Submission No 83

INQUIRY INTO OPERATION OF THE POINT TO POINT TRANSPORT (TAXIS AND HIRE VEHICLES) ACT 2016

Organisation: Uber

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Uber

Submission to Inquiry into the operation of the *Point to Point Transport (Taxis and Hire Vehicles) Act 2016*

May 2020

Uber

Uber welcomes the opportunity to provide a submission to the NSW Parliamentary Inquiry into the operation of the *Point to Point Transport (Taxis and Hire Vehicles) Act 2016*.

Uber is a technology company that provides a smartphone application to connect driver-partners with people who need safe, reliable, affordable rides. Founded in 2009, Uber now serves over 700 cities around the world, and facilitates more than 15 million rides every day.

Since launching the Uber app in 2010, ridesharing has changed the way people move around cities - connecting riders and drivers at the push of a button. Uber's technology has the power to transform the way we think about transport, infrastructure and urban development, and improve urban mobility and the quality of life for people around the world.

Uber is now available in 39 cities across Australia, with over 3.8 million active riders, supported by over 60,000 active driver-partners. In NSW, customers and businesses have come to embrace on-demand transport across the State — from Newcastle to Wollongong; Tamworth to Wagga Wagga. Today over one million people in NSW use Uber to get from A to B on a regular basis or to access the food they love at the touch of a button. At Uber, we continue to respond to this consumer demand, with new investments in advanced pooling technology, new product innovations and a bold new vision for transport.

This submission outlines how the government's reforms of the point to point transport sector, and operation of the Act, are helping millions of people in NSW move better, safely and have paved the way for further technological innovation.

Uber

As the first state in Australia to reform point to point transport, NSW has led the world in openly regulating the sector, allowing for competition, complementarity and innovation between different types of point to point services. However these are still relatively new reforms and this submission identifies some opportunities to further enhance the regulatory environment in NSW and improve transport access across the state.

The impact of the COVID-19 pandemic on the transport network has been significant. At its peak we saw severely reduced movement across all modes of transport. Transport for NSW saw a 75-80% drop in public transport use and Uber has seen similar numbers in the cities where we operate. However, as our cities recover we are starting to see changes to the way people are travelling. People are opting for modes which enable social distancing including micromobiity, active transport, point to point transport and concerningly private cars. A recent study revealed 66% of respondents in China say they prefer private cars to mass transit, doubling from pre-pandemic levels[1]. Private cars are already the dominant mode in Australia and it is important for the future of our cities that this is not reinforced. Now more than ever before, it is crucial that governments support shared mobility like point to point transport.

We welcome this inquiry and look forward to working with the NSW Government. We want to ensure the people of NSW continue to benefit from ridesharing and are well set up to maximise the benefits of further technological change in the future.

[1] Green Car Congress, 2020 'IPSOS study finds private cars jump to 1st place as preferred means of transport in China; protection against infection', available via: https://www.greencarcongress.com/2020/04/20200405-ipsos.html

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Summary of recommendations

1. End the collection of the Passenger Service Levy to improve the affordability of point to point transport for NSW commuters.

2. Ensure equal treatment of all point to point transport providers in relation to the use of bus lanes.

3. State government, local governments and industry work together to enable safer, more efficient pick up and drop off zones for ridesharing. This includes developing the necessary signage and proactively identifying appropriate kerb space, particularly around transport hubs and emerging precincts.

4. Remove regulatory barriers which prevent ridesharing from playing a larger role in supporting the transport task at major events and airports.

5. Work with industry to investigate how new technology and ridesharing transport solutions could increase access and reduce social isolation in regional NSW.

6. Ensure the same right to choose ridesharing to get from A to B is extended to all disability transport subsidy scheme customers in NSW.

Uber

Contents

Benefits of the point to point reforms

Uber is a technology company that, through a smartphone app, connects driver-partners with people who need safe, reliable and affordable rides. From this, we are building a platform for mobility and delivery for cities around the world.

Uber launched its Australian operations in NSW in 2012 with our Uber Black product, a premium ride with a professional driver. Our ridesharing service UberX launched in NSW in 2014, and since then we have provided millions of Australians with access to on-demand transport at the push of a button. UberPool launched in Sydney in 2018, providing riders with an even more affordable transport choice. UberPool services allow multiple customers heading in the same direction at the same time to share a journey in one vehicle and reduce the cost.

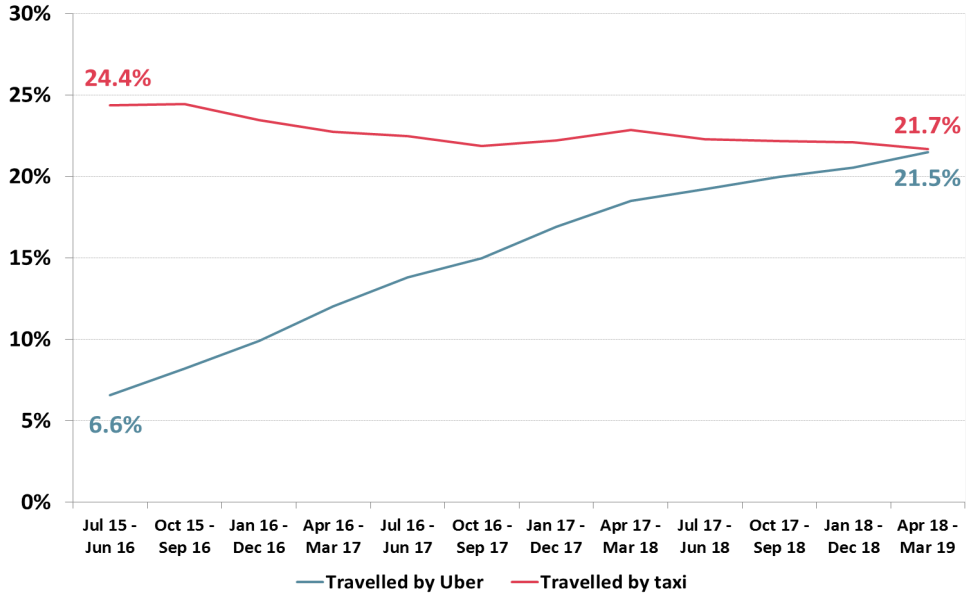
In 2018, Uber also began operating in six smaller cities and towns across regional New South Wales: Bathurst, Coffs Harbour, Orange, Port Macquarie, Tamworth and Wagga Wagga[2]. This has not only helped to improve transport access to residents but also supported the local tourism and events industries. Following the success of these regional launches, in late 2019 we announced residents and tourists will be able to hop in an Uber and ride almost anywhere along the NSW coast – from Tweed Heads in the north, to Ulladulla in the south[3]. The Uber platform now extends out to new towns like Berry, Bowral, Casino, Cessnock, Grafton, Maitland, Nowra, Singleton and Ulladulla. This demonstrates the opportunity technology and ridesharing could provide to regional and lower density areas.

By meeting riders where they are located, on-demand, ridesharing has also created an entirely new transport option, growing the whole category of point to point transport and complementing the public transport network. 2019 research by Roy Morgan (see figure 1) shows how Uber has 'grown the pie' in the point to point transport sector. Uber's products have meant people have many more transport options to choose from during both the day and night.

[2]Uber 2018, *More Transport Options for residents of regional NSW*, viewed 15 May 2020, www.uber.com/en-AU/newsroom/regionalnswlaunch

[3] Uber 2019, *From Tweed Heads to Ulladulla – Uber connects even more NSW communities this summer*, viewed 15 May 2020, www.uber.com/en-AU/newsroom/connectnsw

Figure 1: % of Australians travelling by Uber and Taxis in an average three months[4]



When Uber was conceived in 2008, the global point to point transport offering was very different to what it is today. This chapter will outline how the NSW Government's 2015 nation-leading reforms have helped the sector to grow, become safer and paved the way for future innovations in transport technology. They have also provided tens of thousands of people in NSW with flexible earning opportunities supporting a different way of working.

