

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into the Multi Purpose Taxi Program (MPTP)

Melbourne—Tuesday, 19 October 2021

MEMBERS

Mr Enver Erdogan—Chair

Mr Bernie Finn—Deputy Chair

Mr Rodney Barton

Mr Mark Gepp

Mrs Bev McArthur

Mr Tim Quilty

Mr Lee Tarlamis

PARTICIPATING MEMBERS

Dr Matthew Bach

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Dr Catherine Cumming

Mr David Davis

Mr David Limbrick

Ms Wendy Lovell

Mr Andy Meddick

Mr Edward O'Donohue

Mr Craig Ondarchie

Mr Gordon Rich-Phillips

Ms Harriet Shing

Ms Kaushaliya Vaghela

Ms Sheena Watt

WITNESSES (*via videoconference*)

Mr David Samuel, Head of Public Affairs, and

Mr Greg Hardeman, General Manager, 13CABS, A2B Australia.

The CHAIR: I declare open the Economy and Infrastructure Committee public hearing for the Inquiry into the Multi Purpose Taxi Program. Please ensure that mobile phones are switched to silent and any background noise is minimised.

I wish to begin by acknowledging the traditional owners of the land, and I pay my respects to their elders past, present and emerging. I wish to welcome any members of the public that are watching via the live broadcast.

My name is Enver Erdogan and I am the Chair of the committee. I would like to introduce my fellow committee members: Mr Rod Barton, Mr Lee Tarlamis and Mr Andy Meddick.

To witnesses giving evidence at this hearing, everything you say is protected by parliamentary privilege as provided by the *Constitution Act 1975* and the Legislative Council standing orders. Therefore the information you provide is protected by law. However, anything repeated outside the hearing may not be protected. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a transcript following today's hearing. Ultimately transcripts will be made public and put on the committee's website.

We welcome your opening comments but ask that they be kept to a maximum of 10 to 15 minutes to allow plenty of time for discussion. Could you please begin by stating your name, for the benefit of the Hansard team, and then start. Over to you, David.

Mr SAMUEL: David Samuel, Chair, and I am accompanied by my colleague Greg Hardeman, General Manager of 13CABS in Victoria. Thank you, Chairman. Thank you for the opportunity from the committee to speak to this important matter. I will make some brief comments and then hand over to you guys to ask your questions so we can have a discussion.

When it comes to the MPTP and specifically its expansion over the last few years, we have probably three concerns with how that has played out in reality. Firstly, we are of the view that far greater attention needs to be paid to the relationship between the Multi Purpose Taxi Program and the viability of wheelchair-accessible taxis in the market. Unlike a normal CPV market, where we try and encourage growth and an increase in demand, this market is quite different because it is much more static and, perversely, you do not really want to see an increase in demand. Our aim is to service the existing customers, not grow that market. So the market function is very different to the broader CPV market, and the market that has evolved since deregulation in 2017. We think that probably more attention needs to be paid to that and more attention needs to be paid to this as a specific market with specific needs. It cannot be compared to the general market for CPV services.

A second concern is the enforcement of existing regulations. When the market was opened up there were regulations in place that as taxi companies we had to follow. Our drivers had to undergo training, we had to put tactile signs on our vehicles, for example, and our fares were regulated. These regulations have not been applied to new entrants. Now, there may be a call to review those regulations, but until they are reviewed they should be applied to the new entrants, and those new entrants should not be treated differently to incumbent service providers. We are very firm on that. We believe there is a real need for regulation in this space and that those regulations that specifically address safety for passengers and business viability are important and should be retained. But regardless of that, if it is good for us, it is good for our competitors, and the rules should be the same for both regardless of which way government decides to go.

Finally, as I stated at the beginning, there needs to be more attention paid to the impact that these changes are having on the viability of wheelchair-accessible taxi services. I am just going to be blunt at the outset and let the committee know that, in our view, in five years these services will not exist, on existing trends. We are growing the pool of vehicles but we are not growing the pool of the market, so these vehicles are getting harder and harder to service commercially. No-one is going to invest \$100 000 in a wheelchair-accessible taxi when you can effectively get the same thing for \$30 000 and get more work. It just does not make sense commercially.

