



Katherine Kirby
Executive Director
Transportation Policy & Legislation
Ministry of Transportation & Infrastructure
5D, 940 Blanshard Street
Victoria, B.C. V8W 9T5

October 26, 2018

Re: TIABC response to Dr. Hara’s report on modernization of the taxi industry and proposed ride-hailing services in British Columbia

Dear Ms. Kirby,

Thank you for the opportunity to submit TIABC’s perspectives on the modernization of the taxi industry, as well as on the issue of ride hailing.

By way of introduction, the Tourism Industry Association of BC (TIABC) is a not-for-profit tourism industry association that works collaboratively with its members – private sector tourism businesses, industry associations and destination marketing organizations – to ensure the best working environment for a competitive tourism industry.

TIABC’s vision is for the tourism industry to be recognized as one of British Columbia’s leading and sustainable industries. As the primary advocate for BC’s visitor economy, TIABC unites operators, sectors, DMOs, government and residents to support and be passionate about making this province a great place for tourism.

A significant part of our advocacy and policy work revolves around transportation of all forms, as well as transportation infrastructure for both individual communities and the province as a whole. The ability for visitors to access and move around by air, sea, rail, vehicle, bicycle, or on foot is paramount to the success and growth opportunities for the BC tourism industry. Vehicle-for-hire services are an integral part of the transportation equation.

Since the introduction of Transportation Network Companies (TNC) and ride hailing (e.g. Uber, Lyft) in many jurisdictions around the world, tourism businesses, residents and visitors have been calling for similar services to be available in British Columbia.

The Tourism Industry Association of British Columbia has not added its voice to the call for TNC's to begin operating in BC. While not against ride hailing per se, TIABC nonetheless maintains that it must be introduced carefully and with sufficient regulations so as to not undermine the taxi industry, and also ensure the safety and security of passengers.

It is important to note that the BC Taxi Association is a member of TIABC. Also, TIABC was interviewed by Dr. Hara during the consultation phase and provided policy recommendations, some of which are included in this submission.

TIABC CONCURS WITH THE FOLLOWING RECOMMENDATIONS AND STATEMENTS IN DR. HARA'S REPORT:

1. Achieving timely and reliable service, better coverage and safety in small and rural communities, as well as the need for improved service to those who use wheelchairs and other mobility devices;
2. Increasing supply, especially during peak hours, weekend nights and during special events in larger centres such as Vancouver;
3. The notion of a managed taxi supply or phased process to add cabs to protect investments;
4. Increasing taxis through entry price regulation that procures higher annual license fees for new taxis that enter the market. One option is through a fee per trip charged to new taxis that could also be applied to transportation network companies (TNC) and vary by region in recognizing of the different private values of taxi license shares;
5. Industry subsidization of an accessible fleet with monies taken from the fee per trip concept;
6. Introduction of a universal taxi app. However, a taxi app should involve more than one cooperative rather than a monopoly;
7. Duplication of authority over taxi licenses and regulation should be resolved with the Province of BC taking the lead role;
8. The separation of operating areas within Metro Vancouver should be eliminated, enabling the market to distribute service as required. Alternatively, loosening some of the geographic restrictions allowing suburban cabs to pick-up in Vancouver (after dropping off a passenger and when all Vancouver cabs are engaged) instead of deadheading back to their point of origin;

9. An independent complaint resolution process to support improvements to customer services for all vehicle-for-hire services;
10. The elimination of the requirement for one driver to hold multiple chauffeur permits to operate in different cities, even within the same region;
11. A provincially issued chauffeur's permit in place of drivers needing individual municipal permits;
12. A single, province-wide criminal record check system;
13. The same driver's license level for both taxis and TNC drivers (preferably Class 4 instead of Class 5). However, the process to obtain a Class 4 license must be expedited for all potential drivers (taxi & TNC)
14. Both taxis and TNC's should be required to have the same level of insurance coverage, annual vehicle inspections based on mileage, appropriate signage, security features (e.g. cameras), training requirements, etc. Note...online training should be considered for drivers operating outside of Metro Vancouver;
15. Price flexibility as an option for taxis, similar to the system used by TNCs;
16. One time opportunity to increase the Metro Vancouver taxi fleet by 10-15% per company;
17. The authority for the province to conduct audits on TNC's to ensure compliance;
18. Variable supply to meet peak demand periods to ensure availability of cabs and good response times, particularly during peak periods;
19. Privacy protection standards for the use and sharing of the data.

TIABC DOES NOT SUPPORT THE FOLLOWING POINTS IN DR. HARA'S REPORT:

1. *Allowing TNC's to establish their own minimum vehicle standards.* This idea raises several questions including, but not limited to:
 - a. What are the vehicle standards measured against?
 - b. Who will determine or oversee compliance?
 - c. How will TNC's inspect vehicles for safety standards?

2. *Class 5 licenses for TNC drivers.* To ensure a high safety standard, TIABC maintains that TNC drivers should have a minimum of a Class 4 license (*not the proposed Class 5*), which is required by taxi drivers. Alternatively, if TNC drivers are permitted to operate with a Class 5 license, then taxi drivers should be afforded the same option. However, TIABC maintains that at a very minimum, all vehicle-for-hire drivers must be at least 25 years of age with five consecutive years of safe driving, and no convictions for any driving offence.

