Supplementary Submission No 46a

# INQUIRY INTO NSW TAXI INDUSTRY

Organisation:

Name:

NSW Taxi Drivers Association

Date received:

Mr Ernie Mollenhauer 4/03/2010

# New South Wales Taxi Drivers Association Inc

FOR: BAILEE DRIVERS, OWNER DRIVERS, AND LESSEE DRIVERS, Inclusive

President : Anne Turner

A Fair Share of a Fair Fare

To The Taxi Select Committee

RECEIVED 0 4 MAR 2010 LEGISLACHYE SLIO/66

Dear Committee,

On behalf of NSW Taxi Drivers the NSW Taxi Drivers Association Incorporated submits this review of the proceedings of the enquiry. Our association speaks for the drivers of the taxis be they bailees, lessees or plate owning drivers.

We have endeavoured to address the most pertinent issues in the industry and hope that the committee will endorse the recommendations that follow to achieve a range of mutually beneficial enhancements. We are indebted to the committee for the time and effort that they have invested into this enquiry and readily acknowledge the enormity of the task undertaken.

The review that follows is in 4 sections:

- 1) Wheel Chair Accessible taxi issues
- 2) Industry Review
- 3) Analysis of recommendations made by the Taxi Council Ltd
- 4) Action Plan

We sincerely trust that your efforts will not be in vain!

Anne Turner

President,

NSW Taxi Drivers Association Incorporated

3/3/2010

NSW TDA Inc

March 2010 Page 1 of 22

# **Review of Hearings WATS**

It is noted that several disabled sector lobbyists have enthusiastically advocated every conceivable improvement or innovation to achieve the absolute maximum ideal outcome for the disabled, and that, is really, only what they would be expected to promote. Bearing in mind, of course, that as a society we have a moral obligation to normalise the lives of disabled people as much as possible, there are some points that may be considered, in that there might be some constructive balance to what is possible, and what the taxi industry should be advised to do in relation to WATS services.

On listening to the evidence, it confirms our primary conviction that direct remuneration is clearly the best method to encourage drivers to provide good and willing service to WATS customers. It may be pointed out that there are 5600 taxis in the Sydney regional area they service 12 million bookings per year for an average pick up time of 6 minutes. There are approximately 560 WATS taxis that service 12,000 WATS calls per year for an average pick up time of 7 minutes. So it requires 10% of the cab fleet to service 1% of the calls. So that the ratio of WATS taxis to normal taxis per booking compares favourably. We can say that there are enough WATS taxis to accommodate demand. It is a matter of encouraging drivers to better respond to the WATS calls. We have seen how that has already been done. The formula is simple; Driver remuneration, equals driver enthusiasm, equals better service to customers.

Another aspect is in relation to compulsory legal obligations of the anti-discrimination act. The requirements of the act have been met and exceeded by the industry having provided more WATS taxis per call than the standard fleet.

If we are to look at response times, the average response time has so closely matched that of the standard response time, that if the obligation is to serve to the  $90^{\text{th}}$  percentile then even with that interpretation the industry has complied with its legal obligations.

It has been shown in the evidence that WATS drivers are providing an excellent service. All drivers are trained to deal with customers with special needs that are able to use normal cabs with some professional assistance. Overall the industry has done well. The industry has made considerable efforts to accommodate WATS and other passengers with special needs. It is not true to say that the discrimination act is being ignored.

It is not constructive to focus on arbitrary demands. It is better to just look at ways to make things better for drivers and passengers. The aim should be to provide a good quality of service in excess of any punitive edicts, and further, to create a situation where the remuneration and incentives are good enough that the WATS sector will provide sufficient

NSW TDA Inc

#### March 2010 Page 2 of 22

incentives to encourage WATs drivers to provide a good quality service on its own economic stand alone basis.

There are practical limitations as to what a taxi industry may provide, to provide general street pick ups for WATs passengers is just not feasible in the foreseeable future. What is possible and is a work well in progress is to provide good quality booking service that can meet the needs of the WATs sector of the passenger market.

Universal cabs is a far off futuristic vision, there is no practical way to do this in the short term, and it is not urgently necessary it has been shown in the evidence that the numbers of WAT cabs that are already operating is ample. It is substantially a matter of improving network communications and making it worthwhile to drivers. One day it may come to pass that for the right commercial reasons a production line of vehicles that are suited to be a universal cab will be produced, and at that time every thing will fall into place. In the mean time a gradually growing number of mid sized Tarago style vans provide a reasonable and practical option. It is noted that the touted ideal London, or British cabs, only are able to take standard wheelchairs. In NSW we can take a pretty reasonable extended range of bigger wheelchairs. Even so, there are limitations to the size and variety of various scooters and electric transport devices that a common carrier service can accommodate or should be expected to. So in some cases if there is a public responsibility to those unfortunate few who have extraordinary needs, then there may have to be some measures undertaken by our society or government beyond the Taxi industry.