2015 NSW Point to Point Reforms

In 2015 Uber strongly supported the NSW Government's work to review and reform the legislative and regulatory framework for point to point transport. The rapid uptake of ridesharing at the time demonstrated the extent of unmet public demand for new transport options. However, existing regulations were drafted many years before the emergence of ridesharing technology which is why reform was necessary to account for these new models.

Ridesharing refers to transport services in which the driver and passenger connect via a digital application. For passengers, digital applications help to make transport safe, reliable, efficient and affordable. For drivers, digital applications make it possible to provide commercial services on a flexible basis at the touch of a button. Digital applications perform a number of important functions, including:

- Communicating trip requests from passengers to drivers;
- Allowing passengers to identify drivers and vehicles;

[4] Roy Morgan 2019, *Uber set to overtake taxis in Australia*, Roy Morgan, viewed 30 January 2020, http://www.roymorgan.com/findings/8048-ride-sharing-uber-taxis-march-2019-201907050645

- Disclosing the fare before each trip;
- Generating a digital record; and
- Enabling drivers and passengers to register feedback.

These applications enable the development of safe and responsive models such as ridesharing.

Importantly, the 2015 reforms recognised that ridesharing vehicles are not traditional taxis. Like in most jurisdictions, taxis are characterised by their exclusive right to ply for hire in the street or stand at a taxi rank. Taxi regulations were intended to mitigate the risks that accompany this type of trip:

- **Anonymous** - Passengers cannot verify the driver and drivers cannot verify the passenger. Anonymity may encourage unsafe, unlawful or obnoxious behaviour. Hail regulations typically require specialised equipment such as cameras and GPS units to generate a record of the trip.
- **Spontaneous** - Passengers cannot determine the price of the trip before entering the vehicle and completing the journey. There is no real opportunity to evaluate the price and compare alternatives. Regulations typically impose price controls to improve the "predictability" of hailed fares. Taximeters ensure that the fare is calculated in accordance with the regulated scheme.
- **Inefficient** - Traditional taxis ply for hire. They rely on guesswork to gauge passenger demand, and passengers rely on chance to find a vehicle. Taxis may be too numerous, too few or in the wrong place at the wrong time. They circulate the road when they are not required, contributing to unnecessary congestion, idle drivers and higher prices. Regulations typically cap and control the supply of hailed vehicles to mitigate these externalities.

By comparison, ridesharing vehicles do not ply for hire or wait at ranks. All ridesharing trips are pre-arranged. Passengers and drivers can verify one another. Passengers can determine the price in advance. The application generates a digital record of the trip. Mutual feedback helps to ensure that service meets community expectations. Dynamic pricing and real time data help drivers to position themselves in the right place at the right time, improving reliability, accessibility and efficiency.

Establishing the difference between 'rank and hail' and 'booked services' was a crucial aspect of the 2015 reforms, along with the understanding that ridesharing could not simply be grafted onto the existing regulatory structure but broader reform of the 400 year old sector was required. The regulations which followed aligned with best practice regulatory principles and were outcomes-focussed and based on safety, consumer fairness and efficiency.

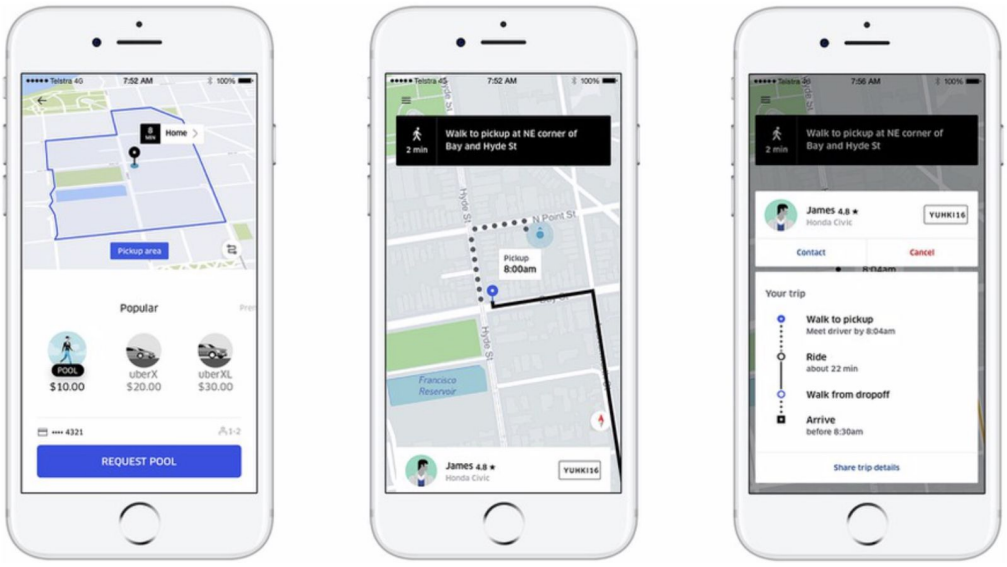
Broadly, Uber believes the NSW reforms have struck the right balance between the need for strong safety processes, protections for both consumers and industry participants, and the flexibility to deliver innovation for customers. As a customer-focused company, we continue to strive to do more for all our customers - including both driver-partners and riders - and there are always opportunities to do more to improve the regulatory environment. We want to continue working with the government to ensure that industry has the flexibility to deliver better offerings for consumers.

Uber

Supporting the future of transport and sharing revolution

Uber, like many others, sees the future of transport as shared, electric and automated. While electrification and automation are crucial it is important not to forget the first revolution, which the point to point transport reforms played a crucial role in enabling in NSW.

Ridesharing has been important in accelerating the cultural transition towards shared transport. Getting people used to sharing will be essential to the successful rollout of automated vehicle fleets[5]. UberPool is one product that makes it easy for people headed in the same direction at the same time to share the journey. Pooling technology is about using private cars for public good, because by getting more people in fewer cars, we can increase urban mobility and help reduce congestion and pollution over time, all within existing taxpayer resources.



Jurisdictions which have regulated ridesharing also help to attract further private investment and transport innovation. In NSW, Uber recently participated in Transport for NSW's Mobility as a Service Innovation Challenge (see case study 1). In London, Uber launched the Clean Air Plan to support the city's transition to the electrification of transport and aim to reduce air pollution (see case study 2). We want to partner with governments and cities to invest in new technology and innovation but this is only possible when suitable regulatory environments exist.

[5] Shared Mobility Principles for Liveable Cities 2017, viewed 11 October 2019, www.sharedmobilityprinciples.org

Uber

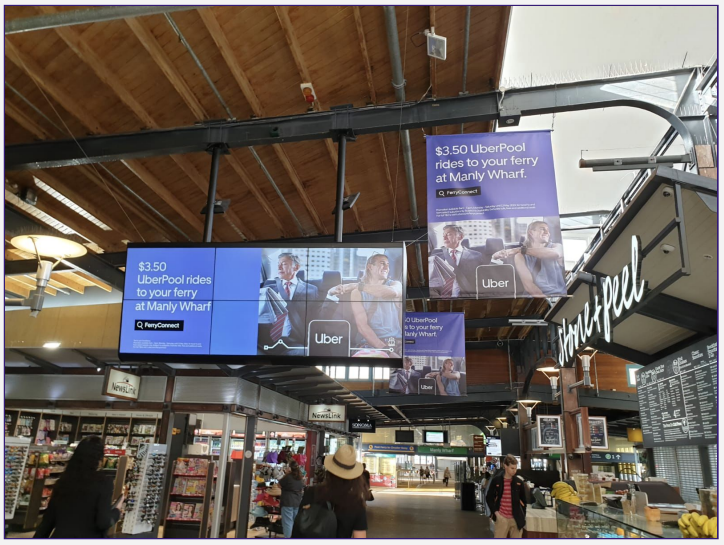
Case study 1: Partnering with government on Mobility as a Service (MaaS) innovations

In 2018 Uber was announced as a successful incubatee under TfNSW's MaaS Innovation Challenge. As part of this program Uber delivered two transport solutions, the FerryConnect pilot and integrated TfNSW journey planning data into the Uber app. This directly impacted hundreds of thousands of Uber and public transport users across metropolitan Sydney.

