

Media Release



Community lawyers urge action on Fels reforms

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Community lawyers have written to Premier Ted Baillieu, urging him to adopt the proposals in the final report of the Victorian Taxi Industry Inquiry. Handed to the State Government on 28 September, the report was tabled in Parliament today.

'When it comes to driver conditions, the final report is in many respects stronger than the draft. Allan Fels has listened to feedback on the draft report and added new protections for drivers, including better insurance arrangements and better support for drivers whose first language is not English,' said Lucie O'Brien, a policy officer at the Federation of Community Legal Centres.

'Given the Inquiry's extensive consultation process, it is hard to see the need for further community input at this stage,' Ms O'Brien said.

'Lately we have seen a professional lobbying campaign against the Fels recommendations. This opposition is coming from a vocal group of stakeholders with an interest in preserving the status quo. This group is obviously very well resourced, but we don't think it represents the ordinary drivers who come to our legal clinic each week.'

'Professor Fels has found that many drivers earn far less than the minimum wage, while working in difficult and dangerous conditions. This is the primary cause of high attrition rates in the industry. If taxi drivers were better paid and safer on the road, we would see more long-term drivers and better service standards in the industry,' she said.

Ms O'Brien said that cutting license fees was crucial to improving drivers' take-home pay.

'The Inquiry found that significant profits are going to wealthy arm's-length investors. These investors buy taxi licenses and assign them to drivers, charging significant fees. This practice pushes up the price of licenses, while high assignment fees make it almost impossible for drivers to earn a decent wage. If licenses were cheaper, taxi-driving would be a much more attractive and sustainable career,' she said.

Ms O'Brien endorsed Professor Fels' proposal for a new Driver Agreement, increasing drivers' share of the fare box and providing better working conditions.

'The current Bailment Agreement is skewed in favour of industry bosses,' she said. 'Under current arrangements, taxi drivers have no basic workplace rights, like sick leave, holiday leave or occupational health and safety standards. The Inquiry's new Agreement tries to balance industry profits with fairness for ordinary drivers. It doesn't address all the problems we've identified, but it is a step in the right direction,' she said.

Ms O'Brien strongly endorsed the Inquiry's proposal for compulsory property damage insurance for all taxis.

'Accidents are hardly surprising, when you consider that taxis are on the road 24 hours a day, seven days a week. Taxi owners make huge profits from the industry, but in most cases they refuse to pay for proper insurance for their cars,' Ms O'Brien said.

'We have seen drivers face ruinous debt as a result of driving taxis that weren't properly insured. Under-insured taxis are a threat to drivers and other road users. These proposals will benefit everyone who drives on Victoria's roads,' she said.

Since early 2011, the Federation has run a specialist legal clinic for taxi drivers, in conjunction with Footscray Community Legal Centre. Its report, *In the driver's seat*, is available at <http://www.footscrayclc.org.au/brochures-publications/>

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