

REPORT ON PROCEEDINGS BEFORE

**PORTFOLIO COMMITTEE NO. 6 - TRANSPORT AND
CUSTOMER SERVICE**

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

CORRECTED

**Virtual hearing via videoconference on
Wednesday 19 August 2020**

The Committee met at 10:00

PRESENT

Ms Abigail Boyd (Chair)

The Hon. Scott Farlow
The Hon. Samuel Farraway
The Hon. John Graham
The Hon. Shayne Mallard
The Hon. Daniel Mookhey

The CHAIR: Welcome to the first hearing of the Portfolio Committee No. 6—Transport and Customer Service inquiry into the Operation of the Point to Point Transport (Taxis and Hire Vehicles) Act 2016. Before I commence I would like to acknowledge the Gadigal people, who are the traditional custodians of the land on which I am sitting today. I would also like to pay respect to the Elders, past and emerging, of the Eora nation and extend that respect to other Aboriginals present. Today is the first of two hearings we will hold for this inquiry. We will hear from three panels of witnesses today, including regional taxi operators, who we will have first up this morning, metro taxi operators and organisations supporting people with disabilities. Before we commence I would like to make some brief comments about the procedures for today's hearing.

Today's hearing is being conducted via teleconference. I would ask for everyone's patience and forbearance through any technical difficulties we may encounter today. If members or participants lose their internet connection and are disconnected from the virtual hearing, please rejoin the hearing using the same link. Today's hearing is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available. All witnesses have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness can only answer if they have more time or with certain documents to hand. In these circumstances witnesses are advised that they can take a question on notice and provide an answer within 21 days.

I remind everybody here today that Committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. I therefore request that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily. Finally, could everyone please mute their microphones when they are not speaking? I now welcome our first witnesses.

GEOFF FERRIS, Managing Director, Regional Taxi Lines (Griffith/Dubbo), before the Committee via videoconference, sworn and examined

SCOTT WILKINS, Operations Manager, Milton Ulladulla Taxis, Limousines and Charter Bus Service, before the Committee via videoconference, affirmed and examined

NEIL CRITTENDEN, Chairman, Maitland Taxi Service (Red and White Star Cabs), before the Committee via videoconference, sworn and examined

MARK MARLAND, Director Secretary, Maitland Taxi Service (Red and White Star Cabs), before the Committee via videoconference, sworn and examined

The CHAIR: I will now ask each organisation to start by making a short statement. If you can keep it to no more than two minutes, that would be fantastic. I will start with you, Mr Ferris.

Mr FERRIS: Thank you. I am the chairman and managing director of Regional Taxi Lines. We operate taxis currently in Griffith and in Dubbo and previously in Camden and in Picton as well. In response to the terms of reference of this inquiry, we think it is important that the State Government looks at how the taxi industry in regional New South Wales has been affected by the introduction of the point to point regulations and the rideshare industry. In Griffith we operate the whole network. We have three independents who work with us, but we have 14 taxis operating in Griffith, of which we operate 11. In Dubbo we have six of the 22 TC plates that operate in Dubbo. Previously up until December 2018 we operated a network of 22 taxis in the Picton and Camden area, just outside Sydney but with the introduction of rideshare coming in and taking the cream off our crop no drivers would work and we ended up having to give the plates to our drivers for a \$1 value.

The introduction of the changes to the regulations for the point to point industry has seriously affected our ability to operate an efficient country taxi network in each location due to the so-called removal of red tape by Government, which has put those obligations back onto us. We now see that we are now the policemen that have to onboard drivers and issue ID. We have to enforce with the other operators who work with us the removal of agents on vehicle. We moved away from a single body to manage driver eligibility, where I could go to Service NSW or Transport for NSW and get my driver authority and my licence. Now we have to go to another party.

Removal of driver uniforms and hygiene just means that now the networks have to become the policemen and start ensuring that people meet the standard that the network wants whereas previously it was a regulation. These changes have meant that it has become far more difficult to get people to be part of a network board to operate and to oversee the requirements. What can we do to fix this up? We believe we need to free up the value that taxi operators have in their licence plate. The value has been tied up in those values for many years. We have paid \$300,000-plus for all our plates in Dubbo. Today we could not give them away. We have people in Dubbo who want to sell their plate and there is no-one interested in buying a plate due to the changes in the point to point regulation.

We propose we need the Government to do a buyback, to come and buy back the lost value of the plate, which is in the book market segment. The rent and hail segment is still there and that should be retained under a regulated fare system but in the book market system, where it has now been opened up to everyone to come in and the value of the licence plate has been diminished, we suggest there should be a government buyback and then lease the plates back to those who wish to stay in and operate taxis on a leaseback situation. This can be funded at no cost to the Government through a continuation of the passenger service levy, which is currently imposed on each taxi and rideshare fare across New South Wales. In the projections we have looked at, in approximately seven years that system could fund the total buyback and leaseback with the leaseback of the TC country plates. That is probably my time, I think. I will be able to add more later if we get the chance.

The CHAIR: Thank you very much. To help Hansard, who is recording everything that we say on paper, it would be fantastic if you could email that opening statement through to the secretariat at some point. That would be incredibly helpful for us, thank you.

Mr FERRIS: Yes. Thank you.

Mr WILKINS: Good morning, Madam Chair, and all the honourable members of the Committee and fellow taxi colleagues. Today I am representing Milton Ulladulla Taxis. It is a family-operated business. We have been in operation in the Milton Ulladulla area since 1996. I come from three generations of taxidriver. My grandfather had a plate after the war when he returned as a serviceman. My dad has had plates since I have been in nappies. I washed cabs when I was a kid. I started driving in '85, operated cabs in the late nineties. By 2000 I was working for one of the taxi schools in Sydney prior to the Olympics training taxidrivers. At the end of 2002 I came down the coast to give my parents a hand to run this business. We operate a fleet of six cabs. Two of those

are wheelchair accessible taxis. Our business has expanded over the years. We have limousines. We run charter buses.

We live in a tourist area where normally the population is about 15,000 in the holiday period and especially now. There was no Easter so in the last school holidays the population trebled. Similar to what Mr Ferris said, over 85 per cent of our work is booked work, meaning that people ring for those vehicles. Rank and hail work is negligible except late at night and that will only be coming from pubs, clubs, et cetera. Because it is a lucrative area, we have noticed that Uber has moved into our area. That is probably a brief overview of what our business is.

With regards to today's inquiry, we would like to talk about a plate buyback, as Mr Ferris mentioned earlier. As a little aside, one of the hardest things for cab operators to kind of get their head around is the fact that most of us also have hire car plates. We had one. We were compensated fully and we were happy about it. We got \$170,000 for one plate. For taxi plates, you got \$20,000. You were offered a hardship package but not a lot of people were eligible for that. The amount of money the Government set aside was not used up completely. Another part of the buyback is you could look at the fact that a hire car plate owner got compensated for each and every plate. For taxi operators they said two plates, end of story.

I know of people down here in regional New South Wales that leased taxi plates on 10-year leases. They were paying nominal fees of \$500 a year. For those hire car plates they were compensated \$30,000 for each hire car plate they had. They leased those plates and they were given \$30,000. We have a freehold owner who was only given 20. I drive a cab sometimes still. There is nobody out there under 50 who thinks that cab drivers, operators and owners et cetera were treated fairly in that particular instance. We also think there is an unfair playing field—taxi plates have obviously been devalued. Up until mid-2017 the State Government was still selling them for over \$400,000. As Geoff Ferris said, he gave plates away for a dollar. Once again, that is an issue that needs to be looked at. I do not know whether you are aware, but from my understanding up to April 2020 there were over 120,000 applicants who went into Service NSW and applied for a T code onto their licence, meaning that they could then work as a rideshare operator. That is a lot.

In the COVID crisis over 3,000 plates were handed back to the Government in metro Sydney, which does not have anything to do with us here, but only 700 of those plates have been taken back and they are still not making any money. The point to point reforms have created a huge amount of red tape for small operators. The working week has gone up by 10 to 15 hours to comply with all of the regulations. I have a background in training. All the reforms say is that there will be the removal of age limits on vehicles, removal of uniforms and removal of training. I was a taxi trainer. In 2000 it cost \$1,000 for somebody to do a taxi course in Sydney. There was operator accreditation where you used to have to go and do a two-day course. None of that applies anymore—the onus is on the network. There is obviously increased operating costs due to these reforms.

Most taxi networks and operators are happy about the Passenger Service Levy and we hope that we will get a fair and reasonable compensation package. There is one issue: the time taken to collect that money. As a small operator we would pay on average \$4,000 a month. When the idea was initially floated, State Revenue said it would cost approximately 50c in the dollar to run the scheme. The taxi operators do it and we do not get any compensation. We are certainly not asking for 50c or 50 per cent. It adds to your working week.

There have been some changes in the past few months to the Taxi Transport Subsidy Scheme [TTSS]. Initially, it was a provider-neutral scheme, but now we find out that the tender has been awarded to Cabcharge. So if you do not have Cabcharge payment systems in your vehicles, which the NSW Taxi Council is doing a survey on at the moment, you will not be able to use the smart card that the Government is thinking about introducing. Recipients of the transport scheme will be able to use that card. A pilot scheme was done a couple of years ago in regional New South Wales, but if you do not have the Cabcharge payment system I do not know how you are going to do it. The issue with Cabcharge being awarded that tender is they also own 13cabs, which has the largest taxi network in New South Wales.

In regard to patient transport, most cab operators in regional New South Wales would like the opportunity to be able to do some of that work. Reforms around community transport are another issue—it is always [inaudible] considering the amount of money it costs to run those schemes. [Inaudible] work because they are only volunteers and they are elderly. Taxis continue to operate. We have demonstrated to the Government over the years, time and time again, that we can run that type of service cheaper than they can. There is a \$5 scheme in the Shoalhaven, whereby they are eligible for 10 little cards a month and it costs them one gold coin for each card—similar to the regional seniors card you have rolled out. Some of these people live in the country and are eventually going to have to hand their licence in. They maintain their independence, with assistance, by having a cheaper alternative for moving around. I think on-demand transport has been an abject failure. I could go on but that is probably about my two minutes.

The CHAIR: It is. Thank you, that is very interesting. We will now move to Red and White Star Cabs. Have you got a short opening statement for us as well?

Mr CRITTENDEN: Thank you for the chance to speak at this inquiry. Maitland Taxi Service is the trading name of Red and White Star Cabs, which is owned by 17 shareholders and is managed by a board of five directors. It is the major transport around Maitland, Beresfield, Raymond Terrace and Greta. We service 28 cars in the area. With the introduction of the Point to Point Transport (Taxis and Hire Vehicles) Act 2016, Maitland Taxi Service has seen many changes occur around the regulation of the taxi industry. Our experiences have been good and bad. The good has come out in being highly regulated. The safety standard for both passengers and drivers has dramatically improved. Owners and drivers are more confident in the safety standards of the vehicles. However, we believe that there is an injustice within the regulatory framework when it comes to the taxi and hire car industry, and rideshare.

Rideshare is a public transport industry not subject to the same stringent requirements that taxis adhere to. Rideshare agents have booking services and dispatch capability, yet do not have to address the same safety standards as taxis and hire cars. In addition, the on-road expenses of taxis are far greater than rideshare. The Passenger Service Levy has gone some way to easing some of the losses incurred on licence plates. However, the increase of rideshare companies into the market has Maitland Taxi Service members concerned about the value of licence plates. Owners who have recently sold plates have experienced huge losses. For example, two vehicles in the area that were bought for around \$140,000 have each been sold for around \$30,000. Another that was bought for \$150,000 was sold for \$70,000. The \$20,000 assistance package does not cover the losses experienced by owners, obviously. The experience that Maitland Taxi Service has had with the commissioner is minimal. However, of late we have had a lot to do with the Point to Point investigators due to the unwarranted aggressive attention from a rival company trying to bully its way into the Maitland area.

