

# UBER

## Point to Point Transport (Taxis and Hire Vehicles) Regulation 2017



**Submission to Transport for NSW  
9 May 2017**

# Contents

[Introduction](#)

[Part 1: Issues which need clarification for operational purposes](#)

[Part 2: Authorisation fee and passenger service levy](#)

[Part 3: Timelines for implementation](#)

[Conclusion](#)

# Introduction

Uber welcomes the opportunity to provide a submission on the draft Point to Point Transport (Taxis and Hire Vehicles) Regulation 2017, and the accompanying Regulatory Impact Statement.

The NSW Government is leading the charge nationally and globally in point to point transport reform, and we note that NSW was the first state parliament in Australia to pass primary legislation covering ridesharing. The success of these reforms has been largely due to the outcomes focused approach taken by the Government - which puts safety and consumer protection at the core of the new laws - and the recognition that progressive reform was needed to bring legislation into the modern era and keep pace with technological innovation.

The NSW point to point regulatory framework means the benefits of ridesharing can realised by the many, both riders and drivers. Uber supports these reforms, which are underpinned by an objective to be 'outcome-focused, promote cost-efficient and innovative service delivery, and a diverse range of services and service delivery models'.<sup>1</sup>

Since the NSW Government regulated ridesharing in December 2015, the industry as a whole has remained strong with 2016 IPART survey data<sup>2</sup> showing that:

- Demand for point-to-point transport in Sydney grew in 2016
- 33% of adults in urban Sydney had used a ridesharing service in the previous six months, compared with 19% in 2015 and 11% in 2014
- No reported reduction in the use of taxis overall
- Taxis were used by 92% of all rideshare users

More than 850,000 riders now choose to get around NSW using the Uber app, and over 17,500 people partner to drive with Uber for a flexible source of income. This includes parents, carers, students, retirees and people who are in between jobs. It should be noted that unlike the traditional taxi industry where there are shifts and set times for drivers to drive, many drivers using the Uber app do so for less than 10 hours a week and they have the flexibility to log on and off at will.

On average, the wait time for an Uber in Sydney is under 5 minutes. We have also launched Uber in the regional cities of Newcastle and Wollongong, and one of NSW's tourism hotspots, Byron Bay, where we also service the outlying areas of Lismore and Ballina. The Uber app is also proving very popular with international and domestic visitors, with international visitors from 73 different countries using the app to get around cities in NSW.

This submission reviews the proposed regulation and outlines the issues which need clarification for operational purposes. It also puts forward constructive feedback on the timeline needed to ensure process changes are adequately implemented for the roll-out of the new regulation. Effective implementation of these reforms, including providing practical guidance and engaging industry participants, will ensure that NSW remains a world-leading jurisdiction for point to point transport and technologically-driven industries.

---

<sup>1</sup> Point to Point Taskforce: Report to the Minister for Transport and Infrastructure, November 2015, Recommendation #1

<sup>2</sup> IPART, Survey of Point-to-Point Transport Use: Information Paper, November 2016

