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STATE REPORTS



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NEW SOUTH WALES

National Competition Policy

The release of the National Competition Council's review of the New South Wales Government National Competition Agreement created a lot of uncertainty for the industry throughout last year. The uncertainty was very damaging to the value of taxi plates and when combined with a number of other circumstances including very low unemployment levels and the issue of new taxi plates to hire car owners, meant that plate values were sent lower during the year.

During the year, the issue has been foremost in the minds of the executive and a lot of time and resources has been dedicated to ensuring that no adverse decisions were taken. The letter campaign targeting every New South Wales member of the federal government was just one of the effective interventions that the Taxi Council initiated. Many meetings with both the Federal and State Governments were held throughout the year to ensure that decision-makers were fully aware of the weaknesses of the NCC appraisal. The efforts of the Taxi Council were instrumental in persuading both governments that there is no need to 'deregulate' the industry in New South Wales.

It is also pleasing to note that the downward trend in metropolitan plate values has now reversed.

Industrial Relations

The TIA had a successful outcome from last year's Industrial Relations Commission (IRC) hearing to amend the Contract Determination. The Commission followed the advice of IPART to adjust pay-ins exactly to compensate operators for changes in their costs as measured in the Taxi Council's cost index. This augurs well for future hearings and should greatly simplify the process of ensuring that fare increases are fairly apportioned between drivers and operators.

The Transport Workers' Union (TWU), which is the only driver representative organisation recognised by the Association and the IRC, has lodged an application for superannuation for taxi drivers. The TIA continues to oppose this application.

Review of Taxi Fares

Our consistent and no-nonsense approach to the annual review of fares is starting to yield benefits. IPART released an issues paper that canvassed significant changes to the taxi cost index based on representations made by the TWU. The Taxi Council was able to successfully refute the TWU claims and fully substantiate our case. We believe that our credibility has been enhanced as a result and the subsequent fare increase was well justified.

No Destination Trial

The NSW Taxi Council learned through the media about the Minister for Transport Services' decision to conduct the no destination trial. The decision

was sprung upon the industry without consultation and we were told very firmly that the trial itself was “not negotiable”.

A period of consultation followed as we tried to establish the trial on a level playing field for all. Part of the level playing field involved banning the operation of illegal trunk radio networks that could otherwise continue to offer destinations to drivers unfettered by the need to comply with regulations.

Subsequent to the year-end, the Minister for Transport announced the abandonment of the trial but the matters relating to unauthorised networks are yet to be resolved by the Taxi Industry Task Force that has been established.

Ministerial Inquiry

The next bombshell to hit was the announcement of the Ministerial Inquiry into the taxi industry.

Alan Cook’s interim report reflected the enormity of the task that he set for himself.

It seems almost certain that the future of the industry will involve less reliance on the government telling us what to do and a commensurate increased reliance on providing what our customers want.

WATS Inquiry

The industry has also been subjected to an inquiry into wheelchair accessible taxi services.

We believe we have been successful to date in convincing this inquiry that service to wheelchair passengers is not a matter simply related to how many WAT licenses are issued. The issue for our industry is one of economics. We cannot provide a service that does not enable us to earn adequate income. This inquiry has therefore started to focus on answering the question: Who pays for the services that wheelchair passengers require?

Taxi Advisory Committee

The Taxi Advisory Committee was reconstituted during the year and the Minister announced that it was being re-launched. I can only say that the outcome has been very disappointing with very few meetings held and no significant progress has been made.

The Taxi Council has had no response to its suggestion that collection of operator accreditation fees be suspended until a proper plan is approved that spells out how the funds (\$5.3 million at June 2004) are to be used.

Taxi Council Initiatives

Throughout the year the Taxi Council has continued to work on many fronts toward improving things for the industry.



The Taxi Council plays a critical role in providing training for the taxi industry. The Driver Training Schools achieved a throughput that resulted in 1159 new taxi driver authorities being issued during the 2003-04 year. The number of new authorities issued during the period January to June 2004 has increased by 20% compared to the previous year. Statistics indicate the industry in New South Wales is achieving high retention rates of drivers with nearly 75% of drivers still renewing their taxi driver authorities 4 years after they were first issued.

During 2003-04 the Taxi Council provided essential training for 410 new taxi operators, 112 existing operators, 187 WAT drivers in the city and 207 in country areas. The provision of high quality training is a significant investment in the industry itself and certainly represents a major commitment by the TIA and Taxi Council.

Significant inroads were made during the year toward achieving our five-year plan targets. The initiative to employ Quality Liaison Officers has been instrumental in lifting the presentation standards of the industry. The QLOs have provided a direct link between the Taxi Council and taxi drivers and their high visibility helps us spread our messages about quality service.

New procedures and penalties for WATS drivers have been introduced and have had a significant impact on the number of WATS vehicles that are now providing services for Zero200 wheelchair passengers. A committee established to oversee WATS service issues is working on other initiatives to further improve services for WATS passengers.

Ongoing representation on WorkCover's industry reference group has helped ensure a constant flow of information to members regarding Occupational Health and Safety issues. New publications including two violence in passenger transport workplace guides and a new CD to assist taxi operators prepare essential OHS documentation has been launched recently.

VICTORIA

Introduction

Each year the VTA undertakes a review of the issues facing the industry at the time and those likely to arise over the forthcoming 12 to 24 months.

In planning terms this horizon is too short to be truly strategic, but the process is of an important review and focussing tool. In any case, given the uncertainties and protracted implementation of the change program emanating from the 2002 NCPR outcome, a longer-term development path has been somewhat misty.

Nonetheless, the fact remains that the taxi industry is commercial and privately owned, not government owned and operated. As such, it behoves the industry itself to continually evaluate itself and ensure that it maintains control and develop its own industry.

Whilst this approach must be the “light on the hill”, the reality is that many within the taxi industry see government as both their salvation and their enemy. On the one hand they want government to stop interfering in their business, yet on the other they want government support by way of financial assistance and by way of striking down the competition.

Remember, government’s sees their relationship with the taxi industry as a partnership, not a lopsided dependency or a battle between David and Goliath. Therefore, if the taxi industry is to move forward it must do so with government but it is not up to government to make it happen.

