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NEW SOUTH WALES

The Ministry of Transport is currently undergoing a massive restructure including a complete restructure of the Taxi & Hire Car Bureau. It appears that the Taxi & Hire car bureau as we know it will disappear and a new body encompassing all road public transport including buses, taxis, hire cars, tourist vehicles etc will be created.

John Bowe retires. John has been around the Industry longer than most of us can remember and has always worked tirelessly on behalf of the members and the industry he has represented in many and varied roles for over 40 years. Over twenty of which have been as CEO of the NSWTIA and Company Secretary of the NSW Taxi Council.

While John will be sadly missed around the office on a day to day basis, in his new role as Director of the NSW Taxi Council, John remains an active and vital cog in the wheel.

Howard Harrison has been appointed CEO of the NSW Taxi Industry Association and Company Secretary of the NSW Taxi Council, with Peter Ramshaw as his 2IC.

The Parry Report. The recently leased Parry report, commissioned by the Carr government highlights the need for a more integrated approach between all modes of Public and Community Transport. While there are some issues of concern, it does open doors for those in an industry, such as ours, looking for new markets.

Department of Veteran's Affairs tender. Following many months of lobbying, the recently issued Request for Tender from the DVA gave the taxi Industry the best opportunity yet to gain a major share of this work. With the ageing population, more and more of the "Community Transport" work is becoming available and it is timely and essential that the taxi Industry does everything in its power to ensure it doesn't miss out. The danger of allowing the non accredited Community transport providers to thrive under the guise of

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“supplying free transport to those in need”, is that when they cannot find any genuine Community Transport work they encroach on traditional taxi work. It is up to our industry to demonstrate to Government that it is much better to subsidise us, rather than waste millions on a virtually uncontrollable group of “volunteers”.

Hire car Deregulation. Despite all the assurances of the previous Director General, promises were made by the Government prior to the last election that for obvious reasons had to be supported by the new Minister. While the formula is somewhat convoluted, in broad terms Hire car plate owners were given an unrestricted taxi plate in compensation for being deregulated. This translated into the taxi industry across NSW receiving over 300 *unrestricted* taxi plates.

Twelve month short term WATS licences continue to be leased by the NSW Government for \$1000 per annum. There is however, a determined effort by the Government to ensure these licences give preference to wheelchair passengers and two of these licences have not been renewed due to preference not being given. It should be noted that both taxi operators have appealed this decision.

Superannuation for taxi drivers working under the Contract Determination is the latest claim by the TWU. The industry is obviously opposed to this and hopefully common sense will prevail.

The one out operator / driver taxi operation continues to be on the increase. Despite the benefits allowed under the Contract Determination, drivers are in extreme short supply and dictate their own terms. This means that the fleet operator who uses permanent drivers is liable for the full benefits, while the driver tells the operator what he or she is going to pay for the shift. This obviously creates an untenable situation, driving the honest fleet operators out of business.

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The IPART involvement in the annual fare adjustment process is now firmly ensconced. The industry's last fare increase application was reasonably well received by IPART and an increase in the vicinity of what we asked for was granted. Unfortunately the flow on to operators through an increase in the maximum payin continues to be held up in the Industrial Court process, but in reality, as very few operators charge the maximum payin anyway, any "big win" claimed by the TWU for delaying the increase doesn't hold much validity.

The Customer Feedback Management System has now been introduced into the Metropolitan Transport District and reports to date indicate it is fulfilling the purpose for which it was introduced. Complaints are being handled more efficiently, areas of concern are being identified and frivolous or unsubstantiated complaints are being identified and discounted. It is anticipated that the system will slowly be introduced across the state

The Taxi Industry Quality Liaison Officer program has been introduced and has already had a marked affect on the presentation of taxi vehicles and drivers in the Sydney Metropolitan area. In particular, infringements such as dirty vehicles or faulty vehicle lights, incorrect livery or uniforms, failing to show an ID card, smoking in the taxi and not rendering assistance to a passenger are infringements currently being targeted. Any drivers or operators not meeting the Network or regulatory requirements will be reported to their Networks for action. Repeat offenders or serious offenders will be reported to the Ministry of Transport with a request that they be required to show cause why their licence should not be cancelled. The Quality Liaison Officers visit Taxi ranks, distribute Industry information on rules and regulations, answer questions from drivers and operators on the road, and generally work to improve the image of the Industry and attract more passengers.

The Authorised Taxi Inspection Scheme has now been introduced into all country and urban areas. This was deemed essential when the Roads and Traffic Authority announced cessation of the inspection of Taxis



A new interactive OHS CD will be available later this next year to assist taxi operators in their compliance with the OHS Act. This is the second stage of the program which compliments the previously created OHS guide last year.