Overall, if the taxi industry is required to provide a good quality WATS booked service to the 90<sup>th</sup> percentile. Then that is quite possible, and that is what we are already delivering.

One other point, there is no need for a WATS taxi to provide for a specified number of able bodied free co-riders to travel with a Wheel chair passenger. As they are able bodied they have no claims under the antidiscrimination act, at all. It is for disabled people only. All WATS cabs have at least one common passenger seat and most have at least two. If there are three able bodied friends, they should be paying for a normal cab and they can share the fare. The only extra imposition is the flag fall. That is one about dollar each. Is it not better to have many Tarago style mid sized vans that can pick up many WATS passengers, rather than have a smaller number of giant vans? Which would be the better outcome for WATS as a common carrier service?

Incentives and protection from petty infringements are the main real elements to improve and repair the WATS service. A further point that has not been raised is that WATs are providing

**NSW TDA Inc** 

March 2010 Page 3 of 22

a special service to people with special needs. As an ambulance is an emergency vehicle, would not a WAT picking up a wheelchair passenger be classified as a temporary emergency vehicle? It is a major disincentive to WAT drivers who have to park in many awkward spots to service the special needs of their customers, to be picked off and heavily fined for some petty infringement by the ever present over zealous rangers.

In an exceptional case where all normal methods have fallen through, and the network finds that a WATS passenger is looking at a long wait time frame, with GPS it is fairly easy for them to calculate a reasonably accurate running time amount, to offer to a WATS driver. That is, at the network's discretion, they can offer a bonus amount to the nearest cab they can find that will give a credit to that cab's network account. So that, in that exceptional case, if the driver is paid running to travel to the WATS pickup he is gainfully employed for the running distance and it becomes worth his while for the time and expense in doing the job. That should just about mop up all the most awkward jobs to cover. If a bailee driver is driving, he would note down the special bonus serial no. and amount that can be confirmed by the network, and deducts it from his pay in. If the operator is driving his own cab it goes straight into his network account.

Finally, The TTSS scheme, is already, in fact, divided into two branches we suggest that it be publicly declared as two slightly different types of subsidy payment. The M40 type covers all general mobility impaired passengers. The M50 type is for WATS passengers only. An increased subsidy from \$30 to \$60 for all TTSS passengers would make a big difference to the mobility of the disabled especially those with longer distances to traverse. We advocate this increase being phased in to M50 passengers first. The M40 dockets should attract a \$5 loading to reflect the additional demands upon the driver. The M50 dockets, only, would attract the lift fee of \$10 (based on 12 minutes' waiting time). We believe that is a small amount in Government terms but it will make a big difference to some struggling disadvantaged people. This would bring NSW into line with other States and markedly improve drivers' response times for these passengers.

NSW TDA Inc

March 2010 Page 4 of 22

# Comments on TTSS in Others' Submissions

Number & Agency	ref	Suggestion
1 Adam Johnston	P3	raise
8 People With Disability Australia Incorporated	P 3	Raise cap to \$60 Raise rate to 75%
14 NSW Disability Discrimination Legal Centre Inc and Physical Disability Council of NSW	P10	Gites ACT Lift fee of \$10. NSW increase supported
20 Northern Rivers Multiple Sclerosis Network of Care	P.4	Cites \$60 cap in Vic & up to 75% subsidy in other states Vic Lift fee \$14
23 Pennith Dischillides Resource Centre Inc	P 2	Reference \$50 them include CPI rises
43 Disability Council of NSW	P 7	Raise cap to \$40 Raise rate to 75%
54YTEd Hillisch	(P.9)	Raise cap to \$60 Max pass Contrat \$30
56 Tourism and Transport Forum	P8	Cites/advocates other States' \$60 cap & 75% subsidy
32 ATDA Michael Jools	P.6	Cap pass contrib at \$30
46 NSW Taxi Drivers Asn Inc	P 17	Raise Cap to \$60 Raise "Lift fee" to \$10.& apply Tariff 2 ( +20%)

NSW TDA Inc

March 2010 Page 5 of 22

# SUMMARY (WATs)

In summary we think the following measures should be recommended:

The min. \$10.00 load/unload fee Paid by customers to compensate drivers for time spent. The \$7.70 internal payment can be terminated. For the future, the lift fee should to be indexed to the equivalent of 12 minutes waiting time.