The Issues

In addition to ongoing issues, the following were identified particular attention going forward:

- improving the image/status of taxis as a reliable, safe, competent and dependable transport mode;
- possible new services to meet the needs of existing and potential consumers, including alternative fare structures and vehicle types to respond to different markets;
- raising the ‘lowest common denominator’ on standards of service and presentation;
- cracking the community transport nut;
- being, and being seen to be, a key player in the strategic and tactical transport and event planning activities of others – particularly the State Government;
- driver issues – return for effort, safety, development, information, training, retention, recruitment;



- Public Relations – image and profile of taxis, and government relations;
- implications of, and compliance with, DDA standards;
- the hiatus in vehicle availability when Toyota ceases production of Avalon in June, introduction of new emission standards in January and the impacts of these on LPG use, and changes to Camry mid next year;
- accreditation regime;
- fare review process;
- review of taxi related legislation;
- operational specification for a new generation taxi meter;
- tolling and system integration;
- Commonwealth Games; and
- implementation of the BSX based licence transfer and assignment system.

Space here does not permit many of these issues to be discussed, but the VTA takes the opportunity to make some points:

Fares

An emerging opportunity is to develop and implement a range of fare structures as means of developing new markets and more competitive price structures, eg time of day, trip purpose, trip length, and passenger category. There are two main impediments to development and implementation of this initiative:

1. the industry itself – operators and drivers accepting that different trip types and fare structures would result in more hires and more revenue; and
2. the inability of most taximeters to cater for different tariffs under different circumstances.

In regard to the first point, there appears to be a culture within the taxi industry (not just in Australia) of keep things uncomplicated and with little variation. The line appears to be that the more complex fare structures are, the less the understanding and the greater the risk of abuse. Nonetheless, there could be market development potential in introducing different fare structures. One has to wonder though why there appears to be little implementation of such across the world.

In regard to the second point, it would be fair to say that most taximeters are outdated in terms of functionality and adaptability. Other devices and opportunities have outstripped the ability of most taximeters to cope. There is already a proposal that tolling on City Link, Melbourne Airport and East Link be integrated with the taximeter. Next could be the full integration (one black box) of the meter, booking system, taxi management system, EFTPOS, GPS, camera and other possible security devices.



Whatever the outcome of such proposals might be, it is paramount that they operate reliably and in a manner that doesn't disadvantage taxi drivers, operators and consumers.

Community Transport

Taxi industry folk recognize that government funded community transport services are a strong competitor of the taxi industry, nowhere more obvious than in country towns. There is only one reason for this – price to the consumer.

The age and dependency profile of the community is rapidly shifting and will continue to do so. The post WW2 population boom has resulted in a steady skewing of the age of the population to the higher end. People are living longer and are encouraged to maintain independent living. Responding to this, governments are allocating more and more funding to this sector, and the consumers of transport services are responding with their gold coin donations.

There is little point in the taxi industry grizzling about community transport – governments are merely reacting to the needs of the community. The old line of “that's taxi work” no longer washes – it is only taxi work if taxis are doing it. If taxis want to gain or regain this work then taxis have to compete.

There are two levels at which the competitive battle must take place. Firstly, at the source of funds allocation policy, and secondly, and more importantly, at the local service provision level.

The VTA sees its role as influencing the former and sees that it is the role of the depot/operator to compete in the local market for the allocation of community transport funded work. It is absolutely essential for taxi depots/operators to be involved with local agencies if taxis are to be considered as a competitive alternative to government funded vehicles.

There is absolutely no doubt that community transport type services will grow as the community ages and there is absolutely no doubt that if taxis want a slice of the action then they have to compete on price and service availability, quality and consistency.

Competition

The taxi industry has many competitors; public transport, community transport, private vehicles, courtesy services, shuttle services, hire cars, rental cars, car pooling, car sharing, off airport parking stations, and others. These competitors continue to grow because they provide cost effective and service type alternatives for the consumer. The consumer will make decisions based on such things as price, availability, reliability, immediacy, consistency, purpose, time, image, and others.

Gone are the days when the taxi industry relied upon the protection of regulation to keep competitors at bay. It is no longer about protecting providers; it is about providing the consumer with options that are price competitive.



Quite simply, taxis have to compete.

Taxis have attractions - immediacy, ease of access, identity, metered charge, and 24/7 operations. On the other hand, taxis have inhibitors – inconsistent service standard, price competitiveness, image, peaks and troughs demand, and others.

The reality is that the taxi industry itself is the problem, not its competitors.

Until such time as every industry participant becomes focussed on the consumer, the taxi industry as a whole will suffer, and the lowest common denominator will benchmark the industry's image.

Does this mean we give up? Certainly not! What it means is that every participant at every level in the industry has to play a part in improving and presenting a product that the consumer values.

If the taxi industry is to regain lost markets and gain new ones, everyone has to play a part – drivers, operators, depots, and the VTA.

Clearly, the VTA role is to target those matters that impact on the industry as a whole – government, media, competitor alliances, and other high level policy making and decision taking points. It is at these levels that taxi awareness and needs are injected into the strategic levels of government policy and programs. For example, the TravelSmart program and community transport trials and funding reviews.

It is at the depot level that service improvement and business development initiatives kick in. It is at this level that industry quality control processes emanate, and it is at this level product is promoted to potential consumers.

A depot's brand and performance is what the taxi consumer identifies with.

Impact on the VTA

As with any business or organization, the VTA has to regularly review how it is expending its resources and effort so that it not only focuses on those matters which its constituents demand and require, but also on those activities that have a good chance of achieving a positive outcome.

In so doing, any review has to take into account the changing political and economic environment within which it and its constituents exist. The review process also has to consider what others associated with the VTA are doing and should be doing, and what financial resources the VTA has available to it.

As stated previously, the line between the roles and responsibilities of the VTA and depots can become blurred, erratic and sometimes in the wrong place. Depots are an entity in their own right and must operate and perform in their own right. It is not the role of the VTA to interfere in or undertake the business affairs of a depot.

