

**ON-DEMAND TRANSPORT INDUSTRY**

*Grievance*

**MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition)** [9.24 am]: The issue I am raising with the Minister for Transport today has come about from the on-demand transport reforms legislation that passed through this place at the end of last year. Regional taxi operators are really doing it tough and we will have a significant problem in our regional towns if the regional taxi operators continue to go to the wall. The Denmark taxi service is no longer operating. The Katanning service has now closed its doors because it cannot cope with the compliance structure of the new system.

**Dr A.D. Buti**: Did they actually close the doors at the Katanning one, or they are possibly going to do this? Well, if you look at the newspaper article, it didn't say they'd closed it.

**The DEPUTY SPEAKER**: Member!

**Mrs L.M. HARVEY**: Katanning has flagged that it is going to close.

**Dr A.D. Buti**: You said they closed it.

**The DEPUTY SPEAKER**: Member for Armadale, it is a grievance; members do not normally interject.

**Mrs L.M. HARVEY**: The member for Armadale is sensitive because he did not consult with these people before the reforms came through. I have been talking to Julie Murray at Mandurah Taxis and the Devennys down in Busselton. I have been speaking to the Bunbury Taxi Co-operative members, and they have said that they did not have meaningful consultation before these reforms went through.

**Dr A.D. Buti** interjected.

**Mrs L.M. HARVEY**: As a result of that, that business —

**The DEPUTY SPEAKER**: Member for Armadale! You will have a chance to respond when the minister gets a chance to respond. You do not yell across the chamber during a grievance. In fact, you should not do it at any time.

**Dr A.D. Buti**: You've gotta get it right.

**Mrs L.M. HARVEY**: I hope that the minister and you will treat this matter seriously.

**Dr A.D. Buti** interjected.

**The DEPUTY SPEAKER**: Member for Armadale, I call you to order for the first time.

**Mrs L.M. HARVEY**: These small business owners are about to lose their livelihood, and that is why I am bringing this issue to the minister. I can only go on what these operators are saying to me. I was not part of the consultation process; they are saying that they were not either. That is what they are telling me. If the member takes issue with that, he needs to take it up with them because they have told me and members on the side of the chamber that they did not have meaningful consultation. As a result, the very complex and quite different business structures that these businesses have in place cannot be retrofitted into the new on-demand transport reform structures. They are finding it administratively burdensome. The Bunbury taxis operate as a cooperative. There are a number of different plate owners in there and also leasing arrangements. In order to change their structure, they are up for \$7 500 to change the cooperative rules, and to put new agreements in place for all owners and operators, they are looking at paying \$25 000 up-front. Mandurah Taxis is under assault from Uber and other entrants into the market. Mandurah Taxis, as I understand it, is not eligible to be part of the buyback scheme. It has 10 multi-purpose taxi vehicles, some of which are nearing 800 000 kilometres, which are for wheelchair and passengers who have mobility issues. Mandurah Taxis said that those vehicles are at end of life and it cannot afford to purchase new vehicles and fit them out to provide the service it needs to provide.

Busselton Taxis and Bunbury Taxis—all these taxi services in regional centres—are under assault from Uber. There are very thin markets.

**Dr A.D. Buti** interjected.

**Mrs L.M. HARVEY**: There are thin markets. Uber has come in and taken the cream of the trade —

**Dr A.D. Buti** interjected.

**Mrs L.M. HARVEY**: I am sick of you, member for Armadale! You get up and have your own grievance!

**The DEPUTY SPEAKER**: Member for Armadale, I call you to order for the second time. There will be an opportunity to respond through the appropriate minister in a minute.

**Mrs L.M. HARVEY**: To explain the issue that they are experiencing, Uber and other ridesharing operators have come in and taken the cream of the trade. They have taken the evening work, the Friday, Saturday and Sunday work, and the taxis are left picking up the low-profit work during the day—for example, picking up the grocery list for some of the seniors, as Katanning taxis do in that community. They take the short trips such as taking

seniors or people who need wheelchair assistance or other people to the doctor, the shopping centre or wherever it might be. If there is no intervention by the government, the risk is that we will end up with the Uber operators, who are all part-time, basically providing a service only in the evenings when it is lucrative for them. In Busselton, taxis pick up everything after about 10 o'clock because the Uber drivers do not want to work past 10.00 pm, so they have the most expensive part of the market, paying their drivers higher wages to be working late at night. During the day, when there is not a lot of work on, they are struggling to cover the costs of their business. Some of these businesses have lost 40 per cent of their trade to Uber and other operators. I accept that we did not fix this problem, but the issue with the lack of consultation with these operators prior to the new on-demand transport reforms is that these people's specific needs have not been considered. In many towns no public transport is offered. If the taxi service goes out of business, the public transport system is lost in those regional towns. That is a significant risk because part-time Uber drivers working in the evenings are not going to quit their part-time job for the ad hoc trips that can be picked up during the week.