WATS jobs to be all rate 2, [20% loading] To encourage drivers to prefer WATS jobs over standard jobs.

Running time bonus At the discretion of Networks to mop up difficult to dispatch jobs.

**Temporary emergency vehicle status** For WATS jobs, to give immunity from petty infringements to WATS drivers whilst doing a vital and special community service.

Access to Transitways / busways For taxis, would see the biggest improvement in service to outlying WATS customers.

**Removal of the 5pm changeover** Drivers are in the best position to choose their own shift change times. They are keenly oriented towards catering for all available work and are the best ones to choose their own changeover times

The shift-change could be done between 12 noon and 2pm, or after 4pm. This would be a much better balance and would accommodate the afternoon school problem.

Access to disabled zones For WATS taxis, an obvious and overdue remedy.

**Extended subsidy** To give financial support to all WATS customers and underpin the above financial incentives that are the cornerstone of an improved WATS service. An extension of the TTSS limit for WATs passengers, at least, should be expedited urgently.

NSW TDA Inc

March 2010 Page 6 of 22

# **Industry Review**

The insistence on issuing new plates has many dire implications for many people. In Newcastle for example if new plates are issued in the area then the value of the plates invested in will plummet, and operators have a big risk of losing their homes. Newcastle is a microcosm of the taxi situation in other parts of NSW. They do have good local consultation for the transport systems in Newcastle. They know how many cabs they need to provide a good service and for the drivers to have an economically sound business. A good service can be provided by a motivated person, but if the person providing the service does not get paid at the end of the day that motivated person will disappear from the industry. What cannot be emphasised too strongly is that it not just a matter of more and more cabs. It needs to be a balance. The major issue that we need to impress is to debunk the myth that there needs to be more plates issued. We have to say again **No new plates** until it is proven that there is a demand for the work.

There is much room for improvement by better use of the fleet we have now. Things could be improved by better co-operation with hotels and clubs and with regulations. Special, or temporary, supervised ranks at late night venues is one obvious improvement. To mention the infamous Kings Cross news sensation drama, only 4 of the 85 drivers cited in the trial by media were prosecuted by the Department of T&I. The NSW TDA Inc. made emergency representations to the department and we were relieved to see that the department was very fair. The main point however, is that they used to have a pretty reasonable large taxi rank on Darlinghurst Road and they took it away. Perhaps your committee might like to ask your colleague, Lord Mayor Clover Moore, why this was done. The nett result was that Kings Cross went from being a difficult but just manageable venue to complete mayhem, especially on Bayswater Road.

So the answer was, to attack and persecute the cabbies. Wrong! After the Tele/police blitz virtually no cabs went to Bayswater road, and nobody could get a cab. This is a perfect example of the simplistic authoritative thinking that has been repeatedly applied to cab drivers, and it is a perfect example of what doesn't work.

One thing that would work, is something that has been forgotten, rather than blame cabs, or hotels, for the mayhem, is to give the police the authority to arrest drunk and disorderly people and detain them in the drunk tank. This will be a very sobering experience for most people. It is amazing what a bit of authority, or the threat of being arrested, does to quieten down a drunken crowd.

One factor in what seems to be a large shortage of cabs to the late hotels, is that many drivers simply avoid the rough house outside the venues. There have been a number of remedies that have already been tried in some venues. Campbelltown RSL had a bad problem that no cabs

**NSW TDA Inc** 

# March 2010 Page 7 of 22

would turn up. They implemented a program when patrons who wanted a cab gave their name in to a register at the club. The club then issued the patrons with a docket number, they then booked a cab for that docket number. The patrons' behaviour in the cabs improved dramatically and the runners dried up. There were plenty of cabs for the patrons. A behaviour problem, not a cab shortage problem. The AHA idea of a \$5 driver incentive is a good one, if it were coupled with a priority rank supervised by the bouncers, and endorsed by the authorities, that could work. The peak taxi idea is not economically feasible.

#### **Driver Safety**

Camera systems in taxis are outmoded and out of date. There is a distinct shortcoming in the operation of the camera systems. It is very difficult for the operator to access the captured images. In the event of an incident the evidence that would, for example enable a "hot pursuit", is lost or is overly delayed. We advocate every police car being equipped to view and download taxi camera images so that e.g. street violence can be quickly resolved.

