



19 February 2019

Amanda Rawlinson  
Manager Scheme Policy, Operational Policy Performance and Review  
State Insurance Regulatory Authority  
2-24 Rawson Place  
Haymarket NSW 2000

Email: [REDACTED]

Dear Ms Rawlinson,

**Re: State Insurance Regulatory Authority (SIRA) Point to Point Horizon Scanning Issues Paper**

Uber welcomes the opportunity to contribute towards SIRA's *Point to Point Horizon Scanning Issues Paper* (the paper) on the future of Compulsory Third Party (CTP) insurance arrangements in the point to point transport sector. We also appreciate SIRA's consultative approach and look forward to working towards an evidence-based and equitable CTP scheme in NSW now and into the future. Uber has the following comments on the paper.

Issue 1 - Design Principles

Uber supports the nine design principles outlined in the paper. In particular, Uber supports principle (6) *Evidence based*, and is willing to collaborate on research with SIRA to ensure CTP premium determinations are fair, equitable and reflect the risk profile.

Issue 2 - Key challenges

Uber agrees with the identified key challenges. An additional challenge for consideration is the pace of change and technological advancements in ridesharing and transport more broadly. On-demand public transport, mobility as a service, e-bike and e-scooter sharing regimes, as well as connected and autonomous vehicles are set to change the way people travel. It is challenging to determine the exact implications this will have on the road transport network, vehicles and CTP insurance.

In terms of approaches to CTP insurance that may cause barriers to market entry or stifle competition, it is critical there is a level playing field between booked and rank and hail services. As previously discussed with SIRA, Uber believes the current arrangements require refinement and look forward to working with SIRA to ensure determinations are made on a strong, data-driven, evidence base.

## Issue 3 - Risk rating factors

Overall Uber recommends using kilometers, location and usage. These factors would be consistent with Uber's insurance coverages globally. Uber has a number of specific comments on the suggested risk rating factors:

- **Kilometres travelled** - In addition to the paper's identified challenges with caps, we note caps are administratively difficult to administer. In determining the current CTP arrangements for ridesharing, caps were discussed as an additional variable but Uber suggests a lower per km rate without a cap is more accurate and fair.
- **Location** - Uber agrees with the paper's assessment of this factor. Different geographies or locations may demonstrate different risk factors. In defining locations with different risk factors, an evidence-based approach should be taken, with additional consideration to address the possible unintended consequences such as access and equity issues, as well as privacy concerns.
- **Shift durations** - Uber agrees with the paper's assessment of this factor. It would be challenging to measure and for the reasons explained in the paper would be administratively complex. Uber also notes its Driver Partners do not work in shifts and a key aspect of the platform is their ability to work flexibly and respond to changing demand.
- **Vehicle design and features** - Uber notes greater carrying capacity does not directly translate into greater risk as not all capacity is used all the time, and it would be difficult to measure. Usage, which could potentially give a better indication of the number of passengers by product offering, is a more suitable variable.

Uber commends SIRA for their work on this paper and for their forward looking approach to CTP arrangements. The pace of change in ridesharing, and the broader transport sector, highlights the need for future looking, outcomes-based regulation. Uber looks forward to working with SIRA in the coming years as it works to develop the new CTP arrangements . If you have any questions or would like to discuss this submission please contact Charles Allen, State Manager, NSW & ACT on [REDACTED].

Yours faithfully,

Uber