

**Submission
No 46**

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

Name: Mr Tristan Rainey

Date Received: 28 May 2020

Tamworth Cabs



REGISTERED PROVIDER 4050013601

ABN 15 484 108 866

P.O. Box 3185, West Tamworth NSW 2340

130 Marius Street, Tamworth NSW 2340

powered by
smarMOVE



Phone: 02 67661221

Facsimile: 02 67661909

tamworthradiocabs@bigpond.com

To Whom It May Concern:

27 MAY 2020

My Name is Tristan Rainey and I am the Operations Manager for Tamworth Cabs, a position in which I have been employed for the previous three and a half years and I have also operated as a bailee taxi driver for some four years prior to time constraints forcing me to focus upon my current role. I find myself writing this letter because I genuinely believe those I represent have not been treated fairly and the review of the Point to Point Transport Regulation (referred to hereafter as P2P Regulation) requires a thoroughly objective opinion that I am capable of providing.

Throughout this time, I have worked with many members of Tamworth Cabs and became steadily more involved in addressing the transition to the current P2P Regulation and concomitant requirements for individual taxi networks, such as Tamworth Cabs. This included attending various information sessions and conferences involving the likes of Ms. Barbara Wise and The Hon. Mr. Andrew Constance. As such, I am reasonably familiar with operations prior to and subsequent to the implementation of current regulations. In my role, I have also gradually become familiar with the vast majority of modern taxi and public transport operations as well as learning about historical trends and details starting from the 1605 London Hackney Carriages through to the 1834 Hansom Cabs and subsequent development of taxi ranks and the latter imposition of full Government regulations.

The overwhelming impression of the Point to Point Regulation has been to witness gross incompetence of the NSW Government to effectively manage a core industry that affects the lives of millions of people. In failing to protect a regulated market which thousands of people had invested into under good faith with an aim to create both a privately managed nest egg akin to superannuation as well as a job that would carry them through into retirement as they were unable to keep pace with the upskilling and technological advances of a younger generation. The NSW Government actively went about developing blanket legislation based upon only metropolitan activities without conducting proper research regarding regional communities and how local taxi networks were meeting various needs. In doing so, the NSW Government ignored established laws developed to provide protection for all participants within the transport industry and enabled what was clearly accepted as illegal activity by rideshare organisations instead of performing its proper role.

To this end, the NSW Government quite literally gave away rights across the entire state for participation in an industry that had been purchased legitimately by well intentioned investors for hundreds of thousands of dollars, which in many cases required borrowing of funds. The NSW Government did NOT create additional consumer activity within the transport industry and this wilful dissection of the available market signalled a death knell for historical taxi plate values that had been purchased with an expectation of protected value within acceptable conditions of fluctuation. The current values of taxi plates have declined some 70% in Tamworth alone with several owner/operators no longer being able to retire comfortably through sales at a reasonable price. Furthermore, the gradual increase in

transport providers has only served to restrict the earning capacity of participants with a large number no longer able to justify the time commitments required to provide proper service delivery to consumers in regional areas.

The clear and wilful ignorance of how modern taxi operations work and the reasoning behind original regulations of the transport industry is quite appalling. The research carried out to determine how service delivery is provided among differing markets was particularly woeful, inadequate and short sighted, i.e. Metropolitan rank & hail predominance versus Regional increasing reliance upon booked transport activity and commitment to local communities not being recognised effectively by the P2P Regulation. The prevailing viewpoint of those involved was seemingly that 99% of all taxi transport originated from rank & hail activity, which simply is not the case, and allowing illegal rideshare operators into the market would have only a negligible or acceptable effect upon those who had invested huge sums of personal funds into the industry. The inadequacy of the research is clearly illustrated by the activity figures for regional areas where a recent Zoom session with TfNSW representatives saw many regional taxi networks outline transport comprising 85% - 90% bookings and 10% - 15% rank & hail activity.