FerryConnect

In January 2019 Uber, in partnership with Captain Cook Cruises (CCC), launched a "first and last mile" pilot that provided flat-fare UberPool trips to and from Manly Wharf. The objectives of the pilot were to:

- Test how Uber can use its technology to facilitate multi-modal journeys and encourage greater public transport uptake.
- Deliver scalable and efficient MaaS services.
- Understand customers' travel preferences and tradeoffs to better tailor services.



Phase 1 of FerryConnect gave Manly residents $5 capped UberPool trips to and from Manly Wharf and 20% off their CCC ferry trip. Phase 2 of the program launched in March, reducing the capped price to $3.50 and broadening the service area. Phase 2 also included a detailed customer insights research program which was shared with Transport for NSW.

The pilot achieved its objectives, with high demand and strong levels of customer satisfaction. By the end of July, patronage grew to over 1,000 weekly trips. Our research found 93% of FerryConnect customers had a positive experience citing affordability and low wait times as key factors.

Public Transport Journey Planning

Uber worked with TfNSW to make Sydney the fourth city in the world to integrate public transport journey planning into the Uber app. This feature launched at the end of July 2019 allowing customers to compare travel time and pricing information for different transport modes. Empowering customers with choice is a crucial part of the journey to MaaS and will help increase public transport patronage.

Case study 2: Clean Air Plan London[6]

In 2018 Uber announced its Clean Air Plan (the Plan) – with a bold aim for every car on the app in the capital to be fully electric in 2025.

The Plan aimed to address some of the key challenges driver-partners face in upgrading to cleaner vehicles. From January 2019, a 'clean air fee' of 15p per mile was included on every trip booked through the Uber app in London that goes towards helping drivers to upgrade to an EV and other clean air initiatives. The amount of support drivers receive is based on the number of miles they drive on the app. For example, a driver using the app for an average of 40 hours per week could expect around £3,000 of support towards an EV in two years' time and £4,500 in three years. We estimate that the fund will raise more than £200m over the next few years.

In addition to the cost of an electric vehicle, the other key barrier identified by our research and pilot[7] was the availability of charging points. We are partnering with a number of third parties to help address this challenge, including:

- Several leading home charging suppliers (BP ChargeMaster, EO Charging, EVBox, Franklin Energy, NewMotion, Pod Point and Swarco EVolt) who can provide more affordable charging options to drivers using our app so they can charge their car quickly and efficiently at home.

[6] Uber UK 2018, *Uber's Clean Air Plan to help London go electric*, Uber Technologies Inc., viewed 8 January 2020, https://www.uber.com/en-GB/newsroom/uber-helps-london-go-electric/

[7] Energy Saving Trust 2017, *Electric Private Hire Vehicles in London: report for Uber*, Energy Saving Trust, pg 4, available via: https://www.energysavingtrust.org.uk/sites/default/files/reports/195268%20Uber%20EV%20Trial%20-%20Electric%20Private%20Hire%20Vehicles%20in%20London%20V2.pdf

- ChargePoint to provide a number of rapid charging stations in central London to existing drivers of electric vehicles.
- We are also working with other industry players on ways to improve London's charging infrastructure, including by using anonymised data to provide insights into charging patterns and behaviour.

Early data shows the Plan is having a positive impact. In the Plan's first five months, we saw a nearly 400% increase in EV drivers on our Platform in London, over 2.5 million electric trip miles, and more than 30 million GBP raised to support drivers transition to EVs[8].

Complementing public transport

Public transport is the mobility backbone of cities around the world. It is an essential option for people without personal vehicles, an important alternative to driving for car owners, and an integral part of making cities more accessible and sustainable.

In Australia, over 60% of Uber trips start or end in a public transport desert.[9] And almost half of all trips are one-way, implying that for some suburbs, for at least part of the day, public transport is unavailable to cover either the outbound or return leg. In this way, ridesharing complements public transport where reliable service is unavailable. Ridesharing provides a flexible and scalable solution to the 'last mile' problem, connecting riders from a transport hub to their door. Another benefit of ridesharing services in cities, is that it gives people certainty they will be able to get home, particularly late at night. This helps to encourage people to leave their cars at home, or forgo purchasing a car altogether and instead rely on a range of mobility options.

A New South Wales Independent Pricing and Regulatory Tribunal (IPART) survey found that "the use of ridesharing in urban areas outside Sydney (Newcastle, Wollongong, Gosford and Wyong) more than doubled from 10% to 28%", showing a vast improvement in urban mobility for those in traditionally underserved areas.[10]

Already in Australia, 15% of all Uber trips start or end at a public transport hub. We also see people using Uber at times when public transport is infrequent or unavailable. 2016 analysis of Uber use in Sydney on Friday and Saturday nights show how people are using Uber to get home safely in the evenings (see figure 2).

[8] Prynn, J 2019 'Uber 'clean air levy' on passengers raises £30m' *Evening Standard*, 20 June 2019, available via: https://www.standard.co.uk/news/london/uber-clean-air-levy-on-passengers-raises-30m-towards-greener-taxis-a4171811.html

[9] Deloitte Access Economics 2016, *Economic effects of ridesharing in Australia*, Deloitte Access Economics, pg 5, available via: https://www2.deloitte.com/au/en/pages/economics/articles/economic-effects-ridesharing-australia-uber.html

[10] Independent Pricing and Regulatory Tribunal NSW, *Point-to-Point Transport Survey Results*, media release, Sydney, 20 December 2018, available via: https://www.ipart.nsw.gov.au/files/sharedassets/website/shared-files/investigation-administrative-publications-2018-survey-of-point-to-point-transport/media-release-point-to-point-transport-survey-results.pdf