## Part 1: Issues which need clarification for operational purposes

Section	Comment	Proposed amendment/changes
3(1) - 'Drive' definition	<p><b>"Drive</b> a vehicle includes cause or allow the vehicle to stand."</p> <p>The current wording can be further refined, for example vehicles stand when they aren't moving.</p>	Amend existing definition to <b>'Drive</b> a vehicle includes cause or allow the vehicle to stand <b>for hire</b> '.
4(1) - Certain service facilitators and other persons to be booking service providers	<p>This sub-section captures many entities who are not directly related to the operation of the booking service, but provide ancillary services.</p> <p>It is inappropriate to capture any, or all, of these persons as 'providers of booking services' when they do not participate in the provision of the booking service.</p> <p>For example the provision of marketing services is a very distinct service to the provision of a booking service.</p>	<p>Section 7 of the primary Act provides the definition of a 'provider of a booking service'.</p> <p>Remove subsection 4(1) to ensure that certain entities are not inappropriately captured and the concept of the 'provider of a booking service' blurred.</p> <p>Or, provide better clarity on primary functions of a provider of a booking service vs secondary support functions that may be performed by a related entity of the provider of a booking service.</p>
7(1) - Identification and management of risks to health and safety	Asking driver-partners to 'identify and keep a record' of 'reasonably foreseeable hazards' and to take 'control measures... to eliminate or minimise those risks' is overly prescriptive and not suitable for the nature of ridesharing, where many drivers rideshare for less than 10 hours a week and/or as a mean to earn some extra income as part of their daily commute.	To help to ensure compliance with the Regulations and to help achieve the policy objective regarding health and safety, the Point to Point Transport Commissioner could provide a fact-sheet and/or a 'Driver Safety' checklist that would be easy to access for prospective hire vehicle drivers before they are linked to a Booking Service.
7(2) - Identification and management of risks to health and safety	<p>A provider of a booking service is required to 'identify and keep a record' of 'reasonably foreseeable hazards' and to take 'control measures... to eliminate or minimise those risks'.</p> <p>Uber takes a number of measures in this regard. This includes making available material to help inform driver-partners of the potential hazards of driving, including on-boarding material that outlines risks and highlights foreseeable hazards. Furthermore, Uber has published rider and driver-partner Community Guidelines to promote safe and efficient trip experience for</p>	Given the broad drafting of these provisions, it would be beneficial if the Point to Point Transport Commissioner provided further guidance on this provision as part of industry education and consultation.

	riders and drivers. Uber also has a specialised community operations response team for critical incidents and law enforcement liaison.	
7(3)&(4) - A booking service must 'regularly consult with other persons... and keep a record'	<p>Uber publishes weekly newsletters for driver-partners, in which 'key safety issues' surrounding the driving experience could be discussed. As an example, these could include tips on taking regular breaks, safe handling of heavy loads and recommendations on how to deal with difficult riders.</p> <p>Furthermore, Uber has a number of Greenlight Hubs (customer service centres) in NSW that driver-partners can visit and interact face-to-face if/when required with any queries they may have. There is also 24/7 in app support that can be used to raise any concerns a driver-partner may have.</p> <p>In app support and push notifications are also used to communicate directly with driver-partners when needed.</p>	<p>Given the broad drafting of these provisions, it would be beneficial if the Point to Point Transport Commissioner could provide guidance on these provisions in industry education and consultations.</p> <p>In particular it would be helpful if guidance could be provided around what constitutes a 'notifiable occurrence' and what form of notification would be acceptable to the Point to Point Transport Commissioner in these circumstances.</p>
8(1) - A vehicle used to provide a passenger service must at all times meet the requirements of the law as to vehicle safety and roadworthiness.	Uber currently requires all vehicles to undergo an annual vehicle inspection before the driver of that vehicle is able to drive using the Uber app.	<p>We understand the existing Road Transport (Vehicle Registration) Regulation 2007 (paragraph 57(1)(a)) will be amended to require an annual inspection regime for all point to point transport vehicles.</p> <p>Further, that the guidance will be issued to remove the 5 year and younger exception from the pink slip provisions for point-to-point vehicles.</p> <p>It would be beneficial to get clarification around the timelines of the implementation of these changes.</p>
8(2) - This safety standard is prescribed for the 'owner' of the vehicle	<p>While in theory it makes sense to have the owner of a vehicle responsible for a safety standard imposed in respect of that vehicle, on a practical level this is problematic for ridesharing.</p> <p>Uber (and we expect other booking entities) does not have a contractual relationship with the owner of the vehicle if this is not the same person as the driver-partner. Uber only has a relationship with the person who is driving the vehicle using the</p>	Amend wording: 'This safety standard is prescribed for the <b>driver</b> of the vehicle'

