

Submission
No 45

INQUIRY INTO NSW TAXI INDUSTRY

Organisation: NSW Transport and Infrastructure
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The Director
Select Committee on the NSW Taxi Industry
Parliament House
Macquarie St
Sydney NSW 2000

Dear Sir/Madam

I refer to a call for submissions to the Select Committee on the NSW Taxi Industry.

I am pleased to provide the attached submission from NSW Transport & Infrastructure..

Should you have any queries about our submission, please do not hesitate to contact
Mr Andrew Nicholls on (02) in the first instance.

Yours sincerely

A handwritten signature in black ink that reads "Les Wielinga".

Les Wielinga
Director-General

22.01.10

INQUIRY INTO THE NSW TAXI INDUSTRY BY THE SELECT COMMITTEE ON THE NSW TAXI INDUSTRY

Submission by NSW Transport and Infrastructure

Introduction

Taxis play an important role in the transport task. There are more than 175 million taxi trips throughout NSW every year.

This submission outlines the effectiveness of industry reform and initiatives implemented by the NSW Government in recent years to improve the performance of taxi services in NSW. This has included getting more taxis on the road to better meet passenger demand, providing better and more reliable taxi services for passengers, including passengers in wheelchairs, and providing a better and safer environment for taxi drivers and passengers.

The following responses are provided under each of the terms of reference as established under the Inquiry.

- (A) *The adequacy of government reporting standards and regulation of the industry and the impact of this on the provision of quality taxi services for commuters, including for people using wheelchairs.*

Background

In NSW, taxi services are regulated under the *Passenger Transport Act 1990* (PT Act), which was passed by the NSW Parliament on 22 June 1990 and came into force on 14 July 1990.

In accordance with the Objects of the PT Act, NSW Transport and Infrastructure (NSWTI) regulates the taxi industry to ensure effective, safe and reliable taxi passenger services throughout NSW.

As required by the PT Act, NSWTI does this by:

- licensing taxis – for the purposes of imposing relevant conditions and requirements on the operation of the taxi and to protect public safety;
- authorising taxi drivers – to ensure that the driver is of good character, has appropriate levels of local geographic knowledge of the area in which they will be driving and is competent in communicating with passengers;
- accrediting taxi operators – to ensure that those running taxi services are of good character and able to meet appropriate safety, financial viability and other standards; and
- authorising taxi networks – to ensure that the network has the capacity to meet appropriate requirements including financial viability, providing

a taxi-cab booking service, and meeting service performance standards set by the Government.

The Act requires that accredited taxi service operators are affiliated with taxi networks. As noted above, along with providing a booking service, networks must ensure that services provided by the network and affiliated taxis meet the standards determined by the Director-General.

As at January 2010, there were 23,275 authorised drivers and 5408 accredited operators in NSW. There are 12 authorised networks in Sydney, one each in Newcastle, Wollongong and the Central Coast, and 84 throughout country NSW.

In other Australian jurisdictions – as in most jurisdictions around the world – the regulatory framework exists to ensure that the different segments of the taxi industry meet the minimum requirements deemed to be necessary and in the public interest. Many jurisdictions also employ a co-regulatory approach, which involves those centralised entities responsible for taking bookings from passengers and dispatching jobs to affiliated operators/drivers, playing a key role in ensuring that prescribed service standards are met.

The Government's reforms to taxi industry regulation

Over the past 5 years, the Government has been progressively working to identify and address those parts of the regulatory framework that require improvement.

In May 2004, the then Minister for Transport Services established the Ministerial Review of Taxi Services in NSW to conduct a wide ranging review of the regulatory approach. The September 2004 Interim Report of the Review suggested that a co-regulatory model remained appropriate, but needed to be strengthened. In this regard, the Review also suggested that Government should work with industry to review and update minimum service and performance standards focussed on customer service outcomes. It also put forward the view that existing compliance activities were too narrowly focussed on drivers and, to a lesser extent, operators, and should be broadened to ensure the industry as a whole is meeting the required performance standards.

