New South Wales
23 in our final session today.

24
25 We were not asked to recommend a number of new
26 licences to release in Sydney because the current
27 government policy is to issue replacement licences only.

28
29 Focusing on fares in Sydney, as Peter mentioned, in
30 our view - and as we have said in our draft report - the
31 most effective way to encourage the efficient supply of
32 taxi services at the right price is through competition.
33 In workably competitive markets, businesses can't set
34 prices above the efficient cost of supply without losing
35 customers to competitors.

36
37 Competition in booked point to point transport
38 services has developed to a point now where taxis compete
39 directly with hire vehicles, and so fares for booked
40 services in taxis are no longer subject to regulated
41 maximums.

42
43 However, taxis continue to have a monopoly on rank and
44 hail trips, so the competition situation is a little more
45 complicated. Some rank and hail trips could be made as
46 booked trips instead - imagine someone standing at a rank
47 deciding whether to wait for the next taxi to come or to

1 use their smartphone to book a hire vehicle - but not all,
2 so we need to consider competition between taxis as well as
3 with hire vehicles.
4

5 Justin will talk a little more about how we assess the
6 state of competition in the next agenda item, but one of
7 the things we looked at was the transfer price of ordinary
8 taxi licences.
9

10 In December 2017, Sydney taxi licences had an average
11 transfer price of \$170,000. This marks a significant
12 decline from 2012 when Sydney taxi licences were being
13 transferred for over \$400,000; however, it is still high.
14 These high prices are a barrier for new entrants to come
15 into industry, and a barrier to expanding services for
16 existing taxi service providers, so they restrict
17 competition.
18

19 The continuing high transfer prices also confirm that
20 existing maximum fares allow taxis to operate in a way that
21 covers their costs.
22

23 We also commissioned a study of electronic banking
24 transactions for taxi and rideshare services in the year to
25 September 2017, which found that demand for taxi trips and
26 revenue generated by taxis had not significantly changed in
27 Sydney.
28

29 As such, we decided to recommend no change in maximum
30 fares for rank and hail taxi services except to allow a
31 pass through of the passenger service levy which commences
32 on Thursday of this week.
33

34 Remember that these recommended maximum fares are only
35 the maximum fares for rank and hail services. Taxi service
36 providers can charge less than the maximum fare to compete
37 with each other, and to compete with booked services in
38 taxis and hire vehicles. As I have mentioned several times,
39 the maximum fares for booked trips are no longer subject to
40 regulated maximums.
41

42 I will now hand the hearing back to the Chair.
43

44 THE CHAIRMAN: Thank you very much, Jennifer.
45

46 Comments, questions from around the table. Would
47 anybody like to go first? Anthony?

1
2 MR WING: Anthony Wing from Transport for NSW. I will
3 start briefly and I just want to say a few words about the
4 role of Transport for NSW in this and our role in the
5 hearing.
6

7 Obviously there was a change in the law recently. As
8 a result of that, as we have heard, maximum fares are no
9 longer regulated for booked services. They are still
10 regulated for rank and hail services. Transport for NSW
11 will need to make a decision on that once it receives
12 advice from the tribunal, and, similarly, for the release
13 of licences outside Sydney.
14

15 We are very pleased to be asked to come here today,
16 thank you, Mr Chairman. Because we are looking for
17 independent advice from public hearings, we are very
18 pleased with the public process that IPART runs.
19 Accordingly, my role here really today is to hear what
20 everyone has to say, because we will have to make a
21 decision, at the end of the day, once we receive the report
22 from IPART.
23

24 I do not want to make any comments on what IPART might
25 decide - quite the opposite; we very much want to get an
26 independent report. I am, however, able and free to assist
27 the tribunal in any way if there are any questions about
28 government policy or about how the laws work.
29

30 Again, as I say, it is fantastic to see such a great
31 turnout, and we are very much looking forward to hearing
32 what everyone has to say today.
33

34 THE CHAIRMAN: Thank you very much, Anthony.
35

36 Maybe we could start off with Nick. Would you like to
37 kick off?
38

39 MR ABRAHIM: Yes, thank you, Mr Chair. Nick Abraham,
40 deputy CEO of the NSW Taxi Council.
41

42 From the outset, I want to talk about something that
43 has been bothering me for a while since the release of the
44 report. Jennifer, to quote you there again, you talked
45 about transfer rates for taxi licences. You said that,
46 in December 2017, they were \$170,000 and back in 2012, they
47 were at \$400,000. Then you made the comment, "However,

1 they are still high."
2

3 What are we trying achieve here? We are talking about
4 people's livelihoods. These are assets. People have
5 worked so hard to build these assets up, and I am not
6 understanding the comments that have been made throughout
7 the report, and the comment that has been made again today.
8 I really can't go on without understanding.
9

10 I refer to the representative from Transport for NSW
11 to really understand the scope and role of IPART in making
12 these sorts of comments. People invest in shares. People
13 invest in property. We don't hear anybody of any other
14 agency making such a comment about people's livelihood such
15 as this to say, "However, they are still high." What are
16 we trying to do? Are we trying to get them down to zero?
17

18 MR BURRAGE: Hear, hear!
19

20 MR ABRAHIM: Competition, at the moment, has been enabled
21 to make things a lot easier for people to enter the market.
22 The 56 out of the 57 recommendations that were adopted by
23 the government following the task force review to make it
24 easier were twofold in relation to, first, the people
25 entering the market - I think it has actually become too
26 easy, for that matter.
27

28 Then the second point is that the government has been
29 in the way of the taxi industry. It is time that we let
30 the industry get on with running their own business and
31 doing their own thing; yet since that announcement was made
32 we have seen things become a lot harder, a lot more costly
33 and a lot more difficult.
34

35 I don't want to start on a negative note, but I don't
36 make any apologies for what I am saying here because
37 I cannot sit here and accept these comments being made
38 when, on one side, we were saying, "We want to get outside
39 of industry. We want to let them run their own show"; yet,
40 on the other hand, we have those comments, and I have not
41 gone into the recommendations, which we will talk to in a
42 moment.
43

44 My message is leave us alone. Let us get on with it
45 and let us do what we have to do to compete. Mr Chair,
46 I mean, it is --
47

1 THE CHAIRMAN: No, that's a good point. Let me just tell
2 you why IPART makes comments on the transfer price of
3 taxis.
4

5 The reason why IPART does that is because the
6 Minister, in the terms of reference, has asked us to make
7 recommendations about the maximum fares for rank and hail,
8 which, as you know, are not deregulated. In order to do
9 that, there has to be some notion about what is the
10 efficient cost of providing taxi services, or any other
11 services, for that matter.
12

13 An investment in a taxi licence is different from
14 buying shares because the investment in the taxi licence is
15 actually an investment so that you can get a licence which
16 has a restricted supply, because the government decides how
17 many licences they will issue. If you issue not enough
18 licences to satisfy demand, the price will be greater than
19 zero. It will go up, as it did in 2014. Since then, it
20 has gone down, as we all know, partly because of the
21 competition of Uber and other things.
22

23 What happens is that, in building up the cost of the
24 efficient taxi service, you have things like driver's wages
25 and remunerations, fuel, insurance, all the things that you
26 know about, depreciation on your vehicle and maintenance,
27 et cetera. But you also have built in there a return on
28 the licence value, and that is a return of economic rent,
29 which is not an efficient cost in terms of public policy
30 and in terms of the issues that IPART needs to take account
31 of.
32

33 If you are an individual taxi operator or you own
34 taxis, which many of you do, that is relevant to you, for
35 sure, but in terms of the public policy, in terms of making
36 recommendations about what should be the maximum fare, we
37 have to take that into account, and that is why we have
38 taken it into account, and we have taken it into account,
39 as some people who have been to these hearings before know,
40 in past hearings. This has been an issue which has been
41 discussed over time. We are happy to discuss it again and
42 we are happy to answer questions on it, but that is the
43 rationale.
44

45 Then there are issues, which we will get into in the
46 next session, but given that they have been raised, I will
47 just make a comment. One way of trying to assess whether

1 the supply and demand for taxi services, rank and hail, is
2 anywhere near balanced is if there is a price for the
3 licence which is high or positive or \$100,000 or \$200,000
4 or \$180,000, that is indicative that there are not enough
5 licences to supply demand. That is where we are coming
6 from.

7
8 I just wanted to point that out to you now, but what
9 I would like to do is get some other comments around the
10 table. Of course, you will have another opportunity to
11 come back on it, but it would be interesting to get some
12 other comments.

13
14 I know that people in the audience want to ask
15 questions. You will get a chance, don't worry; no worries
16 about that. Maybe now, Brian would you like to say
17 something?

18
19 MR WILLETT: Just before we leave that, I agree with
20 everything Peter said, but I would add that I think it is
21 important to recognise that we are not targeting a
22 particular licence value. That is not the job we have. We
23 are looking at, first of all, assessing whether regulation
24 is still needed. It is in that context that we are making
25 a commentary on a number of things including current plate
26 values. It is just a commentary on how the market is
27 working.

28
29 Secondly, if competition is not so effective that we
30 do not need regulation anymore, then we have to recommend
31 maximum prices.

32
33 We are commenting on that not for the purpose of
34 suggesting that we want to change that or set a different
35 value on licence plates; it is just a recognition of that
36 being one factor of the market.

37
38 THE CHAIRMAN: Brian?

39
40 MR WILKINS: Thank you, Mr Chairman.

41
42 Following on from what Nick said, I would like to pick
43 up on a point Jennifer made about the taxis having a
44 monopoly on rank and hail. Rank and hail in the cities is
45 probably 60:40 at best. In country New South Wales, it
46 would be 80:20 to 90:10, because there is very, very
47 little work. Apart from a handful of major centres in

1 country New South Wales, the rank and hail work is fairly
2 infinitesimal.

3
4 That was the carrot the government dangled under our
5 nose. When they said, "We are going to turn around and
6 authorise point to point vehicles", they said "You will
7 still retain your rank and hail work." That was the big
8 selling point. They said, "We are not taking your
9 livelihood away from you. You will have exclusively rank
10 and hail work." I object to it being said that it is a
11 monopoly. That was something, Jennifer, that the
12 government said to us point blank; namely, "You will retain
13 your rank and hail."

14
15 As a long, long-term operator in the taxi industry,
16 both in the city and country area, what has happened to
17 this industry has absolutely devastated a lot of people.
18 People have invested in taxi plates over many years. The
19 deal at the moment with \$172,000 is putting people,
20 particularly older people, in dire financial stress.

21
22 Quite frankly, I think that the adage of "If you bring
23 a taxi plate down to a zero value, everyone will get out
24 there and make a quid" will not happen. People will fade
25 out of the industry completely because the people who pick
26 the eyes out of the busy times will not be there for the
27 rest of the time. There will be no-one will meet the 3.30
28 train at Taree and pick up people off the country train.
29 I will talk about the country, because that is who I am
30 representing here today.

31
32 With regard to that adage of "Drive that price right
33 down, it will be worth nothing", three or four years ago,
34 in Port Macquarie and Coffs Harbour, Transport for NSW
35 assessed, on the takings and the size of the towns, that
36 the value of a plate in Port Macquarie and Coffs Harbour
37 was in the vicinity of \$430,000 to \$450,000. If anyone
38 wanted to bid for them, that was the price that they would
39 have to pay. That was set by the government, on a formula
40 that they used to work out what that price would be.

41
42 The government has not hesitated to take a 2.5 per
43 cent transfer fee off all of the taxi plates that have been
44 sold over the years. That 2.5 per cent has been an
45 acceptable fact, and prior to the government taking off the
46 stamp duty, there was a stamp duty cost on top of that
47 again.

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I am like Nick; I am at a loss to know why you say, "Okay, you guys run our own race." We are in a situation, in country New South Wales where, I think, there are 80 plates currently on hold that are not being used because there is insufficient work for them in certain towns, and I will name Bathurst, I will name Lismore, I will name Casino. There are no cabs in Bermagui and three less cabs in Narooma, and Jindabyne. There are a heap of towns that are really dying on the vine, and there are a lot that are not.

However, now that point to point transport is there, for me, as a taxi operator in my town, which happens to be Milton, Ulladulla and Mollymook, if I have a busy period, like I have had over Christmas, I utilise my own point to point vehicles. I am not going to wait for somebody else to come in and do it. Any smart operator can do the same. We don't need more taxis because, in country New South Wales, if you go through most country towns between Sundays and Thursdays, you can fire a cannon through the main street at 7 o'clock at night because there is nothing happening.

In country New South Wales now, we don't have our hands tied behind our back because if we need an extra car on a Friday and Saturday night, we can put our own point to point vehicle out. Why would I want to put another taxi on and spend \$6,000 on CTP, and all the other things that go with it, when we can put a point to point vehicle out? Country taxi numbers don't need to increase because everyone has the tools there now to use the point to point vehicle. So where is the commonsense in that? Thank you.

THE CHAIRMAN: That is a good point, and I am sure we will get back to that. Fred?

MR LUKABYO: Thank you, Mr Chairman. My name is Fred Lukabyo, from Cabcharge.

Cabcharge is not only the largest holder of taxi licences in the state, but also a very large ATSP and ABSP, in the modern nomenclature. It is on that basis that we offer some observations on the IPART report.

A few initial comments: we very much appreciate the work that IPART does. There are some areas which are

1 simply difficult to mess with, and those are areas such as
2 fare components. We note that IPART has a similar view on
3 fare component alterations to us, which is that, although
4 these things could be optimised, the downside risk is
5 probably too great; that is, that if fare components are
6 changed significantly - how much is waiting? How much is
7 flag fall? How much is distance? - you very significantly
8 change the outcomes. There is no passenger and there is no
9 driver who faces the average or the medium fare - people
10 face a range of different fares - so public expectations
11 can be messed around.

12

13 I start on that point, ladies and gentlemen, because
14 for us, in this area of regulated rank and hail fares,
15 public expectation is a very, very large part of an outcome
16 that we believe is what is sought here.

17

18 The model components are one thing, but the other
19 sides of what the public gets and can expect to get,
20 I guess, go to the issue of some of the recommendations
21 IPART makes. For example, IPART recommends that fares be
22 put on the outside of cabs. There are lots of areas where
23 the government regulates fares, and areas where fares are
24 unregulated, or government-regulated charges and areas
25 where these are not regulated. Fares are not put on the
26 outside of buses or trains - the competitors, in a market
27 increasingly full of substitutes.

28

29 Whilst the fares are available for publication -
30 that is, you can find out what the regulated fare is, and
31 there is a sticker in the cab - the idea that we are going
32 to stir up competition by having everybody have a race
33 to the bottom of fares on the outside of the cab, we see as
34 being overly prescriptive. I will take it a bit further,
35 if I may, Mr Chairman.

36

37 The nature of the new legislative framework is such
38 that it finally allows taxi entities to take a lot of
39 things into their own hands - everything from who they all
40 allow in, how they train these people and the range of
41 services they offer. However, if there is a mandate that
42 you have to have, "I am one cent cheaper than him" on the
43 outside, there are really limited - limited - ideas for
44 people to do that.

