



Letter to the Editor, Sydney Morning Herald

20 June 2016

Dear Ms Judith Whelan,

Compensation for change is the right thing to do

When the Australian Dairy Industry was deregulated in the late 1990's, Commonwealth and State Government established a compensation fund that raised over \$1.7 billion for hard working farmers whose livelihoods had been irrevocably changed forever. It was funded through a consumer levy of 11c per litre of milk.

After the collapse of Ansett in 2001, the Government provided a compensation package of \$350 million which was funded by a \$10 levy on passengers undertaking domestic airline travel.

Both the timber and fishing industries have received compensation including licence tax payer funded buy-back and income support schemes.

The removal of trade barriers and associated increased competition from international competitors has often been accompanied by structural adjustment packages including taxation relief and specific industry subsidies.

The common thread for these compensation arrangements has been the willingness of both Governments and consumers to lend a helping hand to fellow Australians when the law has been substantially changed to either increase the competitive environment through microeconomic reform or to preserve natural resources.

So it is thus with the NSW Taxi Industry.

Significant change has occurred to the laws that have governed this industry for the best part of a century. Like the aforementioned industries, we have seen generations of Australians invest in the taxi industry in good faith, and successive governments of all political persuasions have supported these investments through a regulatory system that was focussed on safety and reliability.

All this changed on 18 December 2015 when the NSW Government determined to significantly adjust the rules and as a consequence, these investments have lost significant value.

The NSW Government has however rightly identified that compensation must be paid to those owners and operators of taxis that have been negatively affected by these changes. We are grateful for this consideration.

The debate is now focussed on ensuring that the compensation is sufficient, equitable and properly applied.

To now suggest that these mum and dad taxi owners and operators are not worthy of this support is manifestly unfair and misses the point.

The NSW Taxi Industry does not oppose practicable and sensible change; it recognises that change that achieves better outcomes for consumers is central to any reform process.

We simply ask that the well-founded guiding principles that were used to set up the compensation arrangements for the dairy, timber, fishing and other relevant industries are also applied in this instance.

Sincerely,

Roy Wakelin-King, AM
Chief Executive
NSW Taxi Council