

## Ballarat Taxi submission to ESC – Taxi Fare Review 2013

As the industry is undergoing significant change through the acceptance by government of many of the recommendations from the Taxi Industry Inquiry it is imperative that the ESC seek advice and listen to those that understand the complexities of this unique industry.

The industry has not had a fare adjustment since 2008 mainly due to the perceived “political” backlash for government in increasing fares. However Government failed to understand that the majority of taxi clients choose this mode of transport for convenience, no matter the cost on the meter. In fact the vast majority of customers who utilise our service are sympathetic in the knowledge that we have been neglected by the government regarding fare adjustments. Operators and drivers alike have absorbed every day cost of living expenses as well constant increases in operational running costs. Safety, service and convenience are the driving motivators in using taxi services for our customers more so than the cost.

We therefore are more than pleased that the political aspect has been removed from the equation and that a more consistent and transparent approach will be offered. The challenge is for the ESC to get it right in order for taxi operators to remain viable (*the Hon Terry Mulder MP May 2013*). It is imperative that an appropriate reward for effort is attained for both Taxi Operator and Driver.

The most common complaints we receive from customers are refusing to wait for customers on busy shifts (*Friday /Saturday nights*) whilst passengers request to go through drive through takeaway food outlets. The other is drivers adding on the booking fee to the fare when they are not entitled to.

In the first instance drivers are reluctant to wait for customers as they can be held up for up to 15 minutes at a time and it is certainly non productive for the driver. It is estimated that this waiting time during peak periods could cost the driver up to \$30 in lost revenue on any one trip, so you can understand their plight to a certain degree.

Many drivers interviewed regarding these complaints state that it costs them too much in lost revenue to sit waiting in ques when they can be making more money by being on the move. Other drivers were more concerned about the time taken to clean the taxi after food waste is squashed and ground into the floor or seats of the vehicle.

The second issue is a driver adding the booking fee to the meter when they have picked up customers at Taxi ranks or from street hails. Given the plight of the driver and no fare increase over the last five years maybe we can understand why drivers have resorted to these tactics. The last thing we need is also Taxi Operators cutting corners to remain viable.

It is also our belief that the shift to a 55/45 operator/driver split is totally unfair to the operator and may see operators cutting service and vehicle standards to be sustainable. We believe this will lead to unnecessarily inflating taxi fares and fares will need to increase by at least 15% in the short term for operators to remain viable. It is our belief that the driver income would be sufficient by a “fair” increase to the fare box.

All drivers affiliated with Ballarat Taxis are on a Bailment agreement of at least 50/50 split, with taxi operators paying all expenses. Should the revenue split be altered to a 55/45 split then many taxi operators would barely make ends meet: refer the (PWC) Price Waterhouse Cooper's report commissioned by the VTA.

To recover this, standards would need to be lowered. . The TII team recommended a 60/40 split in the draft report and soon realized they got it wrong, nothing has changed with the final report, and they have got it wrong again.

Whilst short fare refusal is not such an issue for our customers in Ballarat, we do understand the issues which confront the Metropolitan stakeholders both drivers and customers. We therefore support the notion also of increasing the flagfall to encourage drivers to accept these trips.

We believe that a 'specific taxi industry based index' should be developed as is used in some other jurisdictions interstate. We believe this will provide transparency to all stakeholders and justification for any fare adjustment on the basis of movement within this model. It is our belief that that these movements should be reviewed at least annually rather than over a two year period. The volatility of the cost associated with just the fuel industry demands at least annual adjustments.

Peak Periods: Demand in Ballarat can be defined as peak on Friday/Saturday night shifts from 7pm through to 5am and also weekdays from 8am to 10am and 3pm to 4.30pm. Introducing cheaper tariffs to move demand will not and does not work. As previously stated the public use taxis for convenience and will use them to suit their immediate needs on most occasions. It is our understanding that lower tariffs were introduced previously during the 1970's to encourage customers to travel during non peak periods which did not achieve the desired results. Having different fares at different times of the day will only confuse the customer and lead to disputes between all parties. A simple two tariff structure with clearly defined operational hours will lead to reduce angst between customer and driver.

