

STATE REPORTS

**2014
Australian
Taxi Conference**

**Perth, WA
30 March - 3 April**

***“Keys
to our
Future
Success”***

**2013
STATE REPORTS**

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NEW SOUTH WALES

Introduction

2013 represented a year of consolidation for the NSW Taxi Industry. There were mixed results in terms of addressing key issues with the NSW Government, however on the whole, the NSW TIA is cautiously optimistic that it has moved forward and that there will be better opportunities for the industry in 2014.

Licences

The NSW Government determined that 250 new licences, as well as 196 'replacement' licences should be issued in Sydney for 2013/2014. The new licences were Peak Availability Licences (PAL) which aligned with the Government's objective to address demand in peak periods. This determination was 150 less than what was recommended by IPART but it was still nonetheless a significant number for the industry to accept.

Notwithstanding the above licence release, licence values remained relatively stable throughout the year.

At the time of this report, the NSW Government is considering the number of licences to be released for 2014/2015. IPART continues to make recommendations that are unacceptable to the industry, including the release of another 340 licences for Sydney and future fare freezes. As a consequence the NSW TIA is actively campaigning against these recommendations.

Taxi Fares

The NSW Government announced that it would freeze taxi fares across NSW in 2014, although it did introduce a new peak surcharge for Friday and Saturday nights in Sydney. This was contrary to the fare reduction that that was being sought by IPART.

The NSW TIA has publicly advised however that whilst the taxi industry would be able to cope with a fare freeze for 12 months, this is not sustainable as drivers and operators must be able to recover costs and make a reasonable return in order to remain viable. Recent spikes in the cost of LPG and insurance, which are an ongoing concern to the NSW TIA, has highlighted the need for fares to be adjusted to ensure that owners, operators and drivers can make a proper living.

IPART is continuing to recommend fares freezes and the NSW TIA is working hard to ensure that these recommendations are overturned.

Industrial Relations

The NSW TIA was successful in defending a challenge from the TWU in the NSW Industrial Relations Commission to substantially lower bailment rates in NSW. The Union, in the face of comprehensive and well-established evidence, withdrew their application on the first day of the hearing. The NSW TIA is now seeking feedback from taxi operators on the Bailment agreement in light of this case.

Taxi Regulation

The review of the NSW *Passenger Transport Act, 1990*, announced by the Government in 2012, has not progressed since the last report. Whilst the NSW TIA is pleased that the NSW Government is considering this issue further, the ongoing matter of unauthorised taxi booking services remains a major concern for the industry.

Unauthorised taxi booking services continue to operate in NSW without any government intervention and this has led to a number of promotions by these organisations that are contrary to the public interest. This includes advising customers to avoid taxi ranks and to enter into 'bidding competitions' for taxis.

The NSW TIA continues to strongly advocate for the regulation of unauthorised taxi booking services, including an active media campaign on this issue. In this regard, the NSW TIA is encouraged by recent international developments which are seeing a trend by regulators to hold unauthorised Apps accountable for their actions.

Hire Car Regulation

The NSW Government has announced a review of hire car regulations with a particularly focus on the issue of pre-booking times. The NSW TIA has responded to this review seeking wide ranging changes to the regulation of hire cars including minimum fees, abolition of GPS based meters in hire cars and restrictions on advertising in relation to taxi services.

A decision on these reform proposals is pending.

Economic Benefit Analysis

The NSW TIA retained the services of Deloitte Access Economics to undertake an economic and social impact assessment of the NSW Taxi industry on the State of NSW. This study found that the NSW Taxi industry makes an annual contribution to the State in excess of \$1.15 billion, and provides a consumer surplus benefit in the order of \$550 million each year. In addition, the industry provides downstream economic benefits for other key industries in NSW, including the automotive, insurance, technological and legal sectors.

Drug and Alcohol Related Violence Campaign

The NSW Government has introduced wide-ranging laws in Sydney and NSW to deal with the increase in drug and alcohol related violence. These laws include mandatory sentences for offenders, 1:30am lock outs and 3:00 am cessation of the serving of alcohol.

The NSW TIA has supported these measures as they will hopefully help reduce violence and abuse against taxi drivers. The NSW TIA has, with the support of its media partner, also supported the Danny Green campaign which raises awareness of the damage one punch can do.

Training

The NSW TIA, through the NSW Taxi Council, continues to provide high-level training for the NSW Taxi Industry.

The NSW Taxi Council was formally recognised by the Transport and Logistics Industry Skills Council (TLISC) for its efforts with the WELL Program. This program is nearing its completion and the NSW Taxi Council is seeking a further round of funding to continue this program into the future.

Country Taxis

Country NSW taxis continue to perform well, often in trying circumstances as a consequence of illegal activities by hire cars and increasing competition from Community Transport.

Rural and regional NSW continues to face many economic and social challenges which are flowing onto NSW country tax operators.

Highlights for 2013

Key highlights of the year for the NSW TIA include:

International Fleet Review

The NSW TIA supported the Royal Australian Navy's International Fleet Review which was held in October 2013 at the same time as other major events including the NRL Grand Final. This was the biggest international event to be held in NSW since World Youth Day and the Sydney Olympics, and the NSW Taxi Industry provided high quality services to the public, despite the significant demand pressures placed upon it.

DVA/NSW TIA Round Table

The NSW TIA and DVA jointly hosted a Round Table Seminar in August 2013 with the NSW Taxi Industry and key Ex-Service Organisations to explore opportunities to build on the taxi services that are provided to DVA

clients. The day was highly successful with many suggestions coming forward that are currently being implemented.

The NSW TIA has also been engaged by DVA to prepare a Taxi Industry Learning and Education strategy which is currently under development.