	<p>Uber app. Given this, it does not follow that Uber should be held accountable, (as a person responsible for the safety standard), for the conduct of a person with whom it does not have a contractual relationship.</p>	
10(1)(a) - The vehicle must be 'regularly and properly maintained'	<p>Uber currently requires all vehicles to undergo an annual vehicle inspection before the driver of that vehicle is able to drive using the Uber app.</p> <p>A booking entity has limited insight or control over the ongoing maintenance of a vehicle used to provide a related booked service.</p> <p>Operationally, holding the provider of a booking service as a responsible person for this safety standard is problematic for the ridesharing model.</p>	The NSW Government should direct this responsibility solely on the owner and/or driver of the vehicle, and not extend this to the provider of the booking service.
10(4) - 'Maintenance and repairs' exclusion list	We note that the list provided at subsection 10(4) is somewhat limited and may miss other types of minor incidental repairs that should be included.	Insert paragraph (j) to ensure other minor repairs are expressly included: ' <a href="#">Any other minor incidental repairs that may need to be carried out from time to time</a> '
11 - Requirements for Wheelchair accessible vehicles	<p>We believe that mandating minimum size and product specifications for wheelchair accessible vehicles is highly unnecessary and would serve to shut out a significant number of safe and reliable wheelchair accessible vehicles from serving the disabled community. This includes many vehicles used by Community Transport Organisations and families with special purpose vehicles.</p> <p>In contrast to driver training requirements, we do not see how mandating vehicle measurements provides any safety or consumer benefits.</p>	The NSW Government should reconsider the policy rationale of mandatory and specific size and product requirements for wheelchair accessible vehicles and instead focus on the safety outcome sought.
22(2)(3)	<p>We endorse the outcome focused and non-prescriptive approach taken to signage requirements in these regulations.</p> <p>A rider and driver connect through the Uber app, and the rider identifies the driver's vehicle through the vehicle's registration plate. As stressed in previous discussions with Government, the main vehicle identifier for riders should always be the</p>	It could be beneficial for the Point to Point Transport Commissioner to provide guidance on the minimum and maximum size of any proposed signage to increase visibility (note: any requirements should not be prescriptive in terms of actual size or shape). Rather than stipulate minimum and maximum size in regulation, this should be done as part of industry consultation and

	<p>registration plate.</p> <p>If an identifier is required for law enforcement purposes, then it is critical that any signage requirements are discrete and easy to remove and reapply given most driver partners in NSW rideshare for less than 10 hours a week and use their vehicles for both private and ridesharing purposes.</p>	<p>education.</p> <p>Further, for law enforcement purposes, it would be beneficial to seek to align these requirements with cross-border jurisdictions.</p>
<p>24(2) - Vehicle insurance - (including any excess payable on a claim)</p>	<p>This provision is unclear as to which party's excess is being referred to: the person who caused the damage or the third party?</p> <p>If the third party's insurer is being referred to, then the language is redundant, since the at-fault driver's insurer will settle a valid claim for fair cost.</p> <p>Conversely, if it is intended to mean the hire car driver's insurance policy, to provide cover that obviates the need <i>for them</i> to pay an excess, then that language isn't acceptable, since almost all insurers price risk for car insurance with some type of excess. This reduces premium cost and is accepted market practice. Similarly, Uber's contingent liability insurance policy has an excess a driver-partner must pay in order to claim on it. The law should not prevent the imposition of a fair and agreed excess.</p>	<p>This sub-clause contain two very pertinent problems with respect to ridesharing:</p> <ol style="list-style-type: none"> <li>1. The words 'any damage' should be qualified as they are in 24(1), to a clear maximum sum insured. It is not otherwise obvious that the drafter intends the limit in 24(1) to be read into 24(2).</li> <li>2. The bracket within 24(2) creates confusion in the interpretation of the provision, since it can be read in two ways; as against the driver to be indemnified or the third-party.</li> </ol> <p>The following amendments to 24(2) would address both concerns:</p> <p><i>There must be maintained 1 or more policies that indemnify the driver for the time being of a vehicle used for a passenger service in relation to damage to third-party property (including any excess payable on a claim by the third-party) for cover of at least \$5,000,000 (for each occurrence) arising out of the use of the vehicle for that purpose.</i></p>
<p>26(1) - Disqualifying offence</p>	<p>We note that there is no time limit on when a 'disqualifying offence' could have occurred.</p> <p>For a non-indictable offence such as common assault or minor larceny that occurred more than 20 years ago, this could result in an unfair outcome for someone who has undergone rehabilitation and poses no danger to the public.</p>	<p>We recommend that the NSW Government consider inserting a time restriction for some offences in this list in order not to unnecessarily discriminate against people.</p>
<p>26(2) - List of</p>	<p>We note that within the broad list of disqualifying offences, there</p>	<p>It would be beneficial if the NSW Government provide</p>