We want to keep doing it, we want our operators to be able to keep doing it, but at this rate the work is drying up. The easy work is going to sedans in rideshare and taxi, and the wheelchair-accessible taxis are losing jobs to that increased market size. It is something that needs to be considered because, as I say, we do not want end up in a situation in five years with people going out of business and vulnerable Victorians being left beside the road.

Chair, on that note I will hand over to the committee for any questions you might have.

The CHAIR: Thank you, David, for your brief introduction and overview of all the major issues affecting your sector in regard to the Multi Purpose Taxi Program. I appreciate that overview. I might go over to Mr Barton first, then we will go to Mr Andy Meddick and then I might go third. Mr Barton, please.

Mr BARTON: Good to see you again, Mr Samuel, Mr Hardeman. Thanks for coming in. There are lots of issues here so let us get back to the role of 13CABS within the marketplace. Let us go back to previous to COVID, because this has skewed everything and we will talk about the COVID impact a little later on. Is it fair to say that it was a loss for 13CABS for the last 10 years prior to COVID to operate in the Multi Purpose Taxi Program?

Mr SAMUEL: Mr Barton, it would be fair to say that this has always been a marginal part of the business. Some WAT vehicles do better than others. Like any business, you have varying degrees of success, but it has become increasingly difficult over the last few years. Initially when the government opened up licensing in 2017 we saw a slight increase in the number of WATs. Since then we have seen a decline, and that was occurring prior to COVID coming along. COVID has made the numbers much more turbulent, but we know year on year we are down about 35 to 40 vehicles on where we were last year in terms of wheelchair-accessible taxis in our fleet. As far as we know, we are probably the biggest fleet of wheelchair-accessible taxis. I do not know how many others are out there operating independently, but as a network we had over 800 at one point. We are now down well below that and are concerned about that downward trend. We are down 10 per cent year on year effectively.

Mr BARTON: Through the advisory panel and the recommendations from the advisory panel to keep vehicles on the road last year—we actually had a situation where we did not have hundreds of vehicles getting removed from the fleet but thousands of vehicles—we managed to get \$22 million to support the taxi industry, mainly around supporting wheelchair-accessible vehicles. Could you just advise the committee now on the importance of cross-subsidisation that companies have to do to keep the wheelchair vehicles on the road?

Mr SAMUEL: Oh, it is vital to keeping those vehicles on the road. You have to have some standard work going into those vehicles so they can make the revenue they need to repay that investment. As I said at the outset, one of these vehicles, and you can check it empirically, is over \$100 000 to put on the road now. A standard hybrid Toyota Camry is around \$30 000, so you have got a gap of \$70 000 you have to make up in paying for that investment. You need work into that vehicle to do that. If you dilute the pool of work, you make it harder to pay for that investment and less attractive to do so. It is a very simple economic proposition, Mr Barton. As I said, you cannot grow demand for this service externally. Demand is fixed by the number of people who unfortunately live with a disability in our community, and we look to service those people. But we do not envisage that we can grow that demand, and we do not pretend it is like a standard taxi where we can look to replace private vehicles or do deliveries or do other things. This is a very static market. It appears from looking on from the outside—and I do not know what was done internally within the department—that this was really treated like any other taxi market or rideshare market. It is not. It is completely different and requires a completely different level of investment that requires a higher rate of return to pay for that investment, like any business.

Mr BARTON: Chair, does somebody else want to ask a question? I have got plenty more to come back to, though, if you want.

The CHAIR: Yes, we will go through, and you will get another opportunity, Mr Barton. Mr Meddick, do you have a question?