Following the Interim Report of the Review, the Taxi Taskforce was established to progress consideration of the issues raised, including the development of an improved co-regulatory framework. At the same time, the Wheelchair Accessible Taxi Taskforce was established to look at issues particularly relevant to wheelchair accessible taxi (WAT) services.

A core recommendation of the December 2005 Taxi Taskforce Report, consistent with the findings of the Interim Review Report, was establishing new, enforceable network standards.

As a result, new taxi network performance standards were developed in consultation with the industry and introduced from 1 January 2008 (with full

effect from 1 July 2008) to measure the performance of taxi networks operating within the Sydney Metropolitan, Newcastle and Wollongong Transport Districts and the Local Government Areas of Gosford and Wyong. Taxi networks provide monthly performance reports to NSWTI against 13 Key Performance Indicators for standard taxis and 11 for wheelchair accessible taxis (see Attachment A for a list of performance indicators). Data is also collected on WAT performance.

The indicators establish delivery standards such as the number of cars available, response times, reliability for booked services and the number of abandoned calls.

Service performance trends against network standards

This performance data is indicating that there has been encouraging improvement in all services, especially for WATs:

- The average pick-up time for standard taxis in Sydney in 2008/09 was 7 minutes 9 seconds – an improvement from just over 7½ minutes in 2004/05 – prior to the 2005 Taxi Taskforce Report and Wheelchair Accessible Taxi Taskforce Report.
- The gap between WATs and standard taxis is closing, with the average pick-up time for WATs in Sydney improving from around 11½ minutes in 2004/05 to an average of 8 minutes 20 seconds in 2008/09.
- The number of WAT radio bookings has increased by almost 50% between 2004/05 and 2008/09 from around 6,700 to 9,880. Annual standard radio bookings in Sydney have also increased over the same period from around 11,551,500 to 12,486,300 – just over 8%.

The growth in the WAT fleet – from 475 in 2005 to 743 in January 2010 – and improvement in response times for WAT services can be attributed to:

- The policy to make WAT licences available at \$1,000 per annum in metropolitan areas and at no charge in rural and regional NSW.
- The trial of an incentive payment to encourage drivers to accept WAT bookings. This was a recommendation of the December 2005 WAT Taskforce report.
- Improvements in compliance monitoring, to ensure that conditions of licence are being met (including hours of operation and requirements to give priority to hirings from passengers who use wheelchairs).

Standard cabs: performance trends

For “standard” cabs, in each quarter to date, the cab has arrived within 15 minutes for more than 90% of bookings (compared with a performance benchmark of at least 85%). For more than 98.2% of bookings, the cab has arrived within 30 minutes (compared with a performance benchmark of 98%) and for more than 99.5% of bookings, the cab has arrived within 60 minutes (compared with a performance benchmark of 99%).

There has been "no car available" for fewer than 1.1% of all bookings (compared with a performance benchmark that requires fewer than 3% of bookings to have "no car available").

Against a performance benchmark of 98% of booking calls being answered in 2 minutes, there has been a trend towards improvement, with 93.3% of calls meeting the standard in the first reporting period (from July 2008) to 99.7% of calls meeting the standard in the most recent reporting period.

However, the NSW Government recognises, despite some improvements, there is room for further progress. Therefore, NSWTI is reviewing the network standards to ensure the most relevant, up-to-date performance measures are captured, which reflect the issues most important to passengers, and that the level of service performance required is set to encourage continuous improvement.

NSWTI reports publicly on consolidated taxi industry performance on a quarterly basis. This information is available on the NSWTI website at www.transport.nsw.gov.au/taxi/performance-indicators.html. As part of the review of the standards, currently underway, consideration is being given to how transparency, accountability and public reporting of this performance data can be improved.

Safety and security

To ensure that the existing regulatory framework (including compliance activities) appropriately protects the safety and security of taxi drivers and passengers, the NSW Government commissioned former Deputy Policy Commissioner, Dave Madden to undertake a review of safety and security issues.

The recommendations of the December 2007 report of the Taxi Safety and Security Taskforce have led to the implementation of a number of improvements to the *Passenger Transport Regulation 2007*, such as the introduction of a regulatory requirement for security cameras in all Sydney, Newcastle, Wollongong and Central Coast taxis as well as other initiatives, such as the introduction of secure taxi ranks in 41 locations.