An Exit Toll will be introduced to all ground transport providers at Sydney Airport. The taxi Industry will receive increased benefits and infrastructure at the airport. The Exit toll will be levied against the E Tag.

E Tag regulation is soon to be introduced to make it an offence for a taxi not to have an E Tag. At the time of writing this report, the matter of who will actually own the E Tag is a matter of hot debate. The Director General is adamant that the operator will own the E Tag and it will be up to the operator to get the money from the driver the best way he or she can. We on the other hand, are trying to explain that that simply won't work as you can't (currently) read E Tags at the end of a shift and considering the amount of toll roads, bridges and soon the airport that will only be able to be used by use of the E Tag, non payment to the operator of the toll money charged to the operator's E Tag, will probably be the final straw. The Industry is arguing for a compromise regulation that makes it the operator's responsibility to supply the E Tag holder in the taxi, but leaves it open for either the operator or driver to own the E Tag.

No Destination Calling is to be introduced through regulation in the Sydney Metropolitan area. While most other Australian cities already have (voluntary) no destination calling, many in the Sydney industry see destinations in the Sydney metropolitan district as essential. Again at the time of writing this report, a compromise position is being sought by the industry

Driver Shortage has reached a critical level with many taxi licences now sitting on the shelf because the operator cannot find drivers for their taxis.

NCC: The NCC has withheld funds from the NSW State Government due to a perception that the State government has not complied with NCC



requirements. The State government argues that it has complied and that it is unjust to withhold funds. The Industry continues to work with the State Government and once again, let's hope that with continued lobbying of the federal Government, common sense will prevail.



AUSTRALIAN CAPITAL TERRITORY

Another year of review and as yet no result. The ACT Government inflated the industry's balloon by stating "NO DEREGULATION". The Government then deflated the balloon by introducing a Legislative Amendment Bill with the stated aim of increasing taxi numbers and reducing taxi plate prices. The Government decided that it would release taxi plates annually at auction. It would release 5% of the current fleet number each year and set a reserve price of 90% of the previous year's auction price. If the auction price in any one-year reached 95% of the previous year's price then an additional 5% of plates would be auctioned. This method ensured a regular release of plates increasing each year in number and reducing each year in price. You might as who would buy in such a market, but stranger things have happened. The Canberra Taxi Proprietors Association (CTPA) concluded that the Government's no regulation was in fact regulated deregulation and lobbied to have the Amendment Bill opposed.

The CTPA was successful in having the Amendment Bill referred to a Legislative Assembly Standing Committee. The Committee took written submissions from the public and held two days of public hearings. There were 38 submissions and the CTPA went through what was another industry review process. The CTPA also appeared before the Standing Committee at the public hearing.

The Standing Committee has released its report and has recommended buy-back (Macquarie Bank) of the taxi industry at January 1, 1997 market prices. It has also recommended a regulated release of plates based on a formula linked to growth in passenger trips, population, and Gross Territory Product.

The Government is yet to respond to the recommendations and the Assembly is then to debate the response. It is not expected that there will be an early outcome.

Through all of this the industry has continued to operate and achieve another glowing report from the Canberra public. Each year the Government conducts a survey of the taxi industry using an independent survey company. On a scale of 1 – 5, with 5 being excellent, Canberra Cabs has scored above 4 in each of the eight categories surveyed. The categories are; response time, driving ability, route taken, knowledge of Canberra, accuracy of fare, handling of fare, courtesy of driver, and condition of cab.

Our Independent Competition and Regulatory Commission (ICRC) again tweaked the fare review index and this is always a difficult process. The ICRC is keen to see lower taxi fares and deregulation and therefore pays only lip service to any contradictory evidence placed before it. Any fare review is to be implemented on 1 July and it is expected that by May 2004 a result from the ICRC deliberations will be known.

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VICTORIA



COMPETITION POLICY

Some outcomes of the NCPR have been implemented, including the release of the first 100 peak service licences, a new driver training program being implemented (1 July 03), taxi operator training being implemented (February 03), and the Transport Act being amended to provide for fare surcharges on top of the metered fare that is allocated specifically to the driver (not yet implemented).

Significant VTA resources have been and continue to be applied to NCPR outcomes, including development of the Bendigo Stock Exchange (BSX) based taxi licence transfer and assignment system, the proposal to cap licence assignment (lease) fees, and the driver and operator accreditation regime. Development of these initiatives has been a slow and complex process.

MARKETING

Critical elements in determining a marketing strategy are the positioning and branding of a service in the market place. Doing this helps to:

- Integrate multiple messages and minimize fragmentation
- Create an image or representation of the service
- Differentiate it from competitors and make the service more tangible

Analysis of the taxi industry determined that what was needed was a new overarching brand that represented all taxi services and its potential benefits to existing and potential customers. In developing this brand and positioning message, the known strengths of taxi services of availability (24/7), visibility (yellow car), and door to door (point>point) was also drawn upon. Hence the following resulted in the adoption of the new VTA taxi Industry logo:



The current direction is to actively promote the Taxi Brand, logo and positioning message towards building and maintaining customers. This includes working closely with Government on major projects and lobbying for recognition of taxi services as one of the key transport service providers for the public.

