

To: Infrastructure, Planning and Natural Resources Committee
From: Tracey Gist
Subject: Transport Legislation (Taxi Services) Amendment Bill
Date: 20 October 2015

I write in support of the Katter Australia Party (KAPs) Transport Legislation (Taxi Services) Amendment Bill 2015 and thousands of legal taxi license owners and drivers in Queensland. While I do not own a taxi license, drive a taxi or work in the taxi business, I have been around this industry my whole life. My parents, like thousands of others have operated taxis within Queensland's legal and regulatory framework for forty years. They provide employment for administrative staff, bookkeepers, mechanics, panel beaters and drivers in their taxi business. Their business supports their local community and pays taxes (including GST) that stay in Australia. They have faithfully fulfilled their obligations to the Queensland government under their regulatory requirements and have served the travelling public with conventional and wheelchair accessible vehicles. Their compliance is in stark contrast to the illegal start up Uber. Their compliance now puts them at a significant disadvantage in the marketplace.

I believe it is grossly unfair that a new entrant Uber is exempt from all taxi service laws and associated regulations that have been designed to protect Queenslanders. This foreign entity and others like them have an unjust advantage in comparison to taxi license owners and drivers. The Transport Legislation (Taxi Services) Amendment Bill 2015 will give the necessary disincentive to Uber drivers currently breaking the law. It will also demonstrate to a cashed-up foreign corporation that they need to adhere to the laws of this state rather than use their financial clout to circumvent the Queensland government's legislation.

I find it reprehensible that Uber - a slick, foreign corporation willfully and contemptuously ignores the laws of this state. There is a clear principle at stake in regards to this issue. No company, corporation or individual should be permitted to break the law, encourage others to break the law and then audaciously demand that the government change the law to suit their business model. This transgression would not be tolerated in any other industry and should not be tolerated in the taxi industry.

- Uber is offering a taxi service via a smartphone app. This is not 'ride sharing' but a commercial transport activity.
- Uber has no regulated fee structure and is able to undercut taxi fares when it suits them
- This same lack of fare regulation allows Uber to engage in exploitative 'surge charging'
- Uber drivers boast of ways to incite 'surge charging' – illegal price collusion in other words
- Uber cars do not hold commercial vehicle insurance placing their drivers, passengers and other road users at great risk

- Uber drivers can record a blood alcohol limit of up to .05 while transporting members of the public
- No Uber car is fitted with surveillance cameras despite legislated requirements for installation of these on all passenger-carrying cars
- Uber cars are not subject to stringent safety or mechanical standards or objective checks on the roadworthiness of their vehicles
- Uber does not provide wheelchair accessible transportation or cater for passengers without access to a smartphone or without credit on a smartphone
- What Uber does offer is a smartphone app, complimentary rides, free bottled water, Mentos mints and kittens to cuddle. All clever public relation 'feel good' things. All things that will pale into insignificance when a passenger is permanently disabled or killed in a car accident and neither passenger nor driver are appropriately insured.

Beyond the above issues, there are pertinent economic factors that must be considered.

- Uber has no stake in Queensland. It is an American multinational aggressively bullying its way into the marketplace. This is in stark contrast to thousands of taxi owners and drivers who abide by the law while contributing to the economy of this state and the communities in which they live.
- Uber has an elaborate tax structure that ensures it avoids any tax obligations in Australia. While millions of dollars are flowing out of this country, governments will look to everyday Australians like me and increase my tax burden.
- Uber openly encourages its drivers to ignore GST obligations allowing millions of dollars in GST revenue to be avoided.
- The destruction of the taxi industry will have a huge impact on Queensland's economy. It is not alarmist to predict huge job losses for taxi drivers, administrative officers, mechanics, panel beaters and so on. It is likely that these self-sufficient individuals will rely on welfare in the short to medium term. The flow-on effect from this such as loan defaults will have a detrimental impact on regional towns and cities that are already suffering a sharp economic downturn.
- Falling license values will mean that there will no longer be self-funded retirees but a whole generation of taxi license owners reliant on the aged pension.

