#### INQUIRY INTO IMPACT OF TECHNOLOGICAL AND OTHER CHANGE ON THE FUTURE OF WORK AND WORKERS IN NEW SOUTH WALES

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## Uber

## Submission to inquiry on the impact of technological and other change on the future of work and workers in New South Wales

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## **Executive Summary**

Uber welcomes the opportunity to provide a submission to the inquiry into the impact of technological and other change on the future of work and workers in New South Wales.

Uber first launched in Sydney in 2012, and since then we have provided millions of people with access to reliable and safe on-demand transport, including in regional NSW. Uber Eats launched in the state in 2016 and has since been embraced by people in NSW to get the food they love at the push of a button.

Uber's popularity with consumers has been met by strong take-up of the app as a new earning opportunity. With Uber, anybody who meets the minimum requirements in NSW can sign up to drive or deliver, and today tens of thousands of people in New South Wales are choosing to get work through Uber.

Unlike most traditional jobs, including many independent contractor roles, people accessing the Uber apps to earn have the freedom to choose whether, where and when they log on, as well as the ability to do whatever other work suits them - including with competing platforms.

Although independent work represents only a small portion of the broader NSW workforce, the flexibility it offers is proving an attractive option for many, from retirees, to carers, students and people in transition between jobs or those who have traditionally struggled to find work.

However, while we know delivery and driver partners value their independence and the flexibility the app offers, we believe more can be done to improve the quality and security of all forms of independent work. Uber has taken steps to address these gaps for drivers and delivery partners in Australia and we want to work together with Governments to enable further improvements.

We have structured this submission as follows:

- First, we provide an overview of Uber's business in NSW, the value we bring to consumers, businesses and the community, and how we have responded during the pandemic crisis;
- Second, we provide an overview of how people access Uber to earn and the value we offer drivers and delivery partners; as well as progress made to improve the quality of independent work;
- Lastly, we share our views on some of the ways stakeholders can work together on solutions to secure a better future of work for all.

We look forward to working with the committee on this inquiry and to helping ensure the people of NSW continue to benefit from our technology now and into the future.

## Summary of recommendations

- 1. The Commonwealth should lead reform on workplace relations matters.
- 2. The Commonwealth Government amend the Fair Work Act to ensure the provision of benefits and protections to workers does not jeopardise their independent status.
- 3. The Commonwealth Government work with platforms on a framework for supporting super contributions from multiple sources of work.
- 4. The NSW Government consider a mandatory requirement for platform businesses to hold injury insurance for independent workers that meets certain minimum standards.
- 5. State and Commonwealth governments work with platform businesses to develop formal recognition of skills acquired in the on-demand economy.
- 6. The NSW Government enable more earning opportunities for drivers by promoting competition in the point to point sector, giving equal treatment to all providers in accessing NSW infrastructure.

# How Uber delivers for NSW business, consumers and the community

Uber launched its Australian operations in NSW in 2012 with our Uber Black product. Our ridesharing service UberX launched in NSW in 2014, and since then we have provided millions of people in NSW with access to on-demand transport at the push of a button. Since then we have continued to invest in NSW with new products such as UberPool in Sydney in 2018, and begun our expansion into regional NSW in the same year.

Similarly Uber Eats now reaches across Sydney and major regional towns such as Newcastle, Wagga Wagga, Wollongong and Byron, with thousands of NSW restaurants using the app to reach more customers and grow their businesses.

#### **Responding to the COVID19 crisis**

The impact of the COVID-19 pandemic and the necessary restrictions put in place to counter the virus, has been felt in the rideshare and food delivery sectors in different ways. For Uber, this crisis has only sharpened our focus on how we can better support our marketplace – for consumers, for driver and delivery partners, and for restaurants.

In rideshare, the lockdowns earlier this year saw severely reduced movement across all modes of transport. Indeed, as part of Uber's response to the crisis, we recommended riders stay at home, and only travel if necessary. We also made changes to our existing products, such as suspending Uber Pool.

