

## **SUBMISSION TO PUBLIC WORKS AND UTILITIES COMMISSION**

I wish to submit the following to the Commission for consideration. I own two taxi licences in the Gympie District, with one of the licences leased out and the other licence worked by myself and my partner.

In the submission I will refer to the main aims of the proposed Bill as defined in the document received. While I feel that in general important points have been raised there are several critical points that have not been emphasised that would seriously effect the directions of the Bill.

### **Aim 1: strengthen safety standards for the whole personalised transport industry.**

Currently the industry has a high standard of safety. Safety includes such actions as:-

- a) GPS tracking for all taxis in all areas.
- b) security cameras within and without of all vehicles that offer quality downloads to protect both the customer and the driver in most situations (theft, assault, damage to vehicles, personal attacks). These cameras now include sound to assist.
- c) machinery checks every six months, lengthened to a year, to ensure vehicle safety.
- d) surveillance at major ranks via security cameras or security personal.
- e) shift monitoring to reduce the incidence of drivers driving under fatigue.

The cost for these measures is met by the taxi owner/operator at no cost to the Government. To strengthen safety standards implies these measures will be retained and improved for **ALL** vehicles eligible to carry paying passengers. NO exceptions.

Also of extreme importance in considering steps to **strengthen** safety measures there is a need to consider both the income that can be earned from workers/owners within the industry and environmental issues.

### **Recommendations**

1. All safety measures currently in place should be maintained in **all** personalised transport vehicles as a minimum standard.
2. Costs of installation to be met by the owner/operator of the transport vehicle and not subsidised in any way.
3. Insurance rates across the whole industry are to be the same in all sectors. Any deviation from norm is a form of **subsidy** and should be recognised as such.

### **Income.**

- A) To assist drivers of transport vehicles act responsibly adequate income from their days work

must be maintained. While incomes are systematically cut it becomes necessary to work longer and longer shifts to maintain an adequate income.

To speak about this personally the income cuts have been very severe through government action and the compensation grossly unfair and inadequate.

At a 6% capital growth, that even according to previous figures given by government employed economic analysts is normal, would be a gain of ~ \$15000 per vehicle has been converted to a \$135000 loss. That net loss of ~\$150 000 has been replaced by a \$40 000 gift to 'adapt' to the new environment. The only new environment I can see is governments with no concept of normal business practice.

**My initial action is to put off a driver and drive two extra shifts a week to recuperate that loss.**

Secondly, as lease values fall to reflect the licence values as they have in Brisbane , it will be necessary to work both cars. Unsellable in the present circumstances this puts extra on me and my family to maintain drivers and keep the car working the necessary long shifts to pay for itself.

B) Taxis are subject to a service contract whereby we have to operate 24/7 for the entire year. This leads to working shifts of ~ 12 hours or longer for say a gain of \$100 gross. This is maybe \$60 net. Mathematics says this is ~\$5/hr.

C) My accountant tells me out of hours that the work he does for uber drives yields the same sort of income, \$5/hr before expenses. That is working the prime times with no responsibility to offer a complete service to the public. Of course the PR machine has pumped this up to some incredible income. Should a government act on heresay or fact? We know how they act but the question is really how should they act?

Given that uber drivers are also part timers there is the same need to work extra long hours to make money.

Talking to many past drivers and also from my past experience taxi drivers could earn a liveable wage but this is becoming increasingly harder. While some of this is due to the financial situation post 2008 it nevertheless is causing big changes in the industry and the need to work longer and longer hours is becoming the norm. This needs to be considered as a problem to safety within the industry, not solved by harsher legislation but by a greater understanding of the nature of the industry.

#### Recommendations:

- 1) The number of vehicles in a district should be limited to provide certainty for the licence holders, operators and drivers, providing a liveable income for these industry workers. This adds sustainability and certainty to the industry.
- 2) ALL service providers in an area should have a 24/7 contract to fulfill. No capacity to do this, NO contract. Again, this is morally demanded by the obligation to produce fair and just laws.
- 3) Strict monitoring of fatigue levels with harsh penalties for offenders in ALL sectors of the personal transport industry.
- 4) ALL vehicles to be clearly marked with permanent markers (plates, permanent stickers) to indicate they are vehicles licensed to carry paying passengers.
- 5) ALL drivers to be registered by the Taxation Office.

## **Environmental Issues.**

No consideration of any policy is complete without an **environmental impact assessment**. While the taxi industry is going to great lengths to utilise hybrid vehicles to minimise the environmental impact of the industry it is unfair to allow vehicles that can run on any fuel with any size engine to operate in the personalised transport industry.. Quite simply, if the government is obsessed with making extensive changes to an already working model, it is imperative that the environmental effects should also be considered. After all, this is the twenty-first century and climate change is a very real threat to life on earth as we know it.

**This demands that the number of vehicles on the road and the type of cars permitted for transport work should be strictly legislated.**

This is strictly a responsibility of responsible government. As will be stressed further down in this submission governments need to establish licencing frameworks to ensure such issues as adequate returns, environmental protection, safety standards and adequate service levels for ALL participants in the personalised transport industry.

Instead, as we shall see, this legislation does precisely the opposite – leaving these issues to individual companies while interfering with ownership issues that are of no relevance to the public using the service.

## **Recommendation**

1. The government, through genuine consultation with the appropriate bodies, establish a minimum standard environmental practice for **ALL** participants in the industry. This includes regulations on numbers of vehicles necessary to service public (which the taxi industry already has) and engine performance standards in personalised transport vehicles.

**Aim 2: provide customers with greater choice and flexibility.**

You really need to decipher this political mumbo-jumbo.

What is labelled choice and flexibility quickly degenerates into the necessity for different licencing frameworks. So poor is the quality of your reasoning the recommendation for this will be covered in the next section.

**Aim 3: drive innovation and improved customer service through reduced red tape.**

In any industry there is both government involvement and private enterprise involvement necessary to maintain viable industries. This is not only true in the transport industry but every other industry.

There are social standards to be maintained.such as:

1. Health standards .
2. Environmental standards .
3. Viable wages.
4. Maintenance of services to all sections of the community.  
ie the maintenance of social standards.

Here the government, with consultation with industry players, formulates policies to maintain minimum standards to be practices by ALL providers of services to the public. (Transport, dining, building, health and safety, etc).

On the other side of the coin these industries, it is recognised, are best conducted through private enterprise. This provides enables the services to be carried out service most efficiently to the standard required.

The most obvious observation here is this really is being turned on its head with this proposed legislation.

### TOO MUCH RED TAPE INDEED

The proposed piece of legislation is an attempt to marketise these social standards and selectively subsidise the ownership regime of the industry. This has the following consequences.

1. Marketising social standards leads to a race to the bottom whereby all the necessary standards are reduced in cost cutting practices.
2. Subsidising sections of the economy or even subsections of the economy leads to inefficient economic practices.

It is hard for me to believe the government is totally unaware of the results of its action.

To me it demonstrates the exceptionally low quality of this proposed law and any real effort for a level, high quality playing field.

The long term solution is of course to abolish state governments, relics of our colonial past, and relenquish responsibility for the services they are finding too hard to fairly provide. This forms the basis of the following recommendation.

### Recommendations.

1. The responsibility for Personalised Transport be moved to Local Governments that have a better understanding of how markets function at a grass roots level and are much more likely to formulate fair work practices within their boundaries.

When issuing new licences there is a further problem in the way they have and should be issued. To maintain fairness and ensure economic efficient practises then new licences must:-

A. hold minimum values that cover the costs incurred to the government. Again this is the principle of maintaining a subsidy free industry, ensuring economic efficiency throughout the licensing process.

B. be sold through a tender process with everybody (legal reasons excepted) eligible to tender for a license. Again the reasoning is purely economic. Tendering the licenses ensures the market sets the value of the services provided and so government subsidising of license values to the successful applicants is avoided.

Finally, before highlighting the final set of recommendations let us consider the question of Baillee Agreements and their place in business. Firstly any individual, company, corporation rents property that is utilised by a second party would have a set of conditions that must be met by that party. This is

standard practise carried out in all fields of enterprise. It is absolutely normal to have leasing agreements. Secondly, the process of leasing out, in our case a taxi, is far more efficient then each individual owning their own taxi. Half the cost of fitting out the taxi. Half the maintenance cost per individual driver. Half the registration cost per person. Half the insurance costs. And so on. It is the main reason why the current taxi service in Queensland is extremely efficient and on a level playing field, is way more efficient then any alternative. It would have been reasonable if the recent review looked at both sides of the industry.

Given this, it is absolutely critical that the current system be maintained and the Baillee Agreement system, which is doing an excellent in formulating a workable agreement between the two parties be maintained.

#### Recommendations:

1. Any licenses issued by the government for personal transport vehicles have a minimum cost and be issued through a tender process in which all eligible parties can tender.
2. The present Baillee Agreement System be maintained and applicable to ALL vehicles in the personal transport system.

Finally I would like to express my sincere and very real disappointment that a government would allow such a poorly researched, biased, unfair and inconsistent document be forwarded in the name of a new policy direction. No thought regarding the role of governments in business practises has been put into this effort. It has lowered my respect for the public service and the current Queensland State Government to levels I would never have thought possible. Very sad. Very sad indeed.

**From:** [REDACTED]  
**To:** [Public Works and Utilities Committee](#)  
**Subject:** Submission  
**Date:** Sunday, 9 April 2017 9:33:08 PM  
**Attachments:** [submission.pdf](#)

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Dear Research Director

Please find attached submission to the Public Works and Utilities Committee for their consideration.  
The submission is in the form of a PDF file attached to this email.  
Thank you for your consideration  
Darryl Fink and Elizabeth Sharp