Alzheimer's Australia "Is It Dementia" Campaign

The NSW TIA actively supported the "Is It Dementia" campaign which was officially launched by the Minister for Transport in July 2013. This campaign has now been integrated into taxi driver training in NSW.

Guide Dogs NSW/ACT

The NSW TIA has continued its strong partnership with Guide Dogs NSW/ACT through the sponsorship of its own guide dog. This support was made possible through the generosity of taxi drivers providing contributions at NSW Taxi Council training sessions, as well a financial donation from the NSW TIA.

Support to State Significant Events

The NSW Taxi Industry was also proud to support the promotion of the Lion King. The NSW Taxi Council worked in an effective partnership with Destination NSW and we have reached an agreement whereby the NSW Taxi Industry and Destination NSW will work collaboratively to promote state significant events.

The Lion King was the first of what we hope will be a number of such promotions that will ultimately benefit the State through greater economic activity arising from increased tourism and attendance at these events. The NSW Taxi Industry has received positive feedback from the Lion King promotion and we were pleased that we were able to combine the creative use of marketing through taxi wraps whilst preserving the important livery distinction for our networks.

Summary

Overall, despite some of the challenges presented to the NSW TIA, particularly from IPART, it was a successful year for the NSW TIA. The resilience of the NSW Taxi Industry was clearly demonstrated and there has been a strengthening of relationships with key stakeholders, including the NSW Government.

2014 is shaping up as yet another challenging year, with IPART again proving it is moving further away from reality however the NSW TIA is well placed to tackle these issues head on and actively advocate for a stronger industry into the future.

VICTORIA

The main focus of 2013 in Victoria was once again the Victorian Taxi Industry Inquiry (VTII).

Importantly, 2013 saw the release of the Final Report and also the State Government's response to that report. The VTA was pleased to be able to secure some important outcomes for members, the industry and taxi users. However, the VTA remains concerned that a number of the reform measures threaten to erode customer service rather than improve it.

It is important to remember that when the VTII commenced, customer satisfaction in relation to the taxi service in Victoria sat at an all-time low of around 55%. However, by the time the VTII concluded the satisfaction rating was sitting at 69%. Given there was no decisive intervention by government during the Inquiry, or any tangible actions by the VTII themselves, this improvement can be put down solely to determined and hard work by all industry participants.

The nearly three-year Inquiry has certainly taken its toll on many. In that time we have seen two significant fleet operators forced out of business and many pushed up against the wall. Another major fleet operator was wound up in January 2014.

The industry also faced a significant barrage of negative, and at times simply misleading, media coverage. The VTA did its utmost to combat this and dedicated significant resources to the challenge.

The State Government responded to the VTII's recommendations in May 2013. They accepted (with some amendments and variations) the bulk of the VTII recommendations. Legislation was almost immediately introduced into the Parliament of Victorian that effectively set the foundations for the Government's reform agenda. The VTA was able to secure some important amendments for industry participants in the urban and outer suburban licence zones. More legislation is expected early in 2014.

Over the last 12 months or so, since the release of the VTII Final Report, the VTA has made it clear that while we support reform and a majority of the 139 recommendations, there are a number rejected on principle as being unfair and at odds with both the interests of taxi users and taxi industry participants. For example, in regards to a number of important principles, the VTA believe:

- it is necessary to regulate the number of taxi licences;
- the 45/55 fare split is unsustainable and will simply see an unnecessary increase in price;

- the introduction of Pre Booked Only (PBO) licences is unnecessary and the loose regulation that surrounds their operation has the potential to threaten driver and community safety;
- taxis should be required to affiliate to a Network Service Provider;
- the issue of a taxi fare adjustment should have been dealt with at the time the Government responded to the VTII recommendations; and
- the VTII recommendations relating to the Wheelchair Accessible Taxis Service are flawed and some need to be re-thought.

While this list may seem long, it essentially only relates to 7 of the VTII's 139 recommendations. The VTA's submissions to the Inquiry provide greater detail in regards to these matters.

During 2014, one of the key points the VTA will be keen to impress upon decision makers is that our industry does not fear competition, but it should be conducted on a level regulatory playing field. Responsibility for ensuring this lies not only with the regulator but also the Government. Someone has to regulate the regulator.

While many in Victoria remain disillusioned, it is also important to note the significant concessions the industry was able to achieve over our difficult journey. There are important differences between the Draft Report, the Final Report and the Government's Response. If we take licensing for example, the adoption of an annual index for Government leases and also the introduction of consumer tests that can be applied before licences are released are very important differences, as was the inclusion of a consumer interest test to limit licence releases in Regional and Country areas.

During 2013 the Victorian Taxi Directorate (VTD) was wound up and replaced with the Taxi Services Commission (TSC). Graeme Samuel was announced as the Chair of the TSC. Two other Commissioners Merran Kelsall and Douglas Shirrefs were appointed to assist Mr Samuel. Marnie Williams was announced as the CEO of the TSC.

Since the announcement of the Government's response, other important amendments have also been secured. At the 2013 VTA conference, TSC Commissioner Graeme Samuel announced that Pre Booked Only (PBO) drivers would be required to complete the same knowledge test as taxi drivers. Mr Samuel also explained that it is his view that an occupancy rate of 28% indicates there is no pressing need for more taxis - he did preface this by explaining that they retained the ability to release licences if licence assignment prices began to rise. However, in general terms, both these statements were positive and reflect what the industry has been arguing.

While the more principled arguments have been underway, the VTA has been involved in more operational work, and importantly been contributing to the transition phase. It is important that industry experience is brought to bear on this process. We will continue to engage in the TSC's consultative forums as

long as we are invited. However, we are of the view that such events should be an open discussion not simply an opportunity to tell the industry what will be done next.

