

cc Secretary
Mr Whitlaw
Mr Simpson
Mr Cowan
Mr Coulson (NIO)

FROM: J M IRVINE
TO: PS/MINISTER

B L A C K T A X I S

1. Following his meeting with representatives of the Castle Street Traders Association accompanied by Councillor Devlin the Minister asked for an update on the 'Black Taxi' operations. An appropriate paper is attached.
2. The Minister can be assured that the taxis comply substantially with the Department's statutory licensing requirements through the drivers passing a special driving test and a police 'character' screening and the vehicles passing a roadworthiness test and being insured for unlimited liability cover and property damage up to £250,000 (see paragraph 5 of paper attached). Their illegality centres on operating in breach of the conditions of their licence to the extent summarised at paragraph 6 and the Table therein.
3. The Minister will be aware that enforcement action against 'Black taxis' for these offences is a matter for the operational judgement of the R.N.C. He will note the line previously taken by the Secretary of State in 1977 that the Chief Constable act against 'overloading' as and when the general security situation in West Belfast permits. He can be assured that the incidence of overloading is now minimal.
4. Paragraph 12 identifies an option for future action which would reduce the Black taxi illegality to that of operating without a meter - namely by licensing each taxi for public hire coupled with offering them a designated parking place (preferably off-street). Such an option offers the advantages of minimising Black taxi illegality to a single (and arguably negligible) offence and meeting Castle Street traders concerns. Recipients of this note however may wish to comment further on the political/law and order implications should this option be exercised.

5. I will be on annual leave up to the 24th September but will be available to develop my thinking on this issue immediately thereafter.

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BLACK TAXIS

THE LAW ON TAXIS

1. Taxi operation is governed by the provisions of the Road Traffic (NI) Order 1981 and regulations and bye-laws made thereunder. Within these provisions a taxi is defined as a vehicle seating not more than 6 persons in addition to the driver and licensed for the purposes of "standing or plying for hire" or "to carry passengers for hire".

2. Taxis and their drivers are subject to special licensing procedures each designed to protect public safety and ensure fair competition. The vehicle is licensed annually by the Department on being satisfied that it is roadworthy (each is tested at a vehicle inspection centre operated by the Department), taxed and insured for unlimited liability in respect of bodily injury or death. The driver is licensed every 5 years by the Department on its being satisfied of his health (a medical certificate is required), his character (a police report is received on each driver identifying any relevant criminal history) and his competence to drive (each is required to pass a special driving test conducted at a driving test centre operated by the Department). Persons refused either or both licenses may 'appeal' to an independent review panel appointed by the Minister. The Order gives the Department a right to revoke either or both licences for prescribed reasons. The Order however does not allow the Department to limit the number of licences issued i.e. there is no quantity control.

TAXI CATEGORIES

3. The law both here and in Great Britain recognises two categories of taxi -
 - (a) a public hire taxi which is licensed to ply for hire in the streets. In return for this exclusive right the taxi is required to conform to a scale of fares prescribed by the Department, to carry a sealed meter which records the fares, to be subject at the discretion of the hirer to single occupancy and in the case of those operating in Belfast to park only at designated ranks.

- (b) a private hire taxi which is licensed to carry passengers only through prior booking. It must not ply for hire in streets or park in streets other than within 50 yards of its registered premises. The private hire taxi is not subject to fares control.

Detailed regulation of either category is achieved by means of conditions attached to the licence. The Order prescribes a range of penalties for operating in breach of those conditions.

BLACK TAXI ASSOCIATIONS

4. The so called 'black taxi' has been a feature of life in Belfast since about 1969. To-day they are organised into two quite separate 'camps' - the West Belfast Taxi Association which governs the activities of 275 taxis/drivers on the Falls Road and Londonderry. X (the breakdown is believed to be about 225 and 50) and the North Belfast Mutual Association which governs the activities of 90 taxi/drivers on the Shankill and Shore Roads. These figures are taken from insurance records supplied through the insurance brokers Curran Connelly and relate closely to statistics compiled by the Department from taxi/driver application forms which at the Department's request indicate the association to which the applicant is affiliated.

EXTENT OF COMPLIANCE WITH LAW

5. Black taxis have made considerable progress towards legality since their inception. The Department's records show a total of 274 drivers/vehicles affiliated to the WETA and 85 drivers/vehicles affiliated to the NBMA as holding current PSV driver and vehicle licences. Each vehicle licence is supported by evidence that the vehicle is insured through Crowe Motor policies at Lloyds for unlimited liability in respect of bodily injury or death and £250,000 for property damage (this satisfies the minimum legal requirements.) It can therefore be said with some certainty that public safety is secured through compliance with the statutory requirements summarised under paragraph 2 above. The negligible claims record by/against black taxis serviced by Curran Connelly would tend to support this.

EXTENT OF COMPLIANCE WITH LAW

6. Given their compliance with vehicles and driver testing and insurance provisions the illegality (in transport terms) of the black taxi operations is confined in the main to breaches in the conditions attached to their licence i.e. their mode of operations and their illegal parking. The characteristics of 'black taxi' operations place them in neither the 'public' or 'private' hire categories identified in paragraph 3. Faced with this dilemma the Department have over the years chosen to license them for private hire for no stronger reason than this category like 'black taxis' do not operate a meter. It is recognised that this is a far from complete rationale but the choice of a public hire category would be no more complete. This is illustrated in the Table below which identifies offences committed in the current 'black taxi' operations under each licensed head.