#### Ideas

1/ Develop a specific taxi industry cost model that will be the base going forward. This should be based on all running costs associated with the vehicle as well as recognition of labour input.

2/ It is essential that we have annual fare adjustments based on the movements in the cost index.

3/ Remove the booking fee from the fare box and add it to the flagfall in order to remove the temptation from drivers to add to the fare box when they are not entitled to and also the added advantage of encouraging drivers to accept short fares.

#### 4/ Two Tariff Fare Box:

Tariff 1 7am to 7pm Flagfall \$5.30 Distance Rate \$1.92

Tariff 2 7pm to 7am Flagfall \$7.30 Distance Rate \$2.20 (=15% penalty rate)

Tariff 3 24 hrs 7 days a week Flagfall Distance Rate \$2.88 For vehicles capable of five or more passengers should be retained in order to better utilize resources and encourage operators and drivers to shift these vehicles.

(Tariff 2 should apply all weekend and all public holidays)

This will be more transparent to customers and easy to identify and understand.

5/ Late night surcharge Midnight to 7am \$3.00 This should be retained in order to encourage drivers to remain out after midnight and service peak periods.

6/ Increase waiting time component to \$55 per hour as in NSW. This will encourage drivers to comply with customers requests as previously explained during peak periods particularly. This will also address congestion issues for Metropolitan drivers also.

7/ Introduce a soiling fee to encourage drivers to immediately clean vehicles before picking up the next customer in an unpleasant and unhygienic vehicle.

8/ Introduce the concept of a Flat Fare to support late night transport options. (Additional paper attached)

Thank you for the opportunity to make this submission and we look forward to a positive outcome for all stakeholders. Should you require further information I will be pleased to be of assistance.

I have also attached a submission from one of our local drivers as part of our submission but which has independently been written as his own submission.

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2/1/2011

BALLARAT  
TAXI CO-  
OPERATIVE  
LTD

## FLAT FARE CONTRACTED SERVICES

Late Night Transport Options |

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# **Proposal to Ballarat City Council**

## ***Re - Late Night Transport Options***

### ***BACKGROUND***

Taxis are the only public transport option for patrons of the late night entertainment precinct. During the early hours of a Sunday morning, patron demand for taxi services often exceeds the capacity to transport patrons to their destinations. In general between 1am and 5am patrons would normally expect to wait up to 20 min for a taxi, however during special events this could extend to an hour.

Other transport options have been trialed and failed over the years. We have had a number of courtesy buses in Ballarat and Night Rider bus services trialed in many other regional centres. Inherently these services have not been well supported by the general public for a number of reasons. Mainly patrons want a door to door service late at night and early mornings.

Night rider bus services in Bendigo and Geelong have been trialed over the last two years and both services have now ceased. Safety issues for patrons was seen to be a major reason

Whilst we have had some success in reducing waiting times through the promotion of “Multiple Hiring” on our safe ranks, this also has presented issues with both patrons and drivers. Difficulty in explaining the fare split amongst many “tired and emotional” passengers led to many disputes inside the taxi.

### ***A WAY FORWARD – CONTRACTED SERVICES***

Recognising this as an issue throughout Australia, Ballarat Taxis along with Geelong and Frankston taxis requested our Association to investigate late night transport options throughout Australia. With this, Queensland was found to have some very innovative programs running in conjunction with government agencies. One very interesting concept was that of Flat Fare Taxi services (contracted fares).

Previously in Victoria contracted fares had not been an option as our taxi regulations were such that we could not carry fares without our meter running. However with the recent relaxation of these regulations we are now able to offer contracted services. The restrictions are that we

must not charge more than the normal taxi fare and that we must enter into a contractual arrangement to charge these fares.

## NightLink Flat Fare Taxi Services

Flat fare taxi services were first introduced in Brisbane to help discourage violence in night club precincts and to provide a safe low cost public transport service.

The service currently running in Brisbane involves rank marshals organizing share-rides in maxi taxis for people travelling in the same general direction. Fixed fares which are cheaper than standard taxi fares are determined against a zonal system and paid before the journey commences.