DRIVER TRAINING

The new course was developed out of the Transport and Distribution Training Package and provides for a structured competency based entry-level training program for metropolitan taxi drivers.



The development of a number of innovative training resources, and access to taxi industry infrastructure, including communication centres and depots, provide students with the opportunity to learn in a virtual operating environment. The course is delivered over eight (8) full days.

Because of the severe unavailability of drivers, the VTA has embarked upon a critical review of driver recruitment, training, accreditation and retention. The VTA in association with government has to identify and implement processes that provide flexibility and assistance without denigrating expected performance.

INFORMATION SEMINAR PROGRAM

VTA members and their affiliates attended a number of Information Seminars, conducted at the VTA offices and member depots. Topics covered included the updated Bailment Agreement, Driver Network Licence, Record Keeping, Insurances and WorkCover.

The seminars continue to be well attended and more are being scheduled to cover important operational matters.

TAXI INDUSTRY TRAINING VICTORIA

Previously, the VTA established its new training entity, Taxi Industry Training Victoria (TITV). As from 1 July 2003, TITV Pty Ltd was established as a wholly owned subsidiary company of the VTA.

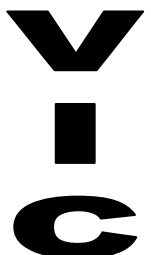
TITV Pty Ltd is a Registered Training Organisation and is accredited to deliver the new Course in Taxi Driving, Course in Taxicare – Taxi Operator and Course in Wheelchair Accessible Taxi Driving, and any other accredited course, as required.



GOVERNMENT FUNDED COMMUNITY TRANSPORT

This year as in previous years, the continuation of the many varieties of Government funded community transport services remained of concern to taxi operators, particularly those located in the urban and country areas. However on a positive note, the past twelve months has seen encouraging developments in the Government's approach to policy direction.

There appears to have been a shift in the attitude within the Departments of Human Services, Infrastructure, and Treasury and Finance. There is a growing emphasis towards funding the provision of transport services and away from funding for the purchase and operation of dedicated community transport vehicles. This approach is intended to provide already established



commercial transport operators (including taxis) with the opportunity to participate in the provision of government funded transport services.

Two examples of the change in direction can be found in the Transport Connections program and the Multi-Agency Policy Team project.

Transport Connections

This program started in late 2002, when the State Government called for submissions for a support program, then known as the Inclusive Flexible Transport Initiatives program. This was a new program designed to improve access and mobility for people in rural and regional Victoria. The Government allocated some \$2.4million (\$830,000 per year) with funding being provided to individual projects for a maximum of three years.

The key objectives of the program is to help communities identify transport issues, maximise use of existing resources such as taxis, community transport and public transport, link local and mainstream transport, and mobilise community input. The focus is on rural areas of Victoria, with joint management of the grants by the Departments of Human Services and Infrastructure.

Main aims are to also focus on issues of viability and competition with existing transport services including being aware of existing subsidy programs such as:

- Multi Purpose Taxi Program (MPTP)
- Victorian Patient Transport Assistance Scheme (VPTAS)
- Pensioners concessions and Senior Card

In July 2003, the Minister for Health launched the first grants for the three-year Transport Connections Program. Nine diverse Transport Connections projects were granted to very different parts of Victoria – from some of the most remote areas to districts on Melbourne's metropolitan fringe.

The VTA took a leading role in increasing the profile of taxi operators by encouraging its country members to be involved, while at the same time working closely with both the Departments of Human Services and Infrastructure. The successful grants will have a positive impact for one metropolitan and over thirty urban and country taxi operators for the next three years.

MAPT

Another project to hopefully have a positive impact on the provision of taxi services is about the ongoing concern as to how the State Government can help with the transport needs of people in small settlements and rural areas of Victoria.

A Multi-Agency Policy Team (MAPT) has been established and the first stage of the project is to define the scope and suggest priorities. The second stage of the project will focus on solutions where the State Government can play a role, particularly by maximising the use of existing public and private resources such as taxi services.

The team is working on three core tasks:

1. Identifying the issues with government policies and regulations which impact on accessibility and mobility in rural areas;
2. Prioritising the issues; and
3. Scoping the required work and resources which might be needed to address the issues.