disqualifying offences	<p>is some ambiguity within particular paragraphs. For example:</p> <ul style="list-style-type: none"> <li>Paragraph (d): 'any offence involving fraud, dishonesty or stealing' - it is difficult to operationalise this paragraph without references to explicit laws, as this paragraph could encompass a wide variety of unknown offences.</li> <li>Paragraph (f): 'any offence involving damage to property exceeding \$5,000' - this would be difficult to enforce as often the value of the damage is not included in typical background check reports.</li> <li>Paragraph (r): 'any other offence that is punishable by a term of imprisonment of 5 years or more' - we assume this is referring to the maximum penalty, as opposed to the sentence that the person actually received.</li> <li>Paragraph (t): 'an offence under a law of another State or Territory, the Commonwealth or a foreign jurisdiction that, if committed in New South Wales, would constitute an offence listed in this clause' - we note that current background checks do not consider criminal offences committed in jurisdictions outside of Australia.</li> </ul>	<p>practical guidance on these particular provisions (such as those outlined in our comments) including specifying:</p> <ul style="list-style-type: none"> <li>Whether there is a time restriction on the offence contained in that paragraph (for example, '<i>in the last 10 years</i>')</li> <li>If that paragraph covers particular legislation</li> <li>If that paragraph doesn't cover particular legislation, how enforcement is to be implemented (for example, 'if the offence on the background check contains any of the words 'fraud', 'honesty', 'larceny, etc)</li> </ul>
27(1)(a) - Ineligible drivers: driver's licence	<p>This paragraph states that a person must not drive a hire vehicle that is being used to provide a passenger service unless 'the person has held an unrestricted Australian driver licence for a total of at least 12 months in the preceding 2 years'.</p> <p>The current NSW RMS driving record does not show how long a driver has held a driver's licence in another State or Territory and for how long.</p>	<p>It would be beneficial for industry if providers of booking services are able to directly access, through a secure API integration with the RMS, driving history data, as requiring each driver to provide their own driving history is highly susceptible to fraud. An API integration would enable booking services to verify driving histories through a secure and reliable platform.</p> <p>It would be beneficial for industry, not just in NSW but nationally, if there was a centralised portal for all Australian state driving histories, so that a driver's history can be accessed through one centralised database.</p>
27(2)(a) - A person whose driver authority was cancelled, cannot drive a hire vehicle	<p>It is difficult for a booking entity to effectively validate if someone has held and/or had a Driver Authority revoked.</p>	<p>We recommend that the NSW Government allow providers of booking services to have direct access through a secure API integration with the RMS systems to enable verification of cancelled driver authorities.</p>
32(1) - Notifiable occurrences	<p>A notifiable occurrence must be reported to the Commissioner within 3 days after the provider becomes aware of the accident</p>	<p>It would be beneficial if the Point to Point Transport Commissioner provided practical guidance as to incident</p>