Uber Eats communicates frequently with both restaurant-partners and delivery-partners and has provided additional guidance to reflect the health risk posed by COVID-19. This has included reminders to delivery-partners via email and in-app messaging on the importance of proper hygiene practices and an in-app screen which delivery partners must click through every time they log on. We also introduced contactless delivery on Uber Eats, to reduce touch points and improve the safety of our partners.

In May, we partnered with Reckitt Benckiser (RB) to provide drivers and delivery partners with access to free health and hygiene kits, including Dettol Instant Hand Sanitiser and Disinfectant Wipes. This additional investment from Uber was to ensure that partners can access sanitisers and disinfectants at no cost. These free kits make up part of Uber's \$50 million global commitment to help provide equipment for hygienic rides.

We also announced that drivers and delivery partners with an active case of COVID-19; individually ordered to self-quarantine because they are suspected to have an active case; or individually ordered to self-quarantine because they have preexisting health conditions that put them at higher risk of illness due to COVID-19 may be eligible for up to 14 days of financial assistance.

The restaurant industry has been one of the hardest-hit sectors by COVID-19 and this has placed food delivery platforms like Uber Eats in a unique situation, with new responsibilities towards the marketplace we

serve. People are relying on us to get access to the food and essentials they need while staying at home, while restaurants have turned to us to help them keep trading. We take these responsibilities very seriously.

We have focused our support on helping restaurants stay open, driving demand and providing earnings opportunities across the market. In May, we introduced new options for restaurants that change the way they engage with us, and the fees we charge for our service, giving greater choice for restaurants in the ways they can use the platform to build their business.

As part of our response for the community during the crisis, we partnered with Feed Appeal to make 50,000 free deliveries of food hampers and meals available to support vulnerable households and families across Australia<sup>1</sup>. We provided the Sydney Children's Hospitals Foundation 4,000 free rides to children and families, who need to travel to and from the hospital to receive treatment.<sup>2</sup> We also expanded our partnership with WESNET (Women's Services Network) to provide 3,000 free rides for WESNET partner organisations to use to support those needing safe travel to or from shelters and domestic violence support services.<sup>3</sup>

As restrictions ease and people begin to travel more, we know Uber can also play a role in supporting the domestic tourism industry. We have expanded our reach in regional NSW and hope that by providing access to flexible, on-demand transport we can help local economies and tourism businesses to rebuild.

#### Extending and complementing the public transport network

Even as NSW continues to carefully manage the public health and economic response to COVID-19, a city's transport network, and the way it moves people and goods around, has a profound impact on its productivity, liveability and sustainability. We know public transport is the mobility backbone of major cities and believe rideshare and public transport have a natural complementarity.

Uber wants our cities to move efficiently and are looking for ways that we can better integrate into public transport networks. We see our industry as a potential solution to some of the well known challenges with providing public transport in low density and outer urban areas, such as insufficient demand and the first/last mile connections. In Australia, over 60% of Uber trips start or end in a public transport desert<sup>4</sup>. 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 or does not meet a traveller's needs.

Ridesharing also provides a flexible and scalable solution to the 'last mile' problem, connecting riders from a transport hub to their door. 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 the previous year from 10% to 28%" between 2017 and 2018<sup>5</sup>, showing a vast improvement in urban mobility for those in traditionally underserved areas.

<sup>&</sup>lt;sup>1</sup> https://www.uber.com/en-AU/newsroom/feedappeal\_covid19/

<sup>&</sup>lt;sup>2</sup> https://www.uber.com/en-AU/newsroom/uberschf/

<sup>&</sup>lt;sup>3</sup> https://www.uber.com/en-AU/newsroom/wesnetsupport/

<sup>&</sup>lt;sup>4</sup> Deloitte Access Economics 2016, *Economic effects of ridesharing in Australia*, Deloitte Access Economics, pg 5, available via: <u>https://www2.deloitte.com/au/en/pages/economics/articles/economic-effects-ridesharing-australia-uber.html</u>

<sup>&</sup>lt;sup>5</sup> Independent Pricing and Regulatory Tribunal NSW, *Point-to-Point Transport Survey Results*, media release, Sydney, 20 December 2018, via: <u>https://www.ipart.nsw.gov.au/Home/Industries/Transport/Taxis/Point-to-Point-Transport-Survey</u>

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).



