



# Hon. Adele Farina MLC

Member for the South West Region

Hon. Matt Swinbourn MLC  
Chair  
Standing Committee on Environment and Public Affairs  
4 Harvest Terrace  
WEST PERTH WA 6005

**By email:** [env@parliament.wa.gov.au](mailto:env@parliament.wa.gov.au)

Dear Mr Swinbourn,

## Submission - Regional Taxi Operators Petition

The State Government's decision to deregulate the taxi industry has financially impacted regional and metropolitan taxi operators equally yet the Taxi Buyback Scheme offering financial assistance to the industry unfairly discriminated against regional taxi operators by excluding them from the scheme.

The vastly inferior regional assistance package offered to regional taxi operators is unfair, inequitable and unjust. Not only have regional taxi operators made similar financial commitments as metropolitan taxi operators for the purchase of the taxi licence plate, their earning capacity is less (smaller market) and their operating expenses are greater. For example, each region provides a 24/7 dispatch service, with fewer regional taxi operators to cover the cost of running the dispatch service, regional operators are required to pay a higher dispatch service fee than applies to metropolitan taxi operators yet these factors have been ignored.

The Department of Transport's failure to consult with regional taxi operators throughout this process, misinformation provided to the Minister and lack of transparency have denied regional taxi operators a fair and just hearing, and access to critical information in relation to the formula used for calculating the assistance payable and its application. Procedural fairness has been denied. The Minister's refusal to meet with and hear directly from regional taxi operators has compounded the injustice.

An example of DOT's misinformation provided to the Minister, media and on its website, is the statement -

*The trading of country taxi-car licences differs from the trading of a plate as the licence is generally sold together with a business. This means that the business and goodwill are generally traded along with the licence. For this reason, it is not possible to determine the value of the licence in these transactions. This is reflected in the value of the country taxi-car licences which often have low to negligible purchase price.*

The argument is nonsensical. Regional taxi plate licences are sold and bought on the open market on the same basis as metropolitan taxi plate licences. The claim that country taxi plate licences have a low to negligible purchase price is simply false. In 2005, regional licenses were about \$140,000 to \$165,000 and at the same time the State Government was selling licenses in Perth for \$174,000. DOT persist with this view despite, as I understand, withdrawing the statement from its website in response to a complaint challenging its accuracy, but not before the damage was done.

Taxi licence plates are bought and sold on the open market in both regional and metropolitan WA. As has been the practice for decades, the Department of Transport (DOT) require both the seller and the

buyer to complete a 'Transfer' form and provide various documents in support. The form is an application to sell and buy, and DOT approval is required to give effect to the transfer. DOT provide written confirmation of approval of the transfer and state the buyer will be issued with 'ownership certificate'. Note: A few months ago, DOT amended the form to delete reference to 'ownership certificate' in acknowledgment that this is fatal to their position that regional taxi operators do not have ownership. Both regional and metropolitan taxi operators are issued with taxi plates which are transferred under this process and both pay an annual fee.

Before deregulation, while prices varied in different regions, regional taxi operators paid similar purchase prices to metropolitan prices for their plates. After deregulation, the plates have nil value.

Despite similar financial commitments, the minimum payment set for conventional and multi-purpose metropolitan taxis was \$100,000, yet a three tiered scale was applied to regional conventional and multipurpose taxi operators with most receiving the minimum payment of \$20,000 only. There is no justification for this \$80,000 disparity. Inexplicably, under Buyback metropolitan peak period and restricted area taxis were paid a higher minimum amount than regional conventional and multi-purpose taxis! In addition, there are inconsistencies between regional taxi operators in the application of the compensation amount offered by DOT. These inconsistencies need to be examined and corrected.

DOT claims that the formula applied to calculate payments under Buyback and the regional scheme are the same however, there are inconsistencies. In the metropolitan area, up until 2015 the weekly deemed income was \$225 and between 2015 and 2017 it was \$355 per week. Under the regional scheme the deemed income is \$355 per week up until 2019. Again, this financially adversely discriminates against regional taxi operators.

A statutory limitation on ownership of up to 5 taxi plates applies in the metropolitan area and therefore applying this cap on payments under Buyback was appropriate. The application of this same cap under the regional scheme, when no statutory limitation applies, and some regional taxi owners clearly own more than 5 taxi licence plates with DOT's approval, is unjust and seeks to discriminate against and punish those who have invested significantly to provide a reliable 24/7 taxi service to regional WA.

When ride share services entered the WA market in 2015, metropolitan taxi operators were offered a \$20,000 transition package. Regional taxi operators were offered nothing.

This petition warrants a more thorough investigation than is possible by written submissions from the principal petitioner and me and a written response by the Minister. I, and regional taxi operators, have extensive evidence and documents in support of this submission which cannot be presented due to the Committee's 2 page limit for submissions. This evidence needs to be considered to do justice to this matter. Other evidence is best provided by regional taxi operators directly in hearings. Regional taxi operators are asking for an opportunity to be heard and to correct the misinformation on which decisions have been made, an opportunity that should not have been denied them.

Regional taxi operators are equally financially hard hit by the Government's decision to deregulated the industry and deserve the same consideration and financial assistance as extended to metropolitan taxi operators. The inequity between the treatment of regional taxi operators as compared to metropolitan taxi operators warrants, in fact demands, a detailed, public and transparent inquiry. There is no justification for this metro/regional divide. I implore the Committee to favourably consider the petitioners' plea for a full inquiry, whether by this Committee or the Public Administration Committee, anything short of this would be a denial of justice and compound the view of regional taxi operators that their many years of long hours and commitment to the industry and country communities is not valued.

Yours sincerely,



**Hon. Adele Farina MLC**  
**Member for South West Region**  
14 September 2020