

STANDING COMMITTEE ON LEGISLATION

TAXI AMENDMENT BILL 2005

**TRANSCRIPT OF EVIDENCE TAKEN
AT PERTH
WEDNESDAY, 15 FEBRUARY 2006**

SESSION THREE

Members

Hon Graham Giffard (Chair)
Hon Giz Watson (Deputy Chair)
Hon Peter Collier
Hon Sally Talbot

Substitute Member

Hon Simon O'Brien

Participating Member

Hon Ken Baston

Hearing commenced at 12.31 pm**KERKVLiet, MR ANTONIUS**
Multipurpose Taxi Owner-Driver, examined:

CHAIR (Hon Graham Giffard): On behalf of the committee, I welcome you to the meeting. Thank you for attending to assist us with our inquiries. You have signed a document entitled "Information for Witnesses". Have you read and understood that document?

Mr Kerkvliet: Yes, I have.

CHAIR: Today's discussions are public. They are being recorded, and a copy of the transcript will be provided to you. Please note that until such time as the transcript of your evidence is finalised, the transcript should not be made public. I advise you that premature publication of the transcript, or inaccurate disclosure of public evidence, may constitute a contempt of Parliament and may mean that the material published or disclosed is not subject to parliamentary privilege. If you wish to make a confidential statement, you can ask the committee to consider taking your statement in private. If the committee agrees, the public will be asked to leave the room before we continue. We have received your submission. Thank you very much for that. Would you like to make a brief statement to the committee in relation to your submission?

Mr Kerkvliet: Yes. I would like to express my view on some points, so thank you for giving me that opportunity. I am not very good at speaking in public, and it certainly gives me no pleasure to do so today, and I wish circumstances were different, but there it is. I would like to talk about the difference in the conditions of the plates that we are talking about here. The first lot of plates that are numbered 2000 to 2045 have different conditions - mainly three - from the last 10 that were issued, which are numbered 2046 to 2055. Those conditions on the last 10 plates are quite strict compared with those for the first 10 that were issued, and that makes them of less value in the marketplace, particularly in the year 2002. These things have not been mentioned yet, and that is why I am here. I have supplied copies of the relevant pages of the ownership conditions for both types of MPT plates. I have marked the papers that refer to the first lot of MPT plates with the letter A, and the last with the letter B. In the papers marked B I have highlighted three of the conditions that are applicable to these plates. Condition 1.2 is that the taxi must be driven by the owner for at least 50 per cent of the minimum hours of operation each week. Condition 10.2 is that the owner cannot sell the plates within three years from the date when the then current plate owner acquired them. Condition 11.1 is that the lease of these taxi plates is prohibited. Until now, no mention has been made of the fact that there are two types of plates in this buyback. I believe that the differences in the taxi plate ownership conditions should have been recognised from the beginning. To include the lower priced taxi plates in the total mix can be called a watering down of the price per MPT plate. This is particularly relevant in my case. I was offered \$150 000 in 2002 for my taxi plate No 2014. However, financial reasons made me change my mind. I then sold taxi plate No 2046, which was the second lot of plates, for \$100 000, including GST, on 17 December 2002. The buyer had already had a fair bit of time in the industry. He had owned a weekend taxi plate, and he knew the prevailing market prices at that time for both types of taxi plates.

In my opinion, the omission of the difference between the two types of taxi plates appears to be a bit in line with the way in which this buyback has been handled from the beginning, with the issuing of some \$20-a-week cheap plates, and the length of time it has taken to come to where we are now. We have not been told why there is a condition that over 50 owners need to agree to the

price before the buyback can take place. Why does it need to be 50? Why can it not be 20 or 30 or 40? As we are all placed in different positions, should we not all be dealt with individually? After what has taken place so far, I feel it has left us MPT owners with a feeling of disbelief and insecurity, and in some cases a form of panic, because we do not know what will happen next. Of course, some of us have already agreed on a price of \$108 000 because, as they put it, it is better to get something than nothing. This situation should never have been allowed to take place. I am just wondering what the minister and the director general of transport were thinking about people like me. I have been in the industry now for 13 years. I was one of the earliest ones to invest into this thing, and I have always done, I think, a very good job. I am just wondering what the minister and the director general of transport were thinking about me and people like me when they allowed these \$20 plates into the marketplace, and whether they appreciated us or undermined us. If the buyback does go ahead, I submit that the bill should be amended to use a different formula to arrive at a buyback price that is fair to all concerned. That is my statement.

[12.40 pm]

Hon SIMON O'BRIEN: Thank you for that explanation. The committee has heard already from government witnesses who said that the figure of \$108 000 was struck as a result of using both of the classes of licences; that is, the 46 and also the remaining 10. As I understand it, three licences were traded in during the period that was used to assess the value. One of those was the restricted or less favourable licence.

Mr Kerkvliet: With conditions attached to it.

Hon SIMON O'BRIEN: Yes. Therefore, the figure of \$108 000 is artificially lower than you believe it should be - is that the gist of what you are saying?

Mr Kerkvliet: That is what I think.

Hon SIMON O'BRIEN: The government must establish a cut-off point to determine a price. What do you believe a fair period might have been to evaluate that cut-off point? Obviously you do not think that the year the government chose was the right one.

Mr Kerkvliet: What do you think?

Hon SIMON O'BRIEN: I am seeking advise.

Mr Kerkvliet: This is the ticklish point. The whole matter is about the price. If you say nothing, you will get nothing and if you have things to say that you think are right, you should say them. Why include in the evaluation the taxis that have more conditions placed on them and which I know through my own experience were of a lesser value in the market place in 2002? They were classed at \$50 000 less in value. Why include them and lower the prices of the whole lot? Throughout the whole process of the buyback, I have never heard it mentioned. I do not know why that has not happened.

CHAIR: Thank you, Mr Kerkvliet, the committee appreciates the clarity of your input today. Thank you for your submission and for your evidence.

Hearing concluded at 12.43 pm