Figure 2: Weekend Public Transport Activity and Uber Rides in Sydney's CBD, 2016

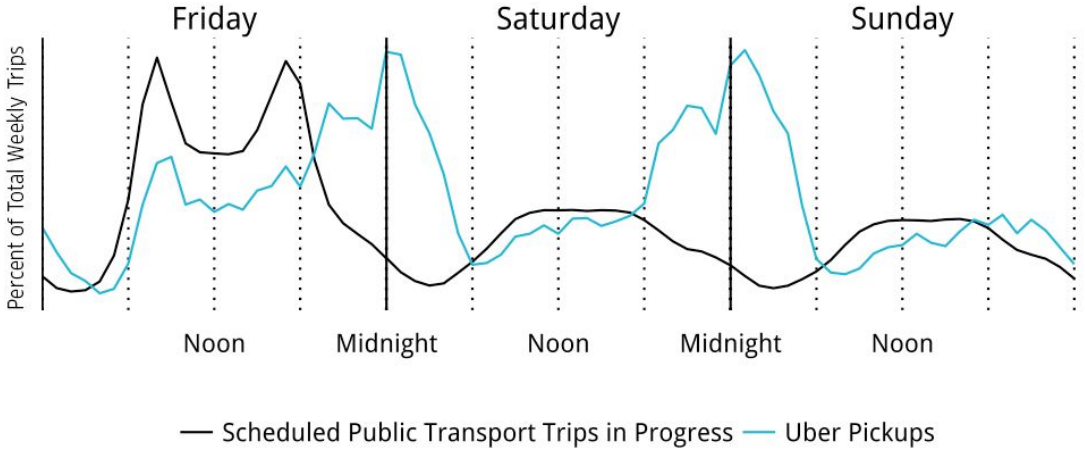
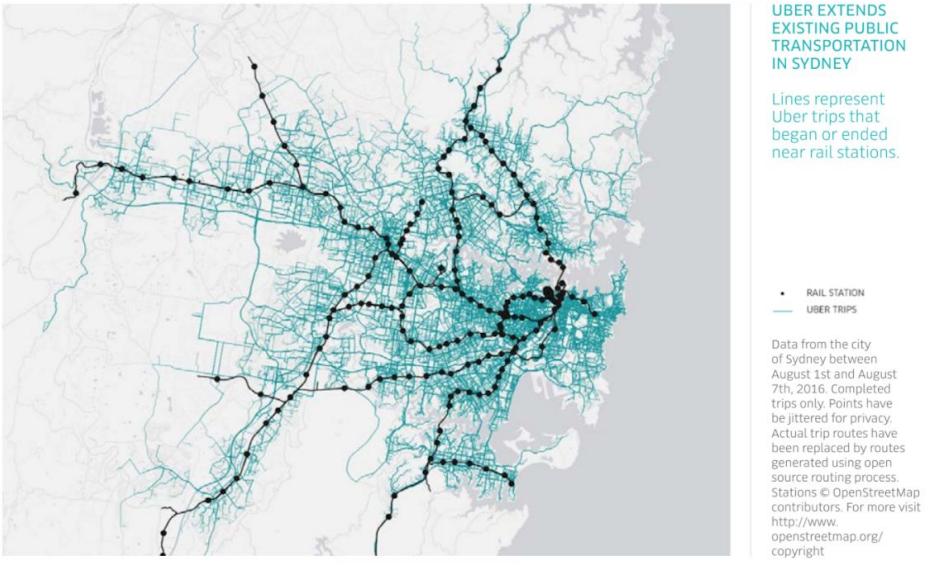
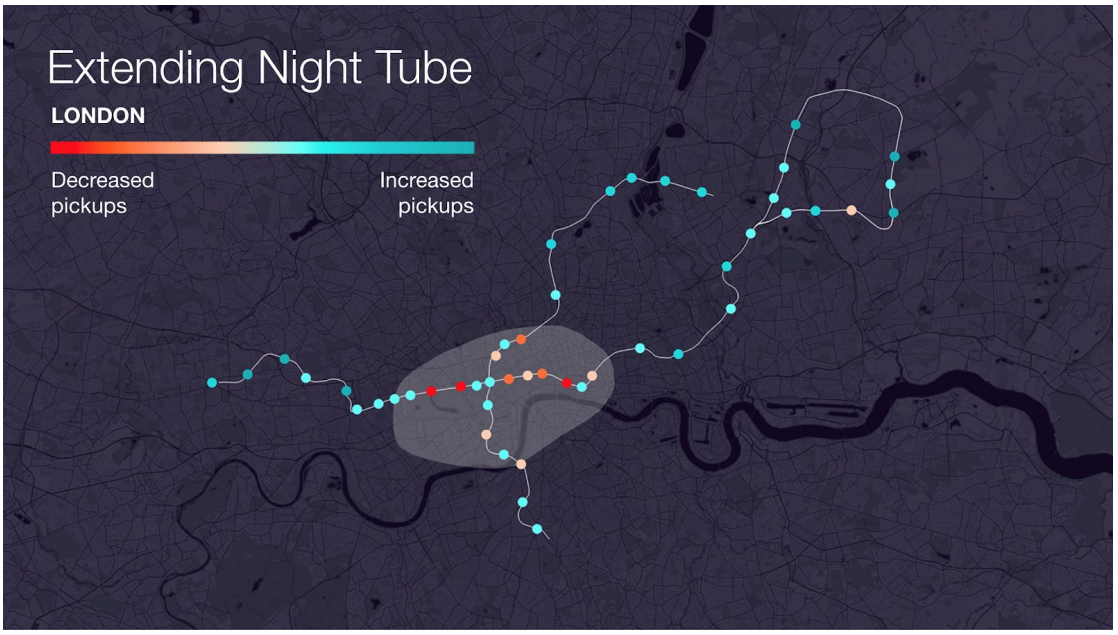


Figure 3: Uber extends existing public transport, Sydney 2016



Similarly, in London people are also combining the Night Tube service and Uber to get home (see figure 4). The launch of the Night Tube service in 2017 provided a kind of natural experiment on the complementarity between Uber and the public transport network. In the six weeks following the launch, a number of stations within Zone 1 saw a decline in pick-ups during Night Tube hours, while those outside Zone 1 starting near Night Tube stations rose by 63%. Uber trips starting within 200 metres of Night Tube stations increased by 22%. This shows that people are using the Night Tube in London to get out of central areas in the early hours before relying on Uber to travel the last mile safely home. Interestingly, the combined use of Uber and public transport in London happened organically without any formal arrangement between Uber and the public transport operator.

Figure 4: Uber activity following Night Tube Launch, London 2017



Promoting safety and safer roads

Safety was a key focus of the NSW point to point reforms and rightly continues to be the primary focus of the NSW Point to Point Commission.

Safety is at the heart of everything we do at Uber and our experience in hundreds of cities around the world is that safety outcomes can be best achieved when operators have regulatory flexibility to continue using technology to achieve better safety outcomes. Regulations which allow operators to establish and demonstrate 'safety management systems' as opposed to prescriptive covenants that prescribe safety standards.

Technology can make travel safer than ever before and our team of safety engineers are continually iterating to develop innovative new features to provide riders and drivers peace of mind when it comes to safety. Some of Uber's recent safety outcomes include;

- Safety Toolkit: Centralises key safety information and features for riders and drivers all in one place in the app. Riders can find safety tips, learn about driver screenings, insurance and our Community Guidelines.

- 000 Emergency Button: In May 2018, we launched an emergency button in the app which connects riders and drivers directly to emergency services through the app in the event of an emergency. The emergency feature displays a rider's real-time location (both on the map and as an address) as well as the car make/model and license plate number so riders and drivers can easily share that information with the 000 operator.

- RideCheck: In September 2019, Uber rolled out RideCheck which is a technology that can detect a potential crash or an unexpected long stop and then sends a proactive checks-in to both the rider and driver to offer assistance. Options are surfaced in the app that provide quick access to key safety tools so riders and drivers can take action and get the help that they may need.

- Bike Lane Alerts: We've rolled out Bike Lane Alerts in more than 200 cities around the world which includes an in-app notification when riders are being dropped off near a bike lane. This reminder helps make sure riders are looking out for cyclists before they open the door, which can improve safety for everyone.

- Verify Your Ride: To make sure riders get in the right car, they will soon be able to choose to receive a unique four-digit PIN to verbally provide to their driver. The driver will only be able to start the trip in the app once the correct PIN has been entered. Moving forward, Uber is also developing new technology that uses ultrasound waves to automatically verify the correct rider is in the right car, no PIN needed.

- On-Trip Reporting: Riders no longer have to wait until after they get out of the car to report a problem to Uber. Soon, riders will see a "Report Safety Incident" option in their safety toolkit (the blue shield icon) that will let them report a safety issue during their trip. Uber's safety team will follow up after the trip.This is part of our efforts to encourage reporting by multiple, convenient channels for people to report issues.

- Improved Real-Time ID Check: In 2016, Uber announced Real-Time ID Check, which helps ensure that the driver behind the wheel matches the account in our system. We started with basic selfies, and our most recent enhancement prompts a driver to perform a random series of basic movements—blinking, smiling and/or turning their head—to add another layer of security.

- Push Notifications/Banners: We send reminders to riders as part of our "Check Your Ride" campaign. These reminders include the color, make and model of the car as well as the driver's name in order to ensure riders get into the correct vehicle.

These new features build on the safety benefits that were already part of Uber, including:

- Driver/Car Information: Riders are given the driver's name, photo, make and model of the car and license plate number when they request a trip.

- GPS Tracking: Each trip is GPS tracked so there is a record of the trip and pertinent information is included on the receipt and trip history.

- Share Trip Feature: Riders and drivers can share their trip so friends and family are able to follow them on a map in real time, and know when they've arrived. Riders can also pre-program contacts who they will be regularly prompted to share their trip with.

- Anonymised Contacts: Uber uses technology to anonymise phone numbers when riders and drivers contact each other through the app, and we've taken steps to anonymise exact pick-up and drop-off addresses in the driver's trip history.

- Cross-Street Feature: Riders can use cross-streets rather than an exact address as pick-up and drop-off locations for an added layer of privacy.

- Two-Way Feedback: We have a two-way feedback system where riders and drivers can rate each other and provide comments. This information is reviewed by our 24-7 support team.