45

46 I will give you an example. Every day I go through
47 toll roads. Most toll roads charges are published, but

1 there is no mandate on who will have a toll road charge
2 displayed. The public who use it generally are aware of
3 the nature of toll road charges. I just give this as an
4 example of an area where I can take a toll road or not take
5 a toll road, but once again we come back to: what is the
6 public expectation about a taxi?
7

8 To the extent that IPART sees driving down fares as a
9 competitive outcome, as opposed to building brands,
10 building differentiated taxi services, increasing service -
11 all things that people say they would like, all things that
12 we believe are good out there in point to point transport -
13 the recommendation we read from IPART is one which is, in
14 fact, the race to the bottom, "Let's put your fares" - and
15 I can imagine in glowing letters - "on the outside of the
16 taxi."
17

18 If I may have your indulgence for another moment,
19 Mr Chairman, there is one big issue which has not been
20 discussed so far today, and that is the issue of industrial
21 outcome. I think it is very important to realise that New
22 South Wales is the only jurisdiction with any significant
23 industrial regulation of the relationship between taxi
24 drivers and taxi vehicle owners. Despite findings from
25 parliamentary inquiries, this has not proceeded to change
26 in any legislative sense.
27

28 MR BURRAGE: Hear, hear!
29

30 MR LUKABYO: This is important. The recommendation that
31 fares stay the same as 2017 is, in fact, a recommendation
32 that fares stay the same as, just from memory, 2014. So
33 this is an outcome from 2014 through to the next review,
34 which I imagine will be 12 months from now. So this is an
35 outcome which will take us through from 2014 to 2019.
36

37 Whilst there have been changes to structure, and there
38 are promises of changes to cost, some of which have been
39 seen, some of which, like insurance, are yet to be fully
40 realised, whilst there have been promises of changes to
41 cost, in many ways, there have not yet quite been those
42 changes to cost. But what there has certainly not been is
43 a change to the industrial regime.
44

45 So what happens from the perspective of the taxi
46 driver, who, in most cases, has seen work decline and has
47 not seen an increase in real income since 2014? We see

1 this approach to not allow an increase as being undesirable
2 from a regulator.

3
4 In the two taxi industrial models that we have, one
5 provides for maximum fixed pay-ins, which does imply some
6 industrial negotiation required at the coalface to try to
7 get a change of income for the driver. The other one
8 prescribes a share of meter, which could imply in many ways
9 a decrease for the driver over this period. We are
10 concerned about the impact of the recommendation.

11
12 The only change which I could find, in a brief review,
13 was, in fact, a decrease to drivers relating to the removal
14 of the one-way Harbour Bridge toll, which, I agree, was
15 anomalous, but it is, in fact, a decrease.

16
17 The final point I will make, if I may, Mr Chairman, is
18 we are very concerned that, without any increases, we see
19 other providers who do, in fact, increase.

20
21 I appreciate the data provided by IPART, which was the
22 HoustonKemp data relating to trip payment. One thing which
23 stood out from our analysis of this data was that the rate
24 of increase in dollars comparing rideshare and taxi was
25 greater than the increase in trip count comparing rideshare
26 and taxi over time, which would suggest that higher fares
27 have been achieved over time by rideshare.

28
29 This is over the period when there has not only been
30 increased competition for taxi drivers or substitutes - and
31 we call these substitutes even for rank and hail work,
32 Mr Chairman - but there has also been no increase, if, in
33 fact, a tiny drop, in incomes available to taxi drivers.
34 We would urge both IPART and Transport for NSW to take this
35 into account. It has been five years - or it will be at
36 the conclusion. Thank you, Mr Chairman.

37
38 THE CHAIRMAN: Thank you very much, Fred. Michael?

39
40 MR JOOLS: Michael Jools, Australian Taxi Drivers
41 Association.

42
43 On a somewhat light-hearted note, I think IPART is to
44 be congratulated on the fact that it, amongst Google,
45 General Motors, Mercedes Benz, has achieved a
46 world-breaking first: we now have driverless cars. I say
47 that because IPART does not include, in any real way, the

1 cost of actually driving the car.

2
3 You have a magnificent set of data about all the other
4 costs, some of which is flawed, but it is good data - we
5 got for the first time, in many cases - but the critical
6 point, in our point of view, the cost of driver, has just
7 vanished. It is very efficient to have taxis that operate
8 without a driver, but it is somewhat impractical.

9
10 I agree, on this rare occasion, with the three
11 speakers on my right. There is no need for more taxis in
12 the country because it is much cheaper to put on a hire
13 car. So the whole area of IPART's studies into whether it
14 will be 10 per cent more, or this, that or the other, is
15 totally irrelevant because, simply, if there is a demand
16 increase in the country, you put on a hire car - simple and
17 cheaper.

18
19 I agree with Brian on his points and --

20
21 MR WILKINS: We will put a cross on them all, saying
22 "Michael"

23
24 MR JOOLS: Well, some of them. Brian says simply that
25 there is no need for more taxis in the country. That is
26 absolutely true.

27
28 THE CHAIRMAN: I hope to be able to have a fuller
29 discussion on this point in session 3.

30
31 MR JOOLS: I agree with Fred also. The notion now that
32 IPART suggests of putting fares, or fare rates, on the
33 outside of taxis would lead to total chaos at Sydney
34 Airport, to mention just one place alone.

35
36 Imagine passengers walking up and down the rank - the
37 holding bay or the rank outside the terminals - to check
38 which is the cheapest taxi and which taxi suits them best.
39 It is walking straight into chaos. It is also walking into
40 blood on the streets, because if somebody walks up and down
41 the Phillip Street rank or the rank in Park Street and
42 checks out the available taxis, sure there is the notion
43 that you don't have to take the first cab on the rank, but
44 tradition generally is that people take the first cab on
45 the rank. They don't have to. But now if people are going
46 to walk up and down the street and do a bit of price
47 shopping, there will be chaos.

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From a driver's point of view, as Fred pointed out, the elimination of the northbound bridge toll has had one simple effect: it has cost the average Sydney taxi driver over \$3,500 a year. That has been a massive income reduction. It may be an anomaly, and it certainly was, but with my grey hairs, and there are some others with grey hair around the room, the Harbour Bridge originally attracted a fare in both directions. It was the wisdom of the chairman of David Jones at the time, who said, "Look, most cars come back across the bridge. Charge them once and be a little bit more efficient." So the notion of cost efficiency goes back a long way, but the notion of cost efficiency that just eliminates the cost of a driver is a folly.

We think, from the question of industrial relations and the industrial outcomes, the anomalies have become even greater. Now that the operating costs of the taxis are going down - plates, insurances, and whether they are real decreases or not is another issue - that the operator or the taxi continues to get 50 per cent and the driver 50 per cent is an anomaly. That needs to be re-balanced. It is not the province of IPART, it is somebody else's province, but it needs re balancing.

With regard to the question on the fixed pay-ins, the reduction that has become apparent to us the average pay-in on the market has not kept pace with either the reduction in income from reduced fares, nor from the reduction that may or may not be apparent from the cost of operating the vehicle.

There was a comment also that the costs that IPART is looking at have yet to be instituted. The CTP - the green slips - is about to come down and about to be done in some other way. IPART assumes that it will be 5 cents per kilometre for taxis, but that is not quite the case yet. IPART has then thrown in that the average taxi does 20,000 kilometres a year on private travel. Where they got that particular notion from, I have no idea, and it is again a, anomaly. This whole exercise is at odds with reality.

We do, as drivers, recognise that the fares cannot go up, because then we will lose business. We accept that we are then stuck with the fares as they are and we have not had a price increase in what will be five years - that is

1 true.

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We need to have a direction from IPART and the technological outcomes so that we, as an industry, can go forward, because the only way out of it for us as taxi drivers is to have more bums on seats, more fares per day. What we have to focus on is how to increase the number of passengers we have, utilisation and the efficiency of taxis on the road.

THE CHAIRMAN: Thank you, Michael. Anne or Ramesh?

MR NAIR: Thank you, Mr Chairman. My name is Ramesh Nair, and I am the NSW Taxi Owner, Operators and Drivers Association vice-president.

I would like to bring up three points. First of all, there have been a lot of issues with the investments that has been made with the licence holders with the plates - taxi plates. At the same time, we are looking at increasing the taxi plates in Sydney, which we don't agree with because there is not enough work. Most of the work has been taken away by the ridesharing.

THE CHAIRMAN: My understanding is that, in Sydney, the government decided to freeze the number of plates and that the additional plates that were recently auctioned off are replacement plates.

MR RAMESH: Replacement plates, yes.

THE CHAIRMAN: It is not an increase as such, but, in any case, we are not called upon to provide a recommendation on plates for Sydney, just plates in the country area.

MR RAMESH: That is right. I agree with that, but what is happening with the plate value? You advised that, in 2012, it was \$400,000 and it has now gone down to \$170,000. The lease, in 2012, on a \$400,000 plate value was \$20,000 per annum, on average. Now that we have this \$170,000 value, the plate lease is around \$15,000 per annum. So before, the investor who used to get 5 per cent now gets 9 per cent return.

If there is no increase in the taxi plates in a year or two, if we keep the lid on them, that will increase the demand and the value of the plates will definitely go up,

1 because there won't be much supply. That is a suggestion.

2
3 The second suggestion is regarding the cost of running
4 a taxi. The green slip is a big issue. There has been
5 some reduction in the value of the green slip. It is
6 costing \$6,000, on average, for a taxi. The number of
7 taxis in Sydney is around 5,000. If you work that out,
8 that is around \$30 million for the insurance revenue.
9 Based on that, we have a suggestion. There are 15 million
10 private cars in Sydney. Based on those, even if there is a
11 \$2 increase on each car on a green slip, and if you make
12 the taxi green slip to the value of zero, the insurance
13 companies will not lose their revenue, but we can bring the
14 fare down by 10 per cent, which is the cost of the profit,
15 and that can be passed on to the drivers and to the
16 passengers. That will bring us into some kind of level
17 playing field with the competitors in ridesharing, like
18 Uber and the other companies.

19
20 At the same time if the plate rental, which has
21 already fallen, goes down by 5 per cent and the radio
22 network fee goes down by 5 per cent, that's an extra 10 per
23 cent reduction for the operators' cost, and that can be
24 passed on to the drivers and the passengers. So what we
25 are looking at is around a 20 per cent decrease in the cost
26 which can be passed on to the passengers. The meter comes
27 down. There is an increase in the usage of the taxi, and
28 that will create a demand for more plates. If we can bring
29 up the plate value, with more investment, that's a solution
30 we propose.

31
32 THE CHAIRMAN: Thanks, Ramesh. Anne, would you like to
33 add anything?

34
35 MS TURNER: I think Ramesh has said quite a lot, but
36 I would like to also ask this: as the price has gone down
37 with the licence to \$170,000, why has that gone down?
38 I would like to know why and since when has the price gone
39 down for the plate? Is it because of the rideshare? If
40 that wasn't here in New South Wales, or in Australia, our
41 price would be still up. At the moment, that price has
42 gone down, but the operators' expenses have gone up and the
43 drivers' income has gone down. So who is middleman here?
44 It is the operator.

45
46 We have put many, many submissions to IPART, but have
47 they listened to us? We are the real people. You are

1 dealing with the real people. We are the ones with the
2 expense. We are the ones who are on the road. We suffer.
3 We struggle to get this money to pay to the operator.
4

5 Now, Jennifer, you have said there is monopoly with
6 hail and ride. I would like to give my taxi to one of you
7 here. Drive that for the weekend and see how you make the
8 money. Put yourself in our place and see the cost of
9 everything and then see what happens.

10
11 THE CHAIRMAN: Thanks, Anne. Barbara, do you want to say
12 anything at this stage?
13

14 MS WISE: Barbara Wise, Point to Point Transport
15 Commissioner.
16

17 I don't really have any commentary, as such, on
18 maximum fares. Given that there has been some commentary
19 on taxi licences, I thought it would be worthwhile
20 indicating how many taxi licences there are on issue in
21 Sydney at the moment. The latest number I have is 5,396.
22 That is lower than at any time I can remember in the last
23 several years, so it has certainly come down a bit.
24

25 As you are aware, we have been issuing replacement
26 licences, and 32 of those were released over November
27 and December. The prices for those licences are actually
28 publicly available on our website if anyone would care to
29 take a look at it.
30

31 THE CHAIRMAN: Thanks, Barbara.
32

33 Are there any comments or questions from the audience?
34 We have a microphone which we will bring to you.
35

36 MR MAHAMAD CHOUBASSI: Mahamad Choubassi, Illawarra Taxi
37 Network, Wollongong, usually known as Radio Cabs, at
38 Wollongong.
39

40 The way I feel, we are beating around the bush,
41 especially with IPART, because a lot of this I have heard
42 before. Since we got the last increase, weekend increase,
43 that was 2014, we lost a lot of work. At the moment, all
44 you talk about is fare increase, extra plates. I am going
45 to fill you in how I feel, how my members feel and how my
46 drivers feel.
47

1 I bought my cab for \$255,000. I am trying to sell it
2 now for \$80,000 and I can't get any buyers. On the
3 weekend, my driver sat there for 12 hours and he made \$260.
4 If he takes his commission, he will have worked 12 hours
5 for \$130. I would like to know if any of you have driven a
6 cab before? Where did you get your data from? You should
7 put on a uniform and go sit on that cab rank and see what
8 you make --
9

10 MR BURRAGE: Take, not make,
11

12 MR CHOUBASSI: No, what they make. What you take is from
13 the customers who have a belly full of beer, and all you
14 get is abuse and nothing. I have a car. I can't drive
15 because I have a crook leg. I can't even get a driver to
16 drive the car. He left me - actually, two of them have
17 left me. Why do you talk about extra plates? Drivers are
18 sitting on the rank and they can't make any money. Thank
19 you.
20

21 THE CHAIRMAN: Thanks, Mahamad. Mike?
22

23 MR BURRAGE: Mike Burrage, NSW Taxi Owners, Drivers and
24 Operators Association. It has been two years since we have
25 seen each other. You all look very well. I can assure you
26 I have aged 10 years in that time.
27

28 There are a number of things I would like to say.
29 First of all, I am very surprised with my colleagues here
30 when they say they "bought" the taxi and, as you say,
31 "invested" in the taxi plate. I did not invest in the taxi
32 plate. I bought a business. A business operates to make a
33 profit, and if I want more profit, I work it harder. I can
34 assure you at the moment the taxi that I have works
35 14 shifts with my drivers and myself.
36

37 My drivers only allow me to drive it five hours a
38 week, which is between two shifts, when I do repairs and
39 things that are necessary; otherwise, it is working 100 per
40 cent efficiently. I would also like to tell you that
41 whereas before I and my drivers used to work nine to 10
42 hours, now have to work 11 to 12 hours in that shift.
43

44 This has all been happening since 2000, for various
45 reasons which I would like to bring up later relating to
46 comments that you have made over the years. I can assure
47 you, at the moment, a well-run taxi averages - and please

1 sit down and strap yourselves in - \$30 an hour. It takes -
2 not makes - \$30 an hour. From that, we pay fuel, repairs
3 and then split between wages and the drivers. Why is that?
4 It is obviously because the market, whatever the market is,
5 and the number of people taking slices out of that market,
6 with an efficient taxi, is small.

7
8 This comes into another area, which is: do we need
9 more taxis? That is not relevant at the moment, but I can
10 assure you we don't even need the 162 replacement licences
11 which were put on from a pool of 800 that should not have
12 gone on in the first place.

13
14 The other thing I would like to say just quickly about
15 CTP is that that has not come down yet, but everybody says
16 it will be coming down 40 per cent. However, three years
17 ago, it went up 40 per cent. Really, what we gain on that
18 is what we should not have paid in the first place.

19
20 MS ANGELOPOULOS: That's correct.