The service has proved popular with passengers, government and the industry. The service is now provided without direct subsidy and its continually improving patronage indicates its sustainability.

### ***Overview***

Before discussing the Flat Fare service it may be worthwhile to give a brief overview of secure taxi ranks in Queensland.

### ***Secure Taxi Ranks (Safe Ranks)***

Essentially a secure taxi rank is a rank staffed by at least one rank marshal and at least one security guard. Most safe ranks are covered by closed circuit surveillance and generally operate between midnight and 5am on Saturday and Sundays as well as some special events. Queensland Transport pays for provision of rank marshals and security guards and has also paid for various infrastructure improvements.

There are also a number of safe ranks in regional Queensland funded by Queensland Transport.

### ***Scope of Flat Fare Services***

The Key features of NightLink Flat Fare Taxi Services are that these services entail organized share-riding in maxi taxis and the payment of fares before the journey begins. The rank marshal organizes waiting passengers so that people who are travelling in the same general direction can share a maxi taxi.

The rank marshal also notifies passengers of the fare payable, which must be collected before the journey commences. There are two determinants of the applicable fare: destination and number of people travelling.

### ***Taxi Zones and Fare Structure***

Fares for travel are determined against a zonal system that radiates from the inner city to outer suburbs. The zonal system was deliberately based on the Translink zonal ticketing system that applies to all bus, rail and ferry travel on Translink. It was considered that using a comparable system to the existing Translink zonal system would facilitate a better public understanding of the Flat Fare zonal system.

Fares are determined by the number of people travelling together to the same destination. Accordingly fares apply for individuals, pairs and groups of five or more persons.

The principal of the service is that the fare should be cheaper than the standard applicable fare for a comparable taxi service at that time. However it is also important that those drivers find the fare for the journey to be reasonable and attractive. Otherwise the driver may avoid the Flat Fare ranks.

Example of zonal pricing

Zone	Single	Double	Group-Five or more
1	\$7	\$10	\$12
2	\$10	\$13	\$15
3	\$15	\$18	\$32
4	\$19	\$24	\$43
5	\$22	\$28	\$49
6	\$24	\$31	\$54
7	\$28	\$35	\$59
8	\$30	\$40	\$65
9	\$33	\$44	\$72
10	\$35	\$49	\$79
11	\$44	\$55	\$89

### ***Success of the Service***

To help establish the Flat Fare service, top up payments were paid to drivers of Maxi Taxis that were specifically assigned to work flat fare ranks. Drivers received \$70 an hour (2005) less the fares they had received. Top ups were phased out after 14 months.

A key aspect of the Night Link Flat Fare service is that it involves encouraging people travelling in the same direction to share a taxi. Prior to the service introduction, a performance target was set by Queensland Transport for the average number of passengers to be carried per trip. This target was set at four passengers per trip and results have shown that this target has been continually surpassed. The efficiency of the Brisbane Maxi fleet has increased significantly through the NightLink Flat Fare service.



Surveys carried out at the secure taxi ranks indicated a significant drop in waiting times since the introduction of the Flat Fare payment service.

### ***Adding Social value***

Both of the Brisbane taxi companies urged that the Flat Fare service should be promoted more as a social need. Great numbers of **'tired and emotional'** people need to be moved out of key entertainment precincts late at night and taxis are the best mode of transport to do that.

However, what does make this service of great value is the positive image it creates amongst key stakeholders such as the Police, entertainment venues, the Government and of course the general public.

### ***Summary***

This program has been running for 4 years without subsidy, indicating the commercial viability of these services. However it has been noted that it has only been in the past two years that the public have become familiar and happy to use the service as their primary mode of transport home. A number of these services have been trialed throughout Queensland and the success and sustainability can be measured by the density of night clubs in the area and more importantly the enthusiasm and skill of rank marshals.

A few key points were suggested as factors that would greatly assist in the success of this service.

- Skills of marshals to overcome public 'share ride' resistance
- Outgoing, experienced and calm marshals with good knowledge of suburbs
- A captive audience (i.e. patrons at safe ranks waiting for a taxi)
- A safe and secure environment which is for both drivers and passengers.