- Driver Hour Limits/Speed Alerts: We limit the number of hours a driver can take trips on the app without a continuous break and drivers can set up in-app alerts if they are speeding.

In addition to ensuring the safety of riders and drivers using point to point transport, it is important to consider how the growth of the point to point sector in recent years has improved safety in society more broadly. Each year nearly 1.35 million people around the globe die as a result of road traffic crashes.[11] In Australia, a study from Empirica Research found that 3 in 4 Australian riders believe Uber helps reduce drink driving in their community and for those who drive. An extraordinary 78 per cent say it's helped them personally avoid drink driving.[12] Uber, and ridesharing, is also often used by women looking for a safe way to get home late at night[13].

Australian riders also reported that what they found most valuable about Uber was that they could get an affordable ride at any time. More than a quarter of Australian riders said they were more comfortable going out socially now that Uber is available, and almost half report they are less likely to drive themselves on a night out. Uber has partnered with organisations such as DrinkWise in Australia and Cheers in New Zealand to raise awareness about alternatives to drunk driving.

[11] World Health Organization 2020, viewed 22 May 2020, https://www.who.int/news-room/fact-sheets/detail/road-traffic-injuries
[12] Uber 2019, *Affordable, reliable rides help tackle drink driving among Aussies*, available via: https://www.uber.com/en-AU/newsroom/ausdrinkdriving/
[13] Committee for Sydney 2019, *Safety after dark: Creating a city for women living and working in Sydney*, Committee for Sydney, Sydney, pg 11, available via: https://www.sydney.org.au/wp-content/uploads/2019/03/CfS_Safety-After-Dark.pdf

Uber

Providing flexible earning opportunities

As well as providing safe and affordable rides, the regulation of ridesharing in NSW has created additional economic opportunities for those who want to make money and work flexibly.

78% of driver-partners signed up to Uber because of its flexible opportunities – and 3 in 5 would not work at all without the flexibility the app provides[14]. For a significant portion of driver-partners, Uber is a supplemental source of income. Nearly half of all driver-partners spend a maximum of 10 hours per week on the app[15]. A minority of driver-partners have weekly hours on the Uber app that compare to full-time work. Just 6% drive more than 40 hours per week and just 8% drive between 30 and 40 hours per week.[16]

Thanks to the two way flexibility offered by app based work, Uber can also help people who have traditionally struggled to find meaningful, reliable work. Uber can also present an accessible earning opportunity for people with a disability or access needs, who may have otherwise been shut out of other opportunities. The Uber app has products designed specifically for Deaf and Hard of Hearing driver-partners, and people who have mobility disabilities who use modified hand controls are encouraged to apply to become driver- partners.

Uber has also been investing in providing additional support and protection for partners, as well as new features in the App to give more peace of mind while on trip including 'Share My Trip' features, the in app safety toolkit as well as all our core features like GPS tracking and 24/7 support.

In December 2018 Uber launched a new partner support and protection package for more than 80,000 driver and delivery-partners across Australia[17]. The protection package extends new benefits to our partners through an insurance agreement with Chubb for any on-trip accidents, providing different types of payments for death and disability or if they are injured and unable to work. This insurance cover is market leading in the on- demand economy and is provided to delivery and driver-partners at no additional cost.

[14] AlphaBeta 2019, *Flexibility and Fairness: What matters to workers in the new economy*, AlphaBeta, pg 3, available via: https://ubernewsroomapi.10upcdn.com/wp-content/uploads/2019/03/Alphabeta-Report_Flexibility-and-fairness_-what-matters-to-workers-in-the-new-economy.pdf

[15] AlphaBeta 2019, *Flexibility and Fairness: What matters to workers in the new economy,* AlphaBeta, pg 3, available via: https://ubernewsroomapi.10upcdn.com/wp-content/uploads/2019/03/Alphabeta-Report_Flexibility-and-fairness_-what-matters-to-workers-in-the-new-economy.pdf

[16] AlphaBeta 2019, *Flexibility and Fairness: What matters to workers in the new economy*, AlphaBeta, pg 16, available via: https://ubernewsroomapi.10upcdn.com/wp-content/uploads/2019/03/Alphabeta-Report_Flexibility-and-fairness_-what-matters-to-workers-in-the-new-economy.pdf

[17] Uber 2018, *More support for our drivers and delivery partners in Australia*, 30 November 2018, available via: https://www.uber.com/en-AU/newsroom/partnersupportaustralia/

Driver-Partner Profile - Davina, Melbourne

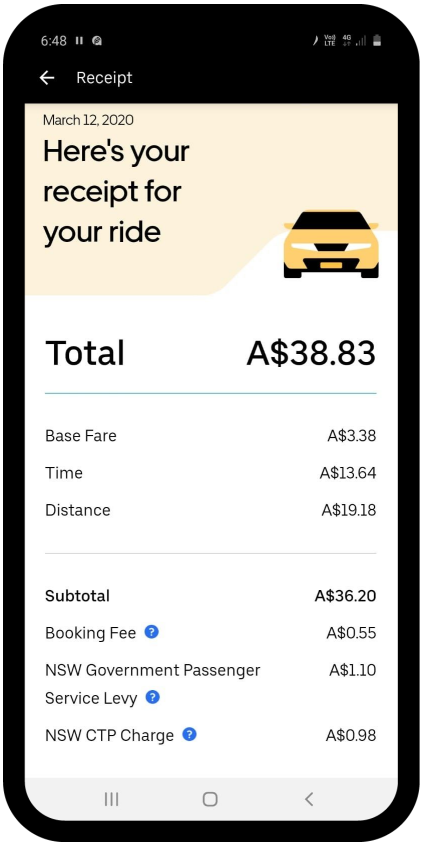
Davina has been driving with Uber for two years and values the flexibility of being able to log on and log off around her family schedule as well as her other casual work. She drives in the afternoons, night times or the weekends after her kids have had their dinner or gone to bed.

“Before I started driving Uber, I owned a takeaway shop in Melbourne. After I became pregnant with my third child, we decided to sell the business so that I could spend time at home with my kids. “Uber really came at the right time with having children — driving I am able to provide more from my family, it has allowed me to make an income in between and during pregnancies, which were times that I would not have been able to commit to a full-time job. We can also go on holidays now whereas before it was quite difficult. It has made a big impact knowing I can always work and make money.

My partner also recently suffered a workplace injury — throughout this time he was getting paid out, and we were on and off Centrelink for a while. Without Uber, it would have been really difficult to get by and pay our kids expenses without a weekly wage.”

Opportunities to enhance the regulatory system

End the Passenger Service Levy and improve the affordability of point to point transport



Transport has a significant impact on the cost of living for NSW households. It is the largest component of weekly household expenditure, when compared to other bills like energy, water and communications. In 2015-16, the average Australian household paid about $205 per week for transport, or 14.3% of total household expenditure[18]. Charges such as the Passenger Service Level (**levy**) and the rideshare CTP premium loading, one of the most expensive globally, contributes to the cost of transport to consumers.

NSW passengers have been paying the $1.10 levy since February 2018 to help fund the state's taxi hardship fund. The levy was to be in place for up to five years or until it raises $250 million.

The levy has already collected a significant amount of money and in light of the significant downturn in both taxi and rideshare trips following the COVID-19 pandemic, Uber recommends the NSW Government ends the levy now. It would be a way to support an industry which is doing it tough, as well as greatly improve the affordability of transport and cost of living to NSW riders.

To avoid a significant uptake in private car use and ownership governments need to be doing all they can to make shared mobility, such as point to point transport, more affordable.

> Recommendation: End the collection of the Passenger Service Levy to improve the affordability of point to point transport for NSW commuters.

