



Uber
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Uber.com

Shaza Barbar
Principal Council Officer, Upper House Committees
Parliament House
Macquarie Street
Sydney, NSW 2000

2 November 2020

Dear Ms Barbar

Uber welcomed the opportunity to appear before Portfolio Committee No. 6 – Transport and Customer Service for the inquiry into the operation of the *Point to Point Transport (Taxis and Hire Vehicles) Act 2016* (the **Act**).

This letter responds to the questions on notice and supplementary questions from the committee.

1. Amount paid in Passenger Service Levy contributions

While this question was not accepted by Uber on notice, to assist the Committee we note that because every trip with Uber is booked through the app, riders who choose Uber meet the full cost of the levy. There are no cash trips or under-collections with app-based services like Uber.

We have also attached the State Revenue Office's latest quarterly Passenger Service Levy Report. Importantly, regardless of who has collected the levy to date, NSW residents have paid over \$168 million in levy charges on point-to-point transport trips in the state as at 6 October 2020.

2. Engagement with the NSW Government and the Premier before the 2016 reforms

Uber has engaged constructively with various government stakeholders, including the Office of the NSW Premier, since launching in Australia.



3. What is the average value of an Uber trip?

This question on notice taken by Uber was subject to this information being accepted in confidence by the Committee. Further to our conversation, we are awaiting confirmation from the Chair that this information will remain commercial in confidence.

We do note that:

- Uber provides riders with certainty about the cost of every trip through Upfront Pricing. Upfront Pricing is calculated using the expected time and distance of the trip and local traffic, as well as how many riders and nearby drivers are using Uber at that moment. A rider's fare will be the price presented upon booking, or, if a rider's journey changes (including if a rider changes the origin or destination, or in certain cases where you take a detour or make multiple stops), the fare will be based on the rates provided in the Uber app.
- Uber's pricing in NSW is available at Uber.com. For example, for an UberX trip in Sydney, the rates are as follows:

Pickup		During your trip	
Base fare	A\$2.50	Booking fee	A\$0.55
		Minimum fare	A\$9.00
		Per minute	A\$0.40
		Per KM	A\$1.45

- In practice, that means a usual fare from Bondi Beach to Bondi Junction would be \$14.50 or from the Sydney Opera House to Newtown approximately \$25.

Finally, we note that the point-to-point transport market is competitive and that fees for booked services are not subject to price regulation (consistent with the position prior to the 2016 reforms). This reflects the ability for consumers to choose from a range of competing offerings when they make a booking.



4. Supplementary question: How often does Uber and Ola drivers inform passengers that they are absorbing the passenger service levy on their behalf?

Every trip receipt in NSW includes a line item 'NSW Government Passenger Service Levy \$1.10'.

This is included in the in-app receipt as well the invoice. An example of a rider's trip receipt can be found on page 19 of our submission. An example of a trip invoice (extracted) is included below:

Tax Point Date	Description			Tax Amount	Net Amount
31 Oct. 2020	Transportation service				
	Fare	GST	10 %	1.41	14.08 AUD
	Booking Fee	GST	10 %	0.05	0.50 AUD
	NSW Government Passenger Service Levy	GST	10 %	0.10	1.00 AUD
	NSW CTP Charge	GST	10 %	0.06	0.55 AUD
				Total Net	16.14 AUD
				Total GST Amount	1.61 AUD
				Gross Amount	17.75 AUD

5. Supplementary question: Is this practice, directed and supported by management of Uber and Ola?

Every trip receipt in NSW includes a line item 'NSW Government Passenger Service Levy \$1.10'.

Uber does not discuss its pricing with competitors and this answer is, for the avoidance of doubt, specific to Uber's processes in NSW.

Mitch Cooper
Head of Public Policy
Uber

Passenger Service Levy

NOTES:

- 1. Data as at 6-October-2020
- 2. Data is of Passenger Service Levy collected since inception to 30-Sep-2020
- 3. Data is based on the total net levy received as at the end of each quarter

Levy Collected	FINANCIAL_YEAR			
QUARTER	2018	2019	2020	2021
Jul-Sep		19,717,612.00	17,751,276.00	10,202,220.00
Oct-Dec		12,377,975.00	18,850,376.00	
Jan-Mar		24,630,480.00	20,214,905.00	
Apr-Jun	14,452,919.80	17,725,968.00	12,402,341.00	
Grand Total	14,452,919.80	74,452,035.00	69,218,898.00	10,202,220.00