

TRANSCRIPT

STANDING COMMITTEE ON THE ECONOMY AND INFRASTRUCTURE

Subcommittee

Inquiry into ride sourcing services

Melbourne — 7 September 2016

Members

Mr Joshua Morris — Chair

Ms Colleen Hartland

Mr Khalil Eideh — Deputy Chair

Mr Shaun Leane

Mr Nazih Elasmr

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Participating member

Ms Samantha Dunn

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Witnesses

Ms Georgina McEncroe,

Mr Michael Wright-Smith, and

Ms Amanda Wallace, Shebah.

The CHAIR — I will begin by declaring reopen our Standing Committee on the Economy and Infrastructure public hearing, and thank you very much for agreeing to provide evidence to our committee today. Today we are hearing evidence in relation to the inquiry into ride sourcing, and the evidence today is being recorded. All evidence taken today is protected by parliamentary privilege, and therefore you are protected for what you say in here today, but if you are to go outside and repeat those same things, those comments may not be protected by this same privilege. Once again, welcome. Thank you for agreeing to appear before us. At this juncture, I might hand over to your good selves, if you would not mind introducing yourselves, telling us a bit about your organisation and any other introductory comments that you might like to make.

Ms McENCROE — My name is Georgina McEncroe. I am the director of Shebah Pty Ltd, which was formerly known as Mum's Taxi. It is a women-only rideshare app, developed to be driven solely by women to collect only women passengers. It is in its initial stages. The app we are building at the moment is currently under construction. It will be rolled out in January. It is a simplified version. There are two parts to the production, but the first version will pick up women and be run at a competitive rate with other ride-sourcing services. We will be starting in Melbourne and regional Victoria. We have taken so far about 200 expressions of interest from women, just using our Facebook page and other connections — social media and so on. This is my business partner, Mick Wright-Smith.

The CHAIR — Welcome, Mick. Come and grab a seat.

Ms McENCROE — The app is being built by a company called Hyper Apps, an Australian company. Amanda Wallace here is one of our first drivers. When I came up with the idea I had registered twice to be an Uber driver. I am a single mum with four kids looking to earn some extra money, and I felt very unsafe driving possibly inebriated men in numbers in a car. I think it is an inherently unsafe thing to be doing. Once I started a GoFundMe page and raised \$8000 in a matter of a couple of weeks from other women who are supporting the notion around the country, I thought this is obviously striking a bit of a nerve with a lot of other people who feel similarly unsafe.

That was sort of a way of dipping my toe into the water, I suppose, and seeing how much of a need there was and how people felt about the current status quo, and I thought, 'This could really go somewhere'. With that, investors came to me and said, 'This looks like it could be very interesting', and it got a lot of media attention. From there I started with one company; that did not really work out. I had to change a few ways, but I finally found my way to an app builder who can manage the build in a timely fashion. So that is where I am now.

The CHAIR — Fabulous. Very good. Any other comments that you might like to make before we move into any questions?

Mr WRIGHT-SMITH — Just as a general introduction?

The CHAIR — Yes, a bit of a general intro, yes.

Mr WRIGHT-SMITH — If it helps, I read about George's idea in the *Sydney Morning Herald*, I think it was, and gave George a call. George really sold me on the fact that, if you look at the taxi industry or the broader ridesharing industry, including taxis, more than half the passengers are women but very few of the drivers are women — less than 10 per cent — so there is a real mismatch there. That got me thinking a bit about the inequity of it, and that is for drivers. For riders, as we have dug into publicly available data, as well as anecdotal commentary, the stories are quite horrific about the treatment of some women by taxidriver not just in Melbourne but around the country. So we think it is a good idea, and we got some money together to build an app, and we think it is a real goer. But we are keen to do it within the law and with all the correct regulations, and we want drivers to be safe and we want riders to be safe. We do not want to cut any corners.

Ms McENCROE — Yes. Safety is the absolute cornerstone of the product. We were not going to start it without letting our drivers know that they needed an ABN or that they did not have the right ridesharing insurance. We were pretty horrified just going for our corporate liability insurance, when we put our insurance to market, at the number of other ridesharing companies — that will be nameless — who had not told their drivers that they were not insured, that they did not have ABNs or that they could be audited at any time and find themselves in a cashless economy. There is no such thing as hidden money in a cashless economy. So our

drivers will be fully apprised of what their obligations are as contractors. We are going to do it all absolutely above board so that our drivers are protected legally as well as physically.