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

Scheduled Public Transport Trips in Progress — Uber Pickups





These trends will have greater importance, as cities begin moving again, with commuters and others making new choices about how they get from A to B.

#### Providing more transport choice in regional NSW

Many smaller towns and regional centres in Australia face challenges in providing frequent, accessible and efficient public transport. A 2016 NSW Parliamentary inquiry into accessible transport found that people in

the regions 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<sup>6</sup>.

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<sup>7</sup>. 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 expanded our service area to almost anywhere along the NSW coast including towns such as Berry, Bowral, Casino, Cessnock, Grafton, Maitland, Nowra, Singleton and Ulladullah<sup>8</sup>. And finally earlier this year we announced that we would expand the Uber service area to include the whole state of NSW making it one of the largest geographic areas in the world, providing more transport choice and earning opportunities for an estimated 460,000 residents in regional NSW.

#### Improving options for business travellers

Business travellers around the world have embraced ridesharing and Uber as an easier and more cost-effective way to get travelling staff from A to B, with over 150,000 organisations globally now using Uber for work travel.

They can easily control access and monitor trip activity, including tagging trips with an expense code, creating customisable ride policies that set when and where employees can ride, and designing customisable trip reports that include details businesses need to keep track of and analyse travel spend. Small and large businesses in NSW as well as NSW Government bodies, have embraced this approach to travel management.

#### Helping restaurants thrive

Across NSW, thousands of restaurants, from local small businesses to international chains partner with Uber Eats to deliver their food to customers quickly and reliably. In doing so, the Uber Eats technology is also helping restaurants grow their customer base via a virtual storefront.

Using our technology, restaurants are able to pursue new business opportunities, from delivery-only kitchens to chef-driven pop-ups using Uber Eats, with lower overhead costs.

As the food delivery sector has grown significantly, competition has intensified also, with new operators joining the industry as recently as this year. This growth and competition is bringing significant benefit to the economy. A research paper compiled by Australian economic advisory firm Alphabeta released in June looked at the role of on-demand food delivery platforms in Australia, finding that they bring in \$2.6B in trade to the domestic restaurant industry, of which 70% is additional revenue.<sup>9</sup>

<sup>&</sup>lt;sup>6</sup> 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%20 and%20disadvantaged%20people%20in%20rural%20and%20regional%20NSW.pdf

<sup>&</sup>lt;sup>7</sup>Uber 2018, *More Transport Options for residents of regional NSW*, viewed 15 May 2020, <u>www.uber.com/en-AU/newsroom/regionalnswlaunch</u>

<sup>&</sup>lt;sup>8</sup> 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

<sup>&</sup>lt;sup>9</sup> https://www.alphabeta.com/wp-content/uploads/2020/06/growing-the-pie-final-report.pdf

The report captured data from more than 17 million restaurant and delivery transactions including data points from consumer transaction spend, business intelligence and a survey of consumers in Sydney and Melbourne.

#### Growing the pie for point to point transport

Uber functions in a highly competitive point to point industry in NSW, with a number of new entrants in the rideshare business, as well as traditional suppliers such as taxi. As the first state in Australia to reform point to point transport, NSW led the way in openly regulating the rideshare sector, allowing for competition, complementarity and innovation between different types of services.

Ridesharing brought with it significant benefits for consumers, as well as earning opportunities for potential drivers. By meeting riders where they are located, ridesharing has also created a new transport option, growing the whole category of point to point transport.

This was demonstrated in the NSW Independent Pricing and Regulatory Tribunal's (IPART) survey of point to point transport use, showing that even with the growth in ridesharing, "demand for traditional taxi services remained strong, with 49% of surveyed Sydneysiders saying they had caught a taxi at least once in the 6 months prior to being surveyed, compared to 52% in 2018 and 51% in 2017."<sup>10</sup>



Figure 4: Percentage of survey respondents who had used point to point transport at least once during previous six months

Source: Independent Pricing and Regulatory Tribunal NSW, 2020

However, despite the growing importance of rideshare as part of the transport mix, legacy issues mean Uber is disadvantaged when it comes to accessing infrastructure such as bus lanes, airports, kerbside pick up and drop off areas, as well as major sporting and cultural events. These matters are discussed further in the recommendations sections.