Unfortunately, our experience with the regulator has been one of frustration due, I believe, to the long process required to be followed by the regulator as well as the COVID-19 crisis. Vulnerable Maitland Taxi Service owners and drivers have been subjected to stalking, bullying, harassment and vehicles being used like weapons against them. Many of these incidents have been reported to the police, as advised by Point to Point. However, neither the police nor Point to Point are in a position to curb this even though the actions in question are addressed in the Point to Point Transport (Taxis and Hire Vehicles) Act 2016. The frustration experienced by our owners and drivers is escalating due to what they believe to be the minimal action taken by the regulator and the constant notifications by the network not to engage.

I have concerns that unless the issues can be resolved satisfactorily, tempers could boil over and our owners and drivers could be charged, even though they have been continuously goaded. With the issues occurring during the COVID-19 crisis, Maitland Taxi Service was even more convinced that there needs to be a regional office of point to point that can address identified issues quickly and whose staff do not need to travel so far to investigate incidents. Thank you for the opportunity.

The Hon. JOHN GRAHAM: Thank you to all those witnesses for turning up and for the submissions and opening statements. I start with Mr Ferris and the evidence on the value of plates in regional areas. In the Government submission to the inquiry, they put some figures on the table about where they think plates are up to. They are more upbeat, including in regional areas, about the value of plates at the moment. They are up-front that plate values have definitely fallen. For example, in Bathurst and Armidale licence transfer values were steady at the time of the reforms. They have only gone and decreased and rebounded in more recent years. Bathurst had 41,000 in August 2019, 145,000 in September 2019 and 125,000 in October 2019. I have got similar figures in Armidale, showing 140,000 in May 2019. There are no figures for Dubbo, about which you have given us information. Have you got any response to the Government figures? Do you think that they sound realistic for those other areas? Can you give us any other update about why there seems to be a gap in what is being submitted there?

Mr FERRIS: In my other role as the president of the Country Taxi Operators Association I talk to a lot of these operators. Let me tell you what happened in Bathurst. Yes, they were the figures that the transfers occurred on. They were then all vendor finance. That is the only way that anyone would buy them. I know of three occasions in the last 18 months in Bathurst when once the new entrant has operated for six months, they stop paying the vendor back in repayments and the transfer falls over. I am not 100 per cent sure on Armidale. But, as I said, our experience across many towns is that there is just too much uncertainty around the industry of what is going to be allowed to happen with rideshare. There is no confidence in our industry from any new party when they come in, hence the only way anyone is selling them is to give vendor finance. In other words, you get nothing for your plate but you hope that the new owner will pay you off over a period of time—usually five to ten years.

The Hon. JOHN GRAHAM: That is very useful context. Given that answer and given your role, can I ask you if you have any specific details about Orange and Lismore. The Government submission says that transfer values have remained steady up to the present day. Can you give any useful background on any of those areas, including Tamworth or Grafton?

Mr FERRIS: We have another business in Orange and we have looked at buying taxi plates there. Prior to rideshare coming in, a plate in Orange was worth somewhere above \$250,000. I am not sure how they say a transfer down to the number that you said Orange was is anywhere like staying stable. They have dropped at least 50 per cent or greater, if you can sell them. Have a look at those sales, many of them are deceased estates where the people have just got to get rid of their plate and another operator in town who has some confidence that there is a future in the industry steps in and buys that plate. I cannot specifically address Tamworth and Armidale because I am not across them.

The Hon. JOHN GRAHAM: Mr Wilkins, I was interested in where you were starting to head on the issue of the on-demand buses. In contrast to what is going on with this industry, there is a government subsidy for some of those services. There are trials to see what might work in regional areas. I welcome trying new things but how is it actually working on the ground in your area?

Mr WILKINS: We do not have any on-demand bus services in Ulladulla. There are some in Bega, the electorate of the Minister for Transport and Roads. That is one of the few places I know of in regional New South Wales where on-demand bus services are being trialled. As far as I am aware, the gentleman who owned the network in Bega sold it, once again because of age. It was a fire sale. It was vendor finance. I do not think there was an opportunity to tender for that. If they were offered in a lot of places, taxis could come in—and you could say that my opinion is biased—at a cheaper price than what a lot of the other operators are offering.

The Hon. JOHN GRAHAM: As we are looking at that on-demand space, there might be a role here to have those areas cross over. But that has not been possible up until now.

Mr WILKINS: Once again, that is up to the Government to decide on whether they want to keep taxi services in regional New South Wales. We are not subsidised. We do not ask to be subsidised. All we want is a fair share of the work. We will demonstrate time and time again that we can do the work. One of the few government departments—and okay, it is not State but Federal—that has stuck with the taxi industry right up until this day is the Department of Veterans' Affairs. Their preferred contractors for transport providers are always the taxis in regional and even metro New South Wales. We appreciate that and we take our obligation to them seriously, and we deliver.

The Hon. JOHN GRAHAM: Yourself and Mr Ferris have both given evidence—and a range of submissions have said this—that you would like this buyback. Understood, you have laid out that position. Particularly from a consumer point of view, given the total loss of confidence of people coming into the industry—particularly in the regions—if there is not a buyback, what happens in those areas? Presumably some drivers will keep driving because they have to, but what happens in the medium term?

Mr WILKINS: As Mr Ferris said, there are deceased estates. Drivers are all getting older. Eventually no young blood is going to want to come into the industry. Rideshare is out there but drivers are not there at six o'clock in the morning to go and pick up somebody going to catch the bus to Sydney for a \$10 job. They don't operate in the morning when drivers are picking up at three or four o'clock in the morning and taking them home at five or six or seven o'clock. They take the cream and then they go. That is something for the Government. It is similar to years ago with the disabled transport. The operators basically went on strike. In regional New South Wales country taxi operators still went and picked up those disabled kids and took them to the schools. We live here—we are members of the community—but as people get older, eventually they are going to fall over. Their kids are not going to want to do it, so who knows?

The Hon. JOHN GRAHAM: I ask the Red and White Star team—what happens if there is not the sort of buyback that is being called for here?

Mr MARLAND: What Mr Wilkins is saying is absolutely true. We operate five SPVs, special purpose vehicles, and some of those are involved in school runs. We take disabled people around all the time. Those five buses are kept busy because we provide such a great service. It will fall over if the system is not viable. We have lots of competition here. We have people like Mai-Wel who have their own fleet of disabled transport. But even with that, an organised taxi service that runs 24 hours a day has a huge impact on those people's lives. We take that very seriously. Regional areas are obviously the most vulnerable right now as larger networks try to consume them. That happened with 13cabs. We do what Mr Ferris said—two or four o'clock in the morning jobs for \$10. We are here seven days a week, 24 hours a day. Whatever our customers want, we do. I would like to mention one thing about viability—we all have to adhere to these new regulations. We have had to hire a work health and

safety and compliance officer. That is another cost that has been met by Maitland Taxi Service. I couldn't agree more. It definitely is a problem.

Mr FERRIS: On page 5 of my submission, what happens when operators cannot meet the requirements of the point to point regulation? I listed these small towns: Narrandera, Dareton, Wentworth, Harden-Murrumburrah. They have all ceased operation of their taxi networks. It hits small town operators much harder. Operators are trying to do everything. They are trying to drive the taxi and run the business. The networks of the people on board here today, which are a little larger—even Milton Ulladulla Taxis with their six taxis, and ours in Dubbo with 20—have got the resources to employ these extra staff. We and Red and White Star Cabs have done that. We now have three administration staff when we used to have one. Those small towns are just shutting up shop and going home. We talk about what happens to the taxi network. If I cannot make a living by running my taxi and earning so many thousands of dollars a week, or whatever the cost is, because I have lost some of my core work to other rideshare operators, I cannot operate and I close the doors and go home. Then there is no service at 2.00 a.m. on Monday morning or 3.00 a.m. on Tuesday morning. Rideshare only picks up the cream in peak hour.

The Hon. JOHN GRAHAM: You have referenced those seven towns where either the service has gone or is close to going. You say that without some change, this may well happen in many other regional towns?

Mr FERRIS: I agree, it will continue to happen. There are a lot of operators hanging on and waiting to see what happens with these two inquiries that are currently going on.

The Hon. JOHN GRAHAM: Back to Red and White Star Cabs, given your concerns about tempers fraying and the local dynamic that you are dealing with, why has there not been what you would regard as a satisfactory response? Is it that the regulator has not taken it seriously? Or do they not have the powers that they need to do the job? What is your sense of what is going wrong?

Mr MARLAND: Point to point did put out the regulations and they put out the Act. I went to all the meetings when the roadshows were on. I met Barbara Wise and she told us specifically that they had the powers to make these networks run within the regulations. But the trouble is, even though we have had a great response from regulators—and we have had auditors up here many times—and we have spoken about actions that we believe are improper going on, when push comes to shove the regulator doesn't seem to want to exercise their power. They say, "Well, your mates should go to the police." It has got the powers under the regulations but it is not acting upon them. That is the biggest problem that we have. We service a very busy community. We run 28 cars. We are busy nearly all the time and it is a growing area. These things need to be nipped in the bud. They should not allow these things to keep going. They have the power to suspend certain people. I always thought that was the best option—a suspension for a little while to wake them up to themselves—but it seems to just fall on deaf ears.

The Hon. DANIEL MOOKHEY: Thank you for providing a really clear explanation as to how the regional taxi market is different from the metropolitan one. I have one question, which is adjacent to what the Hon. John Graham was asking, to do with the consequences of the fall in the taxi licence values for drivers. For every one licence owner in regional New South Wales, there are approximately six drivers in New South Wales. Can you explain how a buyback would advantage the thousands of drivers who are not licence owners as well? Can you touch upon whether or not there has been any fall in licence values in your own companies or in some of the markets in which you operate? The bailment charges for taxidriviers have fallen as well. Can you explain the nexus between the fall of taxi values and any bailment reforms that you are aware of?

Mr FERRIS: In the country we operate on a percentage basis. If the revenue falls, the revenue falls for the operator and the driver. The driver will only come to work if they think that it is worth getting out of bed and leaving home. In very hard times, we are topping up the drivers to make sure that they still come and operate the service. The average age of a licence owner in regional New South Wales, without knowing the exact figure, is 70 or older. The buyback will let that person get out, settle their debts, pay off their mortgage—or whatever their loan is on their taxi plate—and let them get at what would have been some sort of superannuation that they never earned as a taxidriver. It allows one of those other five drivers—you say there is a six to one ratio, which is probably correct across the State with casuals. A lot of those drivers could never buy a plate even at greatly reduced costs.

Part of our proposal is that they lease the cab off the Government depending on its value in regional areas. It might be \$3,000 a year, it might be \$5,000. In some bigger towns, it might be \$7,000. They can come in at that rate, earn the money and continue to be taxidriviers and get back to a situation where the person who is running the vehicle is driving the vehicle. So the person who has the skin in the game of paying that lease rate is the person making sure that they go to work in the day or the evening, and they can employ another driver. That is what the buyback and leaseback would do. It would let those who want to stay in the industry be in there at a

reasonably affordable rate, not paying the rates that the licensor had previously charged when the income was much greater.

The Hon. DANIEL MOOKHEY: The argument that you are making for a buyback was the same argument that the taxi industry made in 2015 to Professor Gary Sturgess's task force. The Government at that time rejected those arguments. Equally, in his report Professor Sturgess made a very clear argument that it was in the public interest for licence values to fall. He explicitly said that. To be fair to him, and to be fair to that report, he was more talking about conditions in Sydney than those in regional New South Wales. He acknowledged that there was a difference and that markets in New South Wales are far thinner than in Sydney.