TIABC POLICY RECOMMENDATIONS ON RIDE-HAILING SERVICES

- a. TIABC believes in limited regulation for the taxi industry that provides for public safety, balanced fares to avoid price-gouging, and adequate service for all BC communities;
- b. TIABC maintains that safety and security are paramount to any ride hailing service offered in any BC jurisdiction. Therefore, TNC drivers must undergo the same level and standard of criminal background checks that taxi drivers must adhere to in order to be licensed. This standard should be mandated by the Province and consistent for all transportation providers;
- c. TIABC submits that personal vehicles used for ride-hailing must be regularly inspected twice per year, or based on annual mileage accumulation, and comply with age and emission standards similar to cabs;
- d. TIABC recommends that personal vehicles used for ride hailing be equipped with on-board cameras for the protection of both drivers and passengers. Conversely, if alternate consumer safety measures are determined and adopted, the same standard should apply to both TNC's and taxis;
- e. TNC drivers should maintain WorkSafe BC coverage, have valid business licenses, and remit appropriate taxes such as PST and GST on gross revenues, and income tax on earnings. Conversely, another form of licensing or revenue share could be applied in place of business licenses to ensure individual community benefits;
- f. A specific ICBC insurance package must be introduced as mandatory for all TNC drivers to ensure protection of both drivers and passengers;

- g. TIABC supports the province's regulatory framework introduced in 2017 that includes:
 - Exclusive rights to street hailing for taxis including hiring by phone, at a taxi stand or flagged down at the curb;
 - Pick-up/drop-off anytime, anywhere to allow all drivers, including taxis, the same access to provide services wherever and whenever a passenger needs a ride;
 - Opening up taxi supply to address the current shortage of taxis and vehicles for hire, which will provide more choice, accessibility and opportunity for both consumers and drivers;
 - The Province's investment up to \$1 million to help the taxi industry develop an app with the capability of shared dispatch to allow the taxi sector province-wide to better compete with new entrants to the market, and allow the public to hail and pay for a taxi with a smartphone in the same way that they would for a ride-sharing service;
 - ICBC's investment of up to \$3.5 million in the taxi sector to install crash avoidance technology in all B.C. taxis to improve passenger safety and help avoid crashes;
 - Collaboration between ICBC and the taxi industry to streamline the claims process and to improve their insurance to make it more flexible and cost effective;
 - The Province's commitment to work with municipal governments and the taxi industry to remove red tape and overlap within the system, which will save drivers money.
- h. TIABC believes a minimum standard of Class 4 driver's license should be required for both taxis and TNC drivers, or if a Class 5 license is permitted for TNC's, a minimum age of 25 and at least five years with a safe driving record must apply as the standard;
- i. TIABC recommends that all transportation providers, both commercial and non-commercial (e.g. ride-hailing drivers) commit to sharing trip and passenger data that helps inform local, regional and provincial transportation policy, as well as adherence to regulations, provided no privacy laws are broken;
- j. TIABC recommends that a TNC compliance and enforcement regime be put in place similar to that of the taxi industry;

- k. TIABC supports the current model of airport transportation services being provided by commercial operators such as taxis and buses. TIABC recommends that if individual airports wish to accommodate TNCs for pick-up of passengers, then agreements must be reached between respective airports and commercial transportation operators that addresses fees, designated areas, hours and other considerations;
- l. In order to protect taxi operators in small and rural communities, provisions should be considered by the individual municipality that prescribes or restricts the number of hours TNCs are permitted to operate within the community; and
- m. TIABC recommends changes to provincial regulations to allow for regionalization of taxi services and cross-boundary pick-ups and drop-offs of passengers.

Along with our policy positions, TIABC proposes that government review and consider the incremental congestion that additional service capacity will have on roads where capacity has long reached its peak. In particular, pinch points such as Vancouver International Airport and downtown Vancouver may not possess sufficient infrastructure to accommodate more services such as TNCs.

In order to provide sufficient service, as well as a satisfactory visitor experience, regulators may need to look at innovative approaches to incentivize higher occupancy vehicles to help mitigate congestion issues, especially in denser urban centres.

Again, thank you for the opportunity to respond to Dr. Hara's report. For further information or questions on TIABC's submission please contact Walt Judas, @ 778-953-0620 or wjudas@tiabc.ca.

Best Regards,



Walt Judas
Chief Executive Officer
Tourism Industry Association of British Columbia

TOURISM IN BRITISH COLUMBIA

Tourism is an anchor sector within BC's economy. In 2016, the tourism industry generated \$17 billion in revenue, an increase of 5.6% from 2015. In addition, tourism contributed \$7.9 billion to provincial GDP and employed over 133,000 people.

The tourism industry also generates social and cultural benefits for all British Columbians by supporting the viability of community amenities and increasing international exposure to our heritage, education system, trade opportunities and immigration prospects.