Likewise, the relationship between the VTA and the ATIA needs to be clear. The ATIA is going through a process of reinventing itself. This process has taken several large initial steps, but there are more to take. The operation and focus of the ATIA came to a head last year and provided the catalyst to make changes.

The VTA view is that the ATIA has a most important role to play in addressing federal issues thoroughly and professionally; for example, the recent review of competition policy and the NCC by the Productivity Commission. At this stage though, the ATIA is under resourced and will no doubt be looking to its members to remedy this. It makes sense that members do so, as it is far more productive to address a federal issue once rather than each member each addressing the same issue.

As discussed through this document, the VTA has to remain focussed on a raft of issues so as to achieve the best possible outcome for the benefit of the industry as a whole. Importantly though, it has to be clearly understood that taxi depots/operators must take responsibility for the operation and development of their own businesses.

The line between the role and activities of the VTA and depots/operators has to be clearly understood. In essence, it is the role of the VTA to focus on industry externalities and across industry commonalities and it is the role of depots/operators to manage, operate and grow their businesses within the whole of industry framework.

For more information on the taxi scene in Victoria, the VTA commends its publication "Snapshot of the Victorian taxi Industry 2005", a copy of which has been placed in the conference satchels.



AUSTRALIAN CAPITAL TERRITORY

Last year's report highlighted the degree of uncertainty under which the ACT taxi industry was operating. The intention of the ACT Government to implement a "formula-based" release of taxi licences (the auctioning of a 5% addition to fleet each year at a progressively lower reserve price) was thwarted by the Legislative Assembly, when it referred the proposed Road Transport (Public Passenger Vehicles) Amendment Bill 2003 to the Standing Committee on Planning and Environment.

This committee recommended a buy-back of taxi and hire car licences, regulated release of taxi licences based on measurable indices, and open entry for hire cars.

Crunch time came in July when the Assembly debated the Bill once again. The Government indicated it favoured its previous position and was prepared to pass the bill in its original form. An intense amount of lobbying by individuals in the taxi industry as well as the CTPA preceded the vote; and fortunately the government was defeated. Hire cars are to be deregulated, commencing July 1.

The bill cannot be brought forward again for a period, but uncertainty still prevails.

An important factor is the composition of the Legislative Assembly. An election has been held in the ACT since the issue was debated in July. The Labour Government now holds a majority of seats in the Assembly (9 out of 17), something it did not enjoy back then.

Of course there is still some pressure to reform the taxi industry, and the industry itself, in the breathing space now provided, intends to make very good use of the time available to introduce a higher level of competition within the present fleet; both to demonstrate to the government that the industry is capable of performing as it should, and to handle the threat posed by a deregulated hire care industry.

Higher Competition

It goes without saying that a successful business is imbued with attitude that the customers' needs should always enjoy top priority. In the taxi industry, this is always stated as the prime objective; but unfortunately, human nature being what it is, and the level of protection that the industry enjoys by entry restrictions, do tend to have many of us thinking about our "rights" created (we may believe) by the amount invested in our licences.

Realising that those who would deregulate perceive that the industry is more concerned about licence values than customer service, Canberra Cabs is planning to introduce internal competition into the Canberra taxi fleet.

The first step will be the introduction of an executive type fleet consisting of Fairlane or Statesman vehicles, the type of executive taxis that operate in larger cities elsewhere. A feature of the service will be guaranteed on-time taxis and guaranteed standards of service. Drivers will need to undergo special training

and vehicles and drivers will need to continually meet the standards set by Canberra Cabs, or be removed from the fleet.

Drivers will be encouraged to build a personal clientele, but be obliged to lodge all pre-booked work with the dispatch service for preferred allocation. This will provide a back-up for the customer and allow proper record keeping.

The executive fleet will not be launched until after the ACT Government agrees to a \$10 booking fee for such a service.

Canberra Cabs does not intend to stop at an executive fleet. Operators will be invited to be part of a fleet that demands higher than acceptable standards, and to compete with those who do not.

The intention is to continually revitalise the whole fleet, and to continually monitor the needs of clients so that the Canberra taxi industry may be always innovative.

WATS

The wheelchair accessible taxi service continues to be a thorn in the side of, users, the government and the taxi industry.

Basically, the industry believes that drivers do not take enough money to cover the cost of driving long distances to pick-up a fare.

The contention of the CTPA is that if the government tendered wheelchair work, potential contractors would charge enough to make a profit and would do all the wheelchair they could. The present situation, whereby the government washes its hands of its community service obligation and expects the taxi industry to do the work as repayment for the "cheap" taxi licence simply does not work. Drivers do not "enjoy" the ownership of a "cheap" licence, and even owner/drivers are failing. Seven of Canberra's original twenty six WAT licences have now been handed back to the government.

With the intention of improving the situation Canberra Cabs has asked that some of the surrendered licences be issued to it, and that the requirement that all WATs be capable of carrying two wheelchairs be relaxed.

Driver Training

Taxi driver training has, for several years, been conducted by an accredited agency, which operates independently from Canberra Cabs.

In view of the above plans to operate separate competing fleets, and the need to engender fleet loyalty amongst drivers, Canberra Cabs feels it appropriate that it becomes more deeply involved in driver training. It is working in conjunction with the present provider to develop a training and retraining program that best serves anticipated needs.



Ken Lambert House

In the midst of the excitement generated by government decision or indecision Canberra Cabs has moved to a new home.

Headquarters has moved from Lyons, our home for sixteen years to Fyshwick, an industrial suburb on the eastern edge of the city.

The new building, Ken Lambert House, is over twice the size of the original Ken Lambert House.

Canberra Cabs presently occupies the entire top floor of the building and will soon take over about one third of the lower floor.

