

**Submission
No 13**

INQUIRY INTO NSW TAXI INDUSTRY

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The New South Wales Government are proposing a reform package to introduce an unlimited number of taxi licences. These licences are design to increase the number of taxis on the road and thus improve the overall taxi service to the public.

While this all sounds reasonable, to improve a service like transporting the public there are several key indicators like population growth, current fact and figures on waiting times and the economics of the business that should be observed prior to making major changes to a system that is currently working quiet well. Other states and countries through out the world have introduced changes to their taxi industries by means of deregulation and totally destroyed the service to the point they have now reversed their thinking and re-regulated.

The government do not appear to have considered any of these facts prior to trying to reform / deregulate the NSW Taxi industry. By calling this a reform package it appears they are trying to avoid paying compensation to over six thousand hard working Australians who have invested their savings and superannuation or have borrowed large amounts of money to buy a small business that assists in providing a service to the community ensuring they can access the public transport system where ever they choose to live.

We are currently in our late Thirties and have two children 10 & 12, We have been involved in the taxi industry for just over four years. In this time we have invested approximately four hundred thousand dollars of capital and thousand of hours ensuring our business is as secure as was when we purchased our two taxi plates. The government have been happy receiving up to \$420 000 per plate sold to the public in the past, on the basis that it is a regulated industry and is a justifiable price because of the controls in place to ensure continuation of a sustainable business.

If an unlimited amount of taxi plates are introduced, the current licence holders will find their business running at a loss and unable to continue providing a safe reliable service to the community. The value of our small businesses will diminish to the point where there will be unprecedented numbers of bankrupts.

There has always been a shortage of people willing to drive taxis in the past and will become more prevalent as more plates are released by the government under the proposed leasing system. Drivers are paid on a commission basis and on many slow shifts throughout the week and weekends are earning far less than the minimum hourly rate because the Maitland area for 95% of the week has more taxis on the road than the demand requires. The supply and demand is very unpredictable. To introduce more licences into our and many other areas will magnify this existing problem.

In summary we are asking for your support in not allowing this broad brush approach by the NSW Government to destroy the NSW taxi industry and the livelihoods of every day Australians. This especially affects those of us in country areas where we work in small networks and co-operatives that could be easily over run by one company leasing enough plates at low leasing prices to over supply our area and force us out of business.

We feel this is an extremely serious matter that requires immediate attention.