--- Having assisted the President for Tamworth Cabs in preparing a submission for the Upper House Inquiry, I can attest to a clear upward trend in bookings versus rank & hail over previous years that validates such claims. Furthermore, I can also attest to steadily decreasing booking figures drawn from computer records, along with a reduction in earnings, which corresponds clearly with both implementation of the new regulations and other operators moving into the limited local transport market.

--- Furthermore, having been present through many additional gatherings relating to the P2P Regulation, there appears to be an overarching desire from TfNSW and the NSW Government to allow the market to reach a point of equilibrium where supply intersects with demand. This does NOT work in reality and will only serve to foster an environment of exploitation of workers within the transport industry. It is alarming to consider that one of the very first topics covered by economics students will often relate to reasons for a minimum wage being priced above the market point of equilibrium to ensure certain standards are met and the possibility of exploitation in the workforce thus mitigated, only to witness such a basic lesson wilfully ignored by those exercising responsibility for millions of participants in this specific industry.

Aside from the aforementioned financial hardship being felt by thousands of owners/operators and also drivers in regional areas, the P2P Regulation has resulted in several negative impacts for the community as a whole. Core among these is the reduction in safety expectations for the community and accountability of participants. Basic maintenance requirements were removed and the need to have certain safety equipment, such as CCTV cameras, was not enforced across the full industry. In addition to this, the regulation served to create a significant grey area that serves to drastically blur the lines between registered transport providers with full livery, local contact details and associated insurance and accountability versus untraceable, and certainly uninsured, 'fly by night' transport providers preying upon consumers lacking knowledge of the dramatically increased safety risks resulting from the P2P Regulation. The already established trend of illegal social media based operators (Facebook *et al*) increased significantly when the opportunity presented by the new regulations was identified by unscrupulous types of people. However, people I know personally have also reported multiple instances of clearly illegal transport operations taking place in typical hotspots outside pubs and clubs whereby they were encouraged to "get a lift home" in a private vehicle owned by a friend of staff/security, often within only 200m of a designated taxi rank/zone. The fact that such activity even occurred at all clearly illustrates a major shortcoming of NSW Government action in addressing needs of the transport industry by doing favours for the 'trendy' rideshare operations that, hitherto the P2P Regulations being implemented, happily conducted illegal operations under it's very nose. And even at this stage, several horror stories of sexual assault regarding rideshare operators had already been in the media to the extent that it was almost considered commonplace risk of public transport.

The reality is that the P2P Regulation has resulted in the following:

- A limited market where people were able to invest vast sums of personal funds to make a basic living and expect a reasonable retirement nest egg through applicable regulations and barriers to entry was literally given away without due compensation or consideration.
- Consumers who willingly paid a price for a 'grudge purchase' in the knowledge that it came with certain expectations of safety and accountability being let down and betrayed by the NSW Government failing to perform properly.
- A future where the full spectrum of transport service delivery provided to communities in regional areas for many decades will gradually falter and likely disappear without proper revision of the P2P Regulation.
- A vital source of low skilled employment is actively declining and being replaced by the more financially fortunate members of society, who choose both the consumers they wish to transport and the times they provide such transport services as nothing more than a supplement to established incomes.
- The NSW Government clinging to a forlorn hope that natural market forces will create a point of equilibrium that will magically solve all problems instead of actually providing proper leadership, management and infrastructure. This comes despite it being clearly acknowledged that a surplus earnings price point is required to mitigate exploitation of workers within an industry.

I understand that certain statements within this letter may slight some people and I do apologise as I do not seek to single out individual in particular. However, I believe such disquiet pales into insignificance when compared to the reality being faced by the thousands of people still reeling from poor research and the associated negative impacts of the Point to Point Transport Regulation. Be that as it may, I am more than willing to contribute my own time and knowledge toward a full and proper revision of regulations affecting the transport industry in regional areas so as to ensure a full 24/7 service, free of discrimination, that previous taxi plate owners/operators and drivers have delivered for many decades in providing enrichment for their local communities.

Yours sincerely:

Tristan Rainey
Operations Manager
(02)6766 1221

tamworthradiocabs@bigpond.com

27 MAY 2020