



10th April 2017

Committee Secretary  
Public Works and Utilities Committee  
Parliament House  
Brisbane Qld 4000

Dear Committee,

**RE: "SUBMISSION TO THE TRANSPORT AND OTHER LEGISLATION (PERSONALISED TRANSPORT REFORM) AMENDMENT BILL 2017"**

I am a license holder of Queensland Taxi License Number 900425602, which services the Gold Coast area and was purchased through my family-owned company City Beach Constructions Pty Ltd.

Thank you for the opportunity to provide this submission. My wife and I continue to have great concerns about the Personalised Transport Reforms that is affecting our health and is impacting on my families' wellbeing.

As you would be aware of the extensive licence purchase cost, paid directly to the Queensland Government through a tendering process that indicated the expected tender price by documenting the current open market licence sales.

We believe the Queensland Government have a *legal* if not an *ethical* obligation to support the financial loss incurred by the reforms to the public transport industry.

I ask that the Queensland government take immediate and strenuous steps to:

*Adopt the Taxi Council Queensland's attached list of proposed requirements in its entirety with emphasis being placed on the establishment of an independent Personalised Transport Commission with legislative amendment, policing/enforcement, regulatory and policy development capacity.*

*Reverse the funds/buy back the taxi licences at the tendered values plus inflation or at least pay an appropriate industry adjustment payment by one of payment or by way of levies.*

The taxi licence capital growth and our desire not to be reliant on a government retirement pension was the reason we invested into the taxi industry. I borrowed 100% of the finance by extending our mortgage and the remainder via a business loan to invest into the taxi industry as historically the capital growth on taxi licence values would surpass inflation and compete closely with property capital growth. We believed our financial outlay was secure as we were working directly with the Queensland Government.

Approximately two years ago, the bank valued our licence at \$530,000.00, we had a private offer of \$495,00.00 note; all figures quoted excludes shares – Gold Coast Cabs affiliated booking company shares purchased at \$55,000.00.

Within weeks of that offer the market disappeared, we currently have the licence advertised at \$245,000.00 (\$300,000 incl. shares) and have not received any enquires.

The major financial capital loss (*in excess of \$250,000.00*) has created stress, anxiety and depression within our family and it is continually compounded by Uber's flooding of the market and constant social media marketing.

In 2016 at a recent demonstration in Brisbane (against legalisation of Uber and alike) I was saddening to see a small child pictured with a sign hanging around her neck - *my future has been stolen*. The comprehension of not being able to recover from the major financial capital loss and the possibility of losing our home, coupled with the mental impact such as anger, anxiety, and depression, on many legitimate taxi licence owners is having damaging effects on families.

The following is a summary of our current financial return on investment:

In summary, our leasing return is nowhere near covering the bank repayments of the financial outlay made to the Queensland Government.

We purchased Taxi License Number 900425602 from the government at a cost of \$337,500.00 and \$55,000.00 (\$392,500.00) to Gold Coast Cabs (booking affiliation) in 2009 with 100% of combined borrowings secured against the family home.

Leasing agreement -	\$24,000.00 + GST
Current taxi loan - \$363,500 x 4.78% = (\$17,375.00) includes \$55,000 of shares - Interest only calculation with recently reduced % rate with was nearly 8% at one point.	
Gross return -	\$6,625.00
Less 28.5% company tax -	(\$1,888.00)
Less associated company costs -	(\$2,000.00)
Gross return -	\$2,737.00
Less inflation - \$392,500.00 at 2.4% -	(\$9,420.00)
<b>Total Net annual loss</b>	<b>(\$6,683.00)</b>

We have been left with a diminishing asset that we cannot sell, this is also being compounded by the finance institutions that have stopped loaning money against taxi licences.

We have also been informed by our leasing company First Class Taxi Management that we should expect a further *decrease* in our leasing terms and have been advised on the latest conventional taxi licence sale - \$235,000.00 (*excludes shares*).

