

## Infrastructure, Planning and Natural Resources Committee

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**From:** Merv Hay  
**Sent:** Wednesday, 21 October 2015 9:15 PM  
**To:** Infrastructure, Planning and Natural Resources Committee  
**Subject:** The Transport Legislation ( Taxi Services) A mendment 2015  
**Attachments:** Judge's opinion about Uber - California.docx

Research Director

Infrastructure Planning and Natural Resources Committee

Parliament House

I have been in the Taxi Industry since 1971. I drove a Taxi for approximately 30 years and since retiring have used the income from my License as my superannuation. This I feel is now threatened by a Multi National Company who comes into the Country and ignores the Laws and regulations of the land.

The Taxi Industry is covered by regulation to ensure the system functions in the best interest of all the players- the travelling public as well as the Industry Participants. The Industry is made up of many small business people who obey the Laws of the land and who have worked hard to achieve their goals and now have their livelihood threatened.

Uber a Multi National Company has come into the country and ignored the Laws and Regulations of the Governing Bodies. If you research Uber on the internet you can find many jurisdictions which have banned or partially banned Uber for their procedures which are now their standards operations in Queensland. They ignore Government Legislation and adopt an attitude that they are above the Law and the Law should be changed to suit their business model.

Uber is a company that will not respect the Queensland Government and Queensland Courts. This company has left a trail of evidence around the World that they do not respect the Government and Courts of many Countries. This evidence raises doubts about the integrity of their organisation and its capacity and willingness to abide by the Laws of the land and provide a safe working environment for their Drivers and a safe service for the Queensland Public. (see attachment)

This Queensland Government needs to learn from the experience of other countries.

Scope of any inquiry will need to objectively include an assessment of the following matters:

- The Taxi Industry has to supply a service to the Disabled - Uber does not supply this service.
- The Taxi Owner has to replace his vehicle every six years - Uber allows their vehicles to be up to ten years old.
- Registration and Insurance for the Taxi Industry is at commercial rates. What rates apply to Uber vehicles?
- Who trains their drivers?
- Who checks their vehicles for roadworthiness?
- What cameras do they install in their vehicles for security? Do they have a Radio operator who can listen into any event that is occurring in one of their vehicles and dispatch other vehicles in the locality to assist the threatened Driver.
- Fares for the Taxi service is governed by statutory regulation – who sets fares for Uber?
- Taxi license owners have to pay regulated fees for the services of the state government – what services and fees does Uber pay for?

The basic decision is whether the Government is going to act against an illegal activity or allow a Multi National Company to come into the Country and override the Government's Regulations to the detriment of the small Business People of this State who pay their taxes and abide by the Law.

Transportation of passengers, whether by rail, bus or vehicle, in Queensland has always been subject to sound regulation for the protection of the general public and the effective running of transportation systems.

Regards

Mervyn Hay

Date: 21 October 2015

Attachment: or see below

## Uber should be suspended in California and fined \$7.3 million, judge says

Uber headquarters in San Francisco.

(Eric Risberg / Associated Press)

**Laura J. Nelson, Andrea Chang and Paresh Dave** **Contact Reporters**

Uber — plagued by problems with regulators, drivers and taxi unions around the world — took a big blow in its home state Wednesday when an administrative judge recommended that the ride-sharing giant be fined \$7.3 million and be suspended from operating in California.

In her decision, chief administrative law judge Karen V. Clopton of the California Public Utilities Commission contended that Uber has not complied with state laws designed to ensure that drivers are doling out rides fairly to all passengers, regardless of where they live or who they are. She said Uber's months-long refusal to provide such data is in violation of the 2013 law that legalized ride-hailing firms.

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**FOR THE RECORD:**

Uber ruling: An article in the July 16 Business section about a recommendation to fine Uber \$7.3 million and to suspend it in California said the ruling was handed down by Chief Administrative Law Judge Karen V. Clopton of the California Public Utilities Commission. The decision came from Administrative Law Judge Robert Mason.

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Uber said it would appeal. Whether the fine and suspension are enforced will depend on the appeals process, which could take several months.

“They had a year to comply with these regulations, and didn't do it,” CPUC spokeswoman Constance Gordon said.

Uber competes with the taxi industry by contracting with drivers and connecting them with passengers through a smartphone app.

On-demand transportation company Uber has settled a lawsuit brought by the family of Sofia Liu, a 6-year-old who was run over and killed by an Uber driver in San Francisco on New Year's Eve in 2013.

