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Submission to the Inquiry into the Commercial Passenger Vehicle Industry Act 2017 Reforms

We are not a Booking Service Provider nor a Driver. We are the publishers of DRIVE A2B magazine (previously known as TAXI TALK magazine – voice of the Victorian taxi industry). DRIVE A2B is Victoria's commercial passenger vehicle industry's journal, reporting on what is happening within the industry, both statewide, nationwide and overseas.

HISTORY

DRIVE A2B was born from a need to have a monthly journal collecting, collating and reporting information on the Victorian taxi, hire car and also the ride sourcing industry. Its inspiration was Taxi Talk magazine – voice of the Victorian taxi industry, which was published from May 1966 to April 2017.

In April 2017 Trade Promotions Pty Ltd revisited their ideals, goals and objectives, and believe that to remain competitive and relevant to this industry – the commercial passenger vehicle industry – it was time for Taxi Talk – Voice of the Victorian Taxi Industry to be rebranded.

May 2017 saw Trade Promotions Pty Ltd launch their new magazine – the new Voice of the Victorian Point-to-Point Transport Industry - DRIVE A2B.

September 2018 DRIVE A2B printed its first NATIONAL issue and is incorporating more industry information for every state and territory in Australia - Vic, NSW, ACT, Qld, WA, SA, NT, Tas.

We print articles and advertisements relating to varying areas of the Australian taxi, hire car, ride sourcing industry, commercial passenger vehicle industry -from government bodies, calendar of events, local, interstate and overseas news updates, new technologies, driver information, changes in transport, driver and licence statistics, and road legislation and regulation.

When ride hailing, in the form of Uber, came to town in 2014 it changed the way the Victorian Taxi and hire car industry worked. It changed the public's perception about what transportation service was available to them.

We take this moment to make it clear that the inclusion of Uber and others is not as a ride sharing service it is a ride **hailing** service. They do not share the vehicle with other passengers – just one point of collection and one point of destination, for the ride. The drivers are not simply collecting a passenger travelling in the same direction. There are such services in Victoria- ie someone driving from Melbourne to Warrnambool and sharing the ride with others wishing to travel in the same direction – this is ride sharing.

Uber did a huge marketing campaign, subsidised their drivers, gave away free and discounted trips to passengers, thus took away business from taxi and hire cars. The public was sold the idea that Uber was the solution to all their A to B transportation issues. Our two major taxi companies (13cabs and Silver Top Taxis) already had booking apps, but that didn't matter as they could not compete with the bottomless pit of marketing money Uber appeared to have.

It certainly didn't help that the government's industry regulatory arm- Taxi Services Commission- decided to turn a blind eye to this illegal entrant to the Victorian taxi and hire car industry.

We watched as the reforms were discussed, primarily, because of the ride hailing disruption to the Victorian Taxi and Hire Car market. In saying this Uber was not the only one! There was Go Catch and even 13cabs that ran private plated vehicles as a taxi before the reforms we ratified and implemented. Before the 2017 reforms, these vehicles were allowed to operate as a taxi without having to own or display taxi plates (and yes, they did have a meter, dome and livery). Nor were they required to pay any monetary amount to the government for operating as a taxi.

What has been the effect on your business?

Our magazine is distributed free to people within the Victorian taxi and hire car industry. Our goal is that each edition has sufficient advertisers to enable us to make a profit by selling advertising space to industry and associated entities.

We used to make a profit of \$25,000 per month. Nowadays we are lucky to make \$5000.

With the advent of the taxi and hire car licence plates being revoked and therefore devalued to \$zero, we lost many advertisers who were marketing their services via our magazine to assist with trading taxi and hire car licence plates.

Also as the personal transportation pie has been cut into smaller wedges, the taxi drivers and operators are not making as many dollars as they were prior to the reforms. Therefore they do not have as much to spend – they are not buying as many products and services as previously. This has had a huge impact on our advertisers' positive results from their marketing campaigns in our magazine – and hence the advertisers have reduced their budget allocated to advertising.

Over the years we have kept a close eye on where we distribute, what the uptake has been and altered our distribution points and quantities accordingly. We personally deliver the magazine monthly to the Melrose Lounge Holding Yard at Melbourne Airport – and the uptake of the magazine has decreased. This is not due to the fact that people aren't wanting to read the magazine – it is because people are not getting out of their cars and visiting the café – because they don't have any

spare change to spend in the café – hence not collecting the magazine. The lower incomes the drivers are experiencing means a tighter grip on their purse strings.

What are your thoughts on how the new registration system is functioning?

The new registration system seems to have been created to cater for the ride hailing entities. The fact that vehicles no longer have to display something significant to be a part of this industry and to transport passengers from A to B is fraught with danger. Currently, all you need is to display a piece of paper stating CPV, adhere it to a rear window and you can then collect passengers and transport them.

