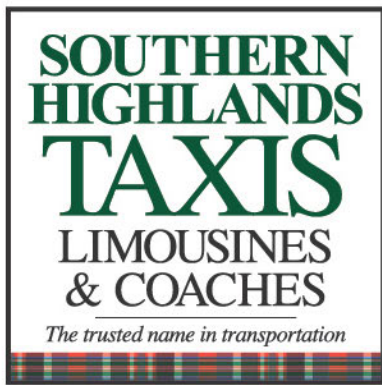


**INQUIRY INTO OPERATION OF THE POINT TO POINT
TRANSPORT (TAXIS AND HIRE VEHICLES) ACT 2016**

Organisation: Southern Highlands Taxis, Limousines & Coaches

Date Received: 7 May 2020

Partially
Confidential



BOOKING & ADMINISTRATION

p: 4872 4800 • f: 4872 4802

21 Lyell St, Mittagong 2575

All correspondence to: PO Box 2001, Bowral NSW 2576

e: bookings@southernhighlandstaxis.com.au

www.southernhighlandstaxis.com.au

LE Stewart Investments Pty Ltd t/as Southern Highlands Taxis, Limousines & Coaches

Laurie Stewart Automotive (NRMA Approved Mechanical Repairer)

ABN 69 323 836 239

7 May 2020

Portfolio Committee 6

Re Operation of the Point to Point Transport (Taxis and Hire Vehicles) Act 2016

Dear Sir/Madam

In 1999 we purchased the taxi business in the Southern Highlands known as Wingecarribee Cabs. It consisted of 18 Taxi Licences with a sub-standard fleet of cars, little image and a bunch of untidy non uniformed drivers.

We paid \$1.5 million for the business, where the only value was in the 18 Country Taxi Licences and immediately set about reforming the business and bringing it up to a high standard in both quality and image. The fleet was replaced, uniforms for drivers designed and provided to all drivers plus systems put in place to ensure a timely and safe taxi service to the community.

What has the government and the people of NSW (and Australia) gained out of the introduction of Rideshare? Certainly our legal business has been badly affected and this is all the more

disappointing when we believed at the time of buying the business in 1999, that since it was government regulated, then we would be protected if we followed regulations and our long term investment would be secure.

Prior to Uber and the new Point to Point regulations we know that some taxi services were sub-standard and this could have been rectified by instigating compliance from the government. Why this was not done we do not know. We do know that now all taxi operators have lifted their game and the standard of taxis and the service they give is of an extremely high standard.

We also know that the government must be losing a huge amount of money with tax evasion by Uber and other overseas based operators. This loss of revenue due to Uber and others, and the huge drop in revenue by the taxi industry, would greatly reduce the total tax payable and this would be further compounded by the smaller Rideshare operators who simply hide their earnings because there is not the regimented and audited accounting which exists in the Taxi Industry.

So, the government must be well behind on its income generated from GST and other sources. The other issue is that of traffic congestion which has increased dramatically since the introduction of Uber and Rideshare.

We understand that currently there are in NSW approximately 19,000 authorised Taxi Drivers and a huge approximate 100,000 Rideshare Drivers! Certainly, all are not on the road at once and we know that there are now only some 5,000 taxis operating in the state therefore it is fair to assume that there would be at least 25,000 Rideshare cars operating, but not just from home to the office and return, but criss-crossing the city and metro areas.

(NOTE: At the end of 2019, a report stated that there were some 75,000 private vehicles for hire operating in NSW)

Is the tax-payer having to fund new roads and tunnels just to accommodate a tax cheating Uber?

There is also evidence of Uber cheating the public on fares by misquoting equivalent taxi fares as being more than a Uber fare.

Rideshare cars are not equipped with any of the safety equipment that regulated taxis have, which is for the protection of the driver and most importantly for the safety of the passenger/s. The safety equipment in taxis include cameras, alarm systems, meters, tracking devices and in some cases even uniforms, which shows the driver is a genuine driver. This together with the display of his photograph and Taxi Driver Authority plus the visibility of the taxi is all for the protection of passengers. Regular safety inspections are also for the protection of driver and passengers.

The safety in taxis has evolved over almost 100 years in Australia and there is no common sense in throwing this away.

We now have Uber and Rideshare in country areas and they put their cars away the moment business slows down, which is certainly early during most week nights, while most Taxi Operators continue to keep cars on the road to provide that necessary service should there be an emergency such as Domestic Violence or a sick person requiring transport to the hospital or even keeping drunks off the road.

It costs us money to provide this service at night, but we do it and we get no thanks from the government.

Today, the Corona Virus lock up has cost us an 80% decline in taxi revenue and this I am sure you will find is common in our industry. We are "bleeding" financially and while we have "mothballed" twelve of our taxis it would be unwise to deregister them as the cost to reregister, assuming all is back to normal within a few months, would make the exercise futile.

Uber and Rideshare cars though are mainly private vehicles (many without proper CTP) and the reports are that the majority have stayed at home to protect their family. After all it is a “part time” exercise for them.

Taxis though, must pay a much higher Compulsory Third Party Insurance premium than Rideshare. This is unrealistic when one considers that taxis are better equipped for safety, have more regular safety inspections and are driven by professional drivers, not casual drivers. Surely taxis should be included in the “business category” for CTP which would make it much fairer on our industry.

Today after 20 years of really hard work and as we operate 7 days 7 nights every week, we are now working harder than ever before yet making no profit and our valuable taxi licences have devalued considerably!

Is all of this fair? Is it fair to the taxi industry? Is it fair to the tax-payers of NSW to know that Uber and others pay little tax? Is it fair to NSW motorists who have to battle increased traffic congestion as result of Uber and rideshare? Is it fair to Rideshare passengers that they have no protection for their personal safety? Is it fair to Uber passengers that they be “ripped off” with fares believing they are less than a taxis metered fare?

Interestingly, Uber is being progressively sued and even banned from many countries around the world. Surely our government must take notice of these events and hopefully, our government will once again start playing fair with the thousands of people who have devoted their lives to the taxi industry and who follow the rules and regulations!

In 2016 The State Government gave the Sydney and metro Hire Car industry approximately \$80,000.00 per licence as compensation. Some Hire Car licence owners received \$235,000.00 for a licence. In Rural NSW a minimum payment of \$30,000.00 per licence was made. The taxi industry received just \$20,000.00 per licence to a maximum of two licences. This was a most unfair anomaly!

In closing we advise that we sold our family home and property in Berrima in 2001 for \$2 m to repay all debt and provide additional working capital. We decided to rent until we had sufficient income or we sold the business to enable us to purchase a new home. Our Berrima property changed hands some few years ago for \$8.0 m and we are still renting! There is little prospect of selling our business and purchasing a home due to the dramatic loss in income due to rogue opposition and the huge loss in licence values.

Clearly we have made some bad business decisions, however it was because we had a genuine belief in our government. Let’s hope that our belief in our government is not unfounded and that this dreadful and damaging issue is properly and fairly resolved.

Sincerely
Southern Highlands Taxi Service

Laurie Stewart (Managing Director)