The active involvement of taxi rank marshals and rank security guards has been of great importance to the success of Flat Fare services. Rank marshals actively canvass the Flat Fare service and seek new potential users from nearby standard ranks.

A number of the rank marshals are regular workers on the rank and many enjoy getting involved with people and arranging share rides. Rank marshals also report that they have established friendly client customer relationships with regular Flat Fare service patrons.

The rank marshals have also reported that support from Queensland Police Service has grown since the commencement of these ranks. The rank marshals have reported that the police are now usually highly responsive when called for assistance, especially in Fortitude Valley. It has been suggested that this was perhaps due to a greater recognition from local police of the work rank marshals do to get people home quickly and thereby reducing the potential trouble.

# Proposal

## **Ballarat Flat Fare Service**

Ballarat Taxis in order to provide 'Flat Fare' services are required by the Transport Regulations to enter into a Hirer Agreement with another party. We believe this presents an ideal opportunity for the City of Ballarat to demonstrate "**leadership**" throughout Victoria in establishing and entering into the first service agreement of this kind. The potential benefits of this partnership and the anticipated mode of operation are explained in this document.

It is proposed that Ballarat Taxis and the City of Ballarat enter into an agreement for twelve months and conduct a trial of the 'Flat Fare' service scheme from the South Safe City rank at the corner of Lydiard and Sturt Streets Ballarat. Ideally this service would be in place by the first half of this year and run as a pilot project.

## ***November Audit South Safe Rank (refer appendix "A")***

After the City of Ballarat audit of the South Safe Rank over a four week period in November 2010, it is evident that waiting times at the safe rank are quite reasonable overall.

Saturday mornings on average had waiting times up to 6 minutes only at night club closing times, and the majority of the night up to 1 minute wait if any at all. 1974 patrons were moved during Safe Rank hours on Saturday mornings during this period.

Sunday mornings on average, patrons experienced wait times of up to approximately sixteen and a half minutes. On the last Sunday of November this was extended to approx 22 mins at certain times of the morning. 3296 patrons were moved during Safe Rank hours on Sunday mornings during this period.

Although these times are quite reasonable there is an opportunity to reduce the current wait time and to attract more patrons to use the Safe Rank. Expected reductions in waiting times plus increased patronage estimates can be found on the attached Appendix B.

## ***Contract of Hire***

Ballarat Taxis Co-Operative Ltd to provide 'one only' 10 seat High Occupancy Vehicle (HOV) vehicle on a trial basis. This vehicle to be contracted between Ballarat Taxis and Ballarat City Council for a set fee at an hourly rate of \$100 per hour between 1am and 6am on Sunday mornings, with fares collected used to fund payment of the rank marshal.

Based on the Flat Fare system previously explained, this vehicle would be dedicated to the South Safe Rank located at Lydiard and Sturt streets corner, and between 1am and 6am, continually attending that rank picking up only 'flat fare' customers. This vehicle would not be offered any other taxi work through the Ballarat Taxis dispatching system.

The Brisbane model had separate ranks for 'flat fare' services, however we do not see a need for that here and consider the 'flat fare' vehicles could be allocated to pick up directly in front of the existing safe ranks.

It is anticipated that the HOV taxi would frequent the safe rank at least nine times during the 5 hour designated period and have the potential of moving up to 90 patrons within that time.

### ***Boundaries***

To ensure a frequent attendance at the Safe ranks this vehicle should be restricted within a geographical boundary. For example:-

Patrons travelling to Sebastopol would be restricted to within a specific boundary terminating at Prince Street and out to Crown Street Sebastapol.

Patrons travelling to Mt Helen would terminate at Moss Avenue

Patrons travelling to Wendouree would be within the Ring Road boundary.

Patrons travelling to Alfredton would be within Dyson Dve boundary.

Patrons travelling in an easterly direction would be limited within Springs Road and Fussell Street boundaries.

This should ensure that the HOV vehicle attends the safe rank at least twice per hour. It is also imperative that this vehicle is promoted to patrons as an express vehicle and is not permitted to detour through take away venues. As with the Queensland model, occupancy should be set at a minimum of four passengers per trip.