	<p>or incident concerned.</p> <p>A 'notifiable occurrence' is defined in the Act to include 'an accident or incident that... could have, caused significant property damage, serious injury or death'.</p> <p>The definition of 'notifiable incident' is very broad particularly as it contemplates incidents that cause and <u>could have caused property damage</u>.</p>	<p>types that are required to be reported to the Commissioner.</p> <p>It would be helpful to clarify that the 3 day reporting window means 3 business days.</p>
32(2) - Notifiable occurrences	<p>Providers of a passenger service other than a taxi service are exempted from the requirement to report a notifiable occurrence to the Commissioner.</p> <p>It is unclear whether this provision applies to booked hire services, as it appears they fall within the 'exempted category' noted above.</p>	<p>We recommend that the NSW Government provide guidance as to what services this provision covers, for example whether ridesharing and booked hire services are exempted from this reporting regime.</p>
43(1) - Information to be provided	<p>'A booking service provider must keep a record of each booking for a passenger service for a period of not less than 2 years after the booking is taken.'</p> <p>This appears to be an arbitrary demand for booking service providers to retain information over an unduly long timeframe in the context of privacy and data stipulations. The policy intent and outcome for these burdensome requirements needs to be further defined. In particular, we note that there appears to be a distinction made between the data retention requirements for safety purposes and those for consumer protection purposes for taxi. To illustrate:</p> <ul style="list-style-type: none"> <li>- For taxi, the record keeping provisions for the retention of camera footage is 30 days as stated in subsection 21 (1). The same time stipulation should apply to data relating to a booking for a passenger service, for the purpose of law enforcement and safety purposes.</li> <li>- For the purposes of consumer protections (fares and trip data), it is noted that taxi are required to keep a</li> </ul>	<p>Amend wording to: 'A booking service provider must keep a record of each booking for a passenger service for a period of not less than <b>1</b> year after the booking is taken.'</p>

	<p>record for two years as outlined in subsections 16 (8)-(9).</p> <p>The overall approach requires clarification to:</p> <ol style="list-style-type: none"> <li>1. Better understand the outcome sought - for both safety and consumer protections.</li> <li>2. The needs around the different retention periods, noting 2 years imposes cost and storage burdens on booking service providers. Can the same policy objective be achieved through a shorter retention period.</li> </ol>	
43(2)(e) - Keeping a record of contact information of at least one of the passengers	<p>The booking service provider must keep a record containing the 'contact information... of at least one of the passengers'.</p> <p>Uber is exploring a range of new products, including a new online booking function for group homes and hospitals - which would have a hirer responsible for making a booking but the hirer may not be one of the passengers who takes the trip (however there would be a record of the booking itself).</p>	Amend wording to: 'contact information, such as a phone number or email or residential address of the <a href="#">hirer</a> '
68 - Driver to remain in vehicle at Sydney Airport precinct	<p>'The driver of a passenger vehicle in the Sydney Airport precinct... must not, without reasonable excuse, move more than 3 metres from the vehicle'.</p> <p>A carve-out for taxis exists at paragraph 67(2)(b) and a similar exclusion should be applied for ridesharing vehicles in an authorised pickup zone.</p>	Insert paragraph 68(2)(c): ' <a href="#">to the driver of a hire vehicle while the hire vehicle is in an authorised pick-up zone at the Sydney Airport precinct</a> '
70(1)(c) - Driver to supply information on hirings to Authorised Officers	<p>An authorised officer may require a driver to provide, if hired, 'details of that hiring'.</p> <p>We believe this power is unreasonably broad, and should be limited to only the relevant details of that hiring or the Regulations specify the details that may be requested.</p>	Amend wording to: 'if the driver indicates that the vehicle is hired, the <a href="#">relevant</a> details of that hiring'
85(1)(a) - No plying or standing for hire	<p>The Regulations note that the driver of a hire vehicle must not 'ply, stand or park the hire vehicle for hire on any road or road related area'.</p> <p>On a strict reading, this provision could prevent a driver from parking or standing a car on any road to wait to receive a trip request through the app.</p>	<p>Amend wording to: 'ply, stand or park the hire vehicle for <a href="#">a non-pre-booked</a> hire on any road or road related area'</p> <p>It would be beneficial if the Point to Point Transport Commissioner could provide clarity on this provision in the industry consultation and education to give certainty that it only affects those hire vehicles that are standing or</p>

		parked for a non-pre-booked hire.
85(1)(b) - A driver of a hire vehicle must not carry out a hiring other than for a booking made before the driver stops the vehicle at the place where the passenger is picked up.	<p>This paragraph is ambiguously worded, and the policy intention would be better served if the wording was altered to be 'before the passenger enters the vehicle'.</p>	<p>Amend wording to: 'use the hire vehicle to carry out a hiring other than for a booking made before the <a href="#">passenger enters the vehicle</a>'</p>
86(1) - Direction to leave hire vehicle	<p>A driver may direct a passenger to leave the hire vehicle under certain circumstances.</p> <p>We support the inclusion of this provision, but believe it is necessary to include a 'if it is reasonably safe to do so' caveat.</p>	<p>Amend wording to: 'A driver of a hire vehicle or an authorised officer may direct a person to leave, <a href="#">if it is reasonably safe to do so</a>'</p>