Under the Secure Taxi Rank Program, ranks are attended by either security guards or feature CCTV to provide a more secure environment at taxi ranks in locations across NSW.

Compliance

To support the implementation of new network standards and other initiatives, NSWTI has implemented a number of programs aimed at improving performance monitoring and regulatory compliance.

As well as improved compliance monitoring of WAT licences NSWTI has:

- Rolled out Authorised Taxi Inspection Stations (ATIS) to country areas.

- Participated in targeted taxi operations with NSW Police, the RTA and other relevant authorities. For example, to ensure compliance with the safety and comfort standards required under the Passenger Transport Regulation 2007, NSWTI increased the number of on road inspections by 5.3% for 2008/09 (compared with 2007/08).
- Increased compliance activities in peak periods. For example, NSWTI recently conducted compliance patrols each night from December 1 through to the New Year period and operated the taxi hotline 24 hours a day over that period.

Taxi licensing

In parallel, over a number of years, the NSW Government has undertaken a comprehensive assessment of the options for improving the regulation of taxi licensing arrangements with the aim of ensuring fleet growth better matches passenger demand for services.

A package of reform measures was announced on 7 October 2009 and legislative amendments passed through the NSW Parliament in November 2009.

These changes came into force on 14 December 2009 and, as an interim measure, 100 new licences were recently tendered for the Sydney metropolitan area. It is expected new cabs will be on the road between early February and the end of March 2010.

A further tranche of licences will be issued from 1 July 2010, either by tender or auction, following the Director-General making his first determination of the number of licences (other than wheelchair accessible taxi licences) to be issued for the 2010/11 financial year.

This annual process is intended to build the taxi fleet in a sustainable way. This will ensure more reliable and affordable services for taxi passengers while helping the industry to better position itself in competition with other service providers and secure its long term viability.

(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 taxi industry, unlike other modes of public transport, is not a contracted service and is underpinned by commercial decisions to enter the market and competition between industry participants.

IPART conducts annual fare reviews and recommends taxi fare increases each year and Government stipulates the minimum conditions and standards to apply to the different segments of the industry. But overall, services are provided based on consumer demand and are not subject to the same levels of central planning, specification, control and subsidisation as other modes.

However, from time to time, the NSW Government has introduced initiatives to achieve particular social and other outcomes, such as interest free loans for WATs, reduced licence fees for WATS and the Taxi Transport Subsidy Scheme (TTSS). Around \$24 million a year is allocated to taxi passengers with disabilities under the TTSS as a subsidy to passengers (ie: not as a subsidy to industry). By contrast, the Government contributes approximately \$4 billion a year to rail, bus and ferry operators.

Other government initiatives; such as secure taxi ranks and a trial wheelchair accessible taxi driver incentive bonus payment, are funded through an industry-funded levy from taxi operator accreditation fees.

"Nexus" licences

There has been much debate about the so-called "Nexus Scheme". In summary, a number of temporary licences were issued between 1982 and 1985 to support the introduction of random breath testing. Later, as a strategy to encourage take-up and operation of WAT licences, the Government of the day allowed networks with these licences to continue to operate them indefinitely, but not to trade them, for the purpose of cross-subsidising the provision of the less-viable WAT services.

In 1990, 12 standard licences were issued with the same number of WAT licences for the express purpose of the standard licences cross-subsidising the provision of WAT services, but again with the condition that the licence was not able to be traded.

Over time, it was incorrectly assumed that all licenses issued free of charge and associated with compensation for the provision of WAT services were formally paired with a WAT licence and subject to certain restrictions – principally that they could not be traded and had to be operate with their WAT "pair" as part of a so-called "Nexus Scheme."

