

24 June, 2019



Re: Inquiry into the Commercial Passenger Vehicle Industry Act 2017

Name: Max Bell. For Ride Share Drivers United (RSDU)

Occupation: Professional driver, founder and head of the RSDU, a rideshare drivers advocacy group based in Melbourne. The RSDU was formed in Melbourne early 2016. Since our inception we've been leading the charge advocating for better drivers working conditions and work safety in Australia and around the world. Our name is well recognised in Australia and overseas.

The RSDU mainly represent full time rideshare drivers. We have more than 7000 registered drivers to date, mainly in Australia and the USA. Approximately 2500 rideshare drivers/members in Victoria. A quick google news search on the word "RSDU" or "Ride Share Drivers United" can help in better understanding who we are and what we do.

Here is our submission:

1. CPV reforms have been good for the transport industry in Victoria. The free market mentality has increased competition and improved service, while passengers demand continues to grow. However, we believe that the over supply of drivers is badly affecting drivers' working conditions and their ability to take home a living wage. This applies to all drivers, rideshare or/and taxis alike.
2. The RSDU believe a driver cap must be implemented in-order to continue and keep the CPV industry viable, our roads unclogged and basic drivers' working conditions/living wage in check:
 - a) It is our opinion that a special committee must establish a cap on the total number of CPV vehicles on our roads at any given time, taxis included. Something similar to what the city of New York has recently done, freezing the number of "for-hire-car" licenses issued.

Assuming a reasonable passenger pickup time of approx 5-7 minutes, it's our view such caps are not too hard to place/determine based on the \$1 taxi levi operators data that is currently being collected by operators for each trip.

b) It is important to note that according to a recent RACV research, the average running cost of a private vehicle in victoria (for an UberX equivalent vehicle) is approximately \$0.72 per KM, this figure includes depreciation, wear & tear and all other service and on road costs, mind you the figure is for a **privately owned and operated vehicle**. Costs are upward of \$0.87 per KM when it comes to a similar vehicle being used in full time ridesharing or other taxi equivalent service.

To maintain a viable industry and drivers ability to earn a living wage the RSDU believe that a minimum per KM fare must be established across the entire CPV industry. We are of the view that a minimum of \$1.60 per KM, \$0.45 cents per/minute in Victoria (at today's conditions/index) and a minimum fare of \$9, together with a driver cap can address many of the issues that the CPV industry (Taxi drivers included) face today.

c) A central database must be established, covering the entire CPV industry where driver's daily driving time is reported and logged by the various operators. This to ensure safety compliance with a maximum of no more than 12 hours driving per day across all platforms.

d) The RSDU does not believe increasing licensing fees alone is going to help the industry in the long run, not without first addressing all other issues mentioned above. Quite the opposite, the increased licensing costs are likely to be rolled by operators onto drivers, forcing drivers to work even longer hours while pay is still low and in most cases below minimum wage.

3. When it comes to carrying their daily work, rideshare drivers often operate like Taxis. However, they are often unable to stop in many places across town for a pick-up or drop off without breaking the law.

RSDU suggest that all CPV vehicles should be allowed to stop for a passenger pick-up or drop-off in much the same places Taxis are allowed to by law. This will increase public safety and ensure drivers compliance.

4. GST liabilities are incorrectly being placed on drivers when it is clearly the operators that are setting the fare prices and collect payment directly from customers. It is our submission that GST must be collected directly by the rideshare operators and passed to the ATO, not by the drivers.

As to your questionnaire's specific points:

Q: What are your thoughts on how the new registration system is functioning?

A: We are of the view that the new registration system is functioning OK and according to expectations.

Q: What has been the effect on your business, including compliance costs?

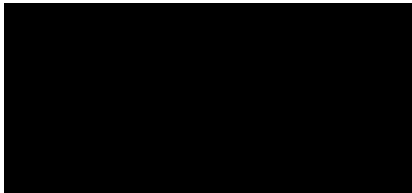
A: Minimal and within reason.

Q: Do you have any ideas for improving legislation governing the commercial passenger vehicle industry in the future?

A: Yes please see our points 1 to 4 above.

Please let me know if you would like me to appear before the committee and to discuss the points highlighted further.

Yours Sincerely,



Max Bell
Head of Ride Share Drivers United (RSDU)
Representing more than 2500 rideshare drivers in Victoria