Mr MEDDICK: Yes, I do. Thank you, Chair. And thank you, David, and thank you, Greg. I am looking at this whole situation from a vastly different perspective. For me, it strikes me that what we are all trying to solve here is the fact that we have a very vulnerable section of the community that has very specific transport

requirements and does not just need a means of transport from A to B. What they need is to be able to have a relationship with a particular person. I will be completely honest with you: my mother-in-law and father-in-law were multipurpose taxi drivers in the Geelong area for many, many years, and they had regular clients. They were their people, and they were the go-to. When they could not service those people, there were people—others—on standby with these types of taxis, but they were also known to those clients. So there is an element of trust because these are vulnerable people with particular needs, and they need to know that they can trust that person and have a relationship with that person. Is it fair to say if they were priced out of the market, then we would have a situation where that person would have no idea who the driver was coming to pick them up on any given day, so there is no ability to establish that relationship, no idea what the boundaries are of conversation, what their health needs are if something occurs et cetera? Is that a fair indication?

Mr SAMUEL: I think so, Mr Meddick. I think that is a very good summary of the challenges we face in this market. These people are vulnerable people, often with varying degrees of disability and needs, and we have to be able to service them. Obviously the bigger the jurisdiction you are operating in the harder that becomes, but maybe Greg can even speak to that about the treatment we give, for example, DVA clients, who are very particular about who they want driving them. They are very important members of our society who have served our country, and we have to look after them. And they have very specific needs. People with vision impairment need to be able to trust the person that is picking them up. They need to be able to trust what they are paying and who is transporting them. Trust is very important in this market. Our drivers have a lot of regular work, and you are quite right—they will have their network work that we do and we dispatch, but they will have their own book of work too with regular clients who they see every day or at least every week and transfer to and from their appointments. Those people feel safe, and regulation plays a role in that. They know these drivers are trained. They know there are tactile signs on the car, so they know they are getting into the right car. Simple things like that I think go a long way in making sure these people feel safe and secure, as they deserve to. Greg, I do not know if you have anything to add there, but you may be able to just expand on the type of service we provide.

Mr HARDEMAN: Yes. Thanks, David. And thank you, Mr Meddick, on your assumption there and also the experience that you have seen with your father- and mother-in-law both providing those services in the Geelong region. And you are correct with what you said—a lot of passengers rely on having a particular driver, and they form those relationships with those particular drivers. We like to think that if a particular driver has an arrangement with passengers and those drivers cannot fulfil those obligations, the drivers we have that are a part of that wheelchair-accessible pool are trained to certain criteria and provide a similar service to that which they would have experienced with that same driver with whom they do most of their other days. So the training that we provide and the level of accreditation that they must achieve before we allow them to accept those bookings is quite substantial. It is a two-day course—a day of theory and a day of prac—and then an assessment at the end of that to see whether or not they are a worthwhile driver to be able to undertake that work for wheelchair-accessible passengers.

Mr MEDDICK: Thank you for that, both of you. I must admit that since they both retired I have not kept pace really with some of the changes that have gone on in the industry, but I remember that their passengers would, for instance, be operating under the old taxi charge docket system where a set percentage of the fare would go to the driver, and that was it. They were certain distances got a set percentage, and that was it; there was nothing beyond that. Knowing the differences between the standard taxi market at the moment, where you are on a metered fare, there might be a surcharge for different times at night for instance, but that is applicable across the board for all taxis, I am concerned by the fact that in rideshare there is surge in fares and I am concerned that this would also apply in this particular situation. Will it? Putting aside the fact that the car is not built for purpose anyway, would they be restricted in that same sense—that they would get a set fare, no matter what, and it would be under a taxi charge similar system—or are they just going to have, as they standardly operate with, the ability to surge? Because to me it would seem, if that is possible, that is also detrimental to that person, because that person might also then be out of pocket for something that they normally would not be.

Mr SAMUEL: Yes, Mr Meddick, and the government might be out of pocket too. Look, I cannot respond on how the structure of that payment works. I do not know; we have not been told. All I know is how we do it: it is 50 per cent of the fare, which is regulated by the Essential Services Commission, that is paid by the passenger and the other half by the government. We have no involvement in that fare, so we do not take any of

that amount. The full amount goes to the driver effectively. I do not know how rideshare do it, and I have had similar questions. It is something that you would have to ask government officials rather than us.

