



Transport Workers' Union of NSW

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ABN: 77 710 588 395

2 November 2020

Portfolio Committee No. 6
Transport and Customer Service

To whom it may concern

Point to Point (Taxis and Hire Vehicles) Act 2016 - Question on Notice

I write in to provide a response to the first Question on Notice arising from the Transcript of the Hearing on 25 September 2020, pertaining to the Operation of the Point to Point Transport (Taxis and Hire Vehicles) Act 2016.

Question on Notice:

Out of interest, how many taxi drivers are members of the TWU?

Answer:

The Transport Workers' Union of New South Wales presently has sixty-nine (69) taxi drivers as members.

Taxi driver membership to the Transport Workers' Union of New South Wales fluctuates.

Taxi driver membership has declined as a result of the emergence of rideshare within the point-to-point sector.

If there is any further information required, please contact the writer of this correspondence.

Yours faithfully

Isabella Wisniewska
Transport Workers Union of NSW
Legal Officer

AUSTRALIA'S STRONGEST UNION, GIVING TRANSPORT WORKERS A POWERFUL VOICE SINCE 1888

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Question on Notice:

To the extent to which operators are offering week-based bailment, that is seemingly, on the face of it, inconsistent with the bailment determination, is it not?

Answer:

Correct

If there is any further information required, please contact the writer of this correspondence.

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Point to Point (Taxis and Hire Vehicles) Act 2016 – Supplementary Question

I write in to provide to the supplementary question arising from the Hearing on 25 September 2020, pertaining to the Operation of the Point to Point Transport (Taxis and Hire Vehicles) Act 2016.

Supplementary Question:

Would you agree with the statement that pursuing amendments to bailment conditions will not be effective without addressing current market condition that see drivers struggling to cover costs?

Answer:

Whilst the Transport Workers Union of New South Wales (TWU) is firmly of the view that taxi, hire car and rideshare drivers alike should operate under Chapter 6 of the *Industrial Relations Act 1996* (NSW), there is no denying that those operating in the point-to-point sector face many challenges, including earning a living wage after covering operational costs.

It is the belief of the TWU that it is erroneous to allow rideshare to continue operating outside of the existing labour law framework, as this will only further render the traditional point-to-point transport industry uncompetitive.

Whilst the TWU acknowledges challenges posed by current market conditions, we believe that by the rideshare industry operating under Chapter 6 of the *Industrial Relations Act 1996* (NSW), the conditions and entitlement of drivers will improve. Reforming the bailment system to include rideshare will improve the current disparity between the entitlements of rideshare drivers and taxi and hire car drivers.

Prioritising bailment reform is particularly important as the *Industrial Relations Act 1996* (NSW) allows driver to engage in industry bargaining for contract determinations and in turn, negotiate and improve conditions and rates for drivers. This type of negotiation is evidenced through the *Taxi Industry (Contract Drivers) Contract Determination 1984*, which enshrined payment methods, annual leave, sick leave and long service leave entitlements. Consequently, the TWU is of the view that by pursuing amendments in the bailment sector, market conditions for those operating in the rideshare sector would be improved.

The TWU submits that it is particularly important to pursue bailment reform not only to stop taxi and hire cars being deemed uncompetitive in comparison to rideshare operators, but also to ensure rideshare workers are remunerated appropriately.

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As per the submission of the TWU, of the over one-thousand (1,000) rideshare operators surveyed in 2018, eighty-five (85%) of drivers are unsatisfied with their earnings, with sixty-seven percent (67%) of drivers working full time hours, earning below the Australia Bureau of Statistics weekly wage. Drivers were also calculated to earn sixteen dollars (\$16) per hour on average after company fees and taxes, but before fuel and insurance costs. The TWU submits that it is inappropriate for the New South Wales Government not to reform the point-to-point sector by pursuing bailment, as this will only facilitate a race to the bottom throughout the industry.

In summary, the TWU acknowledges the challenges faced by traditional taxi and hire car operators and rideshare operators alike. These challenges, particularly challenges pertaining to remuneration, will be improved through bailment reform. For too long the rideshare industry has exploited drivers who are not subject to existing labour laws.

If you require any further information, please contact the writer of this correspondence.

Yours faithfully

Gavin Webb

Transport Workers Union of NSW

Chief Legal Officer