#### Driver Incentives

What we need is incentives, more co-operation, and more supervised ranks. One thing they can do in the city is have late night directional ranks many drivers would take on late jobs if they could be reasonably assured that they could get a fare in the direction that they are going. We advocate a simple regulatory change to allow cabbies to obtain an upfront deposit on request. It would act as an incentive without any monetary cost. If the money is negotiated up front, at the beginning of the journey, where the bright lights and people are, that is far safer for the cabbie and far less likely to cause altercations than at the of the fare. More generally, allowing cab drivers to use destination signs at a time of their choosing, is another non monetary incentive, and would assist with efficiency of the fleet.

#### Taxi Transport Subsidy Scheme

The Taxi Transport Subsidy Scheme requires a major overhaul. Drivers need increased incentives to address the currently unpaid aspects of meeting the needs of the frail and infirm. These passengers frequently take longer to access and exit their taxis and the drivers lose time catering to their additional needs. Drivers also experience delays in processing their claims for payment from the authorities. A \$5 loading on these hirings would compensate drivers more realistically for the time that they lose and incentivise them to service more of these time consuming hirings. This would improve the service to these customers.

#### **Remote Short Fares**

There is an anomaly with remote short fares. The current booking fee just does not reflect the cost of the dead run out to a pickup address. Whilst ambulances all charge for the journey TO the pickup point the taxi pricing model underprices these jobs below the price at which a driver can viably service the booking request. Only by empowering passengers to offer the actual cost of supplying the service they request can they expect to have their needs met. To this end we advocate empowering passengers to be able to offer what the job is worth to them

NSW TDA Inc

# March 2010 Page 8 of 22

at the time of placing their order. This would entail networks accepting deposits with bookings and passengers being freed to offer the incentives that they feel are appropriate.

#### Plate Release Issues

Another issue that has not been addressed is the dilution of the cab market in Sydney.

The IPART method is to measure the cost to run a cab from year to year, this might be appropriate if the base level of fares was at a high enough level in the first place. Sadly, this is not the case, every increase in plates released for any reason dilutes the market and dilutes the income for both drivers and operators. Every 50 plates put on the road should be matched by a 1% increase in fares above inflation, above IPART cost calculations and anything else. For instance when the 92 pairs of nexus plates were issued there should have been a 3.8% increase in fares. When the 100 night plates were issued there should have been a 2% increase in fares. When the current crop of plates are released then there should be a 2% increase beyond current IPART calculations. It has been put forward in evidence that there has been an increase of 300 WATS cabs in recent years. As WATs are a special case, we don't object to a gradual increase in WAT cabs, provided that there is an appropriate compensation for the dilution of the market. Those 300 WATS plates should have generated a fare increase of 6%.

To look at the overall picture there should be 1 cab per 1000 people. Sydney has 4.5 million people that means, to have a healthy taxi industry there should be 4500 cabs. There are currently 5600, and counting. That means, we have 24% too many cabs, and it means that we should have a 24% fare increase to compensate. If we look at the real picture of the expansion on the cab market we should include about 300 TV plates that are not Tourist Vehicles at all but commuter vans. And the expansion of about 700 hire cars, even if only 50% of their work is illegal it all comes out of the cab market so the true picture is that there are 6600 vehicles working the taxi market, that means that there are 46% vehicles too many. So to say that we need to be compensated by 40% is actually a bit conservative. May we finally declare that the false idea than there are not enough cabs, is dead and buried. It is not a matter of putting more and more cabs on and then let them starve. That does not work. It is a matter of using what we have got more effectively.

A big factor in fleet efficiency, is the performance of networks in dispatching cabs. We feel that there is room for improvement in this area. There are a number of non monetary remedies, giving a cab that takes a short fare from the rank ten or fifteen minutes priority, feedback on long wait customers, allowing the driver to make direct phone contact with the customer, or giving taxis a longer lead time for a booking. These are a few of the measures that have already been suggested in the Cook report.

These are issues that can be sorted out at the Taxi Advisory Council (TAC).

NSW TDA Inc

March 2010 Page 9 of 22

Also mentioned in the Cook report, was the issue of networks being accountable for their performance and costs. They would have to show how much it costs to run a radio room, and the costs be audited. The results should then be made available to their drivers and to the department.

A report would have to be made available as how well the dispatch service performed and how much it costs the drivers. In other words, how much bang for the buck.

It might be better for a portion of the income that a dispatch service receives to be in proportion to how many jobs they provide per cab, and how many successful jobs they provide. That is, if a job is a no show the network is given a negative mark for that job, so that the network is motivated to reduce no shows to a minimum and the interests of the network and the cabbie coincide once more.

In terms of a single service desk, if a job has not been picked up within ten minutes by a cab from the local network it should go through to a single service desk that handles all unallocated jobs in Sydney. This single desk should be responsible to see that all jobs are filled if possible, there are no double bookings, an appropriate cab is assigned the job, and to ascertain if the customer terminates the job.

