

Monday 17 November 2014

Professor Ian Harper
Competition Policy Review Secretariat
The Treasury
Langton Crescent
PARKES ACT 2600

Professor Harper,

Uber is a technology company that connects riders with drivers in over 230 cities around the world through our smartphone app platform. We offer two principal products, UberBLACK, our high end hire-car service, and uberX, our low-cost ridesharing platform. While these products have increased consumer choice and enjoyed mass adoption they have disrupted an existing industry that has never faced significant competition.

I welcome the opportunity to respond to the Competition Policy Review Draft Report on behalf of Uber and congratulate the review panel on highlighting the barriers to competition in Australia. Uber looks forward to a constructive and ongoing dialogue with the review panel and all levels of government about removing roadblocks to new innovative markets like the ridesharing industry.

Ridesharing is not a new concept, people have been sharing and pooling rides for decades, with many schemes publicly endorsed by governments around the world, including notable recent examples by governments in South Australia¹² and Western Australia³.

However, as incumbent industries remained stagnant, new technologies saw an opportunity to improve upon a broken system and expand the traditional ridesharing concept to facilitate a service available to the broader community. Hence the birth of a ridesharing industry that is reinventing the way people get around their communities.

While ridesharing competes with the taxi industry, ridesharing is not a taxi service (as the Draft Report currently suggests through its omission along with hire cars). Notably, ridesharing trips (as with all services facilitated by platforms such as the Uber app) are not anonymous, cannot be hailed on the street, do not use taxi ranks and do not have taximeters.

¹ [Adelaide Carpooling](#), an initiative of the SA Government and Adelaide City Council

² ABC News, [Bus lanes should be for car pooling too: Adelaide City Council](#), May 29, 2014

³ Perth Now, [Plan for bus and carpool express lanes on freeways touted by WA Transport Minister](#), June 21 2014

Recommendation

That the Review Panel considers ridesharing as distinct from taxis and that the Final Report includes separate sections under 'Transport' both for Ridesharing and for Hire Cars.

Our ridesharing platform, uberX, is flourishing in over 150 cities around the world, including six in Australia (see appendices). In almost every market we are in various stages of conversation with government to establish reasonable safety-based regulations for ridesharing. In fourteen markets, including California, Colorado, Washington D.C., Seattle, Minneapolis and Houston, governments have successfully implemented ridesharing legislation to make it a permanent transportation option. At the heart of these new laws is the recognition that ridesharing technologies provide safe, reliable and affordable choices for consumers; create flexible economic opportunities for hundreds of thousands of drivers; and improve cities by increasing the utilization of existing resources to make transportation more efficient.

Flexibility is a key ingredient of the ridesharing industry and most people who choose to partner with Uber as drivers are using Uber to supplement their income. The drivers are fully independent and have complete control of when they are online, which gives them the flexibility to enjoy a healthy work/life balance. Indeed, the typical uberX partner in Sydney is logged into the platform for 20 hours per week.

As noted in the Draft Report, ridesharing technology platforms like uberX are operating outside regulations because technology has leapt over existing regulations in order to meet consumer demands for safer, more affordable and reliable services. As we work with regulators (and convince policy makers) to update antiquated regulations, there can be an initial backlash from some areas of government that then acts as a barrier to discussions about innovation, competition, consumer choice and economic opportunity. Ridesharing should be recognised as a new and unique industry and conversations should begin in earnest about how to regulate it independently.

Uber's technology is enjoying massive adoption because we are committed to meeting consumer demands for safer, more reliable and affordable transportation options. Our commitment to consumers and our partner drivers is particularly evidenced by our mandatory background checks, vehicle standards, industry leading insurance coverage, and our feedback system that requires every rider and driver to provide feedback after every trip, which we use to improve the overall Uber experience.

The Draft Report recognizes that *Australians are fast adopters of new technologies* and our technology is proof, with over 1.5 million completed trips to date in Australia. In fact, Australia is one of our fastest growing ridesharing markets in the world as consumers flock to a service that is safer, cheaper and more reliable.