<sup>&</sup>lt;sup>10</sup> Independent Pricing and Regulatory Tribunal NSW, Point-to-Point Transport Survey Results, viewed 26 August 2020, available via: https://www.ipart.nsw.gov.au/Home/Industries/Transport/Taxis/Point-to-Point-Transport-Survey

## How Uber's apps benefit earners

As well as providing access to safe and affordable rides, and a convenient option for food delivery, Uber has created additional economic opportunities for those who want to make money and work flexibly by accessing the app.

#### Who is choosing on-demand work with Uber

For the majority of workers across New South Wales and in Australia broadly, traditional employment arrangements are likely to remain the dominant form of work for some time. However, for a growing number of people, flexibility and independence in work are increasingly important priorities.

The latest ABS data showed that approximately 8% of employed persons were classified as independent contractors<sup>11</sup>. Within the cohort of independent contracts, the industries with the highest percentage of independent contractors in 2019 were Construction (27%), Administration and support services (17%) and Professional, scientific and technical services (14%)<sup>12</sup>. Between 2014 to 2019 there was an increase in the proportion of independent contracts in the transport, postal and warehousing sectors from 10.7% to 13.2%, and information media and telecommunications sectors from 5.7% to 9.3%.

While the data shows independent work represents only a small portion of the broader workforce, the flexibility that app based work offers is proving an attractive option for many. Thanks to the genuine two way flexibility offered by Uber, as well as the relatively low friction and low cost access to the app, Uber can 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.

In our surveys with driver and delivery partners we consistently hear that the majority are accessing the Uber app as a supplementary form of income. A study completed by Alphabeta last year<sup>13</sup> found that four in ten driver partners were using the Uber ridesharing platform to earn supplemental income on top of their full-time or part-time jobs. Another 15% of driver-partners were generating income to support them while they develop their own business, 11% were students, 6% were retirees earning some extra income and 5% were driving using Uber while also delivering care to a family member or loved one. Of those that were unemployed, more than 70 percent had been without work for more than 3 months.

The report also found that nearly half of all driver-partners spent a maximum of 10 hours per week on the app. A minority of driver-partners had weekly hours on the Uber app that compare to full-time work. Just 6% drove more than 40 hours per week and just 8% drove between 30 and 40 hours per week.

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<sup>&</sup>lt;sup>11</sup> 6333.0 - Characteristics of Employment, Australia, August 2018

<sup>&</sup>lt;sup>12</sup> 6333.0 - Characteristics of Employment, Australia, August 2019

 $https://ubernewsroomapi.10 upcdn.com/wp-content/uploads/2019/03/Alphabeta-Report\_Flexibility-and-fairness\_-what-matters-to-workers-in-the-new-economy.pdf$ 

#### What drivers and delivery-partners value about the Uber apps

Work that fits around people's lives is hard to find. Personal commitments, in particular caring responsibilities, or studies, can make full-time or even traditional part-time jobs difficult.

Uber is different from traditional part-time or hourly work because it allows individuals to take more control over their work and their lives. Too often the flexibility that may be on offer in traditional hourly or part-time work still leaves people at the whims of their employer. With Uber, people decide if, when, where, and how long to drive or deliver. They can press a button and get access to work opportunities, and are free to turn off the app and stop working at any moment. The work is unique in that it is:

- *Non-exclusive.* With Uber there is no exclusivity. Driver-partners can work using other apps, and can hold full or part-time jobs alongside driving using Uber.
- *Non-discriminatory.* Uber provides opportunities to driver-partners from all walks of life and backgrounds. Driver-partners who meet local regulatory requirements can sign up to use the app and with relatively low barriers to entry.
- Work fits around life, not the other way around. Unlike most traditional jobs, driver-partners using Uber can just log-out if they need to run an errand, visit the doctor, or go to a job interview.