Mr MEDDICK: Okay. Thanks very much. Thank you, Chair. That is all I have got for now.

The CHAIR: Thank you, Andy—very inquisitive and good questions there. Can I touch on a couple of points I have got about how you would define discriminatory pricing. I am not sure if that is appropriate for you guys to answer, but nonetheless, 13CABS are the biggest taxi company in the country, so I do want to get an idea, a little bit about your views on: does variable pricing mean that trips may be cheaper—that is a question—but more importantly do you think that the current Multi Purpose Taxi Program could be improved and do you have any suggestions for improvement?

Mr SAMUEL: I will answer that last part first, Chair. Yes, we do think it can be improved, and we look forward to working with the regulator to make those improvements. It is a system that has been working well for a long time in Victoria now. For example, New South Wales is only just now rolling out the electronic card-based system that we have had in Victoria for years, but that does not mean there is not new technology in the market now that we can use—app-based solutions, things like that—and we look forward to talking to CPVV about that and looking at a new arrangement with the Multi Purpose Taxi Program moving forward.

In terms of price variance, look, I think price is always an interesting conversation; it is something very close to my heart. Taxi fares in Victoria have not changed in years. Every other price in the economy goes up. The fare goes up because toll roads are charging more, airports are charging more. The only person not getting more is the taxidriver. Melbourne Airport gets more, CityLink get more, but the taxidriver does not get any more. So when it comes to variable pricing I think that there is not a whole lot of room in the price to charge less in a commercially viable way. There may be big international companies who can cross-subsidise these things using their vast capital resources, but we are not one of them. We can only charge something that is suitable for a passenger and allows a driver to pay their bills and support their family.

That is our aim. So we are not looking at getting into price wars about this. We just want to charge what is fair, but when I say ‘fair’, that is fair for the driver, making sure that they can pay their way, and it is something the passenger and the government can afford—and we think having a regulated fare in this space helps achieve that. How you regulate that fare is a whole nother conversation I will not bore you with. But I do not think there is much room here for money saving. As I said, taxi fares have not changed—and I am sure Mr Barton could probably remind me of this—in about seven years. Every other price in the economy has gone up, but for some reason taxi fares do not. Every other service the ESC regulate goes up with CPI every year. The only service that does not is taxis, which I just struggle to understand why. Competition around price has to be honest competition. When you have a large player who is able to cross-subsidise, that is not honest competition, that is just trying to lower the bar to make yourself more attractive to consumers and drive other people out of business. Really if we are going to have a conversation about price, it needs to be a genuine conversation.

The CHAIR: I appreciate your candour, Mr Samuel. I have got one last question, and then I will go back to Mr Barton. I know he is eager and he has a few more questions. Just one last question at the moment about the Multi Purpose Taxi Program, maybe you could briefly touch on: are there additional training requirements for people that undertake those trips, and if there are not, should that be a requirement? So if you are taking this vulnerable cohort that Mr Meddick discussed, should you have a higher level of training and a higher standard? Is that what is needed, that protection, for these vulnerable consumers?

Mr SAMUEL: I will get Greg to give you some details on that, Chair, but effectively yes, there is. So, in order to drive a WAT you have to do additional training. Greg, do you just want to explain what that additional training involves for the Chair?

Mr HARDEMAN: Yes. Thank you, David, and thank you, Chair. As mentioned in that last comment to Mr Meddick, the driver base that we have here get accreditation to drive a normal taxi in the 13CABS network. After a set amount of fares they can make application to get access to our account-based work. That is an online training module. Once they get that they can then do another certain amount of shifts and then they can make application to undertake the wheelchair-accessible training module, again a two-day training session in person. The first day is theory-based training and then the second day is a practical-based training where we get actual wheelchair-accessible vehicles in, we teach people how to load and unload and how to transport people and

drive people around and we walk them through a number of scenarios that they may encounter when they are transporting wheelchair-accessible passengers in and around our community. At the completion of that we undertake an assessment, and those assessments are then given back to CPVV, accreditation is granted and then those drivers are able to access that work and log onto the system in the wheelchair-accessible taxis.

