




Speech By
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PERSONALISED TRANSPORT OMBUDSMAN BILL

 **Mr MINNIKIN** (Chatsworth—LNP) (11.55 am): I take a great deal of pride in rising to speak on behalf of the opposition on the Personalised Transport Ombudsman Bill 2019 here in beautiful Townsville. The role of the opposition is not to simply oppose legislation for the sake of it. I make that important point up-front. Given the many concerns that we have with the proposed bill, the LNP's position will be to oppose it. When it comes to formulating legislation there is a golden rule, which is around the fact that you do not legislate what you are not prepared to enforce.

I note the committee's position. Although the committee recommended that the Personalised Transport Ombudsman Bill be passed, it is worth noting that it was obliged to make a further seven recommendations. Those include calling on the minister to reconsider several matters relating to the Personalised Transport Ombudsman's ability to make binding decisions, publicly report on systemic issues and complaint statistics, the reporting arrangements for the Personalised Transport Ombudsman, as well as to clarify whether the representative bodies will be able to access the services of the PTO, as I will refer to the role for the remainder of my contribution. The LNP members of the committee provided a statement of reservation regarding these and other concerns, which included the constraints placed upon the new PTO position, the limited investigative powers available to it, which is really the crux of the matter—I will repeat that: the limited investigative powers available to it—the duplication of effort and the adequacy of the measures designed to protect fare revenue.

As outlined in the original explanatory notes, and I will speak to the amendments later in my contribution, the main policy objective of the bill is to establish the position of the Personalised Transport Ombudsman in order to help resolve complaints from anyone relating to personalised transport services. The PTO can also identify and report to the minister on systemic issues arising from personalised transport complaints. The other policy objectives of the bill that we note are, first, to support the protection of fare revenue under the new ticketing solution and, secondly, to clarify and improve the enforceability of existing provisions of the Transport Operations (Passenger Transport) Act, TO(PT)A.

The bill provides for the appointment of the PTO and establishes the Office of the PTO. The bill also outlines the PTO's functions, powers and responsibilities. It is within that detail that the opposition has a distinct problem with this legislation. This action flows from a recommendation contained in the former public works and utilities committee report that an ombudsman or a similar entity be established to deal with disputes in the industry. You would have to have been living under a rock for the past few years to be unaware that some of those issues continue to plague the industry. In fact, last year in parliament I made a speech about how one night, from around 11.40 pm onwards, with representatives from the taxi industry I spent time in Fortitude Valley, as well as the CBD precinct, to try to work out exactly where things were in relation to this particular issue. To be quite frank, in certain ways it has been a complete mess. Therefore, we would argue that there absolutely is a need for someone to intervene with certain issues as they relate to this area of public policy, but we do not believe that this particular bill is adequate or goes far enough.

I note that the amendments in the bill are designed to ensure that the PTO can operate independently in helping to resolve complaints from anyone relating to personalised transport services. I also acknowledge that the bill seeks to protect all-important fare revenue under the new ticketing solution by a range of measures. They include, amongst other things, relocating fare evasion and related offences to a regulation to provide greater flexibility to make changes to the regulation as ticketing technology undoubtedly develops over time; providing continued support for the sharing of information to verify a person's entitlement to a concession—a very important point; providing evidentiary aids for fares and revenue protection devices; and, lastly, making consequential amendments to provide for the continued use of unclaimed credit on dormant passenger accounts. That was in the news a matter of months ago.

There are miscellaneous amendments in the bill. The bill purports to clarify and improve the enforceability of existing provisions in TO(PT)A by clarifying the public passenger services for which operator accreditation, OA, and driver authorisation, DA, are required; providing evidentiary aids for establishing whether, at a particular time, a person holds a category of OA or DA; clarifying an existing power of an authorised person to require information from certain third-party persons; allowing a driving sanction to be imposed when a person driving a taxi, booked hire vehicle or limousine commits an offence against a provision prescribed by regulation; and, finally, making other minor consequential amendments.

Specifically, the advances made possible by technology and the gig economy have been relatively swift and far-reaching for all jurisdictions in the Western Hemisphere. As a result of this new technology and related business models, customer expectations in the personalised transport space have undoubtedly changed over the last five or six years and beyond. This has seen new business models entering the market that have harnessed the technological advances. The power on one's mobile phone now has made the whole gig economy and digital disruption something that has affected not only this particular industry but also many other industries—some of which various governments have struggled to come to grips with. However, their emergence has given rise to a host of operational and enforcement issues that this bill is meant to address.