There is much to be wrestled with in the Contract Determination. The fixed pay –in was pushed through by the TIA because the operators did not trust the drivers. It has several faults it leaves the burden of the business risk 100% with the driver. It also makes for a very rigid situation in regard to change-over times and what shifts can be worked. On the other hand, because in reality 95% of drivers pay casual rates, this is the only way that operators can get drivers to take the work. So the operators are exposed to the risk of a later claim for annual leave etc. This frightens off many operators. Again this will have to be worked through at the TAC.

Wonderful though this select committee is it will end soon. What we need is a more permanent standing committee or commission to see through the taxi industry reform process, and have a group in the parliament that we can refer to.

These are just a few of the many problems we have to deal with, we have tried to concentrate on the main ones.

NSW TDA Inc

March 2010 Page 10 of 22

# **Analysis of Taxi Council Ltd Recommendations**

These are the comments of the NSW TDA Inc, on the Taxi Council Ltd's Recommendations

#### Recommendation 1

In the interests of Passenger and driver safety, an Australian standard be developed for mobility devices including wheelchairs that are suitable for use in public transport vehicles that comply with the Disability Standards for Accessible Public Transport.

It is reasonable that there should be some clear limitations into what size and type of wheelchair that a common carrier should be obliged to cater for. If we take the London/British cabs as the prime benchmark example, it has been stated that they only take standard wheelchairs. Therefore a fair and reasonable workable policy would be similar to the British benchmark. That is the most reasonable and, in practice, the best outcome is in this State, is to have the possibility of a large number of mid-sized Tarago style vans that can take one standard wheel chair as the required minimum standard for a WATS vehicle. A smaller number of large MAXI vans, that can carry a broader range of wheelchair types, can be also deployed, if there can be drivers found who are willing to drive them. The practical choice is a large number of medium vans and a smaller number of large maxis, or just a smaller number of MAXIs. We support the proposal for a defined size and type of wheelchair to be catered for, as a standard requirement.

#### **Recommendation 2**

A card-based electronic payment system be introduced as soon as possible to replace the paper-dockets being used for the Taxi Transport Subsidy Scheme.

**NSW TDA Inc** 

March 2010 Page 11 of 22

### TC Ltd Reason :

1. Effectiveness of WATS incentive scheme " is hampered by inefficiencies in the method of processing and handling payments. The scheme is paper based and means dockets are handed along a chain from the taxi driver to the taxi operator to Cabcharge to NSW T&I. Payments are then sent in the reverse direction along the same chain." (TC Ltd Submn page 22)

2. Problems are "exacerbated by the fact that payments by NSW T&I rely on validation of the dockets.." (TC Ltd Submn page 23)

3. "Furthermore, a card-based system would eliminate opportunities for TTSS fraud arising from the use of paper based dockets." (TC Ltd Submn page 23)

It is true that potentially, a plastic card based system if it can be made to work reliably, would have some advantages over dockets

Cabcharge always charge 10% service fee. What fee would be charged for these TTSS cards? There is no need for Cabcharge to be the only brand to service TTSS cards. All accredited EFTPOS systems should be available to provide a processing service. It may be an idea to run a trial with a small number of WATS customers with these cards to start with.

#### Recommendation 3

A regulation be introduced to stipulate that EFTPOS devices must be attached to the taxicab and taxi driver details entered at the start of a shift in such a manner to ensure that correct identification details of the taxi cab, authorised taxi network, taxi driver ID and taxi driver ABN are printed on all receipts issued.

TC Ltd Reason :

1. "One area of potential weakness in relation to the accountability of taxi drivers is the ability for customers to identify the vehicle in which a journey was undertaken based on receipts issued from an EFTPOS machine that is not 'attached' to the taxi-cab it is used in." (TC Ltd Submn page 25)

2. "...a way of helping to improve confidence of the public in using taxis." (TC Ltd T'SCRIPT page 5)

#### March 2010 Page 12 of 22

A very crafty proposition. It implies that there is a customer confidence weakness. There is no such weakness, the confidence of the customers is very high as evidenced the Taxi Council's own figures as to the low levels of complaints. The driver and taxi identification, and the ABN are already printed on the dockets. They can already trace a driver in a case of complaint. The reason for this proposal is to drive some independent EFTPOS rivals of Cabcharge out of the market. There is no need for a regulation to solve a problem that doesn't exist.

### Recommendation 4

NSW T&I fund the installation of toll-meter interface devices to record tolls on taxi-meters and introduce a regulation to make such devices mandatory in Sydney taxis.