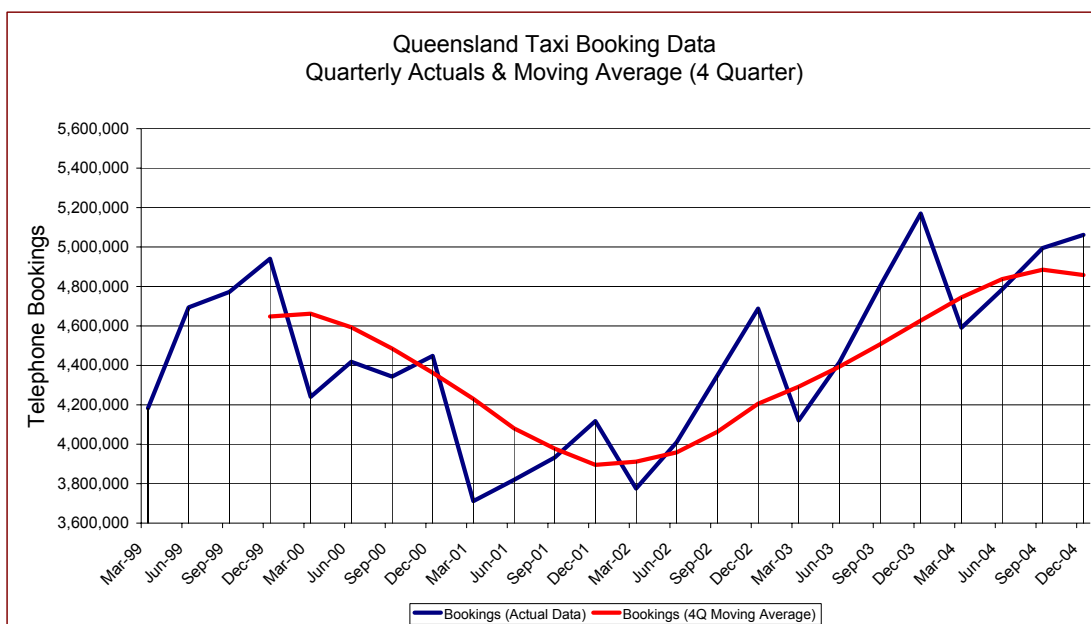
A feature of the new building is a large room which is intended to be used for driver training.

QUEENSLAND

Introduction

The 2004 calendar year proved to be a good one for the Queensland Taxi Industry. As the graph below clearly shows, demand for taxi services continued the recovery begun in 2002.

While some improvements in the general health of the wider economy clearly helped this recovery, the very low levels of unemployment made it increasingly difficult for taxi driver training schools to attract new drivers, and for taxi operators to maximise asset utilisation (i.e. take-up of all available shifts).



Some driver shortages notwithstanding, the Queensland Taxi Industry 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;
- Industrial Relations;
- Taxi Industry Health & Safety Committee;
- Accident Watch Task Force;
- DA / OA Review;
- Taxi Fares Review

before concluding with some brief notes on Cabbie of the Year.



National Competition Policy

The National Competition Policy (NCP) Review of the Transport Operations (Passenger Transport) Act commenced in December 1998 and culminated in a report that was released in September 2000. The report concluded that there was a substantial public benefit for Queenslanders to be derived from retaining a regulated taxi industry. It also recommended a number of initiatives to improve the industry's services. The Taxi Council was generally supportive of the review (subject to a number of important caveats).

In May 2004 Queensland Transport (QT) released for consultation a (short) discussion paper seeking to further develop the initiatives recommended in the 2000 NCP Review report. Setting aside our concerns about the delay in the release of the paper (originally due in December 2003), it contained a number of worrying elements including:

- the introduction of unlicensed public transport services in the form of "High Luxury Vehicles" and "Tours in Passenger Vehicles";
- a proposed, new hybrid limousine / taxi licence called a "Luxury Passenger Vehicle" licence;
- the possibility for manipulation of taxi licence values through new powers for QT to lease licences; and
- ambiguous proposals in regard to part-time taxi licences and the operation of contiguous taxi districts.

In response, the Taxi Council embarked on a state-wide consultation process before preparing (and lodging) a comprehensive submission. By the end of 2004 there were some encouraging signs that QT would abandon the Luxury Passenger Vehicle proposal and was moving away from leasing licences. However, issues such as the re-establishment of an open supply market for limousine licences still remained as a very significant threat to the taxi industry.

Industrial Relations

Flowing from the 2000 NCP Review, the Ministers for Transport and Industrial Relations set up a separate review of taxi drivers' remuneration and working conditions. This review produced a report (in September 2001) that included 20 recommendations.

The first 2 recommendations were, of very significant concern to the Taxi Council – they proposed a radical change to the Industrial Relations Act that would give it, and the Queensland Industrial Relations Commission (QIRC), coverage of taxi bailment agreements. In August 2002 the Government modified the recommendations to limit the role of the QIRC by establishing a Standard Bailment Agreement (SBA) and a Code of Practice (COP) for the Taxi Industry.

Recognising the danger involved in the Government's proposal, the Taxi Council actively engaged and lobbied the Government on this issue. Importantly, in a series of meetings in November and December 2003, with the Minister for Industrial Relations, we were able to present advice from our

solicitors (Clayton Utz) which articulated a pathway forward that satisfied both the Government's aspirations and the industry's concerns. Pleasingly, this proved to be watershed in the development of the COP. From that point onwards, development of the SBA and COP made real progress in the first half of 2004.

Notwithstanding this good progress, inexplicably, government officers appeared to lose all interest in the SBA and COP in the second half of 2004. Accordingly, it remains an issue that hopefully will find successful closure in 2005.

Taxi Industry Health & Safety Committee

Some 11 months after accepting 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, this Committee ever since.

During 2003/04 the Committee reviewed the adequacy of Personal Accident policies vis-à-vis WorkCover policies. Pleasingly, in early 2004 the Committee concluded that the private insurance policies were adequate and that there was no need to mandate WorkCover arrangements for taxi drivers.

The Health & Safety Committee also continued its work investigating the mandatory introduction of security cameras for taxis in Queensland. The Taxi Council strongly advocated mandating cameras 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 via an Industry Development Fund established from taxi licence sales revenue.

