

URGENT: Proposed optional buy back of tasmanian perpetual TAXI plate licences by Tas. Government

From: endre kovacs (endrekovacs@yahoo.com.au)

To: michael.ferguson@parliament.tas.gov.au

Date: Wednesday, 11 November 2020, 01:00 am AEDT

Michael Ferguson

Minister for Infrastructure and Transport

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michael.ferguson@parliament.tas.gov.au

Dear Michael,

Before Uber was operating in Tasmania, taxi plate owners together with the drivers/operators were having a consistent income. After the introduction of Uber (and others in commercial rideshare), to the disappointment of the taxi plate owners, operators and drivers, there was a significant drop in everyone's earnings.

The new legislation arrangements does not address the difficulties perpetual plate taxi plate licence owners are facing whose incomes and investments have been decimated. The Tasmanian Government and Tasmanian Taxi Operators have not considered the serious damage this has caused for perpetual plate owners and hence request your assistance as a starting point to address this disaster exacerbated by COVID-19. A letter was written by **Andrew Wilkie dated 13 April 2020 to you calling for a buy back** (<https://tlotas.com.au/tas-taxi-news/andrew-wilkie-mp-to-the-minister-for-transport-calling-for-a-buy-back-scheme-for-taxi-plates/>). Tasmanian taxi lessees are now terminating with their leases with their respective taxi plate owners.

Not surprisingly, most of the taxi plate owners who had purchased the plates by way of investment, which reached I believe in the vicinity of \$160,000 in Hobart (pre-Uber) as best guess have dropped down to **around \$60,000**.

I personally have been forced out of retirement due to lack of a proper income from plate investment (**from \$1,400/month, down to \$300/month which is less than Centrelink payments**). I can't find work and my superannuation has been devastated by the lack of income and being unable to sell off my taxi plate at a fair price.

PROPOSAL

I propose an **optional buy back by government** of all perpetual taxi plates in Tasmania **at the owners purchase price,** and therefore no one would be making a profit on them. These amounts will vary dramatically depending on locality.

SOLUTION

There are a a number of ways of resolving this, one of which is the inclusion of a \$1 levy to cover costs as part of an optional taxi buy back.

The solution that I propose could be a favourable low cost commercial decision for the government. The introduction of a \$1/ charge on all Uber and Taxi rides would also help fund this programme. As I understand, as an example the NSW Government, implemented this venture in 2018 has already collected over \$158 million dollars to fund their transition support payments.

I have been advised that currently there are 428 perpetual taxi licences in Tasmania held by 194 owners and purchase prices vary considerably.

STATISTICS ON NUMBER OF PERPETUAL TAXI LICENCES IN TASMANIA

According to Operator.Accreditation@stategrowth.tas.gov.au, the breakdown by area is:

Taxi Area	PTLs
Hobart	228
Launceston	101
Burnie	21
Break O'Day	3
Bruny Island	0
Central Highlands	0
Circular Head	5
Devonport	23
Dorset	3
Flinders Island	0
George Town	5
Glamorgan/Spring Bay North	0
Glamorgan/Spring Bay South	0
Huon Valley	5
Kentish	0
King Island	1
Meander Valley	2

New Norfolk	9
Penguin	2
Perth	8
Tasman	1
Ulverstone	7
West Coast	2
West Tamar	2
TOTAL	428

Now that the NSW – Tasmanian border is open, I can visit Hobart to discuss at your convenience.

I look forward to discuss this matter further and await your email response.

Yours Sincerely,

Mr. Endre Kovacs

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Trustee for Turul SMSF

<https://tlotas.com.au/>