21
22 MR BURRAGE: I see you have done four surveys, various
23 surveys. There is one I found very interesting on the cost
24 of kilometres per cent, and so forth. I could have told
25 you what the cost of running my taxi was last year. Divide
26 it by 150,000 or 160,000 kilometres and you can get the
27 answer.

28
29 My colleague here, Anne, I know how she runs her taxi.
30 She has more or less the same cost, but she does only
31 70,000 kilometres a year. It is irrelevant, this cost
32 business. It is how you run the taxi efficiently and how
33 you get your money out.

34
35 The other three surveys you did were very complicated.
36 I tried to read them in bed and I am afraid I fell asleep,
37 quite honestly. The one survey that is never done is a
38 survey on taxi ranks. A taxi rank is a collection of empty
39 taxis. If were to go to the international airport, you
40 would have over an hour wait. If were to go to the
41 domestic airport, you would have an hour wait. If you
42 were to go to Bondi Junction, Chatswood or Parramatta rank
43 - 15 cars. We play musical chairs to get on the rank.

44
45 If you go to any main city rank now at 5 o'clock on a
46 Friday evening - for example, Chifley Towers - it is not
47 like the old days of "I can't get a cab"; that is a myth.

1 Over the years, people like me have had to work that taxi
2 harder to get the return from it - not the investment
3 return.
4

5 As I say, as a result, we are engaged for only 30 per
6 cent of the time. To me with any business, if we can up
7 our efficiency to 40 per cent, if you have a market, the
8 only way you can do that is you can't suddenly increase the
9 market, but you have fewer people taking slices out of it -
10 or not fewer people, but you don't increase the number of
11 those taking slices out of it, and that is the way to keep
12 fares down.
13

14 I don't want a fare rise, I can assure you that. Over
15 the years, IPART, you have made these statements, and we
16 have been stuck with them, over the years. Between 2000
17 and 2009 or 2010, you included what you called the rent in
18 fare rises. You said that was an expense. To me, it is
19 not an expense. It is like the mortgage of my house. It
20 is something I pay by working harder. In fact, I don't
21 think that should have been included at all in these fare
22 rises. If that had not been included, our fares would be
23 lower now and we would be more competitive. That is one
24 mistake you have made over time.
25

26 Another mistake you made, and I have mentioned this
27 before, was --
28

29 THE CHAIRMAN: We corrected that mistake.
30

31 MR BURRAGE: Well, yes, but we are still caught with that
32 period when you didn't correct it and there were high
33 fares.
34

35 The other reason was PricewaterhouseCoopers took us
36 over for a couple of years. Then, for one year, they
37 decided no more taxis needed. I don't know why they didn't
38 do that the following year. Perhaps Transport for NSW
39 didn't like that. So you took over then and said - I quote
40 your words - "We are going to put on more taxis", because
41 you had changed your policy about the rent. You said, "We
42 are going to put more taxis on to lower the price of the
43 value of the plate", and that really has nothing to do with
44 service or anything like that. That is an outside market
45 force. As I say, if somebody wants to buy my plate, we
46 negotiate the price, and that is it.
47

1 Now, you put on 800 taxis over four years to bring the
2 price of the plate down by 25 per cent, and that was your
3 aim. You did not succeed because, after that, it came down
4 to about \$350,000 - up and down, I don't mind the market
5 value in that.

6
7 They have only dropped to \$170,000 because there is no
8 confidence in the industry. You won't get anybody, like
9 I did 30 or 40 years ago, as did my colleagues, to buy a
10 taxi. The only people who will buy a taxi plate are what
11 you call investors, and I think that they are the people
12 who have killed our business. It should be the man who
13 owns the store runs the store, and that way you will get a
14 much better taxi industry.

15
16 The rank at Central has had quite a few of these
17 lollipop girls directing traffic. I know they earn \$40 an
18 hour. There were newspaper reports about the light rail
19 lollipop girls earning a lot more. Can any of you sleep at
20 night to know that they earn \$40 an hour and we take -
21 take, not make - \$30 an hour? I think that is what you
22 have to look at and focus upon more. The only way you can
23 do that - we can't suddenly increase the market. We will
24 hold our market as long as, out of those 800 taxis that you
25 put on, 400 are shelved. They should be disintegrated, and
26 any of the other 400 that are handed back should never be
27 handed out again at all, until we get our numbers right.

28
29 THE CHAIRMAN: Thank you, Mike. Just to clarify, we don't
30 put them on; we recommend. It's a government decision.
31 Who is next? This gentleman here --

32
33 MR BURRAGE: So you put them on.

34
35 THE CHAIRMAN: We recommend. The government decides.
36 They don't always take our advice.

37
38 MR BURRAGE: But the 800 are on, aren't they?

39
40 THE CHAIRMAN: Back on point, yes?

41
42 MR WALTERS: Thank you. My name is Rob Walters. We have
43 had a taxi in our family for 60 years. I am not a member
44 of any organisation anymore, except I will probably be
45 paying my subsidy next week if I can dig up the 350 bucks.

46
47 I find it incredible, with your impeccable economic

1 credentials, that you can say that the cost of the plates
2 has a significant bearing on what the public get in terms
3 of fares. Any business, regardless, only has a value if a
4 profit can be made on it. In that regard, the cart is
5 before the horse.

6
7 The simple reason now that our taxis plates have
8 dropped to \$170,000 is not necessarily essentially because
9 of competition from Uber; it is essentially because we
10 cannot make any money on it and nobody will invest in it.
11 Even the \$170,000 that the plates are supposed to be now is
12 a moot point because the banks have declared our plates as
13 having no equity and you cannot even raise two bob on them
14 if you want to buy them. So the only people who are buying
15 them, technically, are the co-ops or the corporate
16 companies because they can actually make a profit on them.

17
18 Of the last 35 plates that have just been released
19 the, 22 of them went to Taxis Combined. They went to them
20 for under \$13,000, mostly. So what does that represent?

21
22 First, let us have a look in terms of leasing. Our
23 leases now, if you can get one, are down to 320 bucks a
24 week. \$320 a week over an eight-hour shift, twice a day
25 for seven days, brings us out to roughly about \$2.85 an
26 hour. Tell me what you could rent for \$2.85 an hour. You
27 could not rent a hotdog stand.

28
29 This business about the cost of the plates
30 representing such a significant cost to both the drivers or
31 the leaseholders is a load of crap. I am sorry to use that
32 word, but it is. Even when they were at their highest,
33 about \$560 a week, it only represented about 5 bucks an
34 hour or less then. Word around the traps is people are
35 trying to get leases for as low as 230. It is ludicrous.

36
37 I think, golly, how terrible it must be to be a
38 public sector worker with wonderful guaranteed,
39 never-to-be-reduced superannuation, who enjoys a largesse
40 that none of us in the private sector can ever enjoy. Our
41 fares on our taxis are our wages. I wonder how many in the
42 public sector have not had a wage rise for five years.
43 When you say that fares were increased in 2014, in 2013,
44 they were put down 1 per cent. So there was a period in
45 2013 when they were lowered.

46
47 Then, in 2014, they were increased only by the CPI, as

1 if the actual CPI had a real bearing on what our actual
2 costs are. In the interim period, we saw astronomic rises
3 in CTP. Even the latest release now with the CTP will be
4 the waiver that is calculated so that rideshare drivers
5 only pay their insurance on their fares and we pay them on
6 our total miles. Whacky-do! It means that taxi owners
7 will only have to pay six or seven times what Uber does,
8 instead of 17 or 18 times that we were paying before.

9
10 THE CHAIRMAN: Okay. All right, Rob. We will get to
11 that.

12
13 MR WALTERS: These are the important issues to us.

14
15 THE CHAIRMAN: Sure, and thank you very much. You will
16 obviously get another opportunity. Up the back?

17
18 MR STEWART: Thanks, Mr Chairman. I am Laurie Stewart,
19 Southern Highlands Taxis. We bought this business 18 years
20 ago at a time when it was run down with a population in the
21 Southern Highlands of around 40,000.

22
23 At that stage, with 20 licences, we had competition of
24 some eight vehicles, which was community transport. We
25 built the business up and we did very well. We made good
26 money out of it in those early years. We really believed
27 that if we followed regulations and did what the government
28 asked us to do, the government would do the right thing by
29 us.

30
31 Compliance was an issue which we did not see a lot of,
32 and others were allowed to get away with murder. Of
33 course, today, we face competition. That eight that we had
34 then has built up to 55, would you believe, non-taxis in
35 the area. They comprise two large hire car companies, a
36 number of private hire car operators, community transport
37 that has grown significantly with government handouts. We
38 have a number of nursing homes with their own vehicles. We
39 have other charitable organisations with government grants
40 with their own vehicles. We have to compete with that and,
41 all of a sudden, you are talking about extra licences.

42
43 Our taxi business today barely makes any profit. It
44 is ridiculous that there we are with one of the best taxi
45 businesses in the country and it barely makes a profit
46 because of this competition, and we are trying to find ways
47 to improve things. We have kept drivers for 15, 16, 17,

1 18 years. They are still with us. They love us. They
2 want to work with us, but they are crying. They say, "We
3 are not making enough money" - nor are we.
4

5 If you release new licences, you will kill us. We
6 will have to shut the door. Currently we are there 24/7.
7 We are out there at 2, 3 or 4 in the morning. Domestic
8 violence issues, people wanting to be rushed to hospital,
9 we are there for them. Put out more licences, we will have
10 to go and those people will not be looked after anymore.
11 It is a sad state, but somehow, you have to help us, not
12 kill us, please.
13

14 THE CHAIRMAN: Thank you, Laurie. Why don't we take two
15 more in this session. There will be plenty more
16 opportunities, so down the front first.
17

18 MR GEORGE HAIDER: My name is George Haider. I am from
19 NSWTOODA, I am the secretary. I have been doing this
20 operator job for nearly 30 years. I am a very, very
21 skilled operator. I know what to do and I know what to
22 maintain, but now my fleet has gone down by nearly 40 per
23 cent because I don't have the drivers.
24

25 I want to say that the current plate price that you
26 mentioned of \$175,000 is not true. This morning, when
27 I left home, I called to Barry Shaw, who is from Elizabeth
28 Street Financial. He told me the last price sold was
29 \$160,000. So it is going south.
30

31 Another point is we had the meeting with Minister
32 Constance in 2015, in October. Minister Constance said,
33 "No more IPART." The minister said, "No more new plates
34 from the RMS" - or TfNSW. I believed the minister meant
35 that.
36

37 Another one is operators are quitting this business.
38 Number one is the inspection issue. One of the big
39 networks is hard on the inspection every four months. When
40 we went for inspection, we never had this situation in the
41 past. I have been driving for 30 years and I never had
42 this issue. To pass inspection, they check everything
43 outside. Even one scratch, if you one scratch, they fail.
44 They defect our taxis. So operators are sick and tired of
45 this, number one.
46

47 Number two is that there are not enough drivers. For

1 me, 35 to 40 per cent of my fleet went down because of no
2 drivers. All my drivers are driving Uber. Even recently
3 I lost three drivers who drove for my taxis more than three
4 years. One of them said to me, "George, I'm not driving
5 any more taxis." I said, "Why? You are doing good. You
6 have been driving for me for seven years." But there is
7 not enough money, so he goes and drives for Uber.

8
9 A couple of days later, I called him and asked, "How
10 are you going?" - I thought he might like to come back to
11 taxis; he left 22 December - and he said, "I am doing very
12 good. I am not going to come back to taxis anymore."

13
14 Another one is the \$1.10 levy, which we have to pay
15 from 1 February. The passenger will pay it to the driver;
16 the driver will pay to the operator. The operator does not
17 need to pay to network. They will deduct; they will cut
18 that from my M7 account. What if my driver does not pay me
19 that \$15 levy? I have to pay from my pocket to the
20 network.

21
22 The other networks, they have planned "Your driver
23 give me your credit card", which means they were going to
24 take out from that driver's credit card. But my network
25 says, "No, we will take off from your M7 account", which
26 means if the driver does not pay me, I have to pay \$15 per
27 shift. You think about how much I will lose in that
28 situation.

29
30 Another thing is you can release as much plates as you
31 like - 10 per cent or 20 per cent - but you do not have an
32 operator to take them. Thank you very much.

33
34 THE CHAIRMAN: Thank you, George. Yes?

35
36 MS ANGELOPOULOS: Hi, my name is Roula. I run a business
37 called Dragon Sophia.

38
39 Firstly, you said there will be more plates being
40 released. Technically they are not new; they are ones that
41 have been handed back. I think the fact that they are
42 handed back is a sign, because if you are running a
43 wonderful profitable business why on earth would you hand
44 it back? If the business is running well, everyone will
45 want them. They will not be returned. That alone is a
46 sign.

1 Secondly, about the plates being worth \$170,000,
2 that's great. However, when I put an ad in the paper
3 recently, just trying to sell two of my plates, I could not
4 get interest even over \$120,000. If they are worth
5 \$170,000, please sell two for me, because I've got 12.
6 Please. I'll give you a commission

7
8 MR POLIMOS: I've got ten.

9
10 MS ANGELOPOULOS: The next thing I would like to say is
11 that we face more competition. It's not just Uber. I am
12 competing against other operators who steal my drivers, or
13 maybe going there for \$10 less a shift. I am competing
14 against the government, which is putting up their own
15 plates. I am competing against my network, which has its
16 own plates and doing other stuff. Everyone is making money
17 on the taxi operator. Everyone has made money on the taxi
18 operator, except the taxi operator.

19
20 Of course, then there are all the other obvious
21 things. I flew in from Melbourne recently. I did not even
22 manage to get out of the airport and a gentleman walks up
23 to me, and a second, and a third. It was not because of
24 the way I was dressed; it was to find out if I would like a
25 private car to get driven home. When I said, "No, I am
26 happy to catch a cab." I was told, "We will offer you
27 less. We will do it for \$40 cash." Imagine if I had
28 videoed that on my phone and showed you that, you would
29 refer to the Privacy Act. It happens all the time, so I am
30 competing against that. But I did the right thing. I
31 walked out and called a taxi. The driver of that taxi told
32 me he was waiting three hours for a fare. Is that fair?
33 No.

34
35 The next thing is I also own quite a few night plates.
36 At the time, I paid a hefty fee for them, but I am
37 restricted in the hours that my taxis are allowed to be on
38 the road to pick up a passenger. I cannot pick up a
39 passenger between the hours of, say, 6 in the morning to 12
40 lunchtime, or something like that, on weekdays. I am just
41 giving you the rough figure.