He made the point that taxi licences had effectively been treated as an investment asset. As prices fall, investors lose. As prices rise, investors win. I am not necessarily asking you to agree or disagree, but the point I am making is that the Government rejected the case for a buyback five years ago. Do you want to introduce what you think has changed since then that might be useful for us as a Committee to revisit and give consideration? Do you want to talk to us about what has changed in the last five years which means that the Government or the Parliament should revisit its view on this?

Mr WILKINS: I would like to say that the precedent is set by the hire car fair and equitable compensation package. I don't know if you heard the first part of what I said, but how can you have a 10-year lease and then get compensated for a hire car plate for \$30,000? If you owned a freehold taxi plate, you only got \$20,000. If that is the case, Professor Sturgess was so far off the mark it is not even funny.

Mr FERRIS: Just because Professor Sturgess [inaudible] taxi industry was fed by people prepared to invest in what they saw as a good, reliable industry where they could get a return on their investment. The compensation was set by the New South Wales Government. Two weeks before they let Uber illegally come into this country they sold plates in Sydney for \$425,000. That figure was set by the New South Wales Government—not by the industry or the market. That is what the New South Wales Government believed a taxi plate in Sydney was worth. I am not sure how we can say that was artificially increased by the industry when the Government was setting the rates for new plates.

The Hon. SHAYNE MALLARD: Mr Ferris, you have gone over part of the answer to my question. You say in your submission that point to point reforms are tailored to modernise the industry and put red tape back on the taxi networks—as opposed to the regulator—and that the industry needs more structural reform. Setting aside the value of the plates and the investment issue—we have covered that pretty extensively and I am sure that we will hear more on that over the next few hours—what other structural reforms would you suggest to move forward this modernisation of the point to point industry?

Mr FERRIS: There are quite a few. We need to free up the capital that we and the owners have tied up. We have been investigating [inaudible] significant that we would like to get a statewide app going for regional taxis where whenever you land in an aeroplane in Sydney, you hit one button and get connected via an app to a local taxi operator. That takes an investment in technology and an investment in cost. We want operators to start to think that maybe they are not just a taxi operator but a transport operator, and they should be operating a range of transport that meets the requirements of their town. As Mr Ferris and the gentlemen from Red and White Star Cabs have said, many of us operate field travel systems with vehicles that particularly take disabled and special needs students to and from school. Some of them operate charter busses and we are a very large bus operator as well. We had one of those on-demand trials and we now run on-demand services. We want the industry to allow capital tied up in plates to be freed up so we can invest in transport in our towns.

We are the ultimate person that knows every one of our passengers because they are locals. We know what they want and we service them. Why are we sitting on the rank at 1.00 a.m. on a Monday morning? Because we know that there is still the need for locals to travel around. Why is it that in Mittagong or Bowral when you get a chest pain at 10.00 p.m. or 2.00 a.m. you don't call an ambulance? Instead, you call a taxi to get to Bowral hospital because the response time is much quicker. That is who we are within our communities. We need to build that transport network in our towns. That might mean that we operate a different style of transport, not just traditional taxis.

The Hon. SHAYNE MALLARD: The bottom line here is your view is that if the plate value and the capital that has been lost—tied up—was freed up, you would want to see investment into a statewide app for rural and regional areas? You are not asking the State to do that; you are saying that it would be possible if capital was freed up.

Mr FERRIS: We are looking at how we can do that as a taxi industry, but that would take investment. People at the moment are not looking to invest any more money. We paid \$300,000 plus for every plate in Dubbo.

That is millions of dollars for us and for everyone else. If we could get access to some of that capital it would give us the ability to reinvest in our business and expand our reach.

The Hon. SHAYNE MALLARD: Are there areas that we can deregulate, such as the inspection and maintenance of vehicles? I recall that the taxi industry complained about the quite fierce regime of inspection—a slight crack in a windscreen meaning a taxi off the road or a fine—but that has changed a little bit, hasn't it? Has that improved for the industry?

Mr WILKINS: It has changed completely. It has probably been a retrograde step. In Sydney they used to be inspected three times a year, every four months.

The Hon. SHAYNE MALLARD: And they were inspected at the ranks too?

Mr WILKINS: Yes, the guys got hit at the rank. In saying that, people complained but it made sure that the standard was maintained. If you take away regulation, it is just human nature that people will attempt to save money by running substandard services.

The Hon. SHAYNE MALLARD: Is there evidence of that?

Mr WILKINS: If the inspections were done, I am sure that they would be able to find defects with vehicles. On certain occasions they were overzealous. I recall being dragged back from Mascot when a mechanic got audited. They went through the paperwork—this is going back 20 or 30 years—and I had to bring the cab back to Parramatta. I went halfway across Sydney but it was knocked back again because of a wheel bearing that the mechanic had replaced. When he replaced it he did not clean the excess grease off. I continued to drive it but the grease had dried and become like a block of crud, so the examiner knocked it back again.

The Hon. SHAYNE MALLARD: Before the deregulation I recall that there were a lot of complaints about that.

Mr WILKINS: [Inaudible.] There are probably pros and cons.

Mr FERRIS: The guys out here in Dubbo are still inspecting their cabs additionally as they did before because we don't want our standards to slip. It was much easier before when you could say to an operator, "Hey, that car is not up to the presentation and inspection standard." It was good when it was a government regulation but now it is just a board telling an owner, so you start to have some internal friction. We are still inspecting our cars to the old standard because that is what we think the travelling public deserve. I think that you will find any reputable network still doing that.

The Hon. SHAYNE MALLARD: My last question is to Mr Ferris about his statement at the beginning. Excuse me if I am demonstrating my ignorance of how this works but, with reference to the buyback of licence plates, you talked about the booked market system versus the hail system. How do we value and differentiate between those? Are they two different types of plates? How do you differentiate between those values?

Mr FERRIS: There are two types of work that we can do today. Firstly, we can go and sit on the rank in Griffith and get a fare that someone walks up for. In a country town people gravitate to a taxi rank.

The Hon. SHAYNE MALLARD: And Uber cannot do any of that? Uber cannot do hail or rank?

Mr FERRIS: No, Uber cannot do that. We are still the sole provider of rank and hail. Someone puts their hand up on the corner of the main street, and three blocks down we can pick them up. That technically has not been affected. Fewer people may be hailing because they may be using an app that uses rideshare, but what we now have is our booked market system. In both of my towns, our booked market is 85 to 90 per cent of our work. Rank and hail is only 10 to 15 per cent. We are saying that the 10 to 15 per cent is technically still there, but the 80 to 90 per cent now has the ability for anyone to come in. In regional New South Wales some of the bigger rideshare companies are now moving in. We have got a little bit of competition from them. Rogue operators in a country town think that they can now go out on a Saturday night, sit in the McDonald's car park and tout for business to take people home at 1.00 a.m. They are not driving an accredited rideshare vehicle and these are the people who are knocking off our booked market space on Facebook. It is not done on apps in a lot of country towns; it is done by those on Facebook saying "I will take you home for \$10" rather than passengers paying the \$15 or \$18 in a taxi.

The Hon. SHAYNE MALLARD: Touting is still illegal.

Mr FERRIS: It is illegal but I don't believe any enforcement officer is ever going to be at Griffith McDonald's at 1.00 a.m. on a Sunday morning, and they know that. That is one of the other issues—on-road enforcement under these point to point regulations. The ability is there to do it but of course the resources are not.

The Hon. SCOTT FARLOW: I will follow on from the Hon. Shayne Mallard's question and the issue around regional communities. It is not so much in a sense the users but it is operators who are operating who are not paying the point to point levy in any way shape or form. Is that one of the challenges you face in rural and regional New South Wales? You have got these operators who are not operating under the point to point legislation but are still causing your business a lot of harm? How was that enforced previously, before the Point to Point Transport Commissioner? Would there have been some other regulatory mechanism that would have operated in regional communities that could have stopped that?

Mr FERRIS: Certainly the police used to enforce it but now it is all too hard. All a legitimate rideshare has to have is a small four-inch sign on the back window, behind a heavily tinted window. At 1.00 a.m. people are not looking for that. But in the old days anybody touting was illegal, so the police used to do a lot of enforcement. We talk to our local police. They are just saying now, "We can't get involved. It's all too hard. We don't know who is a rideshare, who is not". That has dropped off. It is now solely on the Point to Point Transport Commission and while they have the powers they simply do not have the resources to be able to do this. They have got to be outside the pub in the main street of Bathurst at 1.00 a.m. and see them all touting there. They sit there saying, "I'll take you home. Don't take a taxi. Pay me cash and we will do it." They do not even go through any sort of app. It is just a touting on the footpath getting cash.

The Hon. SCOTT FARLOW: I have also heard concerns from some owners and operators around equitable running networks that are not networks so to speak, that are not actually regulated networks currently around passenger service levy issues as well. Is that the sort of operation you find in regional communities, that there is somewhat of a black market? Is it still cabs operating but there is some sort of other off-network operations in some regional communities?

Mr FERRIS: There have been a few reports. In reality it does not happen because we are the major operator. I will leave it to the other boys to answer. We do not have great examples of that in the towns in which we operate.

Mr WILKINS: I would suggest to say that if quite possibly the taxi service fell over in the town you are opening the door to that type of service, just a cash-only business. It goes with the territory. They have still got to get home, otherwise they get picked up by the police and they lose their licence for six months.

The Hon. SCOTT FARLOW: Red and White, do you want to say anything?

Mr CRITTENDEN: Yes. Obviously I think there is a little bit. We do not have a hell of a lot of them around here, we don't think. It operates at night and sort of I do not really notice so much but I am sure it does, yes.

The Hon. SCOTT FARLOW: Red and White, just picking up on some of your issues as well, I guess it comes down to this general theme we have been hearing in this inquiry about the Point to Point Transport Commissioner located in Sydney and not able to do a high amount of enforcement in regional communities. Your story comes down to a little bit of both. You felt some additional attention, as you are suggesting, by a competitor in the market which has led to some more focus on you but you have also felt that there has not been the same standards of regulation applied to the point to point commissioner outside and in Sydney. Are you seeing lots of examples of this from everybody here in terms of the system being gamed somewhat by competitors?

Mr CRITTENDEN: Sorry, the system being gamed?

The Hon. SCOTT FARLOW: You are talking about, without going into the details, of course, complaints being made about you—

Mr CRITTENDEN: Yes.

The Hon. SCOTT FARLOW: And where you potentially have been focused on more than you should be. Is this a common story in the industry?

Mr CRITTENDEN: Well, around here for the past four months we have had a competitor in the area, yes. Ever since that, we have had issues with that. Yes, we believe Point to Point does not have the resources to sort of deal with that sort of thing around here especially. You know, we report it and it takes quite a while to get around to sorting anything out. I mean, at the moment we actually have some security guards that are on ranks patrolling that sort of stuff, so that has helped and has eased things in the past few months.

The Hon. SCOTT FARLOW: Who is supplying those security guards?

Mr CRITTENDEN: Point to Point is supplying them now. We believe we have had some help in the past a little bit, but sort of reaction time and resources obviously it is a thing that has been slow to do anything.

The CHAIR: I have a question about what you have all referred to as a shifting regulatory burden after the reforms came in. You have given evidence as to the amount of hours and also costs involved in that compliance. I am interested in knowing what could be done better in order to take some of that regulatory burden or cost away from you to level the playing field? Does anyone have a comment? I will start with Mr Wilkins.

Mr WILKINS: Part of the cost there is now three layers of bureaucracy. You have got the Roads and Maritime Services, Transport for NSW and also the Point to Point Transport Commission. It seems to be that from a small operator's point of view—and the other networks are twice as big as mine—for all this extra work the burden falls upon myself. My father is now 82. He has been in the taxi industry for 62 years. He was the Vice President of the New South Wales Taxi Council so I have grown up around cabs but it is now on the smaller networks. Basically the amount of responsibility I have is no different to a larger network but I do not have the wherewithal. I still have to comply, so I still have to find time to do it. The time it takes for me to onboard a driver, it now takes a day out of my time. And I am desperate for drivers, so I cannot afford to stall a driver and run a class until I have got enough people in there to make it viable for me to sit down there and lose a day. That is how I have to run my business now.