A survey conducted as part of Alphabeta's 2019 study<sup>14</sup> found that 78% of driver-partners said they signed up to Uber because of the flexible opportunities it offers.

Nearly four in five driver-partners said they chose to drive using Uber because it gives them flexibility to balance work and family life.

More than three in five driver-partners said that they could not work for a traditional company that did not offer this type of flexibility.

In Sydney, research by Alphabeta found that the average driver-partner receives \$29.46 (after Uber's service fee) for every hour on the app. The average costs incurred (including GST, fuel, insurance, maintenance and depreciation) is \$8.46/hour. Accordingly, the average earnings per hour, net of costs, is estimated to be \$21.00 per hour.

The impact of COVID-19 on mobility across Australian cities meant for many driver-partners, demand for trips was significantly impacted. Accordingly, we welcomed the economic assistance made available through JobKeeper including for self-employed Australians, such as those who access the Uber apps to earn.

#### Helping improve the experience of flexible work

We want driver-partners and delivery-partners to be successful when using the Uber app which is why we proactively share information about when and where the busiest times are, information on our safety features and details about major events in their local area.

<sup>&</sup>lt;sup>14</sup> https://www.alphabeta.com/wp-content/uploads/2019/03/flexibilityandfairness-whatmatterstoworkersintheneweconomy.pdf

Uber provides a range of support channels for partners to engage with us and provide feedback on their experience including regular surveys, plus 24/7 in-app support. Our support teams are highly engaged with partners and take issues that are raised seriously. We also share regular newsletters providing information to driver-partners and delivery-partners based on their feedback and frequently asked questions.

We understand the desire for detailed information about earnings which is why we have developed new features to improve clarity and context on earnings. In addition to providing information on which parts of a city are busier at what times, we also share information that makes it easier to track progress and earnings in real-time. The driver app includes the following features:

- *Earnings Tracker:* the new real-time Earnings Tracker lets drivers know at a glance how much they earned on their last trip, and makes it easy to track progress toward their personal goals.
- *Status Bar:* the Status Bar helps drivers decide where to go next by letting them know where most riders are requesting rides.
- *Trip Planner:* the Trip Planner allows drivers to set driving preferences to personalise their driving experience.
- *Inbox:* this lets drivers see compliments from their riders, a breakdown of ratings and information about their account.

#### Raising the bar on safety and privacy

New technology has enabled Uber to build safety into the app for all users. All trips through the Uber app are GPS-tracked from start to finish. Driver-partners and riders know that there is a record of the journey should something happen. This creates accountability, which is lacking in many other forms of transport.

Riders and driver-partners can easily provide feedback via our app after a trip. Our safety team reviews this information and takes action when anything dangerous or inappropriate is reported. Uber has also been investing in features in the app to enable more peace of mind while on trip. Our fatigue management policy is designed to help driver-partners stay safe on the road. It means driver and delivery-partners automatically go offline for eight straight hours after a total of 12 hours of online time.

In 2018 we launched Share My Trip to give driver-partners the ability to share where they are on the map with loved ones, and an emergency assistance button as part of an in-app safety toolkit to help both riders and driver-partners stay protected.

Uber collects and uses data to enable access to reliable and convenient transport, delivery, and other products and services. We know that driver-partners will only be able to exercise their data rights if they clearly understand the data we collect, which is why we provide a clear and accessible <u>Privacy Policy</u>, about the specific ways in which we collect, use, and share their data.

#### More support and protection for independent workers

Among the concerns that have been raised about independent work is that contractors often do not have access to the same social protections enjoyed by those in more traditional models of employment. We believe that at a basic level, everyone should have protection against unforeseen work accidents.

In 2018 Uber launched a partner support and protection package for driver and delivery-partners across Australia.<sup>15</sup> The protection package extends benefits to our partners through an insurance agreement with Chubb for on-trip accidents, providing different types of payments if they are injured including payments if they are unable to work following an injury. This insurance cover is provided to delivery and driver-partners at no additional cost. Key elements of the coverage are summarised below:

- Inconvenience payments if you go to hospital or are unfit to work as a result of an on-trip accident.
- A lump sum payments for certain injuries as a result of an on-trip accident.
- Lump sum payments for death and for permanent disability.
- Reimbursement of child care costs (if needed) if you are disabled as a result of an on-trip accident.
- A lump sum payment in the event of an unprovoked on-trip assault.
- Cover for certain out of pocket expenses in the treatment of an on-trip injury.