Anecdotally, my daughter, who is 18, and her friends will not use Uber. They will not use any other ridesharing. They will not use taxis. They have a saying amongst themselves — that they will be feet on the street before they will get into a car with a man they do not know. We spend our lives being told not to get into a car with a strange man, and then at the end of the night we have to get into a car with a strange man. They have had some pretty horrific experiences, so they certainly are delighted at the prospect of having an option of being taken home by a woman.

The CHAIR — Fabulous. Very good. Ms Wallace, have you signed up as one of the drivers?

Ms WALLACE — Yes. I love the idea of this service. The first time I was propositioned by a cab driver was when I was 15 — the first time I got a taxi by myself. It was in the middle of the night, and I had snuck out — so okay, I should not have been out in the middle of the night by myself — and I realised I was not going to be able to get home unless I got a taxi. So I got a taxi, and the guy basically said, ‘You don’t need to give me any money. You can repay me in sexual favours’. That is pretty terrifying as a 15-year-old girl in the middle of the night in a taxi. I am 44 now, so this was some time ago. I have not caught a taxi for probably about five years, because I am just sick of being if not propositioned then just asked really inappropriate questions — ‘Do you have a boyfriend?’, ‘Do have a husband?’.

I have often asked to be dropped further down the road from where I actually live because I do not want the cab driver to know where I live. I have had some very unpleasant situations in taxis, so I do not want to be a passenger in a taxi anymore. It is the same thing with Uber because, again, you are in a car with a man who has the ability to lock the doors. If you are by yourself in the middle of the night, whether or not you have been drinking, but obviously particularly if you have been drinking, you are extremely vulnerable, and there is just that feeling of discomfort. I do not think it is fair that women — well, that anyone — should have to feel uncomfortable when you are just trying to get around.

As a driver too, I would not drive a taxi and I would not drive for Uber, because I do not want to pick up male passengers. I certainly do not mean that to sound as if all men are potential attackers, but as we know, people who are sexual predators do not tend to wear T-shirts to that effect, so basically you are gambling every time you get in a car. All of my friends have experienced similar kinds of uncomfortable or actually bordering on criminal behaviour from drivers. Also unfortunately male taxidrivers, as we know, are often at risk of being assaulted by passengers, whether male or female. I have looked at some of the research. Taxi driving is an unsafe profession. So it goes both ways: I do not want to be a passenger, because I do not feel safe; I do not want to be a driver, because I do not feel safe. This service will give me the potential to travel around as a passenger in comfort and safety and also to work and earn a flexible income in safety and in comfort.

The CHAIR — Indeed. Thank you. I might just begin with a couple of questions insofar as I am curious to understand discrimination laws and the like. Have you needed to seek an exemption or the like to be able to operate your business? What does that look like at this point?

Ms McENCROE — My legal advice has been that, because there are many similar services where men can work under similar or like conditions, my service does not stop the movement of men in any way. We cannot pick up couples, so there is no impingement on men’s ability to seek similar or like work as a result of my service beginning. The majority are, I suppose, party nights, Saturday nights, going-out nights; it is couples moving about together. Where my service will really come in handy, I suppose, is for times when girls are feeling vulnerable and alone. They can have an option of getting into a car safely.

In Victoria I have to start my business and wait to be sued. That is the nature of how things roll. In New South Wales I have an exemption that is pending. In Queensland I have to seek an exemption to operate, but because there is the taxi service, there is GoCatch, there will be Lyft and there is Uber, there are four other services that exist that will employ men, and women make up 2 per cent of cab drivers. Because it is such a male-dominated industry already and has been for such a long time, I think you could make a very good argument about the complaints that women have made continuously about the industry. The industry has done things like institute CCTV footage but not included sound, so when prosecutions of sexual assault have been brought before the DPP, drivers have been not prosecuted because they have said, ‘This is simply evidence that the passenger

chose to pay through sexual favours. This is not evidence of a sexual assault; this is in fact evidence of sex in exchange for a cab fare'. There are things like this where the industry has had a very long time.