The administration of the "Nexus Scheme" has been reviewed by Deloitte Touche Tohmatsu. NSWTI has made this report publicly available on the NSWTI website which can be viewed at <http://internet/taxireform/>. The review made the following key findings regarding administration of "Nexus" licences:

- Permission to transfer these licences was legitimate – while the original conditions for the "Nexus" licences did not allow transfer, the introduction of the *Passenger Transport Act* in 1990 meant that the Director General was no longer permitted to refuse a transfer application to an accredited operator, with any pre-existing licence conditions to the contrary over-riden. Any 'windfall gain' from transfers thus resulted from these statutory provisions and were sanctioned by law.
- There is no basis for payment of back fees or compensation by licence holders.
- While past poor administration and record keeping was noted, no evidence of corrupt conduct relating to the "Nexus Scheme" was found.

There is, arguably, no public benefit in removing these licences, and hence WATs, from the fleet. In order to meet the objective of encouraging gradual growth in the taxi fleet to meet passenger demand – and continue improving services to WAT passengers – Government has determined to keep all “Nexus” licences and paired WATs on the road and providing services.

As with other existing licence categories under changes to the legislation passed by the Parliament on 27 November 2009, the “Nexus” licences will be able to continue in operation under a set of standardised terms and conditions resembling the arrangements generally understood to apply to these licences:

- Both the “Nexus” and WAT licence pair must be kept in operation; and
- The “Nexus” licences can be transferred so long as it is to an authorised network which is an accredited operator and remains with its paired WAT licence.

These arrangements will be actively enforced.

No further “Nexus” licences will be issued as other initiatives, such as the \$1,000 WAT licence fee (introduced by this Government in 1996) and the WAT driver incentive payment scheme, have provided alternative ways of achieving objectives to encourage growth in the WAT fleet and improvement in WAT services.

(C) The effect of limits on the supply of unrestricted taxi licences in NSW, particularly as it impacts on customer service

On 27 November 2009, the NSW Parliament passed amendments to the *Passenger Transport Act 1990* aimed at reforming the administration of taxi licensing and getting more taxis on the road.

Prior to these amendments, there had not been any statutory restriction on the number of licences available since the 1990 Act was introduced. However, the Government recognised that, despite there being no cap on the number of licences that could be issued, the cost of a new licence was higher than lease rates on the open market. As a result, the take up of new licences was not keeping up with passenger demand.

In October 2009, the Government’s initial approach to encouraging gradual and sustainable growth in taxi numbers better matched to passenger demand – while managing impacts on existing licence holders – was to introduce a new, annually renewable licence. This licence would have been available on demand at an annual fee to be determined by the Director-General and set at a level that would ensure the managed the take up of new licences.

However, this approach was not supported by the Parliament and the Government agreed to a new supply-based model, which has now been

introduced. Although not the preferred approach, this model nonetheless delivers on the desired reform objectives, including:

- Ensuring that the supply of taxis responds more closely to growth in passenger demand for taxi services;
- Making it easier and more affordable for anyone to get a taxi licence without unreasonable impacts on existing licence holders;
- Encouraging competition;
- Placing downward pressure on fares over time to ensure taxi services are affordable and to encourage more people to use cab services more often; and
- Simplifying existing taxi licence structures.

This supply-based approach enables the Director-General to determine the number of annual taxi licences to be released each year. In making this determination, the Director-General is required to take into consideration matters including:

- likely passenger demand for taxi services, including latent demand;
- the performance of existing taxi services in meeting passenger needs;
- maintaining a sustainable and viable industry;
- levels of market interest in the new licences; and
- any other matters the Director-General may consider relevant to ensure improved taxi services.

The Director-General will then determine whether the licences will be issued by public auction or a sealed tender process. This will mean that, rather than Government setting the licence fee, anyone wanting a new taxi licence is able to bid the amount they are willing to pay.

The process for the annual release of new licences will commence in March 2010. However, to help fleet growth keep pace with passenger demand growth, a tender is currently underway for the initial release of 100 unrestricted annual taxi licences in Sydney. This equates to an initial fleet growth of 2%.

More information on the taxi licensing reform is available at <http://internet/taxireform/>.

(D) Anti-competitive activities in the industry and the Government's compliance with National Competition Council rulings

The NSW Government has complied with – and continues to comply with – its National Competition Policy obligations.