### ***Rank Marshals***

An assumption of this proposal is that BCC will contract to hire the rank marshal.

The key to the success of the 'Flat fare' service is the performance of these marshals. A marshal with the correct attitude, engaging personality and the ability to sell the service will ensure a successful trial.

Ballarat City Council currently contract to provide security personnel at the existing Safe Ranks. A dedicated additional person to act as a rank marshal for this project with the aforementioned attributes could potentially be sourced from the current security firm.

Ideally the current security personnel should receive training in the concept of 'Flat Fare' hiring to give them a greater awareness and understanding of the project and its goals. They could also potentially act as a backup for unforeseen circumstances.

### ***Hiring Rate***

It is proposed that the vehicle is hired (contracted) between 1am and 6am at the cost of \$100.00 per hour. This is commensurate with the hourly rate now achieved for HOV's during these hours. As with the Brisbane model, fares collected during this contracted period would be deducted from the guaranteed hourly rate charged under this proposal to BCC with the aim being to become self sufficient as the service becomes better known and utilized by the patrons.

### ***Fares***

Compared to the Brisbane Flat Fare system which is based on a zonal model, applied to a very large geographical area and is linked to their 'NightLink' Transport network which includes trains buses and ferries, we propose a simplified approach to fares.

This proposal is a flat fare of \$10 per passenger, this would reduce confusion and each patron would be aware that at the end of the night they need \$10 to get home safely.

Fare collection would be undertaken by the rank marshal in preparation for the HOV arrival at the rank.

Two options of either the rank marshal retaining the money or alternatively handing the money to the driver would need to be negotiated with BCC to enable any hourly shortfall to be identified and subsequently remitted.

### ***Identifying Flat Fare vehicle***

Ballarat Taxis have seven High Occupancy vehicles, so the designated vehicle for 'Flat fares' service needs to be visually identified by both the rank marshal and patrons.

We propose magnetic signs be fitted to the front, rear and side panels of the nominated HOV to identify and promote the Flat Fare service. *(BCC or sponsor to fund)*

"FLAT FARE EXPRESS TAXI SERVICE" may be appropriate wording. An "A" frame signboard positioned at the rank would benefit in promoting the service.

## **Drivers**

Ballarat Taxis have surveyed some HOV drivers and we do not perceive any issues with the recruitment of drivers to undertake a “flat fare’ pilot project.

## **Benefits**

It could be expected that through the quicker movement of patrons from the safe rank that other late night revelers who have previously been deterred by the queue length may now utilize the safe rank. It would not be unreasonable to expect an additional 50 -80 extra patrons utilizing the safe rank per night, provided the project is adequately communicated and reliably delivered over the initiation of the project.

It is anticipated that the use of one High Occupancy Vehicle will in effect reduce waiting times at the safe rank (*based on the November audit over four consecutive Sunday mornings*) of between two to five minutes.

This time could further be reduced should we dedicate another HOV vehicle in future.

Other benefits:-

- Reduce expected waiting times at safe rank (2-5 mins)
- Reduce likelihood of anti social behavior around CBD
- Reduce patrons tensions at Safe Rank (less incidents)
- Introduction and promotion of share riding concept to patrons
- Enhance greater efficiency in transport performance and the maximum use of available human and natural resources
- Provide greater “peace of mind” to parents about the welfare of their children going out in the Ballarat CBD entertainment precinct.
- Reduce incidents of drink driving
- Encourage more patrons to the safe rank
- Taxis less likely to pick up hails around CBD
- Patrons know exactly how much to keep aside to get home safely (*pre-paid vouchers are also an option*)
- Reduce the risks of traffic incidents and serious traffic injuries

Should this trial prove successful then there is no reason why this concept could not be used for other major events such as the Ballarat Cup, Kryal Castle dance parties or concerts such as the recent Powderfinger concert which received so much negative publicity.

## **Budgetary Costs**

### Outgoing

Sunday 1am to 6am At "breakeven point", average 8 patrons @9 trips.