There are 60 complaints that were just published in the *Sunday Herald Sun*. The CEO, Blair Davies, was just on air the other day saying he could not tell us where those drivers were, what punishments, if any, had been meted out or whether those drivers were still driving. The indifference with which the taxi association has dealt with its passengers and in fact said on the radio that women should probably sit in the back seat — —

Ms WALLACE — Which is also the advice from the New South Wales police to passengers.

Ms McENCROE — And the Victoria Police for safe transport of women. In fact it was the defence barrister's response to a young woman who was raped in Ringwood last year travelling from a Ringwood nightclub to her home. That taxidriver received a non-custodial sentence by the judge because she took six months to report her rape. The defence barrister said this was wholly avoidable had she sat in the back seat. Now, as far as I am concerned, a passenger can sit anywhere but behind the wheel of the taxi.

If that was a hospital or a school, and an industry was very concerned about the safety of its customers, they would take serious measures, especially with Uber breathing down their neck, Lyft coming into operation and GoCatch. I think their indifference to the safety and wellbeing of their female customers is pretty self-evident.

There is an interview that I would encourage this committee to listen to, which is Ellen Fanning interviewing Blair Davies on Radio National the other day. It was not good. It was not reassuring for women who catch taxis, and it certainly was not reassuring if you were the parent of a disabled person putting their child in a taxi or a family member in a taxi. There was very little concern.

The CHAIR — Mr Bourman?

Mr BOURMAN — Actually I think you have covered everything I was thinking about. I actually heard you on the radio a little while ago. I think it was Neil Mitchell.

Ms McENCROE — Oh yes, Neil.

Mr BOURMAN — Yes. That would have been fun.

Ms McENCROE — He was not a fan.

Mr BOURMAN — He is not a fan of me either, so do not feel alone.

Mr LEANE — In your submission you spoke about making sure you hit the ground running and complying with every regulation or law, and you did mention making sure the contractors had the appropriate ridesharing insurance. That is something we have been talking about all day actually. What is that?

Ms McENCROE — We have been negotiating with a guy from InsureRisk.

Mr WRIGHT-SMITH — Our advice is that Alliance is pretty much the only insurer who will give you insurance to cover you while you are ferrying your family around in the family car and then working at night for a rideshare operation as a commercial operator. I have not gone any further than that, but we understand that Alliance have a policy that will cover you.

Mr LEANE — Yes, because I would imagine — and this is something that the general public would not necessarily understand — that with the current ridesharing operators operating in Victoria illegally there is the issue of the insurance of their contractors currently. We are trying to get an answer to the question, 'If you're a passenger and there's an accident, what does that mean?'. We did get a response today that the TAC would cover the injury side of it, but there is also top-up of income and other specialist things. There are a lot of people who have TAC accounts they are not necessarily happy with. That is what we are trying to get our heads around.

Ms McENCROE — There is this guy that is looking at our insurance. As you know, women are cheaper to insure. With these new regulations in place too, now you have got drivers with the government regulating health checks. Our drivers will all have to have working with children card checks as well. So we will have women

who are in good health, have no criminal records, have working with children checks, have roadworthy vehicles and have an interest in earning an income from this source. In terms of a risk at market they are a pretty good source, and if we can take a sufficient number to an insurer or group of insurers, there might actually be some group discount that we can get from someone, especially if we are the only women's rideshare in Australia that is observing all these regulations and has wanted to start from a noble position from the get-go. With 1 per cent of our profits going towards a charity supporting women and children, we really are trying to get women around in a really comfortable way.

The other huge aspect of this that I have not really addressed to my satisfaction is that women absorb part-time work like a sponge absorbs water. It is the thing, and as a mum with four kids who was married to a barrister for a long time, I was working between the cracks all the time. Women are rejecting rideshare, whereas they should be absorbing it. Why is that? I had an email just before I arrived from another woman coming to me who drives for Uber. She works full time, and she makes \$650 a week driving for Uber. She said the word from all her female passengers is that they cannot wait for Shebah to start. I was thinking, 'This is the thing'. If women could actually turn off their app, relax when they get home, not ring up a boss when their babies get a fever or when their mum breaks a hip or gets a diagnosis of some terrible illness, they can actually work and focus on being the carer and focus on driving when they want to drive. They can turn the app off and turn the app on.

