

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

Department/Agency: ACCC

Question: SBT 77-80

Topic: UBER X

Reference: Written - 03 November 2014

Senator: Williams, John

Question:

I understand the Australian Taxi Industry Association has written to you asking you to investigate the Ride Sharing Service known as Uber X. This is where ordinary motorists can apply to become virtual taxis and their service can be ordered through an App.

In June this year, there was a media report and I quote –

“The NSW government has begun cracking down on the "ride-sharing" component of the smartphone app Uber by issuing \$2500 fines and threatening legal action against motorists who offer the service”.

The ACT government has also declared it illegal.

I notice in Sydney in November a person made a citizen’s arrest of a Uber X driver because he claims he didn’t have the correct licenses.

Questions

77. Does ACCC regard this is an illegal service as it currently operates?
78. What happens if a driver is involved in an accident and a passenger is injured –
 - a) are they covered by insurance; and
 - b) who’s insurance?
79. Is the ACCC investigating or monitoring the Uber X service?
80. If there is an investigation underway, please provide an update.

Answer:

77. The ACCC does not regulate the state and territory taxi licensing regimes. The relevant state or territory taxi commissioners or authorities are the appropriate entities to provide comment in relation to the question about whether “ride-sharing” services proffered by Uber are illegal under those regimes.

78. to 80.

In response to the letter received from the Australian Taxi Industry Association, the ACCC has reviewed the information provided by this association. The ACCC has contacted the Victorian Taxi Commission to ascertain the status of current prosecutorial activity being taken against UberX drivers.

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The ACCC has made recent inquiries of Uber seeking information which is relevant to the claim that Uber makes in its marketing materials directed at Australian consumers.

Uber has acknowledged receipt of the ACCC's letter and has indicated it will provide its reply shortly. Once the reply is received, it will be assessed by the ACCC.