A workshop was held with participants including representation from the VTA, identifying five topics needing strategies for change:

- The delineation of roles and responsibilities of governments in the provision of transport
- Establishment of a coordinated, integrated and flexible transport capacity for rural and regional communities
- Integration of transport funding in local communities
- Development of an integrated information system at a state-wide level for providers (including information on accreditation, insurance, concessions etc) and at a community level for users.
- Development of more flexible taxi provision in rural and regional communities.

The first stage of the project will prioritize the issues and scope the required work and resources needed to develop policy responses. Based on the Stage 1 scoping report, the State Coordination & Management Council (the Secretaries of the ten State Government departments) will make decisions as to the work to be undertaken on these specific topics as part of the Stage 2 process.

While these programs look optimistic for taxi services, the VTA still recommends that it also be addressed on an individual basis by local taxi depots contacting and working in conjunction with municipal councils and local community transport providers. Ultimately, it is the community that suffers if the taxi service becomes economically unviable and the whole community loses its 24/7, point to point, transport service.

EVENT TRANSPORT PLANNING and OPERATION

The VTA continued its representation on key event transport planning and operational committees, including Melbourne Cruise Ship, MCG special events, Australian F1 Grand Prix, International Air Show, Melbourne Safe



City, Flemington Spring Racing Carnival, Caulfield Spring Racing Carnival, and the Commonwealth Games.

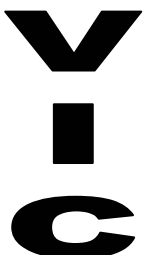
The VTA provides advice to venue operators on the operation of taxis and the placement of taxi ranks. This is in line with the VTA's greatly expanded role and participation in matters of land use and special event and venue planning, and assists in bringing taxi services to the public.

In addition, the VTA arranged for taxi rank supervision at the Caulfield and Flemington Spring Racing carnivals, and the Australian Tennis Open. The VTA is contracted by Tennis Australia to appraise the driving skills and knowledge of the courtesy car drivers for the Australian Open championships.

THE YEAR AHEAD

Looking ahead, some of the key issues and programs include:

- National Competition Policy Review implementation
 - Review of the Transport Act, including the re-making the Transport (Taxi-Cab) Regulations, and review of taxi licence conditions
 - WAT's operation
 - Fares review and restructuring
 - Accreditation and performance standards
 - Government funded community transport programs
 - Marketing and promotion of taxi services
 - Taxi meter interface and operation
 - Review of driver safety
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QUEENSLAND

The 2003 year proved to be an improvement over the previous year, but not nearly enough for the Queensland taxi industry to claim that it has entered any form of sustained recovery. Costs continued to rise, fares rose modestly (but only in December), and demand made some useful gains.

It is again to the considerable credit of the Queensland Taxi Industry then that in tough economic times, we continued to deliver a world class product in terms of technological innovation, quality of service, value for money, and safety.

This report discusses the following strategic issues in turn –

- National Competition Policy;
- Industry Code of Practice;
- Industry Health & Safety Committee;
- Accident Watch Task Force;
- Courtesy and Community Transport;
- DA / OA Review;
- New Fares Structure; and
- Constitutional Changes.

NATIONAL COMPETITION POLICY

The National Competition Policy Review of the Transport Operations (Passenger Transport) Act commenced in December 1998 and culminated in a report that was released in September 2000. It concluded that there was a substantial public benefit for Queenslanders derived from retaining a regulated taxi industry. The Taxi Council welcomed the report, and with some qualifications, supported its recommendations. In contrast, the National Competition Council was scathing in its assessment (released December 2002) of the Queensland report.

As a strategic initiative of the Taxi Council we invited the NCC to meet with the Board in February 2003 and encouraged Queensland Transport (QT) to do similarly. The subsequent meeting between the NCC and QT proved to be particularly beneficial in that it re-affirmed to the bureaucrats just how disastrous acceding to the NCC's economic rationalist prescription would be for taxi service delivery in Queensland.

In March 2003, a delegation of the Board had a further meeting with the NCC in Melbourne. At this meeting we were able to progress a number of key arguments previously discussed, and importantly, extracted the concessions that taxi licences should have an economic value and that the value should include a "goodwill" component just like any other business.

Later in March 2003 the State Government sought input from the Council on the options under consideration in regard to NCP, namely –

1. retain the status quo;
2. implement the original review reforms;
3. increase the rate of licence issues;
4. introduce a system of leased licences; or
5. deregulate the supply of licences.

The Council confirmed its support for Option 2 subject to the caveat that any Government decisions in regard to the Limousine Industry do not materially disadvantage the competitiveness of taxi services.

On 31 August 2003, Premier Beattie confirmed that his government would not deregulate the Queensland taxi industry. He also reaffirmed his Government's commitment to the reforms outlined in its September 2000 report (i.e. Option 2).

