

22 October 2015

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

Dear Committee Members

### **TRANSPORT LEGISLATION (TAXI SERVICES) AMENDMENT BILL 2015**

While I could provide the Planning and Natural Resources Committee (the Committee) with a substantial fact based analysis pertaining to Uber's entry into the Queensland taxi market, I understand that the charter of the Committee is to consider the Transport Legislation (Taxi Services) Amendment Bill 2015 (the Bill) and the need for enhanced powers for enforcement officers to uphold current Queensland legislation. Consequently, I will confine most of my comments to these matters. It is also important for the Committee to understand that while I am currently the president of the Taxi Council of Queensland (TCQ), I write this as a private citizen and therefore do not necessarily reflect the views of the TCQ.

First, I appreciate that from December 2014 to June 2015 the Queensland government undertook an enforcement program against the provision of illegal taxi services by Uber in Brisbane and to a lesser extent on the Gold Coast. Initially, this action was commenced by the former government and was intensified by the current government on coming to office. At that time the industry was buoyed and placated by the action instigated by the Minister of Transport and Deputy Premier, Jackie Trad MP.

As a result of Uber taking action to subjugate this enforcement effort, the Department of Transport and Main Roads (DTMR) terminated most enforcement efforts against Uber and illegal taxi operations. From this time the industry has become ever more anxious, with TCQ and senior management within the three companies affected by this illegal trade continually trying to placate taxi owners, operators and drivers from taking matters into their own hands. TCQ's effort to meet with the Minister and Deputy Premier to discuss the termination of enforcement activities and raise our concerns that the some within industry were becoming very agitated was not successful. This failure exacerbated the situation.

The Committee needs to appreciate that the taxi industry comprises of tens of thousands of Queenslanders, many of whom have invested their life savings and derive their entire livelihood from the Queensland taxi industry. Contrary to Uber's constant references to "big taxi" the taxi industry is made up of tens of thousands of small business operators, not big monopolistic companies.

Sadly, the industry's concerns in regard to Uber's illegality and DTMR failure to uphold the law were not heard by the government and this remains the case today. In an industry where the rule of law and satisfying community expectations has become an ethos, it is galling for all to have such high expectations placed on it, to deliver on those expectations and then find that the government, in who we committed so much of our effort and in many cases all our meagre, personal wealth so

flippantly can choose to ignore the illegality which they know to be occurring and multiplying on a daily basis.

There is little doubt that Queensland's self regulatory taxi system, which was conceived with substantial input from the Queensland taxi industry, under David Hamill's stewardship of the Department of Transport, has delivered for Queenslanders a world's best taxi system. From wheelchair accessible services to minimum service levels in respect to mandated response times, to management of ranks and the creation of peak demand services, to the creation of upmarket services, to the provision non-acute ambulance travel, to the development of low cost mass transit replacement services, the Queensland taxi industry has delivered for the Queensland community.

From my perspective no government can afford to reward bad behaviour. No government can afford to not enforce the law. No government can preside over a system of law which holds its own citizens to such high standards while giving a free kick to a huge foreign competitor. How can any politician look any constituent in the eye and say 'we effectively gave a huge foreign corporation an exemption from the law and a huge market advantage by not enforcing Queensland legislation, while not providing the same opportunity for Queenslanders and Queensland businesses.'

I believe Uber's action in entering the Queensland market to be deliberate, malicious and calculated. Their actions to circumvent the law in terms of DTMR's enforcement program is just the most obvious and recent unconscionable act. The way they have been structured to avoid being subject to Australian law, the way they claim that neither their drivers nor themselves need to pay GST, the registering of their company in Singapore and the Netherlands to avoid Australian income tax, the removal of their key personnel from the boards of their companies when Uber X was introduced into Australia to protect them from prosecution, all lead to this conclusion. The Committee needs to appreciate that Uber can be legal in Queensland today. They simply choose not to as they will lose their competitive advantage and not be able to compete with existing service providers.

I support the Private Member's Bill introduced by the Member for Mount Isa, Mr Robbie Katter MP. In addition to this I believe that the government should adopt the following strategies:

1. DTMR and the Queensland Police Force should recommence the enforcement program, with the Queensland Police having the ability to stop suspect vehicles and to set up false identities to overcome Uber's action, blocking enforcement officers out of their system.
2. DTMR and the Queensland Police Force should taking action to shut down Uber's recruitment program. This program involves Uber operatives inciting people into breaking the law. My legal advice irrefutably confirms that such action is a breach of the criminal code.
3. The government should move to increase the maximum fines applicable to the provision of illegal taxi services. This includes fines for drivers not holding an appropriate Drivers Authorisation and fines for not operating a licence vehicle. It should also include fines drivers for not holding appropriate CTP insurance and this should be another item illegal taxi provides are fined for.
4. The Director General of Transport should terminate the general DA of all illegal taxi drivers hold who are found guilty of providing an illegal service.
5. The government should write to Apple and Android pointing out that Uber is an illegal product in Queensland and demand that the app is removed.
6. DTMR and the Queensland Police Force should be able to impound the vehicles of drivers found to be providing an illegal taxi service.

7. The government has issued two Cease and Desist Orders to Uber. The government needs to act against the principals of Uber in Queensland in this regard. It is not tenable that the government can issue such orders and then not carry through with action against the perpetrators just because they have a lot of money and choose to ignore the such orders.

While some Members of Parliament may believe that the announcement of a review of all point to point services in Queensland by the Minister and Deputy Premier makes redundant the need for this Bill, it is clear that the laws of Queensland must be upheld and to do so suggests that the government has predetermined the outcome in terms of that review. Further, given the time for the review and, if necessary the drafting of new legislation together with the time it takes for passage through the House, it is likely that it will be many months before a legislated solution is arrived at. This being the case, the government cannot afford to leave the Queensland taxi industry in such a precarious position. Finally I'd like to leave the Committee with a question, if Uber won't obey laws as they currently stand, why would they accept any legislative change that does not suit their business model after a new legislative regime is put in place?

Yours faithfully

Max McBride