



**Letter to the Editor**  
**14 November 2014**

Dear Editor, Business Insider Australia

I refer to the article "Here Are 5 Reasons Uber Says Ridesharing Is The Future For Australia Despite Safety Concerns" (Business Insider Australia, Peter Terlato, 7 November 2014).

Firstly, for any legitimate business, safety should always be the number one priority. It is one of the few non-negotiable elements of any organisation under Australian law.

Uber X ridesharing services bypasses critical safety regulations set by governments and thereby puts the public safety at risk. It is not sufficient for the market to determine safety standards; this is a matter for government.

The jobs that Uber claims to "create" are at the expense of taxi drivers. Experience overseas has demonstrated that Uber unilaterally reduces driver's earnings through competitive pricing and also allegedly retains gratuities intended for the driver. This has led to class action against Uber in the United States.

Furthermore, there are unanswered questions regarding alleged profit shifting and tax avoidance by shared economy providers. This is not the case with the NSW Taxi Industry which contributes over \$1.5 billion to the NSW economy each year.

Taxis introduced cashless transactions in the 1990's while also providing customers with the option of continuing to pay cash if they wish. There is no evidence that Uber's arrival in Australia has influenced a reduction in taxi crime. Without safety cameras, driver duress alarms or driver training, there's a strong argument that a rise in crime is more likely with the introduction of illegal ridesharing. Emerging evidence from the US certainly supports this notion.

The cost of parking in Sydney is nowhere near \$210,000 for the vast majority of commuters. It is clearly misleading to suggest that this figure would influence someone to no longer use their car to be driven around by an unauthorised driver in an unauthorised vehicle.

Ridesharing is not carpooling. To assert otherwise is misleading. An influx of private cars involved in ridesharing has in fact increased congestion. This is particularly evident at airports and a number of airports around the world have resorted to strong compliance action to minimise the risk of increased congestion that ridesharing has been causing.

Yours sincerely

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