

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

Name: Name suppressed

Date Received: 30 May 2020

Partially
Confidential

My submission relates particularly to Terms of Reference C: implementation of industry assistance and D: Impact on the value of taxi plates

John's story: I am writing on behalf of my brother, _____, who obtained an unrestricted Sydney taxi license in 1980. He worked extraordinarily long hours as a driver, over many years, to pay for the license. He worked long shifts; into the early hours of the morning; often in the Kings Cross area, exposed to people who were not at their finest. He describes a life of struggle and sacrifice, in order to pay for his taxi license. The taxi license was his only asset and he intended this to be his retirement income.

A taxi licence was a solid investment, as a result of government regulation over the number and operation of taxi licenses, and subsequently attracted a premium price. Much later, as John's health declined, he leased the taxi plates to fund his retirement and managed to live, frugally, on the taxi lease income.

With the NSW government's changes to regulations, his income declined severely and the value of his asset plummeted. He struggled to feed and house himself. This considerably affected his health. The emotional distress has been particularly severe and was completely attributable to government actions.

The decline in asset value is well documented elsewhere but bears repeating. In 2012 the average value of a Sydney taxi license was over \$400,000 (see attached supplementary file). Now (even pre-Corona-virus) the value is nominally \$70,000 - \$80,000 – assuming a purchaser could be found.

NSW Government regulations over the taxi industry, such as limits on the number of taxi licenses and restrictions on who could offer transport services, meant that people who bought taxi licenses paid a premium.

The NSW Government effectively operated a quota system for taxis. This elevated the price of taxi licenses. The government profited from this, by taking a percentage of the sale price of every taxi license.

The only fair thing to do is for the NSW government to buy-back the licenses at today's equivalent of their former value.

Re (c) the implementation of industry assistance - This has been helpful and appreciated but insufficient. In particular, I would like the Committee to note the fact that the assistance payments are considered taxable income, which has greatly reduced their value. Much of the money simply transfers from the NSW Government to the Commonwealth Government, without assisting the intended beneficiary. If the payment had been made in a different way - as capital / buy-back of an asset - this would not have applied.

Thank you for your consideration