In June 2005, the NSW Government commissioned a National Competition Policy (NCP) review of Part 4 of the *Passenger Transport Act 1990* and the *Passenger Transport (Taxi-Cab Services) Regulation 2001*. This followed a 2003 National Competition Council (NCC) assessment that the *Passenger Transport Act 1990* was inconsistent with NCP principles. (The NCC considered that the PT Act restricted licence supply, which was not, in fact, the case.)

The NCP Review concluded that controls imposed on market entry, performance standards and price controls were justified on the basis of improvements in passenger and driver safety, business management and investment, public confidence and the availability and reliability of taxis. However, the review also found that the price, nature and perceptions of the relative value of ordinary and short term licences (compared with licences issued before the introduction of the PT Act) was a barrier to the take-up of new licences and suggested a range of options to improve industry competitiveness.

The Government subsequently engaged PricewaterhouseCoopers to assess these options and help inform Cabinet's decision making process on a preferred model of taxi licensing reform.

Two options were highlighted for further consideration as part of a more detailed analysis.

However, in late 2006 Government decided that a broader range of potential options should be assessed to determine the approach that delivered the best possible economic and passenger benefits for NSW. PricewaterhouseCoopers was subsequently engaged to undertake a cost benefit analysis on alternative approaches ranging from full licence fee deregulation to a statutory maximum cap on supply (which had been put forward by the NSW Taxi Council).

The Government's 7 October 2009 announcement of its preferred approach to licencing reform, and the compromise approach subsequently agreed and supported by legislative amendments, is the outcome of this work.

As the new statutory framework for releasing licences:

- does not impose an artificial cap on supply, but allows the Government to ensure that licence supply keeps pace with service demand; and
- allows the fees for licences to be set through a competitive process by the market;

it is considered that the changes to the legislation continue to be in keeping with and meet NCP principles.

(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*

and

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

A trial of a WAT driver incentive payment commenced on 1 December 2007. The trial is funded through an industry-funded levy from taxi operator accreditation fees and is at no cost to passengers or taxpayers.

The objectives of the scheme are to assist taxi networks to comply with their Commonwealth *Disability Discrimination Act 1992* obligations to ensure equivalent response times for wheelchair accessible taxi passengers and to support drivers of WATs in achieving these improvements.

WAT drivers are entitled to claim an incentive payment of \$7.70 + GST in addition to the regular fare per WAT trip to help cover the extra time (and, therefore, lost potential revenue) to the driver in assisting passengers at the end of a trip.

Since 1996, WAT licences have been made available for just \$1,000 in metropolitan areas and at no cost in country NSW. In addition, the Government has set benchmarks for WAT response times.

These initiatives have been aimed at assisting the industry meet obligations under Commonwealth disability discrimination legislation.

It is not possible to directly attribute the extent to which the WAT driver incentive payment scheme has contributed to improvements in WAT services compared with other initiatives, including considerable growth in the WAT fleet. However, the combination of these initiatives has encouraged more WATs on NSW roads: in October 2004, there were 457 WATs; in March 2006 there were 494; and on 1 October 2009 there were 734 WATs (which is 11 per cent of the fleet, up from only 7 per cent in 2004).

WAT services have improved for passengers who rely on those services. The average pick up time for a WAT in Sydney has come down from close to 12 minutes in December 2007 when the WAT driver payment was introduced to 9½ minutes in January 2008 and just under 7 minutes in July 2008. In June 2009, WAT response times were almost in line with the average pick up time for standard taxis, which were just above 6 minutes in that month.

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

and

(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*

The NSW Government has been developing and implementing reform of the taxi and hire car industries with the objective of delivering tangible service improvements for passengers. Many of the recommendations of a range of reviews, including the Taxi Taskforce, the Wheelchair Accessible Taskforce, and the Taxi Industry Safety and Security Taskforce have been implemented as part of this reform program.

The NSW Government, as far as practicable, has been open and transparent in the release of reports. For example, once the Government made a decision on the approach that it wished to take with licence reform generally, the Deloitte report on the "Nexus Scheme" was released. Until then it would have been premature to have released this report, because the direction of licence reform as a whole would set the framework for decisions relating to "Nexus" licences.