Furthermore, the impact on the pre-existing models such as taxis and hire cars has been severe and has led to ongoing disruption across the industry participants. In fact, only yesterday, when shadow ministers were taking deputations from different people in the community, I met with a taxi operator who has 30 years industry experience and who has seen the value of a traditional taxi licence plummet from around \$500,000 at the height of the market to now anywhere between \$80,000 and \$100,000. Many members in this chamber would have heard stories from people who have maybe two, three or four taxi licences. In many cases it was a superannuation hedge. They worked hard, they invested and they put money into another licence only to see its value plummet over the last three to four years.

Industry and consumer complaints, along with turf wars, are still occurring and have yet to be fully addressed by the Labor government. As I said earlier in my contribution, I have spent time in the Valley and in the CBD at the height of a Friday and Saturday night where, between Brisbane City Council buses, rideshare service operators—several of them; I am not naming one in particular—and traditional taxi services, I have watched firsthand the squabbles and the turf wars. Sadly, I think they will lead to major ramifications for the entire industry.

It is considered that the establishment of the PTO position is an attempt—and I stress: an attempt—by the government to shift responsibility for settling these issues. However—and this is where the opposition absolutely disagrees with what is being proposed at this sitting of regional parliament today here in Townsville—the limited powers assigned to the position suggest that these issues, including complaints about government policy and legislation or even alleged offences under other relevant transport legislation, will simply not be properly investigated.

In terms of the protection of fare revenue, over the past few years there has been a growing trend in fare evasion, sadly, and associated antisocial behaviour, which both sides of the chamber acknowledge is a real problem. The cost of revenue forgone is estimated to be around \$25 million a year. It could be more. One thing is for sure: fare evasion revenue appears to be well and truly on the rise and something desperately needs to be done about it for all taxpayers. The amendments contained in this bill seek to clarify the enforceability of the existing provisions of TO(PT)A so that they may assist in addressing this disturbing trend. Based on the feedback from those stakeholders who provided submissions to the Transport and Public Works Committee, they see the role of the PTO as being very simply a waste of money and little more than a 'toothless tiger', so there was little, if any, support for the bill.

In 2015, Labor was caught off guard by the disruption occurring in the personalised transport space. As per their usual approach, rather than immediately resolve the issues, they responded by doing what they do best—holding a review. Unfortunately, by the time they eventually released a

five-year—2016 to 2021—strategic plan that included measures to overhaul Queensland’s personalised transport industry, sadly, the situation had deteriorated even further. Most of their reform measures were implemented through the Transport and Other Legislation (Personalised Transport Reform) Amendment Act 2017. Some three years later, the enforcement issues impacting the industry participants, sadly, largely remain unresolved. The reform package contained only limited compensation to be made available to the taxi industry. In addition, disputes are ongoing and clear lines of responsibility for compliance are yet to be effectively established.

At the end of the day, not only I but, I would argue, many members on both sides of the chamber have had countless taxidriver licence holders come to us—hardworking men and women who have toiled, in some cases for many years, in an industry that was largely, to be frank, heavily regulated by the government of the day. Effectively, a bundle of rights was issued on a piece of paper. Very brutally, and obviously with third-party digital disruptors, that industry underwent massive change in a very short period of time. To see the value of a bundle of rights, issued on a piece of paper, almost dissolve in a matter of months has caused so much angst within the broader taxi industry. Rather than try to work with the industry to introduce, as much as practicable, a level playing field, what has happened has been an absolute disgrace.

No-one, particularly on the opposition side of the chamber, bemoans the introduction of true competition. That is in the DNA of the LNP—to promote competition in all industry, to bring out the best in pricing and service for the customer, for the consumer. No-one on this side of the chamber for one moment would ever argue that we cannot move with the times and allow new entrants into any existing industry. You must move with the times, but the way that you engage in true reform is by bringing everyone with you. To go from a regulated industry to pretty much open slather overnight and not think that there would be real consequences absolutely defies description.

In relation to the limited compensation made available, we know through the former minister for transport and main roads that it was capped at a minimum of \$20,000 for two licences only. To this day that still causes great concern to many people in the taxi industry. Rather than accept responsibility, Labor now hopes that the creation of the PTO will act as a common voice for accountability. Despite maintaining that it consulted widely on these matters, it is extremely disappointing that all stakeholders have been compelled to speak out about various aspects of the bill. As a consequence, they do not support the bill. Today we are debating the Personalised Transport Ombudsman Bill and one of the great stakeholders in this entire debate, Taxi Council Queensland, simply does not support it.

