

Submission  
No 24

## INQUIRY INTO NSW TAXI INDUSTRY

**Name:** Mr Reg Cockburn

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The Hon John Ajaka MLC  
Committee Chairman  
Select Committee on the NSW Taxi Industry  
Legislative Council  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Dear Mr Ajaka,

I refer to your letter inviting me to make a submission to the Select Committee and I thank you and the Committee Members very much for this opportunity.

Please find attached my submission and I look forward to receiving further information about the Committee's findings in the future

I would appreciate the opportunity to make a personal submission to the Select Committee if this would assist the Committee in its findings

Yours sincerely

Reg Cockburn

## INQUIRY INTO THE NSW TAXI INDUSTRY

### TERMS OF REFERENCE

#### Preamble

Recent New South Wales Government legislation relating to the Taxi industry and in particular the issue of uncapped leased taxi license plates was introduced in a modified structure after careful consultation with New South Wales taxi industry representatives. The initial proposed legislation provided real, and in some case catastrophic consequences for taxi owner/operators and drivers in terms of financial difficulties for those;

- seeking to exit the industry.
- currently working permanent or part time as drivers.
- and those recently entered into the industry.

Many owner/operators have maintained their plates as a small business designed to provide an income to support their families and importantly to act as a significant superannuation provision at time of retirement. The proposed legislation was clearly set to devalue the current market value of existing taxi license up to 50% of that current value therefore taking away the opportunity to retire with an amount of financial dignity.

Drivers were set to walk away from the industry in droves as the potential flood of leased plates detracted from their ability to earn what could be described as a modest wage. The vacuum of drivers would leave plate owners to attempt to fill the void with their own time. Clearly this has limits as owners simply could not operate up to twenty four hours per day seven days per week. The direct consequence of this would mean taxi cabs would spend many hours parked out the front of the owner's homes without drivers.

In my own experience I purchased a plate some two years ago for the purchase price of \$195,000.00 and mortgaged my home to do so. The impact of the legislation in releasing uncapped leased plates into the Newcastle District would seriously undermine my ability to earn an income capable of providing for my current financial family needs, my monthly business loan repayments and of course as I near retirement age, my financial dignity into retirement.

It is critical for the New South Wales Government to find a balance for meeting the needs of future customer transport volumes in terms of taxi transport, and the needs of the owner/operators and drivers within the industry.

The following information is provided as my submission to the Committee;

**(a) the adequacy of government reporting standards and regulation of the industry and the impact of this on the provisions of quality taxi services for commuter, including for people using wheelchairs,**

Newcastle Taxi's management regularly reports back to the Ministry of Transport a range of structured Key Performance Indicators including but not limited to the following;

- (i) Time limits for customer service telephone inquiries
- (ii) Taxi dispatch and response times
- (iii) Number of taxi's on the road at any given time to meet transport volume
- (iv) Number of daily taxi bookings
- (v) Number of m 13's (Emergency calls for assistance)

In addition Newcastle Taxi management employs one fulltime complaints officer and two part time assistants. All three complaints officers undergo training in complaints resolution and report directly back to the Ministries Mike O'Neill. At the time of preparing this document Newcastle Taxi's complaints system is currently finalizing three outstanding issues. In comparison approximately twelve months ago, prior to

the Customer Feedback Management System (CFMS) being put in place Newcastle Taxi's had 48 outstanding complaints.

Most recent statistics pertaining to Newcastle Taxi's indicates approximately 140,000 bookings per month with 600 complaints per annum or 0.0004%

**(b) the provision of government subsidies to the industry and the allocation and subsequent trading of free 'Nexus' plates, including the impact on public revenue,**

The Nexus plate has little relevance to the Newcastle Taxi District.

**(c) the effect of limits on the supply of unrestricted taxi licenses in New South Wales, particularly as it impacts on customer service,**

I have previously noted the negative financial effects upon the people operating within the industry and the relationship this will have with taxi vehicles spending many hours off the road as drivers exit the industry.