The CHAIR: Thank you very much for that, Greg. That is a very good and detailed explanation, and that kind of gives me a better understanding of the framework that exists at the moment and why it is there. Mr Barton, over to you. I know you have a number of questions.

Mr BARTON: Mr Samuel is correct. I am going to remind him what the fares are. There has been one fare increase in 13 years, and the last one was in 2014—which was light—by the Essential Services Commission. I would like to point out also the staff at the Essential Services Commission since 2014 have received a 24 per cent increase in pay. They are going okay, but we have not been able to get anything for our drivers, who are the lowest paid workers in this state, which is just disgraceful. One of the things that the government has told me and what is coming out from the minister's office is that the level of complaints has driven this to be done. Since the reforms of 2017, for instance, the regulator have now thrown their hands up and pulled their skirt up over their head and do not handle any complaints and handballed all that responsibility to the BSPs, ignoring the entire thousands upon thousands of vehicles which are running as independents—ignoring them, but just making the BSPs, the ones who actually do things properly, responsible. How are the complaints going in the Multi Purpose Taxi Program?

Mr SAMUEL: It is really interesting, Rod. More generally with complaints, since government stopped regulating training and telling us what we had to do to train a taxidriver, we all wondered how that would turn out. Since we have been doing it ourselves we have seen a profound drop in complaints, since that happened, so I think it has really been quite positive in that sense. That step back by the government has helped to achieve a better outcome for consumers, which is fantastic.

In terms of wheelchair-accessible complaints, well, over the last two years we have not had many complaints because we have not been doing that many trips, unfortunately, which is something that we would love to see turn around in the near future. But we have not seen any surge in complaints. We have a complaint-handling team based in Oakleigh, at our centre there, who manage all those complaints. But we have not seen any spike in the last five years. If anything, we have seen a decline in complaints about our service, and that is because since deregulation we have been able to better supply the market. A lot of complaints were about service issues—about cars not turning up, waiting too long—and what deregulation did was allow us to address those complaints. So we have seen a large reduction in complaints.

In terms of the minister or the department referring to that, I am not really sure what they are referring to. If they are getting those complaints, they are certainly not being passed on to us, which would be concerning because we are the ones that can address it—and we would be interested to see it if there are complaints that we are not seeing, because as I say, we would like to look after our customers. But frankly, we have not seen an increase in complaints; we have seen a decrease since 2017.

Mr BARTON: Well, I certainly have asked for the data, and it has not been forthcoming. Also I just want to quickly touch on the level playing field within this space. We all know that it was the government's wish since 2017 to bring Uber into and support Uber in this market segment; that is not in dispute. But they have done so without having the same level of requirements—that is, cameras in cars. Can you just tell me quickly—I know it is a little bit of a historical lesson for the rest of the committee—when we put cameras in taxis, complaints from drivers against passengers and, just as important, passengers against drivers, what happened?

Mr SAMUEL: Well, what we have seen is a safer service, effectively, and what cameras do, I think very importantly, is they provide an evidentiary trail as well for investigators if something does go wrong. It helps with things like fraud. It helps with all sorts of things to address it. And I think with the wheelchair-accessible market and the MPT market it is particularly important because these people are the most vulnerable Victorians—they are people that may suffer from communication difficulties and other things—and we need to make sure we know what is going on in that environment. As you well know, we do not have access to that footage. It is only for the regulator, should they require it. So we are not looking at these videos or tapes of what people are doing. It is set aside for regulators should there be an issue they need to investigate, and I think it is very useful, particularly in this context. In the general population it is still useful, but in this context it is an extra

layer of safety so people can feel that their loved ones are being transported safely and soundly—it gives them that surety.