Taxi owners are not the greedy, protectionist dinosaurs that Uber and the media portray. Many are like my parents. They bought a job via a taxi license in the 1970s at great risk and worked tirelessly to keep abreast of loans and fulfill their obligations to the government and taxi booking office. They now see their hard earned investment being squandered by government apathy. My parents have not broken the law. Perversely however, they are the ones being punished. My parents do not have a billion dollar corporation backing them to ply their trade with smooth slogans and glib lines. Unlike Uber, they cannot intimidate journalists, pay largesse to political parties, engage in lengthy and expensive legal battles, finance fines for drivers or mobilize social media campaigns based on

inaccurate and inflammatory information. My parents like thousands of other taxi license owners and drivers simply want the current legislation enforced. They rightly want competition that operates legally and is regulated like their business is required to be. They want competition that is equitable. They want competition that aligns with the numerous improvements made to passenger transport over many decades. They want competition that supports the elderly and the disabled.

Last week I watched with growing alarm, the proceedings of the public hearing into the Transport Legislation (Taxi Services) Amendment Bill 2015. Government officers openly stated that they were at a loss as to how to deal with Uber and had been thwarted in their attempts to prosecute brazen illegal activity. This is unacceptable. But it does crystalize the issues at the heart of this proposed amendment to existing legislation. This corporation has ignored a 'cease and desist notice' and misused its technological prowess to block SIM cards and phones while continuing to break the law. Uber shamelessly encourages drivers to obtain DTMR driver authority licenses and these same drivers openly boast of their exploits on social media, television and on the front page of newspapers. Applying the demerit point system will hamper Uber's ability to buy their way out of trouble. It will also stem the tide of people willing to drive for Uber when they realize their personal driver's license is at risk.

It is clear that the Queensland government is dealing with a sophisticated and obnoxious organisation and it is time to deal with this issue decisively. It is naïve to think that Uber will miraculously become a model corporate citizen if the taxi industry is deregulated and laws changed to allow them to operate. A quick Google search will clearly show that this odious firm will continue to ignore the law until it suits them and their profit-driven agenda. Each time Uber faces issues, it simply digs into its substantial financial reserves and engages in a protracted legal battle and belligerent media campaign. This should not be the way we do business in this state. It is difficult to see how a corporation with these values will benefit passenger transport when their whole focus is winning at any cost.

Make no mistake the taxi industry is the first victim of a greedy American conglomerate. But they will not be the last. Benjamin Walsh from Taxi Council Queensland rightly observed that a lack of action had legitimized the illegal activities of Uber. There is now a groundswell within the public who believe that taxi license owners and drivers are the sole beneficiaries of government regulation and fail to grasp the real danger and issues that illegal and unregulated taxi services pose to the travelling public. And it is this public support that Uber traditionally relies upon to slyly rally politicians to accept their business model. By ignoring the illegality of Uber a precarious precedent has been set in Queensland. What incentive is there to follow licensing for the building, hospitality, liquor, pharmaceutical and other regulated industries? How many other foreign multinationals will we allow to walk in, ignore our laws and syphon their considerable profits offshore while contributing nothing to our communities and the infrastructure they happily profit from?

As an informed voter, I expect my elected representatives to fulfill their obligations and uphold the laws of this state. I likewise expect the public servants tasked with implementing laws to be creative and persistent and competent in fulfilling their duties. It is reasonable to expect that all entities conducting business in Queensland comply with local laws and regulations. It is hypocritical to enforce some laws in our state and turn a blind eye when others are broken. And it is poor public policy to admit defeat when things become hard.

I urge the elected representatives of Queensland to support law abiding taxi license owners, drivers and members of the travelling public of this state and vote in favour of the Transport Legislation (Taxi Services) Amendment Bill 2015.

Regards

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Tracey Gist

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