From: CHRIS GREEN

To: <u>Infrastructure, Planning and Natural Resources Committee</u>

Subject: Submission to support bill to provide demerit points to illegal hire/taxi drvers

Date: Tuesday, 20 October 2015 3:04:31 PM

Dear Sir

I am a Q.L.D.taxi license owner. I first owned a license in Brisbane in 1984 and became a full time driver and operator until 2004 when I began to lease my license to Yellow cabs and move into another field of life at work. I continued to own this license with the view to selling it for my retirement. Over the years that I actively worked as a driver and owner, there has been little or no sign that the government had any desire to radically change or remove the regulations of the taxi industry. As a result I have always felt secure in my investment in a taxi and confident that it would provide my retirement needs without any help from any government pension welfare.

As far as I understand the regulations pertaining to Q.L.D. taxis has been in place for the most part from the 1950's and have been crafted over the years to reflect customer safety and and to make sure that the industry meets all it's obligations to it's customer base. I certainly feel that the Q.L.D. taxi industry has been very proactive over the years in working with government to ensure that it continues to strive to meet all the expectations of Q.L.D. taxi users.

Unfortunately a very disturbing development has been the emergence of illegal taxi operations in Brisbane and the other capital cities of Australia. The overwhelming question from all taxi owners like me is why these illegal operators have been able to cause so much havoc on the taxi industry. The answer is that although it is against the regulations the illegal hire drivers continue to operate illegally because the likes of UBER apparently pay for their fines. This enables the illegal hire car driver to operate without fear of penalty. Further more this multinational conglomerate called UBER has huge financial backing and can tie up the courts.

Illegal hire cars continue to operate and there is no doubt that the damage inflicted on the legal taxi industry is massive. At the current time I think my license value and 20 year investment has been reduced to nothing. This is a necessary outcome because the illegal operators have found a way to flout the laws. The fact that they can flout the laws enables them to significantly undercut the pricing of regular taxi fares because they simply do not have the costs imposed on a properly regulated taxi. Taxis have to report for GST and have an ABN number and tax file number. Taxis are require to have security cameras that have to be upgraded. They also have to pay government fees and have to pay Class 3 CTP insurance. A uber vehicle only has to pay class 1 CTP and does not have to submit to bi-annual vehicle inspections. Uber has no investment in the disabled and has legal oblgations as to who they pick up.

On a more personal level, I feel I have contributed to the economy by purchasing my license. My borrowings have given business to banks and contributed greatly to the tax system and a wide array 0of small businesses. The government over the years has made large sums on the original sales of licenses. It has not only been an investment in my personal life but an investment in the economy.

On the other hand, Uber is a large foreign company that has simply moved in without any consultation with government or industry. I understand they can avoid local taxes by procssing their income through foreign banks. I guess nobody knows if Uber drivers pay any tax or GST on their pickups. But it all adds up to cheaper fares that enables them to undercut the established taxi industry by significant amounts. They also use their technologies in ways to avoid detection by authorities.

Like any business the Taxi industry understands the importance of competition. But we all have the notion that competition needs to be fair for all players. Right now the playing field overwhelmingly advantages the illegal hire care operators. There is for all intents and purposes one system for illegal operators and one for legal operators. The only way I see to remedy this is to support the propsed bill to parliament and impose demerit points on drivers who operate illegally. Uber clearly have no regard for local laws and ride roughshod through them simply because they have a lot of money.

I therefore urge the government to carefully consider the behavior and practices of the illegal taxi trade and to introduce a system of demerit points for illegal drivers in addition to fines.

Christopher Stuart Green -- owner

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