Part of the increase costs have also been the fact there is now a requirement on real-time data for all bookings and trip journeys. This has forced me to use a call centre, which has got a lot of benefits: there is a booking app similar to Uber. We talked previously about rank and hail—I do not think you appreciate what the Uber-style business model has done. Rank and hail is dead. They can stand behind a rank; they can press a button on their phone. They do not even get their phone calls to their friend interrupted and, bang, there is an Uber vehicle there or Ola or any type of rideshare there within three minutes and they watch it arrive. You do not need ranks any more. That is just a side issue to what it is. This technology costs us approximately \$30,000 a year. It is not as efficient as the old-time radio like a manual dispatch system was because there is no way the computer works as good as what a human brain does. You cannot change things by the second.

The CHAIR: How does the PSL collection work for you?

Mr WILKINS: We have made it as simple as possible. We now use a company called SmartMove. They can collate all the information. We also have driver's dockets in on the back. We use something simple. Every five jobs they wrote down we put a bar, so we wrote five, 10, 15, 20. So at the end of the day the driver, instead of having to count each job he just counts down. If he has done 20 and two more, he writes 22. He adds his maths so he has got 24, 20 in PSL which he calculates his figure. In our particular business I get that money paid to me in cash. I will set up a separate account and that money is banked. I get every pay in, tick off that they have paid the right amount of PSL, okay, count up all that money, bank it and at the end of the month report our PSL for that month and we have got a direct debit set up for that and just tap and get their money out at the end. Once we get the figure for what we owe for that particular month, the money is taken out by the Government. But it is all time.

The CHAIR: Mr Ferris, what are your views? I am interested in whether you have suggestions as to how we could do this better in order to take away some of that burden.

Mr FERRIS: I think I said earlier, we as a taxi network have become the policemen for what the regulation used to be. Yes, the regulation moved the red tape clearly away from the State Government and put it squarely on the network to enforce. So now we are the policemen. I am not sure why we have to police the regulation. When I say the "regulation", the regulation has been dropped but the standards that we want as an industry. How could it be done better? Reintroduce some of those regulations. Why is there not a standard to have the maximum age of a taxi if that is what the public wants? We think that it should be a regulatory requirement. If you want a standard of driver appearance and hygiene that should be a regulation that could be enforced and has some strength that a driver can be breached if they do not meet that requirement. It happens in other industries. It happens in the bus industry where there are standards enforced by the Government and everyone has to meet those standards.

As Scott just said, we have the requirement of collecting PSL. We are the tax collector for the State Government. The network has no association with the driver. The driver works for the operator and all of a sudden we have now had to introduce a connection where the driver owes the network of PSL. In metropolitan areas, when that driver does not pay the network still has to pay the Government if the driver has not paid the network. We are also becoming tax skilled particularly in metropolitan and urban fringe areas where they also have to make up the shortfall when drivers fail to pass off the PSL. In regional areas we have a much closer association just due to the fact we know everybody, we know the drivers and the driver has some relationship with the network. But certainly in densely populated outer urban areas it is not quite right. What could happen? Maybe we need 3 per cent to collect all that PSL going through that and paying for that time that each of the networks has to now introduce. What we are saying is reintroduce some of the regulations that make a standard that the community

expects so it is an enforceable standard. It can be enforced by Point to Point or the police or whoever is determined to be able to enforce that regulation.

The CHAIR: Red and White Star, do you have a final comment on that?

Mr MARLAND: I would like to comment on that because it is a really important issue. We are a larger regional network but we spend about \$50,000 per year employing somebody—it cannot be just anybody. It has to be someone who is experienced in work, health and safety and Safe Work Australia regulations. That is a huge impost on us. We have five directors, they are all volunteers because we are a cooperative. No director gets paid. So the work and responsibility are on those and if we do not have a person of that calibre we are the ones personally liable for things that go wrong. It is not only just the regulations she enforces and works but it is also the management systems and privacy compliance, making sure the vehicles are all compliant. It is a mammoth task. As I say, if one thing goes wrong I would say to her [inaudible] you could be in real trouble because Point to Point has pointed out to us many times that it always goes back to the directors. If we do not have the things in place then "this is what is your responsibility and you are liable". So it makes it much harder again to comply and be part of a successful regional network.

The CHAIR: I thank all of you for your time. No questions were taken on notice so it is not necessary to talk about that.

(The witnesses withdrew.)

(Short adjournment)

LEE FURLONG, Assistant General Manager, Legion Cabs, before the Committee via videoconference, affirmed and examined

ASHWIN SHARMA, Acting Chief Executive Officer, Manly Warringah Cabs, before the Committee via videoconference, affirmed and examined

GEOFFREY WONG, General Manager, St George Cabs, before the Committee via videoconference, sworn and examined

The CHAIR: Which organisation wants to start with a short opening statement?

Mr FURLONG: I will keep it short as many of the things I wanted to talk about have been covered this morning. As was mentioned in the submission of Legion Cabs, Legion is the third largest taxi network in Sydney. We were founded over 50 years ago by a group of returned servicemen and women and we have been operating since. We currently supply call centre services to our friends at St George Cab and pre COVID-19 we were running around 700 have vehicles. That number is roughly half of that post-pandemic. What I do want to touch on is the loss of assets. Potentially to us it is \$1.5 billion of retirement savings and investment in the New South Wales taxi industry that has been stripped away. I think there is a real human side to this that you do not necessarily see.

Those people for the most part are mum and dad investors who put their lives into the industry, bought a plate, heavily mortgaged, paid it off over time and have kept that as an asset for their retirement. A particular person this brings to mind is our former chairman Legion Cabs Charlie [inaudible]. He purchased a plate, mortgaged it—he sold his farm when the milk industry was deregulated—purchased the taxi plate, worked very hard to pay it off. He drove six or seven days a week and his wife would clean the car on Sundays for him. He is now in a position where his retirement was taken from him. He turns 90 next month. He is now [inaudible] off that investment. His family brings [audio malfunction]. For a man who has worked in the industry for 40 years, it is a real [inaudible] for him to see. But he is one of hundreds of people in this sort of a situation.

I think it is fundamental that these people be adequately compensated for that loss. We have seen the hire car industry compensated at sub-price plus consumer price index and the industry members given \$20,000, the majority of which went to the Federal Government in tax. It is a bit of a kick in the guts for these guys who have worked very hard for 30 or 40 years to build up an asset. Legion Cabs fully supports the New South Wales Taxi Council in its recommendation, the only recommendation in the Sturgess report that was not adopted, that being of course the buying back of plates.

Touching on the red tape issue, I can tell you nobody was happier than me. I was out on the road here behind us when the Minister announced that \$30 million worth of red tape was going to vanish. I was bitterly disappointed when I realised that that cost had been passed onto us. I heard Scott Wilkins earlier on talking about the dollar 10-passenger-service levy. Essentially the operators are unfunded tax collectors for the New South Wales Government. That is a very difficult cost for us to absorb. Whilst we do have these lovely big premises here, we are a very small business and we operate as best as we can. The regulation, the red tape and the bureaucracy that gets thrown at us certainly only hampers our ability to operate the way that we would certainly like to.

Whilst in some ways the new regulation has really helped, I think on many of the fundamentals it hits the mark. The compliance issues are big issues in regional New South Wales and I can absolutely state that that is the same here in the metropolitan area. If you look at the number of inspections that are on a rideshare business compared to taxis, it is absolutely chalk and cheese. Given the rideshare companies often shout about how they have got 20,000 or 30,000 vehicles clogging up Sydney's roads, they represent less than 10 per cent of the compliance activity. I think that is a major flaw in the regulation—and Geoff Ferris mentioned in his talk there—particularly given that it is a tiny little square in a fat window like behind me that somebody in compliance, be that somebody authorised under the Act or a police officer, cannot see until the vehicle has gone past them. It is almost impossible. We are hamstringing these people from being able to conduct compliance activities primarily because they do not know who these people are.

If you look at jurisdictions around the world, for example London, Manchester, Liverpool—I was over there last year—they have lovely, big magnetic signs on the door that clearly defines that as a rideshare business. I think something like that in New South Wales could certainly be of advantage to the commission and, indeed, to anybody else performing compliance activity. The reduction of fares that we were expecting to see never eventuated. In fact, anecdotally one can say that rideshare fares have gone up. I do use rideshare services occasionally—dare I say it is a case of know thy enemy. I use them to make sure I can see what is going on. I notice quite regularly where say 12 to 18 months ago there was not a surge there now is a surge. I think that

anecdotally it is probably reasonable to say that the reduction in taxi fares that we expected to see is no longer there.

I think around the red tape, some of the stuff that we see is incredibly frustrating. We have a little test here with our safety committee and we call it Beryl and Bob. They are two imaginary customers and everything that we do we run past Beryl and Bob. How does what we are doing make life easier? How does what we are doing help Beryl and Bob get from home to the doctors or home to the club? One of the things we were pinned on in our most recent audit was that we did not have our safety management system on Legion letterhead. I was absolutely taken aback and said "Well, does that help Beryl and Bob get safely from A to B?" The answer was it does not. Without taking up too much time, that is what I have to say.

Mr SHARMA: Manly Cabs has operated on the Northern Beaches since 1953. Prior to the legislation of rideshare companies in the 2016 Act we had over 200 taxis on the network. Just prior to COVID-19 we had just over 120. We now have 63, and that is a direct impact of COVID-19 unfortunately. One of the major objectives of the Point to Point reforms was to remove red tape, which we have already spoken of. The removal of red tape was essentially probably the most effectively thought of as allowing the networks to grow and be less burdensome on the networks. But what has occurred is the direct opposite to the removal of red tape which has now shifted to the networks. This has increased significant costs to the networks and the networks have had to invest in new technology, especially when we speak about the PSL and the collection of the passenger services levy, which Lee has also spoken about.

We have also had to employ more staff to remain compliant. Compliance costs have increased in developing safety management systems, maintaining those systems, updating those systems as required, increased costs of training drivers, onboarding of drivers, additional staff to administer all of this and legal costs obviously when we put a safety management system in place. We may have to refer to our legal counsel to ensure that these safety management systems are appropriate. Apart from that we believe that there were mistakes made and repaired which is causing an inherent drop in standards, as the networks have now got the extra burden of trying to keep compliant. Some of these examples are: the removal of vehicle age limits, the removal to have four-monthly inspections and the removal of vehicle comfort and quality standards. These affect how networks can compete against each other in the instances where as one network may allow a taxi to run on their network for six years the other network will allow those cars to run on their networks for 10 to 12 years.

The intention of the reforms were to make it easier for the industry to compete while levelling the playing field. This has also failed, as Lee spoke about. When we are talking about a level playing field in comparison to the rideshare model we just cannot co-exist. It is virtually impossible for taxis to cope side by side with rideshare and the imbalance of compulsory third party [CTP] insurance. The costs of CTP is inherently very, very high in comparison to what New South Wales taxis pay and what Victorian taxis pay. It is huge. Workers compensation is mandatory if operators have drivers. The higher costs of third party property damage for taxis, also much higher for taxis as opposed to rideshare.

Vehicle maintenance, vehicle inspections, vehicle fit-outs, the requirement of taxis to have a GPS monitoring, alarm monitoring cameras all built into the cars to provide safety for passengers which rideshare does not have. All of those costs add up. Apart from that we have got plate leases. If an operator is leasing a plate, essentially he has to fork out thousands of dollars [audio malfunction]. When we talk about mums and dads investors, as you are aware, people have lost thousands and thousands of dollars off the value of their asset. I do not think I need to go on about that too much more because I think you have heard about that from other witnesses. I think I am out of time now.