Having said that, we are also liaising with other groups because girls will spill their guts, literally and metaphorically, in the back of their cabs. They will have a few drinks, and they will tell you things. We are liaising with CASA, with 1800RESPECT and with Lifeline so that our drivers can refer on. If someone says, 'My stepbrother copped a feel at a Cup Day picnic last year', these women, especially in our country towns — I am very aware of how people talk — can pass on a number. They do not have to deal with it themselves. They can come home, switch off the app, watch something on the TV and not take it home with them.

I am trying to be very mindful of the mental health and wellbeing of our drivers, managing their tax for them, getting them the right insurance, building a real community of drivers, reaching into our Islamic community and getting those women driving, getting that extra income for them, supplying income to women who are trying to get financial independence after family violence, getting women into a safe financial position to rebuild their lives and getting girls like my skinny little daughter out of King Street while I am sitting at home on half a glass of wine thinking, 'If she doesn't ring, I am going to sit here all night waiting for that phone call to come'.

Mr WRIGHT-SMITH — Shaun, we think Alliance have got an appropriate policy. We have not tested that with a lawyer, but certainly we would not allow a driver to register with us without having shown us evidence of appropriate insurance. We will follow whatever regulations have come out.

Mr LEANE — It has been a vexing issue for us where you have got someone at the moment in an illegal industry using their own car for 5 per cent of the time and then picking up a passenger that does not really understand that that is the situation they are being put in and what that might mean, so it would be good to maybe find out at a later date how you went with that. That would be really interesting. You are setting a good template, I would have thought.

Mr WRIGHT-SMITH — Yes, no worries. Apparently, being an international, global insurer, this is a policy that Alliance is familiar with and have come up with specifically for the ridesharing industry.

Mr LEANE — Fantastic. That is interesting.

The CHAIR — Fabulous. I just had one final question, which was in relation to children. Is the idea of Shebah that children will also be able to be picked up, or is it just women?

Ms McENCROE — No, women and children, and baby seats will be available. The Mum's Taxi app is the second part of the app, which is going to be able to be held by a third-party account so you could stay here at work and see your children picked up using FaceTime on your phone. You could stay here, your kids get taken to swimming lessons, you see your driver and watch the whole thing with just current technology. You do not need CCTV footage for that. A third-party account could be held by a school or a nursing home or a hospital. That is a more expensive build, and that will probably be out in June or July next year. That is actually the most exciting part.

Shebah is a much more straightforward thing, but it is still really expensive. That is stage 1, and then the second part is much more in mind for disabled clients. That is when we will have men being able to use the service. There will be men with exemptions to use that service, and they will be men with disabilities. I spent six years working in the disability sector. I am very passionate about making sure that those passengers are catered for. Again, it is taking pressure off people who are generationally squeezed with ageing parents and young children and also so that you could be at home, your daughter could be at a nightclub, she can hit the app and you can approve a fare from a remote location and put her in that cab. She cannot go to Mount Hotham without you approving the fare. You have to remotely approve it, and then you know that she is on her way safe and sound with a female driver whose name and picture will come up on your phone.

Ms WALLACE — Had this service, had this technology, been available back in 1985 or whatever it was, I would not have been in the situation I was in, because I did not have any money on me and of course I was going to have to wake up my dad to — —

The CHAIR — Pay for a cab.

Ms WALLACE — Yes. We wish kids would not do that, but they will always do that. Teenagers. I was a secondary school teacher for seven years, so I know a lot about what kids get up to on the weekend and in their spare time, and this will help young women get home safely from parties, nightclubs et cetera.

Ms McENCROE — And just not panic all the time and not have to move in packs. I teach at TAFE, and I watch my girls organise themselves around safety all the time. They will be out later, they will be drinking more, they will be spending more and they will be working later, longer. In terms of productivity it will be a winner for them.

The CHAIR — Indeed. Well, I hope my four-year-old daughter is not going to nightclubs just yet, but you just never know, do you, in this strange new world.

Ms McENCROE — But she might be able to get to swimming lessons without you having to leave work and think, ‘We have to get a nanny just to get someone to one thing’. That is the stuff that kills you.

The CHAIR — There is the opportunity there. Indeed, wonderful. Thank you all for being present here this evening and providing evidence for the inquiry. You will be receiving a copy of the transcript for proofreading, and the transcript will ultimately make its way onto the committee’s website. Once again, thank you for your attendance here today.

Committee adjourned.