42
43 However, with Uber anyone else can drive their
44 personal car and pick up jobs at any time. There are no
45 restrictions on them. Yet I have been paying for the last
46 15 years on cars that are restricted, not working 24 hours
47 because they are not allowed to. I have been paying the

1 full green slip, the full radio fee to the networks, the
2 full WorkCover. There is no compensation for me to operate
3 a taxi that is not allowed to be on the road 24 hours as a
4 taxi. But I can drive my personal car and say, "I'll drive
5 it at 6 in the morning or 7, because I feel like making
6 extra money."
7

8 Everyone has been doing that these past school
9 holidays. Everyone I know has been driving their private
10 car picking up all the taxi jobs as Ubers. That is why, in
11 the last few months, you have probably found that half your
12 taxis are all sitting on the road because we can't get
13 drivers, or if we do want a driver, we have to give them
14 next to nothing. Of course, we cannot make them pay up
15 front, so if they smash our cars, good luck to even get
16 them to come back to work to recover the costs even for
17 your excess fee, which even up to this stage, it's very
18 hard to get them to pay. However, I could hire a Budget
19 rent-a-car and I must put down my credit card. If it is my
20 fault, I have to pay the \$1,000 excess. I have to pay it.
21

22 In this day and age, there are a lot of things that
23 are so unfair and so dated, one thing being the night
24 plates. Why should I now still have to abide by the law to
25 not allow my taxis to operate any time they want when Uber
26 can? Is that fair in this day and age? When I paid those
27 hefty fees to buy those taxis, it was done in good faith -
28 in good faith that I was doing the right thing within the
29 law. Then the government stabbed us in the back and said,
30 "Hey, Uber, come on in."
31

32 How about we all sell alcohol from our doorsteps with
33 no liquor cost and we don't buy a liquor licence. As you
34 know, a pub will pay half a million, or maybe more, or even
35 restaurants. All my friends that own restaurants have paid
36 half a million for a liquor licence to serve drinks for
37 people standing without food, and maybe less if it is with
38 food. Imagine if we were all given a free kick and allowed
39 to sell bottles of brandy from our doorstep or beer - get
40 jugs and pour some beer? It is the same kind of principle.
41 That is what happened to us. But are we going to be
42 compensated? You are just going to put more plates on.
43 What for? I have half my cars are sitting there. They
44 have been sitting there all January because I can't find
45 drivers. Thank you.
46

47 THE CHAIRMAN: Thank you, Roula. Thank you very much.

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What we could do now is move on and have a brief presentation from IPART on session 2, 3 and 4 and then open it for discussion again. So that will be competition, licences, outside Sydney, which many of you have already talked about, and also fares outside Sydney. So, Justin?

Session 2: Outside Sydney - competition in the point to point transport market

MR ROBINSON: Thank you, Peter.

To understand the current state of the rank and hail taxi industry and inform our recommendations on rank and hail fares and licences, we examined competition in and with the rank and hail taxi industry.

The new Point to Point Transport Act has removed most restrictions and costs of hire vehicles to entering the market and maintained taxis' monopoly on rank and hail services.

Therefore, the main advantage of a taxi licence operating as a hire vehicle is that it provides the right to perform rank and hail services. Accordingly, the licence value in a rational market will reflect the monopoly profits the holder can expect to make from rank and hail services. In a market with complete open entry, licences would be issued at their administrative cost.

The map on the screen shows that the average licence values over the three years to August 2017 are high. For example, taxi licences in Wollongong have traded, on average, for over \$200,000 over that period.

As noted in our session on Sydney fares, this shows two things: firstly, total fares for rank and hail services are above cost; and, secondly, taxis have market power due to the restricted supply of licences.

We also looked at changes to taxi demand. Without access to any industry data, we engaged HoustonKemp to look at aggregated bank data from Data Republic to estimate the size and frequency of point to point transport transactions, immediately before and since legalisation of rideshare.

1 This graph shows that, in Sydney, the number of taxi
2 transactions has not changed. Ridesharing services have
3 grown the market. In other cities, including Newcastle,
4 Wollongong and Coffs Harbour, the data shows an increase in
5 taxi transactions occurring with the entry of the
6 rideshares.

7
8 HoustonKemp's results aligned with the results of our
9 recent survey of point to point transport use conducted by
10 Orima Research.

11
12 Given the high licence values, revenue analysis and
13 survey results, we found that in towns and cities with
14 populations of over 10,000 people, more than five taxi
15 licences, high taxi licence values, or high growth in rank
16 and hail demand, there is a continuing need regulate
17 maximum rank and hire taxi fares.

18
19 We have called these areas the designated zone. It is
20 the blue and orange areas on the map on the screen.

21
22 In other areas with small populations and low licence
23 values, we found no evidence of market power created by
24 taxis' exclusive right to provide rank and hail services.
25 This is due to the relatively low demand for the vast
26 majority of point to point transport trips being booked and
27 therefore with unregulated fares. We consider that this,
28 and the easy entry of hire vehicles, creates sufficient
29 competitive pressure to self-regulate fares.

30
31 In these areas, there is no need to continue to set
32 maximum fares. We have called this area the exempt zone.
33 It is the grey area on the map.

34
35 I will now hand back the hearing to the Chairman.

36
37 THE CHAIRMAN: Thank you, Justin. We will move on to
38 Heather.

39
40 Session 3: Outside Sydney - new annual taxi licences to be
41 released from July 2018

42
43 MS DEAR: Thanks, Peter.

44
45 For this review, as you have heard today, we have been
46 asked to recommend how many new annual taxi licence
47 Transport for NSW should issue to operate outside Sydney

1 from 1 July this year.

2
3 We began by looking at several factors to try to
4 assess whether there is a shortage of licences outside
5 Sydney.

6
7 As discussed by Justin just now, licence values are
8 high in many parts of New South Wales outside Sydney,
9 suggesting there is still strong demand for licences in a
10 number of areas across New South Wales.

11
12 However, the supply of licences has not grown in
13 response to this demand. Over the last 10 years, the
14 number of licences outside Sydney has increased by a modest
15 4 per cent and by as little as 1 per cent in some places,
16 including Wollongong.

17
18 Over the same time, the population across significant
19 urban areas outside Sydney has grown by 8 per cent which,
20 by itself, would suggest that demand for taxi services is
21 growing faster than supply and there is an increasing
22 shortfall. Some of this shortfall we know is probably met
23 by alternatives, especially rideshare.

24
25 However, HoustonKemp's study of point to point
26 transactions found that these alternatives are actually
27 growing the market and growing the size of the number of
28 trips taken, suggesting it is not just the substitution
29 effect that is happening, but there is actually increased
30 demand. There is an opportunity for taxis to grow with
31 this increased demand.

32
33 We also undertook surveys of passengers' use of point
34 to point transport services and found that taxis were more
35 difficult to obtain than other services.

36
37 For example, there was a small but noticeable
38 proportion of respondents in each area that had experienced
39 failed trips, ie, they couldn't get a taxi the last time
40 they tried. We know obviously these numbers were higher
41 probably because of difficulties with rank and hail, but in
42 terms of bookings, they were much the same.

43
44 Taken together, the observed high licence values, the
45 slower growth in licence numbers, the growing demand for
46 point to point transport services, and difficulties in
47 obtaining taxis suggest the limited supply of licences

1 outside Sydney is constraining the industry's ability to
2 compete effectively and take advantage of the growing point
3 to point market.
4

5 In making our recommendation, we had to come up with a
6 number for Transport for NSW to issue - or a recommendation
7 to issue. We considered both a very small number, in line
8 with the Point to Point Transport Taskforce recommendation,
9 and a very large number, which would immediately address
10 any supply shortages and effectively deregulate supply.
11

12 On balance, given we are trying to improve taxi
13 services and acknowledging the rapid change going on in the
14 industry, we have recommended a 10 per cent increase in
15 licences. This would reduce the cost of acquiring a
16 licence and help the industry transition and compete in the
17 market by lowering costs and making more taxis available.
18

19 A 10 per cent increase in a number of licences would
20 also be likely to improve services to customers, for
21 example, by reducing waiting times. We have recommended
22 that the releases occur in several tranches throughout the
23 year to help develop the market, and the fees published
24 would also provide information on the value of the licences
25 and the scale of any shortage going forward.
26

27 As well as recommending how many new licences should
28 be issued outside Sydney, we have also been required to
29 consider where these licences can operate their rank and
30 hail services, noting, as we have heard many times this
31 morning already, that there are no longer operating area
32 restrictions on booked services.
33

34 As discussed in previous session, we are proposing
35 two zones outside Sydney: a designated zone and an exempt
36 zone. New licences would be specified for either the
37 designated or the exempt zone and we have recommended a
38 separate allocation for each.
39

40 We have proposed these two zones to ensure that some
41 new licences are available in those smaller regional and
42 remote areas that would not otherwise be able to attract a
43 new licence under the competitive tender process. While
44 supply remains limited, a competitive tender is likely to
45 see most new licences flowing only to areas where licence
46 values are currently high.
47

1 We acknowledge that the rank and hail market in these
2 smaller areas is quite small and the majority of work is
3 booked. However, ensuring access to new licences would
4 prevent small towns being left without a rank and hail
5 service at all.

6
7 Based on the number of licences as at 1 September last
8 year, we have recommended 124 new licences for the
9 designated zone to be released for competitive tender, and
10 an initial allocation of 13 new annual licences for the
11 exempt zone, this being a 10 per cent increase.

12
13 We have recommended that the new licences in the
14 exempt zone be offered an annual administrative fee
15 reflecting the cost of issuing the licence, similar to what
16 the fees for annual licences are in Victoria now.

17
18 However, if there is an oversubscription for these new
19 low-cost licences, we have recommended that Transport for
20 NSW make a further determination to issue more licences in
21 the exempt zone.

22
23 As shown on this slide, we have recommended that new
24 licences issued for the designated zone be able to provide
25 rank and hail services anywhere in New South Wales and
26 outside Sydney - that is, across both the designated and
27 the exempt zone. This is consistent with the government's
28 response to the recommendation of the Point to Point
29 Transport Taskforce.

30
31 New licences issued for the exempt zone would be
32 able to provide rank and hail services in all areas in
33 the exempt zone. However, they would not be able to go
34 Offering rank and hail services in the designated zone.
35 The idea here is to prevent the low-cost licences moving
36 into areas where the value is much higher. It would also
37 help attract and maintain services in the exempt zone.

38
39 In our draft report, we also made a draft
40 recommendation essentially ring fencing any new licences
41 for Queanbeyan, due to the reciprocal arrangements in place
42 where taxis in Queanbeyan are able to provide rank and hail
43 services over the border into the ACT and vice versa.

44
45 I will now hand back to the Chair. Thank you.

46
47 THE CHAIRMAN: Thanks, Heather. Jennifer?

1
2 Session 4: Outside Sydney - maximum rank and hail fares
3 for taxis from July 2018
4

5 MS VINCENT: Thank you, Peter.
6

7 These will be the last few things to say about fares
8 for areas outside Sydney, again, reminding people that it
9 is for rank and hail trips, as maximum fares for booked
10 trips in taxis are no longer regulated anywhere in New
11 South Wales.
12

13 At present, there are three fare areas in New South
14 Wales. Firstly, there is the urban fare schedule area,
15 which applies from the Lower Hunter to the Illawarra and
16 out to the Blue Mountains. Secondly, the country fare
17 schedule applies to the rest of the state, except for the
18 third area, which is six towns near the Murray River, which
19 are already exempt from maximum fare regulations.
20

21 As we have discussed, we are recommending splitting
22 New South Wales into a designated and exempt zone for
23 licensing purposes. We are also recommending adopting
24 these zones for fare regulation of rank and hail trips.
25

26 We recommend retaining maximum fare regulation for
27 rank and hail trips outside Sydney in the designated zone,
28 which again is the purple and green areas on the map, and
29 removing maximum fare regulation for rank and hail in the
30 exempt fare zone.
31

32 For the designated zone, we are not recommending any
33 changes to the existing fares, except for allowing a pass
34 through of the passenger service levy imposed by the
35 government from this Thursday. That means if a town is in
36 the designated zone and the urban fare schedule currently
37 applies, it would continue to apply, and if a town is in
38 the designated zone and the country fare schedule currently
39 applies, it would continue to apply.
40

41 As is the case with Sydney, we found that current
42 maximum fares for rank and hail are above efficient costs
43 in parts of New South Wales that we are proposing to be in
44 the designated zone, so there is no evidence that fares for
45 rank and hail trips need to increase.
46

47 Our proposal for the exempt zone would extend the area

1 exempt from maximum fare regulation to over 60 current taxi
2 operating areas and all regions in the state without any
3 current taxi services.
4

5 In these areas, demand for taxis is low, due to small
6 population, licence values are low or unknown, because
7 there have not been recent trades, so we are less confident
8 that fares exceed efficient costs, and setting maximum
9 fares too low could threaten the viability of rank and hail
10 services. Thirdly, the vast majority of taxi trips are
11 booked, anyway, so very little of the work is subject to
12 maximum fare regulation and the potential for competition
13 from hire vehicles is greater.
14

15 We were also asked to look at maximum non-tariff
16 charges for rank and hail trips, such as the maxi taxi
17 surcharge and the cleaning fee. We are not recommending
18 any changes to these except to take account of the
19 passenger service levy, which we have recommended be
20 identified as a separate charge in the fares order, and
21 I understand that that has already occurred with the new
22 fares order coming in on Thursday.
23

24 I will now hand the hearing back to Dr Boxall.
25

26 THE CHAIRMAN: Thank you very much, Jennifer. Any
27 comments or questions on this? People in the audience will
28 all get a chance, but I will go to the table first. Nick?
29

30 MR ABRAHIM: Thank you, Mr Chair, a few comments if I may
31

32 I will go back to the outset of the presentation where
33 Justin talked about competition. He referred to taxis'
34 monopoly, then he went on to say that it was determined by
35 the profits the holder can make. I don't understand,
36 first, a monopoly, and the profits that a holder can make.
37 It is as if this is one person running a taxi industry
38 enjoying all the profits themselves.
39

40 I don't know any industry that has the level of
41 competition as that which exists within the taxi industry
42 itself. We have heard from a number of operators about the
43 very number of networks and drivers and so forth. They are
44 now competing against private hire, rideshare, courtesy
45 buses, community transport - the list goes on and on and
46 on. I really challenge that thinking and I think that is
47 far from reality and far from what we are experiencing out

1 there.
2
3 We then see reference to licence values, and I see a
4 number of shaded areas. You referred to the plates in
5 certain areas as still being too high. I would like to ask
6 what data are we looking at, because, in some of those
7 areas, plates have not shown for over three years - prior
8 to the impact of rideshare, prior to the impact of any of
9 these reforms and changes. I refer to our colleagues down
10 in the Illawarra. Plates have not sold there for three
11 years --
12
13 THE CHAIRMAN: On advice, it is transfers over the last
14 three years, Nick.
15
16 MR ABRAHIM: Which, in most of those cases, have been
17 zero. Okay, in country areas, I can - but this is
18 information that is not available.
19
20 MR POLIMOS: It is deceased estates only these days.
21 That's all.
22
23 MR ABRAHIM: Mr Chair, the only --
24
25 THE CHAIRMAN: Just a second everybody will get a chance.
26 Nick asked a question where does the data come from?
27
28 MS ANGELOPOULOS: Yes, where does it come from?
29
30 MR POLIMOS: Yes, where does it come from?
31
32 MS VINCENT: It is RMS data.
33
34 THE CHAIRMAN: RMS data on transfers during the last three
35 years.
36
37 MR ABRAHIM: Mr Chairman, which is not available to the
38 public.
39
40 THE CHAIRMAN: It might not be available to the public
41 Nick, but that's a separate issue which I am sure you can
42 take up.
43
44 MR ABRAHIM: Okay, sure. I have just a couple of other
45 points.
46
47 Then we went through the annual taxi licence session

1 and recommendations. You say that taxi licence numbers
2 have grown slower than the population. I go back to the
3 point made by Laurie, from the Southern Highlands. What
4 about the growth of other providers within those areas?
5 Sure, taxi licences may not have grown, but competition and
6 services have significantly grown. If we look at Laurie's
7 case, it went from eight cars to 55 other non-taxi
8 vehicles, so that needs to be taken into the mix.
9

10 The other point I wanted to make is: with these
11 recommendations, particularly for country - this is where
12 I am focused specifically at the moment - is I am a rogue
13 operator, Mr Chair. You have just made me very rich
14 because you have enabled me, by potentially taking on a
15 taxi licence with no area of operation, to cherry-pick the
16 areas in which I want to work. I can go to peak events. I
17 can go to those areas very often. Let us forget about our
18 genuine hard-working operators and networks who are there
19 servicing their customers 24/7, who are travelling with an
20 assisted school child 40Ks. Maybe they are going that
21 extra distance empty or coming back empty, and not having
22 any money, picking up the \$5 fares from old ladies at the
23 shopping centre throughout the day, where these rogue
24 operators are not performing.
25

26 We need to look at the whole piece in regards to the
27 impact on these businesses and what they are doing, and so
28 forth. In actual fact, as we know already, we have lost a
29 number of businesses in a lot of these towns. We will
30 continue to kill those businesses and they will cease to
31 exist. I ask you to think about what the future impact is,
32 and who will be providing those services? Who will be
33 picking up that short fare from the shopping centre or
34 taking those assisted school travels or passengers with
35 disabilities, and so forth?
36

37 The only other point I want to make which needs to be
38 considered is that, at the moment, and there has been
39 reference made to this before with the Sydney metro area,
40 with licences on hold as much as they exist in the country
41 areas, we have something to the tune of 60 licences
42 currently on hold. How could we be thinking of making any
43 recommendations to release more licences? Why aren't we
44 sitting down with those business to really understand why
45 those licences are going on hold? What assistance do those
46 people need to get those licences back on the road before
47 we ever think of putting any new licences back on the road?

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A final point, Mr Chairman, is today or tomorrow you can apply for a WAT licence - for the benefit of the audience, that is a wheelchair accessible taxi licence - at no cost, with zero area of operation. That is happening right now, and we already have a problem with that. The last thing we need is for more licences to be issued with similar conditions attached.

Thank you very much, Mr Chairman.

THE CHAIRMAN: Thank you very much Nick. Are there any other comments around the table? I am happy to work around if that's okay with you guys. Brian?

MR WILKINS: Thank you, just following on from Nick, and Laurie mentioned this, the fact is that there are so many other competitors. In 2004, when the hire car industry was deregulated and the value was knocked out of the hire car plates, we had under 300 hire cars in the Sydney metropolitan area alone and about 90 in country New South Wales.

Once that happened and they could get a licence in country New South Wales for \$3,000 per annum or a 10-year lease on one for probably 5 grand for 10 years, straight away the numbers blew out exponentially. I can understand what Laurie is saying. I was the same, but I was smart enough to put a couple of hire cars plates on myself at the time because I didn't want to be left behind the eight ball. So community transport, courtesy buses have all grown. There are more and more people in country New South Wales who are looking for free transport, or as near as possible to free transport, because we have an ageing population.

Our clients in country New South Wales are more like extended family because our drivers see them every day of the week. They take them for a short run down to the shopping centre, or whatever. It's not like the situation in the city where you probably will not run across the same customers, unless you are working off a railway rank or something.

The average country fare is probably \$7 or \$8. It is a much smaller market, but there are more people in there now supplying those sorts of services. The clubs have

1 their courtesy buses. They hire the committee transport
2 vehicles out now to other not-for-profit organisations.
3 There is not much work for our wheelchair vehicles, which
4 lie idle for the better part of the day, because the oldies
5 can't get into them. They can get into them if it is a
6 freebie at the club, but they can't get into them on the
7 taxi rank, that is a different story.

8
9 The fact is that not enough thought has been put into
10 this. We are going now to a new system where point to
11 point transport will be the buzzword. That will be the
12 name. Actually we have rank and hail, but rank and hail in
13 country New South Wales is so small overall that it is not
14 even worth thinking about. You'd better get "monopoly" out
15 of your vocabulary, Justin, because that is so much
16 garbage, it is not even funny. It does not work that way.
17 If we were relying on rank and hail in country New South
18 Wales, we would not be here now, because there would be no
19 taxi service available in the town, and you only have to
20 look at some the smaller towns.

21
22 We have a group of towns, and I'll mention Port
23 Macquarie, Coffs Harbour, and probably Tweed Heads, where
24 people have paid big money to buy. However, those people
25 are working. They are not investors in those towns. They
26 bought those to work on them, because they bought the
27 licence. People used to do that when they bought cement
28 trucks. They used to do it with the old bread runs and
29 milk runs. People were buying a lifestyle, and that is
30 what you did. You bought yourself a job.

31
32 A lot of the baby boomers, in early retirement, went
33 in and bought themselves a job. That was the only reason
34 that it was worth it to them to pay that sort of money to
35 be able to work for themselves and earn that money. Now,
36 all of a sudden, between the government and IPART, you
37 decided there was too much value in the taxi plate; these
38 people must be making too much money. But I tell you what,
39 that's not the case at all.

40
41 I agree with Mike. The average takings for a cabbie
42 would probably be about 30 bucks an hour, overall.
43 Sometimes it is down as low as \$10 on a quiet night. By
44 the same token, it is something where I just don't think
45 that you have got all your information. Sure you have the
46 information from RMS, but you have not been out there in
47 the real world.

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We had a meeting here in this building six months ago, or whenever it was. I don't know of any other interviews you have done with taxi operators who have given you enough information that you could come up with this report and this recommendation, because it is totally biased against the taxi industry. For those reasons, we are going to strenuously argue with the government that it should be put in the round filing cabinet. Thank you.

THE CHAIRMAN: Thank you, Brian.

MR ARNOLD LOEFFLER: My name is Arnold Loeffler. I am an agent. I manage taxi plates and I also handle sales. How many people are from the country here? Not many. I don't understand why you guys have a meeting on the first day after school holidays in the city. Where are the country people? When can they talk? Who can they talk to?

THE CHAIRMAN: No, just a second, Arnold. We have two meetings scheduled for the country area - in Coffs Harbour and Dubbo - and we have had other sessions in the country areas as well.

MR LOEFFLER: Okay, but it is a large area. It's a very large area. People need to --

THE CHAIRMAN: Just a second. You can look at where we have met on taxis and other issues. We have been country areas and, indeed, Nick's predecessor actually came with us to the country.

MR LOEFFLER: Okay, fine. So I guess everyone heard what you were talking about.

Now, there were similar allegations made on the metropolitan plates, that the plates were \$400,000, the leases were \$2,700 a month or \$33,000 a year. It was said, "We will bring the plates down and everything will be okay. We will release more plates and everything will be okay." Now, you are trying to use a similar system for the country areas and look at us. Our leases are down from \$2,700, inclusive of GST, to \$1,650. Our operators, even from a unit, can apply today for a 200-car operation and he can get that in two days. He does not have to prove anything.

1 People who are very honest, who have a legitimate
2 business for which they have paid and which they operate
3 according to the regulations, they have to compete with
4 other people. I am meeting a guy today at 1 o'clock. He
5 operates 20 cars from his car, okay?
6

7 In relation to the plates owners, please, the plate
8 owners are the victims here. You keep pushing prices down,
9 down, down, but where has that the money gone? If it was
10 \$33,000 five years ago. Now it is \$13,000, \$14,000. Where
11 has the money gone?
12

13 MS ANGELOPOULOS: May I --
14

15 THE CHAIRMAN: Just a second. Thanks a lot, Arnold.
16 Others will get a chance to speak, and I have noted you,
17 but we need to get more comments around the table and then
18 we will move to the audience, and you will be first.
19

20 Fred, would you like to comment?
21

22 MR LUKABYO: Thank you very much, Mr Chairman. I would
23 urge IPART and Transport for NSW to consider the
24 competitive neutrality issues between different modes.
25 Even in the world of rank and hail, we see the competitors
26 as being very close substitutes, and when there is
27 regulation, whether it be data collection, whether it be
28 how price is advertised, we see rank and hail as being a
29 very close substitute.
30

31 We have some concern about the actual identification
32 of the zones in question because of the anomaly where
33 metropolitan is not quite the same thing as non-Sydney.
34 I would appreciate some commentary from IPART on IPART's
35 view on that.
36

37 THE CHAIRMAN: Thank you, Fred. We will take that on
38 board.
39

40 MR LUKABYO: Thank you.
41

42 THE CHAIRMAN: Michael?
43

44 MR JOOLS: My comment is in relation to the data we are
45 working on. One of the surveys was from Orima. It
46 excluded Cabcharge electronic transfers.
47

1 MR ROBINSON: I think you're talking about HoustonKemp.

2

3 MR JOOLS: It excluded the Cabcharge accounts.
4 It excluded business fare accounts, and it included Uber
5 Eats. On the basis, largely of that, as I read it, we
6 established that taxi trips have been fairly constant over
7 the last few years and rideshare trips have gone up 60 per
8 cent. We dispute that.

9

10 How much work has actually been done? We have had
11 four surveys, at presumably reasonable expense, but have
12 you asked the drivers? Have you asked the operators are
13 they taking the same amount of money or less? Where is the
14 data on the actual trips coming from? It is not coming
15 from the data that has been presented to us.

16

17 People in this room will, I think almost unanimously,
18 say we are doing less work, we are earning less money, and
19 you are making statements that are not in line with that
20 fact.

21

22 MR BURRAGE: Hear, hear!

23

24 MS ANGELOPOULOS: I can prove it. I have kept the
25 Cabcharge receipts.

26

27 THE CHAIRMAN: Just a second, Roula.

28

29 MR POLIMOS: I have cabs available that I can't get
30 drivers for.

31

32 THE CHAIRMAN: Michael, are you finished?

33

34 MR JOOLS: Yes.

35

36 THE CHAIRMAN: Thank you. Over to Ramesh and Anne.

37

38 MR NAIR: I would like to make this point because you guys
39 want more taxi plates, but that is based on the data you
40 got from the RMS. With regard to the competition with the
41 ridesharing in past years, Roy Morgan says on the website
42 that Uber has taken more than 1.6 million rides or
43 passengers.

44

45 Now, this business was taken away from the taxis. How
46 can you say that we need more taxi plates to come on the
47 road? Those businesses have gone due to the competition.

1 By increasing the taxi plates, do you think that the users
2 will come back? No. You need to bring the cost down. If
3 the running costs come down for a taxi business, then the
4 passenger will come because the meter goes down, but that
5 is the only reason. There is no need to bring more plates
6 in the market because there is no demand. Nobody is buying
7 them. Nobody is leasing them.

8
9 THE CHAIRMAN: Thank you. Anne?

10
11 MS TURNER: I would like to say that, whether the taxi
12 industry is the value of the price and the data and the
13 work and everything, whether it is in Sydney or in the
14 country, if you look at the data, I think they are still
15 more or less the same. Maybe in Sydney, more jobs have
16 gone to rideshare; like 70 per cent or maybe more taxi jobs
17 have gone to rideshare. Therefore, I know the value of the
18 licence has gone down.

19
20 But if you look at the networks in Sydney, you may go
21 to the Premier network. Their radio fee is completely
22 different from 13CABS. You can go to Legion, that's the
23 cheapest one, and there is RSL. Where is the data on how
24 much work the drivers are getting from those networks? All
25 that work has really, really gone down. As I said, in the
26 city, there is hardly any work for the taxi drivers. As
27 you have heard, they sit on the rank for ages.

28
29 THE CHAIRMAN: Some of you asked have we talked to taxi
30 drivers? That is why we have public consultation sessions.
31 That is why we put out draft reports so that we get input,
32 which is what we are getting.

33
34 MS TOWERS: Mr Chairman, if I could just say that we did
35 approach the networks to get actual data from the networks
36 and it was not provided.

37
38 (Multiple comments from the audience)

39
40 THE CHAIRMAN: Just a second. You will all get a chance,
41 okay?

42
43 That is why we are here. The data that we did get,
44 given that we did not get it from the networks, is
45 indicating to us at this stage - and it is a draft finding,
46 okay - that in Sydney, for example, in the metropolitan
47 area, the amount of work for the taxi industry has remained

1 more or less constant over the last few years. In other
2 words, it has not grown with the market because what
3 happened is the addition to the market has been taken by
4 rideshare.

5
6 I can understand the taxi industry would not be happy
7 about that, because you have been unable to participate in
8 the growth. But what has happened is, broadly speaking,
9 the amount of work in the taxi industry has remained
10 constant over the last few years and any increase in point
11 to point business has been taken by rideshare. Some of you
12 question even that, and we are listening - we are
13 listening. Some of you questioned that, but that's to make
14 the point; okay?

15
16 Barbara, do you wish to say anything?

17
18 MS WISE: I would like to point out that, since
19 1 November, when the point to point transport legislation
20 was put in place and my role as the regulator commenced, we
21 have been publishing transfer data on taxi licences outside
22 of Sydney, and we continue to do that. Going forward, we
23 actually have our first regional taxi licence transfer data
24 published and so from now on, you will be able --

25
26 MR POLIMOS: The country sells more than city now.

27
28 MS ANGELOPOULOS: I'd like to say --

29
30 THE CHAIRMAN: Just a second. We will not get anywhere.
31 The gentlemen up the back, and then I'll come down the
32 front to the gentleman in the middle. Then we will move
33 from there.

34
35 MR COLLINS: Thank you, Chairman, John Collins from Wagga
36 Wagga.

37
38 Firstly, I have a question. I understand there are
39 5,396 licences in Sydney but how many licences are there in
40 rural and regional New South Wales, please, Barbara?

41
42 MS WISE: Sure. The number I have here for outside of
43 Sydney, which would include Newcastle and Wollongong and
44 all of those other areas --

45
46 MR COLLINS: Newcastle and Wollongong, but - oh, right.

47

1 MS WISE: It would include those. It's 1,383, and that is
2 pretty steady. It has not really moved very much over
3 time.

4
5 MS TOWERS: Our data, which excludes Newcastle and
6 Wollongong, is 1,063, as at September.

7
8 MR COLLINS: I have a few statements, more than anything,
9 which relate probably to Wagga.

10
11 In Wagga, you might read occasionally an article
12 stating that people have to wait for an hour for a taxi.
13 I don't know whether that is the basis for you saying that
14 Wagga needs more taxis. It needs to be assessed. There
15 are probably four to six hours a week between 1 o'clock and
16 4 o'clock of a Saturday and Sunday morning when the
17 lock-out starts and when all the licensed premises close.
18 That is when people wait because 1,200 or 1,500 people are
19 tipped onto the street at the one time.

20
21 In Wagga, a prime example of what we do is we roster
22 cars, but you would be pleased to know that we roster cars
23 on to be able to provide a service. We roster cars on
24 Sunday, Sunday night, Monday nights and Tuesday nights
25 because, if we did not, there would be insufficient cars to
26 look after the public. What would happen is that they
27 would be out there twiddling their thumbs and doing nothing
28 and they would go home. Then we would find that there
29 would be insufficient cars on the road to provide a
30 service. So we roster cars on to make sure that we can
31 provide a service to the public.

32
33 I am wondering whether consideration needs to be taken
34 with regard to the rideshare operators. There have been
35 two rideshare operators start up in Wagga in the last
36 12 months, and one only a fortnight ago that is in other
37 rural and regional New South Wales areas. That could have
38 a devastating effect, particularly if you put additional
39 taxi plates into Wagga Wagga.