"The Lius suffered a terrible tragedy, and our hearts go out to them," an Uber spokeswoman said...

(Tracey Lien)

Clopton wrote that her proposed ban would remain in effect until Uber “complies fully with the outstanding requirements.”

The reporting requirements include the number of requests for rides from people with service animals or wheelchairs; how many such rides were completed; and other ride-logging information such as date, time, Zip Code and fare paid. For Uber, which has raised \$5.9 billion in venture capital investment, a \$7.3-million fine would amount to less than 1% of that. A suspension, however, is another matter.

In a prepared statement, an Uber spokeswoman called the decision “deeply disappointing.”

Los Angeles officials voted Thursday to allow ride services such as Uber and Lyft to pick up passengers at LAX, the largest U.S. city to grant full airport access to the rapidly growing app-based companies.

The move could significantly alter the way thousands of Southern Californians and tourists...

(Laura J. Nelson and Katie Shepherd)

“We will appeal the decision as Uber has already provided substantial amounts of data to the California Public Utilities Commission, information we have provided elsewhere with no complaints,” spokeswoman Eva Behrend said. “Going further risks compromising the privacy of individual riders as well as driver-partners.”

The decision was applauded by Marilyn Golden, senior policy analyst at the Disability Rights Education & Defense Fund in Berkeley.

“This industry has done everything it can to avoid, dismiss and coerce themselves out of regulation, and this decision is welcome from that standpoint,” she said. “They've been scofflaws. They take every advantage and avoid every requirement.”

Juan Matute, associate director of the UCLA Lewis Center and the Institute of Transportation Studies, said though Uber plans to appeal, he expects the company to pay the fine and comply quickly with the ruling.

“The \$7.3-million fine and the data they are asking to provide is not that significant in the grand scheme of things,” Matute said. “Especially in California, I think Uber wants to be seen as a team player because of the recent labor

board decision and how that could affect their business. This would seem like a small consolation to improve their chance of success with other regulatory issues that could have a bigger impact on them.”

If the San Francisco company is suspended in its own backyard, it doesn't bode well for the litany of issues it faces worldwide. The company has faced repeated pushback from taxi operators and regulators as it has expanded into more than 300 cities across six continents. In an attempt to win over skeptical local authorities, the company has touted its potential to create jobs, reduce congestion and boost tax revenue.

With California as Uber's home market, Matute said the company is forced to take the fine and judgment seriously.

“It's not a market they would want to jeopardize their existence in over not handing over some spreadsheets,” he said.

Wednesday's decision was the latest run-in that Uber has had with government regulators. The company has become known for aggressively barreling into new regions without much consideration for existing rules and norms, and has subsequently faced widespread pushback.

Last month, hundreds of French taxi drivers took to the streets in a massive protest against Uber, blocking access to major airports and train stations, and attacking vehicles suspected of working for the popular car service, which they accuse of stealing their livelihoods. This month, Uber suspended its UberPop service in France following those riots.

Uber Chief Executive Travis Kalanick made the case in January that many taxis in Europe operate “off-grid” and that Uber could be a way to bring them into compliance with local safety regulations and tax obligations.

The argument, however, does not appear to have swayed many European governments or taxi companies. More than a dozen lawsuits have been filed in recent months in countries across the continent, where some analysts say the company is in danger of being shut down or becoming so entangled in legislation as to be neutered.

As part of the 2013 law that legalized ride-hailing in California, companies are required to prepare an annual report with data about rides provided through the app.

Uber's 2014 report did not include hard numbers on customers who requested cars to accommodate service animals or wheelchairs, nor how often those requests were fulfilled, the judge said. The company also didn't provide raw numbers on requests for rides tabulated by ZIP Code, and how many of those rides were fulfilled, instead providing “aggregates, averages and percentages,” and a heat map showing which ZIP Codes generally saw the most requests.

Uber also failed to submit complete information on drivers who have been suspended or committed a violation, the judge said. The company did not provide the “cause of the incident reported,” or the amount paid out by any insurance company other than Uber's.

Michael Pachter, managing director of equities research at Wedbush Securities, said Uber should start complying now.

“No amount of bluster is going to get the CPUC off their case,” Pachter said. “You don't pick a fight with someone who can kick your butt. Uber needs to restrain its hubris.”

<http://www.latimes.com/business/la-fi-uber-suspended-20150715-story.html>

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