Mr WONG: Basically I cannot add to what my cohorts have said. I cannot add any more than that but I can say one thing: we are a small company, we have a very small work base and staff base. One of our biggest problems is a lot of our plate owners are little old ladies who continually ask, "Why am I getting a smidgeon for my lease fees?" They are crying. They are self-funded. The indignity of having to seek charity, including the pension, I can see on it on their faces. It is very, very sad and very real. The introduction of a point to point transport Act, I can understand it. It is very similar to what was achieved in the trucking industry. What the policy makers have forgotten is it is a little bit different in the taxi industry. The driver has no direct relationship with a network apart from driving under our logo. The real working relationship is between the operator and the driver and they are in a bailee-bailor relationship. Under our normal workers compensation insurance they are not even recognised.

The other thing is we as the network are being forced to be responsible for the behaviour of what happens in a car. It is very difficult. Once a driver gets in the car he is his own master. The only way we can get on top of them is through a complaints system. Under the previous regime there was a complaint customer feedback management system. If a driver was a bad boy he is not only taken away from the network but also he loses his

taxi authority. It is very difficult under this current system. The other thing is we do experience a lot of drivers who say that now the previous Act has gone they can do whatever they want. They no longer care about wearing a uniform. It is customer service. In the past or under the old system for a taxi driver to earn his stripes he had to do 12 months and customer feedback was taken into account, compliments, the whole lot before a driver could be promoted to driving, say, a prestige fleet. Today I have got drivers coming in who may only have had 12 months' experience and they expect to be appointed to the prestige fleet. The standard of a driver has decreased unfortunately. I will leave it up to you as to whatever questions you may have of me.

The Hon. JOHN GRAHAM: Mr Furlong, you referred to the number of cabs off the road at the moment. I think the Committee has seen some of those dramatic pictures about the number of cabs off the road and parked in places around Sydney. Will you provide the Committee with a feel for how that unfolds over the next period? Obviously that is fairly uncertain, given the health picture, but please give us a quick feel for what has happened and what it means for the industry and drivers? What might happen from here?

Mr FURLONG: I think probably one of the things that may stem the bleeding of the industry is the \$4.6 million given by the State Government to it, roughly translated to \$2,500 per vehicle. That was a pilot light for the industry, if you like. I think the additional assistance there given to operators of wheelchair accessible taxis—obviously our role as an industry is to transport some of the most vulnerable and elderly people as it is their lifeline to the outside world. It is very important for us to keep those vehicles on the road. I think we are starting to see green shoots in the industry. Without opening another can of worms, I think we are going to need more help in the future to get those vehicles, the rest that are off the road, back on the road. I think, from memory, there was around 7,000 registered taxis in the Sydney metropolitan area pre-pandemic. At the moment that figures sits at around 3,000, so the Sydney taxi fleet has shrunk by a little over 50 per cent, which is quite worrying.

With the airport shut there is very little tourism coming into the country—that being one of our main sources of income. That is rough but, as I say, we are starting to see the green shoots. Of course the Point to Point Transport Commission and Transport for NSW have set up sanitisation stations. There is one at Alexandria, one at Central Coast and one down in Albury I think. Drivers of rideshare vehicles, taxis and hire cars can have their vehicles sanitised there. The industry is enormously grateful for those health impacts. I think the road to recovery for the industry is very different. I think, not to harp on about it, the plate buyback is an essential part of that to get some money freed up in the industry. I think that people who are operating vehicles at the moment—I heard one of my country cousins talk about it a bit earlier and its uncertainty in the industry and that is certainly something that we are seeing here in metropolitan cities as well.

As to how we start to rebuild there, it is going to be a long slog. I do not think that too many plates are coming in the near future because there just is not a great deal of appeal. The flip side of it is many of these single operators—we have quite a few of them in Legion—have not sold their vehicles and now cannot get back in because the ridiculous costs of CTP that Mr Sharma mentioned earlier are a barrier to entry for people to the industry. Things like that need to be addressed very, very quickly.

The Hon. JOHN GRAHAM: Given your evidence about one of these improvement notices you have received, you referred to one but not the other. The other improvement notice that was threatened was for not having a mission statement.

Mr FURLONG: Yes.

The Hon. JOHN GRAHAM: That seems quite remarkable. Please tell us a bit about that including whether it was threatened or threatened and delivered?

Mr FURLONG: Yes, that was the other thing. We did not have a mission statement. My response to that was "Well, we are a cooperative." We are a reasonably large cooperative; we have 300 something members. Our mission is to get people from A to B safely and if we make a quid out of it for our members, then great. Yes, we got to the next step as well, an improvement notice was issued, much to my—

The Hon. JOHN GRAHAM: It was actively issued to require the owner—

Mr FURLONG: Yes.

The Hon. JOHN GRAHAM: That seems quite remarkable. Save us from these mission statements across a range of organisations. If they are helping, good, but it hardly seems like the sort of thing that should be heavily regulated and enforced.

Mr FURLONG: Even the safety management system. My other role is as chair of the NSW Taxi Council. The NSW Taxi Council or APA, even though we purchased that from the NSW Taxi Council, I offered to provide all the minutes from Legion Cabs where the Legion taxis board have accepted that as our safety management system. I just thought that was ridiculous red tape that hamstring industries. Many of my colleagues

have gone through a similar thing. I was over at RSL Cabs—I am sure they do not mind me saying—which also received one. Well, they were told they were going to get one and hastily put one together and submitted it and got away with it. It does not help us as a business to get from A to B.

The Hon. JOHN GRAHAM: Mr Sharma or Mr Wong, do you want to jump in on this? You have referred to costs and red tape, particularly of the passenger service levy, and the Committee has received some good evidence from other operators about that. My question is how much of that is an up-front cost which is already saved and how much of it is really ongoing? Has the cost of setting up these systems to make this work, and now it is some cost, just switched to another system so you have more of a problem or has the ongoing costs been substantial?

Mr WONG: Can I answer that? We have had to make adjustments to our system which included changing the software to account for the passenger service levy. It is an ongoing cost to collect the money from drivers. Sometimes drivers will not even come in and pay the passenger service levy so the network itself has had to fund these drivers until we collect the money from them. It is an ongoing battle between the network drivers. We have suspended quite a few drivers off the air until they pay the passenger service levy. But the burden is still on the network. You have to report your trips and from those trips we then have to report to Point to Point saying, "This is the number of trips based on \$1.10 per trip. We owe you \$X". We get a reminder the following month, "You owe us the money. Please pay." It is an ongoing cost. It is an ongoing headache. We only have a small staff and being a cooperative people have to multitask to comply with the safety management system and to understand point to point. I would not say it is a battle but why are the networks being tasked to co-regulate the taxi industry when you have got an organisation that used to do it before?

The Hon. JOHN GRAHAM: My last question is to you all. It is really a question the Hon. Daniel Mookhey, my colleague, put to the previous panel. My apologies to him but I thought it was an excellent question. Given the Government has refused a buyback before, what is different now? What is your message to the Government given you are renewing this call?

Mr WONG: My message to the Government is it is about time that people start to sit down and talk to the industry as equal partners in the industry to find a reasonable figure or amount that would satisfy these plate owners. As I said, I have had to meet with these little old ladies in my office and they cry. It has to be an equitable figure, a reasonable figure. I am looking at about \$400,000. I do not know if that is a reasonable figure.

Mr FURLONG: I think importantly what has changed in that five years is I do not think anybody expected [inaudible]. Nobody really expected that it was going to decimate the industry as it did. I do not think anybody expected that that investment that was worth around \$330,000, which I think was the demonstrable value that was mentioned in the Sturgess report, would drop to where it is now, which is where it was pre-pandemic which is around \$77,500. Of course, I expect that number has stayed around there during the COVID-19 period and that is more than likely the reason for that stability in the past few months, if you like. If you look at the business model of rideshare and how rideshare fits the ticket, if you like, for around 25 per cent of the fare yet remains an unprofitable business and if you look at the New South Wales taxi industry which takes around 4 per cent to 5 per cent of the fare yet we manage to make an honest living out of it. I think that sort of disparity needs to be taken into account too.

If we can free that part of the industry, and I think it was mentioned before the regional networks thinking about making a fact that somebody from Sydney can jump off a plane in Orange or somewhere and press a button and get the local taxi service—the same in Albury, Bathurst or wherever they go. That sort of investment ability to innovate in the industry is something that we are desperate for. Obviously there is very little investment coming in at the moment because of COVID and a complete lack of confidence that many of us have had in the industry for many years. But I think that is probably the most important part of it.

The Hon. JOHN GRAHAM: Thank you.

The CHAIR: Mr Mookhey, did you have any questions?

The Hon. DANIEL MOOKHEY: I did and notwithstanding the fact that my colleague stole the question, I will put the second part of it that I put to the other operators as well and just ask for their views. In the last five years as values have dropped there does not seem to be any meaningful reform of the bailee-bailor system in the Sydney market and it has caused a system that accepts the return to drivers. I would like to ask the panel, can you explain how a bailment will benefit drivers who are not licensed owners and can you explain what, if any, steps the industry has done to reform the bailee-bailor system, knowing that five years ago we had the Independent Pricing and Regulatory Tribunal [IPART], amongst others, point out that a lot of drivers are below minimum wage?

Mr FURLONG: If I may take the question on notice?

Mr WONG: With regards to the bailee-bailor law, the bailor law has been blackmailing itself, a convenient word, for being forced to accept whatever pay the driver can get away with these days. It is a bargaining between two parties and the networks cannot get involved in that—you should not be involved in that. I have got some bailors that have had drivers driving for 25, 30 years and they are quite happy with that arrangement but I have got new drivers who go to a taxi operator owner and he says, " I won't drive for you unless you give me a good pay in, a brand new car." Those factors have to be considered and there is no sort of structure or infrastructure, statutory or otherwise, that would promote their return to the driver and the operator.

The CHAIR: Mr Sharma, did you want to comment on that?

Mr SHARMA: I think it is really important to us to also look at what is happening around the world in regards to how taking away the rights of drivers affects drivers' incomes, and when we consider what is actually happening with rideshare drivers, some of these rideshare drivers are also probably driving for a minimum wage. Like Mr Furlong mentioned earlier, rideshare operators are essentially under a commission or a clip of the fare. The effect of removing, if the thought has come across that the taxi industry should not have a bailee-bailor arrangement between the operator and the driver, that also affects how the rideshare community interacts with their drivers. So the thought has to be brought in where there is a balance between the two industries if you look at the two models separately.

The Hon. DANIEL MOOKHEY: Chair, I will just follow up and invite the panel, either now or on notice, to provide any suggestions for reform to labour arrangements in both the taxi side of point to point and the rideshare point to point to ensure that drivers are paid at least the minimum wage. If you disagree that that should be the objective of any reform let us know as well. I take the point of the last speaker, and it is a good point: we would look favourably at any suggestions that members have for how labour arrangements impact these [inaudible] attempts to reform as well, especially the point of the taxi industry's campaign for a bailment.

The CHAIR: Did anyone have a response to that now or did you want to take it on notice?

Mr WONG: I think we should take it on notice. I accept the views because I have worked closely with the Transport Workers Union [TWU] in the past. I have to think of the industry, whether an award or industrial agreement will have some sort of benefit. How do I guarantee that an industrial award for drivers will be complied with? It is a free market out there between the expectations of a driver and the operator. It is how they negotiate. If you want something in the background we may entertain that.

The CHAIR: I have a couple of questions and then I will go to the Government members for questions. My first one is in relation to the PSL collection and the burden of that collection cost on taxis versus rideshares. We understand that rideshare collect that more easily because the money goes in at the company level and then gets distributed downwards whereas with taxis the driver passes the money upwards, so you are having to chase the drivers. Is there a better way that that money could be collected either from a structural perspective within your industry or from a regulatory perspective?