In line with the VTII recommendations, the Essential Services Commission (ESC) was directed by the Minister to undertake a significant review of the structure and level of Victorian taxi fares. The VTA was disappointed that after the three year VTII and the last fare adjustment occurring in December 2008, taxi operators and taxi drivers would still not receive a long overdue fare adjustment.

During 2013 the VTA held a rejuvenated State Conference which was a great success and well attended. Naturally the conference was dominated by discussion relating to the Government's response to the VTII. The Association also hosted important industry forums open to all during the year and spent considerable time visiting members in regional Victoria.

Towards the end of 2013 some important decisions were announced and some important processes began. It was announced that the cap on the electronic surcharge would be introduced as of 1 February 2014. A draft paper discussing how the price notification system for taxi fares in regional Victoria might work was also released. Both of these developments were concerning for a number of reasons relating to either their contents or unreasonably short timeframes.

Finally, the VTA expect 2014 to contain many challenges broadly related to the introduction of a number of the Government's reforms, including an adjustment in fares.

Thank you for taking the time to read this report and for your support throughout 2013.

AUSTRALIAN CAPITAL TERRITORY

Introduction

After the very difficult 2012 experienced by the Canberra taxi industry, due mainly to the effect of an excessive number of taxi licences, it was expected that the activities planned for the 2013 centenary celebrations and the excellent response times of Canberra's main taxi fleets would boost taxi activity.

In fact, although the centenary activities did generate extra work for taxi drivers, the job number per car per day did not rise as the industry was forced to endure a nine-month election campaign. Although parliament sat as normal during the year, the flow of visitors to parliament was affected.

The stagnant business situation resulted in the continued surrender of leased government-owned taxi licences, about two or three in most months. Some were re-issued to persons on a reserve list. The most dramatic month was December when the CTIA believes around fifteen licences were surrendered.

Other matters to affect the Canberra industry during 2013 were the opening of the new airport taxi rank, the presence of smart phone apps, and the first taxi drivers' strike.

For the Canberra taxi industry the report on 2013 covers a good deal of "doom and gloom", but for 2014, there is reason to hope that the number of trips per day per car could receive a boost.

The Canberra Centenary

The Canberra Taxi Industry Association, Aerial Capital Group, and taxi drivers co-operated enthusiastically with the Centenary Organising Committee to help promote the centenary celebrations. The committee staged "Cabbies Breakfasts" at the Canberra Airport, distributed T-shirts, car stickers, and caps to drivers. Drivers were involved in promotional videos, and wore the special T-shirts and caps during Canberra Week in March.

Through its magazine "CabBerra", Aerial informed drivers about all centenary activities and promoted the city by publishing historical and other information that would help drivers to "sell" Canberra.

Aerial also became a sponsor of the National Gallery of Australia that featured three outstanding exhibitions.

Canberra's first international cricket match was played at Manuka Oval and the British-Irish Lions played the ACT Brumbies in June.

Special events occurred throughout the year and as nearly all were staged outside normal working hours the taxi industry received some extra work.

The number of international visitors to Canberra rose by 10% in the year 2012-2013 with a total of 60,000 coming from China, the USA and Great Britain. This gives reason to hope that these numbers will increase in the future, particularly as the Canberra Airport is expected to receive international flights in the near future, and the numbers of middle class Chinese is increasing rapidly.

Overall downturn

Canberrans are being warned that economic activity will decline in the near future, and reports that the new federal government will slash up to 17,000 public service jobs and that house prices will slip does not bode well for 2014.

In 2013, taxi pick-ups from the Canberra airport continued to decline and although passenger arrivals have slipped by around 3% per year for the past few years, that does not tell the real story with regard to the taxi industry.

Between 2011 and 2012 taxi pick-ups at the Canberra Airport fell by 23%. This was not related to airport passenger arrivals, but was related to the increase in the number local airline passengers who used the cheap parking facilities at the airport.

This trend has continued, and along with the drop off in work associated with parliamentary and lobbying activities, has contributed to a further drop in airport taxi work in 2013.

This has made matters difficult for the drivers who are used to working the airport taxi rank rather than other taxi ranks or seek work from the dispatch system.

Although hard to quantify, it is likely that without the work generated by the Canberra Centenary activities, a greater number of taxi licences would have been surrendered in 2013.

Surrendered taxi licences

It has been reported before that leased government taxi licences have gone through a revolving door process - a licence is handed in and thereafter re-issued to a person on a reserve list.

The number of surrendered licences has tended to be a gauge to measure the ill-health of the industry, but in the past, some operators would surrender a licence in December and seek to pick up another when business picked up in February. This saved them three months lease fees.

During 2013, the reserve list from the 2011 ballot for forty-one licences passed its “*use by date*” and so any licences that were handed in after that date were unable to be re-issued.

The CTIA believes that there are over thirty licences “on the shelf”, and that as long as they remain there, those taxis remaining on the road will have a better chance of survival, and also that service delivery to the public will not suffer measurably.

Future release of licences

The CTIA feels it is not in the interest of the taxi industry or the taxi using public that the surrendered licences should be left “on the shelf” until pressure for the release of extra licences becomes apparent or that it is deemed appropriate to refer to the taxi release model as recommended in the 2010 review into the ACT taxi industry.

There are two elements to this thinking.

Firstly, the conditions under which the licences are issued and secondly, the CTIA believes the taxi release model is flawed and needs to be adjusted.

Regarding the first matter, the CTIA believes on one hand, that if the industry has hit rock bottom the taxis left on the road will have a better chance of surviving, and on the other hand, that the surrendered licences should be ready for re-issue when the economy and the industry can sustain them. It believes the lease fees charged by the government are too low. It has been suggested that by keeping the fees low, the government is contributing to viability, but the business is struggling for viability because there have been too many taxis for the task. The low lease fee, \$20,000 per annum, has forced down the amount perpetual licence holders can receive for their licences, not only due to unfair competition from the government but because lessees cannot afford to pay the rate that was applicable only two years ago when there was a list of fifty potential lessees on the books at Aerial. A viable business can afford to pay a fair rent, and the public (the government) is entitled to receive a fair rent for its assets.

