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HEAD OFFICE | 7 ALBION STREET, WOOLLOONGABBA, QLD. 4102 Telephone (07) 3391 5955
P.O. BOX 1099, COORPAROO, DC QLD 4151 Fax (07) 3891 0038
website: www.yellowcab.com.au

YELLOW OWNERS ASSOCIATION

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Research Director
Infrastructure, Planning and Natural Resources Committee
Parliament House
George Street
BRISBANE QLD 4000

BY EMAIL: ipnrc@parliament.qld.gov.au

Dear Sir/Madam

Transport Legislation (Taxi Services) Amendment Bill 2015 – proposed amendment to introduce demerit points

Yellow Owners' Association (YOA)

This submission is forwarded by the Yellow Owners Association (YOA) the YOA is made up of a number of active and democratically elected Taxi Service Licence (TSL) Owners from within the Yellow Cabs fleet. The committee of YOA directly represents interests of the 785 Greater Brisbane TSL owners affiliated with Yellow Cabs, the (400) accredited operators of the vehicles attached to those TSL, the benefits of such representation also flowing on to the (4,000) authorised licensed taxi drivers in the Yellow Brisbane fleet. This representation could easily be extrapolated indirectly to the thousands of support staff working in support of those taxis such as IT and accounting professions, taxi management support personnel and mechanical, body and associated trades.

The YOA committee works closely with the Yellow Cabs management at all levels and provides support to Yellow Cabs operations in such things as rank supervision at peak times, fleet cosmetic inspections, and compliance with driver uniform standards. It also supports the Yellow Cabs Operations Manager in the conduct of Appeals Boards in furtherance of Yellow Cabs' driver discipline code. The committee also carries out visits to operators' depots in order to ensure that cars and drivers are up to the high standard set by Yellow Cabs and to answer any operational queries the operators raise.

All of this is designed to ensure that Yellow Cab fleet standards are maintained to at least the level required under law. In a number of areas the fleet exceeds those standards.

Yellow Owners' Association (YOA) supports the Bill.

YOA believes that all drivers in the industry should be:

- subject to the same legal obligations; and
- those obligations should be enforced across the industry in a way that facilitates compliance. The existing system of fining drivers who fail to comply with the laws has not been effective. Plainly new tools are required to ensure driver compliance. YOA considers that the use of demerit points, properly enforced, would serve as a deterrent to drivers who might otherwise be inclined to breach the laws relating to the taxi industry.

Background to the Bill

This Bill came about as a result of illegal taxi services operating in complete disregard of Queensland law, namely the *Transport Operations (Passenger Transport) Act 1994 (TOPTA)*. The main offender, a so-called "rideshare" app called Uber, was issued with a "cease and desist" order which it ignored, and it continues to encourage its drivers to break the law and provides a platform for them to do so. In the opinion of YOA, the term "rideshare" is a misnomer purposely intended to mislead. It is in fact a business model designed to operate outside the law (including the law of Queensland). By simply breaching the law and offering a lower and illegal standard of service, it is designed to make a profit at the expense of law-abiding businesses already operating in the space. In the same way as a rogue builder might build a house ignoring the building codes, you will end up with a house which is potentially unsafe to its occupants, patrons of rideshare apps are potentially exposed to safety risks.

The main point here is that the taxi businesses operating within the law do so under TOPTA, an Act which is specifically designed to benefit and protect the consumer. There is nothing within TOPTA that is designed to benefit the operator over the consumer. Illegal taxis do not offer any of those consumer safeguards.

Yellow Cabs – accredited and licensed

Every single one of the taxis plying for hire under the Yellow Cabs colours comply with the law. They operate under TOPTA which is designed for the protection of passengers. The taxis are fitted with hard-wired security cameras and GPS which cannot be switched off by the driver. Yellow Cabs has the ability to remotely and accurately track any of its cars via electronic mapping either in real time or in the recent past.

Yellow Cabs vehicles are clearly marked for ready identification including large fleet numbers clearly visible from any angle including inside the cars.

All cars are correctly insured including Compulsory Third Party (CTP). A lost property service is provided.

Yellow Cabs complies with all requirements of the Act including in the carriage and support of passengers with disabilities. Yellow Cabs fleet operates 365 days a year, 24 hours a day.

Taxis operating under the Yellow Cabs banner are restricted to six years from date of manufacture (Wheel Chair Accessible Taxis are eight years), however it is rare that a taxi will go full term. In fact the average age is currently 2.3 years.

Yellow Cabs collect GST from all sales regardless of the driver's income and in accordance with tax law they remit that GST to the ATO. Yellow Cabs is always at the forefront of new ideas and implementing new technology and has been so over many years.

Yellow Cabs fares are mandated by regulation and are fair and reasonable, particularly when considered in the context of the investment which is made in relation to each taxi licence and

vehicle. Overcharging by so-called surge pricing does not occur. Yellow Cabs follows world practice in the operation of its booking service and after-sales service. All Taxis in Queensland are a low profit-margin business and Yellow Cabs are no exception. But those drivers and YOA members can only continue to provide the existing levels of service and safety where everyone is subject to the same level of regulation. If some drivers can breach the law with impunity, while other drivers are held to account, the public will be at risk – they will never know whether they are protected by all of the safety features in a modern taxi or not.

In addition, the current situation creates uncertainty. Uncertainty affects the values of taxi licences. YOA believes that there must be some mechanism to protect the public and to restore some stability to the industry. Driver compliance is a necessary component of that. If fines are shown to be ineffective in getting all drivers to meet the requirements of TOPTA then there needs to be some other mechanism to encourage compliance. The YOA believes that demerit points could be effective as an initial step.

Summary

It is against the above background that this submission is made to the Infrastructure, Planning and Natural Resources Committee. Illegal taxis provide none of the service or back-up mentioned in the previous paragraphs. It is requested that the Committee consider that illegal taxis, by whatever name, are outlaw private vehicles plying for hire in the taxi space and by their deceptive, illegal and unfair mode of operation they are placing the travelling public in danger, putting more cars onto our already congested roads, competing for kerbside space, and at the same time stealing from law-abiding taxi drivers. Numbers of taxi licences issued by TMR are the subject of calculations by the government and to expect the population to support so many additional private cars masquerading as taxis makes a mockery of the rule of law. In short, YOA expects the Queensland Government to support its own laws by enforcing those laws.

Conclusion

There is a review about to be conducted into point-to-point passenger transport services in Queensland and until that review is complete and its findings implemented, the illegal taxis must be stopped and the proven best way to stop these illegal's is to pass the Bill which is the subject of this discussion.

Yours sincerely,



W. Vogel
Chair

Yellow Owners' Association