In some cases, reports were prepared specifically for internal purposes and Cabinet decision-making processes, such as those considering competition policy issues and taxi licensing reform options. The timing of the release of such reports can be sensitive. For example, if information is released prior to Cabinet making a decision, it can have unnecessary impacts on the market.

Cabinet may also decide not to release information it considered in deliberating on policy matters. The need for Executive Government to be able to engage in robust debate on matters that may be highly contentious – and the need for these debates to be confidential to Cabinet – is a long held convention underpinning the Westminster system. Courts have also recognised this and, where access to Cabinet documents have been sought, will consider applications from Executive Government that those documents should be covered by public interest immunity and the application for release refused.

The NSW Government will continue to release reports of reviews it has commissioned at the time that the Government considers publication to be appropriate and in the public interest.

(I) *The appropriateness and accountability of mechanisms associated with the appointment of key Government ministers and bureaucrats to positions in the industry and its impact on Government policy*

NSWTI is not aware of any probity issues with regard to the appointment of former Government ministers or public servants to positions within the taxi

industry. The Independent Commission Against Corruption (ICAC) was established to deal with allegations of corrupt conduct in connection to NSW public authorities or officials.

(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 NSW*

Most States have similar challenges to NSW in the ongoing improvement of taxi services. All States are at various stages of reform and are developing different responses.

Like NSW, most jurisdictions in Australia and – with the exception of a small number of countries, like New Zealand – have, or are implementing, a framework that regulates each tier of the taxi industry.

All Australian jurisdictions licence taxi cabs and all have limitations on the supply of some or all of the categories of taxi licences that are available in those jurisdictions.

Queensland, for example, determines the number of new licences to be released in a given area following an annual review process. These licences – including WAT licences – are then tendered. In Victoria, licences are released following an order of the Minister and there are restrictions on eligibility to take up a new licence (for example, the applicant must be a full time driver with at least 5 years experience). The fee for the licence may be fixed in the order or set by tender. Similarly, in Western Australia, the number of new licences to be released is determined from time to time by the Minister. Licences are then leased at an annual fee.

In South Australia, a maximum of 50 licences may be released in one year, and the price is set by tender (though the legislation permits licences to be released on an annual fee basis). In the Northern Territory, the number of taxi licences in Darwin and Alice Springs are controlled on the basis of a 1:900 population based ratio. Available licences are released through a ballot process.

All jurisdictions have accreditation/authorisation schemes covering operators/drivers and generally have structures – like networks in NSW – which are responsible for operating booking services and/or ensuring that minimum performance standards for services provided by affiliated cabs are met. In Queensland, for example, these are known as taxi booking companies while in Victoria, they are called network service providers (or depots). Western Australia has taxi management companies and taxi dispatch services, South Australia has entities known as Centralised Booking Services and the Northern Territory has taxi networks (also called communications networks).

The optimal regulatory framework to achieve improved passenger services for NSW is one that balances the range of interests involved and delivers sustainable fleet growth, leading to improvements in response times, affordability and other service standards, while ensuring industry viability.

(K) Working conditions and entitlements for taxi drivers

The working conditions and entitlements of taxi drivers are largely overseen by NSW Industrial Relations (NSWIR). In 1984, a Taxi Industry (Contract Drivers) Contract Determination was established by the NSW Industrial Relations Commission which applies to bailee taxi drivers and bailor taxi operators in the Sydney Metropolitan Transport District. The Determination covers driver entitlements including annual leave, sick leave and long service leave.

In September 2009, NSW Industrial Relations ran an information campaign, with the cooperation of NSWTI, targeting the Sydney taxi industry to educate both drivers and operators of their rights and responsibilities. This was followed by the inspection of 20 major operators during November to assess levels of compliance. The Information Sheet, distributed as part of that campaign, is provided at Attachment B.

It is anticipated that the Government's reforms to taxi licensing arrangements will benefit drivers. By releasing licences in a gradual and sustainable way, and enabling applicants to establish the price they are willing to pay, the Government is ensuring that drivers who are interested in running their own taxi business; have the opportunity to do so.