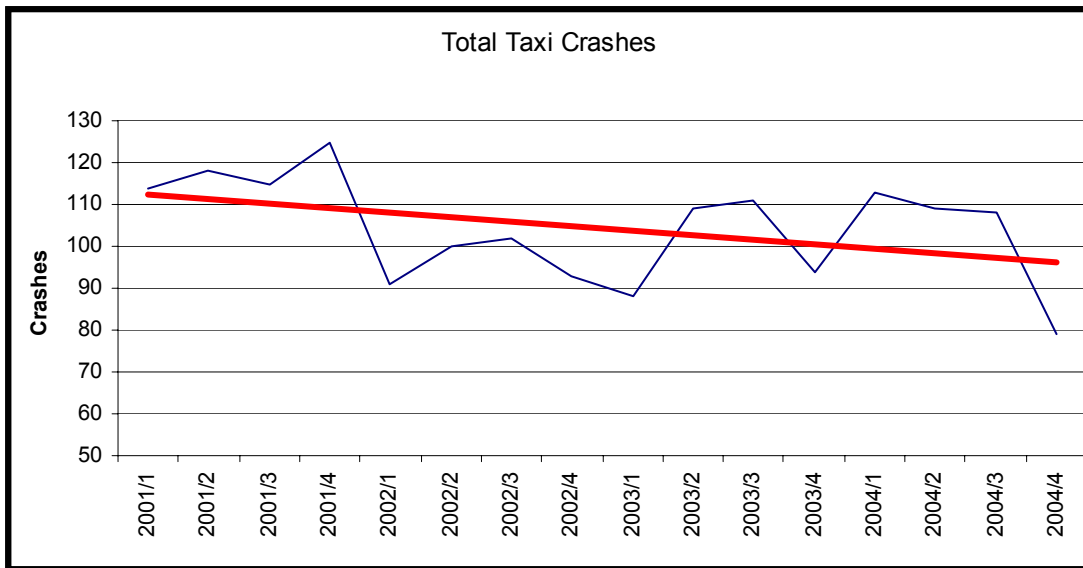
In October 2004, Premier Beattie and Minister Lucas announced that security cameras would be mandated for Queensland taxis with funding coming from taxi licence sales as recommended by the Taxi Council.

Accident Watch Task Force

The Queensland taxi industry worked extremely hard during 2004 to reduce crashes involving taxis, but especially those where taxis are at fault. Amongst other initiatives of the Accident Watch Task Force (AWTF) project we -

- conducted an extensive programme of safe driving seminars throughout the state;
- prepared a portfolio of safe driving fact sheets which were distributed to operators and drivers around the state;
- conducted a series of operator workshops covering a range of topics including safe driving and the cost of crashes; and
- researched and tested equipment and products to make Queensland taxis safer.

Each of these activities produced encouraging results. Pleasingly, at fault crashes involving taxis, as recorded by QT and the Motor Accident Insurance Commission (MAIC) are trending down.

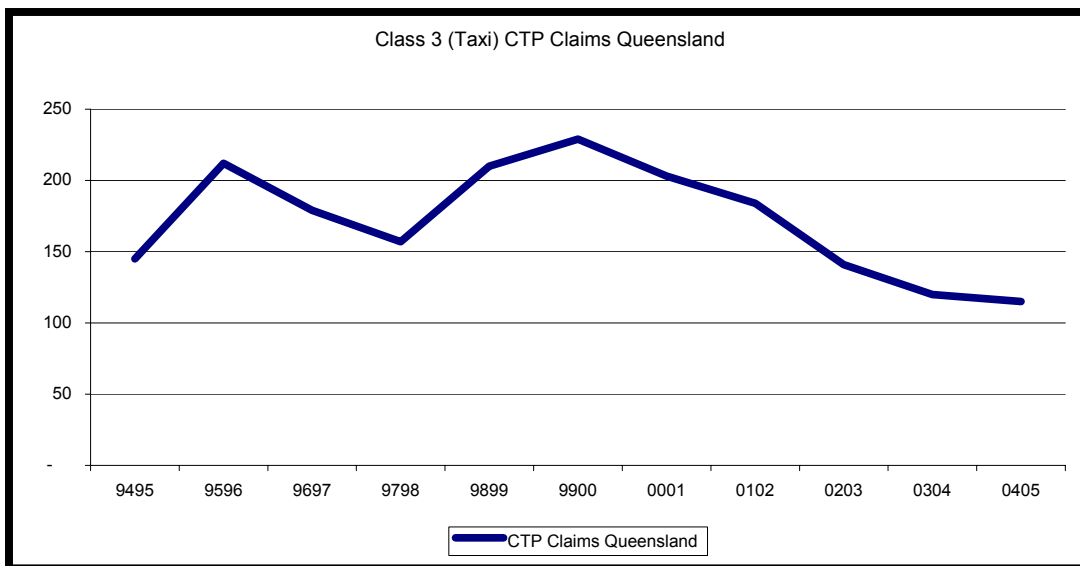


There was also encouraging evidence in 2004 that the State Government's tort law reform initiatives (the Personal Injuries Proceedings Act (PIPA) and the Civil Liability Act (CLA)) could be leading to fewer CTP claims and lower average payments, particularly those relating to whiplash and other soft tissue injuries.

Given this context, the Taxi Council argued strongly in its March 2004 submission to MAIC that Class 3 (Taxi) CTP premiums should not increase in 2004/05. Furthermore, we contended that the following constituted substantive reasons for MAIC to press CTP insurers to reduce Class 3 premiums -

- recognising the success of the crash reduction strategies promoted by the AWTF;
- incorporating the expected impact of PIPA and CLA;
- emulating the best practice benchmarks established in other states such as Victoria and Western Australia;
- ameliorating the hardship caused by high CTP premiums to small businesses and the broader Queensland community;
- promoting a long term, sustainable and affordable strategy for Class 3 CTP premium payers; and
- dealing logically, consistently and equitably with cross-subsidies in the Queensland CTP system.

MAIC responded by increasing the Class 3 CTP premium relativity from 11.5 to only 13 times the Class 1 premium (instead of 14 times as it originally intended prior to receiving the Taxi Council's submission).



The Taxi Council will continue to drive the work of the AWTF and lobby MAIC for lower CTP premiums as a major priority in 2005.

DA / OA Review

In November 2002, QT released for discussion a report on 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 formal response to QT 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 or booking companies.

It is pleasing to report that in May 2004, the Government abandoned its 2 tier approach in favour of (simply) toughening the eligibility criteria within the DA approval process (as advocated by the Council).

