

From: [Inquiry into the Commercial Passenger Vehicle Industry Act 2017 Compensation Reforms](#)
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Inquiry Name: Inquiry into the Commercial Passenger Vehicle Industry Act 2017 Reforms

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SUBMISSION CONTENT:

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The industry has seen a substantial decrease in the safety standards, a substantial decrease in the quality of drivers and even their ability to speak english, a substantial decrease in fares which is great for passengers but unsustainable for drivers and businesses. The only way to compete in a market like this is to cut corners and exploit loopholes in legislation to reduce costs. Current legislation provides several loopholes that if exploited can help reduce operating costs and the ambiguity and incorrect statements on the CPVV website mean that a huge percentage of drivers are operating illegally, avoiding their safety obligations and avoiding even paying the \$1-00 surcharge levy to the SRO.

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Q1:Both

Q2:The new registration system has brought about confusion for customers and operators alike. There has also been a dramatic increase in both the legal and illegal operators without any real increase in the number of customers and it has caused major traffic congestion on major arterial roads, within the CBD and at the airport. It has seen an increase in illegal operators and illegal activity like touting. Touting has not only dramatically increased at Melbourne Airport but it has now been introduced in front of major addresses in the CBD, southbank, docklands and other common areas. One of the major downfalls is that is is now almost impossible for anyone to determine whether an operator is legal or not. The "hovering" of operators at major areas has also seen a dramatic decrease in the fares charged by all operators while the "pie" remains the same size and there has been an increase of over 3500% of players in the market. I would also change the annual licence fee from what it is now to something more substantial like \$1000-00 or more per vehicle which would then sort out the people who seriously want to work in this industry and the ones that are making a few dollars on the side and receiving unemployment benefits as well. The current annual fee which is the same as two packets of cigarettes allows people to register their vehicle whether they are going to be a serious player in the market or not. The ones that are not serious are more likely to avoid regulations, avoid paying their taxes and avoid their safety obligations which is very clearly happening right now in huge volumes. Increased annual fees coupled with clearly

identifiable number plates would see this diminish.

Q3: Compliance costs have dramatically increased while at the same time an explosion of both legal and illegal operators has seen profitability decrease to the point that it is hard to make a profit. Many months we now run our business at either a break even situation or at a loss. Administration costs associated with running a legal and compliant business in this industry far outweigh employing other staff and instead see family members having to do unpaid work to help lower costs.

Q4: My experience has been that the regulator is now nowhere to be seen. The illegal activity and illegal operators have increased substantially driving prices down and causing undue stress and pain throughout the community. Whilst the rules and compliance has decreased this has brought about a dramatic decrease in safety. The regulator does not seem to be enforcing the rules out on the street as such and therefore allows an explosion of illegal activity to go on unchecked. A greater presence at Melbourne Airport and major CBD addresses would go a long way towards helping operators survive in a damaged market place.

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File1:

File2:

File3: