

## **ALP National Sharing Economy Principles**

**October 2015**

On the 22 of October Labor announced the principals they would use to guide policy making in a sharing economy. These principals are outlined below.

A Shorten Labor Government would work with state and territory governments to deliver legislative and regulatory reforms which turn these principles into concrete laws.

Labor foresees that the Australian Competition and Consumer Commission and the Productivity Commission will be tasked with monitoring developments to determine how well this new regulatory approach is working and the impact on existing markets.

Bill Shorten MP's media release is available [here](#).

More information on the ALP's principals on the share economy is available from the Australian Labor Party website available [here](#).

### **1. Primary property is yours to share**

The sharing economy is based on individuals utilising their spare resources to redistribute, share and provide services. It is when primary personal property is being used to deliver services that the rules and regulations specific to the sharing economy should be applied.

When applying sharing economy-specific rules and regulation, compliance responsibility should rest with sharing economy platform operators wherever possible. This recognises that these platforms are better-equipped to understand and meet regulatory requirements than the individual Australians providing services through them.

### **2. New services must support good wages and working conditions**

Because individuals delivering services through a sharing economy do not have the bargaining power to negotiate prices or conditions on individual jobs they are not necessarily employees, nor are they independent contractors.

The Federal Government should look at ways the Fair Work Act, Independent Contractors Act and Competition and Consumer Act could allow collective bargaining by sharing economy workers over issues like pricing, service charges and network access.

Commonwealth and State governments should also investigate options for bringing sharing economy workers into insurance and workers' compensation schemes and explore reforms to support compulsory superannuation saving through the tax system.



### **3. Everyone must pay their fair share of tax**

Sharing economy companies must pay company tax at the standard corporate rate on all revenue generated in Australia.

Australians delivering services in the sharing economy must pay income tax at the standard marginal tax rate relevant to their annual income. They are also required to collect GST when their annual activity exceeds the current GST-exemption threshold.

To facilitate the payment of tax, sharing economy companies should collect Tax File Numbers or Australian Business Numbers from the Australians operating on their networks and report annual earnings data to the ATO for pre-filling in tax returns.

### **4. Proper protection for public safety**

Sharing economy companies should work with the insurance sector to develop products which accommodate mixed personal and sharing economy use of property such as cars and homes. These companies should also act as an 'insurer of last resort', where doing so does not create unreasonable barriers to entry for new competitors.

Compliance responsibility for meeting insurance requirements should rest with the sharing economy companies. They should cite and hold on file relevant insurance documentation for the Australians delivering services through their platforms.

Sharing economy services should be subject to the provisions of Australian Consumer Law so that customers are entitled to all standard protections relating to consumer rights, honest conduct and product safety when using these services.

State and local governments should develop licensing and inspection codes specific to sharing economy services.

### **5. Access for all**

Sharing economy services should be required to meet agreed accessibility standards. Not every service will be fully accessible for people with disabilities, but sharing economy companies should negotiate appropriate service levels through binding accessibility agreements with disability advocates.

The Australian Human Rights Commission should have jurisdiction under the Disability Discrimination Act to intervene where agreement cannot be reached or negotiated standards are not observed.

### **6. Playing by the rules**

Where platform operators repeatedly violate Australian laws, governments should take action to disable their operations.

