

## INQUIRY INTO NSW TAXI INDUSTRY

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Partially Confidential



## TAXI DRIVERS' ASSOCIATION OF VIC.

(TDAV)

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***REGISTERED UNDER THE TRADE UNION ACT 1958***

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The Taxi Industry Committee Enquiry  
Parliament House  
Macquarie St  
Sydney, NSW, 2000.  
Sun 20-12-09

Dear Committee Members,

The Taxi Drivers' Association of Victoria (TDAV) make this submission on the basis that the public is confused about the operations and conduct of the Taxi Industry.

Any driver or person who has had dealings with the Taxi Industry know without a shadow of a doubt that it is corrupt from the TOP to the Bottom.

### **THE EMPLOYMENT OF DRIVERS**

We have Court Cases ranging from 1795=*Morley V Dunscombe* (Queens Bench) up to the present year 2009 proving that Taxi Drivers are employees, we will send a list for your perusal if you require it.

The owners have concocted legal fictions known as "Lease Agreements" and "Bailment Agreements" with the only purpose being to circumvent wages and conditions with the object of reducing drivers to slaves, and making themselves rich.

Bailment means full possession for a long period, so they are "shams".

The only reason Taxi Plates are so expensive is because of "Slave Labour" anybody who does not know that is asleep or uninterested.

The Taxi Owners, to make claims that drivers are not "employees" cite the cases of *Dillon V Gange* (1941) where the Town Hall Clerk told the Court that Gange lodged a "Lease Agreement" 3 days after the accident.

*Deluxe Red & Yellow (Kermode) V Commissioner of Taxation* (1997) where drivers were denied participation to give evidence (how could it be fair) (I know because I tried to go) and *Anderson V Silver Repair* which was lost on merit.

Regardless of the past, the way to fix it is to pay wages just like any other worker who sells his labour, and then he would pay his rightful share of Tax like everybody else.

## **THE MULTI PURPOSE PROGRAM**

We believe that this should have nothing to do with taxis.

We believe that the St John of God staff should train suitable drivers in the conduct and handling of these infirm patients who need special care, but not taxi drivers.

We also believe that these vehicles should be attached to certain hospitals, or put in the ambulance service, with a red cross painted on them.

The reason we say this is because of the abuse and corruption our members have informed us of, with owners ripping off the system for all it is worth, and their "we don't care attitude".

One multi-owner who had a cosy arrangement with the Government told some of his drivers "we will make a fortune out of this racket" and they did.

## **CORRUPTION OF THE TAX SYSTEM.**

We know of one case which illustrates how generous the Tax Dept is to certain people in the Taxi Industry.

The Taxi Owner in this Case in 1994 Mr. Daniel El-Fahkri stated under oath in *Elfah Pty Ltd V Sabbadini* 19 MVR 81 @ page 84 that "...that each taxi brought in approximately \$1,000 per week from the rentals and the Company therefore had an income of \$20,000 per week. After payment of expenses the Company had a Taxable income of approximately \$50,000 for the last financial year...." .

(and every other year, we suspect) (a genius with arithmetic.)

Justice Eames of the Supreme Court Victoria stated: "... there could be all manner of reasons why a witness would lie about such financial arrangements (avoidance of taxation being one possible explanation...")

We highlight this Case to show how inconsistent the Tax Laws seem to be because we informed the Tax Dept about this Case, which is on public record, and nothing was done, this family are now billionaires thanks to the kind and considerate Tax Dept who helped them on their way.

A Multi-Owner who cheated the Tax system for an undisclosed amount of money was fined \$750,000, but his name was not disclosed because he hid behind the Company name, the Law says Taxi people who break laws will be eradicated from the Industry, that Law must only apply to drivers.

We won't bore you with other Cases that come to mind.

### **THE TAXI PLATE FLASCO.**

We believe there should be a hard and fast LAW in the Taxi Industry.  
ONE OWNER= ONE SET OF PLATES.

ONE (1) person can only drive ONE (1) Taxi.

All the problems with the industry started with multi-owners and greed.

One plate, and one(1) set only should be LEASED (NOT SOLD) by the Government to one person and upon his retirement must be returned to the Government.

NOBODY should have the right to "DEAL" in taxi plates.

The operator of the taxi plate should be forced to employ a driver on wages. Either that OR.