The CTIA suggests that if licences are to be leased by the government, then a lease fee of \$22,000pa with annual adjustments related to the CPI is a good starting point. Other conditions that ensure a higher level of commitment and understanding of the taxi business will be pursued.

Regarding the taxi release model, the CTIA believes it needs to be modified if it is to reflect an accurate measure of the need for extra taxis.

Taxi Fares

The ACT taxi industry is fortunate in that the Taxis Composite Costs Index is referred to each year in order to determine taxi fares between July 1 and the following June 30.

The result is that fares increase by a moderate amount each year. Whenever a review is done and interstate taxi fares are compared, ACT taxi fares usually come out in the middle of the bunch.

During 2013, a small group of operators suggested that the number of hirings might increase if the fares were lowered. No doubt the knowledge that locals from outlying areas are parking their car at the airport for a day or two and still paying less than they do for a two-way taxi trip, influenced their thinking.

Each time the fares rise and as long as parking fees the Canberra Airport remain very cheap, more potential passengers from fringe suburbs will drive their own cars.

The CTIA does not like to lose these passengers, but is obliged to look after the concerns of operators and drivers who need to make a living, and abandoning the TCCI would see drivers relatively worse off each year and operators working on smaller and smaller margins.

In the past when the Department has approved a percentage increase the CTIA has adjusted the various elements of the fare structure and adjusted them so that the cost of an average trip rises by that percentage, and then sought approval to implement the new charges.

With a view to stem the loss of long trips to the airport the CTIA is to investigate the idea that kilometre rates for longer trips might be progressively lowered once a pre-determined distance has been travelled.

There will no doubt be many pros and cons for the idea, but it might lead to benefits for both drivers and passengers.

Smartphone apps

Unauthorised smartphone apps had a presence in Canberra for the most of 2013. A Canberra Times article of 28th September featured the dramatic headline "Taxi turf war erupts over new booking app". It was the usual attempt by an app provider to obtain free publicity and by the reporter to obtain follow-up drama. No follow-up report ensued nor did any supportive letters to the editor.

The app provider was challenged about the need to be accredited and a spokesman said the law had not been broken, and that the provider was looking at the possibility of becoming accredited.

There is some penetration of the market by this app provider, but at the present time appears to be small.

Drivers' strike

Canberra experienced its first taxi driver's strike in mid-November.

It was precipitated by a group of drivers, who appeared to be encouraged by some irresponsible operators, after the Aerial group made some experimental changes to its dispatch system.

The strike lasted for two days. About 100 drivers parked their cars in Kembla St near Aerial's Ken Lambert House and made their presence felt.

The changes to the dispatch system involved the use of pure GPS during peak times in a parliamentary sitting week.

An analysis of the performance showed that, in some cases, the average response time improved by 30 seconds, and no shows and cheating were practically eliminated.

Meanwhile, the striking drivers were making no money, while those who kept working, although not entirely happy, performed as best they could and generally made more money. Some were very happy with the system and the extra money.

The absence of the 100 drivers had little effect on overall performance.

Permanent changes are due to be made in February 2014.

Hope for the future

The Canberra taxi industry has recently experienced some pretty hard years, but this is nothing new for Canberra taxi people or any other group of taxi people. Kneejerk reactions to governmental procrastination have twice before resulted in the release of an excessive number of taxi licences, and each time it took seven years to recover.

2014 is the seventh year since the present difficulties began. So it might not be rash to hope that business might improve.

The fact that no surrendered licences can be re-issued until a review of lease conditions is made may give rise to optimism that things might not get worse. The expected federal government employment cuts could dent that optimism.

Another cause for hope is the follow on from the Canberra Centenary. Many Australians did get to enjoy the facilities that Canberra has to offer and may encourage others to come, and the rise in overseas visitors promises improvement in tourism figures.

Tourism Minister Mr Andrew Barr is on a mission to increase the tourism dollar by 66% (up to \$2.5b) by 2020. One of his aims is to help encourage the arrival of cheap domestic airline services and international flights to Canberra.

And another reason to hope that there might be more business for the taxi industry is the plan to introduce paid parking in the Parliamentary Triangle and around the Barton Offices. Thousands of public servants have parked freely in

this area since Canberra began. As the free parking now inhibits the parking of tourists and visitors, it has been decided that parking fees will apply. This is expected to have a positive effect on taxi business.

The new Canberra airport

Travellers passing through Canberra airport over the past four or five years will have experienced a fair amount of confusion with ever moving airline facilities and taxi ranks. But things have changed. The airport is now finished and is a credit to Australia's capital city, your capital city.

The new taxi rank, completed in November, is indoors and placed at the main entrance.

If you take a flying visit to Canberra, you can hire a taxi at the main door of the Airport, and take a trip to the fantastic Arboretum, the War Memorial, the National Gallery of Australia, Parliament House, the National Portrait Gallery, the Embassy area, the National Botanic Gardens and many more great places that *you* own.

Do drop in.

QUEENSLAND

Introduction

2013 saw Taxi Council Queensland (“TCQ”) building on the reforms implemented in 2012 with the adoption of the Strategic Plan 2012-2015. This included the appointment of Mr Wayne Crookes as the Chief Operating Officer, with responsibility for all operational matters within the organisation.

For the industry it was a year of mixed blessings with many operators reporting that business was slower than in previous years. In some regions numbers were down by as much as 15% - a difficult proposition for any business. Towards the end of the year however there were some operators reporting positive results for November which was encouraging in the lead up to the festive season.

