

Grab wants travel charge back

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Transport network company (TNC) Grab has called on the Land Transportation Franchising and Regulatory Board to again allow it to collect a P2 per minute travel fee, saying the suspension gave “unwarranted advantage” to its competitors. It noted that newly accredited TNCs Hirna, GoLag, Owto and MiCab collected a similar P2 per minute travel charge.



Transport network company (TNC) Grab has called on the Land Transportation Franchising and Regulatory Board (LTFRB) to again allow it to collect from riders a P2-per-minute travel fee, as it pointed out that the suspension order issued by the agency last month gave “unwarranted advantage” to their competitors.

Grab also pointed out that the order against it to stop collecting a P2-per-minute travel charge was an “infringement of the equal protection clause guaranteed by the Philippine constitution.”

“[W]hile the honorable board suspended such fee imposition by the petitioner, it has allowed other transportation network companies to include the same per minute charge in their respective fare structures,” Grab said in its 10-page petition filed at the LTFRB on Tuesday but released to the media only on Friday.

It noted that newly accredited TNCs Hirna, GoLag, Owto and MiCab charge a similar P2per-minute travel charge, while U-Hop charges P1. It is only new player Hype which does not charge a travel fee.

Because of the suspension, Grab alleged that their competitors were “given unwarranted benefits, advantage and preference.”

Others allowed

This was because “drivers belonging to the common supply base will necessarily transfer to the other TNCs because [these] are allowed to impose per minute charges.”

After the suspension of the travel fee, Grab said that several of their partner drivers opted not to drive because they weren't being compensated enough for the traffic and high cost of fuel and maintenance.

This essentially resulted in higher fares in the Grab app because of the limited number of available drivers.

In April, the LTFRB ordered Grab to stop collecting the travel charge while a review of its fare structure was being conducted. The review was prompted by a complaint from Pwersa ng Bayaning Atleta party-list Rep. Jericho Nograles, who claimed that the supposed unauthorized fee cost riders around P3.2 billion.