Mr FURLONG: If I may, Madam Chair. I think perhaps some assistance from the Government. But probably the way it is structured at the moment, for example [inaudible], how that is structured is we take a credit card from that driver and you take \$80 out of it much the same way [inaudible] works. We take \$80 out and when it gets down to \$20 we take another \$80 and it just rolls on like that. Of course, when a driver runs out of credit or his debit card, actually there is no money in the account, that cuts him off. But probably \$15 or \$20 a day on the card over the next log on puts more money in and they go back to it. That process uses a third-party service because that is the only way we can do it, and that costs us around \$20,000 a year to do that. The administrative cost of the software was, I think, around \$12,000 or \$13,000 and, of course, we have got to have somebody to follow it up. It is an extraordinary cost to a small business like us.

I think the original suggestion was that the Government would take it direct from the driver. I think still that that is the best way of doing it. In fact, with [inaudible] that is pretty much the way it works but it goes direct. I think that definitely if there was a way of taking it directly from the driver that would be the best option. But it is a very, very difficult and costly system.

The CHAIR: Thank you. Unless anyone else wants to speak on that I will go to my second question. Some of the submissions we have received from advocates for people with a disability are suggesting that the Taxi Transport Subsidy Scheme [TTSS] should be extended to rideshare so that we have a kind of level playing field when it comes to using that subsidy. What are your thoughts on that?

Mr WONG: I find that abhorrent. The reason I find that abhorrent is that our taxi drivers have had people with disabilities for a long time; they have got wheelchair-accessible vehicles, they know how to look after these people. Rideshare—anybody off the street can get into their vehicle, minimal training, and become a driver.

So where is the training for those people? That is the comparison we had to consider: one is trained and one is ill-trained, if I can put it that way.

The CHAIR: Thank you.

Mr FURLONG: I think the rideshare model tends to be a little bit less compatible to the disability sector and, indeed of course, the surge pricing where you have the issue of rideshare companies surge pricing. That passenger may be being stung for \$70 or \$80 on that fare where the government subsidy is still up to \$30. So I think there is a distinctive incompatibility there. I think also that the taxi industry has invested an incredible amount of time and money looking after passengers with disability. I noticed at the recent TTSS meetings that I have attended over the last 18 months or so there is constant talk of providing a mutual system and we know how that has been policed: we have had contractors being awarded a Cabcharge and therefore it is essentially only available to people with a Cabcharge EFTPOS machine.

The CHAIR: Thank you. Mr Sharma, did you have anything to add on that question?

Mr SHARMA: Under the regulations at the moment for a passenger to use the TTSS docket they are required to travel by taxi, so the taxi is required to have a meter. My understanding is that rideshare vehicles do not have a meter, they operate on the app. So therefore that will mean a major overhaul or, in this instance, a change in the regs to allow rideshare vehicles to pick up passengers that have TTSS dockets. Also, how could these passengers benefit in the event, like Mr Furlong has mentioned previously, with surge pricing? These passengers will essentially end up paying more and, as we can understand, most of these passengers are disabled and they use these TTSS dockets for a reason and that is because they cannot afford a full fare. It becomes essentially incredibly hard for these passengers to use a more expensive service if rideshare is price surging.

The CHAIR: Understood. Thank you very much. I will now invite the Government members. Mr Mallard, did you have questions?

The Hon. SHAYNE MALLARD: Thank you, Madam Chair. I have not got much to ask. We are going over a lot of the same territory. Mr Furlong, you made a reference to the deregulation and how you did cartwheels down that very busy road that we have been watching behind you this morning. In some of the previous evidence we have heard there were calls for re-regulating the industry. Do you support re-regulation of the industry?

Mr FURLONG: Yes. It is a bit of a mixed bag there. My cartwheels were in relation to cutting this \$30 million worth of red tape. I think you heard about the removal of restrictions on the ageing of vehicles. That, to us, was just the most bizarre thing to what is supposed to be [inaudible] of this regulation. To take away the cornerstone of safety, which was to make sure that those vehicles were relatively new, I do not think there was anybody in the industry who was not sitting there scratching their heads. You have certainly seen—I am sure you all have—the age of some of the vehicles that are out there at the moment; they look like they have been dug up from paddocks on farms and put back on the road; those dreadful old, rattly station wagons. That is a direct result of the six-year age limit being taken away. Of course, that age limit for wheelchair-accessible vehicles is six years plus; those vehicles are more highly inspected and engineering certificates are required.

The Hon. SHAYNE MALLARD: You would want to see a return to the regulations controlling the age of the vehicles, their hygiene and all that stuff?

Mr FURLONG: Absolutely.

The Hon. SHAYNE MALLARD: Perhaps this is a question for all the panel. We are not hearing much about the consumer's point of view today. I am a consumer; I use both rideshare and taxis. I personally found the reforms as a consumer to be quite liberating but what is the feedback that your industry, your companies—because you have got very distinct market areas—is getting from consumers?

Mr FURLONG: I think probably the one thing that we do get is people say, "What happened to the fare reduction?" We tend to be quite strict with our inspection regimes. Like I think Geoff Ferris said, regulation prescribes that those vehicles only be inspected once every four months. We do them four times a year to ensure that that standard is there. If there are things that need to be touched up inside the vehicle they can be fixed [inaudible]. We have probably escaped any criticism from having our vehicles—some of our competitors naturally are dropping the ball somewhat in some sectors of the industry. But I think the reduction in fares is the thing in that they have totally gone up and from a quality perspective I think most of us are doing okay but we are certainly getting some cars around Sydney [inaudible].

The Hon. SHAYNE MALLARD: I would be keen to get evidence to the inquiry that the deregulation in regards to those areas is failing. I am not sure how we will get that. Earlier on there was reference to the customer complaints feedback of the management system, which I assume was run by the State before, was it?

Mr FURLONG: It was and it was a wonderful thing. It was a centralised system run by 131500 [inaudible]. If a passenger had a complaint, the old 1800 number used to go through the call centre and that would be logged by somebody at Transport for NSW against the driver's authority card, put into the complaint management system [CMS], and that complaint was then sent to the appropriate network associated with that vehicle. I then—for example, my former employer had a list of incidents where I could see if a driver was habitually doing the wrong thing, cleanliness or driving issues, things that we could readily identify and address and fix. You could also see if somebody had been a little bit of a ratbag in previous networks and has come to your network; you could see then that they had a history of doing things and could make a determination on whether you were going to take them on or not based on that.

The Hon. SHAYNE MALLARD: Your evidence has been that deregulation in this area has worked in regards to your company's response because you are implementing a higher standard because the market demands it?

Mr FURLONG: We are implementing the standard that was there prior to taking out that part of the regulation. I think one thing that has suffered significantly is the uniforms. I always thought it was nice to jump into a taxi and see the driver in his uniform. You do not see that now. You do not see them as nicely dressed as they were in their uniform but not too bad. There are some sections of the reform that work but others that do not.

The Hon. SHAYNE MALLARD: I will open that up to other members.

Mr WONG: Mr Mallard, I think you have been conveyed to Surry Hills.

The Hon. SHAYNE MALLARD: Many a time.

Mr WONG: Where Mr Pettitt used to live, my neighbour.

The Hon. SHAYNE MALLARD: Yes.

Mr WONG: Did you see the taxis that used to be parked there?

The Hon. SHAYNE MALLARD: Yes, a mosque, of course.

Mr WONG: Did you see the standard of vehicles?

The Hon. SHAYNE MALLARD: Was the standard the same?

Mr WONG: No. They were all over the place, Shayne. You know that, I know that, because Geoff used to come up and scream at me.

The Hon. SHAYNE MALLARD: We are talking ancient history.

Mr WONG: Yes, I know, but—

The Hon. SHAYNE MALLARD: You are saying then that the regulations did not work either.

Mr WONG: It worked because it forced the network to ensure that the operators were getting their vehicles inspected, we have records of it, and if it did not pass inspection the vehicle was taken off the road immediately. As Mr Furlong alluded, we have maintained that standard.

The Hon. SHAYNE MALLARD: I will hand over to Mr Farlow, if he has any questions.

The CHAIR: Mr Farlow, do you have a question, otherwise I have a final question? No? I will jump in then. I am going to ask one final question. Mr Furlong, in your submission there was a suggestion that the number of rideshare vehicles on the road could be restricted. Could you talk us through that suggestion and what you feel the benefits of that would be for consumers?

Mr FURLONG: Certainly. I think the oversupply of vehicles in Sydney—of course, our biggest rideshare competitor screams from the rooftops that they have 20,000 cars out there. That is 20,000 cars that need to be on the road, which makes my commute from Manly every day that much longer. You only need to drive around Sydney to see how many vehicles have got that little sticker in the back window to see how many of these vehicles are out there on the road. As for how would having a cap on it benefit the industry, it certainly worked in other jurisdictions. I think New York had a restriction on the number of vehicles—of course, they [inaudible].

I think the traditional taxi industry will be able to pick up a lot easier too, particularly with the COVID recovery; we will be able to pick up a lot of [inaudible]. A restriction of the number of rideshare vehicles that are on the road—a neighbour used to drive an Uber and said there were just too many of them out there. I see them down at Manly all the time opposite the traditional taxi rank there. There seems to be an oversupply at times when there are plenty of traditional taxis available.

The CHAIR: Thank you. Unfortunately, that is all we have time for, so I will have to conclude there. Thank you very much for giving us your time this morning. In relation to questions on notice—there were a couple I think—the secretariat will contact you. The Committee has resolved that the answers to those questions taken on notice be returned within 21 days. We will conclude there. Thank you very much for your time.

(The witnesses withdrew.)

(Short adjournment)

BRUCE MAGUIRE, Lead Policy Adviser, Vision Australia, affirmed and examined

HAYLEY STONE, Senior Policy Officer, Physical Disability Council of NSW, affirmed and examined

ALICE DIXON-WILMSHURST, Policy Officer, Physical Disability Council of NSW, affirmed and examined

The CHAIR: I now welcome our next witnesses. We will start with the opportunity for each of you to make a short statement. If we could keep it to no more than a couple of minutes that would be great.

Mr MAGUIRE: Yes, I have a short opening statement. Thank you for inviting us to give evidence to the Committee this afternoon. Vision Australia is the largest provider of services to people who are blind or have low vision across Australia. We support more than 25,000 clients each year, including about 8,000 in New South Wales. We work collaboratively with other organisations in the blindness and low-vision sector to best represent the needs and interests of people who are blind or have low vision. In the early 1980s I lived at Artarmon and worked at North Rocks in Sydney. I travelled by train to and from work and it was an hour and a half each way. The introduction of the Taxi Transport Subsidy Scheme meant that I could afford to get a taxi home one afternoon a week, and usually that was on a Friday. I was home in 30 minutes instead of an hour and a half that it took when I used public transport.

When people like me who are blind or have low vision use taxis it is not a lifestyle choice or a luxury; it provides us with a level of convenience and independence that we would not otherwise have but which people who drive a car take pretty much for granted. In fact, the survey that we developed to inform our submission to the Committee shows that almost 80 per cent of people who are blind or have low vision use taxis daily, weekly or monthly. When you get into your car you assume that you are safe, that you will arrive at your intended destination, that you will not be asked offensive questions on the way and that you will have an experience free from discrimination and harassment. You certainly would not expect to be compelled to say, as one of the clients who responded to our survey felt compelled, "I have had so many taxi drivers refuse to take me because I use a seeing eye dog that I don't bother to even try to go out anymore. The constant refusals make me feel humiliated and degraded. I deserve better than that."

