



MEDIA STATEMENT 21 September 2006

Dishonesty and Deception

Cabcharge Australia today dismissed as “a dishonest piece of gutter PR” the story on the front page of The Sydney Morning Herald.

Chairman, Mr Reg Kermode said that while the story was a repeat of announcements made in February, April and June, the Herald has been particularly disreputable in disguising known inaccuracies as news.

“The Taxi Industry is one of the most competitive industries in the country – drivers compete for work, owners and operators compete for drivers, and networks compete for members. The Industry has always embraced healthy competition, it is the reason the Taxi Industry in this country leads the world in terms of customer service, response times, technology and driver safety,” said Mr Kermode.

“It should be remembered that the Taxi Industry formed Cabcharge Australia – not the other way around. Around Australia taxi co-operatives united to form an organisation to provide an alternate payment system to reduce the security risk of carrying too much cash in cabs. It is the Industry that controls Cabcharge, and in recognition of this 25% of Cabcharge’s profits are returned to the Industry each year. Many taxi networks, particularly in regional areas would not remain in business except for the payments from Cabcharge.

“Anyone suggesting the relationship between the Industry and Cabcharge is reversed has no understanding of the Taxi Industry, or in the case of The Sydney Morning Herald – is deliberately trying to mislead.

“The Taxi Industry has seen a number of investors come and go, particularly over the last 20 years, and their greatest failure has been their inability to be honest in their dealings with drivers, operators and passengers, and to provide fair rewards for effort. Macquarie Bank has failed to learn those lessons – and now in the face of failure they are seeking to blame Cabcharge while simultaneously increasing their promises.

“They claim they are blocked from joining the NSW Taxi Council’s Zero200 Network for all wheelchair cabs, when in fact they have been invited to participate on the same basis as every other network in Sydney – it is them who have refused to join. This has nothing to do with Cabcharge anyway.

“You have to ask, why the obsession with the Sydney market – the most saturated and competitive taxi environment in the country. Bank’s motives are questionable. They only want to help a person in a wheelchair who lives in the most profitable taxi market in Australia. Why not help regional centres where owners and operators started wheelchair services at their own expense, and could always do with further assistance to improve access for passengers.

“While Macquarie Bank might be obsessed with Cabcharge, it is ludicrous to suggest that a company like ours could stand in the way of a multinational like Macquarie. Let’s be honest here, they saw an easy way to make a quick buck from the Sydney Taxi Industry by holding out a carrot to Sydney’s disabled community. It’s not working and I am disappointed for them that they have not been able to crack the most lucrative taxi market in the country, but it’s not fair to point the finger at Cabcharge.

“The Herald can write PR stories for Macquarie Bank, but they should not be disguised as news and they should not contain so many factual inaccuracies. To quote me from an interview from six months ago and pretend that is current adds insult to injury.

“I will not allow the Herald’s incompetence to be at the expense of the facts or the national Taxi Industry. We have a lot to be proud of and a big contributor has been our competitive environment. That said, participation must be honest and fair because that is our ethos and it is the only way we can guarantee long term success for our Industry and our passengers,” said Mr Kermode.

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