1 x High Occupancy Vehicle Hire (HOV) @ \$100.00 per hour x 5 hours = \$500.00

1 x Rank Marshall @ \$ 40.00 per hour x 5 hours = \$200.00

**Total \$ 700.00 per week**

### Incoming (Fares collected)

1 x High Occupancy Vehicle @ 8 passengers per trip = \$80.00

1 x High Occupancy Vehicle @ 9 trips per vehicle = \$720.00

**Total \$ 720.00 per week**

**Estimated breakeven/profit \$20.00 per week (Pricing GST inclusive)**

**NB.** These figures are estimates only and it is quite conceivable given time and once the concept has been widely publicized and accepted that the Flat Fare concept would become self sufficient within the first twelve months as many Queensland areas have experienced. A more detailed example can be found in **Appendix 'C'**.

## **Summary**

Ballarat Taxis are willing to enter into and provide a contract "Taxi Hire Agreement" for consideration on a trial basis for a period of twelve months.

A few finer details will need to be considered but we believe this concept has huge potential to help reduce waiting times at Safe ranks. It has been trialed in Queensland extensively with positive results.

Should the trial prove successful there may be an opportunity for Ballarat Taxis to increase the number of 'flat fare' vehicles made available in the future which would further reduce waiting times at the Safe Rank.

Over many years we have observed nightrider buses, mini buses and courtesy vehicles established in other towns and cities in Victoria, and every one of them have failed for varying reasons. (*Bendigo and Geelong being the most recent examples*).

As new identities become involved in various transport or other committees they espouse considering the same old trialed and failed experiences. We believe the 'Flat fare' service offers a genuine door to door service with huge potential for take up among the City's revelers. It is a tried and proven success in most Queensland cities and we see no reason that it would not be just as successful here.

This is an ideal opportunity for the Ballarat City Council to promote itself as legitimate force in attracting major events by showing a willingness to promote new transport initiatives conducive with handling mass transport issues at these events.

It is also an opportunity for the Ballarat City Council to show leadership to the rest of Victoria and promote itself as a forward thinking community in the area of Transportation and the Safer Cities and Shires concept.

I look forward to discussing this and other concepts such as 'council cabs' with you in the future.

Stephen Armstrong  
COO/Chairman

**Proposal for a trial**

# **Ballarat Flat Fare Service**

**A partnership between  
Ballarat Taxi Co-operative Ltd  
Ballarat City Council - Make the Difference Program  
Ballarat Liquor Accord  
Plover Security  
Road Safe Central Highlands**

**March 2012**



LOGO

LOGO

LOGO

LOGO



## Proposal for a Ballarat Flat Fare Service

This is a proposal that combines the resources of Ballarat Taxis, the City of Ballarat - Transport Connection Program, Make the Connection, the Ballarat Liquor Accord and, Plover Security and Roadsafe Central Highlands

The agreement for the next twelve months is to conduct a trial of a 'Flat Fare' late night taxi service scheme aimed at moving groups of people quickly out of the central business district to their homes in the early hours of the morning.

## The partnership

Transport Regulations require Ballarat Taxi Co-operative to enter into a Hirer Agreement with another party.

In meeting this requirement it is an ideal opportunity for the Ballarat Taxis, the City of Ballarat, the Ballarat Liquor Accord and the Make the Connection Program and Roadsafe Central Highlands to demonstrate "leadership" throughout Victoria in establishing and entering into the first service agreement of this kind in regional Victoria.

Plover Security Services will be a further partner as the services of their security staff were engaged to act as Rank Marshals.

## The benefits

Through the use of a High Occupancy Vehicle (HOV - (10 seat taxi) it is anticipated that

- It enhances greater efficiency in transport performance, useage and efficiency of human and natural resources
- Would be a safer option as it is a 'door to door service'
- It introduces and promotes the shared rider concept
- It will provide greater 'peace of mind' to parents about the welfare of their children
- Anti social behaviour would be lessened as wait time is lessened at the safe rank
- The flat fare can be paid in cash or pre purchased voucher thus ensuring the fare is 'covered by patrons

On a wider impact

- Drink driving incidents are reduced
- More patrons encouraged to use a designated safe rank
- Taxis are less likely to pick up hails around the CBD as the Safe Taxi rank is used
- Traffic incidents are reduced and in-turn less serious traffic injuries
- During major entertainment events

## Why a Flat Fare service?

Research undertaken, both nationally and internationally by the City of Ballarat has shown that a Flat Fare service surpasses other options such as car pooling, courtesy buses and night-rider buses as it provides a safe, efficient CBD to home service to clients.