Strategic Plan

Throughout 2013 TCQ was focussed on delivering outcomes guided by the four key strategic objectives. Progress on these objectives is as follows:

Strategy 1. Positioning and Image

Action Plan 1.1 Develop communication and media strategy – throughout 2013 there has been continued positive media with only a couple of stories that could be seen as being difficult for the industry however these were dealt with effectively with little (if any) long-lasting negative impacts.

Action Plan 1.2 Identify appropriate industry/stakeholder bodies to be represented on, and develop key outcomes required – engagement strategies implemented have led to invitations to join the QTIC Associations Council and the Premier’s Business Advisory Forum. The LNP Qforum programme has seen engagement with key State and Federal Members at the LNP State Council in Rockhampton in March, the Annual State Conference in July as well as ten other engagements throughout the year.

Action Plan 1.3 Develop suite of strategic events to support image and positioning – this represents a new area for TCQ and as yet there has only been time to focus on ensuring that the things that are currently done, such as the conference, are done as well as possible. Some new events, such as business breakfasts, are being explored and depending on their success they may become a fixture.

Strategy 2. Further Develop Government Relationships

Action Plan 2.1 Make public the standards and good practice requirements/policies of TCQ – Over the next couple of years TCQ will be reviewing the legislation and will begin publishing Council’s formal position on

many policy issues.

Action Plan 2.2 Develop list of and invite key government officials to key events – This ties in with the work that has been done under the identification of key stakeholders and the stakeholder engagement through bodies such as QTIC and the LNP Qforum programme.

Strategy 3. Driver Engagement

Action Plan 3.1 Develop advocacy and other relevant services to represent driver interests – Over the past twelve months there have been a couple of Cabbie's Lotto initiatives run by 4BC in Brisbane. Perhaps the single biggest change that has occurred in terms of driver engagement is the regionalisation of the Queensland Taxi Industry Awards where regional winners were given the opportunity to attend the conference. It is important for drivers to see "the other side" of the industry and the different issues that operators are faced with. It makes a significant difference also for them to see things that are happening in other parts of the state. In addition to this, TCQ is doing some investigative work into the possibility of an industry fund or insurance policy that covers drivers similar to Victims of Crime Funding. To date, discussions have been had with a couple of major insurers however this is a long-term goal and there will be more work needed to beat out the details of how such a scheme may be funded as well as how it would work.

Strategy 4. Develop Alternative Income Streams

Action Plan 4.1 Identify government funds to develop new products for the taxi industry – TCQ is constantly engaging with Government to see where there may be opportunities to tap into Government funding for initiatives both within and around the industry. This year TCQ joined with Brisbane City Council to access funds for additional CitySafe cameras focussed on secure ranks in Eagle and Edward Streets. The funding provided was \$72K and while it was administered by BCC and they sourced the goods and services, the funds would not have been approved but for the figures provided by TCQ on numbers of patrons/incidents/costings etc. The difficulty more generally is the fact that often Government funding is tied to employment outcomes and given that there are no employment relationships this is often the rock on which these possibilities perish. Not to be discouraged however TCQ will continue to seek out opportunities along the way.

Action Plan 4.2 Develop significant sponsorship income – Over the past year TCQ has signed Rova Media as a Platinum Sponsor and bp Australia as a Gold Sponsor. Further, co-sponsorship has been signed with Crimestoppers Queensland and the Queensland Government for co-branded community safety campaigns.

Policy

The major policy areas that the Department of Transport and Main Roads ("TMR") were focussed on in 2013 were as follows:

1. Seatbelt exemption – in Queensland there is currently provision for taxi drivers to not have to wear a seatbelt when there is a passenger in the vehicle. In 2012 TMR released a policy paper indicating that there was intention to remove this exemption however in a reversal of position in 2013, TCQ has been informed that this policy is on hold indefinitely and the exemption will remain in place.
2. Wheelchair training – the eighth competency to be included in the driver training course was to become compulsory from 1 July 2013 however this policy has also been placed on hold indefinitely. Notwithstanding this however, most companies require all new drivers to undertake the competency irrespective of TMR's policy.
3. Taxi Camera Security Programme – this policy provides for the inclusion of continuous audio recording as well as increasing the number of hours retained before being overwritten from 36 hours to 72 hours. The Executive Council passed the amendments in December and will allow for a 36 month transitional period.
4. Automated meters – automated meters will see meters needing to be automatically reset after the vehicle has moved 150m, provide for extras to only be selected once per journey and will integrate with tolls such that as the vehicle passes through a toll point the additional value is added to the meter at the time so that the customer may see the effect of the toll. Further, receipts will now be required to be fully detailed showing each component of the fare. The Executive Council passed the amendments in December with all new meters to be fitted by 1 July 2014.
5. Peak Demand Licences – TCQ provided a detailed submission to TMR in February 2013 detailing reasons why such a concept is unworkable in the Queensland market. It is worth noting that the concept dates back to a report commissioned by the Government in 2008 where average demand was analysed against the fleet size. It was found at the time that the fleet was larger than the average demand, indicating no need for a peak demand licence. The report suggested that best practice would be for the fleet size to approximate average demand and simply have a peak demand product that allowed the fleet to swell to the appropriate size necessary to meet demand at those peak times. Given that this is not the case then it is a difficult sell for the Government consider moving in this direction at this time.
6. People Mover – ADR 44/02 – currently there are exemptions in place to overcome the requirement in the Australian Design Rules for an access door adjacent to each “*outboard seating position*” for people-mover vehicles that are used as taxis. Further, a number of criteria were specified with respect to legroom and headroom. TMR proposed that the specific criteria be replaced by a single criterion that the wheelbase of people movers be at least 2825. TCQ considered the matter and resolved that TCQ accept the 2825mm wheelbase for people mover licences that reflects the current people mover licence seating conditions.
7. Maxi Surcharge – TMR have posed a question to TCQ as to whether the

maxi and premium taxi surcharges should be regulated. In December 2013, TCQ called for submissions from members asking for a number of questions to be address with submissions closing 31 January 2014. Once these have been compiled then the results will be presented to the full Council for debate and inform TCQ's response to TMR. It is anticipated that this policy will be discussed in depth throughout 2014.

