

**Submission
No 27**

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

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The Upper House Inquiry into
the Point to Point Transport (Taxis and Hire
Vehicle) Act 2016

Date Due: 31st May, 2020

Who arranged it: NSW Parliament - Upper House

The Terms of Reference for this review are

Portfolio Committee No. 6 - Transport and Customer Service, inquire into and report on the operation of the Point to Point Transport (Taxis and Hire Vehicles) Act 2016 and in particular:

- 1) the operation of the regulatory system applying to the taxi industry,

The Government was in charge of and totally in control of the Taxi industry and did not perform the role of controlling the inappropriate totally unregulated and totally illegal activity and operations of the Ride Share operators for years leading up to the total disregard for the Taxi industry in allowing finally for whatever reasons the legal operations of the Ride Share operators. Our Taxi plate held by our family for over 70 years has been totally destroyed, decimated and beyond recovery by the way the Government created these disgraceful point to point transport reforms!

Our plate value right now is totally lost to what it was previously, revenue is zero and the miserable and totally offensive \$20,000 taxable payment is a total disgrace and insult to all those wonderful hard working and dedicated industry owners, as well as those operators and drivers who have dedicated in some cases their whole lives, like my father who worked in the industry for over 40 years and was totally loyal and positive about the taxi industry, he absolutely loved the industry and was professional driver and owner. It is unbelievable that no one in Government could see how this terrible decision was going to affect the industry, to be destroyed and decimated are they not aware or can they not see what is happening to the industry by their actions right now?

With the introduction of the new legislation some politicians said words to the effect of “we have just got rid of \$60m worth of red tape”

They did not get rid of the red tape they just passed it onto the industry.

This is a huge cost to the industry/networks which in one way or another has to be absorbed or recovered by the networks.

The legislation and regulations are a waste of paper appearing to be ill written and totally ineffectual.

According to the Point to Point Commission (PtoP) most of the legislation is

unenforceable.

It appears that all the commission is interested in doing is focusing and harassing the networks over minor and immaterial issues!

When the networks bring a matter of a serious nature to the PtoP (i.e. Fraud) it appears they dispatch all the information up the line which eventually is lost in the system and not effectively resolved or addressed appropriately extremely frustrating and distressing!

When it is followed up at a later date once again “it has been sent to a higher authority”

PtoP never get back to you and you never get an answer as to what has been the outcome? Usually because there is no outcome

- 2) specifically, the system of bailment that operates in relation to the taxi industry, any changes pursued by the NSW Government to the system of bailment since enactment of the legislation, and any changes that should be made,
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Bailment to a driver is a total failure!

99.9% of drivers and operators do not use it

If an operator adopted the Bailment charges they would not have a driver

There is always an operator around the corner that will undercut an operator by putting the driver into a dilapidated vehicle

When networks tried to clean up their operations effectively, they received no support from PtoP so it was business as usual and the operators simply ignored the networks

The Bailment includes “holiday pay” for the drivers, unfortunately as you may be aware you know you cannot contract yourself out of legislation

While this is in place 99.9% of operators are taking a huge chance by working outside the law and giving the driver a low “pay in” (bailment) with a verbal that the driver will NOT ask/demand holiday pay at the end of 12 months?

An operator can give a driver a 12 hour shift for \$1.00 then at the end of 12 months the driver can demand 5 weeks holiday pay. The operator has no recourse sadly.

The Holiday Pay part of the Bailment should be optional to protect the operator

- 3) the implementation of the industry assistance package for the taxi industry,

including the Passenger Service Levy (PSL) and how it has been applied,

It would appear that after certain discussions and various considerations within the NSW Government it appears there was a move to decimate the Taxi Industry they allowed Uber into Sydney/NSW and work, operate totally outside the law for a couple of years and nobody exerted any true attempts to prosecute this illegal activity?

During this period:

- *Drivers income was slashed*
- *Operators income was slashed*
- *Owners plate values and income was slashed*

It appeared that the \$20,000 (taxable payment) to owners as compensation was an absolute insult to any reasonable person it was a token gesture for having their income decimated

As a final slap in the face and to top it off the Federal Government deemed it as income and it was taxable in the hands of the recipient!

Most networks adapted pretty well and automated their procedures for the collection of the PSL \$1.00

However the legislation allows a network to work within a network with the first network using the facilities of the second network (the major network)

On many occasions this was brought up with PtoP. As the major networks lost control of the collection of the \$1.00 The driver or operator were collecting the \$1.00 and either not passing it on to the Major Network or State Revenue.