INDUSTRY CODE OF PRACTICE

Flowing from the National Competition Review, the Minister for Transport and Main Roads and the Minister for Industrial Relations set up a separate review of taxi drivers' remuneration and working conditions. The report produced from this review was released in September 2001. It included 20 recommendations.

The first 2 recommendations detailed changes to the Industrial Relations Act that would give the Queensland Industrial Relations Commission (QIRC) coverage of taxi bailment agreements. In response to the Council's lobbying, these recommendations were subsequently modified in August 2002 to include the development of an Industry Code of Practice (COP) which would operate as a benchmark for the commercial relations between drivers and operators. The Council's position nonetheless remained unaltered - the Government was trying to fix something that wasn't broken.

In April 2003, some 8 months after its announcement, the Government's Committee tasked with developing the COP met for the first time. Typical of ideas that are ill conceived, unwelcome, unnecessary, and badly timed, development of the COP struggled to make genuine progress. Bailees under a commercial bailment agreement are co-adventurers and simply do not fit the mould of "employees" or "service contractors". The Committee failed to produce even a first draft of a COP by the end of 2003.

It is interesting that in our meetings with approximately 30 Government back-benchers during 2003 none were particularly aware (before our meetings) of the Ministers' plans to make bailment agreements subject to arbitration and

determination by the QIRC. Furthermore, none expressed a strong opinion that the changes were warranted or widely supported. It remains a major priority of the Council to work through the political process to persuade the relevant Ministers of the folly of converting commercial relations to industrial relations.

INDUSTRY HEALTH & SAFETY COMMITTEE

Some 11 months after making the recommendation (1 of the 20 noted above) the State Government established a Health & Safety Committee for the Taxi Industry in July 2002. The Council has actively supported, and participated in, the Committee since then –

- conducting a large scale survey of incidents involving taxi drivers during March – May 2003; and
- assisting a benchmarking exercise comparing WorkCover entitlements to Personal Accident / Work Injury insurance products used in the industry.

However the main agenda item for the Health & Safety Committee was to consider a further recommendation (of the 20 noted above) for the mandatory introduction of surveillance cameras into taxis in Queensland. The Council strongly advocated that cameras should be mandatory wherever it can be demonstrated that they will make a material improvement to the safe operation of a taxi service. The Council also advocated that under such circumstances the Government should fund the surveillance cameras. In December 2003, the Cabinet rejected a QT submission recommending the introduction of security cameras funded by the government.

ACCIDENT WATCH TASK FORCE

In February 2003 the Motor Accident Insurance Commission (MAIC) advised the Council that it intended to increase the Class 3 CTP (taxi) premium relativity from 9.9 times a Class 1 premium to 12 times - effective from 1 July 2003. In March, the Council responded with a submission that argued for a continuation of the existing moratorium because -

- any Class 3 CTP premium relativity increase was inconsistent with the activities and achievements of the Accident Watch Task Force (AWTF);
- the Queensland CTP system was performing badly when benchmarked against those of other states and therefore could not reasonably expect premiums in all classes of motor vehicle to cover the associated risk;
- any Class 3 CTP relativity increase would cause hardship for taxi customers and the community in general;
- MAIC's proposed increase to "12 times" represented a rapid escalation of the Class 3 CTP premium and thereby was inconsistent with the Review Committee's recommendation for gradual increases;

- any increase in Class 3 CTP premium relativity would adversely impact employment.

MAIC responded by increasing the Class 3 CTP premium relativity to only 11.5 times the Class 1 premium. While very disappointed with this result, the Council continued to drive the work of the AWTF and lobby MAIC for lower CTP premiums.

COURTESY AND COMMUNITY TRANSPORT

In February 2002, Queensland Transport (QT) advised the Council that it intended to conduct an evaluation of the operation of "Courtesy and Community Transport Requirements". In late November 2002 QT circulated a draft report of its evaluation which recommended only minimal changes to the existing arrangements. Accordingly, the Council responded with a strongly argued submission in early February 2003.

With QT reluctant to act and support the necessary reforms, the Council moved its lobbying on this issue into the political arena. It is now a standard item of discussion during our briefing sessions for members of parliament. Encouragingly, the Government commenced an audit reviewing all HACC funded transport services in the latter part of 2003.

DA / OA REVIEW

In November 2002 QT released for discussion a report of its Driver Authorisation (DA) and Operator Accreditation (OA) Policy. The Council welcomed the review, supported the general intent of the changes proposed, however disagreed with QT's preferred option for implementation.

In summary, QT wanted only some taxi drivers (i.e. those regularly carrying school students under contract to the government) to hold a Suitability Card for Child Related Employment issued by the Commission for Children and Young People (i.e. a "blue card"). In our submission back to QT in February 2003 we argued that there should only be 1 "fit and proper person" standard applying to all taxi drivers. The additional requirements of the "blue card" should be included as standard components of DA. This is the only way to produce practical benefits that serve to significantly enhance the safety of Queensland's public transport system – especially for all vulnerable members of the community. We also argued that any costs associated with changes to DA (e.g. application / renewal fees) must not unreasonably or unfairly fall on taxi drivers, operators and companies.