# TC Ltd Reason :

 "... the public benefit of such devices justifies the use of funds already collected from the industry through licence sales/leasing and operator accreditation fees by NSW T&I to fund the installation in all Sydney's taxis." (TC Ltd Submn page 26)

Again, There is no problem with customers and tolls. The customers are just told what the tolls are and they accept them. 99% of the customers know what the tolls are anyway. The more modern meters have a facility to enter the pre-programmed tolls already, and soon all meters will have this innovation. There is no public benefit needed, so there is no need to spend public money. The reason for this proposal is to help drive small independent meter suppliers, that are rivals to Cabcharge, out of the market. The only benefit is Cabcharge's own commercial benefit. It is particularly cheeky to propose to use government money to do this.

### Recommendation 5.

A regulation be introduced to make it compulsory for printed receipts to be issued upon request that contain the fare and toll details recorded from the taxi meter and identification from the EFTPOS machine to ensure the receipt contains unadulterated details of the taxi

NSW TDA Inc

### March 2010 Page 13 of 22

vehicle, authorised taxi network, taxi driver ID and taxi driver ABN, time, date, location and itemised amounts for all fare components, extras and tolls.

TC Ltd Reason :

1. "Passenger confidence... is undermined by the lack of detailed receipts that identify all items that have been charged for. ... such as radio booking fees, as well as road and airport tolls ..." (Submn page 25)

2. "The lack of itemised receipts leaves passengers vulnerable and gives rise to suspicion and complaints where passengers believe they have been overcharged." (TC Ltd Submn page 25)

3. "A receipt is not necessarily required, except under taxation laws for certain amounts. ... Again, it is all about improving public confidence." (TC Ltd T'SCRIPT page 6)

Again, Passenger confidence is not a problem. The basis of all taxi transactions is cash. In a cash transaction, a customer looks at the meter to see what the fare is. That is what the meter is for. The customers are very confident because they can see the fare on the meter, a customer can easily get a receipt on request even with cash. Any form of cards dockets etc, are a variation on the basic transaction.

The customers would not have confidence in dockets and cards if they did not already have confidence in the basic cash transaction. If anything were to have an ability to knock a hole in customers' confidence it's Cabcharge's 10%! But strangely enough it doesn't. Thousands of people pay the extra 10% without demur, when they can easily save the 10% by paying cash. Receipts already have taxi identification and a driver [code] identification. Minor disbursements are not a problem. They can be easily explained to the customer.

**NSW TDA Inc** 

March 2010 Page 14 of 22

Many receipts already do give itemised charges. The present arrangements do not leave passengers vulnerable. We have not experienced any suspicion regarding the receipts given. 99% of passengers are very happy with the current receipt arrangements. There is no such widespread problem. The reason for this proposal is to increase Cabcharge's monopoly of the industry and drive out any commercial rivals by regulation. This proposal is to add to the overwhelming thicket of regulations that exist. The only real effect is to have government paid inspectors armed with yet more reasons to fine and harass taxi operators, so that the operators give in and just use Cabcharge equipment only. That means to say the taxpayers' money is to be used to pay inspectors to enforce more irksome regulations for taxi operators for the ultimate commercial benefit of Cabcharge. There is no such customer confidence problem to solve. We do not need yet more regulations and restrictions, rather we have too many already, we could do with less. Cabcharge has over 90% of the market in almost every aspect of the taxi industry. We think that is enough. We would rather see as many independent meter and EFTPOS supplies in the market as possible. To borrow a phrase from Donn Chipp "to keep the bastards honest!".

#### Recommendation 6.

Due to the threat posed by illegal trunk radio groups to the ongoing ability of the taxi industry to provide a true public transport service, the regulations regarding unauthorised communications equipment in taxi-cabs be strictly enforced.

# TC Ltd Reason :

1. "There are significant risks to the quality and reliability of service for passengers if regulations regarding networks are relaxed." (TC Ltd Submn page 33)

2. "Public safety is compromised due to the lack of any record linking the passenger to a driver and the lack of accountability can lead to price gouging and other undesirable or illegal behaviour." (TC Ltd Submn page 33/34)

3. "The problem that these groups pose ... is their ability to pick and choose customers ... This creates a distortion in the market and makes a mockery of any Key Performance Indicators and service delivery standards ..." (TC Ltd Submn page 33)

4. "Hand in hand with providing a universal service under a uniform pricing structure is the need to allow taxi drivers fair and equal access to passengers." (TC Ltd Submn page 34)