This is/was outright fraud!

When different government departments were advised of this practice they all did a Pontius Pilate ran for cover and advised they had no control over these issues?

4) the impact of the legislation on the value of taxi plates,

The real damage to the value of taxi plates was done with the illegal introduction of Uber prior to the introduction of the new legislation

As well as the uncontrolled Ride Share numbers growing so rapidly with no control whatsoever well in excess of the Taxi vehicle numbers?

The total weak, ineffectual and unenforceable PtoP legislation did not assist or help as explained above

5) the role and function of the Point to Point Transport Commissioner, and

The idea behind the legislation really was not flawedthe biggest issue and problem was its effective implementation!

There was no consideration or thought given to the cost the networks would incur

The PtoP legislation was not strong or enforced appropriately or enough

It did not provide Taxis and Ride share a level playing field

Ride share received the best deal

PtoP did not enforce on Ride Share what it was \ is enforcing with the Taxi Networks

PtoP have no fortitude to enforce what legislation there is to enforce

Nothing ever gets done effectively or appropriately

6) any other related matter.

The different State Governments have a lot to answer over the last 35 years to allow the industry to get into the state it is today

They allowed investors into the industry

Previously in the past you had to drive or work in the industry to own a license

It has gone from then when 100% of owners operated in the industry

Now that figure would be around 2%

The government have gained approximately 5% of every plate sale with Stamp duty and transfer tax

Despite all the promises that this money would go back into the industry it never did, it just went into consolidated revenue

State Governments have actually auctioned plates themselves

There is no ownership of the plate it actually belongs to Transport

The owners have a license to operate the plate

In early 2000 the State Government at the time reorganized \ deregulated the Hire Car industry

They carried out a "BUY BACK" of the Hire Car licenses

The Government did not use cash they used taxi licenses

The Hire Car license owners were given a taxi license when they handed their Hire Car plate back

They could do what they liked with then taxi license

They could sell it, operate it or lease it

The Govt then leased out the new Hire Car licenses at approx. \$8,000.00 per year

We understand that due to the neglect of different State governments over the years the Taxi industry has suffered.

Including:

- The stamp duty and transfer tax they have received*
- The money from the auction of plates*
- Allowing investors to own plates*
- Allowing the sale of goodwill on the license*
- Allowing the illegal entry of Uber and being totally ineffectual in controlling this illegal activity*
- The Taxi industry is now on its knees*

We believe the only way that NSW can have a 24/7 viable Taxi Industry is as follows:

- The government does a “Buy Back” of all the taxi plates in the state at a FAIR price*
- NOT at their value after Uber was illegally allowed into NSW*

As explained above there is already a precedent set with the Hire Car industry, why not adopt the same procedure as only fair with the Taxi industry?

That ALL licenses be leased out by the government to operators at a fair price again the precedent has already been set

The \$1.00 PSL remain and used to assist the Taxi industry?

Together with the taxi lease funds and the PSL to repay the “buy back”

*A % of the \$1.00 PSL remain with the Networks to help pay for the administration of the P 2 P legislation which the govt did a flick pass to the networks
The cost of administration of the legislation didn't go away it's just not with the Govt any longer*

The legislation be reviewed and strengthened to give it some teeth and not allow the commission to hide behind shithouse legislation

Licenses cannot be transferred to another operator only returned to the Dept/Govt

As a result of the above point no goodwill can be transferred with the license

What to think about in your response: (Please answer each question above where appropriate)

As you answer each question above please think about the following:

- 1) How has the day to day changes impacted you as a Taxi License Owner, Taxi Operator, Taxi Network or Taxi Driver. How is it different from before?
- 2) How have the changes in regulations impacted you financially?
- 3) What changes would you like to see made to ensure the viability of the Taxi industry into the future.

How can you get involved?

- 1) **Fill out the survey**
 - a. Visit <https://www.surveymonkey.com/r/6QCH6GD>
- 2) **Write your own submission**
 - a. uploading it to the committee's website
[https:// www.parliament.nsw.gov.au/committees/inquiries/Pages/lodge-a-submission.aspx?pk=2594](https://www.parliament.nsw.gov.au/committees/inquiries/Pages/lodge-a-submission.aspx?pk=2594)
 - b. emailing it to PortfolioCommittee6@parliament.nsw.gov.au
 - c. writing to The Director, Portfolio Committee No. 6,
Parliament House, Macquarie Street, Sydney NSW 2000.
- 3) **Copy the NSW Taxi Council on your submissions**
 - a. Send a copy to communications@nswtaxi.org.au