




Speech By
Hon. Stirling Hinchliffe

MEMBER FOR SANDGATE

Record of Proceedings, 14 September 2016

**TRANSPORT AND OTHER LEGISLATION (HIRE SERVICES) AMENDMENT
REGULATION: DISALLOWANCE OF STATUTORY INSTRUMENT**

 **Hon. SJ HINCHLIFFE** (Sandgate—ALP) (Minister for Transport and the Commonwealth Games) (8.00 pm): I move the following amendment—

That all words after '(a) Section 8(1) the words—' be deleted and the following words inserted:

“63(5)”, “70(2)” only;

- (b) Section 20—in its entirety;
- (c) Section 22—omit references to all provisions, except Section 68;
- (d) Section 23—in its entirety.’

Members are aware that Queensland’s personalised transport industry is changing rapidly. On 11 August 2016 I announced statewide reforms to Queensland’s personalised transport industry, including taxi, limousine and ride-booking services. The purpose of these reforms is to level the playing field, improve customer service standards through reduced red tape and lower costs for industry. Our reforms will also strengthen safety standards, encourage competition and provide Queenslanders with greater choice and flexibility.

This government is committed to ensuring Queenslanders have access to safe, reliable and affordable personal transport services, while supporting industry through a period of transition in the market. The Transport and Other Legislation (Hire Services) Amendment Regulation 2016 was approved on 1 September 2016. Those amendments legalised ride booking in Queensland from 5 September 2016, removed prescriptive non-safety related requirements on taxi operators and established a more equitable framework for the provision of personalised transport services. Yesterday, the member for Glass House gave notice of a motion to disallow certain provisions of the amending regulation. If passed by the parliament, this motion would have the effect of reinstating certain provisions of the Transport Operations (Passenger Transport) Regulation 2005, which I will refer to as the passenger transport regulation.

Let me be clear: to date, this disallowance motion has been the only substantive response from the Liberal National Party on the government’s reforms. I take it from the minor amendments being sought by the Liberal National Party that they have endorsed the remainder of the government’s reform package. I thank them for their bipartisan support. It is an important sign of maturity and certainty for industry that we have been able to reach a place of near-common agreement on these issues.

As I have said at every stage of these reforms, the government is committed to listening, engaging and working with industry as our reform package rolls out across Queensland. Industry engagement has already occurred as part of the government’s reform process since the announcement on 11 August, after the extensive industry engagement program undertaken by the Opportunities for

Personalised Transport review. Further, refinement of the reform package has always been part of this consultative government's process and intentions. The OPT review included numerous rounds of consultation with industry, including public submissions, a discussion paper and a green paper ahead of the white paper report to government.

As a consequence of the disallowance motion of the member for Glass House, I have connected with industry directly on the issues raised in the motion, considered their views and moved the amendment to the disallowance motion. Over the past 34 hours since the member for Glass House gave notice of his motion, I have consulted with the Taxi Council Queensland, Yellow Cabs, Black & White Cabs and Gold Coast Cabs on the disallowance motion before the House tonight. We are acting on the concerns of stakeholders. As a consequence of those discussions and as part of the broader ongoing engagement that we have been doing with industry, the government will support the majority of the provisions included in the motion of the member for Glass House. This is a consultative government that has worked with industry to level the playing field and create an environment where drivers and consumers are protected. I will address each of the provisions referred to in the motion in turn.

First, section 63(3) of the passenger transport regulation limited the amount a taxidriver can charge a person who soils the taxi to one penalty unit, which is \$121.90. The provision was omitted by the amending regulation. That change did not prevent taxidrivers from charging a person for soiling a taxi. However, it only allowed taxidrivers to recover the reasonable costs associated with cleaning, without prescribing a maximum amount. Reinstating that provision will mean that taxidrivers can impose a soiling charge of up to only \$121.90.

Industry has told us that they believe it is important for the police to retain the ability to negotiate the application of fees for cleaning. Their experience expressed to government is that police intervention often results in the best outcome for drivers and customers. Inclusion of this provision also assists police with follow-up enforcement if a charge is not paid, ensuring taxi operators are not disadvantaged. The government is prepared to accept reinstatement of this provision. However, it should be noted that through this disallowance motion ride-booking and limousine services are not subject to a maximum soiling charge. Further, it remains the government's view that industry should determine taxi soiling charges based on the reasonable cost of repairing any damage incurred.

Section 63(5) of the passenger transport regulation prohibited a driver from driving a vehicle in a way that involved excessive charging. In other words, they could not go the long way to charge a higher fare. This provision was omitted by the amending regulation as a number of other requirements have been included in the passenger transport regulation to protect customers from being overcharged. These included requirements relating to fare estimates and itemised receipts, as well as maximum fares that still apply to rank and hail services. Driving the most efficient route is a key consumer protection that should be extended to all forms of point-to-point travel that is charged on a time and distance basis.

The government is prepared to accept the reinstatement of this provision. However, as with the maximum soiling charge, ride-booking and limousine services are not subject to this requirement. Therefore, I can foreshadow that the government will further review this provision next year when we implement stage 2 of our reforms in a full legislative package. We will consider how we apply it to ride sharing and ride booking.

Section 67 of the passenger transport regulation imposed maximum age limits on taxis. This affects approximately 96 per cent of the taxi fleet. Reinstating maximum age limits would mean a taxi needs to be replaced when it was six years old for a conventional taxi or eight years old for a wheelchair accessible taxi. I note that this regulation applies only to taxis and not to ride-share vehicles.

Following discussion with industry, the government does not support the reinstatement of section 67. I know that there is not a uniform view of this provision across members of industry. However, from talking to individual licence holders, owner-operators, booking companies and the larger companies, I believe it is in the best interests of industry that this provision remain removed from regulation to lower the costs of operation on industry and allow them to compete to the best of their ability. Returning age limits to taxis only, as in the motion of the member for Glass House, would further disadvantage taxis when competing against ride-booking alternatives.

With advancements in vehicle safety standards and features, and regular vehicle inspections, government no longer needs to impose maximum age limits. Importantly, under our reforms, all taxis are to be inspected every 12 months and all taxi operators must comply with the documented maintenance program for each vehicle. That ensures all vehicles remain safe and free from defects. Again, that regulation applies to ride-booked vehicles as well, in this instance. Further, many taxi

operators are likely to continue to replace their vehicles before they are six years old to minimise costs, as ongoing maintenance costs outweigh new purchase costs, and ensure that they are not commercially disadvantaged in a competitive market.

Reinstating maximum age limits for taxis is also inconsistent with current government policy, which is to not impose age limits on other public passenger vehicles, including ride-booking vehicles and limousines, some of which are boutique vintage vehicles. Further, on 20 April 2016 I announced a six-month amnesty on the enforcement of taxi age limits pending the outcome of the Opportunities for Personalised Transport review. If maximum age limits were reinstated this would mean that approximately 240 taxis could no longer operate, with immediate effect. I know that regional taxis in particular welcomed that relief provided. I note that the April amendment was proposed by the Katter's Australia Party. I thank them for their advocacy.

A new conventional taxi, hybrid model, costs approximately \$35,000. A new wheelchair accessible taxi costs approximately \$80,000, including modifications. Our position is consistent with New South Wales, which has recently removed maximum taxi age limits. Industry has expressed different views on the removal of age limits. However, the strong representations I have received from Black & White Cabs and Gold Coast Cabs is that this must occur to allow the taxi industry to adjust to the reform package from government. They want to see the removal of age limits continue.

Industry has informed government that the current relief of this regulatory burden the state government provided to taxi owners with respect to the age of vehicles has been taken into account in the development of budgets for the current financial year. A change at this stage would require a review of budgets and may place additional unnecessary financial strain on owners.

Section 68 of the Passenger Transport Regulation required a taxidriver to take control over opening and shutting the taxi's doors if requested by a hirer—for example, by activating a child lock on request. These requirements were removed to instead rely on more general requirements under existing legislation relating to the safe operation of vehicles to regulate the control of doors. For example, there is an existing requirement in passenger transport legislation to operate the vehicle safely. However, based on industry feedback received from the Taxi Council of Queensland concerning the defence of drivers against claims of 'deprivation of liberty', the government is prepared to support reinstatement of section 68 on that basis.

Section 70(2) of the Passenger Transport Regulation required a taxi operator to remove certain items from a vehicle, including hail lights, taxi meters and relevant printing or signage when the vehicle stops being a taxi. This measure will reduce consumer exposure to potential predatory behaviour from persons who acquire a former taxi vehicle. Retaining this provision will remove confusion as to the purpose for which a vehicle is being used for consumer protection and compliance purposes.

In summary, the government is prepared to reinstate the following provisions of the Passenger Transport Regulation: section 63(3), prescribing a maximum soiling charge for taxis of one penalty unit; section 63(5), prohibiting a taxidriver from driving the vehicle in a way that involves excessive charging with a penalty of 20 units; section 68, requiring a taxidriver to take control of doors at the passenger's request; and section 70(2), requiring removal of items from a vehicle when it stops being a taxi. However, the government is not prepared to reinstate section 67 of the Passenger Transport Regulation prescribing maximum age limits for taxis.

Further, our motion also corrects a drafting error in the member for Glass House's motion. The member for Glass House had sought to reinsert the penalty of driving in a manner that causes excessive charging, but forgot to amend section 8 that would have followed the penalty back through to the State Penalties Enforcement Regulation. This would have the effect of prohibiting a driver from driving in a manner that causes excessive charging but without the subsequent penalty able to be applied. Without being too political this evening—we have heard some people being quite political—I should note that the strong attention to detail when it comes to drafting amendments clearly has not improved since the last shadow minister, the now the shadow treasurer, would have made buses illegal earlier this year.

In closing, I again thank the member for Glass House for raising these issues before the parliament this evening. I also thank him for his bipartisan support for the remaining 59 sections of the regulations laid before the House by the government. I would extend to him the same offer I have extended to the industry—that is, that I am happy to work through issues together in bedding down this very significant reform.

I think the government has demonstrated this evening that we are happy to find common ground, to work with industry partners and to deliver where we can. I would be happy to receive any representations from the member for Glass House on further aspects to improve and refine these regulations as we move into the legislative process for next year. In short, this does not need to be a parliamentary disallowance debate every time the opposition wants to work through an issue.

Thanks also to the member for Dalrymple and the member for Mount Isa for their ongoing advocacy on these issues. I understand and respect their position and thank them for engaging with us on these provisions before the chamber tonight. I thank the Labor caucus for its backing of these reforms, the levelling of the playing field and the fair provision of industry adjustment. I support the amendment circulated in my name.