	RT(NI) Order 1981	Licensed Private Hire	Penalty	Licensed Public Hire	Penalty
		Offence		Offence	
(a)	Article 60	Flying for hire when not licensed	£1,000		
(b)	Article 171 - also Roads (NI) Order 1980	Causing obstruction	£400	Causing obstruction	£400
(c)	Sch. 4	Contravention of regulations (parking on streets)	£400	Contravention of regulations (no metres, not parking at ranks)	£400

EFFECT ON PUBLIC BUS COMPANIES OPERATION

7. By operating in this way the taxis represent serious competition to the public bus company on the routes where they operate (Falls, Shankill, Shore Road in Belfast and in Londonderry). Whilst they offer a service which is highly acceptable to many of the residents in these areas their competition is inherently unfair from a transport view point in that the public company must operate a service both on and off peak periods whereas the "Black taxis" are in a position to 'cream off' that part of the traffic which makes bus operation viable. Their operation is estimated to cost the bus company about £1M a year in lost revenue. It is for this reason that the operation of the "black taxis" came under the notice of the Inspector Mr C M Lavery QC in his report of December 1977 on the "Belfast Urban Area Plan - Review of Transportation Strategy". In a chapter head "Public Transport" he commented "I believe that if the objects of one's transport strategy is to provide a soundly based transport service one cannot permit 'black taxis' to compete with that service. Accordingly in my view steps must be taken to ensure that the 'black taxis' cease to compete with that service"

PARAMILITARY CONNECTIONS

8. Apart from the transport objection caused through the element of unfair competition the 'black taxis' are open to suspicion on the law and order front. It is believed that each driver is required to make a weekly payment to his association (W.B.T.A. or N.B.M.A.) a proportion of which is directed to paramilitary funding. It should be recognised, however, that there is no scope under the Road Traffic law for special measures aimed at ensuring that no money ^{Funds} ~~found~~ its way to nefarious projects from taxi funds.

ENFORCEMENT HISTORY

9. Enforcement action against 'black taxis' is a matter for police judgement and action by them over past years has done much to reduce illegality to the levels identified at paragraph 6. Prosecutions against 'black taxis' are not recorded separately and therefore not readily identified from police or Court records. However, extracts from Press cuttings and Hansard shown at Annex 1 are evidence of earlier successes.

DEPARTMENT'S BLACK TAXI POLICY

10. It has been recognised that there can be no question of legislating 'black taxis' out of existence. Rather the policy which has evolved has been aimed at bringing taxi operations under tighter control, as regards drivers, vehicles, insurance and overloading. In civil terms this has done much to protect public safety and reduce the unfair element of competition with buses. In political and security terms it has asserted Government's authority to the extent that legality is recognised. In March 1977 the 'black taxi' issue was considered by the Steering Group on the Economic Activities of Paramilitary organisations. A copy of their paper to the Secretary of State and subsequently endorsed by him is attached at Annex 2. Recent discussions with the R.U.C. indicate that their view as recorded at paragraph 4 of that paper pertains to-day with even greater force.

SCOPE FOR FURTHER ACTION

11. It is difficult to identify scope for further action on the driver and vehicle front - each is properly licensed, tested, insured and roadworthy. Additionally power exists to require vehicles to be tested more than once per year and where thought relevant this power is exercised. Further action therefore must be concentrated against those remaining illegalities which are identified in the Table at paragraph 6 above. That action, however, must be viewed against the current enforcement climate in the West Belfast area and that fact that the offences identified have been a feature of 'black taxi' operation for very many years. It would be unrealistic therefore to look for improved results on the ground from police enforcement action. A more realistic approach may lie in administrative action on the licensing and parking fronts.

PUBLIC HIRE LICENCES WITH DESIGNATED
PARKING PLACE

12. Black taxis are licensed as "private hire" for the limited reasons identified in paragraph 6. The separate offences committed under that licence are identified in the table to that paragraph - plying for hire, causing obstruction and parking in the streets. The insurance held by 'black taxis' would entitle the Department to license them for "public hire". The characteristics of such a licence require that the public hire taxi park only at a designated parking place and operate a meter sealed by the Department.

There are precedents for designating parts of public roads in Belfast for this purpose. Were the Department to license the 'black taxis' for public hire and designate a rank (preferably off-street) it would go some way to responding to the concerns of the Castle Street traders and reduce 'black taxi' illegality to the 'no meter' offence. This latter provision is designed to protect passengers against over-charging, the meters being sealed to register the fare within a scale prescribed by the Department. However, the relevance of the provision, and hence its enforcement, must be questioned in a situation where the 'black taxi' fares are substantially below those prescribed by the Department. (the black taxi maximum fare is around 45 pence as against the minimum prescribed taxi fare of £1.50 - the latter broadly in line with Great Britain cities outside London).

The advantages from such a move must be balanced against the political objections of being seen to facilitate an organisation which has operated outside the transport law for many years, has in so doing greatly harmed the Citybus operation, and is suspected of para-military support. On the other hand they are providing an efficient and economic service for which there is a demand and are now substantially legal and can be made more so if the proposals for public hire licensing and designation are followed (preferably off-street).