

The Secretary
Legislative Council
Economy and Infrastructure Committee
Parliament House Spring St
EAST MELBOURNE VIC 3002

INQUIRY INTO THE COMMERCIAL PASSENGER VEHICLE INDUSTRY ACT 2017 REFORMS
CONFIDENTIAL – PLEASE MAKE MY STORY PUBLIC WITHOUT MY NAME PLEASE

It is with great gratitude I write this letter to share my experience of the effects the arrival of Uber and the subsequent legislation had on my family business, and life. I sincerely hope this submission along with the many others received paints a clearer picture of the hardship endured by many as a result of the Government decision making.

I arrived in Australia in 1960 fleeing communism in Yugoslavia where my family resided. As a young 21-year-old single man with no family or money I arrived in a foreign country and found a job almost immediately.

My wife and I were married and had two children by 1973, during this period I worked multiple low paying labour intensive jobs to sustain my family. It was at this point, through my employment as a taxi driver (my second job) I embarked on the difficult task of purchasing my first taxi licence in the late 1970s.

As a man of little education, a migrant and with limited English, taxis provided me with an opportunity to work for myself and build a life for my family. My friends (who were also owners and drivers) encouraged me, while the State Government promoted taxi licences as a strong investment with a guaranteed perpetual licence.

At the time a licence cost more than a home, so I committed myself to obtaining that dream by working 15 hours a day. I rarely saw my family, but we knew the sacrifice would be worth it to build a better future for them. During this time, I learned how to become a mechanic enabling me to fix my taxi and learned English thanks to my customers. I washed, cared and maintained my vehicle as it had become my second home.

Through sheer hard work and determination and over the course of many years we purchased other licences. To make ends meet, my wife worked and undertook the administration of our business. Suffice to say, we were committed to the industry and our customers, often placing it and them above our own family.

My sons joined us in their late teens, and the business became a success family business which provided for us and both of my son's families. We repaired and maintained taxis, some of our drivers had been with us for over fifteen years, so our business felt more like a community. Like us, many drivers were migrants, we provided employment and guidance to these young men like others had done for us.

So, you can imagine the devastation the erosion of the industry has caused our family. In hindsight the beginning was marked by Professor Fels who sought to "reform" the industry. At the time we didn't comprehend what this would mean for us all. We submitted a response, acknowledging changes were necessary, but rejected the level of reforms proposed.

Once the 'Fels' reforms were adopted by the then Napthine Government in 2013/2014 and the driver knowledge test was implemented many of our drivers who held licences for five years or less

were required to retake their taxi licence exam. They all failed, our friends and other drivers all shared the same experience and it was rare to hear of someone passing the test. The difficulty of the infamous taxi test was well published by the ABC (<https://www.abc.net.au/news/2014-08-19/no-new-drivers-pass-victoria-taxi-knowledge-test/5680868>) which confirmed:

“Of the 234 people to sit the exam, driver trainer Karen Downie was the only person to pass”.

Still now, I do not understand how once accreditation has been provided, a Government can retrospectively remove it and require people to retake a new exam. It would be incomprehensible for a university to revoke degrees requiring people to retake them.

For 3 years we suffered from a 30% reduction in driver shortages which left many of our vehicles sitting idle affecting the financial viability of the business. This was a result of Uber entering the market illegally and poaching our business.

Drivers who didn't pass the knowledge test confirmed they would become Uber drivers as there weren't any requirements to undertake exams, special insurances, fees, licences or costs. Effectively, anyone could be an Uber driver. Our income was slashed by over a third during this period, in large part by the unfair playing between the taxi industry and unregulated and illegal Uber.

During this tough time things got harder with the introduction of further reforms in commercial passenger vehicles and Uber accelerating a powerful presence in the industry. In 2016 we were notified the Andrew's Government would be revoking our perpetual licences and we had the option of continuing to run taxis however we would need to purchase annual permits from the Government ongoing.

The business and assets we developed over decades of hard work and sacrificing was stripped from us by legislation and “reforms”. Our business had become financially unviable because our working capital had been stolen and our income drastically slashed due to illegal operators. My sons who were in their mid-forties had to find new jobs and restart their careers and become business owners to salary earners.

Our taxis were our livelihood, passion and our future investment which we built over a lifetime. They provided us with security in retirement and provided an opportunity for our children. The approach taken by the State Government left us powerless.

Adding further insult to injury, the state promised to compensate owners offering one-hundred-thousand dollars for the first taxi licence and fifty-thousand dollars for the second, third and fourth. We had ten licences and we'd only be compensated partially for four. Once again, I was shocked, how could a Government limit compensation to four licences and pay variable sums? This went against the Australian notion of fairness.

In all honesty, what broke my heart was knowing the taxi licenses would no longer be mine and not even to be provided with adequate compensation. This was my life's work, I arrived in this country with nothing and built something with my family, which was then taken away from us.

The financial cost of the Government's actions has caused enormous anxiety and great uncertainty for our future and our children's future. The family business no longer exists, and I have been forced into retirement. I wish for nothing more than to go back into my garage to see our yellow taxis, chat to the drivers and plan-ahead with the family.

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