40
41 Really, at the present moment, we need some breathing
42 space. There is just so much uncertainty surrounding our
43 industry, and IPART are fuelling the uncertainty. We do
44 not know which way to move. It is incredible. No wonder
45 we cannot sell a plate. I did see the value of plates in
46 Wagga in excess of \$250,000 or \$200,000. Wagga has always
47 been on par with Sydney, and I can explain a couple - two

1 sales in the last 12 months - where people have been
2 blindsided. You can't get that sort of money for a plate
3 in Wagga today.
4

5 I believe that any release of any plates, anywhere,
6 whether it be Wagga or anywhere else, should be on a needs
7 basis. There should be some assessment. How many letters
8 of complaint do you or the Ministry of Transport have that
9 we are not providing a service in Wagga? Yet you want to
10 put more plates there.
11

12 We do provide a service. We probably provide one of
13 the best services. We can generally, as a 99 per cent
14 rule, provide a service within six to 10 minutes for any
15 customer at any time, with the exception of between
16 1 o'clock and 4 o'clock on a Saturday and Sunday morning.
17

18 I was pleased to hear that the maximum that you were
19 going to consider releasing into any one area was 10 per
20 cent, but 10 per cent in Wagga would be an absolute
21 devastation. Each additional car represents 3 per cent.
22 It would be cruel.
23

24 Thank you. That is basically it.
25

26 THE CHAIRMAN: Thank you, John. Yes, down the front?
27

28 MR TREVOR BRADLEY: Hello, I am Trevor Bradley from the
29 Taxi Drivers Association.
30

31 First of all, if you want some feedback, the
32 ridesharing, which seems to be implied as something
33 wonderful, has cut our business by 60 per cent. That is
34 some real feedback. We did not like it before it came in.
35 We did not agree with it when it came in and we still do
36 not agree with it.
37

38 Our actual point of view, just to put it out there, is
39 we want to get rid of Uber and rideshare. It has been
40 forced on us. We can't do anything about it, we know that,
41 but we don't agree with it, to start with. It is service
42 all the way, and that's the elephant in the room.
43

44 Getting down to tintacks, you talk about the price of
45 fares not needing to be increased. Originally, IPART did a
46 very good job. They had a thing called the taxi cost
47 index. That has been scrapped. It is a cost index to make

1 a taxi business viable, and IPART was doing a pretty good
2 accurate job of that, but that has just been scrapped. So
3 what has happened is that the real value of running a taxi
4 is just getting less and less and less. We are actually
5 losing money. That is one the underlying reasons why the
6 taxi plates are being handed in. One operator said he was
7 getting 40 per cent less and he is a good operator. It is
8 not working. Obviously, what we are asking for is that the
9 taxi cost index be reintroduced, please.

10
11 Secondly, I disagree with some of my colleagues,
12 because the underlying factor to be highlighted is the
13 effective wage rate of the ordinary taxi driver. We
14 thrashed this out in IPART years back when IPART was
15 stating that a taxi driver was making \$20 an hour, and we
16 finally did a survey and found it was \$11. That was then.
17 That was before rideshare started. I am not sure what it
18 is now, but it is probably down to \$7 an hour.

19
20 I believe the government and, I think indirectly, to
21 some moral degree, IPART have a duty of care to see that a
22 taxi driver's effective wage rate is at least the minimum
23 Commonwealth wage rate, which I understand is something
24 like \$15.50 an hour. We are something like half that.

25
26 I just want to put out the figures, but I don't think
27 they will be taken seriously. The only way a driver can
28 get more money with the limited amount of work we have -
29 okay, you say that it is stable - is to increase the fares
30 in the farebox so that the driver can get more money. That
31 is the only way he can possibly get an increase. That
32 means to imply at least about a 40 per cent increase. That
33 is what the figures are. That is how far we are behind and
34 probably further than that.

35
36 THE CHAIRMAN: Thank you, Trevor. Roula, and then at the
37 back.

38
39 MS ANGELOPOULOS: I will be very quick. Where you said
40 that in the last three years, it has been constant, well,
41 you can see my tax returns, and I can tell you that I have
42 been getting at least \$400 to \$500 less per car in pay-ins.
43 I can prove that, because my meters are connected to my
44 computer and I can see the fares. It is not constant. The
45 work has dropped significantly - significantly. So where
46 is the data coming from?
47

1 THE CHAIRMAN: We have told you, and we are listening
2 and we are taking this on board. Sorry, up the back and
3 then --
4

5 MS TOWERS: Could I remind people that the HoustonKemp
6 data is Westpac transaction date - debit and credit cards,
7 actual transaction data.
8

9 MR ANGELOPOULOS: Yes, I have that too.
10

11 MR FERRIS: If we can get back to talking about country
12 plates, licences and values. My name is Geoff Ferris. We
13 own and operate Regional Taxilines. We currently have
14 16 plates that we operate in rural New South Wales.
15

16 To say that we need a 10 per cent increase in licences
17 in the country area, we need to talk about where is this
18 10 per cent coming from? Have you had a complaint about
19 our service levels? In Dubbo, where we operate six cabs,
20 our response time for Dubbo Radio Cabs is five to seven
21 minutes. Yes, in the two hours from 1 o'clock to 3 o'clock
22 on a Saturday or Sunday morning, it probably blows out to
23 something like 30 minutes. No-one can handle that peak and
24 no-one wants to come in and handle the peak of those people
25 in Dubbo between 1 and 3 on a Saturday and Sunday morning,
26 but we are there and we do it.
27

28 If you say that you want to increase by 10 per cent,
29 can we handle 10 per cent in Dubbo? It probably wouldn't
30 put us out of business. With 137 licences across New South
31 Wales - and you are not making them go to Wagga, John, and
32 put 10 per cent in Wagga - someone may buy 20 and put them
33 in Wagga, because there is no area restriction. And it
34 is not 10 percent. Someone can buy up 137 plates, if they
35 want to pay enough money, and drop 20 into Port Macquarie,
36 20 into Coffs Harbour, 20 into Dubbo, 20 into Wagga and
37 20 into Tamworth, and you have just crucified six very good
38 towns, where we have spent years building a business with
39 all that goodwill.
40

41 That is the goodwill of us being on the rank at 2am on
42 a Monday morning when someone needs a cab, ie, train
43 drivers to get to Parkes because someone took ill in
44 Parkes. You can't get a rideshare at 2am, and we have
45 built that business up.
46

47 The average fare in Dubbo is \$12.70. We are about to

1 put \$1.10 on top of that. The average is \$12.70, but a lot
2 of old ladies go shopping for \$7, and we are about to put
3 \$1.10 on top of that and make taxis even more attractive.
4

5 Think about what a 10 per cent of release of licences
6 in the bush does. If it is 10 per cent in the area of
7 operation, there may be some areas of operation that can
8 accommodate 10 per cent, but just releasing 137 plates
9 across regional New South Wales will kill the industry, and
10 you will lose people. A lot of people in country areas who
11 own taxis now are at that retirement age where they will
12 just pack up and go, and the little old lady will not get
13 the taxi for \$7, because it is not worth them being there.
14 It is where the licences go and how that is done.
15

16 Where are the complaints about lack of service in the
17 bush? We operate in four towns and we have not had a
18 complaint about response time that I can ever remember,
19 other than occasionally of a Saturday night, "I had to wait
20 half an hour on the rank." However, that is just the
21 physical reality of Saturday and Sunday mornings when
22 licensing laws make every pub dump at the same time, and we
23 have to deal with that.
24

25 With rank and hail work in the bush, there are always
26 cars on the rank, because that is where we sit. There is
27 no use sitting in Griffith in a back street waiting for a
28 fare. The logical place to sit is in the main street on
29 the rank and then you go and do your radio job. Rank and
30 hail in Griffith is less than 10 per cent. The people who
31 are in town walk across to the rank because they are
32 shopping across the road, but if they are two streets away,
33 they call and we go round the block to get them. Thank
34 you.
35

36 THE CHAIRMAN: Thanks, Geoff. Deborah would like to ask a
37 question.
38

39 MS COPE: I want to ask a question to clarify and make
40 sure that I understand what people are saying. At the
41 moment, it is possible for somebody to come in to any of
42 the markets that you are operating in as a rideshare and
43 operate full service. You are also saying that you do not
44 want any more taxi plates in the country areas.
45

46 MR WILKINS: We don't need them, not with the --
47

1 MR COLLINS: No, we don't need them.
2
3 MS COPE: You don't need them? So the logical
4 implication of that is if somebody wanted to set up a
5 similar business in your town, you would prefer them to do
6 it as a rideshare business than to have the option of
7 buying a taxi plate and setting up business as a taxi; is
8 that what you're saying?
9
10 MR HAIDER: I have to ask a question --
11
12 MR POLIMOS: Why have we created two standards within one
13 industry? There is one standard --
14
15 THE CHAIRMAN: Sorry, just a second, Greg. First Geoff,
16 then Greg, and then the gentleman in the front.
17
18 MR FERRIS: You have asked the question why can't someone
19 come into Dubbo and start a rideshare business? They can.
20 They could have done it since, technically, probably
21 December 2016, but certainly since 1 November since point
22 to point, and they have not, because there is not that much
23 money there to be made and they cannot compete.
24
25 So do they come in as Uber? Let them come in as a
26 rideshare business, but they have chosen not to. There are
27 a few dabbling in a couple of towns, but we provide the
28 service to those people. If you flood the market by
29 letting them do it with taxi licences and legitimising what
30 they want to do, you stand to lose the current service you
31 have.
32
33 MS COPE: So why do you think that they are more likely to
34 want to buy a taxi licence and come in and compete if
35 there's not the business, if they have not done it through
36 rideshare?
37
38 MR FERRIS: It could be somebody who is an existing taxi
39 elsewhere. If you said to me, "Here's 10 plates", I would
40 go to Bathurst for one weekend in October. I'd go to Byron
41 Bay for two weekends in the year, and I'd go to Dubbo for a
42 couple of weekends. I would go wherever there is an event
43 and I would pick the eyes out and forget about the people
44 who service the town 52 weeks of the year.
45
46 THE CHAIRMAN: Thank you, Geoff. Yes, the gentleman behind
47 Mahamad.

1
2 MR FORD: My name is Stephen Ford. I am from Katoomba
3 Taxis, formerly Katoomba Leura Radio Cabs.
4

5 We have been known as being one of the number one
6 country taxi service providers in New South Wales. We
7 operated with radio all the way up to 18 October 2016. We
8 had a response time to all of our customers of five
9 minutes, on average, both in peak and non-peak times.
10

11 Katoomba has changed a lot in the 58 years that I have
12 lived there. Before being in the taxi industry, I worked
13 in railways in minor and major maintenance. I left the
14 railways due to things having changed in my work there and
15 I saw a need to change the way that I made my living.
16

17 One of the reasons why I bought a taxi is because a
18 lot of business people did buy these as a bit of
19 superannuation. My main reason is because I don't take
20 money, once you have money, it does not last; it does not
21 go anywhere. The disposable income, especially today, does
22 not go anywhere.
23

24 If we are going to increase plates, say, even in an
25 area like Katoomba where we are servicing Katoomba, Leura
26 and Wentworth Falls, within Katoomba Taxis we have two
27 wheelchair cabs and we have 21 taxis of our own. The only
28 other taxis are actually Blackheath Cabs, which use our
29 number to provide work for his area. Also over the period
30 of years, we have even assisted Blackheath Cabs to fill the
31 gap when they couldn't. The previous owner of Blackheath
32 Cabs has moved on and we now have a new operator.
33

34 The point I am trying to make is we have had an
35 increase in tourism operators. We have a train that comes
36 to Katoomba. A large amount of people come off that train,
37 and 98 per cent of those will walk straight across the
38 pedestrian crossing and up to the bus. It is more
39 predominant now, simply because they have the Opal card.
40 All buses have Opal, so we have that competition.
41

42 We now have more buses running up to 8 o'clock. Some
43 of these buses run empty. Even in the areas when they run
44 it, we don't get work at that time of night. I hope we do
45 not have any more increases in, say, plate numbers there.
46 We have one plate currently, that is a 1-9 seater WAT bus.
47 I have not seen it do one WAT job yet that I know of. I am

1 not saying it has not. It has a licence all the way from
2 Mount Victoria to Emu Plains. It is mainly sitting in the
3 Katoomba district and trying off the rank.
4 Even that bus sometimes does take a bit away from the
5 drivers on certain nights.
6

7 Sunday to Wednesday nights are some of our quietest
8 times. We put vehicles out there basically on what you
9 would call rostered on, but they are mostly voluntary.
10 Sometimes you may make a bit of money, but in lots of cases
11 you don't, but we are providing a 24-hour service. We have
12 had a lot of local customers there for a long, long time -
13 over 40-odd years - who always say to us, "We would not be
14 able to do without you."
15

16 THE CHAIRMAN: Good. Let's pause with that. We got the
17 message. We are listening. I will now ask Mahamad to
18 speak. You will get another opportunity later, Stephen,
19 but let's pause on that.
20

21 MR CHOUBASSI: With the RMS records, we have only had one
22 transfer and that one was a deceased estate three years
23 ago. We have not got any sales for one. With your
24 percentage, we only have 1 per cent increase. When the
25 hire cars were compensated, I don't know what record you
26 have got, but they are running in Wollongong seven plates.
27 We got shuttle bus, okay, it is subsidised by the state
28 government. We have some buses subsidised by the council.
29 We have door-to-door service. We have clubs with courtesy
30 buses.
31

32 Now, we actually have a trial in three areas,
33 subsidised by the government, the state government. The
34 minister promised he will look after the shuttle buses and
35 all this. We say good. However, I think we got
36 back-stabbed with these extra three buses in the three
37 areas that are running now. That is why now if we need
38 cabs, we apply for it. We don't have to go to the
39 Department of Transport if we need two or three plates.
40

41 Then we have Uber. I will go back to one thing about
42 when the lady asked the question would booking services
43 survive or - I don't think they will survive, because they
44 tried in Wollongong, and they ran for nearly a month and a
45 half. They moved away. That is because they don't provide
46 the service I do. I pick up the shopping for the lady.
47 I take them all the way inside the house. If she has an

1 emergency, I go to her house, pick up the prescription and
2 she gives me the card and the PIN number. I go to the
3 chemist and buy her the medicine and come back. That's why
4 they won't survive. We survive because we have the
5 pre-booking service and we have the rank and hail. If you
6 take anything away from that or you put extra plates, we
7 will be hung by the rope by the state government and by you
8 guys.
9

10 THE CHAIRMAN: Thank you, Mohamad. Yes, up the back?
11

12 MR McCLURE: Thank you. My name is Gavin McClure.
13 I represent Kiama Cabs and Hire Cars. My wife and I have
14 had taxis in Kiama. My wife has had them for 26 years and
15 I have been involved for 18 years. Collectively, we have
16 40-odd years experience.
17

18 I had numerous drivers who wanted to be here today,
19 but it is the first day of school. They also feel they
20 have a responsibility to service the town and service our
21 community. They too earn, some nights, \$5, \$6, \$7 an hour
22 to sit on a taxi rank. One of the messages that they have
23 asked me to pass on is for everybody in this room to know -
24 and most of us in this room already know - what it is like
25 to be frightened about your livelihood.
26

27 Each taxi driver is self-employed. Each taxi driver
28 has an ABN number. Each taxi driver remits GST. They are
29 scared. They are worried. They don't know, with this
30 IPART report, what is going to happen to their livelihood.
31 We are all frightened - all frightened.
32

33 As Laurie said, his taxi business does not make much
34 money. Had we not diversified in the good days 15 years
35 ago, we probably still would not be in the taxi business
36 now. If it was not for our friends at DVA and assisted
37 school special transport, our contracted work, the normal
38 everyday taxi work that we do, whether it be Kiama,
39 Wollongong, the Highlands, or even further down the coast,
40 there would not be taxi services.
41

42 We continue to do what we do because that is really
43 all we know. We don't know anything else. I have to
44 say to you all, consider that a lot of taxi drivers, and I
45 don't mean this in any form of derogatory way, it is
46 probably the only vocation a lot of them can do. I can
47 tell you that it is not the first job application they

1 apply for, but if they don't drive the cab, they will be at
2 the dole queue, because there is nothing else for a lot of
3 those people. Thank you.

