

Rod Barton

Member for Eastern Metropolitan Region

Parliament of Victoria / Legislative Council

128 Ayr Street

Doncaster VIC 3108

Dear Sir,

My name is Loucas Mitsis. I am 67 years old. I am writing to you in response to your letter for members of the Taxi community, to share their story about the detrimental impact of the arrival of Uber and the subsequent legislation on this industry.

I have been driving Taxi's for 37 years and have been an owner of my own taxi for 36 years. I have invested my life's work, in this industry, to make an honest living for me and my family. In my time in this industry, I have been an owner / driver and I have owned and sold a number of Taxi Licences.

I am an owner and operator of one of the original 10-year Taxi Licences. In 2011, the Government decided to issue 330 High Occupancy taxis for \$26,000 per year (paid yearly), and 200 conventional taxis at \$18,000 for the 10-year period (paid up front). Some time later, the Government made some adjustments, lowering the price for the high occupancy licences, to \$21,500 per year and increased the period by 2 years, from 10 years to 12 years. I signed up for the 10-year contract, in good faith, with the government, who we elect to protect and serve us as a community and overall as a nation of workers. However, 6 years into my contract period, the government reneged on the contract. At that time, they compensated me as an owner of one of these licences, only \$33,400, which meant that I was 'in the red / out of pocket' \$206,000. As a hard-working middle-class worker, and an honest man who deals cautiously with financial matters, this amount of money is a large sum and impacts my life significantly – it's not a sum of money I can ever make up. It affects and impacts my income and at my age and stage of life, it adds significant stress in how I plan for and consider a smart and careful way forward into retirement.

We know what happens in the private sector when one party defaults on a contract – you can be sued for a large amount of money, yet the government still did this to hard working taxi drivers such as me. While the government opened a 'fairness fund', I did not apply because I got the impression that it was only for those who were struggling to put 'food on the table'.

Frankly, I lost faith in the government and what they were doing with our industry. Since the Government deregulated the taxi industry completely, they allowed 5000 additional taxis to operate and did not consider that they also allowed UBER to also operate- they in turn took a large amount of the work that was once for taxis. While I am a man who is all for making an industry work better and more efficiently, this was not a solution that achieved this.

Sir, as an owner of licences in this taxi industry, I considered the taxi licence as my superannuation- in this industry, we are not paid superannuation as a part of a wage. The hard work in paying off a licence, is now for nought – it is all gone. I am now struggling to make a living. My current income is now half of what I was earning 5 years ago, as a result of UBER flooding the market and all the additional changes to the industry. As I said, I am 67 years old and am continuing to work 80 hours a week for my income and make ends meet on the loan of \$106,000. All the above has affected my lifestyle and way of life, but also my health and stress levels.

It is the governments responsibility to act justly and for the better good of all its workers in this good nation, not destroy what in our case, was a good little business and our way to make a living and have a small amount of superannuation to retire on.

I trust that your office will be able to advocate on our behalf and that the parliament will investigate this industry to make right and fair decisions looking forward.

Thank you for taking the time to read my letter. I would be more than happy to discuss this further if need be or provide more details as required.

Kind Regards,

Loucas Mitsis

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