While this was certainly a win for common sense and the industry, the implementation of the new requirements was not been without "teething pains". In particular, unreasonable and unacceptable delays were experienced for some months by new drivers applying for DAs.



Fare Review

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

The Taxi Council put a robust submission to the government in 2004 demonstrating that the industry needed -

- an extension to the operational times of Tariff 2 (to operate all day Saturday); and
- an increase in the Km rate from \$1.32/km to \$1.43/km.

Disappointingly, QT chose to only increase the Km rate from \$1.32/km to \$1.38/km. This was an unfortunate decision because it did little to generate a financial incentive for taxi drivers to return to the industry (see comments above regarding the impact of low unemployment rates). It was also disappointing in the context of a broken commitment by QT to work with the Taxi Council in an overhaul of its taxi cost model prior to the 2004 review.

Cabbie of the Year

As a positive initiative to promote taxi driving as a profession the Taxi Council reinstated the Cabbie of the Year Awards in 2004 as an annual event. The awards structure was also revamped to focus on excellence in customer service, driving standards and commitment to the industry.

The award winners were announced at a Gala Dinner held at the Brisbane Convention & Exhibition Centre in June. The calibre of all drivers nominated for the event was exceptional, and over \$24,000 was raised for the Police Citizens Youth Club and the Paraplegic & Quadriplegic Association of Queensland).

SOUTH AUSTRALIA

It is twelve months down the track since the Office of Public Transport replaced the Passenger Transport Board. We are learning our way around the walls of the policy makers (the OPT) and the policy enforcers, the Department of Transport. It has been an interesting 12 months for the industry and no doubt for those in government who are new to our industry. We were concerned that the integration of transport functions may mean the shifting of priorities to the buses and whilst we have encountered some problems with buses and “kerb space”, on the whole things have settled in reasonably well. I would say the government is fulfilling its commitment to recognise and deal with the problems that have been facing our industry.

One Stop Shop

In a combined planning and decision making process, industry and government together developed and implemented the first stage of a “One Stop Shop”. The difficulties encountered with transactions such as accreditations, payments and lease approvals, were acknowledged and the “One Stop Shop” conceptualised and implemented, bringing most of those functions together. The Taxi Council will continue to assist and approve most transactions but the government fees will be paid at the same site. Approval for accreditations, still a function of Transport SA will also be at the site. For the first time since the dissolution of the Metropolitan Cab Board our Operators can streamline these functions and payments at the one location, giving more time to our cabbies to get on with business.

Bus Lanes

The inaugural meeting of the Premier’s Taxi Council was held on 5th November 2002. Members meet quarterly and issues that need the support of the Premier or Minister for Transport are tabled and resolved. After extensive lobbying at the PTC approval was granted for taxis to use bus lanes. This was first implemented in December 2003 and has worked well. The trial was then extended for accessible taxis to use the West Lakes Boulevard Busway into AAMI Stadium. Due to the success of that trial, permanent approval has now been granted.

Expiation Fees for Illegally Parked Vehicles

With the support of the Premier’s Taxi Council we managed to have the expiation fee raised from \$28 to \$45 for vehicles illegally parked in taxi ranks. At a recent meeting, the Premier signalled his intention to raise it again to \$70.

Refresher Training / Tourism Accreditation

It was proposed at the Premier’s Taxi Council meeting of March 2004 that members consider the concept of refresher training as an alternative to financial penalties or as an additional requirement for non-compliance with Regulations. The Taxi Council considered the consequences to the industry, drivers and to passengers and on the 10th January 2005 wrote to the Office of Public Transport seeking endorsement for its proposal. It was also agreed to enhance the tourism



component of the current course and to base it on the Certificate in Tourism provided by the Department of Further Education.

Country Taxis

The Passenger Transport Act 1994 completely overlooked those country taxis that were operating in areas where their respective Local Government Authorities did not have taxi by-laws. In effect it simply failed to give these operators the capacity to provide “taxi services” at all. A Number of options for the regulation of country taxis were tabled at the Premier’s Taxi Council. In essence “Option three” was everything asked for in the previously put CTO’s position paper except for restricted taxi licence numbers. Importantly and additionally that PTC recommendation came with the proviso that the vexed question of restricted taxi licence numbers in SA country would be tied to the current metropolitan taxi industry review. There is still much work to do for and with the Country Taxi Operators.

Refusal of Jobs

A sub-committee of industry representatives and a consumer representative was formed from the Premier’s Taxi Council to develop strategies to deal with drivers who recalled work. It was agreed that the problem was not constrained to short trips but to drivers who sometimes refused longer jobs going in the wrong direction. It was recognised that most taxi drivers provided a good quality service and those drivers should not be penalized. The Centralised Booking Services introduced job sharing in outlying areas to improve service delivery. A number of strategies have since been agreed and some implemented. Misdemeanours will be handled under refresher training; mystery shopper and customer exit surveys will also be conducted.

Magazine

The Taxi Council magazine is back and will be printed bi-monthly. The Taxi Council recently entered into an agreement with Bowden Printing for the printing and the procurement of advertising. You are welcome to use our articles and we thank you for the reciprocal rights. All advertising enquiries should go to the Taxi Council SA or direct to Bowdens.

Taxi Driver of the Year 2004

Taxi Driver of the Year for 2004 was considered the best yet. The ultimate winner, Arthur Harlaftis, received \$10,000 first prize. Arthur has been in the industry for 25 years and still has a great passion for driving his taxi and more importantly providing excellent service to his customers. A number of dignitaries including the Minister for Transport, the Shadow Minister for Transport and the Lord Mayor and Lady Mayoress of Adelaide attended the Gala Night. All monthly winners were presented with their prizes and the first prize was announced and presented by the Minister for Transport, the Hon Trish White. The Taxi Driver of the Year for 2004 was supported with an extensive advertising campaign and lifted the profile of the industry once again.





Industry Futures

The Taxi Council has formed an “Industry Futures” sub-committee to preside over major industry issues such as WorkCover and the Taxi Industry Review. This committee has commenced reviewing all facets of the taxi industry in South Australia. The final paper will be tabled to government as the industry’s response to their review.

Taxi Ranks

A taxi rank sub-committee was formed as part of the Taxi Council. Despite a number of meetings with the Adelaide City Council and the Office of Public Transport not a great deal has yet been achieved. A taxi rank plan for the major ranks in the city was developed at the Taxi Council over 15 months ago. None of the initiatives have been implemented by the ACC. The ACC has however, developed its own “Passenger Loading Plan” which has been left with us for comment. The Taxi Council will give their plan a resounding veto as it has the propensity to remove ranks and encourage touting by hire cars.



WESTERN AUSTRALIA

Introduction

As with the previous year, the Taxi Council of Western Australia (TCWA) will remember 2004 as a period of economic uncertainty. This was mainly attributable to the Government competing with the private sector in the leasing of taxi plates.

During the year, the TCWA focused resources and effort into lobbying the Government and pursuing legal remedies in effort to curtail the Government and maintain taxi operator viability. Ultimately, the TCWA strove to obtain some sensible and sustainable policies from the Government that would provide the industry with some clear direction and stability.

Whilst the matter of the Government competing with private taxi owners over the leasing rates of taxi plates is still before the Courts¹ waiting determination, the Taxi Council managed to maintain levels of industry confidence, viability and high level of service performance to the community. More specifically:-

- The regulatory environment was maintained
- The demand for taxis increased
- Returns to taxi drivers increased (including a fare increase in excess of 7%)
- Industry confidence was maintained
- Public awareness and recognition for taxi drivers increased
- Taxi ranks and access to infrastructure improved

Government relations improved marginally throughout the year, with the Taxi Council working closely with the Government on a number of projects and service initiatives, including public awareness and industry promotion, taxi rank coordinator training and introducing a new system of multi-hiring called "Fare Share". There is still opportunity for the Taxi Council to improve communications and relations with the Government and this continues to remain a focus for the Council.

¹ In 2004, the State Government reduced the maximum conventional taxi plate lease rate that private taxi owners can charge from \$453 to \$355 per week (exc. GST). The Government says that the new maximum rate of \$355 is an interim figure until such time as all taxi plate owners provide them with information about their respective leasing arrangements and they can determine an average market rate. The Taxi Council has filed Appeals against this decision with the Local Court and the newly established State Administrative Tribunal.

At the same time, the Government commenced leasing taxi plates directly to taxi drivers @ \$250 per week.

Maintaining a Regulatory Environment to Protect Member Interests, Service Performance and Industry Viability

Regulation and Service Performance

The taxi industry in Perth remains regulated and this in turn, ensures that the high levels of driver and vehicle standards, operator viability, safety and service to the community are maintained. During 2004, service performance levels continued to achieve around a 90% efficiency and customer satisfaction rate and the demand for taxis increased.

Despite the Government releasing an additional 76 Government taxi licences and lowering private sector licence rates, plate prices and industry viability remained firm. The average taxi plate price traded for \$200,200; a slight decrease from the 2003 level of \$210,000.

This level of economic stability and continued strong market growth is pleasing.

Industry viability

In December, a minimal fare increase of 2% was granted. The Council lobbied furiously and later achieved approval for introducing a \$1 radio call-out fee. This equated to a further increase for taxi drivers of approximately 5.4% bringing the total fare increase to around 7.4%.

With a State Election due in 2005, the Taxi Council successfully lobbied the Labor Government and the Opposition for determination of future fare increases. Both the Labor Government and the Opposition subsequently announced that they would approve annual fare increases based on either movements in the Consumer Price Index (CPI) or the Private Motoring Index (PMI).

Taxi policies

The Taxi Council continues to advocate for clear and sensible policies to be adopted in respect to the following:-

- Future plate issues to be based on service performance standards (i.e. only issue plates where and when they are needed)
- All regulated charges (fares, plate and shift leasing rates) to be pegged and adjusted annually in keeping with the movements in the CPI
- A plate ownership incentive scheme for drivers
- No State Ownership of Taxi Plates (i.e. that the Governments role is to regulate the taxi industry and not to compete with it)
- Wheelchair passengers and operators of wheelchair taxis to have a choice of taxi company

It is imperative to the economic stability of the taxi industry, that the Government sets clear and economically sustainable 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 organizations, the following outcomes were achieved:

- new ranks were established in busy entertainment areas
- some suburban ranks were to relocated to better areas
- ranks were arranged to service special sporting events
- funding for three supervised taxi ranks was maintained and increased
- a new system of multi-hiring ('Fare Share') was developed
- the first taxi rank shelter was installed

Increasing Taxi Driver and Industry Recognition

The Council's 2004 "WA Cabbie Day", held at the Burswood International Resort Casino in November, was a huge success and attracted a large number of taxi drivers and supporters to join the industry's festivities and to recognize and congratulate the Taxi Driver of the Year winner, Denyce Walker, and other finalists and Award recipients.

With special thanks to the major sponsors, Kleenheat AutoGas, Radio 6PR, Department for Planning and Infrastructure and the Burswood International Resort Casino (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. Radio 6PR broadcasting live from the venue and all other media including Television, Radio and Newspapers were in attendance and publicized the event throughout the State.

As a result of the success of the 2004 Cabbie Day, Radio 6PR has increased their level of support and exposure for the 2005 Cabbie Day and Awards program.

Conclusion

Throughout a difficult and uncertain year, the Taxi Council starved out threats of unfair competition and managed to absorb an increased number of taxi licences without adversely affecting operator and industry viability. Demand for taxis increased throughout this period and the Council managed to maintain levels of stability, plate prices and confidence in the industry. For the first time, the Taxi Council obtained a written commitment from both the Labor Government and Opposition for an annual fare increase (to be based on either the CPI or PMI model).



The challenge, as in the previous year, has been to continue to work with the Government 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 valued sharing of knowledge and experiences.

It has been a pleasure to work together during 2004 and progress issues of National importance.





NORTHERN TERRITORY

2004 was more stable with capping of Taxi numbers in Darwin and Alice Springs and minibuses, PHC and Limo numbers overall numbers remaining stable. Tourist numbers increased during the dry season and cruise ships and train passengers helped during the wet season.