4
5 THE CHAIRMAN: Thank you, Gavin. Mike?

6
7 MR BURRAGE: There are a few things that I did forget to
8 say. I actually have an economics degree. I got mine from
9 the university of hard knocks. You have your economics
10 degrees. It seems that the emphasis from you is
11 competition - well, licence values and competition.

12
13 As I tried to explain, licence values has nothing to
14 do with service and all that; it is the effort you put into
15 the business. With competition, for these people here
16 perhaps that have a run between midnight and 3am, why don't
17 they put a surcharge on like Uber does? No, we don't do
18 it. We don't want to do it. We offer a service 24/7.

19
20 I don't think any emphasis should be put on when it is
21 difficult to get a taxi, especially in these country areas.
22 I do not know anything about the country. The only thing
23 I am afraid of is that the data that you say you have got
24 from these areas I know probably is not correct, because
25 I know the data you got from the Sydney area is not
26 correct.

27
28 I think I have told you this before. I would like to
29 say that I have been in the industry 46 years this year.
30 I still operate my taxi. I drove Sunday and Monday -
31 yesterday. I can tell you the results of Sunday and
32 Monday. If you wanted to know, Sunday was a shocking day.
33 It's not usually; I usually like Sundays because I go out
34 and read the newspaper and don't expect too much. But
35 Sunday, after 12 hours, after paying myself a pay-in, which
36 I expected a driver to do, I took \$120. It would have been
37 \$150, but I had one young lady with a \$30 fare. She
38 reckoned that she left her wallet on the train and couldn't
39 pay me. So what do I do about that? That is the sort of
40 service we give sometimes.

41
42 In 46 years, my taxi, with my drivers, does not earn
43 me enough that I would expect to earn because of my
44 business, so I have to do a second job. I drive somebody
45 else's taxi two days a week to make amends. That is what
46 we do.

1 In 2000, we used to take 22 to 24 trips a shift. When
2 you started again in about 2009, you made comments that no
3 new plates had been put on in 2000 and, hence, the value of
4 the plates had gone on. Well, that was wrong. As Brian
5 said, with deregulation of the hire car industry, suddenly
6 we got a thousand hire cars on. There were taxis left over
7 from the Olympic Games which should have come off in 2004,
8 but PricewaterhouseCoopers spread those over. There were
9 plates put on for competition. When the hire cars were
10 deregulated, the owners got a taxi plate, and they came on.

11
12 Once again, these statements that you made - that is
13 to say, in 2009 - that no new plates have been put on
14 didn't really matter but there was more transport put on.
15 I am just sorry to say that you either don't think in the
16 right direction or you don't ask the right questions of
17 people like the experts, people like myself and other
18 people.

19
20 There is just one other thing. What you, IPART, and
21 Transport for NSW, need with point to point transport is to
22 give the industry a bit of confidence. As somebody here
23 said, all you seem to be doing is knocking us.

24
25 This levy will be terrible for our passengers,
26 especially these old ladies who pay \$6 or \$7. I probably
27 won't charge them, but I will get charged, but after
28 46 years in the industry that is what some of us do.
29 I know in future we will get riderless cars and all that,
30 but forget all that aspect. In 20, 30 years time, you
31 won't get people coming into this industry at that very
32 moment, like I did when I was 30, and carry on for 30 or
33 40 years. Forget that. This is what you are not thinking
34 about.

35
36 As I say, it was 22 to 24 trips that we used to do in
37 2000. After those 800 cars went on, we went down to 16 to
38 18 trips. That was after the GFC, which you did not take
39 into account at all, and the 800 extra plates came on.
40 Now, we are down to 14 and to 16 trips a shift because of
41 Uber.

42
43 As I say, I can make that up by driving another two
44 hours but, at the moment, I am driving 14 hours a shift.
45 I am not allowed to do any more than that because of heavy
46 regulations. Unless you can make an extra day for me
47 during the week, or an extra couple of hours, I am doing

1 the maximum I can.

2

3 I don't want the fares to go up. You have made this
4 mistake before with the Night Owl, the increase of \$2.50 on
5 a Friday and Saturday night. You said it was to encourage
6 drivers to come out on a Friday and Saturday night.

7 I said, "We don't need any encouragement. We are out
8 there." What we needed was protection at hot places like
9 Kings Cross. We got that with secure ranks, buses, the
10 police closed the road. Now, what do we have? It has all
11 fallen on a heap with the lock-out laws. So we are still
12 stuck.

13

14 We have this millstone around our necks with the
15 potential of 800 extra plates coming on, not new issue
16 plates but plates that you put on, and that should be
17 scrapped completely, as should this extra surcharge, the
18 Night Owl on Friday and Saturday night. To compete with
19 Uber, we just cannot do it. We are stretching ourselves in
20 all directions. Unless you talk to the right sort of
21 people and get the right data, I have no confidence in you,
22 but you have to somehow get confidence back into the
23 industry to prop us up. We don't want any handouts. We
24 just want to continue on our way and make our business a
25 good business.

26

27 THE CHAIRMAN: Thank you, Mike, John wanted to say
28 something. Then at the back, and then Trevor

29

30 MR COLLINS: Thank you, just addressing this to the lady
31 on your left --

32

33 MS COPE: Deborah.

34

35 MR COLLINS: Deborah, you asked a question about the
36 difference between rideshare and taxis and why we didn't
37 want the extra taxis. Rideshare generally are servicing
38 only a peak period. Often they are not out there 24 hours
39 seven days a week, but if you put a taxi into any city or
40 area because of the legislation and the costs and the
41 insurances and the green slips and the comprehensive
42 insurance, and everything else, and the costs of the
43 vehicle, and so forth, a rideshare vehicle is quite often
44 just a person's private vehicle. They might go out and
45 work two hours or four hours or six hours a week; whereas,
46 with a taxi, you have to basically work seven days a week,
47 24 hours a day, number one to provide the service. That is

1 why I believe there is a difference between the rideshare
2 and the taxis.

3
4 THE CHAIRMAN: Thank you. Yes, at the back?

5
6 MR HATRICK: I am Michael Hatrick. I am a bailee taxi
7 driver. I last drove in November last year. The income
8 had reduced itself by such terrible levels that I decided
9 that I'd get out, and I could afford to get out at the time
10 because of other reasons not to do with the taxi industry.

11
12 I have been listening to the arguments put forward
13 this morning. At the moment, we are dealing with taxi
14 levels. I have heard people here discussing how adding on
15 more taxi licences will devalue the capital values of the
16 existing licences.

17
18 I think it is very salutary to examine why those
19 licences got to be as high as they got to be before they
20 started to devalue.

21
22 I started working in the industry 38 years ago.
23 I started in 1979. At that time, the bailee drivers, who
24 were the majority of the workforce, only enjoyed an
25 industrial agreement formed between I think it was the
26 metropolitan Taxi Council at the time and the Transport
27 Workers Union.

28
29 To cut a long story short by 1984, the Transport
30 Workers Union collaborated at a court level in the
31 industrial relations system with what, by then, was the
32 Taxi Industry Association, for a contract determination
33 that set out the benefits the drivers would be getting from
34 that point on.

35
36 About half a decade before that, the Industrial
37 Relations Commission had an inquiry into the industry at a
38 Full Bench level, where the President of the Commission,
39 Justice Beede, recommended that there be no other form of
40 commercial remuneration between a taxi owner and a taxi
41 driver than by way of percentage rendering of the total
42 take on a given shift.

43
44 Back in 1984, the Transport Workers Union and the Taxi
45 Industry Association agreed to completely ignore what the
46 Full Bench of the Commission had recommended, and they
47 brought in a dual system of percentage division of the

1 income and a fixed rate rental. I think, from memory,
2 Justice Beede specifically recommended against that when he
3 handed down his decision half a decade before.
4

5 I am here arguing that those licence values, those
6 capital licence values, rocketed in value after that point
7 in time, because people became enabled. The people who
8 owned taxis had bailed them out to get a fixed income.
9

10 Then, a few years later, the Greiner and Unsworth
11 governments allowed non-driver investors into the taxi
12 industry. I think a dynamic was then set up where we had
13 people who wanted to invest in taxi licences, and maybe
14 launder money, and maybe use it as a means of not paying
15 tax, because it was a substantially cash industry at that
16 time. I would argue that that added a premium to the value
17 of taxi licences.
18

19 We all forget these things conveniently. We are all
20 talking about those values coming down at this point in
21 time, but let's remember why they got to be what they were
22 in the first place.
23

24 A few years ago, the Transport Workers Union sent a
25 log of claims onto the Taxi Industry Association for,
26 amongst other things, superannuation and an income safety
27 net. That went before the court system of the Industrial
28 Relations Commission. The matter was in and out of court
29 for about two and a half years. I think there were
30 something like five or six hearings in that time.
31

32 Just before the evidence-gathering hearing when
33 drivers would have got a safety net of around about \$23 an
34 hour, which was what the union was applying for, the Taxi
35 Industry Association - if I remember rightly, it was under
36 the other hat that they wear, the Taxi Council - went
37 directly to the New South Wales parliament. The committee,
38 on whether or not to legalise Uber was still in operation
39 at that time. They went to that committee and they applied
40 for bailee taxi drivers effectively to be scrubbed out of
41 the Industrial Relations Act, as it would benefit them to
42 enjoy what potentially was before the industrial relations
43 court at the time, and it got knocked on its head.
44

45 THE CHAIRMAN: Okay, Michael, do you want to wrap up,
46 please?
47

1 MR HATRICK: What I am saying is these people - a lot of
2 these people - have had the opportunity to enable bailee
3 taxi drivers to have an adequate income and thus service the
4 public in a manner where they don't have to work slaving
5 for 12 hours a shift, say, six or seven shifts a week, and
6 what did they do? They went to the parliament and they
7 tried to nullify all that.

8
9 THE CHAIRMAN: All right. Thank you for that. Thank you
10 very much for that, Michael. Trevor?

11
12 MR BRADLEY: There is something I have not mentioned. It
13 says in 2.1 here:

14
15 Regulation is focused on safety and
16 consumer protection.
17 The new regulatory framework focuses on
18 driver and passenger safety and consumer
19 protection outcomes ...

20
21 I have to say that is a falsehood. Well, perhaps that
22 might be the aim, but it is just not happening. What is
23 actually happening, in fact, now, and what we actually have
24 now, is a deregulated industry, with no rules. If I might
25 say, I have noticed that not only has our work been
26 pilfered by legalised pirates, which I call privateers, but
27 I don't think the government, when they brought this in,
28 realised the Pandora's box that they opened.

29
30 I have seen completely amateur drivers, and not even
31 Uber, picking up paying customers without any standards
32 whatsoever. It has just become completely unsupervised and
33 it has gone completely berserk. There are no standards for
34 the passengers, whatsoever. I saw a guy, I think it was a
35 couple of nights ago. This is the complete opposite to the
36 story that Uber told about their wonderful cars with
37 wonderful drivers.

38
39 There was a bloke with wild hair. He got out of a
40 rough-looking bomb of a car, in the street, in Pitt Street.
41 He scratches his genitals, slips off his greasy thongs.
42 I am not making this up. There was some girl there. She
43 was terrified while looking at this car. He said, "Oi,
44 this is your car." He almost shoved her in. She looked
45 terrified and he jumped in the car. Those are the
46 standards you now have - unregulated standards.

47

1 Everything that the government has done for years was
2 to build up the professional standards of taxi services.
3 This was a private car. Further to that, most of the Uber
4 cars do not put the Uber sign on. The majority of them
5 don't. Also we have been questioning people, and Uber
6 drivers, with this wonderful new insurance scheme, most of
7 them don't do it. They don't get the correct insurance.

8
9 MR POLIMOS: But our drivers are --

10
11 THE CHAIRMAN: Hang on. Yes, Barbara?

12
13 MS WISE: There are a couple of things to respond to what
14 you said just now, and there is another thing I meant to
15 add before, but didn't get a chance to.

16
17 I do have compliance staff doing on-street compliance
18 every week, multiple days of the week and nights. We are
19 regularly doing on-street compliance and also for other
20 vehicles; it is not just on taxis. In fact, I had staff
21 at Sydney Airport - just to the point that Roula made
22 earlier - on Thursday and the focus of that was on hire
23 vehicles.

24
25 I am aware of people being concerned about the Uber
26 signs. That has been a key focus of our compliance
27 efforts; namely, making sure that people have the signs on.
28 We do have various channels for people to provide evidence
29 to us of breaches of the legislation. From what Trevor
30 just said, it is a bit hard to tell as to whether any
31 breach occurred in the case that he has just described, but
32 certainly I would like to indicate that we are out doing
33 compliance activity and are doing advisory visits. We have
34 been all over the state as well and not just in any one
35 area.

36
37 MR CHOUBAS: You have to go out at night-time. Go out at
38 night-time.

39
40 MS WISE: I think that is enough. I regularly provide the
41 industry with updates on compliance activities.

42
43 Just moving on to one other thing, though, because
44 I did not get to cover it previously. The draft report did
45 talk about special arrangements in Queanbeyan. I note that
46 we don't have anybody from down that way here today.

47

1 I am working with the ACT government on finalising our
2 cross-border arrangement - I can't go into detail, the ACT
3 government has asked me not to - but we should be able to
4 satisfy the outcome to ensure that not too many taxis from
5 New South Wales go into the ACT. Thanks.
6

7 THE CHAIRMAN: Thank you very much, Barbara. We will have
8 Anne, Nick and then Stephen. We need to finish up soon, so
9 could you please make it short. Anne?