What Can Be Expected in 2014

TCQ has a proud tradition of providing high quality and informative conferences for its members and stakeholders and 2014 will see the organisation conduct its 50th Annual Conference. Since its formation in 1948, TCQ has faithfully and diligently served its members and often led the way compared to other industry representative organisations. Very few organisations can boast fifty consecutive conferences and as such every effort will be made to ensure that this conference is one to remember. It is no coincidence that the conference will be held at the Brisbane Convention and Exhibition Centre only ten weeks before the historic G20 meeting to be held at the same venue.

G20 will see the greatest gathering of world leaders ever held in Australia with 33 Internationally Protected Persons ("IPPs"). The event is much more than just one weekend in November however with a number of meetings occurring throughout the State across the year commencing with the international Finance Ministers meeting in Cairns in the early part of the year. Such events place the Queensland taxi industry front and centre for international visitors. While there is always room for improvement in any industry Queensland already delivers an exceptionally high quality service and there is no doubt that many of the visitors will be impressed.

Beyond G20 TCQ will continue to make representations to the Government with respect to the vexed issue of CTP insurance. There is also opportunity to present a model to the Newman Government for how the taxi industry may assist with contestability. This includes potentially picking up more work through non-urgent non-ambulance ("NUNA") services and perhaps some off-peak small public transport services similar to Council Cabs. With the implementation of the National Disability Insurance Scheme ("NDIS") there may be some scope to revisit the possibility of a lifting fee in recognition of the role that wheelchair taxi drivers perform as unpaid carers.

SOUTH AUSTRALIA

Adelaide Airport

In March 2013 the new and significantly larger driver layoff and rank at Adelaide Airport opened for business with the TCSA responsible for managing the distribution of the electronic Driver T-Tags designed to make the process more efficient for drivers and passengers.

Electronic entry to the rank and layoff area, which allows for 350 vehicles compared with the previous 180 spaces, is a new technology in South Australia so dedicated training and communication ahead of the launch was vital for the smooth and successful launch.

The system now allows for 10 parking bays at the pick-up rank, just 50m from the baggage area, and has been changed and improved over the past year and has included the installation of a CCTV system for the concierge at the layoff. Whilst there was some reticence in the early phase, drivers have adapted well to the new technology and now find it easier than the old cash system for entry to the layoff.

The Airport project has also included air-conditioned driver facilities in the holding area with television, microwave, water and vending machines allowing drivers to catch up with colleagues and information relevant to the industry.

CTP Changes

There was relief for taxi operators during the year with a one-off \$1200 reduction in the cost of Compulsory Third Party (CTP) insurance for the year. This was the direct result of the government's introduction of the no-fault policy to CTP legislation and some intense lobbying from the Taxi Council. The Council is dedicated to keeping premiums down by reducing the number of taxi claims. Part of that is through driver training initiatives but CTP will continue to be an ongoing challenge for the industry. The industry already has been made aware that the one-off reduction, while sizeable, will be followed by an increase in premiums again in 2014. We will continue to lobby for a change to the method used by the Motor Accident Commission (MAC) to set those premiums and to restore taxis to Class 1 passenger vehicle status in future and bring further relief to taxi owners and passengers alike.

Illegal Booking Apps and Mobile EFTPOS

Changing technology created some challenges for the industry last year, particularly with mobile EFTPOS devices, Smartphone applications and new camera technology.

Taxi Council SA has been working with the Department of Transport to ensure that the "illegal" booking applications don't get a stronghold in the state.

Smartphone booking applications not associated with a radio company are illegal, as they don't meet the requirements of an accredited network for safety, traceability and reporting functions.

The Council also has been discouraging the use of mobile EFTPOS devices and the Department is in the process of amending legislation to ensure that drivers only use approved EFTPOS devices which meet set requirements, including traceability, such as those offered by Cabcharge and other approved hardwired EFTPOS machines.

Meanwhile, earlier problems encountered with new in-cab cameras, have settled down and drivers now have better technology with improved pictures to capture evidence of criminal activity. While the Taxi Industry Fund assists drivers with the cost of downloading the camera images after an assault, the Council has finalised negotiations with the South Australia Police for them to download vision for "non-taxi related" crime and some investigations.

City Ranks

During the year, Taxi Council SA became a member of the Taxi Consultative Group, a new committee established in 2013 by the Adelaide City Council, demonstrating its willingness to listen to our complaints about the lack of ranks and facilities in the CBD. Cooperation between the taxi industry and Adelaide City Council has improved, but there is still a lot of work to do.

On the agenda for discussion will be the extension of kerb space at CBD ranks and examining the inclusion of taxi zones at planning approval stage for entertainment, accommodation and high-usage buildings such as the new RAH.

Safety Campaign

The "*We all want to get home safely*" advertising campaign combining billboards and radio advertising, went live during the peak 2013 Christmas season.

The campaign focused in a positive manner on cameras in taxis, together with showing the driver as just a normal person with the same goals and interests in life as passengers. The ultimate aim is to build a mutually respectful relationship between drivers and passengers. There has been quite an investment in this advertising with the theme lending itself to further campaigns throughout the year. The campaign was timely after a series of assaults on drivers which outraged the Taxi Council SA and its members.

