
Subject: FW: Uber: Response to Taxi Industry Delegation
Attachments: HamiltonResponseToTaxiIndustryDelegationOct.2016.pdf

From: Chris Schafer [<mailto:chris.schafer@uber.com>]
Sent: October-11-16 8:29 AM
To: Paparella, Stephanie
Subject: Uber: Response to Taxi Industry Delegation

Hi Stephanie,

Please see attached a response I drafted to the recent delegation by Mr. Steve Jones on behalf of the Hamilton Taxi Industry.

Please feel free to include this item for information on the next agenda of the General Issues Committee.

Sincerely,

Chris Schafer
Uber Public Policy Manager - Canada
chris.schafer@uber.com | +1 (647) 389-8052
www.uber.com

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October 11, 2016

Ms. Stephanie Paparella
Legislative Coordinator
General Issues Committee
Council Chambers, Hamilton City Hall
71 Main St. W.
Hamilton, ON L8P 4Y5

Dear Ms. Paparella,

RE: DELEGATION BY MR. STEVE JONES, HAMILTON TAXI INDUSTRY - "LICENSING PERSONAL TRANSPORTATION PROVIDERS"

In a recent presentation by Mr. Steve Jones, on behalf of the Hamilton Taxi Industry, before the General Issues Committee on October 5, 2016, a number of proposals and claims were made which I respectfully address below on behalf of Uber Canada.

Taxi Industry Proposals

- **Licence Fees**
 - Taxi Proposal: Flat annual fee + per trip fee
 - Uber Response:
 - This fee model has been adopted in new bylaws in cities across Canada. The per trip fee model works for the ridesharing business model.
 - For example, Ottawa and Niagara Region have a tiered annual fee model + a per trip fee: Uber pays \$7,253 annually + \$0.11 per trip which nets the City the costs of regulatory compliance.

- **Police Checks**
 - Taxi Proposal: Hamilton Police Service
 - Uber Response:
 - Uber's criminal background check process involves a search by Cobourg police of the same police databases local Hamilton police would search: the National Repository of Criminal Records, Police Information Portal (PIP) and the Firearms Interest Police (FIP) databases which contains local police information.
 - Uber's process through 3rd party intermediaries like First Advantage means that ridesharing drivers do not need to go in person to a Hamilton police station. (They are required to go in person if a search produces a match in a criminal database and fingerprints are required to prove one has not committed a past crime).

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- **Inspections**

- Taxi Proposal: Annual safety standard certificate + annual vehicle inspection + spot checks
- Uber Response:
 - Toronto, Ottawa, Waterloo Region & Niagara Region that have all passed recent bylaws to address ridesharing require an annual safety inspection + spot checks.
 - They do not duplicate inspections by requiring an annual safety standard certificate + annual vehicle inspection which is redundant.

- **Training**

- Taxi Proposal: Online courses re customer service, etc.
- Uber Response:
 - Toronto, Ottawa, Waterloo Region & Niagara Region that have all passed recent bylaws to address ridesharing have eliminated traditional in class training in favour of online driver training via brokerages/ridesharing company.

- **Markings and Identification**

- Taxi Proposal: City decal + ridesharing decal in 4 vehicle locations
- Uber Response:
 - Toronto and Waterloo Region that passed recent bylaws to address ridesharing have required a decal. It is the same one removeable decal placed in the passenger side window.
 - Ottawa and Niagara Region opted not to require a decal.

- **Insurance**

- Taxi Proposal: \$2,000,000 commercial liability coverage
- Uber Response:
 - Toronto, Ottawa, Waterloo Region & Niagara Region that have all passed recent bylaws to address ridesharing require Uber to obtain minimum insurance \$5 million Commercial Liability + \$2 million Non-Owned Automobile insurance.
 - This works with the recent approval by the Province of Ontario and FSCO of ridesharing insurance purchased by Uber from Intact Financial.

- **Camera**

- Taxi Proposal: Camera in ridesharing vehicles
- Uber Response:
 - Toronto, Ottawa, Waterloo Region & Niagara Region that have all passed recent bylaws to address ridesharing do not require ridesharing vehicles to have a camera, recognizing ridesharing trips are pre-arranged (like limos that are not required to have cameras), there are no cash

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transactions, there is a lack of anonymity on ridesharing platforms, and each trip is on the map with GPS.

- **Vehicle Age**
 - Taxi Proposal: 7 year vehicle age limit
 - Uber Response: Most cities in Ontario that have passed recent bylaws to address ridesharing allow for a 10 year vehicle age limit, including Niagara Region, Ottawa, Edmonton, and Waterloo.

Taxi Industry Claims

- **Claim:** Vancouver, Calgary, Mississauga and Brampton have banned Uber
- **Reality:**
 - Uber does not currently operate in Vancouver. It has not been banned. The Province is currently conducting a review and stakeholder consultations of its for-hire ground transportation industry.
 - Uber voluntarily left Calgary as its recent bylaw had a # of provisions unfriendly to the ridesharing business model. Several months later, Uber is now licensed in Calgary and is in talks about possible bylaw changes to see operations begin again in the City.
 - Uber has continually operated in Mississauga since its launch there and I currently sit on a Pilot Committee that is examining a potential Pilot to study the operation of ridesharing in that City.
 - Uber is not banned in Brampton. City staff is contemplating potential regulation and a staff report in that regard is due this calendar year.
- **Claim:** Ottawa has banned Uber from the airport
- **Reality:**
 - Uber and the uberX peer-to-peer ridesharing is available at the Ottawa airport for drop-offs and pick-ups. See this article dated Oct. 5th re "Uber gets green light for Ottawa airport pickups".
- **Claim:** Kitchener is legislating rules similar to its Taxi Industry, including cameras in all PTP vehicles
- **Reality:**
 - Kitchener does not have carriage of the taxi/Uber file, which instead rests with the Region of Waterloo.
 - The Region of Waterloo recently passed a ridesharing bylaw on Sept. 21st that recognizes the unique differences between taxi and ridesharing, including not requiring cameras in ridesharing (PTP) vehicles due to the pre-arrangement nature of the service, the fact that rider and driver are not anonymous, the Uber platform is cashless, and every ride is on the map with GPS mapping.

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- **Claim:** Uber's ridesharing insurance purchased through Intact is insufficient
- **Reality:**
 - In July 2016, the Province of Ontario and the Financial Services Commission of Ontario (FSCO) approved new ridesharing insurance. Every ridesharing driver operating on the Uber platform in Ontario is automatically covered under the commercial policy provided by Intact Insurance Company, a subsidiary of IFC, and purchased by Uber. This coverage will apply from the moment drivers make themselves available to accept a ride request until passengers have exited the vehicle.
 - Ontario Ministry of Finance press release.
 - FSCO's industry bulletin.