

# **Ensuring the safety of Queenslanders and a fair industry for small business**



Submission to the Infrastructure, Planning and Natural  
Resources Committee – Inquiry into the Transport  
Legislation (Taxi Services) Amendment Bill 2015

## **A message to all Queenslanders**

As an industry, there is nothing more important to us than the safety of our patrons. We enjoy providing quality entertainment options for every day Queenslanders and we know that our patrons know how to enjoy themselves responsibly.

With the help of the transport providers, we take pride in knowing that both the inside and outside of our venues are safe and secure.

In many parts of Queensland, late-night venues provide a valuable source of employment – particularly for young people – and tourist revenue to the local economy. It is important that a reliable and safe taxi industry exists, as moving people quickly and efficiently away from precincts is one of the most important harm reduction strategies in our arsenal.

As an industry that is highly regulated by the state government, we also respect the need for a “level playing field”. There is currently a large dichotomy in Queensland between the highly regulated and heavily levied taxi industry, and the new generation of ride-sharing networks that exist.

It would be anathema to the liquor industry if competitors were allowed into the market, providing a similar service, without having to maintain the same legislated standards, or pay the same amount of levy to the government.

We support competition in the taxi industry, but it must be fair and equitable. Most importantly, we must be sure that the safety standards and community engagement levels that we have come to know and expect are maintained.

Sincerely,

**Nick Braban**  
**Secretary**  
**Our Nightlife Queensland**

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## **About Our Nightlife Queensland**

Our Nightlife Queensland represents people from across the State who rely on licensed venues and associated industries for their livelihood. We are caterers, bar staff, cleaners, waiters and small business owners.

Our industry has worked with successive governments to implement policies that allow patrons to have a safe and enjoyable experience. We believe we are getting it right, and that existing settings can be retained and fine-tuned for better outcomes.

The industry is critical to Queensland's popularity as a tourist destination, and to Brisbane's credibility as a modern, progressive "world city". Above all else, this industry is critical to the vibrancy of Queensland's economy, particularly for many young people.

Across Queensland, the late night economy supports nearly 20,000 jobs – from bar staff, waiters and food/beverage suppliers to security personnel, cleaners and back-office staff.

**The late night economy is an important part of the Queensland economy, generating over \$500 million in economic value every year and is enjoyed by up to 330,000 locals and tourists per week.**

## **Safety & Community Engagement**

For our entertainment precincts to be safe and supportive spaces for our patrons, community engagement is paramount. Places like Fortitude Valley are very complex due to a number of factors including:

- business mix,
- public space usage,
- legislative frameworks,
- road management,
- public transport management
- inter- and intra-governmental agency co-operation.

This is why it is so important to approach precinct-management with integration at the forefront of thought.

The Taxi industry of Queensland has a major role to play in this, and they have fulfilled this in an exemplary way for many years. It is important that any changes to the structure of the Taxi industry takes this into account, and is reflected in the expectations upon operators to engage in this management and resourcing process.

Drivers who are not operating within the law, simply do not have any incentive to be part of this management process. This risks not only the safety of patrons and workers, but the viability of hospitality businesses in our precincts via poor safety outcomes.

### **Liquor Accord Engagement**

Liquor accords are voluntary agreements between members of a local area who cooperate to develop safe and well-managed environments in and around licensed premises. Liquor licensees, Queensland Police, local councils, community groups and other stakeholders can all work together to develop a liquor accord.

The purpose of an accord is to collectively address issues facing the industry and the community. Accord members make decisions as a collective group in cooperation with the other stakeholders in their local area. Strategies to address these local issues are developed to create positive changes, and this benefits each individual member's business.<sup>1</sup>

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<sup>1</sup> Office of Liquor and Gaming Regulation.

<https://www.business.qld.gov.au/industry/liquor-gaming/liquor/liquor-accords/what>

The Taxi industry has long been part of the accord process, culminating in well-managed precincts such as Fortitude Valley. The Taxi Council and local booking companies all actively engage with their local accords. This takes a commitment of time and resource in the interest of the attainment of community goals.