NEW FARES STRUCTURE

The Council is always concerned about maintaining the viability of the industry for owners, operators and drivers. Accordingly, taxi fares must be sufficient to cover costs and provide reasonable incomes / returns while at the same time remaining affordable for customers.

In that context, in May 2003 the Council presented QT with a fares submission focussing on a change to the operational times of Tariff 1 / Tariff 2. We followed up this submission in September 2003 with a request for changes to the km rate. Notwithstanding some difficulties in negotiating these changes through QT, a much appreciated fare increase of between 3.5% - 5% was gazetted on 14 December 2004.

CONSTITUTIONAL CHANGES

A new constitution for the Council was approved at the Annual General Meeting held in September 2004.

Under the new constitution, 2 new classes of membership are recognised –

- Corporate (voting), and
- Associate (non-voting).

It also redefined the powers of the Board to allow it to perform a proper governance role.

NEW LOGO

As part of a re-imaging strategy, the Taxi Council launched its new logo in September at the 2003 State Conference at Yeppoon.



SOUTH AUSTRALIA

The last twelve months have seen some rather significant changes in the taxi industry in South Australia. The most notable would have to be the replacement of the Passenger Transport Board (the regulator in South Australia) on the 1st January 2004 with the Office of Public Transport (OPT). Even at this point in time the details concerning the structure and operations of the OPT are sketchy, and I admit this situation is an area of concern for the industry. The impetus for the abolition of the Passenger Transport Board and the creation of the Office of Public Transport was to “bring about an integrated organisational structure to support the integration of transport functions and the development of long-term strategies”. SATA’s greatest concern is that the new organisation’s priorities will more and more move to buses.

However during the parliamentary debate that discussed the replacement, the South Australian Taxi Association and the industry were afforded the opportunity to self regulate in relation to certain matters. Questions by the Opposition also touched on the potential of accrediting third parties to undertake limited functions in relation to accreditation, however the government remained silent on the matter leaving the door open for SATA to explore the opportunity. So with the concerns come the opportunities. It now becomes a matter for SATA to best position itself to take advantage of them.

Briefly, the past twelve months also saw the following:

- An increase in regulated taxi fares of 4.2%;
- Taxis being permitted to use bus lanes;
- The submission of a proposal to government by operators of country taxis to create a new category for country taxis within the *Passenger Transport Act 1994*. The proposal recommended that the number of licences be determined at a nominated date and that any extra licences only be released through a review process;
- The introduction of silver as an alternative colour for premium taxi services. The industry is still negotiating with the Minister in relation to standards;
- Ongoing negotiations with the Adelaide City Council to raise the fines for private vehicles parking in taxi zones;
- No serious incidents against drivers.

Apart from the concerns and opportunities mentioned above, the following points will have the greatest impact on the taxi industry in South Australia over the next twelve months:

- The construction of a new \$240 million integrated domestic and international passenger terminal at Adelaide Airport and a \$70 million redevelopment of the casino (SKYCITY) and the ongoing negotiations and consultation processes required to ensure that the customers of each organisation receive the best and most comprehensive taxi service available;
- The commencement of a major initiative with the Adelaide City Council to systematically review each rank in the central business district in terms of its – location, times of operation, size, signage, road and pavement markings, passenger and public safety, policing, lighting, and weather protection. The initiative will be subsequently expanded to include other councils;



- The development of a one-stop-shop for taxi services;
- Negative media. SATA recognises this aspect as having the potential of seriously undermining the credibility of the industry (even further) and weakening the ability of SATA to achieve self-regulation (as mentioned above). A number of initiatives are being pursued to minimise the impact of this issue;
- The implementation of a number of initiatives by SATA including the preparation of multi-language industry information and information packs, the development of passenger benefits tied to their ongoing patronage and loyalty to taxis, and the development of industry wide supplier agreements;
- The introduction of new road laws and the impact they will have on drivers;
- Transport services provided by volunteer drivers,
- and last but not least,
- The ongoing “issues” created by the National Competition Council and the National Competition Policy.

It promises to be an exciting, difficult but rewarding twelve months for both the industry in South Australia and SATA.

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WESTERN AUSTRALIA

Introduction

The Taxi Council of Western Australia (TCWA) will remember this last year as a period of economic uncertainty with the taxi industry facing some of the biggest challenges to date.

This uncertainty was, in the main, attributable to the Government's review of the taxi industry and in particular, the Minister for Planning and Infrastructure's proposed schemes to buyback taxi plates.

