

TO

Infrastructure, Planning and Natural Resources Committee

Subject Transport Legislation (Taxi Services) Amendment Bill 2015-10-15

Date 20 October 2015

Dear Committee Members

I wish to support the Bill before you to increase penalties in the Transport Operations (Passenger Transport) Act 1994 to deter illegal taxi operators.

If illegal taxi services such as Uber continue to operate the value of taxi licences will be decimated and the owners and associated businesses will face financial ruin.

Our personal situation

I would like to personalise the situation faced by my family which is a situation faced by so many.

I purchased my first taxi licence through a taxi ballot held on 23 December 1985 - 29 years ago. Over the years my family and I purchased additional licences, both through the tender system and private purchase. These licences, based on the sale prices provided by Queensland Transport, -see attachment - and excluding the value of Company Shares, vehicles and equipment and taking an average of these sales, show the following values of licences held.

My 83 year old husband and myself 72 years old	7 licences	\$3,327,786
My daughter who doesn't own her home	3 licences	\$1,380,132
My son married with a baby on the way and no home	1 licence	\$290333
My son being married in December and no home	2 licences	\$580666

These licences were seen as a safe investment which would ensure that at no time in the future would we require to look for a Government pension. The licences held by my husband and myself were also seen as the inheritance of our children and their families.

Having encouraged my children to be self reliant and look to support their own future I am now deeply distressed to find they have borrowed to fund the taxi licences purchased and now face the reality, that if the Government does not support the value of the licences, there is a real prospect that the banks will call in their loans based on the erosion of the value of their licences and they will be bankrupted.

Study the figures provided to me this week by Queensland Transport and you will see the value of a Gold Coast licence has dropped from \$564894 April 2015 to \$434894 August 2015.

As the sale is too recent and does not appear - a Bundaberg licence has just been sold for \$150000 including car and shares - this licence shows a previous average price of \$290333 excluding vehicle and shares

I would like you to look at the weekly cost incurred by a Gold Coast licence that I own and compare this with driving a private vehicle with no additional mandatory expenses

TAXI OPERATING EXPENSES

Annual Registration	\$6519.70
Vehicle Insurance	\$5343.16
Personal Accident Insurance	\$470.00
Public and Product Liability Insurance	\$245.03
Security Camera	\$373.95
Taxi Service Licence Fee	\$139.00
Operator Accreditation Fee	\$165.20
Base Fees Monthly \$885.00	\$10620.00
Total Annual	\$23876.04

Weekly Cost before 1 cent earned **\$459.16**

**A taxi is “required to have access to a continuously operating taxi booking service”
What does this provide the public?**

- Real people to call if there is a problem
- Camera footage available if required
- Lost property able to be located
- Other taxi operators able to be called to come to the assistance of a driver if needed
- Wheelchair vehicles
- 24 hour availability
- Government regulated fares
- No discrimination on passenger carried

Clearly a better service than can be provided by Uber.

I would ask you to watch this video regarding the 4 myths that Uber would like you to believe. It is clear that what is being faced in Australia has already been faced in USA and it is important that these myths be debunked so you can ensure that legislation is passed to control these organisations.

Transcript from Video <https://www.youtube.com/watch?v=XT8Kv7Et0OI>

Please take the time to watch this video.

MYTH 1 Uber is a Technology Company

Uber is a **not** a tech company
Uber is a transportation company with a fancy tech app

Chris Dolan Attorney Dolan Law Firm

“What they’ve said is that this is a ‘new industry’ therefore they get to be treated special.
Well this is nothing more than a new method of despatch”

Dr Ray Mundy Director Centre for Transportation Studies University of Missouri

This looks like a taxi cab

Operates like a taxi cab

Charges like a taxi cab

In, perhaps, less elegant terms if it looks like a duck, quacks like a duck, is a duck

And it falls under our rules and regulations for commercial ground transportation carriers.

Chris Dolan

Under the law if you accept money to transport somebody, you have a greater duty than a regular driver on the street.

Uber says we don't transport anybody, we don't owe a duty and certainly not the highest duty of care..

Dolan

This whole business is just a tragedy waiting to happen but they want to be exempt because they're special. **They are technology so they don't have to follow the rules.**

MYTH 2 Insurance for Uber X services keep people safe and covered.

Kym Rafferty Council Member Birmingham City Council

The debate has been who is liable insurance-wise for the accident the driver or Uber

Dolan

Uber says we have nothing to do with them. We're just an app. We do not hire these drivers.

They're independent contractors. We do not control them. So basically what people don't know is if you get hurt by one of these cars, Uber's gonna go "Not me! It's got nothing to do with me"

Mundy

Your private automobile insurance coverage will say "look this is a commercial trip, we're not covering it"

Lift, Uber will say "look the app was not on we're not covering it"

Robert Passmore Senior Director, Property Casualty Insurers Assn of America

The standard private passenger auto policy specifically excludes coverage for any kind of injury or damage that arises out of an accident while a driver's holding themselves for hire. Either drivers aren't aware of that 'cause they haven't read their policy or they're aware of that and they're just hoping for the best

Dolan

Pizza delivery driver, they have insurance on the Pizza car from the minute it's turned on to the minute it gets turned off. Everybody else who's driving vehicles on the road whether they're full or empty carries commercial insurance 24-7.