**INQUIRY INTO THE NSW TAXI INDUSTRY
BY THE SELECT COMMITTEE ON THE NSW TAXI INDUSTRY**

Submission by NSW Transport and Infrastructure

ATTACHMENT A

Taxi Key Performance Indicators (KPIs) for Standard Taxis

KPI	Report
KPI1	Number of bookings requested
KPI2	Number of rejections
KPI3	Number of jobs accepted by taxi drivers
KPI4	Average acceptance time KPI4.1 - Average acceptance time without offloads (minutes) KPI4.2 - Average acceptance time for an internal offload (commenced from July 2008)
KPI5	Total number of M3s (no shows)
KPI6	Taxi pick up time
KPI6.1	Pick up in less than 15 minutes
KPI6.2	Pick up within 30 minutes
KPI6.3	Pick up within 60 minutes
KPI6.4	Total taxi pick ups
KPI6.5	Average pick up time
KPI6.5.1	Average pick up time when no offloads (minutes)
KPI6.5.2	Average pick up time with internal offloads (commenced from July 2008)^
KPI7	Number of ringbacks
KPI8	Number of taxis operating on the network
KPI9	Telephone answering
KPI9.1	Number of phone calls received including abandoned calls
KPI9.2	Number of phone calls answered within 1 minute
KPI9.3	Number of phone calls answered within 2 minutes
KPI9.4	Total average answering time (seconds)
KPI9.5	Number of abandoned calls (commenced from July 2008)
KPI10	Average number of radio jobs per month per car
KPI11	Number of bookings offloaded
KPI11.1	Number of bookings offloaded per month
KPI11.2	Number of bookings offloaded and returned as unable to be met
KPI11.3	Number of bookings successfully offloaded
KPI12	No Car Available (NCA)
KPI 13	Number of taxis signed on
KPI13.1	Number of taxis signed on at 9.00am
KPI13.2	Number of taxis signed on at 9.00pm

Taxi Key Performance Indicators (KPIs) for Wheelchair Accessible Taxis

KPI	Report
KPI1	Number of bookings requested
KPI2	Number of rejections
KPI3	Number of jobs accepted by taxi drivers
KPI4	Average acceptance time KPI4.1 - Average acceptance time without offloads (minutes) KPI4.2 - Average acceptance time for an internal offload <i>(commenced from July 2008)</i>
KPI5	Total number of M3s (no shows)
KPI6	Taxi pick up time
KPI6.1	Pick up in less than 15 minutes
KPI6.2	Pick up within 30 minutes
KPI6.3	Pick up within 60 minutes
KPI6.4	Total taxi pick ups
KPI6.5	Average pick up time
KPI7	Number of ringbacks
KPI8	Number of taxis operating on the network
KPI9	Telephone answering
KPI9.1	Number of phone calls received including abandoned calls
KPI9.2	Number of phone calls answered within 1 minute
KPI9.3	Number of phone calls answered within 2 minutes
KPI9.4	Total average answering time (seconds)
KPI10	Average number of radio jobs per month per car
KPI11	Number of bookings offloaded
KPI11.1	Number of bookings offloaded per month
KPI11.2	Number of bookings offloaded and returned as unable to be met

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ATTACHMENT B

Taxi Industry

A guide for bailees and bailors



Important information for bailees and bailors in the taxi industry within the Metropolitan Transport District prepared by the Office of Industrial Relations (OIR)

This fact sheet is designed to provide a brief overview of some of the provisions of the *Taxi Industry (Contract Drivers) Contract Determination, 1984* (the Determination).

You can download a copy of the Determination from the OIR website at www.industrialrelations.nsw.gov.au

Go to the NSW State Awards section on the website.

Definitions

Bailor – the owner of the taxi.

Bailee – a driver who hires the taxi from the owner for a shift.

Who does the Determination apply to?

The Determination applies to a contract of bailment of a taxi cab in the Metropolitan Transport District.

Can the provisions be changed by private agreement?

No. For more information or assistance, contact the OIR.

Permanent or casual?

A *permanent bailee* is a driver who regularly takes a taxi cab on bailment from the same bailor for:

- five shifts per week; or
- at least 220 night shifts per year.

A *casual bailee* is not a permanent driver and is not entitled to any sick, annual or other leave.

