

17<sup>th</sup> January, 2013

To: IPART

**Submission: Concerns re Draft Report – Annual Taxi Licence Release for Sydney 2013/14**

I would like to express my real concerns as to the future value of the perpetual unrestricted licence I purchased in 2011.

At the age of 55 and having spent most of my life around the taxi industry, my wife and I decided to make a taxi licence a retirement investment option, paying \$411,000 (+ \$14,000 stamp duty) in September, 2011. We are currently working extremely hard to pay this off. Currently the official value of this licence is only \$388,333 (a lot less than we owe).

Could it genuinely be the State Government's ideal scenario to have the value of these licences fall by up to 25% over 5 years? I can't think of any other current investment losing such value (not just a decrease in income). I feel this would constitute **an unreasonable impact on myself and all other licence holders**. IPART has been directed specifically not to recommend changes that would have an unreasonable impact on existing licence holders yet the group likely to be impacted most severely are the existing licence holders such as myself, as we would face a loss of income and consequently plate value.

When we purchased our licence, we were fully aware that plates are released as the market deems necessary, but from my observations, the shortages are only there on rare occasions, and in particular locations. Many, many locations are flooded with empty taxis. The proposed actions appear to be hurting both ends of the industry – the drivers, by increasing the number of taxis which will be on the road (thereby less jobs to go around) and the owners, whose income will be decreased, but expenses wont.

Anonymous