Driver Training

During the year, the Council launched some driver recruitment initiatives including the development and release of the Drivers "*Wanted Now*" DVD supported by recruitment posters. The DVD was targeted at the Job Networks and the TCSA's recruitment stand at the two very successful Jobs and Skills

Expos, helping to generate 200 plus expressions of interest which resulted in the recruitment of 45 mature aged candidates.

The Council has made continuous improvements to the Knowledge of Adelaide kit and the training course for drivers and operators, passing 46 per cent more candidates (455) through the Knowledge of Adelaide Testing Session compared with the previous year.

Over the same period, 21 per cent more trainees (401) passed the driver training course than the in previous year and this was directly attributed to the successful recruiting programs undertaken by the Taxi Council SA.

Taxi Fares

Another year brought another failure by the State Government to ensure fare increases for the industry occur on a timely basis. The Council and Government agreed to a fare increase of 3.6 percent in August 2013 but its introduction, which was promised for September but delayed until December, was unsatisfactory.

The Council will continue to lobby the State Government, which goes to the polls in March, to ensure that yearly increases are both timely and relevant to the rising costs of running a cab. We hope to see changes to taxi fares introduced at the start of the financial year, July 1, in line with other public transport services in the State.

WESTERN AUSTRALIA

The taxi industry in Western Australia is experiencing a period of relative stability in terms of consistency in government, policy, regulation and release of licences. Service performance remains generally very high with 42 new licences issued during the year.

A State Government election was held in March. This resulted in the Liberal/National parties being returned to government. The Hon. Minister for Transport, Troy Buswell, was also returned to office. For the Taxi Council of Western (TCWA) this meant it was “business as usual”, with continuation of the existing clear strategic focus, taxi policies and work programs designed to enhance service, standards, driver and passenger safety. And of course, the TCWA enjoyed the benefit of already having established communications, understanding and working relationships with the Minister, public officers and key decision makers.

Most significant to members was the continuation of the policy relating to the issue of new taxi licences.

Whilst it was a year dominated by political stability and a generally very high level of service performance, WA’s taxi industry did not rest on its laurels. Facing soaring fuel and operating costs along with a softening demand for services due to the slowing of the resource sector that drives the state economy, all sectors and stakeholders felt the effects that less money through the meter brings. A shortage of drivers also continued to plague the industry.

The Taxi Council committed significant resources and effort into activities and programs during the year. These were designed to protect operator and industry viability, attract new drivers, improve service products and performance levels and promote positive public awareness. These activities can be broadly classified in the sections below.

Improving Service Delivery whilst maintaining Operator and Industry Viability

The level of taxi service delivered in Perth during 2013 was generally very high. Despite taxi drivers encountering increasing levels of traffic congestion, generally 99.5% of passengers requesting a conventional taxi within usual business hours received a taxi within 10-15 minutes of their request.

This is quite outstanding considering that modes of public transport, such as buses, trains and ferries, (running on set schedules and pre-determined routes) could not get close to the high service levels recorded by taxis. This is even more remarkable considering that taxis run an “on-demand” 24/7 service. And unlike other forms of transport, taxi services operate at no cost to the Government.

A factor that probably contributed to this outstanding level of service was the slight decrease in demand for taxis that was experienced during the year. Whilst a fall in demand for service is always concerning it is understandable given the slowing resource sector driving the Western Australian economy.

In order to deliver such a high level of “on-demand” service, a reasonable number of taxis need to be vacant and available for hire at any given time. Taxi economics will dictate that supply needs to exceed demand – but only just, otherwise taxis would need to be vacant for more time than they were hired and this would make operating a taxi non-viable. This is where the balance of operator viability vs high level of taxi service is so crucial to maintain. Overall Perth’s taxi fleet and service level is in the right balance with the exception of some 8 hours of ultra-peak demand experienced each week.

During the ultra-peak period, which represents 4.7% of the total hours per week, demand for taxis outstrips availability. It is in this period when passengers can experience longer waiting periods for taxi services. This service imbalance and period of excessive demand however, is not unique to Perth. Cities around the world all encounter a shortage of taxis during periods of exceptionally high demand. The problem of how to cater for excessive demand is not limited to taxis. All major services and providers of infrastructure struggle to cope with surging levels of demand and it is usually not viable nor sustainable for extra taxis, services or infrastructure to be provided to cater for such a small percentage of peak demand.

The fare increase of some 2% that was awarded in December did help drivers offset rising fuel and operating costs but it fell short of financially compensating for the drop in demand experienced during the year. A total of 42 new taxi licences, representing 1.6% of the fleet size, were issued during the year and these were readily taken up. Licences for wheelchair-accessible taxis (MPT’s) remained static and undersubscribed. Some of the new licences issued were allocated to drivers participating in a trial of purpose built taxis and subsequently several London Cabs were licensed under this scheme.

Attracting, training and processing new taxi drivers

Perth’s taxi industry always seems to be in need of a steady supply of new drivers and 2013 was no exception.

The industry received a satisfactory level of enquiry and many candidates proceeded and undertook the required training. However, in many cases, they had to wait a further two or three months until they could sit and pass the final registration test conducted by the Department of Transport.

Naturally these lengthy delays in the processing and registration of new drivers exacerbated the shortage of drivers and became an unacceptable situation for the industry. The TCWA instigated a review of this process and the Department responded favourably by making many changes to the processes involved and final registration testing to ensure this process is now more streamlined, flexible and efficient.

These changes to the processes and final registration testing will go a long way in making the process and duration of becoming a taxi driver in Perth quicker and easier, but they will not improve the overall quality and standard and attitudes of the drivers. This is something that is needed and a challenge for the TCWA to address in 2014.