[18] University of NSW City Futures Research Centre and Astrolabe Group 2019, *Australia's Household Infrastructure Bill: Analysis Report*, University of NSW City Futures Research Centre and Astrolabe Group, Sydney, pg. 4, available via: https://www.infrastructureaustralia.gov.au/sites/default/files/2019-08/Australia%27s%20Household%20Infrastructure%20Bill.pdf

Uber

Provide equal access to infrastructure

The Independent Pricing and Regulatory Tribunal's (IPART) recent Point to Point Transport Survey showed that for the first time, more Sydneysiders reported that they had used rideshare services more than they had used taxi services. In 2019, 51% of surveyed Sydneysiders said they had used rideshare services at least once in the previous six months, up from 48% in 2018 and 36% in 2017. This compares to 49% of surveyed Sydneysiders who said they had caught a taxi at least once in the six months prior to being surveyed, compared to 52% in 2018 and 51% in 2017[19].

However, despite the growing importance of rideshare as part of the point to point transport mix, legacy issues mean Uber driver-partners and riders are disadvantaged by unequal access to government infrastructure. These include being able to ride in bus lanes and limited kerbspace to safely pick up and drop off riders.

Addressing bus lane access

Taxi and hire car vehicles are permitted to access bus lanes in NSW, including on critical transport routes such as the Sydney Harbour Bridge. The NSW Government also recently announced hire car vehicle access to bus lanes would be extended until 31 December 2020 even though they are classified under the regulations as a Booking Service Provider like rideshare.

Uber supports bus lanes on our roads and believes that people who use mass transit should be rewarded with faster travel times. We also appreciate that it may not be feasible for the government to give access to all point to point vehicles without causing congestion on these routes. However, the public policy rationale applies equally to all point to point transport vehicles and there is no credible basis for cherry-picking a particular segment for access (especially given that point to be point transport vehicles can be easily identified under sticker requirements, meaning there is no real enforcement distinction). Uber encourages this inquiry to consider whether it is the role of government to continue giving a significant competitive advantage to some players in the industry and not others.

> Recommendation: Ensure equal treatment of all point to point transport providers in relation to the use of bus lanes.

[19] Independent Pricing and Regulatory Tribunal (IPART) 2020, Point to Point Transport Survey 2019, NSW Government, viewed 12 February 2020, available via: https://www.ipart.nsw.gov.au/Home/Industries/Transport/Taxis/Point-to-Point-Transport-Survey

Smarter, Safer, More Efficient Pick up and Drop Offs

One of the legacy challenges our cities will continue to face is that our roads and streets were not designed with new modes of transport or, in some cases, even with flexibility in mind. This can be clearly seen with the lack of dedicated space for rideshare vehicles to safely pick up and drop off passengers. The way governments allocate kerbspace today will have a significant impact on the long-term acceptance, sustainability and viability of shared transport into the future.

In NSW rideshare vehicles are not allowed to stop in many areas including clearways, taxi zones, 'No Stopping' zones, within 10 metres of an intersection or in a bus zone. Taxis have additional kerb space as they are able to stop in clearways and taxi zones[20]. While some of this allocation is in step with the intrinsic need for taxis to queue at ranks, there is often limited space in dense urban centres for rideshare vehicles to safely and efficiently pick up and drop off passengers.

We know there are places where rideshare passenger loading and unloading don't belong — bike lanes, bus stops — and we're committed to working with cities and communities to get this right. Giving more kerbspace to new modes of transport is supported by international research with an ITF report finding that 'giving more room to ride services at the curb will initially have mixed impacts that must be managed. Over time, however, a greater diversity of transport choices should in most cases decrease pressure stemming from single car use'[21].

North Sydney Council's recent strategy[22] recommended introducing more 'No Parking' zones and extending the operating times of these zones to help provide additional pick up and drop off locations in high demand areas. Uber supports this recommendation but notes that 'No Parking' signage could be confusing to some rideshare driver-partners and riders. In the short term local councils can supplement this with also adding more customer friendly wayfinding (such as Northern Beaches Council, see figure 6). However, Uber recommends the NSW Government also proceed to develop new signage that enables passenger loading and supports the use of shared forms of transport.

> Recommendation: State government, local governments and industry work together to enable safer, more efficient pick up and drop off zones for ridesharing. This includes developing the necessary signage and proactively identifying appropriate kerb space, particularly around transport hubs and emerging precincts.

[20] North Sydney Council 2019, *Draft Taxi and Ride Sourcing Strategy and Action Plan*, North Sydney Council, pg 20, available via: https://yoursay.northsydney.nsw.gov.au/taxi-ride-sourcing
[21] International Transport Forum 2018, *The Shared-Use City: Managing the Curb*, Organisation for Economic Co-operation and Development, Paris, pg 7, available via: https://www.itf-oecd.org/sites/default/files/docs/shared-use-city-managing-curb.pdf
[22] North Sydney Council 2019, *Draft Taxi and Ride Sourcing Strategy and Action Plan*, North Sydney Council, pg 28, available via: https://yoursay.northsydney.nsw.gov.au/taxi-ride-sourcing

Figure 5: Passenger loading zone signage, Ann Street, Brisbane

Figure 6: Kiss n ride/pick up and drop off signage, Belgrave Street, Manly

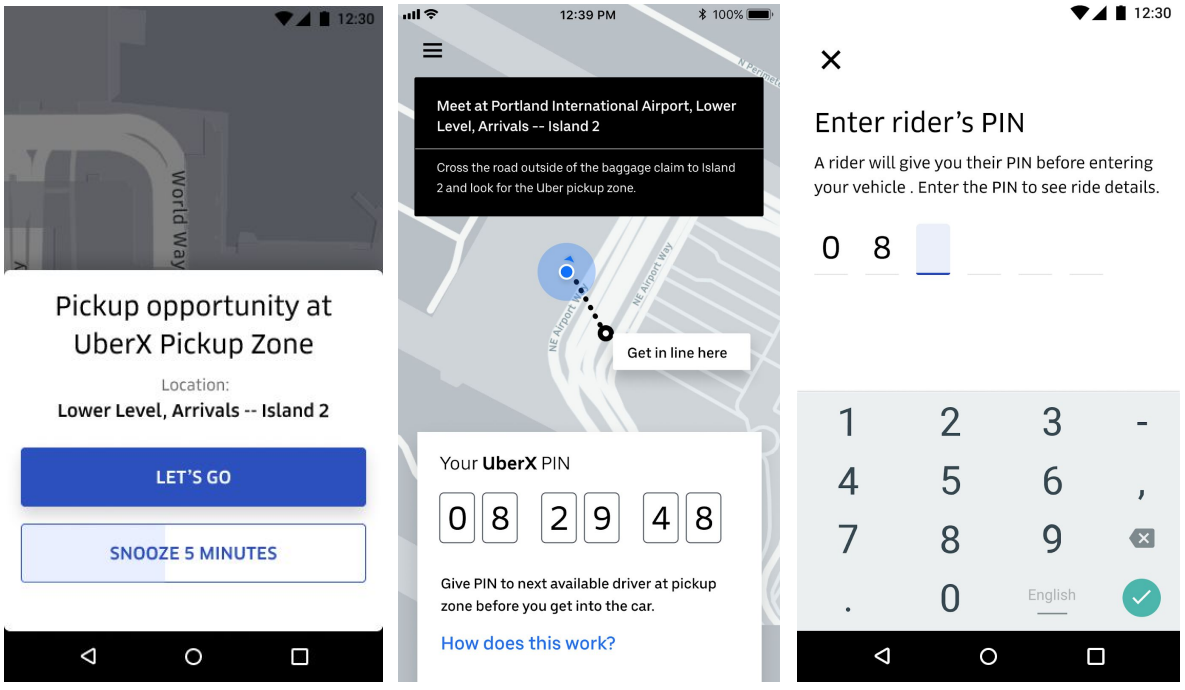
Supporting ridesharing at major events

NSW has a strong calendar of major events and they are an important part of the social and cultural fabric of our state. Managing the transportation of large crowds to and from major events is crucial to their success and Uber wants to work with event organisers and Transport for NSW to ensure this. One challenge we have in NSW, which we do not face in other Australian jurisdictions, is that our technological product for major events is not allowed under the existing NSW regulations.

Uber's PIN-matching technology was developed in 2016 to streamline pickups at high-volume, high-density event venues. Since then, we've implemented it at more than 60 events worldwide, including the Formula 1 Australian Grand Prix, the Melbourne Cup, AFL Grand Final and Australian Open, and extended this innovation to some airports.