The Government should control and run the Taxis like the MCC (Melb City Council) used to do, and the Govt employ all the drivers, like the busses used to.

The Taxis should be run and controlled by experienced people who are calm and efficient, not the Gestapo like ones who are there now, who are vicious, vindictive, power crazy and commit perjury every time they appear in Court.

: with his 200 shonky plates would like to die the richest man in the cemetery, but we fail to see how that would be of benefit to Australia.

Many people have told us (without proof) that | owns 17 plates and are handled by one of his trusted multi-owners friends. The way he disfigured the Industry would make one think it is true. (People who don't know say he was great, NOT US.)

### **TAXI RADIO CONTROL DEPOTS.**

The reasons why the Government should take control of the Taxi Radio Depots.

What we have experienced is that ALL taxi radio depots are CORRUPT.

There are "Pets" "Blackards" and all sorts of labels of who to give the work to.

The industry needs ONE (1) honest Radio Control Depot only, in each State.

When our Association asked the Director of the Directorate (VTA) who owned the Taxi plates we were told "It's none of your Business". What a surprise, the public are not to know, the next question would be why.?

## **THE FUNDING AND SELECTION OF TAXI DRIVERS.**

We read with interest the questions asked by the Tourism and Transport Forum.

When newly arrived migrants and foreign students are the majority of Taxi Drivers working in the Industry, why don't people question that, surely that alone would tell any fair minded person that something was wrong. The answer is "slavery".

There have been many reports of Indian students getting bashed especially in Melbourne, the press and the Indian population cry out "foul" but nobody is asking the question why?

The main reason we are told by our members(who are dwindling fast) that the multi-owners prefer them over Australian drivers is because they can be exploited and manipulated, and they in turn "rob" the public in every conceivable way, and so certain members of the public want to even up the score, and bash them.

The "strike" outside Flinders St station by Indian students was to get safety screens for their protection, no Australian drivers were involved, we wonder why.?

They attend these so-called "training schools" paid for by Centrelink, (and run by Owner Depots) and don't know anything, and are then "turned loose" on the public, so they have to "learn as you go" sometimes with disastrous results.

We are informed that Indian student drivers are charged \$10 per shift Insurance (which does not exist, they don't own the vehicle) and then told they have to return \$200 per week-day shift or they will not get the taxi on Friday and Saturday, so they "load up" the meter any way they can, then, if they get the cab on Friday and Saturday they have to return \$600 per shift or they won't get it again, so of course the owners front the Courts and declare that drivers are under no "instruction or direction" and have signed "Agreements". (at least dis-agreements)

These scams and frauds are forced on the drivers by all Multi-Owner depots all over Melbourne. (they communicate their latest tricks by phone to each other)

Although this extortion racket has been going on since at least 1999, the VTD have recently written to all the owners and told them to stop charging drivers insurance money, but we have not been informed about any restitution or any developments.

When these students are about to be "turned loose" on the public, a person from the Box Hill Tax Office arrives and hands them their ABNs, so these Commonwealth Depts do not know the policies or Laws of their own Departments. Where these people get their working directions from is a mystery to us, because "blind Freddy" would know it is wrong.

The Immigration Dept say that foreign students cannot “run a business” but can work for wages for 20 hours per week to supplement their studies, but the Tax Office give them ABNs to “run a business” which is against their regulations, and Centrelink pay for them to get a “Job” which is “slavery”, and the owners can’t stop laughing.

Cabcharge is an invention that Reg Kermode stole from a Melbourne Taxi Driver, the drivers who process these dockets gets nothing of the 10% surcharge which we believe is extortion, but that is par for the course for Cabcharge.

We believe that there must be interference from successive Governments otherwise these legalized criminals could not achieve what they have over the years, we can’t prove what we are saying but we believe it because of too many co-incidentals.

We were told by the author of a report about the Competition Policy that he could not get any information about the taxi industry from the VTD (Govt) the VTA (owners association) or anyone else, only us, because he was told it was a closed shop, makes us wonder what the problem is.

If people looked into the Taxi Industry properly or closely they would be stunned by the corruption, the owners know every conceivable way to rort the system and they use it, that’s only the tip of the iceberg, but we believe that the way to fix it is to pay AWARD WAGES for drivers that cannot be tampered with.

For drivers-if you don’t measure up-out you go.

That’s our opinion, and we also believe it.

Wally Connolly (President)