During the taxi review, the TCWA mounted a fierce anti-buyback lobbying campaign and was successful in having the proposed taxi plate buyback scheme being removed from the Government's agenda.

The Minister was also keen to introduce legislation that would enable the Government to lease plates directly to drivers.

In order to ensure that a Government who leased plates to drivers could not unfairly compete with the private taxi sector in terms of pricing and the number of plates issued, the Taxi Council sought to limit the extent of State Ownership.

Again, the Council's lobbying was successful and the Taxi Amendment Bill was eventually passed with an amendment that effectively meant that the Government could not own or lease more than 20% of the total number of plates at any one time.

In addition to the successful lobbying activities, the TCWA achieved pleasing outcomes in other areas, namely -

- Maintaining a regulatory environment to protect member interests and industry viability
- Increasing public awareness and recognition for taxi drivers
- Taxi ranks and access to transport infrastructure

As with the previous year, it was a difficult period to communicate with the Government. This problem was exacerbated during the taxi review, when communications became strained. However, the Taxi Council continues to encourage communications with the Government in order to establish a constructive and cooperative relationship.

In the absence of financial assistance from the Government, the long-term funding for the Taxi Council remains critical and is a priority issue.

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Despite these difficulties and changes occurring in the political and taxi environments, the TCWA managed to continue its activities and provide essential services to members and the industry. As a result, viability and the high level of service performance to the community were maintained.

MAINTAINING A REGULATORY ENVIRONMENT TO PROTECT MEMBER INTERESTS, SERVICE PERFORMANCE AND INDUSTRY VIABILITY

That taxi industry in Perth remains regulated and this in turn, will maintain the high levels of driver and vehicle standards, operator viability, safety and service to the community.

During and after the 1999 taxi review, taxi plate prices and drivers' incomes fell. This was due to a number of factors, namely economic uncertainty, the impact of additional plate issues, stagnant consumer demand and uncertainty as to deregulation.

At this time, the Taxi Council took a strong leadership role and worked hard to restore industry confidence, stability and viability. This work was effective and gradually the market turned around and plate prices began to increase.

Leading up to, and during, the 2003 taxi review, the demand for taxis increased and plate prices have remained firm. During 2003, the average taxi plate price increased to \$210,000. This represented an increase of just over 5% on the 2002 average plate price of \$200,400.

This level of economic stability and recent market growth is pleasing.

The taxi industry has continued to provide the community with an exceptionally high level of service and is performing at around a 90% efficiency rate. The TCWA continued to ask the Government to identify a realistic benchmark on which to base the performance standards.

The Taxi Council was also successful in convincing the Government to place a limit on the level of State Ownership. This means that the Government can not own and lease more than 20% of the total market at any one time, now or in the future and thus, can no unduly influence industry pricing and return on investment. It also ensures that the necessary level of investment in the industry is maintained.

In December, a minimal fare increase of 3% was granted. This was the first increase in fares approved since December 2000 and the Council will continue to advocate for a more realistic fare increase and a fare model, such as the Consumer Price Index, to be adopted in the future as the basis to calculating increases.

The Council is currently negotiating with the Government over taxi fares and advocating for clear and sensible policies to be adopted in respect to the following -

- Future plate issues to be based on performance standards (e.g. only issue plates where and when they are needed)
- To identify and agree on a realistic benchmark on which to set the performance standards
- A plate ownership incentive scheme for drivers

It is imperative to the economic stability of the taxi industry, that the Government sets clear policies that will protect industry viability, service performance and maintain fair returns to all industry participants.

TAXI RANKS AND ACCESS TO INFRASTRUCTURE

Under the guidance of the Taxi Rank Committee (TRC) Chairman, Chas Thompson, the TRC put in a tremendous effort throughout the year.

Through the TRC's consultation and close relationships with local and State Government authorities and other organisations, the following outcomes were achieved:

- New ranks were established in busy entertainment areas
- Some suburban ranks were relocated to better areas
- Ranks were arranged to service special sporting events
- Taxis managed to retain access to the Kwinana Freeway BusWay
- Funding for three supervised taxi ranks was maintained
- A large central taxi rank was installed at the Domestic Airport to replace the two separate ranks
- Input into the National Taxi Rank Shelter concept and paper

The TRC and TCWA are still pursuing the State Government to allow taxi access to the Shenton Park Bridge (Buslane).

INCREASING TAXI DRIVER AND INDUSTRY RECOGNITION

The Council's 2003 "WA Cabbie Day" held at Burswood was a huge success and attracted a large number of taxi drivers and supporters to join the industry's festivities and to recognise and congratulate the Taxi Driver of the Year winner, Leslie Pedder, and other finalists and Award recipients.

