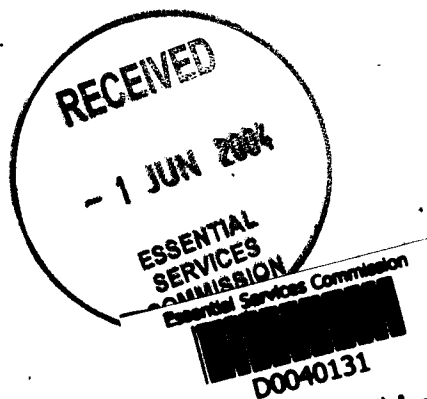


**Independent Hire car Association
18 Carlinga Court
GLADSTONE PARK 3043**

Mobile: 0412 199 995
Fax/Phone: 03 9338 4442

Wednesday, June 30, 2004

**Essential Services Commission
Level 2, 35 Spring street
MELBOURNE 3000**



Att: Geoff Hargreaves
Project Manager, Hire Car licence Fee Review

With reference to the June 2004 Draft Report for the review of the Hire Car licence fee and the subsequent recommendations put forward.

We fully concur and support the recommendation to half the Licence fee to \$33,000.00 or lower inclusive of GST. We believe this is fair and equitable amount and that it is :

1. Within the financial reach of new comers to the industry.
2. Running costs will be reduced further to less than 10%.
3. Increased competition will be generated and this will lead to a cheaper and more reliable service to the public.

Further as mentioned in the report those people that purchased licence at the higher price that was recommended by the VTD , have done so as a **package deal** with the **vehicle** and an **established clientele**. Clearly this exempts them from GST payment.

With reference to the payment plans, it should be noted that the VTD should encourage all new comers to the industry by fully recommending and explaining the annual payment plans.

regards

Issa Khallouf