Mr BARTON: Yes. Thank you, Mr Samuel. Just one of the things I would like to say is that there are some federal requirements about a certain amount of vehicles at a federal level. They say that 10 per cent of the fleet, the commercial passenger vehicle fleet, has to be WAVs. Are you aware of this?

Mr SAMUEL: I am. I am not a lawyer, so I do not want to appear to be pretending to be one. We all like to think we are lawyers sometimes, but I am certainly not doing that. I think that there are certainly DDA requirements at a federal level—we know that because we have had them imposed upon us from time to time. I believe there are two layers to that. First is the one you are referring to, which is having a certain percentage of your fleet able to do certain types of work. But there is also a service obligation that you have to be able to provide the service in the same time line to different people. So someone in a wheelchair should be able to get a taxi or a rideshare vehicle as quickly as they can get a standard taxi—that is my understanding. But I have not reviewed the legislation for quite some time and have not seen it enforced. It certainly used to be, but I have not seen anything for some time.

Mr BARTON: Thank you. I do not know if Greg or David should answer the next one. The New South Wales point-to-point commission has recently done an audit on Uber and fined Uber \$200 000 for failing to meet their statutory obligations around safety and reporting incidents, and we know that some of those reporting incidents were actually sexual assault and accidents where people ended up in hospital. In New South Wales, has 13CABS been exposed to an audit?

Mr SAMUEL: No—I will answer yes to that, Rod. We have. To this date we have not been notified of any breaches, although the case still appears to be open. It has been some time now. I will not comment on Uber or others except to say that we are pretty confident that our safety management systems and other things are robust.

Mr BARTON: I certainly raised the matter directly with the minister regarding this, whether we should be doing an audit. And I do not just suggest that we do an audit on Uber. I certainly think we should do an audit on 13CABS. I think we should do the two biggest gorillas. But the minister does not seem to think that is something that needs to be done at this—

The CHAIR: Mr Barton, can we stick to the terms of reference, please?

Mr BARTON: Well, I think part of the terms of reference is an assessment of the expansion and proper governance. I think that falls into that area, Chair, but respectfully I will move on. I am very concerned that people who use Uber services, around the fares, do not really understand the surge pricing. I have found absolutely nothing from the regulator to warn people that their fares may be subject to surge pricing. Have you been aware of anything, any documentation or anything like that?

Mr SAMUEL: I have not, Mr Barton, no. As I said, we are more interested in what we do. We are not so interested in what other people do. But I have not been aware of anything, no. I saw some advertising a while back on the CPVV website saying that people could now use Uber if they were in that scheme, but beyond that I have not really seen it. But to be honest with you I have not been paying that much attention either.

Mr BARTON: Well, I have also looked on the regulator's website, and when I look on the regulator's website, when I look in the CPVV and I look up Multi Purpose Taxi Program, what I see is a great big page ad for Uber, giving us great details on how we can download the app and when we can use the service, and not a mention of any other service provider, which I find a very interesting position for the regulator to be taking. I would just like to see how we move forward here. Did the regulator talk to you and give you any prior notice that they were about to do this major—we all knew that it was there, floating in the background, but in the context of COVID, when we had thousands of vehicles off the road, where we just had to pay \$22 million to keep wheelchair vehicles on the road and in January, the quietest month. Did they give you any indication that they were about to add another 50 000 vehicles to the mix?

Mr SAMUEL: As you say, Mr Barton, the minister and the minister's office kept us abreast of the decision to expand the program, which is something we respect—it is their decision—and we were certainly speaking to them about it. In terms of how and when it was expanded and what impact it might have on existing fleet, I did

not from recollection receive any correspondence from departments or anyone like that. I did speak to the minister's office about it, raised my concerns and had a discussion with them, but below that I do not recall there being any sort of inquiry into the impact of that decision, as such. It could have been done internally—I would not know if it was, obviously—but I was not contacted. I am not aware of any of our wheelchair-accessible or MPTP drivers, who are most of them, being contacted either. Having said that, the other thing is we do supply monthly data, obviously, to the regulator. They may have used that. I do not know.

Mr BARTON: Yes. Safety in the Multi Purpose Taxi Program and fraud—currently the system is that you need to show a card which has got your identity on it and the driver is able to make an assessment of who you are. Under a new system for the rideshare operator you set it up once and there is no identification thereafter. So, you know, I will pick my carer, and let us call him Norm. He could be organising lunch and using my—is this going to be a problem?

Mr SAMUEL: Look, from our perspective you cannot do that. So the driver gets to sight it. To CPVV's credit, their enforcement and prosecution of people committing fraud in this space have been very successful and have been very robust, and I think the system allows that to happen. I am not au fait with how the rideshare model works in this space. You seem to be better informed than I am in that respect. But if you are only ever doing it once and you are not identifying the person travelling, I could see problems emerging, yes. But we do not plan on going down that path. If anything we are trying to tighten our fraud mechanisms through the use of app-based technology and things like that—digital payment methods, all sorts of things that we are going to talk to CPVV about. But in terms of what rideshare do and how that is monitored, I am not sure.

Mr BARTON: Okay. Chair, I see my friend and colleague Mr Finn has just arrived.

The CHAIR: Yes, the Deputy Chair, Mr Finn, has arrived. And I know Mr Meddick has got a couple of questions as well. Maybe we will go back to Mr Meddick, and we will come back to you, Mr Barton, if we have time. We can go over by 5 minutes. Mr Meddick.

Mr MEDDICK: Thank you, Chair. I have just got a question. I suppose it is linked in terms of what you were talking about before: if we are going to have a level playing field, and let us presume that we are, whatever gets recommended means that the rideshare companies now have to start building the correct types of vehicles for wheelchair access, all those sorts of things. When we move that then, that requires a certain amount of governance, as Mr Barton was alluding to. When we start talking in terms of governance industry wide, no matter what industry you look at, that question begins to raise its head of a thing called a mandatory code of practice. Now, is that something that you feel that would be necessary, first of all, but secondly, would be a good idea to implement? I bear in mind what you were talking about before, about the training that your drivers receive. It could include training that means an applicant must meet minimum standards to acquire accreditation, so they must meet minimum standards of behaviour, go through police checks, all the standard sort of fare. But also, given that we are dealing with vulnerable people who might have medical issues, it might require something as far down the track as, say, achieving a level 2 first aid certificate, for instance; because if someone goes into anaphylactic shock, not everybody, for instance, knows how to use an EpiPen. People are pretty sure of how they work, but I have actually seen people get them the wrong way around and give themselves the injection by putting their thumb over it; I have seen it happen. But that could also include then, by having a mandatory code of practice, minimum standards on the build of a vehicle that is used in the program and the security requirements, such as you were talking about before with cameras et cetera. Is that something that you think the industry can cope with, and if there is to be a level playing field with those sorts of requirements and with obviously expert input from the industry and others, is that a fair sort of thing to be thinking about?

Mr SAMUEL: I think I will answer that specifically and broadly, Mr Meddick. Firstly yes, we already have things in place, like Australian design rules and things like that that we have to follow: the famous cube for wheelchair-accessible taxis, things like that, that are in place. But I think it is probably worth acknowledging that it has been a number of years now since there was significant reform to the industry, in 2017. It is probably worth reviewing the impact of some of those reforms—seeing where we have got it right, seeing where we have got it wrong and where we can tinker with some things—and this is one section of the market that needs that. So the type of idea you are talking about I think is something that needs to be considered in a much broader context: like, 'How do we want to look at this moving forward? How are we going to ensure commercial viability? How are we going to ensure people get around and get transported and that their needs

are met all in the same area?'. We need to get disability groups and we need to get industry and government around a table and talk about that. In the meantime the existing regulations need to be enforced. You cannot say, 'We're going to review it in five years. Therefore we're not going to apply the existing regulations'. They just need to be enforced. But I certainly would support a broader discussion particularly about this segment of the market and how we can ensure those things—that it is an ongoing success and that the consumers who are the most vulnerable Victorians get what they need.