What they (Uber) have done is externalised all the cost of their operation

So what they do is they just rake in cash. If this were Exxon, people would be up in arms. But it's a cute little phone app so people are not looking at it in the same way as corporate responsibility.

Auto Insurance + Share Riding Liability

If you were to ask the average personal policy holder if they thought they should pay a little bit more on their auto insurance to subsidize the activities of these companies, most of them would say no and that why it's important that the people that are gonna engage in this activity and these companies have insurance that specifically applies to these activities for the entire time they are making themselves available for them

Dolan

You will have injuries. You will have claims on personal policies. You'll have denials on those policies. Uber has a pittance of a policy out there in Period 1 that says it'll cover \$50000. So who's going to pay? You and me. And I hope to God it's not you and me paying by the loss of a child.

Rafferty

There was a young girl killed in an automobile accident concerning a Uber X driver. **Uber has made a ruling for itself that it's not liable.** We should not allow a private corporation to make a legal judgment.

MYTH 3 Uber X is a shareriding company and doesn't need to follow taxi laws

Uber X Lift are definitely not ride sharing companies

Dolan

The lack of understanding in the legislature made it prime opportunity for Uber and Lyft to engage in a massive disinformation campaign on a scale that I've never seen before

Rafferty

They came in with the standard lingo, which was, "your code is outdated, it's ineffective. It, you know, it makes no sense. They did not present us with any information concerning their company. They had not read our code. They were not familiar with the laws of the State of Alabama. And we actually took great offence because we just wrote our code – completely rework it from scratch in 2011.

Uber X and Lift attempt to be called Ride share companies but it's simply smoke and mirrors to help sell their way into communities by saying that they're something different than a taxicab or sedan or a limousine so that they can avoid any of the regulations.

Dolan Recognising the extreme risk associated with non-professional drivers driving around on the streets looking for rides, Uber set up a shell company. So it basically has put a layer of protection to secure its \$1.7 billion in assets for people who get hurt by Uber X.

The only difference between them and a regular taxi cab service is the fact that they use unvetted drivers. They're not police checked. They're using personal automobiles. They're using insurance which may be 1/5 the cost of commercial liability insurance and they're operating without really any supervision at all because the only thing that controls them is flipping on and off an app. There's no local management in most cases.

MYTH 4 UberX doesn't need regulation . Deregulation is a good thing.

Mike Zalewski Illinois State Representative

They think we're trying to regulate them under the taxi format, under the taxi world. That's not necessarily true. However we can't have a regularity vacuum either where Uber doesn't have any sort of regulations over itself – and it doesn't – we don't ensure at least a minimum code of corporate compliance

Regulations in the taxi industry especially is very important. Its an industry which is a necessity public service Regulation is necessary so that whether you're rich or poor, whether you live in a dense neighbourhood or a very sparse neighbourhood, you can have access in a reasonable amount time to this on-demand service at a guaranteed rate.

Rafferty

When Uber came to the city of Birmingham they actually pretty much told us they wanted no part of the transportation code. They felt that their drivers are small business, they should be allowed to operate however they want with no regulatory oversight, government oversight whatsoever. That also included no business licence and no paying tax on their income revenue.

And we found that to be quite disturbing. Anything that required them to be in compliance with any law in general, they were totally against.

In the past, when we had an open entry deregulated, service deteriorated, fares went up. And literally we were back regulating within a period of years. I've never seen anything like Uber X and Lyft coming into the marketplace and completing ignoring all the rules.

We want Uber drivers and Lyft drivers to get good background checks. We want them to have minimum insurance requirements. We want to make sure they go through the process of making sure their cars are safe. We want Government to keep an eye on the individuals and make sure that people are safe when they get into the back of a car because it's not just me, it's not just you, it's someone's son or someone's daughter.

Dolan

The mentality of Uber is whatever we do, whoever we hurt, whatever we say is all legitimised by us becoming profitable, taking over the transportation industry and our own greed.

Safety

This video presentation is so relevant to our situation that I believe it must be watched

<https://www.youtube.com/watch?v=XT8Kv7Et00I>

Let us look at this picture. A person can go to work full time, go out to a nightclub and have a few drinks and then decide to help pay for his night out by taking a few Uber jobs. He may or may not decide to declare this income or maybe under declare the income. He may sign on to Uber with a vehicle up to 10 years of age and not have his car regularly serviced. There are no checks, no fatigue management. I believe the safety of the passengers is compromised. As Uber only tracks a smart phone how does the passenger know if the vehicle or the driver is approved for the pick up - the phone can be passed on to multiple people.

Does the fare paying passenger have the same level of safety in a Uber vehicle? No

Taxi safety

- insurances
- security cameras
- well maintained vehicle replaced approx. every 3 years serviced every 3 weeks
- nil alcohol reading
- fatigue management for driver

Look at each of these aspects and there is only one conclusion. Support the taxi industry against a second rate service which is being touted as “better”.