Shift means the usage of a taxi cab by a bailee for a period as agreed between the bailor and bailee of at least 9 hours.

Day shift means a shift of at least nine hours but not more than twelve hours and at least 75 per cent of the hours are between 3 am and 3 pm.

Night shift means a shift of at least nine hours but not more than twelve hours and at least 75 per cent of the hours are between 3 pm and 3 am.

What are the payment methods?

There are two methods of payment, as set out in Schedule 1 of the Determination. They are:

Method I – Commission

Industry experience will determine the commission percentage.

A *first year permanent driver* is entitled to 45 per cent of all chargeable fares taken, including GST.

A *casual or second and subsequent year permanent driver* is entitled to 50 per cent of all chargeable fares taken, including GST.

A driver can retain tips.

Method II – Set Pay-in

A bailee pays the bailor a fixed amount at the end of each shift. Maximum pay-in rates can be downloaded from the OIR website.

Who chooses?

The driver: A bailor shall give to any bailee an election form as set out in Schedule 1, Election form – Method of Payment for Taxi Drivers, of Part A of the Determination.

The bailee completes and signs the election form and returns it to the bailor, before commencing the first shift and again within 90

days from the date of the first bailment. The bailor must give the bailee a receipted copy.

Are records required?

Yes. To comply with industrial relations laws the bailor must keep records.

What records must be kept?

The bailor must generate and maintain copies of the following records for six years:

- (1) GST compliant tax invoices with specified particulars as outlined below
- (2) records relating to the calculation and payment of annual leave, sick leave, long service leave and payment for down time entitlements of bailees
- (3) records relating to any monies deducted by the bailor or bonds deposited with the bailor by the bailee.
- (4) all Schedule I elections forms
- (5) all Schedule II Driver Log Books forms (as completed by the bailee)
- (6) receipts for each payment made by the bailee.

Invoices

The bailor must provide the bailee with a GST compliant tax invoice no later than 14 days after the completion of each shift. Each tax invoice can include more than one shift.

The tax invoice must include the following information:

- (a) name of the legal entity of the bailor
- (b) the Australian Business Number (ABN) of the bailor
- (c) name of the bailee, and
- (d) for each shift, the date of the shift and the pay-in rate; and the total paid to the bailor by the bailee.

For bailees operating under Method I a completed log book may constitute a tax invoice when signed by the bailor.

Are there provisions for leave in the Determination?

Yes. The Determination provides for annual leave, sick leave and long service leave.

Annual leave

A permanent bailee is entitled to annual leave on completion of at least 220 night shifts or 230 shifts within a twelve month period or on termination of contract. Annual leave is calculated differently depending on the choice of method of payment.

Period of bailment	Method I	Method II
3-12 Months On termination of contract	4/48 of the bailee's total entitlement from the chargeable fares.	The rate set at Item 3 Table 2 of the Determination.
12 Months	5 weeks equal to 5/47 of the bailee's total entitlement from chargeable fares during those twelve months.	5 weeks paid at the rate set at Item 2 of Table 2 of the Determination.

These entitlements cannot be offset against lower pay-in rates.

Sick leave

In the *first year of bailment* a permanent bailee is entitled to five days sick leave. Pro rata sick leave is not available until 55 shifts have been completed. In the *second and subsequent years of bailment* a bailee is entitled to eight days sick leave. Untaken sick leave accumulates.

Sick leave is paid differently depending on the method of payment. For Method I the average earnings per shift over the preceding three months are used to work out the rate of sick pay. For Method II, the rate set at Item 4 of Table 2 of the Determination.

Long service leave

Permanent bailees that have served continuously with one bailor for at least five years, commencing on or after 1 February 1972 are entitled to long service leave. Long service leave is calculated in accordance with the *Long Service Leave Act 1955*.

How is a bailment terminated?

For a permanent bailee, a bailor must give one week's notice or payment in lieu of notice is required. No notice is required for a casual bailee.

Need more information?

To comply with industrial relations laws the bailor must display a copy of the Determination in a conspicuous place. For further information you can:

- call the OIR on 131 628 or
- visit www.industrialrelations.nsw.gov.au