I would like to note that the Newcastle Taxi District meets the transport demands of the community with average waiting times for taxis being less than ten minutes in the overwhelming majority of cases. There is a period of time between the hours of 1.00am and 4.00am Saturday and Sunday mornings where taxi waiting times increase, particularly within the inner city entertainment precincts as demand increases for transport services. This has largely occurred since the 1.00am inner-city 'lockout' and 3.00am consistent closing times of licensed premises introduced in December 2008. The result is a mass of people seeking transport between these times. Newcastle Taxi Management is responding to this consequence with the establishment of a working party to meet with local liquor accords, government and civic representatives and local business operators to provide workable strategies to improve taxi services between these peak times. Strategies such as manned secure ranks, taxi voucher systems, tailored taxi rank training for security personnel and multi hiring options for customers.

In addition the Newcastle District taxi fleet has increased over the past year from 157 taxi vehicles to 165, an increase of some 5.09%. Wheel Chair Accessible Taxi's (WATS) have increased during the same period from 6 to 14 vehicles or a 133% increase. I would note that some twelve months ago approximately 20 WATS jobs were accepted each day, it is currently the norm to accept in the vicinity of 100 WATS bookings per day. I firmly believe these changes and increase in taxi plates are meeting growth in customer service demands whilst protecting the small business capabilities of individual taxi owner/operators and drivers. In other words there is a formula for increasing the Newcastle District Taxi Fleet in line with customer expectations and demand.

This starkly contrasts with the proposed introduction of uncapped leased taxi plates that would lead to less work for existing vehicles and the eventual but inevitable, financial ruin of a number of taxi owner/operators.

**(d) anti-competitive activities in the industry and the government's compliance with National Competition Council rulings,**

I am unable to comment as I am unaware of any anti-competitive activities operating within the Newcastle Taxi District.

**(e) the performance of the wheelchair-accessible taxi fleet, with special regard to Federal disability discrimination laws and their compliance with the 2002 Disability Standards for Accessible Public Transport,**

Newcastle Taxi's General Manager John Woods regularly attends forums with Hunter Regional Community Transport Manager Steven Warham in order to monitor WATS fleet performance and changes to the demands and expectations of special needs customers. As previously outlined in response © the WATS Fleet has increased significantly over the past year and will continue to do so in line with the consultation process and needs identified at these forums. John Woods has recently indicated his satisfaction with attaining a high degree of quality in line with Key Performance Indicators relevant to the wheel chair accessible taxi fleet and customer service levels,

something that was recently reflected in the awarding of Newcastle Taxi's WATS owner operator, Alex Tran as the NSW taxi driver of the year.

**(f) the effectiveness of the Wheelchair Accessible Transport Taxi Driver Incentive scheme in providing better taxi services for people in wheelchairs,**

**(g) the Government's response to the recommendations of a range of reviews into the taxi and hire car industry over the last decade,**

I am unable to comment on this point as I am unaware of the existence and content of such reviews.

**(h) the level of transparency and accountability in the regulation of the industry, including the reasons for the failure to make public reports flowing from six out of ten inquiries or reviews over the last decade,**

Again I am unable to make comment on the Government's housekeeping in relation to this point. I would like to note however, that it would be highly beneficial to include Network Executives and Senior Management in a consultative or advisory capacity for any proposed future inquiries of reviews.

**(i) the appropriateness and accountability mechanisms associated with the appointment of key Government ministers and bureaucrats to positions in the industry and it's impact on Government policy,**

I am unable to make comment.

**(j) regulatory structures in other Australian jurisdictions and the optimal framework required to achieve the best possible taxi service for members of the public in New South Wales,**

I am unable to make submission on this point.

**(k) working conditions and entitlements for taxi drivers, and**

The current system of bailment operating within the Newcastle Taxi District between owner/operators and drivers is widely accepted practice for delivering a fair and reasonable financial outcome for both parties.

**(l) any other related matters.**

I am of the opinion that the Newcastle Taxi District is on the front foot in terms of addressing the needs of local customer transport groups and is looking to improve across a wide spectrum of internal and external "issues" and to that end I would welcome an opportunity for the local industry to continue improvements of identified key objectives over the next eighteen to twenty four months – such as;

→ Improved wheelchair transport services.

→ Secured rank passenger and driver safety and improved late night transport services.

→ Growth of business through continued community consultation with a particular emphasis on wheelchair, aged and family units.

→ opportunity to procure Veterans Affairs work through current service levels and wheelchair and silver service transport options. Currently 440 owner/operators and drivers have attended the Community Transport course within the Newcastle Taxi district.

In conclusion I would note that in preparing this submission I sought a number of clarifications and research options from the General Manager of Newcastle Taxi's.