Since the policy commenced in Australia in 2018, we have seen the majority of claims accepted, with partners getting the help they need from the policy. Importantly, the policy provides fast response and payment to Uber partners when something goes wrong.

We have also partnered with a counselling provider Converge to help drivers and delivery partners, as well as Uber riders, if something goes wrong while they are using the app – so they can talk to someone if they need counselling support following an incident.

The provision of injury protection and mental health support demonstrates our commitment to partners that independent work should not come at the expense of fundamental protections if something goes wrong.

<sup>13</sup> 

<sup>&</sup>lt;sup>15</sup> https://www.uber.com/en-AU/newsroom/partnersupportaustralia/

## Recommendations

When we speak to partners who access work through the Uber apps, the vast majority choose Uber precisely because of the flexibility on offer. However, being your own boss does not need to come at the expense of security and support in work and we recognise there is more to do to support independent workers. We want to be the driving force in Australia towards this future, with concrete actions including our partner support and protection policy for Australian driver and delivery-partners.

In August 2020 Uber CEO Dara Khosrowshahi stated<sup>16</sup> that Uber was committed to providing more benefits for drivers and delivery partners, and to working with Governments on reforms that improve the quality of independent work.

We do not believe the solution can be found in restricting how people choose to work, or pushing them into traditional modes or definitions of work that some have been excluded from in the past. We need reforms that better reflect the growing preference for more independent and flexible earning opportunities, without coming at the expense of the security and dignity that Australians expect of work.

### 1. Proposals for change should be dealt with holistically by the Commonwealth, in consultation with individual states

While inquiries of this nature are an important input, ultimately this must form part of a national conversation on how Australians work. The historical state-by-state approach to workplace relations proved unsuitable, leading to inefficiency and uncertainty for multiple parties. The national workplace relations system was comprehensively considered in 2009, with strong support from stakeholders in business, unions and academia, calling for an end to the complexity, duplication and confusion created by competing state and federal systems. When introducing the legislation to solidify a national workplace relations system, the then Minister for Employment and Workplace Relations, the Hon Julia Gillard MP, stated:

"The Bill I introduce today answers the many calls made by business over many years to end the overlap and duplication of state and federal workplace relations systems; to end the inefficiency, uncertainty and legal complexity for Australian businesses and employees."

Uber agrees with the first recommendation from the recent report of the Victorian Government's Inquiry into the on demand economy<sup>17</sup>, on the need for a national approach to workplace laws. Isolated state-based intervention into existing workplace laws should be avoided, to avoid returning to a system of haphazard State and Federal laws regulating the same subject matter.

The majority of the recommendations we make here should be led by the Commonwealth, with some exceptions.

#### 2. Removing disincentives to providing worker benefits

We want to continue to offer a better experience and more support and benefits through our apps for driver and delivery-partners in New South Wales and across Australia. However, providing additional benefits to

<sup>&</sup>lt;sup>16</sup> https://www.uber.com/newsroom/working-together-priorities/

<sup>&</sup>lt;sup>17</sup> As above, refer to page 189

independent workers is not something contemplated by the existing employment regimes and could create the risk of having partners lose their independent status. This issue was discussed in the recent report of the Victorian Government's Inquiry<sup>18</sup>, into the on demand economy:

The inclusion in the 'work status' test of factors that may be decided by the party procuring the services (for example, the provision of superannuation, accident insurance, training, tax treatment) creates a disincentive to parties from extending these benefits. These factors... should not be considered as part of the work status test.

This issue could be remedied by the Commonwealth amending the Fair Work Act to provide that the provision of safety protections and entitlements to independent contractors is not disincentivised because of the potential impact on work status.

This would empower platform businesses to provide and do more for workers, improving the quality of work across the board.