Any change to Taxi industry legislation must recognize the need for industry involvement in this process, and there should be an expectation for all entrants into the market to engage in this process.

### **Secure Cab Ranks**

The Taxi Council of Queensland have provided managed, secure cab ranks across the Brisbane area for many years. These ranks are partly funded by the industry itself.

The provision of staffed and managed ranks have delivered effective and efficient egress options for patrons and staff of entertainment precincts.

It is often places where patrons queue for transport where incidents occur, and it has been proven time and again that secure ranks limit the possibility for this. Without the commitment from the Taxi industry in the provision of these ranks, safety would be compromised.

A recent paper looking into behavior in night-time economies summarized and asked:

#### ***Adequate transport out of the entertainment districts in major cities.***

*This requires cooperation and coordination between city transport authorities and independent companies and police. In some cities, huge crowds of late-night drinkers accrue on the streets simply because the taxi companies had not coordinated their shift changes with venue closing times. How do other cities around the world deal with NTE transport issues?<sup>2</sup>*

The questions raised by Dr Fox (above) have been addressed by the Taxi Industry in Queensland, and they should be commended for this.

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<sup>2</sup> Fox, A. (2015). Understanding Behaviour in the Australian and New Zealand night-time economies.

It is concerning that those operating outside the precinct framework do not engage or follow the plans for use of these ranks. Incidents involving non-licensed transport operators will continue to rise, as they create issues around traffic management, pedestrian safety, and the concept of a “fair go” for those who follow the rules.

Any change in future legislation must take this into account to maintain the principles that have been established in our state’s entertainment precincts over the last decade. This should culminate in a requirement for all operators to follow the management plans set out for precincts, especially in the use and provision of safe and secure rank systems.

### **CCTV and Other Safety Systems in Taxis**

The value of Closed Circuit Television camera systems has been shown time and again in entertainment precincts. Surveillance of public spaces and private businesses has a significant deterrent effect<sup>3</sup> on crime when designed well.

Taxi CCTV surveillance systems are well signed, and anecdotally prevent anti-social behavior from patrons. Just as important, they protect patrons from criminality from drivers.

Whilst there is a significant cost involved in installing and maintaining these systems, community expectations are such that we assume any operator in the state will have these things. At this time this not the case for those operating outside the current legislative framework.

Any legislative or competitive change to the Taxi Industry must ensure that systems such as these are maintained in all operators, at a fair and equitable level.

### **Community Outreach**

It has been shown time and again that local community stakeholders who are highly engaged with each other deliver the best outcomes for their areas.<sup>4</sup>

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<sup>3</sup> Piza, E. L., Caplan, J. M., Kennedy, L. W. (2014). Analyzing the influence of Micro-Level Factors on CCTV Camera Effect. *Journal of Quantitative Criminology*, 30(2), 237-264.

<sup>4</sup> Brown, K., Keast, R. (2003). Citizen-Government Engagement: Community Connection Through Networked Arrangements. *Asian Journal of Public Administration*, 25(1), 107-131.

The Taxi Industry of Queensland have time and again shown a commitment to being an active member of the communities they operate in. This is evidenced not only by the factors mentioned previously (secure rank provision, liquor accord engagement), but by their commitment to local charities, stakeholder groups, chambers of commerce, and local initiatives.

This level of commitment should be recognized for the value it holds, and be protected. Without community engagement at a local level, communities fall apart and deeper issues take root. Any change to the competitive framework should value this contribution in some form.



## Level Playing Field

Business is by nature competitive, and our economic system is predicated on the principles of capitalism and competition.