10
11 MS TURNER: I would like to speak very strongly on behalf
12 of NSWTOODA. Our drivers have their own ABN number. They
13 pay the GST and all that, and they are not employees of the
14 taxi operators. Whereas with Uber, they have an ABN
15 number, and they are employed by Uber. So they go for
16 holiday pay and all this.
17

18 In the taxi industry, there has not been a review for
19 many years - maybe 35, 40 years - regarding holiday pay.
20 I think that should be reviewed or I would suggest strongly
21 that should be really demolished. There should not be any
22 holiday pay, because the operators are having a really hard
23 time, and to get the holiday pay, they must pay a full
24 amount of money. At the moment, they cannot afford that.
25 Strongly on behalf of New South Wales NSWTOODA, we would
26 recommend, if IPART, alongside with the Taxi Council, can
27 work that out.
28

29 Also I would like to ask the Point to Point Transport
30 Commissioner, Barbara Wise, please, whether she can take
31 some time with her staff. There have been a lot of private
32 cars coming up and picking up our jobs, and taxis are still
33 sitting there for an hour or so, especially on Friday,
34 Saturday and Sunday nights. Thank you.
35

36 MR POLIMOS: Could we make a point about the \$1.10 levy
37 that is to begin in two days time?
38

39 THE CHAIRMAN: Yes, Greg.
40

41 MR POLIMOS: We have not announced it to the public,
42 number one. Number two, we haven't announced to the
43 industry how we will change our manual meters because it is
44 taken for granted that everybody is running the automatic
45 Cabcharge meter, and it is all to start in two days time.
46

47 I am leaving this place to go and do driver training

1 to be ready in 48 hours to collect point to point style
2 fares that nobody knowing anything about. We don't have
3 the fare labels. How are we supposed to start? But,
4 by February 1, all drivers are required to give their
5 credit card details in order to be charged for whatever
6 portion --
7
8 MS ANGELOPOULOS: Not 13CAB drivers; your drivers.
9
10 MR POLIMOS: Well, 13CABS have been put on the operators.
11 With the other networks, it has been put directly on the
12 driver. The point of the matter is that it starts in
13 48 hours and it has not been put out there. Have you got
14 that, Peter?
15
16 THE CHAIRMAN: That's on the record now, Greg. Thank you
17 very much.
18
19 MR POLIMOS: I have much more to say but we can't do it
20 all in two hours. Thanks for the meeting.
21
22 THE CHAIRMAN: That's on the record now.
23
24 MR POLIMOS: We can't do it all in two hours.
25
26 THE CHAIRMAN: Yes, Nick?
27
28 MR WING: Could I respond to that?
29
30 THE CHAIRMAN: Yes, Anthony.
31
32 MR WING: There is actually a media campaign going on at
33 the moment for customers.
34
35 MS ANGELOPOULOS: When and where?
36
37 MR WING: It has been on radio, social media --
38
39 MS ANGELOPOULOS: Can you tell me when? Can you please
40 tell me when because I am on social media 24/7. Tell me
41 where, because if I can't see it --
42
43 MR WING: We can provide a link in relation to that,
44
45 MS ANGELOPOULOS: -- and I am on social media 24/7, how
46 will the public see it when they are on 5 per cent of the
47 time? I am on 24/7. I'm on all of them - Twitter

1 Facebook, Instagram --
2
3 THE CHAIRMAN: I am sure Anthony can give you the
4 information afterwards.
5
6 MR WING: We can provide the information, yes.
7
8 MR POLIMOS: But what about the conversion? Forget the
9 public; they will find out in due course. We have to make
10 arrangements to convert the manual meters. That means
11 software, that means meter workshops, and it takes time -
12 48 hours. I was told by my network the night before.
13
14 MR WING: You are right. All networks have been dealing
15 with it and some have different arrangements.
16
17 MR POLIMOS: So I rang the guy who does the actual job.
18 He has not been notified or got any information about it
19 whatsoever to this point. And we pay for the privilege to
20 convert the meters,
21
22 MS ANGELOPOULOS: That's right.
23
24 MR POLIMOS: It is around about \$130, on average, per
25 vehicle,
26
27 MS ANGELOPOULOS: Why is it on the taxi passenger?
28
29 MR POLIMOS: Just because Cabcharge have monopolised that
30 side of the market, but that's another argument for another
31 day.
32
33 MS ANGELOPOULOS: Why is it on the taxi passenger?
34 Everyone should pay. Uber should do it.
35
36 MR HAIDER: Uber don't do this.
37
38 MR WING: Let me answer that. The answer is that it is,
39 in fact, a levy on every passenger - Uber passengers and
40 taxi passengers.
41
42 MS ANGELOPOULOS: So what's the money for?
43
44 MR WING: It is to fund the provision of assistance for
45 taxi licence owners.
46
47 MS ANGELOPOULOS: That's right. How did that come into

1 effect at this point? Why is it a mess now?
2
3 MR POLIMOS: And the time frame?
4
5 MS ANGELOPOULOS: Who made it a mess now?
6
7 MR POLIMOS: What's the time frame on it?
8
9 MS ANGELOPOULOS: We're trying to get our passengers to
10 want taxis. We want to make it cool to catch a taxi.
11
12 MR POLIMOS: And they'll collect \$150 million in the first
13 year.
14
15 MR WING: So right now --
16
17 MS ANGELOPOULOS: It's not cool to catch a taxi now. It's
18 Uber.
19
20 MR WING: -- already \$92 million has been handed out, so
21 it has been put on for a while to collect the money and --
22
23 MS ANGELOPOULOS: So they should. The people who are
24 catching taxis --
25
26 MR WING: -- it will be collected from everyone. It is
27 being collected from taxi passengers, Uber passengers, the
28 whole lot.
29
30 MS ANGELOPOULOS: -- will be punished again.
31
32 THE CHAIRMAN: This is a government decision.
33
34 MS ANGELOPOULOS: Yes, it's another silly government
35 decision, like --
36
37 THE CHAIRMAN: It is a government decision to collect
38 \$1.10 from all passengers not just taxi passengers to use
39 that --
40
41 MS ANGELOPOULOS: The people that are paying are being
42 charged --
43
44 THE CHAIRMAN: Just a second, please, Roula. It is to use
45 that to fund the compensation, the assistance package.
46 Now, it is up to taxi operators or other operators whether
47 they want to pay the \$1.10 or whether they want to levy the

1 passenger.
2
3 MS ANGELOPOULOS: Well, it surprises me that --
4
5 MR LOEFFLER: That's another administration cost to the
6 operator.
7
8 MR NAIR: Does the passenger have to pay? Is it
9 management --
10
11 MS TOWERS: It is a maximum.
12
13 MR NAIR: No, no does the passenger have to pay that
14 \$1.10 cent levy? Is there compulsion? Does the passenger
15 have to --
16
17 MR WING: Sorry, it is a levy that is based on however the
18 industry decides how it wants to collect the money, but I
19 believe most are collecting for it on --
20
21 MR NAIR: But what happens if a person refuses to pay that
22 \$1.10?
23
24 MS ANGELOPOULOS: Which happens a lot.
25
26 MR WING: It is simply put it into the fare. It is simply
27 put into the fare, the same as any other part of the fare.-
28
29 MR NAIR: It is a hidden cost.
30
31 MR POLIMOS: Like the \$3 toll going over the bridge.
32
33 MR NAIR: What if the driver refuses to pay that and has a
34 fight with the driver and says, "I am not going to pay that
35 \$1.10 levy because I don't agree to this", is it the
36 mandatory legislation that the passenger has to pay that
37 levy?
38
39 MR WING: Any part of the fare - and this has been put in
40 the fares order - is obligatory for the passenger to pay.
41 It is obligatory for the passenger to pay.
42
43 MR NAIR: But that's not the answer.
44
45 MR WING: It is obligatory for the passenger to pay.
46
47 MR NAIR: What I am asking is if the passenger refuses to

1 pay that levy, can the driver take the passenger to the
2 police station or the court, or whatever?
3
4 MR WING: Yes. It is part of the fare.
5
6 MR POLIMOS: By law you can.
7
8 MR WING: It is a part of the fare, and it is obligatory
9 for to customer to pay it.
10
11 MR NAIR: But on the website --
12
13 THE CHAIRMAN: Hang on, sorry. Ramesh, just a minute.
14
15 This is to do with the levy. It is government policy.
16 You guys have raised issues about implementation which
17 Transport for NSW is taking on board. It is part of the
18 fare, and the fare is a maximum. So you can charge the
19 maximum, which includes the \$1.10, or you can charge
20 something else which might or might not, right, but it is
21 part of the fare.
22
23 MR POLIMOS: You'd better put that in now because --
24
25 THE CHAIRMAN: Sorry, Greg. Just a second. Nick is next.
26
27 MR ABRAHIM: Thank you, Mr Chair. I am mindful of the
28 time and I will make some very quick points.
29
30 It is quite evident that there seems to be a massive
31 disconnect, Mr Chair, between what industry stakeholders
32 are saying in regards to the impact on the taxi industry
33 and the fact that we believe we are in decline versus the
34 data that has been presented. Now, that I understand that
35 this is data provided from Westpac based on debit and
36 credit data, can I ask whether we also have data on other
37 forms of payment within taxis, cash, dockets, account
38 dockets, TTSS?
39
40 MS TOWERS: As I said, we have invited that from the
41 industry and it has not been provided. We would welcome
42 anyone who actually has meter data to share us.
43
44 MR ABRAHIM: I think that's a big problem because we are
45 not seeing the true picture. It is being said that the
46 industry is stable, yet we are hearing about this big
47 problem here --

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MS VINCENT: That data was adjusted. The raw data from Westpac does not include that, but we do have data from other sources, such as surveys, about the percentage of trips that are paid in cash, so we made adjustments to the data based on other data about what was included and what was excluded. It has been adjusted, so it is not the raw data.

.
THE CHAIRMAN: The point, Nick, is that we have tried for years to get better data from the networks and it has not been forthcoming. So we have developed these data sources and made adjustments and, in our judgment, that is the best data that is available. If you, or any of your members, or anybody else, have data which you think is better, then pass it over and we will look at it and, if necessary, we will take that into account when we are moving from the draft recommendations to the final recommendations.

MR ABRAHIM: Thank you. The other thing, Mr Chairman, I would ask you please to consider making this forum more available and accessible, particularly to those down south. We have two regional forums, one at Coffs Harbour and one at Dubbo. I know there have been other consultations. I think it is fair to say this is quite a valuable forum and session to be had. There is a large part of our industry and other industries that would like to take part but, unfortunately, just cannot do it. Please consider this, if there is the opportunity.

You are having one down south. John has come up from Wagga, but unfortunately there are a lot of other members who would love to get to this, but can't. So, please, if you could take that on notice, I would be grateful.

THE CHAIRMAN: Thank you. We will take that on notice. I think we will hear from Stephen and then we will need to wrap up.

MR FORD: I want to try and at least give the best of what I have been trying to say. I am the only person who was available from the network to come today. What I was trying to say is that, in our area, even with the amount of town area we are covering, which is three towns, and even from time to time assisting another - I've been a driver/operator since February 2000 - we have not had an increase in our customer base. We have actually had a

1 decrease, especially in the area of Wentworth Falls.

2

3 We used to sit two cars there on the rank. Those cars
4 would service that area, and we would have cars come in,
5 when needed, to assist from the other ranks, which are in
6 Katoomba and Leura.

7

8 We actually stopped doing that because it was
9 restricting some of the drivers being able to get work from
10 the other two areas. Work has actually decreased in that
11 area over the past 18 years that I have been there,
12 including nights. Put it this way: on Sunday and Wednesday
13 night I used to be able to send a driver out and make good
14 money. That does not happen anymore.

15

16 THE CHAIRMAN: We are getting the message, Stephen.

17

18 MR FORD: No, I am just trying to make my point, that's
19 all.

20

21 THE CHAIRMAN: No, that is very useful content. We are
22 getting the message that business is declining. It is not
23 holding and it has declined. That is your message.

24

25 MR POLIMOS: One industry, two sets of rules. Do you have
26 that message?

27

28 THE CHAIRMAN: Sorry, we have passed the --

29

30 MR FORD: I understand that you need to finish, but now
31 I can't think of the piece that I wanted to put in.

32

33 THE CHAIRMAN: You will have the opportunity, when you go
34 home, if you want to send us a submission.

35

36 MR FORD: You were talking about getting more reliable
37 data. I noticed that you wanted submissions from us in,
38 I think, October last year or so. I wasn't aware of that.

39

40 We do have data in our system now, because we have
41 gone to a data system, where we have fares that were taken
42 on a daily basis and how many, and how much custom we have
43 across the board. So we actually can now get that, but
44 that is only for probably about 13 or 14 months.

45

46 THE CHAIRMAN: That is very helpful. If anybody,
47 including you, wants to send in stuff by email or make

1 contact, the staff will get in touch with you. The staff
2 can have a brief chat with you after the event.

3
4 MS TOWERS: And we are open to submissions.

5
6 MR McCLURE: I have a very quick question.

7
8 THE CHAIRMAN: Yes, Gavin, and then Rob.

9
10 Mr McCLURE: I don't understand why the government is
11 going down this track. It all seems very anti-competitive
12 to me. We have a computer shop. It is the only one in
13 Kiama. I could not take my computer to him at 7 o'clock at
14 night. When I finally got my computer in to him, he said,
15 "I am that busy, it's going to take two or three weeks."
16 Will the government get IPART to look into other industries
17 as well? Why is it the taxi industry that seems to be
18 getting a caning all the time?

19
20 THE CHAIRMAN: It's not just the taxi industry. IPART is
21 the Independent Pricing and Regulatory Tribunal. We make
22 recommendations on issues that we are asked to make
23 recommendations on, such as the number of licences and
24 fares on taxis.

25
26 We also make recommendations on all the Opal fares for
27 public transport - that is, ferries, buses, trains and
28 light rail. We also set, rather than recommend, for
29 WaterNSW, Sydney Water and Hunter Water. It just so
30 happens that the taxi industry is regulated, therefore the
31 government asks us to make recommendations on fares and
32 numbers. The computer industry is not regulated.

33
34 MR McCLURE: It just seems to me that when competition
35 comes and it is government assisted, it is really not fair
36

37 THE CHAIRMAN: Yes, thank you. We hear that point. Yes,
38 Rob?

39
40 MR WALTERS: I have a quick question. You said primarily
41 the levy component was in the maximum fare. It is not the
42 maximum fare plus the levy component, is it? If the levy
43 component is in the maximum fare, that means our \$4.10
44 hiring charge now becomes 3 bucks.

45
46 MS TOWERS: No, it is additional.

47

1 MR WILKINS: It will be \$5.20.
2
3 MR WALTERS: So we can add the \$1.10 on?
4
5 THE CHAIRMAN: Yes.
6
7 MR WALTERS: Another small issue is that it has been
8 stated that it will be okay for drivers to turn off the
9 meter and negotiate a lower fare. I thought that was
10 actually illegal.
11
12 THE CHAIRMAN: No.
13
14 MR WALTERS: How do we stop drivers turning off the meter
15 and putting cash in their pocket? Secondly, we have also
16 been told that it is perfectly okay for drivers to take a
17 booking from any source, which means that our drivers that
18 we are providing a car to and providing insurance for can
19 be working for Uber and taking the customers. In any other
20 industry that would be fraud. Thank you.
21
22 THE CHAIRMAN: Thank you.
23
24 MS ANGELOPOULOS: Can I make my night plates 24 hours now,
25 considering Uber can drive any time, or is that breaking
26 the law? Would I go to court for that, if my car picks up
27 a job at 9am --
28
29 THE CHAIRMAN: Is your night plate the PAL?
30
31 MS ANGELOPOULOS: My night plate is the private one. It
32 is not the government released one; it is private.
33 I shouldn't even have stickers that say "peak availability"
34 on it, because it was before this peak availability turned
35 up. So this is another grey area, which is really trying
36 me.
37
38 THE CHAIRMAN: Right, that is on the record.
39
40 MS WISE: Your licence should have indicated the hours of
41 operation on it.
42
43 MS ANGELOPOULOS: Yes, but I got those night plates before
44 Uber was allowed to come in and operate for 24 hours each
45 day.
46
47 THE CHAIRMAN: Thank you very much. We've got the

1 message, okay.

2

3 FINAL REMARKS

4

5 THE CHAIRMAN: This has been quite a robust exchange - all
6 good.

7

8 MR POLIMOS: We could all be here again tomorrow, next
9 week --

10

11 THE CHAIRMAN: Thank you very much for coming and giving
12 your time and comments. We are taking on board the points
13 that you have raised.

14

15 Just to remind you, submissions to our draft report
16 are due by 9 February. I encourage you to make a
17 submission, if you want to, and include any information
18 which you might have, which you may or may not have put
19 forward today.

20

21 The transcript of this hearing, which will be a
22 herculean job, will be available on our website in a few
23 days time. We will consider all feedback we receive and
24 submit our final report to the minister by 9 March.

25

26 Thank you very much, and have a great afternoon.

27

28 AT 1.15PM, THE HEARING WAS ADJOURNED ACCORDINGLY

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