

To: [Infrastructure, Planning and Natural Resources Committee](#)
Subject: Transport Amendment Bill
Date: Thursday, 15 October 2015

Submission No. 91

11.1.10

11 October 2015

Good afternoon,

As the review committee looking into the KAP proposed Transport Amendment bill, I and other taxi license holders are pleading for protection and justice against Uber.

The Queensland taxi industry is made up of 3264 licensed operators (mainly small mum and dad businesses) and approximately 10,000 professional drivers who support the lives of some 40,000 Queenslanders. Collectively we are an industry that abides by the rule of law and our only protection is through the laws and regulations that have been put in place via you, our elected representatives.

Thanks to the flagrant disregard of these same laws by Uber and other illegal ride sharing businesses, our livelihoods are now seriously threatened.

What we want are two simple things: 1) enforcement of the law and the implementation of demerit points for drivers who illegally operate outside the legal system and 2) ultimately a level playing field for all players.

1. Enforcement of the law and the implementation of demerit points

Uber is an aggressive and calculating cashed up foreign opponent with no stake in this state. Allowing Uber to simply enter the marketplace, ignore laws, fail to pay the appropriate taxes, and then lobby our lawmakers through slick PR campaigning sets a dangerous precedence for others to follow.

Make no mistake. This is not a trendy and new "disruptive marketing" approach to business; it is an abuse of power and a flagrant disregard for our legal system. It can be stopped simply by voting in favour of the Transport Amendment Bill and by allowing our legal enforcement team to demerit illegal drivers. It is only then that Uber, Lyft and other foreign players will know that it is Queensland voters and Queensland lawmakers that are in control of legislation in this state.

It is no exaggeration to say that Uber is unlikely to abide by the rules of law now or in the future. Their actions in the USA clearly demonstrate how this company uses its client base and massive PR machine to bring down politicians who dare to implement laws that could restrict their operation. (ref to: http://www.washingtonpost.com/politics/uber-pressures-regulators-by-mobilizing-riders-and-hiring-vast-lobbying-network/2014/12/13/3f4395c6-7f2a-11e4-9f38-95a187e4c1f7_story.html)

I believe it is grossly unfair and unethical that those of us who have loyally followed Queensland laws and rules should be punished by a new entrant claiming they are somehow exempt from the same rules and laws put in place to

protect Queenslanders.

Whatever the outcome of the taxi industry' strategic plan review, it should be made clear to Uber and any other ride sharing app provider that this government is in the driving seat with respect to negotiation. Not the other way around.

This Transport Amendment Bill will give the Queensland government the necessary clout to negotiate and time to suitably deliberate the best way forward for all Queenslanders not just a profit-driven foreign entity.

b) A level playing field for all

We are not against lawful competition, but if Uber is allowed to enter the market place as a legal alternative, let's be fair and allow all players the right to do business on equal grounds. That means:

- Passenger fares should either be fixed for ALL operators or free to be set by all operators, allowing us to compete equally on price. The latter option calls for the removal of government-initiated fixed fares on licensed taxi operators.
- Predatory surge charging during peak periods is stamped out. Alternately introduce a free market system whereby licensed taxi drivers are able to do the same.
- Uber vehicles must hold commercial passenger vehicle insurance that complies with the Passenger Transport Acts and Australian law to match what is expected of the licensed taxi industry. The licensed taxi industry currently pays in excess of \$10,000 per vehicle.
- Legislated safety measures such as standardized surveillance cameras must be installed across all passenger-carrying cars. The licensed taxi industry currently pays in excess of \$2000 per vehicle.
- Implement a taxi license plate charge for Uber vehicles. The licensed taxi industry currently pays \$450,000-\$500,000 for the life of a license. Uber vehicles contribute nothing.
- Uber operators must pay full CTP insurance. The licensed taxi industry currently pays around \$6,500 per year per vehicle. Uber operators pay 5%-10% of that.
- The maximum age of Uber vehicles should be limited to six years (currently eight years) to must match government regulated taxi standards.
- Uber and Lyft and others must be subject to the same service level obligations as taxi companies, including a legislated percentage of

Wheelchair compliance among the fleet.

- Uber must implement compliance on safety, comfort or mechanical standards as per the licensed taxi industry.
- All Uber drivers must pay GST as taxi drivers do (on every dollar earned)
- Uber should pay its share of Australian tax for the millions of dollars it is syphoning out of this state and this country

Somewhere in this debate, our state lawmakers must also consider the impact of the unfair playing field on a community of thousands of license owners, operators, drivers and members of their families who are now worried sick over the Queensland government's handling of the taxi reforms and Uber.

Many of the licensed operators are like my parents. They drove cabs for 30 years to pay off their license (while paying taxes), support their families, and retire without any pension support. If the taxi industry goes belly up, we need to also view the consequences:

- The government will lose tens of millions of dollars in state revenue as taxi operators give up and hand in their plates.
- As jobs for part-time amateurs open up under the Uber model, expect thousands of full-time professional cabbies to leave the industry simply because their livelihoods have been destroyed as incomes drop to less than the dole. In fact, expect some of these drivers to actually take up the dole.
- Expect to see a migration from self-funded retirees to government-backed pensions as revenues from and values of the license plate holders decline dramatically.
- Expect taxi fares to be dictated by the whim of an "open-market" model.
- Expect sectors of the public with disabilities to be impacted as regulation of the fleet of vehicles and vehicle type is ignored.
- Expect to have no influence over Uber or Lyft or other foreign domiciled companies from following Queensland laws. They are not following them now and with the collapse of the taxi industry and no or limited competition, they will be even less likely to listen.

Please, for the sake of law abiding Queenslanders from whom profit is channelled back into Queensland (and not the USA), please vote in favour of this Transport Amendment Bill.

Sincerely yours and a loyal and steadfast Queensland voter.

Ramanathan Karupiah

