

Submission by Stuart and Cheryl Porter.

We strongly support the Katter Australia Party Bill to increase some penalties in the Transport Operations Act 1994. We trust that the enforcement of the penalties will stop uber drivers from illegally operating. Following are some of our main concerns:

1. When we and our daughter and son in law bought our original licence we checked with the Department of Transport and Main Roads (or whatever they were called back then) and were told that taxi licences existed in a regulated market which aimed to ensure both the safe and efficient transport of customers and the financial security of the owners of taxi licences. Believing this to be true we then bid and paid for a licence at market price with the intention of paying out our loan with our superannuation when we retired, which we did. Over the time we have had our licences we have not made a lot of money and in fact when we had a loan we often made contributions from our salaries when the taxis did not earn enough to cover the repayments. Even a small reduction in income due to extra operators in the taxi industry threatens our livelihood as it will become even more difficult to obtain taxi drivers. Drivers must be able to make a reasonable income or they will not work at all.
2. The Department after consultation with the taxi industry has constantly changed the requirements to make the service safer and better and we and other licenced owners have always complied. These requirements have come at considerable cost to us and it is difficult to understand that they are suddenly no longer needed by uber. Not having to meet these requirements contributes to uber being able to charge less for their fares thus disadvantaging us as existing licence holders.
3. The number of licences in each area is regulated so that there are enough licences to ensure the safe and efficient transport of customers. This means that there should not be room for many if any new operators. Unlike some industries subject to competition the number of taxi fares is finite and we believe that it cannot be increased by very much from the present number except for a few hours on Friday and Saturday nights and major events. Any fares by uber or other unlicensed taxi operators in our area will mean less fares for us as licenced owners and therefore threaten the viability of our licences and our financial security.
4. The technology to create an unlicensed taxi company has existed since the arrival of mobile phones if not before. The Department has always actively prosecuted unlicensed taxis until now. Why is uber different? If changes must be made why rush as there may be better alternatives. The uber model relies heavily on being underpinned by the taxi industry as uber does not offer all of the services of the taxi industry. Uber has only been around for a couple of years, will it still be viable as drivers have to maintain and replace cars or obtain other employment? This bill provides better enforcement measures than fines as uber pays the fines for its drivers, so the fines have no deterrent value. What concerns us is why uber's records cannot be accessed to determine the names of drivers who have broken the law. We are certain that if we broke the law our computers would be confiscated and examined if it was considered that this would help the prosecution.
5. Calls for a "level playing field" for new entrants into the taxi industry will be very difficult to implement unless new entrants are required to pay for a licence at market rates. Unfortunately uber has been able to operate without paying any licence fees again putting us at a huge disadvantage. Uber do not object to "some" regulation what they really object to is paying for a licence as this would take away their price advantage. The proposal to charge a yearly fee is not a "level playing field" as these operators can just opt out at the end of the year with no financial loss whereas existing owners would have to continue to pay off their loan or would lose their large investment if they handed in a licence. New operators

should also comply with existing training, registration, safety, insurance and car condition requirements or allow existing operators to drop to the standard of the new entrants (a backward step surely!).

6. Claims that uber etc are a “ride sharing service” and would not interfere with the taxi industry’s “traditional” area of taxi ranks and from hailing are untrue as much of our income comes from bookings. Of course if they gain a footing they will eventually try to operate in these so called “traditional” areas (it has been reported that uber already have agreements with entertainment venues for “dedicated uber pick up areas”, which we believe are de facto taxi ranks). Again every fare taken by the new operators in our area would come at a loss to us as existing licence owners.
7. The taxi industry Australia wide has tried to offer its’ customers an app which has many of the so called smart features of uber but this has been stopped by the ACCC. The way the industry was set up and has operated for many years is that customers usually order a taxi not a specific brand of taxi (phone 131008 Australia wide). This has not been a problem in the past so why is it now? Each town or area has its own taxi company or companies so under this ruling travellers from another town, state or country must have many apps if they wish to use a taxi but only one if they wish to use uber. How can this be considered to be a “level playing field”? Under this ruling we are again disadvantaged.
8. When we purchased our first taxi licence the only legal way to operate a taxi in Queensland was (and still is!) to buy a licence. We paid the market price to the Queensland Government. This price was very high due to the regulated nature of the industry (regulated by the Queensland Government, not the taxi industry). The Government has had the use of this money and until now have fulfilled their part of the agreement. However if this bill is not passed and strictly enforced uber and other new operators will continue to operate and expand into other areas. The Queensland Government will no longer be providing what we paid for and should compensate us as owners of taxi licences. We paid for our licences with our superannuation and we will probably lose all of this if licencing requirements are changed because as fares dry up drivers will be very difficult and then impossible to find. Other owners of course would have a large mortgage against their home as banks used to only lend about half of the market value of a licence. Banks probably won’t lend anything now so many will not be able to refinance when the time comes. Many people will lose their homes and we unfortunately will lose much of the income upon which we have relied for our retirement. If the people of Queensland genuinely wish to change the taxi industry they should contribute to this and not expect licence owners to pay for it.

We commend the Katter Australia Party for standing up for the rights of lawful Australian small businesses against a large multinational company which is encouraging people to break the law.

Stuart and Cheryl Porter

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