To be clear, Uber's goal is for ridesharing to be appropriately regulated in every market we operate in. We strongly support regulations that are focused on safety, but we will aggressively push back against regulations that are intended to protect the incumbent players. While Australian consumers embrace the ridesharing industry, most policy makers to date have been silenced by the incumbent industry's influence and made the conscious decision to put the interests of a small vested minority before the financial well being and personal safety of hundreds-of-thousands of their constituents.

Uber agrees that increased competition and safety are not mutually exclusive. However, the government reviews to date have only focused on the existing (and regulated) industries. They have failed to recognize that consumer expectations for what passes as acceptable for-hire ground transportation have changed, forever.

We are optimistic that state governments will heed the demands of the majority of their constituents and act quickly to provide regulatory certainty for the ridesharing industry. To that end, we are engaged with some state governments to discuss how ridesharing should be regulated and we are waiting to start these conversations in other Australian jurisdictions.

For-hire ground transportation is evolving rapidly, with the ridesharing industry leading the way. Uber believes that policy makers should approach the reform process by acknowledging the benefits of ridesharing and begin working quickly to adopt safety-based, innovation-friendly regulations that provide certainty for consumers, drivers and the ridesharing industry.

Thank you for the opportunity to respond at this stage in your review.


Jordan Condo (Nov 18, 2014)

Jordan Condo

Head of Public Policy Asia Pacific

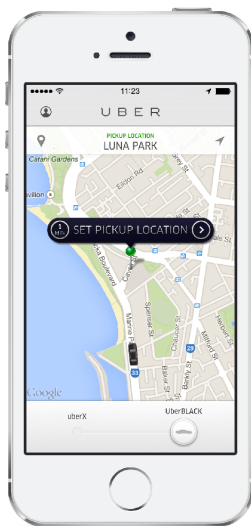
Uber

– APPENDIX 1 – uberX and the Uber App

Uber is a technology company that connects a rider with a driver at the tap of a button.

In Australia Uber's ridesharing platform, uberX, involves approved partner drivers (who have passed criminal and driver history checks) using their own private vehicles (which also need to pass quality and insurance checks) being connected to our registered users. For more information visit uber.com/safety

The Uber app (and mobile website) is a single global platform that can be accessed through any smart phone connected to the Internet and consists of three principal stages:



Request

Tap to select a vehicle type and your pickup location

Fare Quote

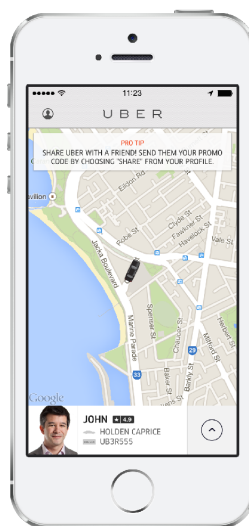
Fare estimates to a specific destination are available upon request in the app and at uber.com prior to making a booking

Fare Rates

Rates for each city and service are pre-set and available in the app and at uber.com

Integration

Any app with a map can now be integrated through the Uber API and leverage the power of Uber to move their users



Ride

Tell your driver your destination, sit back & relax

Share My ETA

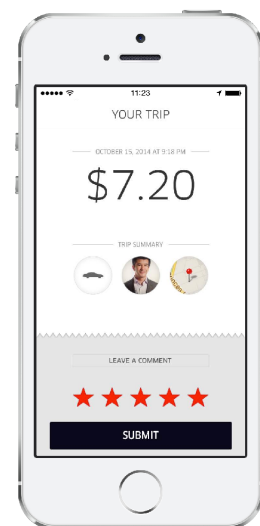
Allows a rider to share trip details, estimated time of arrival and real-time tracking as their trip is in progress

Fare Split

Traveling with friends? Easily share the cost of an Uber with Fare Split

UberPool

Share a ride and split the cost with another person who just happens to be requesting a ride along a similar route



Rate

Help us maintain a quality service by rating your driver

Email Receipt

Riders receive a receipt after every trip that includes a fare breakdown, route map, driver details and unique referral code

Fare Review

Think the driver took the long way? If our team agrees, they'll refund any difference

Follow up

Left something behind or had an issue on your trip? No problem, just get in touch via the app or your receipt

Uber is evolving the way the world moves, and is now available more than 230 cities in 45 countries. Uber does not own or operate cars or employ drivers, but is still generating economic opportunity for 50,000 new partners who join the platform every month.