Surveys undertaken in Ballarat have shown:

- 1974 patrons were moved during Safe Rank hours on Saturday mornings
- waiting times at the safe rank are quite reasonable overall
- Saturday mornings on average had waiting times up to 6 minutes
- Sunday mornings patrons experienced wait times of up to approximately 16 minutes
- 3296 patrons were moved during safe rank hours on Sunday mornings

## The Service contract

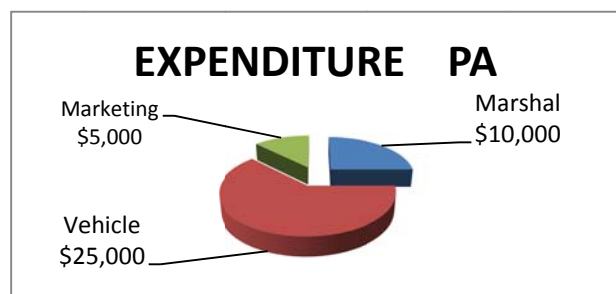
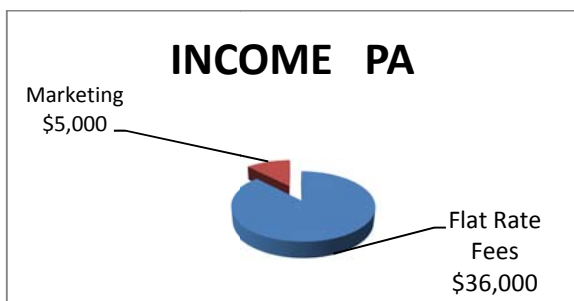
Ballarat Taxis Co-op Ltd will provide 'one only' **10** seat High Occupancy Vehicle (**HOV**) vehicle for the trial for a set fee at an hourly rate of **\$100** per hour between 1am and 6am on Sunday mornings.

The Marshal will be contracted by either Plover Security or Ballarat Taxi ie one of their staff, at \$40 per hour between 1am and 6am on Sunday mornings.

## The Service Budget

It is suggested that the following budget requirements would be indicative -

Taxi Owner operator	\$100 per hour	x 5 hours per night x 50 weeks
Marshal employment	\$40 per hour	x 5 hours per night x 50 weeks
Promotion and public awareness	\$5,000	
Trial Underwriting	\$10,000	



## **The Service Management**

A project Committee would be established to oversee the operation of the Service.

This Committee would be made up of representatives of the committed parties and would meet on a quarterly basis. The role would be to gather information, assess the effectiveness of the project and to judge as to whether the underwriting funds would be required and the process of distribution.

## **The Service Staffing operational arrangements**

Ballarat Taxi Co-operative Ltd will supply one HOV and driver at \$100 per hour from 1am till 6am on the designated mornings.

The Co-operative will be required to ensure the service meets all service and regulations as per state requirements of a Taxi service. The co-operative will sign a partnership agreement to ensure the service is delivered throughout the trial period.

The driver will report to and be responsible to the Co-operative as per normal Taxi driver expectations.

Financial arrangements will be detailed prior to the commencement of the trial.

A Marshal will be secured for the duties of collecting money/vouchers and marshalling clients into the HOV at the designated taxi rank.

He/she will be paid per hour to undertake the assigned duties, wear a highly visible vest and will manage the 'rank operations' for the assigned timeframe.

He/she will be accountable to their employing agency – either Ballarat Taxi's or Security Service.

He/she will follow the procedure as developed in the depositing and auditing of monies collected.

## **The Service Recommendation**

That the Project be instigated with commitment from The City of Ballarat, Ballarat Taxi Co-operative, The Liquor Accord, Plover Security and Road Safe Central Highlands.