Promotion of taxi drivers and the taxi industry

The Taxi Council administered and promoted the annual “*Golden Wheel Taxi Driver of the Year Awards*” in November. Our congratulations are extended to the 2013 overall winner and Taxi Driver of the Year, Mr Kulwinder Kumar.

These Awards aim to reward excellence in service and always help to raise positive public awareness of Perth’s taxi drivers and the wonderful service they provide.

The launch of a purpose built taxi, the London Cab TX4, also created a lot of media attention and positive reactions and feedback from the travelling public. It is an iconic looking vehicle that really stands out and helps raise the professional image of Perth’s taxis. On trial for four years, the test of the London Cab will be in how it stands up to the climatic and road conditions in Perth and also how well it performs mechanically and economically over the trial.

Membership and Representation

The TCWA is constituted and functions as the peak body for taxis in Western Australia.

The main Taxi Dispatch Services are represented on the TCWA Executive Council along with representatives from taxi operators, owners, and drivers’, wheelchair accessible taxi services, taxi management companies, the West Australian Taxi Association and WA Country Taxi Association. The Lord Mayor of Perth is also a member of the TCWA Executive Council and representatives from other Local and State Authorities and Industry Groups attend as required.

Given this very broad and representative structure, one key challenge facing the TCWA is the ability to levy membership dues in an equitable, affordable and sustainable manner amongst the industry members it represents. TCWA administrative costs have increased substantially and so too must its funding in order for the TCWA to be able to perform its role as the peak body and main industry conduit and advocate in the years to come.

Legislative changes

As predicted, a Bill was introduced to the WA Parliament to establish a taxi driver demerit point licensing system. The proposed demerit system will operate in a similar fashion to the usual motor driver licence demerit system

and is expected to assist authorities take disciplinary action against taxi drivers who do the wrong thing by their passengers and the industry.

Next year we will watch the Bill's progress and also keep alert to any other legislative changes that may be proposed in relation to plate release mechanisms, shifting of responsibilities, or setting of minimum standards for operators.

As we now move into 2014, the TCWA looks forward to another period of political stability and continued consultation with the government about policy direction and determinations for sustainable taxi plate releases and new ways to improve services, safety and the viability of all sectors of the industry.

NORTHERN TERRITORY

In 2013 we saw a number of changes at the Taxi Council of the NT, with the departure of the previous Executive Committee, and of the Executive Officer, Col Newman. Our new Executive Committee is evenly distributed between the networks, Stephen Hall is our new President and Les Whittaker has been appointed as the new Executive Officer. Les was the founding president of the council in 1986, but has been out of the industry for some years, although he has been involved in industry training with a local RTO.

Darwin has been seeing unprecedented development, with the \$34 billion Inpex gas plant under construction. The influx of workers – or people looking for work - has led to a shortage of housing and a rise in the cost of living generally. The taxi industry, along with other local businesses, is hard pressed competing with Inpex for good workers. Bus drivers who take workers to and from the Inpex site earn \$110,000pa. Construction will continue for 3 or 4 years. Taxi drivers have to make enough to pay the high rents being demanded for housing – around \$500 per week for a 2 bedroom unit. They also have to cope with fuel and food costs that are much higher than in other capital cities. Many of our drivers are overseas born university students, who have no long-term commitment to the industry, and we are seeing a drop in standards.

We do look forward to working with the NT Government, particularly Hon Peter Styles, the new Transport Minister, in whose electorate our President lives. The minister has already shown keen interest in the industry. Our first win was obtaining approval for annual camera inspections in Alice Springs and Katherine, carried out by myself as a licensed inspector. Previously, Katherine operators had to travel to Darwin for the inspection, and Alice Springs was left in a kind of limbo. Taking one item at a time, we expect there will be more successes, with the co-operation of the government. We are currently trying to get the age limit for the series 20 Prius extended from 6 to 7 years, as we believe it to be an exceptional car. Also on the agenda is a request that taxi drivers be permitted to demand the fare up front, at the commencement of hiring. We could be the only jurisdiction where drivers are not permitted to do this.

A big issue is the discussion taking place with government on the possibility of operators buying the plates that they lease from the government. Deregulation – that is the NT government buying up all the plates in the NT in 1999, and leasing them back to operators – has done nothing to improve the industry. In fact it has had a detrimental effect. Operators who know they will never own a plate, but will have to give it back to the government when they leave the industry, are not going to have the same commitment to the industry as someone with business acumen, who is looking for an attractive business to invest in, with the possibility of capital gain on their investment. Discussions are only starting, but there are positive signs that a “sell back” scheme may be implemented.

After a few years of open slather (following deregulation), a cap was put on taxi numbers, and things settled down somewhat. However, an operator in Katherine made a request that the cap there be lifted, so that they could build their fleet up, to compete with a breakaway group. As a result Katherine now has 19 taxis for a population of 10,000, and they're really hurting. They are asking for the cap to be put back on, but the government is saying no, let market forces decide.

The City of Darwin Council is currently working on a CBD plan, and has indicated that they would like us to have input regarding the location and size of taxi ranks. This is a bone of contention at present, with some taxi bays having been removed. One meeting has taken place, and we all came away feeling reasonably confident.

In March 2013, the two RTOs delivering training for the industry in Darwin were audited by ASQA. Following the audit, one RTO no longer has scope to deliver the training, and the other has added more in the way of practical assessments, including on-the-job assessing and operating a wheelchair accessible taxi. This has increased the cost of training, which is now \$950. We are aware that in some states it is not mandatory to do the TLIC2040A unit, Provide Wheelchair Accessible Taxi Services to Passengers with Disabilities, unless the applicant intends driving an MPT. In the NT it is mandatory for all - are we the odd one out again?

There are challenges in the year ahead, but we are establishing a rapport with government, and will meet these challenges, and see positive changes.