Mr MEDDICK: Great. Thank you. Thank you, Chair.

The CHAIR: Mr Barton, we have probably got time for a couple more questions, if you would like to ask—

Mr BARTON: Did Mr Finn have a question?

The CHAIR: Mr Finn. Sorry.

Mr BARTON: Mr Tarlamis?

The CHAIR: No, Mr Tarlamis is—

Mr FINN: No. I just got here, so my apologies for being late, but if I hear anything that I think will help the conversation, I will jump in. At this point in time I might give it a miss.

The CHAIR: Thank you, Mr Finn. Just a last couple of questions for our witnesses, Mr Barton.

Mr BARTON: What market failures need to be addressed by the CPVV?

Mr SAMUEL: I am not sure if it is CPVV or department, government, Mr Barton. I do not know who it is that is the appropriate person to deal with it. But, as I said at the outset, we need to understand the dynamics of this market, that you are not going to grow demand in the same way you will in a normal market, which means supply has to be more closely monitored and looked at. I am not suggesting people get shut out of the market or we do not have competition in the market. That is fantastic for those consumers, if we are all competing to provide them with the best service. But we need to make sure it is a genuine service that is offering people the solutions they need.

As I said to Mr Meddick, I think it is just time to sit back, put a pause on this and have a look at the whole market and see how it has changed and how we can address those things. But really you need regulatory intervention because there are clear market failures in this market. Supply and demand are not solving the problem. We are seeing supply decreasing. As I said, our feed of wheelchair-accessible taxis is dropping by 10 per cent year on year, so there is clearly a failing there that we need to look at and some regulatory intervention may need to be implemented to make sure that service is sustainable moving forward because, as I said at the outset, at this rate, it is not going to be here in a number of years. It is just simply that commercially you will not be able to do it. You can not believe me but, at the end of the day, the numbers are pretty straightforward: \$100 000 for a vehicle, shrinking demand for that vehicle, pretty much says it all to me, that it becomes increasingly difficult to sustain that business.

Mr BARTON: Thank you, David. One of the things that I am very concerned about is the inability of the regulator to be able to know who is actually operating in the industry. Best guesstimate: 2000 to 3000 operators working outside of a BSP. We do not know who they are, the regulator does not know who they are. They tell us that there are 126 000 registered drivers here in Victoria, but we have only got 35 000 or something QR codes on vehicles. We do not know what is going on out there. How do we actually address this very serious shortcoming here?

Mr SAMUEL: Yes, it is a big gap. I think it is probably one of those learnings where it got away from everyone a bit. I do not think anyone anticipated the level of independents being able to sustain that very cheap business model. If you want to see where they are, mate, just go to the airport. That is where they tend to hang out. But, you know, it is a very difficult situation to manage. I do not envy the regulator in that respect, but at the outset you need to have a basic permit system. It does not have to have a high value attached to it. I know you have views on that. You need to have a permit system people apply to so you can keep track of who is in the industry. That would be a good start. I think that we need to make sure that we know who is there and that those people who are there are accountable, and to the same degree. Just because you are an independent

operator does not mean that you should be any less accountable than a booking service provider of our size. We all still have an obligation to conduct our business in a certain way.

The CHAIR: Thank you. On that note, Mr Barton, we might wrap up at this stage. If we have any further questions, David, are you happy for us as a committee to write to you, if we have any additional questions that come out of there—that is, from the two days of proceedings?

Mr SAMUEL: More than happy, Chair, to answer your questions if you have got more.

The CHAIR: I really appreciate that. On behalf of the committee, I want to thank A2B cabs and 13CABS and in particular David and Greg for their time and their presentation today. It has been very informative and it has been a great introduction to the public hearings.

Witnesses withdrew.