#### 3. Saving for the future

For most driver-partners, Uber is a source of supplementary income, rather than their full-time job. However, there is a cohort of users who source a significant proportion of their income through the platform over multiple years. We recognise that these users could accumulate significant savings if they put a portion of their earnings from the Uber app into superannuation.

Around the world, Uber is considering ways to support people earning with our apps to save for the future, as demonstrated by CEO Dara Khosrowshahi's recent commitment<sup>19</sup> to contribute such benefits to drivers in the USA should this be required by government. In Australia we would also like to work with governments and relevant stakeholders to create a framework for streamlined administration arrangements for contributions from multiple sources of work.

#### 4. Protecting independent workers

We propose that the NSW Government consider a mandatory insurance requirement for all platforms businesses to introduce on behalf of independent workers who are accessing their apps to earn.

A similar approach was taken in France, under the El Khomri law, passed in 2016. The legislation required digital platforms to either reimburse individual driver's work injury insurance or to provide a collective insurance scheme, with similar guarantees as one of the public insurance on work accidents.

The minimum insurance requirements in New South Wales could be tailored on industry best practice such as the Chubb policy introduced by Uber.

#### 5. Supporting skill development

<sup>&</sup>lt;sup>18</sup> Report\_of\_the\_Inquiry\_into\_the\_Victorian\_On-Demand\_Workforce. Recommendation 6 C (i) available via:

https://s3.ap-southeast-2.amazonaws.com/hdp.au.prod.app.vic-engage.files/4915/9469/1146/Report\_of\_the\_Inquiry\_into\_the\_Victor ian\_On-Demand\_Workforce-reduced\_size.pdf, page 193

<sup>&</sup>lt;sup>19</sup> https://www.uber.com/newsroom/working-together-priorities/

Driver-partners have told us they take pride in the work they do and the service they provide, but we've also heard that they would like to be recognised for their commitment, and help to build toward their futures. We believe that legitimate experience acquired in the on-demand economy should be recognised. Uber driver and delivery-partners are independent and run their own businesses. In doing so, they acquire a range of skills relevant to other employment, including digital literacy, critical soft skills such as customer service, as well as time and expense management.

Uber would like to work with governments to develop a system that provides for appropriate credentialing in relation to these skills gained by Uber driver and delivery-partners, which they can then use to secure future employment opportunities.

#### 6. Tax obligations

Today, each Uber trip is electronically recorded and fully transparent to driver-partners and their customers, and as a result, is bringing more of the transport sector into the formal economy. Uber also provides its partners with ways to make tax time easier, including access to their monthly and annual tax summaries online. Uber also works with Airtax, Quickbooks and H&R Block who offer discounted services to driver-partners to help them with their individual tax obligations.

Globally, we have been exploring how technology can further support tax compliance. We are interested in working with the Australian Treasury to ensure independent contractors, including Uber partners, are provided with support and tools to help them manage their tax affairs, including options such as pre populated tax returns.

#### 7. Removing barriers to competition to enable more earning opportunities

In Uber's recent <u>submission</u><sup>20</sup> to the NSW Parliamentary Inquiry into the Operation of the Point to Point Transport (Taxis and Hire Vehicles) Act 2016 we explained the legacy issues which prevent competition in the point to point transport sector and made a number of recommendations, including:

- That rideshare drivers be able to access bus lanes in the same manner as taxi and hire car vehicles, on critical transport routes such as the Harbour Bridge since there is no credible basis for cherry-picking a segment of the point to point market for this purpose.
- That regulatory barriers which prevent ridesharing from playing a larger role in supporting the transport task at major events and airports be removed.
- That governments and industry work together to enable safer, more efficient pick up and drop off zones for ridesharing, including developing necessary signage and identifying appropriate kerb space, particularly around transport hubs.
- Ensuring the same right to choose ridesharing to get from A to B is extended to all disability transport subsidy schemes customers in NSW.

Removal of these asymmetric arrangements would support more earning opportunities for drivers in NSW.

<sup>&</sup>lt;sup>20</sup> https://www.parliament.nsw.gov.au/lcdocs/submissions/68063/0083%20Uber.pdf