

**TAXI AMENDMENT BILL 2005**

*Second Reading*

Resumed from an earlier stage of the sitting.

**HON MURRAY CRIDDLE (Agricultural)** [5.48 pm]: Unfortunately, it is not possible to debate the issues that I wanted to debate in the time that is left to us. This is a very important bill. I have been lobbied by the Taxi Council of Western Australia and the multipurpose taxi owners individually. The group that looks after the MPT owners has also made its views known to me. There is a divergence of views on this bill. The Taxi Council of WA does not agree with the legislation and has concerns about a number of areas. The definition of “eligible operator” is crucial to this legislation. It is believed by some people in the industry that it provides an exclusive contract to one commercial entity, and is anticompetitive. That issue must be taken into consideration in the debate on this bill.

The other matter is on page 4 of the bill under proposed section 30C(2) which states -

If the Minister is satisfied that, for the effective operation of this Division, a sufficient number of MPT investor-owners and MPT owner-drivers have accepted an offer to enter into a buy-back agreement within the time approved by the Minister, the Minister is to publish a notice in the *Gazette* accordingly.

Among some of the press releases was one by the Minister for Planning and Infrastructure of 17 August, which indicated that the government would buy back 56 multipurpose taxi plates as part of a proposal to drive down the cost of MPT drivers and to improve the viability to the industry. One of the key issues is the level of response. The buyback was to proceed only if 50 of the 56 plate owners took up that offer, which is valid for only 90 days. Given the bill states a “sufficient number” of people, obviously the minister will make a decision regardless of whether 50 owners take up the offer. I have been recently told by people in the MPT fleet that about 32 owners have responded. I think 7 December is the deadline for a sufficient number. Several people have indicated that figure to me. They believe that by 7 December in the vicinity of 40 owners will have responded. Feedback from some MPT operators is that they are not happy with this bill. I can understand that because some bought in very cheaply. They will receive \$108 000 plus goods and services tax. That compares with drivers who paid a substantial amount and who will get their full quota, provided the licence has been purchased prior to the announcement of the MPT buyback. There are some disgruntled people not only in the Taxi Council, which looks after the whole of the taxi industry, but also among the MPT operators. Having said that, the MPT operators whom I mentioned, which probably number up to 40, are very keen that this legislation be passed.

As Hon Simon O'Brien has made very obvious to everyone in the house, it will be a very quick process under those arrangements. The minister also announced recently, given that the buyback will proceed, a couple of measures that I hope will be of assistance, one of which is the fuel subsidy, as we mentioned, which will be implemented through the taxi user subsidy scheme for the next 18 months. I presume that will cover the time frame until the buyback takes effect. That should assist. Another move is to allow Swan Taxis phone system and call-back system to be used as well as Black and White Taxis' system. That will mean that operators who choose to move to Swan Taxis will have a better opportunity to contact their customers. I am told that will be a tremendous advantage and that those people will probably be overworked. Fares have recently increased by 4.8 per cent. All those things have been implemented in the lead-up to a buyback, and now another scheme is being implemented without a sufficient time frame to allow us to assess whether there has been any advantage. The MPT drivers are private operators. If they enter into a government lease-back system for \$100 a week, will they be able to operate in a commercial and enterprising way and deliver the proper services to the people? Hon Simon O'Brien indicated that this bill seeks to provide financial viability. I acknowledge that some people have bought in expensively and they are paying very high rates. I have heard stories about some operators paying \$1 600 a week in interest payments, which is very high. For people who owe \$100 000, high interest rate costs are very real, and there is a problem for some operators in that regard.

It is very difficult to canvass all the issues in the time before us. I met the Taxi Council as late as last night, and have rung it several times today to point out the limited time frame available to deal with this bill. This is a government initiative. It should handle these issues in a more responsible way. Here we are at the eleventh hour so to speak - it may even be 11.59 - dealing with this issue. Who is responsible for the delay? No doubt the opposition will be blamed for delaying passage of the bill. I am aware of talk that the opposition and I have delayed the passage of this bill. Nonetheless, we need to ensure we implement good legislation. Those are some of the issues that I wanted to canvass. Obviously I would prefer this legislation to be well and truly scrutinised. A period should be established in which the moves that have already been made by the minister could take effect to enable us to see whether the provisions in this bill should be implemented. I have concerns with “eligible operator” and what constitutes sufficient numbers under proposed section 30C, and we need to address them.

**HON ADELE FARINA (South West - Parliamentary Secretary)** [5.56 pm]: In view of the time constraints and the fact that certain members have indicated that they want the bill to be dealt with by the Committee of the Whole, I am happy to address the issues that have been raised in committee if that is the intention.

**Hon Norman Moore:** Do you think you can do it in three minutes? I assure you that you cannot.

**Hon ADELE FARINA:** I understand that members have some issues and I am happy to respond to the members in detail over the recess. We need to deal with this bill urgently because MPT owner-drivers have been asked to submit by 7 December expressions of interest for the buyback scheme. We will then need to offer a lease arrangement to them and we cannot draw up the leases until the legislation is in place. I ask members for their support to proceed through the remaining stages of the bill.

Question put and passed.

Bill read a second time.

*Discharge of Order and Referral to the Standing Committee on Legislation*

**HON SIMON O'BRIEN (South Metropolitan)** [5.58 pm]: I move without notice -

That the bill be discharged from the notice paper and referred to the Standing Committee on Legislation for inquiry and report.

We are in the last minute and a half of our sitting year. We cannot possibly progress this bill at the table of the house. However, it can be progressed by being referred to a standing committee. I pledge to be a substitute member to participate in the work! I would like to interview some of the witnesses that a standing committee should be able to call.

Question put and a division taken with the following result -

Ayes (15)

Hon George Cash	Hon Nigel Hallett	Hon Norman Moore	Hon Donna Taylor
Hon Peter Collier	Hon Ray Halligan	Hon Helen Morton	Hon Giz Watson
Hon Murray Criddle	Hon Paul Llewellyn	Hon Simon O'Brien	Hon Bruce Donaldson ( <i>Teller</i> )
Hon Anthony Fels	Hon Robyn McSweeney	Hon Barbara Scott	

Noes (12)

Hon Matt Benson-Lidholm	Hon Adele Farina	Hon Sheila Mills	Hon Sally Talbot
Hon Kim Chance	Hon Jon Ford	Hon Louise Pratt	Hon Ken Travers
Hon Sue Ellery	Hon Graham Giffard	Hon Ljiljana Ravlich	Hon Ed Dermer ( <i>Teller</i> )

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Pairs

Hon Barry House	Hon Shelley Archer
Hon Margaret Rowe	Hon Kate Doust
Hon Ken Baston	Hon Vincent Catania

Question thus passed.