

From: [REDACTED]
To: [taxiinquiry](#)
Subject: Submission
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Attachments: [REDACTED]

Please find attached submission by Wodonga Taxis Limited

Regards

Michelle Hayes

Manager

Wodonga Taxis Limited

[REDACTED]
[REDACTED]



Dear Patrick,

Thank you for inviting submissions to the Economy and Infrastructure inquiry into the Commercial Passenger Vehicle Industry Act 2017.

We at Wodonga Taxis have been effected greatly by these reforms and if I, as Chairman, could sit in front of the members of the committee, it would be easier to point out the positives for the Taxi industry than the negatives.

The reforms provided almost no benefit for the Taxi industry. If you can think of any, please let me know...

The list of negatives, is far longer however.

A. Cancelling Licenses.

The Victorian Government, unlike any other Government in the entire world, decided that canceling the assets of existing participants in the industry without paying any compensation would somehow level the playing field. As far as I can tell, since the reforms were introduced, Taxi operators across the state as well as in Wodonga, have been stripped of millions of dollars worth of assets with no effect other than reducing these peoples wealth, and in some cases giving former license holders a loan to continue to pay off for absolutely nothing!

At Wodonga Taxis, we owned 4 perpetual licenses with a market value in excess of \$1,000,000. Now, we pay \$211.20 per year to use the vehicles that were once attached to these licenses.

WE LOST \$1,000,000!!!

And that's just the licenses that were owned by the company.

Including the 9 licenses owned by our shareholders, over \$4,200,000 was stripped from Taxi owners in Wodonga. With NO compensation paid!

Even if one considered the transition payments made by the Government of \$575,000 and offset it against those values, the shortfall of over \$3,700,000 is still a bit grating.

Just to be clear,

The Victorian Government STOLE \$4,200,000 of assets from Wodonga Taxis and its owners.

The Victorian Government paid NO COMPENSATION to licenses holders for their assets.

At best, the Victorian Government owes Wodonga Taxi operators over \$3,700,000!!!!

B. 45/55 Fare box split

As if taking assets from people isn't bad enough, the Victorian Government wanted to make things even harder for Taxi operators by mandating that the total fare box (takings) be split 55% to the driver and 45% to the operator. Overnight, operators in Wodonga were collectively worse off by about \$140,000 per annum. Now I have no problem with a driver or any employee making more money but we as operators had no say in this, and just like that, were made poorer overnight for no apparent reason.

Personally this costs me over \$30,000 per annum. And I did nothing wrong!!!

And lets not forget the fact that no expense can be paid by a driver, and because of insurance indemnities in the legislation, even acts of negligence by the driver can see the operator held liable, even if they had nothing to do with the incident.

C. Levy

The introduction of the levy to fund the payments made to owners by the government is also an injustice on us. We have to charge this to our customers, for a period of time that is unknown to any human I have so far asked, and at the admission of the SRO, we provide the time and energy to calculate the levy and pay it.

So customers in Wodonga and many other places I would assume, will be paying the state for every trip they take in a Taxi well after the amount paid to our operators has been recouped. How on earth is this fair?

D“Compensation”.

The fact that transition payments were far less for Regional licenses (\$50,000 Vs \$100,000) compared to Metro licenses was bad enough but to think that we got a payment of half that much again for any other licenses we owned is simply farcical. I know of individuals who owned up to 30 licenses yet only received a payment for 4 of them. NOTHING for the rest of their assets. This system (the modelling for which has been requested several times) of allocation is unfair beyond words. A person that owned 3 licenses in separate entities would receive more that someone who owned 20 licenses in one entity?!?!

We could go on about the reforms provided by this Act for a long time as almost all of them are anti Taxi and have caused harm to the industry whilst paving the way for illegal operators to offer transport to the people of Victoria.

I guess the situation is best summed up with the words of Aaron de Rosario, the head of the TSC at the time, when at a meeting in Wodonga in March 2016, he stated that “We're going to legalise Uber, because we cant stop them”. When questioned as to what would happen if I took my own private car out to perform Rideshare, he quickly replied, “We'd crush you”.

And that's exactly what the Victorian Government are in the process of achieving with the reforms of the Commercial Passenger Vehicle Industry Act 2017.

It has made it more difficult for Taxi operators.

It has made it easier for Rideshare operators.

And it has stripped Taxi licenses holders of wealth that was theirs. No one else's. It was theirs.

And the Victorian Government, for reasons they cannot explain, took them all away and paid no compensation!

At all.

It is disgusting that they have done this and even worse that they can get away with it.

Despicable!!!

Yours Sincerely,

Scott Cowie

Chairman.