To a large degree I think that says it all. It underlines the total failure of the minister to bring forward a bill into this chamber—wherever this great chamber may be physically meeting—that will meet the needs of the industry and consumers. As an example of stakeholder feedback, Taxi Council Queensland wrote to the Queensland government saying that the PTO presents as a ‘toothless tiger’ and the idea is simply a waste of money. Even more concerning, they expressed the view that many of the substantive and pressing issues confronting their sector appear to be outside the proposed purview of the role.

The Ride Share Drivers’ Association of Australia said that the entirety of the legislation is flawed because the ombudsman will have ‘no real powers to compel parties to be bound to any results’. The minister said that in his opening speech. In its executive summary the Limousine Action Group (Queensland) expressed concern that safety is not a priority of the bill, and I want to stress that. Whether you are talking to limousine drivers, rideshare drivers or taxidrivers, a level playing field centred on consumer passenger safety is an issue that comes up time and time again, and that is not adequately addressed in the proposed legislation.

In terms of the new ticketing system, community input has been almost non-existent. This limits the potential for fresh ideas like periodic options to be properly catered for in the new ticketing system. Under the Labor government there has been a surge in fare evasion. On the Gold Coast, for example, the cost of fare evasion button activation during school runs has risen from just over \$402,000 in 2016-17 to approximately \$764,000 in 2017-18. As a result of this avoidance, the value of fares collected on Gold Coast school bus services dropped from around \$908,000 in the 2015-16 financial year to \$436,000 in the 2017-18 financial year. Taxpayers are losing fare revenue week in and week out, month in and month out.

In contrast to Labor’s failed approach to the personalised transport space, in 2014 the LNP worked with Taxi Council Queensland on a targeted program to manage enforcement issues while the transition brought about by technology disruption continued. After listening to passengers, drivers, owners and operators, the LNP took fresh policies to the 2017 election to stand up for the taxi and rideshare industry, and we will do that again in 14 months time. Included in these initiatives was the establishment of a statutory personalised transport commissioner—not an ombudsman—with real

powers to investigate the issues and a plan to consolidate all personalised transport functions within TMR into a new office of personalised transport, giving it some real teeth—some real legislative power. The LNP also committed to facilitate and improve integration with the public transport network, and we will continue to engage with the industry to ensure relevance and acceptance of its policies. The LNP would listen, plan and act for passengers and the industry to fix the current malaise if we were given the privilege of forming the next government of Queensland in roughly 14 months.

I also note the amendments that are to be moved during consideration in detail by the honourable minister. The explanatory notes state it was intended that the Personalised Transport Ombudsman provisions would commence on assent of the bill; however, in recognition of the fact that potential changes to the legislation could arise through the committee process, recruitment for the Personalised Transport Ombudsman is not planned to start until after the bill is passed. Therefore, it has been identified that once the provisions commence, technically a person will be able to lodge complaints under clause 31 even though there will not be a Personalised Transport Ombudsman to respond to those complaints.

At the end of the day, everyone on this side of the chamber wants to see the hardworking men and women of the taxi, rideshare and limousine industry make money through hard work, thrift and toil. There is fundamentally nothing wrong with seeking to derive a profit from a legal entity using your blood, sweat and toil. At the end of the day, the entire industry—no matter which stakeholder group you are part of—wants a couple of fundamentally important things underwritten by someone in a position to make a real decision using real clout to bring about some effective change. Whether those people are in the taxi industry, rideshare industry or the limousine industry, they want to work together to create a level playing field. They want to ensure that someone who holds a position of true authority is able to invoke real standards of safety. Sadly, the proposed role is a ‘toothless tiger’.

At the end of the day, no matter what vehicle you get into you want to make sure that you are not being ripped off, the vehicle is safe and secure and that you know exactly where you are should the situation arise that people need to know retrospectively where you are travelling and what you are doing. We support the proposal of a ‘centre court umpire’ for the personalised transport industry. I stress that this is not a case of opposing the bill just for the sake of it. We earnestly believe that, whilst the intent—the goal—of the legislation is headed in the right direction, this particular role does not cut through what the industry and consumers of this great state are looking for. Consequently, we will oppose the bill.