We create a trusted platform by seamlessly connecting our registered users to multiple high-quality transportation options on-demand, with every trip tracked and both riders and drivers providing feedback after every journey.

The figure below displays those of our global services currently available in Australia.

Service (Listed by price)	uberX Peer-to-peer ridesharing utilizing private vehicles	UberTAXI Service utilizing existing taxi vehicles	UberBLACK Our flagship service, typically utilizing existing licensed hire car vehicles	UberSUV Chauffeur vehicle service utilizing large sports utility vehicles	UberLUX Chauffeur vehicle service utilizing high-end luxury vehicles (Bentley, etc)
City (by launch date)					
Sydney	●	●	●	●	●
Melbourne	●		●		
Brisbane	●				
Perth	●		●		
Adelaide			●		
Geelong	●				
Gold Coast	●				

Uber expands the available transportation options in each city where it is available by seamlessly creating even more ways to get around. At the same time, the growth of Uber increases the economic opportunities available to our partner drivers (at least 80% of all trip costs stay in the local community).

Millions of rides throughout Australia by thousands of partner drivers

1100 economic opportunities for new partners created every month

Typical uberX partner in Australia drives 20 hrs a week and takes home \$2500 a month

More people active in the local economy

Partner drivers retain maximum flexibility

At least 80% of all trip costs stay in the local community

– APPENDIX 2 –

[Open Letter to Transport Ministers in Australia](#)

6 November 2014

Dear Ministers,

With Uber and ridesharing on the agenda at today's meeting of Australian Transport Ministers, we invite you to [hear the experiences](#) of real Australians whose lives Uber has changed for the better, and consider the positive impact ridesharing is having on your cities and citizens.

Economic opportunities

- Thousands of new jobs have been created in the past two years, with 1100 new ridesharing partner drivers joining the Uber platform every month across Australia
- With underemployment one of the biggest challenges facing the Australian economy, Uber provides opportunities for people to supplement their incomes to support their families
- In Sydney, a typical uberX partner driver works 20 hours per week and earns \$2500 per month, on average
- Uber's flexibility means partner drivers are fitting the hours that they drive on Uber around their lives and families

A safe and reliable alternative in Australia's transport mix

- All Uber partner drivers must pass a rigorous criminal background and driving history [review process](#) to be able to use the platform – and we're setting [industry leading standards](#) in the process.
- From request to drop-off, the entire Uber experience is geared towards ensuring reliability and safety. Upon requesting a ride, our technology provides the rider with their driver's name, photograph, licence plate, vehicle type, and a contact number. The rider can see the vehicle approaching on a map, and share their journey in real time with friends or loved ones using our [Share My ETA](#) feature.

- Every uberX trip is covered by our US\$5m contingency liability cover, in addition to each partner driver's own full insurance policies
- Both riders and drivers must also provide feedback after each journey, which is reviewed on a continual basis by our local teams
- As all of our transactions are cashless, drivers no longer need to fear being the target of thieves, with some cities seeing a [20% reduction in taxi crime](#) after Uber's arrival there.
- Hundreds of thousands of riders have now taken millions of trips on Uber in Australia, and they're [absolutely loving the service](#).

A better option for cities

- According to [government statistics](#), there are approximately 2.3 million cars in the Uber Sydney service area. If just a small amount of these cars were shared and pooled, we could reduce the number of cars on the road meaning less congestion, less emissions, and more jobs.
- With car parking spaces in Sydney going for up to [\\$210,000](#), the cost of owning and parking a car is becoming less and less affordable for many people.
- Around 4 million square meters of space (or more than 8%) of the City of Melbourne is [devoted to parking spaces](#), with more than [one million parking transactions](#) recorded each month. Imagine the future of the city if those spaces were opened up and used for other purposes.

The reasons for change are many and excuses are few. We encourage you to look closely at the impact ridesharing is already having on your cities and to imagine how much more it could have with your help.

Ministers, your Uber – and the future – is arriving now.