Vision Australia agrees that people who are blind or have low vision do deserve better than that when using taxis or other forms of point to point transport. They deserve to feel safe, they deserve apps and processes that are accessible and inclusive, they deserve to be treated with respect and courtesy whenever they use point to point transport and they deserve a complaints mechanism that is effective. We argue in our submission that although the deregulation of point to point transport may have produced some benefits, for people who are blind or have low vision deregulation has largely failed to guarantee safety and failed to deliver inclusion, failed to reduce discrimination and failed to provide an effective mechanism for resolving complaints. We respectfully request that the Committee recommend urgent action to implement the suggestions for change that we make in our submission. In particular, we ask that priority be given to the establishment of an effective and ongoing consultation mechanism, such as a point to point transport disability forum, that will bring industry and the disability sector together to discuss issues, agree on solutions and be partners in making progress towards a more liveable community with people with a disability, including people who are blind or have low vision. Thank you, Chair.

The CHAIR: Thank you very much. I will now turn to the Physical Disability Council of NSW. Would either of you like to make a short opening statement?

Ms STONE: I am happy to make an opening. Firstly, I would like to thank the Chair and the panel for allowing myself and my colleague the opportunity to present as witnesses at this parliamentary inquiry. The Physical Disability Council of NSW is the peak body representing the interests of people with physical disability across the State and our core function is to influence and advocate for systemic change to ensure that the rights of people with disability are held, and we champion that in the phrase "Ordinary People, Ordinary Lives". People with physical disability have the right to ordinary lives and point to point transport is and will continue to be a wide service for our members to get them to work, education and leisure. We echo the sentiments of Mr Maguire in terms of the fact that for many there are no alternative options.

The efforts of the New South Wales Government over recent years have improved the customer experience for many people with physical disabilities and, in particular, we have seen increases in the number of wheelchair-accessible taxis both in urban and regional areas and the increase in subsidies which make taxi transport more affordable. However, from our point of view, although we acknowledge these and other improvements, we are concerned that our members are still constrained in the choices that they make around how and when they travel under the current scheme. We want our membership to be able to enjoy the same level of choices as other users of point to point transport, including to be able to travel interstate at short notice, be able to

opt for cheaper fares and to know that they will have the same standards of service delivery as any other passenger. At the same time, we know that for many of our members public transport is a more feasible option. Point to point transport therefore must be affordable so that these people can have a place within their community and can engage fully within it.

We seek a number of reforms across the Taxi Transport Subsidy Scheme, including the transition to an electronic smart card system, increased subsidy caps and the expansion of the subsidised booking scheme, which is currently only available to a few passengers. We are also advocating for the expansion of the scheme across the sector and see significant value for our members in many of the innovative practices which have been adopted within the rideshare space, although we do share many of the concerns that Mr Maguire has outlined. The challenge as we see it is in providing customer choice and allowing for a robust and competitive marketplace whilst at the same time ensuring both quality and consistency in terms of the need for driver safety and we do believe that the balance could be achieved within the structures that are already in place. Thank you.

The CHAIR: Thank you. We will begin with questions from Mr Graham.

The Hon. JOHN GRAHAM: Thank you, Chair, and thanks to those witnesses for the submissions and their statements. I might start with Mr Maguire. Just to refer firstly to your submission, what really comes through here is the frustration you feel from having made some of these recommendations to multiple inquiries, and multiple governments really, without having any of them picked up. I just wanted to acknowledge that up-front. On balance though I am interested in whether or not—you have certainly said this has failed to improve since deregulation and in at least one instance since deregulation this has probably got even more difficult, and that is in relation to fares and the information about fares. You say that access to accurate fare information has actually got harder. On balance—I am just interested in the case you are putting—is it that things have not got better on balance or is it that they have actually got worse as this system has changed?

Mr MAGUIRE: I think one of the things that has got worse is the proliferation of apps that fail to meet international standards and guidelines, and these apps are used for booking and also for handling fares. We have made recommendations that point to point transport providers be required to develop apps in accordance with accessibility guidelines but those recommendations have so far not been implemented. Another area that has certainly got worse for people who are blind or have low vision is the lack of training on the part of taxi drivers and other point to point transport drivers in how best to assist people who are blind or have low vision. Our impression is that the training that is provided is now less formalised and less rigorous than perhaps it was prior to deregulation.

Another area where we believe things are getting worse is compliance with the requirements of the disability standards for accessible public transport insofar as they relate to the use of tactile numbers on the front door of taxis.¹ Some of the newer entrants into the taxi market do not appear to know about that requirement, so our clients report to us an increasing number of cases where they are unable to identify the taxi by its number because the number is not there in a tactile form that they can read. I think one of the areas that has certainly got worse is in the handling of complaints. In the survey that we refer to in our submission there was widespread dissatisfaction on the part of people who are blind or have low vision with the mechanism for the handling and responding to complaints. Most people are not happy with the way complaints are handled, be that in relation to taxis or in relation to other point to point transport providers. I think that is a summary of the issues.

The Hon. JOHN GRAHAM: I think that is very helpful. In part what you are saying is what looks like more choice for many consumers and is more choice for many consumers might lead to less choice for people with vision impairment, particularly as the industry is fragmenting and might not be maintaining some of the standards that you might hope in this area. Is that a fair statement?

Mr MAGUIRE: Yes. I recall a comment made by a transport official to us a number of years ago when we were discussing the issue of inaccessible booking apps and the person said, "Oh well, once deregulation comes in, if one company has an inaccessible app then people can sort of just go to another company that does have an accessible app." The problem is that if all of the companies have inaccessible apps or apps that do not comply with the standards there really is not a choice and, apart from that, of course not every company or point to point transport provider operates in all areas. So yes, I think we would say that what in theory creates more choice, in

¹ In [correspondence](#) to the committee, dated 16 September 2020, Mr Bruce Maguire, Lead Policy Advisor, Vision Australia, clarified his answer "that S.17.7 of the disability Standards for Accessible Public Transport requires that raised taxi registration numbers be placed on the exterior of passenger doors, not just the front door".

practice the absence of consultation and the absence of compliance with the standards and guidelines almost inevitably leads to less choice.

The Hon. JOHN GRAHAM: One of the technologies you refer to is that of talking taxi meters and you make the point it has never been introduced or even trialled in New South Wales. Has it been trialled elsewhere that you are aware of and can you give us any extra information about how such a trial might have gone or background on this measure?

Mr MAGUIRE: Certainly. Talking taxi meters, to the best of our knowledge, have not been trialled in New South Wales. They are in use in Queensland—I do not believe it is a trial; it is a standard part now of taxis. So when you finish your trip in a taxi in Queensland the meter speaks the fare that is displayed on the meter so you do not depend on the honesty of the driver to tell you what the fare shows. We have had incredibly positive feedback about those taxi meters. I used one when I visited Brisbane and it is terrific because you do not feel like you have to rely on the driver, and you have the same level of independence as everybody else in terms of access to fare information.

The Hon. JOHN GRAHAM: Ms Stone, I thank you for your submission and the set of recommendations. Can you tell us about the measures that other States have put in place and whether New South Wales would benefit from adopting them?

Ms STONE: I think one of the issues that has come up quite recently, which may be a particular consequence of COVID, is that we do understand that the subsidies have been increased in Victoria to allow for greater affordability. I think that is something that could certainly be implemented here. We would argue that we should have a greater subsidy rate anyway, but I think in the particular context it is a reflection of the fact that more and more people with disabilities will be needing to access taxi transport rather than public transport for safety reasons. That is something I am aware of which would be able to be implemented. I agree with Mr Maguire's comments in regard to talking meters, and I think that there is a definite need. We echo the sentiments of Mr Maguire that there is a need for such a mechanism to be incorporated. We also have had experiences where our members have spoken about being overcharged, not being able to understand exactly what they were supposed to be charged and not being able to rely on the driver to accurately explain what the cost was. That is something New South Wales should adopt.

The Hon. JOHN GRAHAM: I think that goes to your recommendation 8, which calls for pricing guides for consumers across all point to point transport. Obviously as fares become more deregulated that becomes important. Would the talking taxi meters be a way to deal with that issue or would some sort of price comparison still be helpful for people?

Ms STONE: I think a price comparison would be helpful, generally, outside of the talking meters. A concern that we have is if we do open up the point to point transport systems taxi subsidy scheme across the sector that we will have various models which operate on different fee structures. What is really important is that consumers while having choice also have the capacity to make informed decisions about the costs associated with various models. If there was some form of comparison guide that was managed in a way where a person could identify what would be the cheapest rate across a number of suppliers and where they could get an approximation of the difference between the rates, there would be value in something like that. People could have that capacity to make an informed decision about what transport they opt for. Many would opt for the cheaper version—that would be our experience—but education about that is obviously a primary consideration.

The CHAIR: You mentioned expanding the range of providers under the TTSS. Were you listening to the last session with the metro taxi panel where I asked them about that idea? Did you hear their response?

Ms STONE: No, unfortunately I did not hear that response.

The CHAIR: There was some concern, as I understood it, that if you had a subsidy available on rideshare it would push up the rideshare prices, because, unlike the metered prices in cabs, it could be gamed in some way to increase those prices. Are you aware of other States that have something similar? Have you got any evidence to refute that idea?

Ms STONE: In terms of whether or not other States have incorporated that sort of system, I would have to take that on notice. My point would be that affordability is obviously one of the factors but rideshare offers other innovative systems that are desirable across our membership. I think that even if the prices were commensurate there would still be some aspects of the rideshare systems which would be desirable. For instance, the ability to rate the drivers is something that a lot of our members see a lot of interest in. Oftentimes—and Mr Maguire picked up on this point—the complaint mechanisms are very difficult to access.

Many people do not want to contact taxi companies or contact their services and directly make a complaint. However, an anonymous system where you can rate the driver provides the capacity to provide that feedback and also allows you to know before you get into a cab or rideshare service exactly what the rating of the driver is. Those sorts of things are important. As well as being very affordable, rideshare has really picked up on innovation and looked at what customers want, and reflected that in the way that it is marketing itself. I think that is one of the things that persons with physical disability, from our perspective, want to be able to access. So it is not just about the affordability, there are many other aspects to that as well.

The CHAIR: I guess the clear price comparison in recommendation 8 of your submission would address an aspect of the concern around rideshare pushing up prices.

Ms STONE: Yes. We would hope that would be the case. I think that not every rideshare person would opt to take advantage of the Taxi Transport Subsidy Scheme if it were applied across the board. I think that there are some particular models that would be keen to enter into that space—uberWAV and uberASSIST being some of those. They are services that have tried to get their ground in the industry by offering specialised services specific to people with disabilities, but I do not think that it would necessarily be taken up by all rideshare services.

The CHAIR: Mr Maguire, your submission talks about the reliance of people with a disability on point to point transport, particularly in regional and rural areas. How has the service changed for people with disabilities in regional areas since deregulation?

Mr MAGUIRE: We do not have a huge amount of data on the usage of taxis in regional areas since deregulation. What we do know is that people in regional areas often do not have the same degree of choice as they do in metropolitan areas and that really does not appear to have changed as far as we can tell. Obviously people who do live in regional areas also do not have the same choices in relation to public transport and distances are greater, so there is a need for choice. That also has implications for what Ms Stone was discussing earlier in relation to providing a neutral approach to the Taxi Transport Subsidy Scheme, which we strongly support. In regional areas that would help to increase choice where there might be one taxi company and one or two other point to point transport providers that currently are not covered by the Taxi Transport Subsidy Scheme.

The Hon. SHAYNE MALLARD: I thank the three witnesses for coming in today, making submissions and giving us your expertise for this inquiry. It is something that we have really noticed in the inquiry because this is the first time we have heard a bit about it from the consumer perspective, the unique set of needs you represent. To that point, Ms Stone, I was interested in some of your references to rideshare having desirable aspects that it brought to the sector: rating of drivers, innovations that customers want. Can you expand upon that? Have you done any research or surveys of your members that you might be able to give us to back that up for us?