The way it works is that when a rider orders an Uber within a certain geographic area, instead of being instantly matched with a driver-partner they receive a 6-digit personal identification number (PIN). They are instructed to walk to the Uber pick up zone where they queue and wait for the next available vehicle. Before getting into the vehicle we ask riders to share their unique PIN with their driver-partner. They then can verify the vehicle and driver-partner's details before getting in the car and beginning their trip.

Figure 7: PIN Dispatch technology at Portland International Airport



The benefits of Uber's pin-matching solution are threefold:

- **More efficient egress for densely crowded areas -** Uber's pin-matching solution can facilitate an extremely efficient egress of crowds dispersing from an event. At events where Uber's pin-matching solution has been used, we have seen a significant increase in the total number of riders per hour that were able to be transported out of the event zone. This results in a good experience for event patrons and event staff.
- **Better customer experience for riders and driver-partners at large-scale events -** One of the key pain points we have identified at non-pin-matching events is that riders and driver-partners have more difficulty locating each other due to large crowds and road closures, and as a result, we see higher numbers of trip cancellations from riders and driver-partners. This results in a poor customer experience on both sides. Contrastingly, Uber's pin-matching-solution creates a better customer experience during these events because it enables first-in-first-out on both the rider and driver-partner side, with extremely low cancellation rates.
- **Improved safety where pick-up areas are limited** - as a result of the more efficient egress and easier pickup experience for riders, we have also found that safety outcomes improve with Uber's pin-matching solution in circumstances where safe pick-up areas are limited (e.g. at large-scale events). This is because the pin-matching solution avoids situations where crowds of riders are crossing congested traffic areas, or attempt to get picked up in unsafe spots.

Following the use of our PIN-matching technology at a NSW event in 2018, the NSW Point to Point Commission imposed a new condition of authorisation for Booking Service Providers which does not allow bookings to be made after a vehicle has already stopped at the place where the passenger is to be picked up. This new condition prevents us from using this technology at major events and airports in NSW.

Uber is keen to work with the NSW Government to identify ways Booking Service Providers can better contribute to the transport task of major events and improve the ground transport experience at airports.

> Recommendation: Remove regulatory barriers which prevent ridesharing from playing a larger role in supporting the transport task at major events and airports.

Uber

Using technology to improve regional transport

Many smaller towns and regional centres have limited access to the frequent, accessible and efficient public transport that residents in metropolitan areas enjoy. Many of these areas do not have options outside of community transport providers and a small number of taxis. A 2016 NSW Parliamentary inquiry into accessible transport found that people in these areas want more flexible, on demand transport. Services with fixed and limited timetables often don't meet the needs of people in rural and regional areas.[23]

In 2018 Uber expanded its services from capital cities to regional areas across Queensland, NSW and Victoria. In NSW we launched in six cities: Bathurst, Coffs Harbour, Orange, Port Macquarie, Tamworth and Wagga Wagga[24]. This has not only helped to improve transport access to residents but also supported the local tourism and events industries. Following the success of these regional launches in late 2019 we announced residents and tourists will be able to hop in an Uber and ride almost anywhere along the NSW coast – from Tweed Heads in the north, to Ulladulla in the south[25]. The Uber platform is now extended out to new towns like Berry, Bowral, Casino, Cessnock, Grafton, Maitland, Nowra, Singleton and Ulladulla.

It is important to note that one of the reasons we chose NSW to expand our regional footprint is because of the progressive regulatory environment. The regulations and accreditation process for becoming an Uber driver-partner in NSW is world class. It costs around $95 and can take only a week. The efficient process is appealing to people who want to earn extra income during the holidays, retirees who need to top up their superannuation, or people who are between jobs. Uber wants to continue expanding its operations in regional NSW and explore growing our regional services areas to reach more communities in the future.

NSW is not alone in thinking about improving transport access in regional areas. Some international jurisdictions are exploring how partnering with technology and on-demand providers could help in this regard. For example, the regional city of Innisfil in Canada is using subsidised UberPool rides to provide affordable public transport to its residents (see case study 3). Improving accessibility to transport in regional areas is important to help reduce social isolation and disadvantage.

> Recommendation: Work with industry to investigate how new technology and ridesharing transport solutions could increase access and reduce social isolation in regional NSW.

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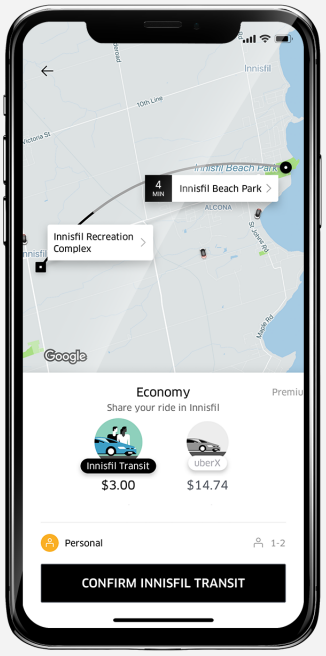
[23] NSW Legislative Assembly 2016, *Access to Transport for Seniors and Disadvantaged People in Rural and Regional NSW*, NSW Parliament, pg. iv, available via: https://www.parliament.nsw.gov.au/ladocs/inquiries/2398/Final%20report%20-%20access%20to%20transport%20for%20seniors%20and%20disadvantaged%20people%20in%20rural%20and%20regional%20NSW.pdf

[24] Uber 2018, *More Transport Options for residents of regional NSW*, viewed 15 May 2020, www.uber.com/en-AU/newsroom/regionalnswlaunch

[25] Uber 2019, *From Tweed Heads to Ulladulla – Uber connects even more NSW communities this summer*, viewed 15 May 2020, www.uber.com/en-AU/newsroom/connectnsw

Uber

Case study 3: Innisfil Canada, regional transport



Innisfil is a small and growing town of 40,000 people north of Toronto. The local council wanted to improve transport accessibility and in 2016, after finding that a fixed-route bus service would be too costly for the limited level of service that they would provide, decided to explore a more affordable demand-based transit solution.[26]

Following a procurement process the council decided to partner with Uber and use our platform to connect drivers and passengers travelling in the same direction. Innisfil Transit was launched in May 2017 and is available 24 hours a day, seven days a week.

Upon launching, passengers could pay $3-5 to travel to key destinations within the town including the Recreational Centre, Innisfil Heights Employment Area and public transport hubs. Passengers could also receive a $5 discount on any other trips within Innisfil boundaries.

Two years after launch there were nearly 150,000 trips taken through the Innisfil Transit service (which includes both the Uber general service and wheelchair accessible trips provided through another provider). Survey results from both 2017 and 2018 show that residents have a high level of satisfaction with Innisfil Transit. Specifically, in 2018, 71% of all survey respondents that had taken at least one Innisfil Transit trip were either 'Satisfied' or 'Strongly Satisfied' with the service.[27]

Council revised the fare structure of Innisfil Transit in 2019. A $1 increase was applied to all trips as well as a monthly limit of 30 trips[28] to help ensure that Innisfil Transit remained sustainable in the future.

[26] Innisfil Council 2019, *Staff Report: Innisfil Transit - 2018 Results and Fare Changes*, Innisfil Council, pg. 2, available via: https://innisfil.ca/wp-content/uploads/2019/05/DSR-038-19-Innisfil-Transit-2018-Results-and-Fare-Changes-Pdf.pdf
[27] Innisfil Council 2019, *Staff Report: Innisfil Transit - Pilot Program and Support Access to Innisfil Food Bank*, Innisfil Council, pg. 2, available via: https://innisfil.civicweb.net/FileStorage/36706CEF3729468E9ECCF1C073DD3B98-Innisfil%20Transit%20%E2%80%93%20Pilot%20Program%20to%20Support%20Acc.pdf
[28] Innisfil Council 2019, *Staff Report: Innisfil Transit - Pilot Program and Support Access to Innisfil Food Bank*, Innisfil Council, pg. 2, available via: https://innisfil.civicweb.net/FileStorage/36706CEF3729468E9ECCF1C073DD3B98-Innisfil%20Transit%20%E2%80%93%20Pilot%20Program%20to%20Support%20Acc.pdf

Uber

Provide more transport choice for people with a disability

Uber wants to create a transport platform that lowers barriers and helps to improve the accessibility of transport across our cities and towns. We are working to ensure that our products, services and platform is accessible to current and potential users, regardless of their abilities. In considering the needs of a wide range of people, the quality and accessibility of transport will be improved for all.