## Part 2: Authorisation fees and Passenger Service Levy

### Authorisation Fees - subsection 45(2)

#### Collection and enforcement issues

An additional authorisation fee of \$0.03 is payable by each authorised provider for each passenger service transaction carried out by the provider. In the context of this transactional fee, it is clear that the barriers to entry and cost of participation should be set as low as possible in order to stimulate participation in point to point transport, which in turn will maximise broader consumer and economic benefits for the state.

We are concerned that the collection of the \$0.03 authorisation fee on a per trip basis will be problematic to enforce across industry as it relies on accurate and up-to-date reporting by each transport service provider, booking service and/or operator. For example, street rank and hail trips have a high proportion of cash-based trips where the risk of fraud or avoidance of paying this fee is clear. There needs to be clear transparency, reporting and auditing processes in place to ensure that these cash trips are adequately reflected and so to ensure that technology-driven business models are not disadvantaged.

We seek clarification from the NSW Government and/or the Transport Commissioner on:

- how the collection of this fee will be administered across the industry; and
- how the NSW Government will ensure each industry participant provides accurate and reliable reporting on trip data.

Given the direct correlation and collection mechanisms between the transactional fee and the \$1/trip levy, it is critical that all industry participants are held to account and commit to putting in place the measures needed to collect this fee. A dual approach in which industry stakeholders collect this fee in different ways and/or different methodologies is undesirable and highly problematical, especially as it would see the Government concede to certain sections of industry that they will not be held to account for per/trip activities.

#### Privacy and reporting

Per trip data is highly sensitive commercial data and appropriate provisions need to be put in place to ensure data integrity and privacy in relation to it. We understand the *Taxation Administration Act 1996* and the *Government Information (Public Access) Act 2009* will assist in governing the collection process. Further clarification on which provisions that govern these aspects would be beneficial for industry as a whole. Further, any collection of levies or fees, should be made directly by the Office of State Revenue, in order to further minimise the risk associated with sharing commercial information and ensure it is only accessed by an agency that has a clear and direct need for information.

#### Set rate of authorisation fee

We hold concerns that the rate of the additional authorisation fee could be subject to arbitrary increases in the future. We recommend that the NSW Government include a clause similar to subsection 45(3) - which would limit any increase in the additional authorisation fee only to the new CPI rate. It is important that this fee is not subject to arbitrary increases by the current or future governments.

### GST implications

Additionally, there is some ambiguity about whether this authorisation fee will trigger GST obligations when it is added as part of fare structures. Clarification is required on this.

## **Passenger service levy - Schedule 3**

### Collection and enforcement issues

A passenger service levy of \$1 is payable for each passenger service transaction, which includes a taxi or hire vehicle booking to provide a passenger service, or a provision of a taxi service.

We are concerned that the collection of the \$1 levy on a per trip basis will be problematic to enforce across industry as it relies on accurate and up-to-date reporting by each transport service provider, booking service and/or operator. For example, street rank and hail trips have a high proportion of cash-based trips where clearly the risk of fraud or avoidance of paying this fee is clear. There needs to be clear transparency, reporting and auditing process in place to ensure that these cash trips are adequately reflected and so to ensure that technology-driven business models are not disadvantaged.

We seek clarification from the NSW Government and/or the Transport Commissioner on:

- how the collection of this fee will be administered across the industry; and
- how the NSW Government will ensure each industry participant provides accurate and reliable reporting on trip data.

Given the direct correlation and collection mechanisms between the \$1/trip levy and the transactional fee, it is critical that all industry participants are held to account and commit to putting in place the measures needed to collect this levy. A dual approach in which industry stakeholders collect this fee in different ways and/or different methodologies is undesirable and highly problematical, especially as it would see the Government concede to certain sections of industry that they will not be held to account for per/trip activities.