5. "If one of these fundamental principles is undermined then the economic structure of the industry is undermined and both drivers and passengers will suffer as a result." (TC Ltd Submn page 34)

6. "... but they do not have the burden of all the other regulatory requirements that apply to authorised taxi networks." (TC Ltd TSCRIPT page 6)

7. "... if groups start to siphon off only the most profitable customers they are lost to the remainder of the fleet which, over time, will undermine the industry's ability to provide a true public transport service." (TC Ltd T'SCRIPT page 7)

Ban trunk groups? They would say that wouldn't say that wouldn't they? The networks don't like any rivals to their monopoly of dispatch services. The Taxi council has long attempted to convince T&I that trunk groups 'are illegal'. If trunk groups were illegal why would there need to be a proposal to ban them? Trunk groups are legal. The Taxi Council Ltd has already been to court about it and lost. Trunk groups are not only legal they are a great benefit to the travelling public, and a benefit to the taxi industry. The trunk groups came into existence to fill the void in quality taxi services that were so lacking in the networks' operations. The trunk groups virtually saved the reputation of the taxi industry. It was, and is, a shining example of how a quality taxi service can be supplied to customers. If it had been left only to the networks the taxi industry and it's reputation were headed downward and many, in fact the majority of the best taxi customers would be forced to go to hire cars.

A trunk device is only a form of telephone. Is it seriously proposed that we should get rid of telephones?

Trunk groups pose no risks to quality and reliability. They lead the way in those very factors. Public safety is *not* compromised. They do not pose any problem in the quality of service to customers, or any problem to the

**NSW TDA Inc** 

March 2010 Page 16 of 22

growth of the taxi market of the taxi industry reputation as a whole, rather they are the single strongest factor in the whole taxi industry that strengthens the market and reputation of the taxi industry. If they show up the poor performance of the networks, good! Then let the networks improve their own performance to come up to the standard of the trunk groups' service. A driver with a trunk device has no more or less right to pick and choose than any other driver. All drivers have the right to pick and choose.

The aspect of certain drivers having private work has been going on for let us say more than forty years. What happens is, a certain driver picks up a passenger with a clean cab and gives the customer good service, the customer likes the cab driver, and his product, and asks the cab driver to pick him up again tomorrow. The cab driver says "Yes," and they form a business relationship.

Changing the devices from telephones, to pagers, or trunk telephones, does not alter that relationship. We believe that having some competition to the monopoly of the networks is a good thing and we support the existence of trunk networks, because most particularly, it is an example and a lead to better quality of service. We must reject all of the reasons given to get rid of trunks, as being special pleadings to enhance the monopoly of the networks. We do not believe that this proposed draconian measure would be of benefit to the taxi industry, or to passenger service. A healthy taxi industry, is an industry with free enterprise competition

#### Recommendation 7

The feasibility of a regulated "premium service fee" for customers who make a fully informed choice for a higher level of service than can be provided for the 'normal' fare be investigated. A precondition is that it not detract from service levels provided to customers who do not opt for premium services.

# TC Ltd Reason :

1. Under a regulated fare, the industry must contain the cost of providing the service to a level that can be covered by the existing taxi fare level. (TC Ltd Submn page 35)

2. Notwithstanding the need to ensure taxis meet their universal service obligations outlined earlier, there remains scope for the industry to offer a higher standard of service for customers who choose,... (TC Ltd Submn page 35)

March 2010 Page 17 of 22

3. The nature of the premium service could include a form of guarantee for ontime pick up or other features of service that customers might prefer and be willing to pay the additional cost for their provision. (TC Ltd Submn page 35)

This proposal has been put forward before, and various drivers have different reactions to it. Our position is that we are driven by the opinions of the taxi drivers and cannot therefore give definite approval or disapproval.

#### **Recommendation** 8

The government withdraw support for inclusion of taxi drivers in national occupational licensing.

We believe that the national training standards are lower than that of NSW. If that means that the standard of training must be lowered, then we are against it. But does it not mean that if the National standard is lower, and NSW retains its high standard, that because it is higher, NSW can easily include the lower National standard within the current standard? All that would mean is that other states would have to at least keep up with the National standard. So that adopting the National standard would not affect NSW.

One aspect that would have the greatest effect on the standard of taxi drivers is the level of English. We believe the NSW government refers to an English language reference group that defines several levels of English language skills. We believe that the department of T&I accepts English language skills, as a prerequisite for a person to enter a taxi training school, that is one level too low. We see and hear the results of the current minimum English standard on the road at the ranks. We can say from direct observation and experience that the language skills of many drivers who have passed out of taxi schools are just not good enough to do the job properly. The simple answer is to have the prerequisite English language skills, one level higher than it currently is.

