

VICTORIAN TAXI ASSOCIATION INC.

19 November 1999

INQUIRY INTO MATURE-AGE WORKERS

It has only recently come to our attention that this inquiry is being undertaken. We thank Senator Patterson for the information.

Background

Senator Patterson recently met with representatives from the Victorian Taxi Association (VTA) to discuss matters related to overseas students driving taxis to supplement their income, and in particular the definition of the permitted 20 hour limit on undergraduate students during semester periods.

At that meeting, the issue of attracting unemployed people to take up taxi driving was discussed, both younger people and mature-age people.

It is the mature-age group that we see as a very suitable group to attract as they are likely to have a good geographic knowledge of their city, town or locality, and their English and communication skills are likely to be good.

As pointed out to Senator Patterson, there is an impediment to many unemployed people taking on taxi driving as a job of work and, hence, source of income.

The issue

A barrier to many people contemplating entering taxi driving is the cost of training and accreditation. In Melbourne, the direct cost of training, accreditation and start up equipment is approximately \$1,370-00 for an unemployed person. (Attachment A)

On several occasions, the VTA has applied for training grants and subsidies, and spoken with the former CES and the new privatized organizations in this regard. On each occasion, we have come up against the same difficulty.

The issue is that because taxi drivers are self-employed (being neither employees nor contractors), they do not undertake "employment" at the end of the training. They certainly undertake "work" for which they receive an income, but such is not "employment" in a strict (or narrow) sense.

By way of explanation, taxi drivers bail (or lease) a licence taxi from a taxi operator for a fee. This fee is pre-determined between the Bailee and the Bailor.

In Victoria, the fee is usually 50 percent of the fare revenue received during the period of bailment. In NSW, the fee is usually a set figure.

Matter for Review

The VTA requests that the Inquiry look into this issue with a view to the definition of “employment” being widened to include taxi driving. This would then open the way to unemployed people, including the desirable mature-age people, being assisted into work.

As a guide to size of the demand, the Melbourne taxi industry currently requires in the order of 2000 new drivers each year.

Conclusion

Whilst it appears we have missed the schedule of further public hearings in Melbourne, it would be appreciated if this letter could be taken into account in the deliberations of the Standing Committee.

Should it be useful for the Committee, we are only too happy to attend the Committee elsewhere.

Yours sincerely

NEIL SACH
Chief Executive Officer

ATTACHMENT A

MELBOURNE TAXI DRIVER TRAINING AND ACCREDITATION COSTS

Training

Other Costs

Knowledge of Melbourne training	\$20-00
Knowledge of Melbourne Test (2 attempts)	\$54-00
Literacy and Numeracy Test	\$65-00
40 Hour Training program	\$365-00
Drivers Certificate Test	\$20-00
<u>Sub-Total</u>	<u>\$524-00</u>
Initial uniform, etc	\$415-00 Police
Character Check	\$34-00
Street Directory	\$20-00
Coin change container	\$12-00
Torch/spotlight	\$60-00
Training requisites (pads, pens, etc)	\$20-00
Photos for Driver Certificate and records	\$15-00
Drivers Certificate fee	\$22-00
Taxi bag	\$20-00
Medical Test	\$25-00
Security deposit on first Bailment	\$200-00
<u>Sub-Total</u>	<u>\$843-00</u>
<u>TOTAL</u>	<u>\$1.367-00</u>