That a Project Committee be established

That \$10,000 be sought to underwrite the project

That \$5,000 be sought to promote the project

That the project be trialled for 12 months.

# Suggestions for the improvement of taxi drivers' income

There are only two changes that need to be made to improve the lot of taxi drivers. Mainly, taxi drivers need to be better paid. That will not be achieved by adding extra charges or extra rates, which only serve to sour relations between taxi drivers and their passengers.

The \$6.20 flagfall after midnight caused trouble right from the start, as often drunk passengers accused drivers of altering the meter to add the extra charge, resulting in drivers having to explain that it was out of their control and being disbelieved. It engendered poor relations and often caused passengers to feel they were justified in 'doing a runner' at the end of the journey. Others, knowing about the higher charge, preferred to walk if the distance was not far or arrange a lift with a friend.

It was not so much the higher amount but the knowledge that earlier in the night it was cheaper, that bothered passengers when the higher charges after midnight were introduced. That imbalance seemed to them to be unfair and it might be argued that it is.

Then there is the suggestion that the driver ought to get 55% of the take at the end of the shift instead of 50%. This is so unfair for the owners who already have to pay, out of their share, the fuel cost, repairs and maintenance, insurance and eventual replacement of the vehicle, while the driver gets 50% clear, apart from the 10% GST owned the ATO when it comes time to do their BAS at the end of each quarter. The same requirement is placed on the taxi owner so there's no relief for them there either.

**Suggestion # 1:** The change I would suggest is firstly, get rid of the higher flagfall after midnight and the \$2.10 call fee. Replace these with a \$10 flagfall, 24 hours a day, no change, nothing added and no extra charge for passengers travelling a greater distance than that which would normally have cost them \$10. The difference here is that there would be no fare under \$10 – no \$5.60 from the railway station to Webster Street or the North Britain Hotel. If they want a cab, it will cost them \$10 at least.

The \$10 on the meter would not move, it would not begin to add up by 10c amounts until it passes that point at which the meter would normally have added up to \$10. Then it begins to add up - \$10.10c, \$10.20c, \$10.30c and so forth. Those passengers will be better off because the \$10 will contain no initial flagfall or extra charge of \$2.10. They won't have any cause to feel they are being charged extra.

No higher rates at different times of day and no added-on extra charges means nothing to argue about or to accuse the driver of having done. Once it becomes public knowledge that a cab fare will be a minimum cost of \$10 but no extras, relations between taxi drivers and their passengers will improve and the drivers will earn more from the shorter fares -  $\$10.00 \times 10 = \$100$ .

**Suggestion # 2:** Secondly, I would not change the driver's take from 50% to 55%. To start with, most of us are not rocket scientists or even mathematicians. To work out 50% is easy; it's half the take. If you suggest to a driver that he or she has to move the decimal point two places to the left and then multiply by 55, they will find it difficult – not all but enough, and the job is problematic enough without that, for most of us.

I do not think a taxi driver should be compensated more by taking more from the taxi owner. There is another way and it involves drivers earning more than the suggested extra 5%, so bear with me.

The imposition of the BAS on drivers has always been vexatious to me, and I'll explain why. Taxi drivers are sole operators, in other words they are private business people, not employees. In every other private business in Australia, the income has to exceed \$70,000.00 before GST is paid. I am suggesting that this impost should be taken away from drivers so that the government has to forfeit that 10% income from the driver's half of the take. They should do so as their share of helping to improve the lot of Australia's lowest-paid workers.

That way, the 10% GST that the passengers have paid and which presently has to be passed on by the drivers, should be retained by the drivers as income. This adds up to an extra 10%, not an extra 5% and it takes away a financial burden that is often difficult for a driver to manage when he or she earns so little to begin with.

In this way, there can be government involvement in improving the lot of taxi drivers, without the red tape or expenditure of any further public funds – they simply have to write off the 10% they normally extract from taxi drivers.

So, there it is; suggestions 1 & 2. I recommend these for the future operation of taxis and I ask for your support.

Rob Talbot, Ballarat taxi driver