NSW TDA Inc

March 2010 Page 18 of 22

### Recommendation 9

The government amend the Traineeship Act to incorporate bailee taxi drivers and make them eligible for traineeship support

Not such a bad idea from the drivers' point of view. Of course it does mean that the Commonwealth Government would provide subsidies for Cabcharge's \$1000+ training schools to the commercial benefit of Cabcharge. We would be happy to see other independent training providers enter the market, provided that the training standard is as high or higher than as it is currently.

#### **Recommendation 10**

Planning regulations and road rules be reviewed to ensure access for taxis is adequately considered along with other modes of public transport.

TC Ltd Reason :

1. "Major buildings that create a constant flow of people wanting to come and go by taxi are often surrounded by "no stopping" or other restricted zones." (TC Ltd Submn page 42)

2. "The limited availability of legal drop-off and pick-up locations means that taxi drivers risk either infuriating their passengers or attracting large penalties..." (TC Ltd Submn page 42)

3. "....the necessity of road rules that prohibit taxi drivers from stopping briefly to pick-up or set-down passengers in mail zones is a source of bafflement for the NSW Taxi Council." (TC Ltd Submn page 42)

A very good proposal, and we agree with the reasons, let's do it.

Section end NSW TDA Inc comments

NSW TDA Inc.

March 2010 Page 19 of 22

### Taxi Action Plan

- 1) Strategies that will encourage the retention of current taxi drivers and make the occupation more attractive.
  - a) Exert influence on the Australian Transport Council and the National Transport Commission to restore No Standing Zones.
  - b) Require all development proposals from venues such as railway stations, hospitals, entertainment sites, clubs and pubs to include a taxi access plan. Such plans to include taxi ranks to facilitate passengers' departure and LEGAL drop off areas for arrivals.
  - c) Review the structure of taxi fare pricing to enable cost recovery of taxis' journeys TO the pickup point on all taxi bookings. The current \$2.10 radio booking fee in no way reflects the true cost.
  - classify taxis as truely public passenger vehicles and so authorise them to travel, pick up and set down wherever buses can, legally.
  - e) Implement the recommendations of the Madden report into taxi driver safety as listed previously.
  - f) Equip every police car to be able to access taxi camera images to enable prompt pursuits of felons.
  - g) Revise the WAT booking arrangements as follows:
    - i) Increase the WAT lift fee to accurately reflect the currently unpaid labour component of providing WAT services, waiting, loading, unloading.
      - i. Tie that fee to an equivalent waiting time amount, say 12 minutes, currently \$10.60 and
      - ii. Pay that out of consolidated revenue not out of fees levied upon taxi operators.
      - Pay tariff 2 (night surcharge) rates for all wheelchair journeys to make those hirings the most attractive instead of being the least attractive to taxi drivers.
    - iii)

ii)

- Revise the Taxi Transport Subsidy Scheme to accommodate the changes that have taken place since its inception in the 1980s as follows:
  - i. Raise the cap to \$60, from the current \$30.
  - ii. Raise the percentage contributed by the State Government from the current 50% to match those in other States, e.g. to 75% as suggested by Northern Rivers Multiple Sclerosis Network of Care and the Tourism & Transport Forum.
  - iii. Include a fee of \$5 on ALL TTSS dockets other than M50 dockets to compensate drivers and operators for the extended service required by mobility impaired customers (where the usual lift fee would NOT apply).
    We are confident that this will improve response times.
- 2) Increase the availability of the current taxi fleet.
  - a) Facilitate staggered taxi driver changeovers by:

NSW TDA Inc

#### March 2010 Page 20 of 22

i) Permitting the use by taxi drivers of destination signs at all times and places to enable drivers to return to their areas of best expertise and to be where changeovers can take place promptly. Repeal regulation 142 (2), 142(4), 142(5c).

ii) Requiring a revision of the Industrial Relations Commission's Contract Determination involving the NSW Taxi Drivers Association Inc.

iii) Enabling night drivers to start their shifts in WATs before 5pm. Repeal regulation 108(f).

- b) Provide relief from Double Demerit point penalty periods to taxi drivers who currently shy away from work in peak holiday periods because of the heightened risk to their licence.
- c) Authorise taxi drivers' use of mobile phones in their cars in the same way that police already are.

d) Enable drivers who receive booking requests from known, reliable, passengers to pass those bookings along to other taxi drivers. Repeal regulation 147.

e) Exempting taxis from motorway tolls to enable them to return more speedily to busy locales and to free passengers from the toll burden.