With special thanks to the major sponsors, Kleenheat AutoGas, Radio 6PR and the Department for Planning and Infrastructure (and all other sponsors and supporters) this Awards event and Cabbie Day Festivities were able to be hosted free of charge for all drivers and their families.

This event and the Awards program went a long way in raising the recognition for taxi drivers and received TV, Radio and Newspaper coverage.



As a result of the success of this event, Radio 6PR has increased their level of support and exposure for the 2004 Cabbie Day and Awards program to include an outside broadcast on Cabbie Day as with weekly spot prizes and a dedicated weekly 15-minute 'taxi segment'.

CONCLUSION

Throughout a difficult and uncertain year, the Taxi Council starved out threats of deregulation and plate buyback. Through this period, the Council also managed to maintain levels of stability, plate prices and confidence in the industry.

The challenge now is to work with the Government during this post-review and reform period and progress initiatives that will improve the service to the community and returns to drivers and taxi operators. Pivotal to this, is the need for Government to provide the taxi industry with clear policies and economic certainty.

On behalf of the Executive Council, sincere thanks are extended to all members for their support, contributions and high level of involvement and participation during the year. Our gratitude also extends to industry partners and alliances and to State Associations and the ATIA for all the support and sharing of knowledge and experiences.

It has been a pleasure to work together during 2003 and progress issues of National importance.

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LEGISLATION

The end of 2003 saw the process through Parliament of legislation designed to satisfy National Competition and DDA requirements. The Industry will now see the release of WAT licences which will be limited in number in the first instance, will be free of charge but must have a vehicle that complies to the standards set.

The unit will be expected to give priority to transport for the disabled but will have all rights of a normal taxi and may carry up to twelve passengers.

The legislation also allows for the issue, in two years time, of additional taxi licences in all taxi areas. The number is to be set at 5% of the number currently operating in an area. The release may be deferred for one further year at the Ministers discretion. These licences will be sold at a current market value which will be set each three years by the Valuer General. There is to be no test as to need or industry viability for additional licences, the Act simply states that *the Commission must make available for issue in each taxi area an additional number of licences.*

CAMERAS

This issue of mandatory installation of cameras into taxis is not yet resolved and the regulatory authorities issued draft regulations for the introduction of security cameras in Hobart, Launceston, Devonport, Burnie and Ulverstone. A second thirty day public input period was then advertised and the responses are now being considered. In the meantime cameras have been installed in some taxis with others on order as operators were advised by the Department that cameras must be installed by the 28th February 2004. The fare increase to cover the camera cost was to be in place three months before cameras became mandatory and this was regulated back in June last year.

FARE INCREASE

The last fare increase was at the 30th June 2003. This was a two part increase - 4.55 % in response to the changes in CPI over the last period and the 1.24% increase to cover the costs of cameras that were to be installed. The taxi cost variance model was revised last year by independent consultants and this resulted in a suggested increase of less than the CPI.

COSTS

At the date of this report the following costs were-

LPG	54.9c per lt
Petrol	94.9c per lt
MV Registration	\$1148.00 (includes \$956.00 MAIB)
Workers Comp Insurance	.8% (+4% HIH levy)
Driver Training	\$270.00

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ACCREDITATION

The Industry is slowly but surely being dragged toward compulsory accreditation of responsible operators. The accreditation manual has been redrafted numerous times and must be close to its final state. The process has followed along behind bus accreditation and may well be using the same auditors. Audits, both initial, periodically and those triggered by complaint will be paid for by the operator being audited.. The basic argument against the scheme is that most operators would be complying with the accreditation program but must now pay, in time and money to prove it. The so called necessity for a system to handle complaints is interesting as most complaints are now handled by the networks and they will no doubt continue to do so. Historically the client is going to call the network not the responsible operator. The networks are not part of the accreditation scheme and there are no plans at this time for mandatory accreditation of networks.

NETWORKS

The networks are anxiously watching the debates that are in progress on two major issues -

- the first being the question of whether the network contracts to move a passenger or does the network subcontract with a driver to move a passenger.
- the second issue is the liability relating to the supply of WATs and to the operations of those WATs within the network.

It should be obvious that assistance in these areas by the ATIA is absolutely essential and is appreciated.

WEBSITE

TIAT now has a website which is being built up but it does give a point of contact to anyone that needs it. - www.tiat.com.au

SUMMARY

Interesting to note that there has been a substantial increase in demand for licences mainly coming from Melbourne and Sydney, and this obviously is causing owners to increase the asking price. The mainland buyer, in most instances, requires a lease agreement to follow the sale but as networks do not lease licences, coupled with only a few plates available, most potential buyers can not proceed.

The Association opened its membership up last year to accommodate responsible operators who are not licensees and created three seats on the Board for representation of those members. Even though the annual fee is nominal for an operator of a licence whose owner is already a member there has only been an increase of one on the Board.

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