

GULWINDER DHILLON OF [REDACTED]

## SUBMISSION INQUIRY INTO THE COMMERCIAL PASSENGER VEHICLE INDUSTRY ACT 2017 REFORMS

My name is Gulwinder Dhillon. English is my second language and I've had to seek help in writing this submission.

I am writing to inform the members of the taxi inquiry of the adverse effects I've suffered as a direct result of the 2017 Victorian taxi reforms. I would like the inquiry to:

- review the compensation provided to Victorian taxi owners via the 2017 reforms; especially for those that purchased their license at peak price
- Re-open the fairness fund as many people did not understand how to access it

I migrated to Australia in 1979. I came here with nothing; I was financially insecure. My wife moved to Australia with our three children in 1981.

We both worked very hard to buy our house and taxi license.

I was a driver, when I purchased my first taxi license in 1989, at \$90,000, which at that time equivalent to the price as a home. I then became an owner / operator.

I purchased my second taxi license in 2010 at \$500,000.

I operated both licences and never leased any out. I still operate both taxis, though I no longer own the licenses.

I have lost a huge part of my superannuation. As a result, I am still working as a bus driver at the age of, 74 and operating 2 taxis.

I used the entire \$150,000 given to me as compensation for the 2017 Victorian taxi licence revocation to pay the loan against the taxi license, held with ANZ.

Having purchased the license at \$500,000 I worked tirelessly to pay out as much of the loan as possible over the 7 years. I wasn't able to pay it out. When I received the compensation payment I did the right thing and paid out my loan. I have never had bad credit history and didn't want this affected.

I suffer anxiety and depression from purchasing the second license, which I only held for 7 years.

If I had leased the license I would have paid around \$20,000 a year (the 10-year licenses were roughly \$18,000 a year). If I had leased the license for 7 years I would have paid \$140,000. Instead I paid \$500,000 for 7 years, which would be a lease amount of \$71,500 per year.

I have made a capital loss of \$450,000 on the second license. **I do not understand why the government will not pay me out fairly for this license, when I did not get to use it to generate an income for a decent period of time. That is just wrong.**

All my income went to paying it out over 7 years, including the final compensation payment.

I did not apply for the fairness fund as I did not understand how it worked and at my age, I was too depressed to seek help.

I have felt considerable vulnerability in my life; arriving in Australia as a non-English speaking migrant with a young family and no financial security. I worked hard to build myself up so that I could feel secure in my old age. That has been taken away from me too.

I trusted that no Australian government would manipulate the law to take away what I've worked for my whole life, without compensating me fairly.

I don't feel the loss as much over my first license as I owned it for many years and made a return on my investment. Yes, it still upsets me that I had an asset once worth \$500,000 fall to \$100,000 but ultimately I didn't incur a direct capital loss.

I feel the government was unjust in the minimal compensation provided for the license I purchased at peak for \$500,000. I suffered a \$450,000 direct capital loss and income loss.

This experience has made me lose my faith; I feel I don't have a voice.

I didn't understand what was happening and relied on others to inform me as my English is still weak.

My bank approved the loan. They looked over my contract. I trusted my experience with the government regulated licensing system and I trusted that the banks wouldn't lend me money against an asset that could be taken away so easily.

As my daughter says, if the ANZ bank was lending 100% of the purchase price (50% secured by property) why would anyone think that the licensing system was so insecure? If their risk assessment and legal teams could not identify the risks; if the brokers did not inform us of the Transport Act, how could someone like me be expected to understand that licenses are basically worthless.

It's only those that could afford barristers to look over the Transport Act, for loopholes, that find the weaknesses.

I never expected any government to punish its hard-working citizens that have invested in Victoria.

If the government wanted to take away licensing that is fair, but they needed to pay us what we paid for each license, so no one is left with a capital loss and no return on investment.

License holders and operators are not the ones responsible for establishing the licensing system and we shouldn't have had to pay the cost of reform. The government created the system; the government told me that if I wanted to operate a license I had to buy one; I did that; it is the government that needs to pay the cost of reform for a system they've created into which I've invested.

I would like the inquiry to review compensation for license holders, especially those that purchased at peak price. We have been hit very hard. I would also like for them to reopen the fairness fund.