**Current nett Asset Losses based on 2009 purchase price & latest sale transaction**

Decrease in taxi licence asset based on latest sale -	(\$102,000.00)
Less 9% adjustment for people mover licence category -	(\$21,150.00)
Less 2.4% compounded average annual inflation rate over 7 years -	(\$56,631.00)
Note: Excludes loss based on previous market value	
<b>Total Nett loss on asset -</b>	<b>\$179,781.00</b>

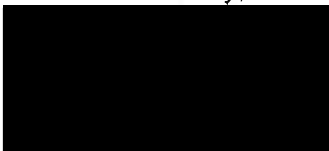
The industry is no longer attracting taxi licence investors due to its diminishing capital, as we are aware it is the capital growth that helps secure our financial future into retirement.

We are a family house hold on a medium income and to be sold a public transport business from the Queensland government under legislated framework and then for that framework to be changed, causing the taxi industry market to be flooded and desecrating the value of the business and not be provided a buy back option or appropriate industry adjustment/compensation, I believe is criminal. I ask you to stand in our shoes and feel the impact of losing a minimum of \$250,000.00 and crippling our capacity to borrow money into the future.

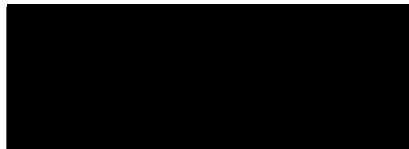
I am grateful that the Queensland Government is trying to defend the taxi industry against the encroachment of Uber Taxis but I ask that you do more to up hold the law and compensate the taxi industry.

Please reply to this letter and contact me if you have any queries in the meantime.

Yours sincerely,

A black rectangular box redacting the signature of Craig Telling.

Craig Telling,  
Director, City Beach Constructions Pty Ltd

A black rectangular box redacting contact information, likely a phone number or email address.

## **List of Requirements**

1. Establish an independent Personalised Transport Commission with legislative amendment, policing/enforcement, regulatory and policy development capacity.
2. Bailment Agreements must be retained, with the minimum work conditions and standards for all personalised transport drivers enshrined in legislation.
3. Security Camera requirements must establish a minimum standard, be consistent and uniform across all personalised transport providers to ensure the safety of all drivers and passengers (regardless of the service chosen) and to meet Queensland Police requirements.
4. Commercial-grade, anti-tamper GPS units must be fixed to all personalised transport vehicles and be remotely accessible to authorised parties.
5. All personalised transport vehicles to have emergency systems in place to support driver safety.
6. The Bill and Regulation must be fully consistent with all other relevant legislation including, but not limited to, disability discrimination and work, health and safety.
7. All personalised transport vehicles be required to have dedicated number plates (akin to “T” plates), rather than easily removable stickers. Plates to be provided only when evidence of appropriate CTP, public liability and certificate of inspection are provided.
8. Immediately define, and establish appropriate and equitable premiums for, the class/classes of Compulsory Third Party insurance for all personalised transport providers to address continued uncertainty.
9. All personalised transport providers must hold public liability insurance to prevent the State Government becoming the default insurer and to minimise potential risks to the community.
10. In the absence of vehicle age restrictions, establish clear vehicle quality and usage rate standards and hold operators accountable.
11. Increase licence fees for Booked Hire Service Drivers and Authorised Entities to help fund expected increases in regulatory and enforcement costs for Government and to better reflect the level of “trust” being placed on licence holders.
12. All drivers must have an ABN and be registered for GST before receiving a Drivers Authorisation.
13. The Government must establish a process for managing the risks of multiple affiliations by drivers in terms of both “chain of responsibility” and fatigue management. This includes drivers operating across both personalised transport and other transport (i.e. truck, bus) sectors.
14. Fully integrate taxis into the GoCard public transport network in the short-term.
15. Clearly define what constitutes a “hail” and “touting”.
16. Expressly prohibit the establishment and operation of Booked Hire Service pick up/and drop off zones, on public and private land, which represent pseudo taxi ranks.
17. Establish and maintain a register of drivers that have been disaffiliated or removed from platforms to prevent drivers from simply shifting to a new platform.
18. Establish clear and enforceable requirements for Government access to all data related to the delivery of personalised transport services in Queensland.
19. Expressly identify Police Check requirements in the Bill for all personalised transport drivers as part of Driver Authorization approval.
20. Maintain the capacity of the Minister to enter into Service Contracts at their discretion to ensure the Government has the capacity to respond quickly, and at the lowest cost, to changing or unique circumstances without the need for regulatory or legislative changes.