

Tasmania Taxi Plate Owners Association.

Tasmania Perpetual Taxi Plate License Holders

QUALITY PUBLIC TRANSPORT SERVICES IN THE TASMANIA

The Honourable Josh Willie MLC
Labor Shadow Ministry
Minister for Transport
josh.willie@parliament.tas.gov.au

Dear Honourable Minister,

Re: Request for endorsement of Financial Assistance for Tasmania State Government Buyback of Perpetual Taxi Licences

I write to you as the Chairperson of the Tasmanian Taxi Plate Owners Association to express our deep concerns regarding the dire financial situation faced by taxi plate owners in Tasmania since the implementation of the Tasmanian Reforms. We urgently seek your support and intervention through the establishment of an Tasmanian State Government buyback program for perpetual taxi licences, providing much-needed financial relief to affected taxi plate owners.

The introduction of rideshare (Uber) and the 2021 Owner-Operator Taxi Licence Reserve Price Reforms (FINAL DETERMINATION - INVESTIGATION INTO THE RESERVE PRICES OF OWNER-OPERATOR TAXI LICENCES IN TASMANIA: 1 DECEMBER 2021 TO 31 DECEMBER 2025) has had a devastating impact on the financial stability of taxi plate owners in Hobart and surrounding areas. A significant consequence of these reforms has been the sharp decrease in the value of Tasmanian perpetual taxi leases, plummeting from **over \$16,000** to a **mere \$3,600 per annum (2024)**.

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In addition, this reset of the taxi market has particularly affected owners of perpetual taxi licences, leading to a dramatic decline in their value from **\$160,000** (specifically Hobart) to a distressing value of less than **\$50,000** (2022-2024). This figure has had a severe devaluation of perpetual taxi licences with reaching implications, especially for retirees who relied on their superannuation and pensions invested in these licences. These hardworking individuals envisioned a secure and stable future for themselves and their families, but the unexpected devaluation of their assets has shattered their financial security, leaving them in a state of distress and uncertainty. Many plate owners have resorted to working excessively long hours, to meet the exorbitant financial repayment obligations associated with their plates. It is deeply unjust that these dedicated individuals should bear the brunt of a government decision and suffer such adverse consequences.

Furthermore, the devaluation of perpetual taxi licences has resulted in vulnerable families losing their life savings, jeopardising their present circumstances and future prospects. The financial losses suffered by these families have caused immense hardship and instability, exacerbating their already precarious situations.

In light of these circumstances, **we request you to endorse the establishment of a Tasmania State Government buyback program for perpetual taxi licences once you are in Government.**

There are approximately 428 perpetual taxi licences in Tasmania held by 194 owners. Many self funded retirees who have invested 20+ years of blood, sweat and tears of hard work in investing in this perpetual taxi plate asset has gone down the drain through no fault of their own, but by the manipulation of government.

We believe that a buyback program would not only alleviate the immediate financial burden faced by taxi plate owners but also restore a sense of justice and fairness to those who have been severely affected by the devaluation of their assets.

It is worth noting that other states in Australia, namely Northern Territory, New South Wales, Victoria, and Western Australia, have implemented taxi buyback legislation as part of their deregulation efforts. The success of these programs in alleviating the financial hardships faced by taxi plate owners cannot be

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understated. We strongly urge the Tasmanian State Government to follow suit and provide much-needed support to our local taxi industry.

We kindly request a meeting with you to further discuss this matter and explore the potential implementation of a Tasmanian State Government buyback program. We firmly believe that through collaborative efforts, we can find a solution that addresses the concerns of all stakeholders involved.

I thank you for your attention to this urgent matter. I eagerly await to discuss this over a zoom or MS Teams meeting this 10am 21st Feb 2024 and provide additional information or support required.

Yours sincerely,



Endre Kovacs (Perpetual Plate Owner)
President, Tasmania Taxi Plate Owners Association (TLOTAS)
<https://tlotas.com.au/>
30 Jan 2024
M: 0413 701 333