

The Secretary
Legislative Council Economy and Infrastructure Committee
Parliament House,
Spring Street
East Melbourne Vic 3002

29 May 2019

Submission to Parliamentary Taxi Inquiry: Request to de-identify information: name/s and addresses are not to be published

My parents are both in their 70 years old are Asian migrants. They have worked for less than a year in the operation side of the taxi industry in the 1990s after purchasing two licences to start a small family business. The main reason they purchased the licences was because Jeff Kennett was cleaning up the industry: having taxi uniform in place, enforcing the vehicles to be in yellow rather than in rainbow and making Victoria a much more vibrant first class city, such as hosting the Grand Prix. However, they found it extremely difficult to run the business as it was difficult to find reliable drivers to drive their new Ford taxis. (New cars tend to attract drivers to do the shift.) So they leased the plates out for the last twenty years. It gave them a steady stream of passive income to pay for everyday household bills and support their children to the government school. The licences in the 1990s were valued to an equivalent value of two modest homes with a backyard in a leafy Eastern Melbourne.

In 2012 before Alan Fels inquiry, the licences were half a million each and it still equated to 2 modest Eastern suburban homes. At that time, the passive income of around \$60k less expenses, net income of \$45k enabled my parents to pay for their daily expenses, with an occasional holiday or adequate savings. We watched the income from the licences have fallen with the licence plates. But it was still manageable for my parents to live on.

Since October 2017 the lease income is zero. This was due to the Fels advice and recommendations and the illegal entrance of Uber on the road and the Victorian State government assistance package. The assistance package provided for the two licences was \$150k. This is worth less than one tenth of a home in the leafy Eastern Melbourne suburb. As well, there is no more income coming through.

Now in 2019, the minimum cost of living in order to survive as a couple in their 70s is approximately \$36k with no holiday. Cost of living expenses include: food on the table, Private health insurance \$2.5k for each person or \$5k as a couple, out of pocket medical bills (variable), electricity, gas bill, mobile/fixed/internet home phones, water and council rates, petrol for the car, car maintenance service or public transport cost.

My parents are not able to apply for full government payments due to the structure of the business. This partial government handout is about \$12k. The rest of the money come from my husband and I. Since Nov 2017 my husband and I contribute much of my parents' household expenses to meet the cost of living. They have very little saving as their retirement fund has gone to the licence plates. These licence plates were initially also going to be their aged care bond. When they reach to the next phase of life, it is most likely my husband and I would be footing the bond and the daily expenses cost in the aged care centre.

I also have a baby in 2018 and am forced to return to work straight after giving birth as my husband and I need to support two families. As many older Australians are helping their children to purchase

a home, our family situation has been reversed. The situation has put a lot of financial pressure on my husband and I. Our marriage, at times has been testing because of this financial pressure.

My parents mental state is not great either. They feel helpless, being in their 70s it is extremely difficult to find a job.

We are very disappointed at the treatment by the Andrews Government. They are ruthless. We have been law abiding citizen trying to support the Victorian transportation system. We are disappointed that we are mistreated as we do not have a strong arm of political lobby like the fishing industry where the government adequately compensate the licence holders at the time when Fels was conducting the enquiry. We are disappointed that the government has hired Fels, the economist, who is aloof, to study the taxi industry and has no basic knowledge of the taxi industry and used some economic theories to run the taxi industry. We are disappointed by Jacinta Allan, the Minister of Transport who turned up taxi licence owners' meetings to buy our votes at the election time and making force promises with Daniel Andrews. And she has never returned any of our telephone calls. We are disappointed since 2012, that we are caught in the red tape of various government departments/ and a revolving door of government department names and government staff which are used to serve the taxi industry. We are disappointed and frustrated that we have been constantly shuffled by various government departments to ask for adequate compensation. Such as the Fairness Funds. To date, we have received nothing from the Fairness Fund after completing a stake of forms and supporting documents. We are disappointed there is no transitional government body to assist the mental state of the taxi licence owners and their related parties. We are extremely disappointed that this was once a thriving regulated industry serving the needs of Victorians and was also listed in the Bendigo Stock Exchange at one stage could be decimated to this state.