

To Whom it may concern.

Here are my thoughts on the taxi fare structure in Ballarat, the reasons behind them and I thank you for considering my input. I am an owner / driver working full time in the taxi industry.

I believe that Ballarat operators need a minimum of a 10% increase just to cover the neglect of any fare increase over the last 5 years and the introduction of the 45/55 % driver arrangement. This is evidenced by my figures in the attached file comparing my income, costs and profits under existing arrangements and the incoming 45 / 55 % arrangement. Please take time to look at these figures; they are real and actual figures, and you are welcome to look at my books any time you wish. As you can see, taxi operators are not "rich capitalists" but honest, hard working and financially struggling people. I am married with two young children and I work a minimum of 60 hours per week for what can only be described as meagre returns. Check the figures. Under 45 / 55 % arrangement I'll go broke; indeed, if it wasn't for lowering interest rates I would have made about \$2000- last year! Thus, here is my proposal :

- 1). Get rid of the booking fee altogether and build it into the flag fall. This eliminates unscrupulous drivers applying it when they shouldn't (I.e. – a walk up).
- 2). Raise the flag fall from \$3.20 to \$5.90 to cover the lost \$2.10 booking fee, plus 10%.
- 3). Raise the \$ per kilometre rate from \$1.67 to \$2.18. This will allow an immediate 10% increase with 10% "spare" for any unforeseen emergencies (I.e. – fuel price hike) and 10% to cover running cost increases over the ensuing 2 years.
- 4). Introduce a surcharge of \$1.20 (flag fall to go to \$7.00) from 7 PM to 7 AM. This will encourage more night drivers (we currently have taxis unshifted on various nights) and other workers get penalty rates for night shifts, why not taxi drivers?
- 5). Introduce a LNS (late night surcharge) of \$2.00 (flag fall to go to \$9.00) from 12 midnight to 6 AM normally, and 12 midnight for 24 hours on public holidays. This will encourage more drivers on public holidays and nights, meaning more taxis available to the public meaning greater public accessibility. See point four argument above.

When considering these figures please keep in mind you are asking for a MAXIMUM fare structure. Obviously Ballarat operators would work on something BELOW the above proposals.

Also consider the validity of Ballarat having a higher flag fall and lower kilometre rate as the vast majority of our trips are very short (I'm estimating 80% \$15 and under, and probably 50% \$10 and lower).

Also please consider the following points (any questions you see are not hypothetical questions but genuine questions for which I would like a valid and supported answer).

My books indicate that the cost of operating a taxi in Ballarat have gone up approximately 20% in the last 5 years. This is not reflected in my attached figures as over the last 3 years I have had to (in order to save money) learn how to perform all my own servicing and a lot of my own repairs. I am not a qualified mechanic. I assume this also explains the reduction in my own take from \$34 067 down to \$26 918 over 3 years; less time driving and more time servicing / repairing.

Peak taxi demand periods in Ballarat would be Friday and Saturday nights, and every second Thursday (pension day). If you wanted to extend this we are busy Monday to Friday from 8 AM to 10 AM and from 3 PM to about 4:30 PM. Raising the meter on a Friday and Saturday (peak) times may have some merit, but you speak of lowering it at other times. This has two flaws that I can see.

1. The people who use taxis in Ballarat on a Friday and Saturday night are a completely and utterly different demographic to those who use taxis on weekdays. Why should one part of the population subsidise another part of the population?

2. You will never convince me about lowering any part of the fare structure until you can provide evidence of any form of transport (bus, train, air travel) coming down over the last five years, or any component of running a car (rego, fuel, insurance, mechanics fees, tyres etc – the list goes on) coming down over the last five years. To even suggest taxi fares should reduce is, really, a disgrace (look at my figures).

I actually use taxis quite often (we are a one car family and I have to drop our taxi off for repairs that I cannot do) and as a user I find the service very good and cheap. As does my wife. (And no, I'm not just looking after my own self interest with that statement. Come and talk to some of our customers).

What is so inherently wrong with developing a fare structure tied annually to CPI? Furthermore, what is so inherently wrong with adopting an operating fare structure that customers, drivers and operators are happy with (I.e. – from NSW, Queensland or further)? I really hope we're not trying to reinvent the wheel.

There seems to be a problem with taxis and Melbourne Airport. There are lots of other airports around the world that seem to manage their taxis OK, so why can't we? I would have thought that halving the giant taxi waiting paddock at the airport would force more taxis onto Melbourne's streets, but I'm not from Melbourne and I'm probably wrong.

Drivers, or more to the point, lack of, especially career drivers all comes down to adequate remuneration in my opinion. But unless you sit down and listen to regional operators and drivers (which I hope you do!) you may never fully understand the difficulties facing us. I do feel that there are a lot of issues that have been totally ignored by the taxi inquiry (such as the cost of insurance, or even getting insurance!) but this is probably beyond your scope.

If you would like to discuss any of my points, or the figures provided, please feel free to contact me.

Scotty Parker