### Privacy and reporting

Per trip data is highly sensitive commercial data and appropriate provisions need to be put in place to ensure data integrity and privacy in relation to it. We understand the *Taxation Administration Act 1996* and the *Government Information (Public Access) Act 2009* will assist in governing the collection process. Further clarification on which provisions that govern these aspects would be beneficial for industry as a whole. Further, any collection of levies or fees, should be made directly by the Office of State Revenue, in order to further minimise the risk associated with sharing commercial information and ensure it is only accessed by an agency that has a clear and direct need for information.

### GST implications

Previous advice received by Transport for NSW indicates that the passenger service levy will trigger GST implications. It is our understanding that if it is included as part of the total amount charged to ridesharing passengers, this levy will attract GST on top of the \$1 base rate. As such, it would be advisable that the levy were reduced to \$1 *inclusive of GST*, which means a base rate of \$0.90 (not inclusive of GST). It would be beneficial if the Government provide clarity on the GST implications of the levy, including practical guidance on its implementation for all industry participants.

### Carpooling products

We note that subsection 5(2) of Schedule 4 to the main Act states 'The taking of a booking for a taxi or hire vehicle to provide a passenger service to transport more than 1 passenger in a taxi or hire vehicle, or that results in the passengers being transported to different destinations, is taken to be 1 passenger service transaction.

As part of industry education and consultation, the NSW Government and Point to Point Transport Commissioner should provide guidance on how subsection 5(2) of Schedule 4 to the main Act can be relied upon for carpooling products and/or some of the currently proposed NSW Government on-demand trial initiatives.

## Part 3: Timelines for implementation

A critical component of this public consultation process is for Government to provide clarity on the anticipated timeline for implementation so that industry can finalise its preparation for the process changes required.

To ensure that industry can deal with the changes in an orderly fashion, it would be beneficial if the regulations are rolled out in two phases:

1. Safety and operational measures (Q3 2017)
2. Levy and authorisation fee collection measures (Q1 2018)

### **Safety and operational measures**

It is important that the NSW Government provides clarity and certainty on the safety and operational aspects of the Regulation as soon as possible to allow providers of booking services sufficient time to establish new procedures and practices.

It would be timely for the Government to roll-out the safety and operational measures within the Regulation by **Quarter 3 of 2017** (July-September). This would allow industry participants time to ensure the processes are aligned, and would also provide sufficient time for the Point to Point Transport Commissioner to ensure appropriate industry consultation and training is provided as part of the new regime.

Critically, it should be noted that this operational roll-out should not occur in Quarter 4 of 2017 (October-December) as this is the busiest time of the year for the point to point transport industry, and regulatory changes during this period could cause severe disruption to business operations.

### **Passenger service levy and authorisation fee collection measures**

Establishing the processes and procedures for the collection and remittance of the passenger service levy and authorisation fee will be similarly complex, and require ongoing engagement with the relevant regulatory authorities to ensure that reporting and payment is as accurate and timely as possible.

As such, we recommend that the Government roll-out these measures separately to the safety and operational parts of the Regulation, with a view to implement these processes by **Quarter 1 of 2018** (January-March).

It is worth noting that State Insurance Regulatory Authority has advised that its proposed changes to the CTP insurance scheme for the point to point transport industry is currently aimed to be implemented early December 2017. This again highlights the need for the Government to introduce its regulatory changes in a staged approach to allow industry participants to implement each of the new reforms in a staged and efficient manner.

# Conclusion

Ridesharing demonstrates that smart technology with a smart supply model can help to improve transport in our cities and regions. It offers riders a safe, affordable and reliable transport alternative to supplement existing transport systems and offers drivers a flexible and accessible source of income.

As such, it requires smart regulation and smart administration to ensure that these benefits can be enjoyed by everyone in NSW. The Government's reforms have been a very positive step forward, and people in NSW have taken to ridesharing whilst also continuing to use other on-demand transport such as taxi.

We are excited by the progress that the NSW Government has made with this new Regulation, and look forward to the feedback and guidance that will be provided following this public consultation process.

We look forward to continue working with the NSW Government on these important reforms, and the exciting future that ridesharing and point to point transport has in NSW.