In 2018 there were 4.4 million Australians, 17.7% of the population with disability, and of this group one in three have severe or profound activity limitation.[29] The prevalence of disability increases with age - one in nine (11.6%) people aged 0-64 years and one in two (49.6%) people aged 65 years and over have disability[30]. As our population continues to grow and age, we need to ensure our transport services are accessible to all.

Uber Assist

In 2015, Uber launched Uber Assist, a product that provides people with a disability, as well as riders that have an accessibility requirement, a point to point on-demand transport option that meets their specific needs. Since then, the product has expanded to 17 cities across Australia, including Sydney, Melbourne, Brisbane, Adelaide, Perth, Townsville, Geelong, Bendigo and Ballarat.

With VoiceOver iOS compatibility, the Uber app accommodates passengers who are blind or have difficulty viewing a smartphone. Passengers can enable VoiceOver, which can be used in connection with a wireless braille display, and is available in all Uber cities.

Thousands of Australians use the Assist product monthly, with demand for products specifically designed for people with a disability or other accessibility needs continuing to grow. Uber is committed to providing accessible transport options to as many people as possible, including persons with a disability. By ensuring that transport for persons with a disability remains a priority, Uber can continue to provide (and expand) point to point accessible transport options, and play a key role in making Australia's transport network accessible and inclusive to all.

Including rideshare under state subsidised disability transport

Building on the success of our Uber Assist product, Uber also wants to be able to provide wheelchair accessible transport in our cities. 4.4% of all Australians with a disability use a wheelchair[31]. People who need to travel in wheelchair accessible vehicles in NSW have not been able to use ridesharing for subsidised trips.

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[29] Australian Bureau of Statistics 2019, *4430.0 - Disability, Ageing and Carers, Australia: Summary of Findings 2018*, viewed 30 January 2019, https://www.abs.gov.au/ausstats/abs@.nsf/0/C258C88A7AA5A87ECA2568A9001393E8?Opendocument

[30] Australian Bureau of Statistics 2019, *4430.0 - Disability, Ageing and Carers, Australia: Summary of Findings 2018*, viewed 30 January 2019, https://www.abs.gov.au/ausstats/abs@.nsf/0/C258C88A7AA5A87ECA2568A9001393E8?Opendocument

[31] Australian Network on Disability, *Disability Statistics*, Australian Network on Disability, viewed 30 January 2020, https://www.and.org.au/pages/disability-statistics.html

Despite this Uber has been trialling a Wheelchair Accessible Vehicle pilot since 2017 in Newcastle, NSW. Supply for the WAV product is through a third-party fleet partner that operates appropriate vehicles and has drivers complete required training. The trial has supported a limited number of riders in Newcastle who require a WAV, however success of the trial has been limited due to eligible Taxi Transport Subsidy Scheme (TTSS) members not being able to use subsidies on Uber (and is unable to compete on price). With being unable to access subsidies such as Lifting Fees, the pilot is unable to be both financially viable and have the ability to be on-demand for riders in an identical method to other products offered through the Uber app.

Every state and territory in Australia runs government subsidised disability transport schemes to support residents who are unable to use public transport because of a severe or permanent disability. In New South Wales, eligible TTSS members have the ability to book either a standard taxi (and use an M40 voucher), or a wheelchair accessible taxi (WAT, using an M50 Voucher) and receive a subsidy of 50% up to $60 per trip. For historical reasons, taxis have been the only providers eligible to participate in these schemes. However, with the rideshare industry growing the point to point transport sector, a significant opportunity exists to improve the availability of these services by allowing rideshare to participate in these programs.

The 2015 Point to Point Transport Taskforce Report[32] recommended 'in relation to the funding for the Taxi Transport Subsidy Scheme and the incentives available for wheelchair accessible services, the Government, as a matter of priority, move to a service provider neutral transport subsidy scheme for people with disabilities.' Infrastructure Australia's 2019 Australian Infrastructure Audit found that emerging point to point operators are not able to access the same subsidy schemes and accessibility legislation as taxis, and without action, people with disability will not share in the benefits of emerging transport modes[33].

We are proud to be partnering with the Victorian Government to pilot access to subsidised rideshare under the state's Multi Purpose Taxi Program (see case study 4). Uber wants to work with the NSW Government to modernise this scheme so both taxis and rideshare operators, who can meet the necessary requirements, are able to offer these services and participants are eligible for the government subsidy. This means people with a disability will be able to share in the benefits of new transport modes.

> Recommendation: Ensure the same right to choose ridesharing to get from A to B is extended to all disability transport subsidy scheme customers in NSW.

[32] NSW Government 2015, *Point to Point Transport Taskforce Report to the Minister*, pg 12, available via: https://www.transport.nsw.gov.au/sites/default/files/media/documents/2017/point-to-point-transport-taskforce-report-to-minister.pdf

[33] Infrastructure Australia 2019, *Australian Infrastructure Audit*, Australian Government, Sydney, pg 321, available via: https://www.infrastructureaustralia.gov.au/publications/australian-infrastructure-audit-2019

Case study 4: Victorian Government's subsidised disability transport pilot

In March 2020, Commercial Passenger Vehicles Victoria (CPVV) announced a pilot with Uber, inviting existing scheme members in the Greater Geelong area to use their subsidies through Uber. Subsidies can be applied to a range of products including Uber X, Uber Assist and Uber XL, providing people with a permanent disability a greater choice in their transportation options.

In a technology based solution developed with CPVV, all validation of member eligibility (including subsidy balances) prior to riders taking their first subsidised Uber trip, and subsidies are automatically applied to the upfront price given prior to requesting a trip, removing the use of physical cards and point of sale terminals on each eligible trip. The pilot will be run through to June, and hopefully extended across Victoria in the second half of the year.

Case study 5: Massachusetts Bay Transportation Authority Paratransit and WAV subsidy pilot

In 2016 Uber partnered with the Massachusetts Department of Transportation (MassDOT) and the Massachusetts Bay Transportation Authority (MBTA) on a pilot to improve accessible transport.

People who have a disability that prevents them from using the MBTA bus, subway, or trolley are eligible to become a MBTA RIDE paratransit customer. Under the On-Demand Paratransit pilot, RIDE customers pay for the first $1 of UberPool trips and the first $2 of UberX and WAV trips and the MBTA covers up to an additional $40 of each fare. Anything over that amount is automatically billed back to the rider's payment method via the Uber app.

However, some feedback on this pilot was that wheelchair accessible vehicles are not widely owned by rideshare drivers due to the high costs[34]. As such in April 2019 the MassDOT and the MBTA announced a one-year pilot program to partner with both Uber and Lyft to support more accessible transport and wheelchair-accessible vehicles. The WAV subsidy pilot will provide a fixed per-hour subsidy for each hour that an Uber of Lyft WAV is available on their platforms. MBTA estimates the one-year pilot will cost approximately $2.4 million with a goal to quadruple the WAV supply hours[35].

[34] Massachusetts Bay Transportation Authority 2019, *MassDOT and the MBTA to Partner with Transportation Network Companies to Support More Wheelchair-Accessible Vehicles,* viewed 30 January 2020, available via: https://www.mbta.com/news/2019-04-01/massdot-and-the-mbta-partner-transportation-network-companies-support-more

[35] Massachusetts Bay Transportation Authority 2019, *MassDOT and the MBTA to Partner with Transportation Network Companies to Support More Wheelchair-Accessible Vehicles,* viewed 30 January 2020, available via: https://www.mbta.com/news/2019-04-01/massdot-and-the-mbta-partner-transportation-network-companies-support-more