The other issue the operators have, and the reason they are upset, is that the department keeps insisting that their plates were not traded and, therefore, should not be eligible for a compensation package. However, pretty much all of those plates have been traded. Two Busselton plates were purchased in 1993 for \$125 000. A number of other plates have been traded to the tune of up to \$100 000 a plate. In addition, the department, in saying that they have not been traded, is at odds with its own forms. The department has a form titled "Country Taxi-Car Licence Transfer Checklist for Applicants". Those individuals have traded their plates. They have used the form issued by the department, which is proof that they have traded their plates, and they have paid stamp duty on the value of the plates. There is a value attached to them and they feel like they need to be part of the compensation scheme.

I ask the Minister for Transport to sit down with those operators and try to work through a system. We need to have some sort of incentive structure in regional towns. If those businesses go to the wall, who is going to transport our elderly and disabled that the expensive taxi trips for the operators that Uber and other rideshare operators are not prepared to pick up?

**MS R. SAFFIOTI (West Swan — Minister for Transport)** [9:32 am]: I thank the member for Scarborough for that grievance. As I have said before, I understand that reform of the taxi industry is complex, and one that poses many challenges, whether it is in the metropolitan area or regional Western Australia. Regional WA is unique in that every town has unique circumstances in how they operate their taxi services. The government has tried to create a system that provides more flexibility in the regions and enables local businesses to grow and create a level playing field.

I contemplated many things through this reform process, but it was clear that regional WA had to be under the same umbrella as the city. We could not have two structures anymore because it would not work. The government developed a system that created a level playing field across Western Australia. On the question of consultation, the reason the member for Armadale was agitated by the member for Scarborough's comments is that the member for Armadale did consult. He drove to Bunbury to talk to those operators. When people say that they were not consulted—the member for Scarborough listed a few, and I know some of those—I point out that they were consulted. I will say up-front that when the government consulted on the levy, the initial package we announced had the levy applied to regional WA. My local members—the members for Mandurah, Murray-Wellington, Bunbury, Kimberley, Albany, Collie and Pilbara—had a meeting. They said that the feedback from regional WA was that people did not want the levy. That was the strong view. The member for North West Central came to me as well. I acknowledge that he has always come to me to put the views that were put to him in a constructive way. I respect Nationals WA members because they engaged on this issue early, and they said that they did not want the levy. Okay. We then presented some proposals to the WA Country Taxi-car Operators' Association and provided a couple of options—a levy with a transition assistance package or no levy. Do members know what the view was? It was no levy. That was the key—no levy. The government took the levy out of the proposed legislation and the legislation that came to this house did not have the regional levy, the levy for the buyback. No levy applies in regional WA apart from in Peel because of the permeability with the metropolitan area. I had to say that again. I know the member for Mandurah is very sensitive about that!

It was difficult but the government gave a specific assistance package to those operating in that area because they had the levy, and we could not avoid that. The view was no levy. We introduced the legislation and one of the key points was a level playing field. That means making sure that the levels of safety and security that are available to people riding in taxis in the metropolitan area are similar to those in regional WA. We did not want to create two standards of safety and security because I do not think that is fair. Someone getting into a taxi in regional WA should have the same level of safety and security as someone getting into a metropolitan cab. We had to create a new regulatory regime, and that requires things such as cameras in the vehicles. That was put to me by my Labor members and also National Party members. As a result we created a grant of \$500 for regional operators to install cameras in their vehicles. The government has been responsive but we understand that the issues are complex. Because of that, today's budget contains an additional \$3.4 million assistance package for regional operators. I will provide details tomorrow on how that will be applied to ensure that the transition is as smooth as possible.

I make this point about Uber. I was not going to be political, but the member for Scarborough wanted to be political. I did not host a forum for Uber drivers in Mandurah, member for Dawesville. Of course, the member for Dawesville was out there inviting Uber into Mandurah. That is fine, but do not come in here, as the same party, expressing shock and horror that Uber is in regional WA, when an opposition member hosted forums for Uber. I find it very difficult to cop this because the opposition comes in here, basically expressing shock and horror that Uber is in regional WA when the member for Dawesville, tweet after tweet in the media, invited Uber to forums there. I cannot take the Liberal Party seriously on this issue, and I never have done. However, I have been responsive to what is happening out there. In regional WA, 138 booking services have been authorised already. Another 58 are in the system. I know that it is challenging; that is why we are providing extra support. The government is determined to work with regional WA to make sure this works. I know that particular individuals are not happy, but we cannot do everything they ask for. We need to create a system that is fair across Western Australia.

I make this point also: those who participate in the lease vehicle program do not get any specific assistance. A lot in the industry basically are not getting specific assistance. The buyback was only for the plate owners.

I just want to say that we are listening, and we are acting. But the Liberal Party is so two-faced on this that I cannot take anything it says seriously. The Liberal Party never engaged properly on this. It was lazy and did not do the work. We are consulting and will be announcing another package.