Monetary effect on the weekly taking of a taxi and driver

- Key shifts no longer have drivers.
- No benefit to the public if a taxi is sitting empty in a yard with no driver and the same driver is picking up a uber fare. Nil benefit.
- How can you retain taxi drivers when the key money making shifts are being eroded by Uber drivers and these shifts are not available to balance the slower shifts.
- Uber drivers are not interested in the slower shifts or going to outer areas.
- How will the taxi industry survive if the bulk of taxi drivers decide they would prefer to take out their own vehicle, choose their own hours to work and no longer drive a taxi. There is no big outlay so why not?

Comentators are trying to show a direct relationship between Air BNB and Uber

Air BNB and their relationship with the accommodation industry is not relevant in the debate between Uber and the Taxi industry.

Hotels do not buy their licence to operate from the Government
Their accommodation rates, upkeep and safety are not regulated by the government

Taxation

All taxi owners and drivers pay their share of tax. Nearly 1/3 of this tax pays for Social Security and Welfare and if you do not support the taxi industry you will not have the same tax base and force hundreds of people onto welfare.

The Tax Department can access the vehicle mileage recorded at each 6 monthly TMR inspection.

Based on this mileage and the minimum cents per kl which the Tax Department has assessed as being applicable for the area, the Government is assured of their rightful tax receipt.

No State can provide the infrastructure and amenities demanded without a reliable tax base.

What can be learned from the Uber experience in USA

Uber is not necessarily cheaper, There are countless videos on passengers who have been trapped by surge pricing.

Woman charged \$92 for a 2.7 mile uber ride – normal price \$7

Woman charged \$411 for a 11 mile ride

On line lessons to Uber drivers by other drivers - unregulated industry.

- Dont sign in as an X fare - Sign on a trip as an XL fare – ie supposedly carrying more than 4 passengers and this way get an increased fare.
- Stash 20% of your earnings out of sight of tax man
- Passengers are rated – if rating under 4 – 5 decline the job – asshole passenger or short ride
- Dont take a drive for example if it is on cobblestone streets – more wear and tear on your vehicle
- Promote Uber by having other people join up to drive and receive \$100 for each new driver. Easier than picking up passengers.

Drivers rarely stay longer than 12 months as they find it is not as financially rewarding as promised.

If the fare paid to the driver was previously \$2.48 Uber now rounds down the amount paid to the driver to \$2 Balance going to Uber. Another example of the greed of this company.

In order to get Uber vehicles on the road drivers were offered a guaranteed hourly rate if they stayed log in for a set number of hours and do a certain number of fares in that period – i.e. depending on the city \$12 per hour \$18 per hour. Drivers believed that if they worked those slow days this rate was guaranteed. However in reality when the driver then worked on busier days and earned a higher income Uber averaged the slow and busy days so the driver did not get the benefit of a fixed rate on slow days and higher when they achieved a better level. Once again proving self interest and greed.

There are no business ethics.

Why do we have to change our laws to suit the Uber business model.

Please take a strong position, support this bill and impose harsh penalties on the drivers.

Individuals working for Uber are inviting Queensland citizens to break the law by picking up passengers as Uber drivers and should be charged

Show us who is running this State, who is setting the law and who is willing to uphold the law.

Carole Casey

Carole Casey

From: [Sail Equipment Australia](#)
To: [Infrastructure, Planning and Natural Resources Committee](#)
Subject: FW: Subject Transport Legislation (Taxi Services) Amendment Bill 2015-10-15
Date: Tuesday, 20 October 2015 1:15:15 PM
Attachments: [image001.png](#)
[SUBMISSION Subject Transport Legislation \(Taxi Services\) Amendment Bill 2015-10-15.pdf](#)

Dear Member

Attached is my submission to the Parliamentary Committee and the following is in support of content included in the submission.

Regards

Carole Casey

From: PTGoldCoast [<mailto:ptgoldcoast@translink.com.au>]
Sent: Friday, 16 October 2015 9:34 AM
To: Sail Equipment Australia
Subject: RE: Conventional Taxi Licence Recent Sale Prices - suncoast cabs

Hi Carole,

Here are the updated figures you requested.

GOLD COAST

15/04/2015	\$564,894
3/06/2015	\$595,000
21/08/2015	\$434,894

SUNSHINE COAST

6/06/2014	\$455,000
31/07/2014	\$455,000
12/01/2015	\$445,000

MACKAY

10/07/2014	\$414,000
1/04/2015	\$390,000
16/04/2015	\$329,999

BUNDABERG

15/06/2012	\$289,000
13/09/2012	\$300,000
10/10/2013	\$282,000

WHEELCHAIR

29/12/2006	\$204,700
28/09/2010 (New Issue)	\$152,000
4/03/2014 (New Issue)	\$135,000

WHEELCHAIR OWNER/DRIVER

11/05/2006 (New Issue)	\$130,000
22/05/2008 (New Issue)	\$85,500
15/10/2012	\$120,000

CAIRNS

29/10/2014	\$485,700
5/12/2014	\$500,000
30/03/2015	\$444,700

Regards

Deb

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