



11 September 2015

Dear Australian Competition and Consumer Commission

NSW Taxi Council ride-sharing advertisement: substantiation

On 10 August 2015, the NSW Taxi Council published an image (attached) that depicts a person standing alone at the side of a road at night, accompanied by the statement “Ridesharing. It’s no safer than hitch-hiking”¹.

The NSW Taxi Industry Association is the peak body for owners and operators of taxis in NSW. The NSW Taxi Council serves as the operating arm of the Association.

The fear campaign launched by the Council is clearly targeting Uber and other ridesharing mobile application-based businesses. Rather than compete on price or service, the NSW Taxi Council is attempting to scare consumers away from its competition with unsound claims.

Section 219 of the Australian Consumer Law empowers the ACCC to require persons or businesses to substantiate any claims they make that are intended to promote the supply of goods or services, including by another person.

The NSW Taxi Council’s advertisement appears intended to promote the supply of taxi services by registered taxi service providers in NSW, by suggesting that Uber is not a safe alternative.

The ACCC can issue a substantiation notice under s219, requiring the NSW Taxi Council to provide information that could be capable of supporting its claim that ridesharing services, including Uber, are no safer than hitch-hiking.

We are of the view that there is no factual basis for the statement that ridesharing is ‘no safer than hitch-hiking’. Uber says its drivers are screened; hitch-hiker drivers are not. Uber trips are tracked, traceable and can be sent to friends; hitch-hiked rides are not.²

The ACCC has the power to compel businesses to substantiate any claims they make; CHOICE urges you to make use of that power now. If there is genuine

¹ Also available via <http://www.nswtaxi.org.au/news/nsw-taxi-council-launches-new-campaign>

² Goldsworthy T, 12 August 2015, ‘FactCheck: Are ridesharing services like Uber no safer than hitchhiking?’, <http://theconversation.com/factcheck-are-ridesharing-services-like-uber-no-safer-than-hitchhiking-45878>

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evidence available that proves that taking an Uber is not a safer option than hitch-hiking, we would love to see it.

Yours sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal line and a vertical stroke at the end.

Alan Kirkland
Chief Executive Officer

Attachment A: Advertisement

