

MEMORANDUM

TO: Mayor and Members of Council, City of Hamilton

SUBJECT: Fee Review of Personal Transportation Providers

DATE: June 24, 2020

Introduction

Since 2015, Uber has worked closely with the City of Hamilton to deliver a safe, affordable and reliable ridesharing platform.

Hamilton's regulatory framework for personal transportation providers (PTPs) has been among the most successful in Canada at enabling innovation while maintaining a safe marketplace. It has ensured that PTPs are held accountable to the City through the rigorous annual licensing process. We view Hamilton's bylaw as a paragon of smart regulation.

On June 16, 2020, the Planning Committee passed along to Council recommendations outlined in the Fee Review of Personal Transportation Providers (Schedule 24 of the Business Licensing By-law 07-170). These recommendations would see the City impose a new PTP Licensing Fee in the amount of \$5,000 annually and increase the PTP Licensing Per Trip Fee to \$0.30 from the current amount of \$0.06.

While Uber is supportive of the overall direction of the Report, we believe that two changes would help support the City's transportation system as it recovers from COVID-19 and works to become more accessible for all Hamiltonians. Those changes are as follows:

- Amend the recommendation such that the new fee structure comes into effect when a PTP applies for a new license or renews its existing license;
- Amend the recommendation related to Accessible Transportation such that:
 - If PTPs decide to launch a wheelchair accessible service in Hamilton, they could be eligible for funding through the Accessible Taxi Incentive Program, and
 - The PTP would then be exempt from paying the accessible transportation portion of the fee.

Implementation Timeline

The first recommendation relates to the implementation timeline of the new fee structure. The fee change that is being recommended to Council is substantial and will have a significant impact on the operations of PTPs in Hamilton.



In February 2020, Uber successfully applied for a license renewal and paid the \$52,530 Licensing Fee and the \$20,000 Voluntary Accessibility Payment, and acknowledged the per-trip fee of \$0.06. The term of Uber's licence is one year, and the licence is valid until March 1, 2021.

As Hamilton continues reopening its economy from the devastating effects of COVID-19, this proposed change in fee structure will cause increased costs for passengers at a time when Hamiltonians can ill afford an increase. Hamiltonians who may be, for example, seeking a safe and reliable trip to get to work, to childcare, or to attend a physician's office.

As Uber and Hamilton City Council are both keenly aware, Hamiltonians are increasingly price sensitive with the economic uncertainty we are all facing. Any jump in proposed per trip pricing, especially at this time, will have an impact on Hamiltonians; it will hurt the affordability of rides in Hamilton, reduce demand for rides, and undermine the earning opportunities available to Hamiltonians.

For these reasons, we request that the new fee structure should come into effect when a PTP applies for a new license or renews their existing license. This would be fair to all players in the PTP space and ensure that PTPs can take the necessary steps to prepare for the increase.

Accessible Transportation

Our second request relates to accessible transportation. While Uber currently pays the Voluntary Accessibility Payment, we are always looking for ways to expand our offerings in the accessible transportation space.

Hamilton could be a leader in Canada in the accessible transportation space by expressly creating a pathway for PTPs to launch a wheelchair accessible option in Hamilton. Specifically, if a PTP launches an accessible option, it should be eligible for funding from the Accessible Taxi Incentive Program be exempted from paying the accessible transportation portion of the per-trip fee. Uber shares the City's goal of reliable accessible transportation for all, regardless of ability, and Hamilton here has an opportunity to stay at the vanguard of smart PTP regulation in Canada.

This regulatory certainty would help support the potential arrival of our WAV (Wheelchair Accessible Vehicle) service in Hamilton in the future, which would help bring on-demand accessible transportation to more Hamiltonians.

Conclusion

Uber looks forward to continuing a productive relationship with the City of Hamilton and appreciates the consideration of these two changes. Please let us know if you have any further questions or require additional clarification on any point.