The fundamental elements of the National Competition Policy followed by all levels of government in Australia include<sup>5</sup>:

1. Limiting the anti-competitive conduct of firms.
2. Legislation should not restrict competition unless it can be demonstrated that:
  1. the benefits of the restriction to the community as a whole outweigh the costs, and
  2. the objectives of the legislation can only be achieved by restricting competition.
3. Structural reform of government monopolies to facilitate competition.
4. Providing for third-party access to significant infrastructure facilities that are essential for competition.
5. Independent prices oversight of government business enterprises.
6. Fostering competitive neutrality to ensure that government businesses do not enjoy a competitive advantage simply as a result of their public sector ownership.

At issue currently in the Queensland Taxi Industry legislative framework is that legislation is demonstrably limiting competition. This is both via limiting competition through the licensing system, and by a lack of enforcement with regard to this.

New competitors face large challenges to enter the market, and prices are controlled by the government limiting consumer outcomes. Current operators face large costs to operate, whilst those operating outside of the framework avoid these allowing them to deliver a cheaper service.

The 2012 report by Professor Alan Fels into the Victorian Taxi Industry stated:

*Most of the industry's problems stem from the complex and prescriptive regulatory framework within which it operates – a framework that constrains*

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<sup>5</sup> Commonwealth of Australia. (2014). Competition Policy Review, Issues Paper.  
[http://competitionpolicyreview.gov.au/files/2014/04/Competition\\_Policy\\_Review\\_Issues\\_Paper.pdf](http://competitionpolicyreview.gov.au/files/2014/04/Competition_Policy_Review_Issues_Paper.pdf)

*competition, stifles innovation and directs much of the revenue generated by the industry away from those providing 'on the ground' services.<sup>6</sup>*

Government has created an industry whereby small business and super-annuants have invested large capital sums into operating Taxis, and this value is now under threat. That said, competition must be allowed to thrive, but until such time as structural reform takes place, the current "law of the land" must be enforced to protect these people.

### **Comparison to the Liquor Industry**

For good reason, the government heavily regulates the liquor industry. License holders pay large annual sums for the right to sell liquor. Similarly, many regulations exist in these licenses in terms of safety provisions, and infrastructure related to this (CCTV, security, price control, etc.), and this requires investment in these systems from the business owner.

To draw an analogy between the liquor industry and the taxi industry, if an unlicensed operator set up next door to a fully licensed business, without having paid the requisite fees, and having not invested in the required systems relating to safety, and was not prosecuted, there would be uproar.

Current regulation in Queensland is not geared to protecting those who are following the letter of the law, and this needs rectification.

### **Supporting New Technology and Innovation Whilst Protecting Investment & Small Business**

Digital disruption is a welcome by-product of the technological revolution we are currently undergoing. This should be welcomed by industries of all types. That said, when government heavily regulates some industries, balance must be maintained whilst change occurs.

Those who have invested heavily in Taxi licenses in Queensland must be assisted through this change. Many small business people and superannuants have purchased licenses, and we cannot hang them out to dry.

A recent initiative by the Taxi Industry to implement digital change via mobile phone application use and payment gateways looks like it will be

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<sup>6</sup> Fels AO, A. (2012). Victorian Taxi Industry Inquiry Final Report: Service, Safety, Choice.

blocked by the Australian Competition & Consumer Commission, at odds with the approach to other services offering a similar product.<sup>7</sup>

The Queensland Government must undertake structural reform, but in the meantime protect current operators who work within the legislative framework.

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<sup>7</sup> Australian Competition & Consumer Commission. (2015). *ACCC proposes to deny authorization of ihail taxi booking app Media Release.*

## **In Summary**

Our Nightlife Queensland welcomes competition and the digital revolution. That said, businesses who operate under the current legislative framework need to be protected and assisted.

The Queensland Government must undertake structural reform, but in the meantime needs to enforce the “law of the land”, or face similar issues in other industries in the future.

## **Contact Us**

As an industry, we are always focused on getting the best outcomes for workers and our patrons. We want to make sure we can get the best policies for Queensland.

We are always open and willing to consult with the Queensland Government, at any time.

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