The Commercial Passenger Vehicle Board has gained some powers and its own staff although insufficient to upgrade standards, Code of Conduct and other policy matters. We made many submission and reports to the CPV Board on matters relating to the Industry. Although to many, it seems slow and frustrating process but it was necessary to set protocols, form committees and obtaining operational information.

CPV Board members for next 3 years were announced and we expressed concern in regard to lack of Taxi representation especially from Alice Springs and bailment drivers. Four Committees; Complaints & Discipline, Ranking, Vehicle and Training these committees with assistance of CPV Board Executive Officer Jas Annand undertake much of the groundwork before recommendation go to the CPV Board.

The Executive consistently promoted increased returns to operators and drivers. Average returns increased over 10%, and this follows a 10% increase the previous year from a very low base. Initially through capping, then the reduction in licences plus increased number of tourists. Although some operators have suffered due to lack of drivers.

Shortage of drivers was an ongoing concern and the high cost of training was voiced as a major factor. The Taxi Council Executive made the decision to assist Hanson Training Services to introduce their training packaging into Darwin. This lowered training cost and facilitated some additional drivers but insufficient to meet requirements. Additional incentives will be required to encourage the retention and new drivers for next dry season.

The Council received some Government funding, subject to meeting certain conditions. We achieved the majority of the performance measure as listed in the business plan.

A monthly newsletter has been circulated and provides up to date information. Our reputation has increased with media, tourist associations, industry organizations and the general public - all asking for our views and comments during the year.

Fares were increased late October 2004 although well above CPI we are behind increases in expenses especially when the increase in fuel price is considered. We requested (in writing) a fare review in February 2004 - some eight months earlier. This is most unsatisfactory arrangement and we have recommended a different approach.

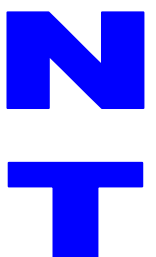


A submission for a lift fee was submitted to CPV Board which was rejected on the grounds of discrimination but is under review once again. A third tariff for six or more passengers is being considered favourably.

CPV inspectors operated on and off over the year, we compliment them on a difficult job, in most cases handled with honesty and with the Industry interests paramount. Both the number of customer complaints and the number of accidents decreased on the previous year by 10 – 13% this is excellent but further improvements are required.

Executive officer visited all main regions (no cost to the Council) and received a good reception. Alice Springs have 100% membership through the excellent support of Alice Springs Taxis. Both Gove and Tennant Ck receive information and are assisted by the Taxi Council.

In the coming year there will be further challenges as the CPV makes recommendation to the Minister with the key recommendation, managing “CPV Licences”. We will have to be vigilant that the changes result in the development of the taxi Industry and a reasonable return on the time spent by operators and drivers. To achieve good results we need more involvement by the operators and drivers. Through them becoming financial members, providing support & taking responsibility in providing a first class service to our customers.





TASMANIA

General

The year saw the introduction of WATs in this State and the Department is confident of reaching the set two year quota designed to approximate ten percent of the taxi fleet. The successful issuing of the WAT licences will trigger an early release of additional taxi licences throughout all taxi areas in Tasmania. There is no option or criteria to be met – legislation states that these licences must be made available each year by the 31st March.

The number of new taxi licences to be issued is five percent of the number of taxis in each area. The issue is to be by tender and if the average tender price exceeds the assessed market value then there will be an immediate issue of a further five percent in number thus doubling the number being issued. The tender price must exceed the assessed market value which is declared by the Valuer General each three years commencing as at 30th June 2003. The industry was interested to note that the valuation in almost every area other than Hobart indicates substantial falls in licence values since the valuation done in 1997, and in the case of Hobart the valuation (2003) was way below the actual market value at time of release.

After enquiry it was established that the owner of a Perpetual Taxi Licence (title of which is given by legislation) has no right of appeal against a value struck which will in the end effect the value of their property.

The issue of valuations is still being pursued by industry representatives as it is believed that the initial valuations conducted were in many cases incorrect, are already out of date and should be done annually, and that owners have been denied the right of natural justice in not being able to appeal against the value set for licences in their area. Most amendments proposed will require legislation amendments.

Cameras

At the date of this report cameras are legally required to be in all taxis operating in major metro areas of Tasmania

Fare Increase

A fare increase was granted at 1st December 2004 based on the changes in CPI over the period since the last increase. Fractions within the Industry have caused the Taxi Cost Model to be dropped as a tool to measure the need for a fare review. This was after a review conducted by independent interstate consultants who suggested the model indicated fairly accurate industry cost changes. Arguments were based around the issue that the cost of a licence (or the leasing cost) needed to be included in the model.

Costs

At the date of this report costs were –

LPG	57.5 c/lit
Petrol	109.9 c/lit
MV Registration	\$1176 (included MAIB \$989)
Driver Training	\$280

Representation

The industry representative body was terminated during the year following the Governments decision to no longer recognise TIAT as the industry representative. All matters brought to the Regulatory Body's attention had to be reviewed by all other concerned parties making it very difficult to progress issues of concern. TIAT's numbers were reduced causing financial concerns as TIAT was a public corporation.

A new body was formed to represent the interests of licensees and responsible operators. This group was initially made up of the Taxi Combined networks but rapidly expanded to include areas and networks from all over Tasmania, both metropolitan and country, and included networks that have previously not been members of TIAT. It is envisaged that with the dedication to make this body function in the interest of the industry that its strength will grow and it will receive the recognition of decision makers.

Licences

A demand mainly generated from the mainland still exists for the purchase of taxi licences. Coupled with this is the ability to lease out all licences available to operators and very few leases or arrangements are terminated.

Tourism

Tourism continues to generate activity in the State with bed occupancies being maintained at high levels, cruise ships calling regularly and cheap air fares constantly advertised.

Accreditation

The requirement for responsible operators to be accredited is still forging ahead although very slowly. Many see this is an unnecessary demand on the industries time and money.

Networks

As time goes by regulators are starting to look more closely at radio networks with a view that they may need to introduce network accreditation. They cite the liability of a radio network in relation to the provision of public transport under the DDA but cannot explain how this will be applied. The situation is further confused by Tasmania taxis (including the newly released WATs) not being required to belong to a network.