What has been your experience with the regulator- Commercial Passenger Vehicles Commission?

We have seen the government regulator change name and faces many times over the past 53 years. It used to be that they worked well with us in reporting and disseminating relevant information to the Victorian taxi and hire car industry. But over the past 10 years they have played their cards very close to their chest. Even though they have had meetings with many factions of the industry, it appears that they have only listened to the ones they wanted to listen to – or perhaps the industry entities who are the biggest. They haven't been as open as they could have been. When asked to qualify certain regulations, explain calculations, provide figures and statistics, explain the nearly 18-months delay in issuing invoices to drivers, they have certainly not been forthcoming. Their representatives have provided the bare essential answers to many questions, without truly answering the query.

We have and always will, pride ourselves on reporting the truth about the industry within our magazine, and by not receiving explanatory reasons for some actions or inactions does not allow us to credibly report the truth, so we reported on the facts that we knew. This, together with the revocation of licences and the so called Fairness Fund, have contributed to us having little faith in the CPVV's ability to action fairly, justly and quickly with regards to matters of the Victorian commercial passenger vehicle industry.

With these changes, have you remained a member of the commercial passenger vehicle industry?

Of course we have. DRIVE A2B is a vital publication to disseminate the necessary information about the industry within Victoria. In September 2018 we even extended our journalistic coverage and distribution all around Australia.

Are there any other issues you would like to raise with the Committee?

Touting

Before the reforms in 2017, touting was termed illegal, in as much as a fine was given to drivers who were caught attempting to gain fares by verbally badgering people – and not waiting their turn on a taxi rank or being a pre-booked hire car. Even though not many drivers were fined, it was a great deterrent and passengers arriving at Melbourne Airport were not bombarded with people offering them a ride. Since the regulator saw fit to drop this fine from the regulations when enforcing the

reforms, there are currently at least 6 drivers hanging around and touting passengers at the luggage collection areas at Melbourne Airport, at peak times. If this continues to be allowed to happen we will end up like Bali, where the passenger is so harassed in the terminal that they sometimes just want to get back on a plane and get out of there. This is not a good start to people's visit to Victoria.

This issue was pointed out to the Taxi Services Commission in response to the RIS – but their response was that because not many drivers had actually been fined thereby they no longer needed the touting fine. Not so!

Safety Cameras

We have watched this industry over the past 53 years and have seen all sorts of safety requirements being implemented within the vehicles. Some good and some just a waste of money. But one of the best deterrents and help in catching wrong-doers has been the in-car security camera/video. Yet this is only mandatory for taxis – for those vehicles with taxi meters that pick up passengers from the street – it is not mandatory for other commercial passenger vehicles. We get that the traditional hire cars are an upmarket form of transportation with heavily scrutinized drivers and very safe vehicles and “shouldn't require” cameras – but the ride hailing cars are not upmarket nor are their drivers – they are people who are just wanting to make a few extra dollars. By not requiring all Victorian Commercial Passenger Vehicles to have a safety camera installed we are not offering a safe environment for either the passenger nor the driver.

Safety Checks

The reforms have permitted the regulator to introduce an annual Safety Check for Commercial Passenger Vehicles and have accredited RedBook to perform these Safety Checks. On the surface that's great. But in reality it appears to be a farce. We have cross checked the Safety Check requirements as listed on the CPVV website against a Roadworthy Inspection Checklist and there appears to be some discrepancies. It appears that the following ARE NOT required to be checked according to CPVV inspection rules:

- A road test
- Spare wheel and jack
- Air bag system
- Driver field of vision
- Driver controls
- Gear selector operation and condition
- Windscreen wiper arms and blades
- Fuel cap and filler
- Transmission
- Power Steering fluids, belts, etc.
- Windscreen wash reservoir and piping

Also, we have been made aware that a Redbook Safety Inspection only takes around 10 minutes to complete whereas a Roadworthy Inspection is approximately 2 hours. This is once again a safety issue. If the vehicle is not roadworthy it should not be permitted to carry passengers around for monetary gain.

Child Safety

In Victoria our private vehicles must comply with quite strict safety regulations surrounding the transportation of young children in vehicles. The rules are - approved rearward facing restraint for 0-6 months and an approved rearward or forward facing restraint for 6 months – 4 years old. From 5 – 7 years the child must be in an approved forward facing restraint.

But in our taxis and hire cars the regulator permits:

- a passenger to nurse a child 0 – 12months. The child is not required to be fastened in a restraint in the back seat of the vehicle – neither a capsule or booster seat.
- children aged 1 – 7 years old to sit in the back seat of the vehicle with their own individual restraint – but that restraint is just a seatbelt – not a booster seat, not an H-harness.

Government says it is all about safety. This reform was marketed to be all about **safety**. Safety for the passenger, driver and other motorists on the road. How is permitting a child in a commercial passenger vehicle without a capsule / booster seat providing a safe environment?