

## **TAXIS**

Taxi owners and drivers are not very popular among members of the general public, and other drivers in particular. The Free Market Foundation warned the government during the early 1980s that there would be “taxi wars” unless there was deregulation. A popular myth has arisen that taxis were once “deregulated”. All that happened was that licensing boards under antiquated law decided to arbitrarily license half of all taxis. Government was unwilling or unable to enforce prohibition on the remainder which meant that taxi owners took the law into their own hands. Those with licences argued, correctly, that it was unfair for the government to require them to have a licence without enforcing the law against unlicensed taxis. Those who had been denied licences argued, equally correctly, that it was unfair to give some licences whilst denying them arbitrarily to others.

The failure to deregulate is the direct cause of the “taxi wars”, and of the general climate of disrespect for law that has come to characterise the taxi industry. There is nothing inherent about taxi owners or drivers that explains the problem. Government interference is the sole and direct cause. Instead of discontinuing the cause the government has now decided to exacerbate it by proposing a new and exceedingly costly regime, commonly called “taxi recapitalisation”.

When government decided to intervene in their businesses and compel them to replace their vehicles with a type of vehicle mandated by the Department of Transport they did not receive any sympathy or support. However, the erosion of the rights and freedom of the taxi owners diminishes all our freedoms.

Government demands that taxis maintain a high level of mechanical safety as well as driver proficiency would have been consistent with the rules applied to all road users and therefore consistent with the rule of law. The specification of a particular type of vehicle for use as taxis is, however, a despotic action that constitutes an unjustifiable interference in the affairs of taxi owners. Once again the property rights of citizens are not being respected.

## **Actions**

- *Nationalising the taxi industry: What not to do* by JM Harris – Briefing Paper published and distributed.
- Participation in government committees.