Ms STONE: I guess in terms of research from our members we are really going off just anecdotal information at this stage. We have not conducted any in-depth studies into the types of transports that people generally prefer and why they prefer them. However, we do know from anecdotal information that many of them would like to access the rideshare services as a preference but the inability to access the Taxi Transport Subsidy Scheme for rideshare has inhibited their ability to do that.

I think that the main aspects that are desirable within the drive share space for our customers, apart from the idea of rating, are things like the fact that they are able to track their routes against a route that is considered to be the best route. The electronic ability to book is also considered to be desirable, though I do note that that does have limitations in terms of the accessibility of the app, but I think that there would be some that could possibly be worked around. Certainly one of the things that is quite interesting to me is that the drive share space appears to be quite interested in engaging persons with disability and their advocacy bodies and trying to work around those sorts of limitations—more so, I would say, than the taxi industry has been.

The other issues that are appropriate are estimated fares, with the idea that you could get a fare determined and you would know exactly what you need to pay and as well as that you can pay that electronically. That is also something that is considered to be desirable. I think also aspects like some of the [inaudible] niche markets such as Shebah, the idea that you can actually opt to have a female driver I think is a significant issue for many of our members, particularly female members who have disability. They may feel particularly vulnerable.

Then it is quite interesting seeing the take-up of things such as Uber Assist. Uber Assist markets itself as being specifically accessible to people with disabilities. As part of their model they promote themselves as having specialist expertise in terms of being able to help people enter and exit the vehicles. Again, that would be something which we think is—it indicates a particular set of views around disability that I think many of our members would find appealing, in the sense that it is customised. There has been a real sensitivity to need and an adaption to that need. I think that is something that is perhaps lacking with the taxi industry.

The Hon. SHAYNE MALLARD: That is very helpful. Thank you for that. In regards to the electronic smart card system, which is one of your recommendations, I do not know anything about how it works but I assume it is paper based still and you can only use it in a taxi?

Ms STONE: That is right. The current system operates with dockets and they are paper dockets.

The Hon. SHAYNE MALLARD: Gosh.

Ms STONE: Yes, it is very archaic.

The Hon. SHAYNE MALLARD: I will let Victor Dominello know.

Ms STONE: In comparison to systems like Opal it is a very, very old-style model and there are so many practical limitations in that. One of the limitations for many people with a physical disability is just the fact that they may not have the motor skills to be able to manipulate paper dockets. Paper dockets are prone to getting lost. They are also prone to being destroyed. Many taxi drivers do not necessarily know how to apply the paper dockets, how to fill them out or use them properly. That leads to issues in terms of people having to instruct the drivers on how to fill them out.

I guess the other thing is that these paper dockets are not readily accessible. Whereas somebody can literally just go and top up an Opal card at a newsagents or something like that, these dockets have to be ordered. You have to actually order them online and then wait for them to be physically mailed to you. I think that something like that really inhibits the capacity for people with a disability to really be able to move around freely and to exercise that level of spontaneity that other people in the community are able to readily access.

It is the same across the—if you wish to travel, you need to get a different form of docket to travel interstate. Again, it is a process of having to apply for those dockets in advance and get those dockets sent to you. From memory I think it can be up to 14 days to wait to get those dockets sent. I guess one of the things that was really interesting for me was the fact that they usually just send you a packet of these dockets because you cannot really estimate how many trips you will make when you are travelling interstate. It is a really inefficient system where they just hand you as many as they think is approximate to what you might need.

The Hon. SHAYNE MALLARD: So you are looking at reforming efficiency but also freeing up choice?

Ms STONE: That is right. I think for us the advantages that would be inherent in a system that switched over to a smart card is that it would allow a greater interaction with a lot of accessible technologies, which I think would improve visibility across our memberships. It would also just allow for a similar sort of system to what is currently in place in terms of public transport, where people can quickly, efficiently load up a card and they can tap and go. They are no longer having to go through all of these administrative processes just to get access to the dockets so that they can get [inaudible].

The Hon. SHAYNE MALLARD: I think that is a strong point, in my view. Mr Maguire, my question to you and your excellent [inaudible] to us: I am disappointed to hear in this day and age we still have apps that do not support people with visual challenges and taxis that do not have numbers that you can feel on the door. You have been advocating this for some time. Is it better today than it was in the past, or are we still struggling?

Mr MAGUIRE: I think there is no coordination. Because there is no requirement for taxis or other point to point transport providers to have apps that do comply with accessibility guidelines, it varies from company to company as to how much they demonstrate a commitment to inclusion in their apps. For example, we know that Uber has had considerable discussions with the disability sector around the development of apps, both in Australia and in other countries, but as far as we know that level of discussions has not been replicated by other point to point transport providers and, indeed, the taxi industry. We believe that either there should be a requirement under the regulations that apps have to comply with the international standards and guidelines that do exist or that at least as part of a more formalised consultation mechanism we can discuss those issues with industry. In the past we have seen versions of apps that are accessible, only to be replaced by versions that are inaccessible. Again, I think that is because there is just not a requirement and it is not embedded into the corporate culture to kind of prioritise accessibility.

The Hon. SHAYNE MALLARD: To be clear, you are wanting standard apps used by taxis and by point to point to be accessible, not a specialist app for your needs group?

Mr MAGUIRE: In general, if apps follow standards—for example, Apple has developed guidelines for making apps accessible and so has Google. Perhaps follow those guidelines and they are generally going to be usable. There may be some special circumstances where a specialist app could be useful but in general we think that if mainstream apps include accessibility then that will be sufficient.

The Hon. SHAYNE MALLARD: I conclude by commenting that I liked your idea of an ongoing consultation forum for people with special needs and point to point transport groups. There is no such forum existing at the moment, whether it be specific or broader, that deals with this?

Mr MAGUIRE: No. There have been—again, Uber has regular discussions with the disability sector. I do not believe other point to point transport providers have. We have had various discussions with the taxi industry over the years but there is nothing formalised. I think the whole kind of deregulated environment has created many new challenges for all point to point transport providers—some positive, some not—and that accessibility has not always been—rarely has been, perhaps—front of mind. I think having a more formalised mechanism for that consultation would go a long way towards at least discussing issues that could be dealt with informally, rather than through a process of regulation.

The Hon. SHAYNE MALLARD: And piecemeal with different providers.

Mr MAGUIRE: Yes.

The Hon. SHAYNE MALLARD: I thank the three of you for your submissions. They have been very helpful.

The CHAIR: Mr Farlow, do you have any questions?

The Hon. SCOTT FARLOW: Thank you, Madam Chair, and thank you everybody for coming before us today and giving us a great insight into the issues faced by people with a disability when it comes to transportation, in particular with point to point transportation. I must say I got some understanding of the taxi subsidy scheme through my grandmother and helping her through the process just last week of ordering those books. I really appreciate those comments you made, Ms Stone, in terms of how we could improve that system. I guess we have heard today quite a bit from taxi operators about some of the benefit [audio malfunction]—

When my phone rings it interrupts my feed. I was saying the taxi operators and the service they provide to people with a disability, particularly in rural and regional communities, in being able to get around and being in many ways the only way that people with a disability can get around in regional communities—would you say that those services are still being maintained from what you are seeing at the moment or have you seen some that have gone under as of late and that connection being lost in regional communities in particular?

The CHAIR: Who were you directing the question to?

The Hon. SCOTT FARLOW: To all the witnesses on the panel. Maybe Ms Stone?

The CHAIR: Ms Stone, we will start with you.

Ms STONE: If anything, I would say that we have probably seen more wheelchair-accessible taxis in regional areas since the reforms have been introduced. I think that has been encouraged by the fact that some of the limitations around purchasing those vehicles or building those vehicles have been alleviated. I would not say that the wheelchair-accessible taxi industry, from what we have observed, has been impacted by deregulation.

The Hon. SCOTT FARLOW: Does anyone else want to make a comment on that at all?

Mr MAGUIRE: Our impression is that it does vary. It does appear that in some areas there is less choice, while in other areas it appears that there is the same or indeed more choice. We think that there are probably specific factors in specific regions, rather than a general approach to how services in regional areas have fared since deregulation.

The Hon. SCOTT FARLOW: Thank you. To the entire panel: One of the submissions from one of our witnesses earlier spoke about what was from their perspective the double standards in terms of what was required of taxi operators when it came to disability requirements compared to what was required of any of those participants in transportation. They were arguing that there was some challenge, from their perspective, in terms of safety and accessibility requirements for [inaudible] the NDIS. Do you have any comments or observations in that regard, Ms Stone or Mr Maguire?

Ms STONE: I would probably say that whilst I think in times past there may have been concerns around the rideshare sector, in terms of their capacity to provide safe transport and provide the standards that we would expect them to demonstrate in providing transport for people with disabilities, I think that we are if anything closer to getting to a stage where that was going to become less and less of a problem. I think that we have moved to a system now where there is greater accountability of drivers to ensure that they have [inaudible] mechanisms and systems in place to ensure that they are actually safe and that they reach a certain standard.

I cannot speak to whether or not a rideshare driver's standard would be necessarily exactly the same as the standard that a taxi driver who operates a wheelchair-accessible taxi would be. I honestly cannot speak to that.

But what I would say is that I think that there are sufficient mechanisms in place in the legislation that those mechanisms, if they are providing a sufficient level, that they could be expanded to ensure that there is no difference between rideshare and the taxi models. I am not sure if that addresses your questions.

The Hon. SCOTT FARLOW: No, that is interesting commentary. Thank you for that.

Mr MAGUIRE: If I could add to what Ms Stone was saying, I think the biggest issue around safety for our clients is drivers who are unable to communicate effectively in English and drop people off at incorrect destinations, either inadvertently or otherwise. That seems to come down to a lack of training. That is certainly the case in the taxi industry. We have had less experience in the rideshare industry because not as many people who are blind or have low vision do use rideshare regularly. But the respondents to our survey who do use rideshare regularly said that they use rideshare because they feel that they are getting a better level of service, less discriminatory service and drivers who are more amenable to assisting them and making sure that they reach the correct destination. Having said that, a number of respondents did say that even if the TTSS were provider neutral they probably still would not use rideshare because they just do not feel that rideshare offers the same level of safety as what regular taxis do with all their security equipment and such like.

The Hon. SCOTT FARLOW: Thank you. Mr Maguire, you mentioned before in response to Mr Mallard's question some of the challenges for vision-impaired people and some of the aids that may not be there. Tactile numbers are something that I can remember seeing on cabs myself in the past. Is that something that has changed recently or is that something that some providers have done and other providers have not? What is your understanding of that issue?

Mr MAGUIRE: The tactile numbers are a requirement of the Disability Standards for Accessible Public Transport 2002. It has been a requirement now for quite a long time—at least 15 to 20 years since those standards were introduced. In the past, when the vast majority of taxis were managed through larger companies, we could be pretty certain that all taxis would have these tactile numbers on the front passenger door, so you can feel them and read what the taxi's number is. That is still the case. We think that there have been some changes in the design of some of those numbers so they are actually harder to feel and possibly harder to see. But one of the things that we are noticing in some of the newer, perhaps more independent, smaller taxi operators is there are no tactile numbers at all. That is possibly because they do not even know that there is a requirement under the standards. That requirement does not apply, as far as we can tell, to other ridesharing services, although one of the things we have asked for clarification around is whether other forms of point to point transport would be classified as public transport for the purposes of the standards in the way that taxis are currently classified as public transport.

The Hon. SCOTT FARLOW: Thank you, Mr Maguire. That is it for me, Madam Chair.

The CHAIR: Thank you. That concludes our questioning for this session. Thank you so much for attending this hearing. It has been incredibly useful for us as a Committee to hear what you have to say. I believe there were no questions taken on notice, so we do not need to talk further about that. That concludes our hearing for today. Thank you very much.

(The witnesses withdrew.)

The Committee adjourned at 13:17.