



VERMONT AUTOGAS PTY. LTD

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2 July, 2004

FILE No:
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MARKS/PRINT:

Mr. Jason Byrne
Australian Competition & Consumer Commission
PO Box 1199
DICKSON ACT 2602

Dear Sir,

Re: Review of Taxi Authorisations - Notices Proposing to Revoke Authorisations
A90441, A90448, A90531, A90449, A90447, A90463, A90455, A40047,
A90498, A40071, A90472
Your Reference C2003/1608

Further to our telephone conversation, we wish to make the following submission with respect to the above

Vermont Autogas Pty Ltd is in agreement with all the points 3.11 to 3.23.
In addition Vermont Autogas would like to expand on 3.21 by stating that Vermont Autogas has an alternative payment system in our taxis for the last eight years. Further to 3.23 we wish to add that the use of this alternative payment system has been severely restricted by the fact that an incentive bonus of \$60 was introduced by Black Cabs Limited and Silver Top Taxis. This bonus is only payable if \$1000 of account work per car per month is channelled through the radio network (the net profit to the network on a \$1000 of account work is only \$25). This makes it commercially unviable to use other payment systems to any extent.

We also wish to mention that the granting of the exemption to the radio network has led to arrogant and uncooperative behaviour with respect to dealings with taxi operators. There is no formal contract agreement between taxi operators and Cabcharge. Operators are forced to use a faulty system which results in non-payment of transactions. (At least in some cases Cabcharge is paid for transactions and fails to forward the money to the taxi operator unless the mistake is pointed out by the operator, which in turn is accompanied by an additional cost to the operator).

In a truly competitive environment, Vermont Autogas would only use the Cabcharge payment system if the taxi customer would specifically request it, but is prevented from doing so by the fact that it is commercially through the use of the incentive bonus by the radio networks.

The radio networks use an incentive bonus in an unconscionable manner in order to force the operators into submission, and it can only be hoped that the revocation is the first step in a chain

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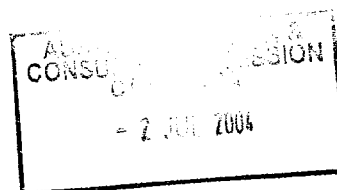
of events which will lead to a more competitive and responsible conduct of the radio networks.

Should there be any further queries, please do not hesitate to contact the writer.

Yours faithfully,
VERMONT AUTOGAS PTY LTD

Hans Althoff

Hans Althoff



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GRANTED *area outlined*