

City of Calgary

# *Livery Transport Advisory Committee Governance Review*

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**Hara  
Associates**



**Livery Transport Advisory  
Committee (LTAC)  
Governance Review**

Prepared for:

**City of Calgary**

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## Executive Summary

The Livery Transport Advisory Committee (LTAC) is established by Council of the City of Calgary to advise on all matters related to the livery transport industry in the city. Its 18 members are a balance of industry stakeholders, the general public, convention and hospitality associations, the Accessibility Advisory Committee, plus non-voting members from the police and Administration. LTAC is chaired by a member of the public.

In September 2016, Council directed Administration to conduct a review of LTAC's governance and terms of reference "given the accelerated evolution of the livery industry in Calgary". The review was motivated, in part, by a request from LTAC itself.

The accelerated evolution of the industry includes the licensing of a new form of livery service: Transportation Network Companies (TNCs) dispatching private vehicles through smartphone apps. TNCs licensed by Calgary include Uber, Cowboy Taxi, RidePlease, and TappCar. The advent of these companies has substantive implications for regulating the livery, and for the governance of associated advisory bodies.

### Governance Issues

Dissatisfaction with the present situation led LTAC to request a review. However, the sources of dissatisfaction vary among stakeholders. Underlying these varied concerns is something fundamental: The political economy dynamics that made LTAC work in the past have undergone a substantial change with the advent of TNCs.

Governance issues include:

- **Sustainability of Current Mandate.** The introduction of TNCs has increased the diversity of interests in the industry. It has also largely eliminated the factor that helped unify the industry: the value of a taxi plate resulting from restricted entry. Without this unifying factor, the motivation to compromise and provide industry consensus to Council is greatly reduced. Today's LTAC experiences significant challenges from industry stakeholders.

Other Canadian cities are moving away from advisory committees that hold public meetings. There is a trend towards advisory committees that advise only on their own behalf, or towards the elimination of standing advisory committees entirely. Figure E-1 compares selected peer cities.

- **Perceived Loss of Credibility with Council.** The recent record of LTAC's proposals to Council, combined with procedural practice in recent years, have combined to raise doubts about the credibility LTAC has with Council – at least in the minds of LTAC members and industry stakeholders. Recent practice has been for LTAC's input to reach Council through City administration. Until the most recent LTAC annual report, LTAC has not been presenting its views in its own words, or appearing before Council to be accessible to explain its views.

The consequence has been excessive numbers of stakeholders bypassing LTAC, and LTAC user representatives questioning their role.

- **Segments of the Industry Feel they Lack a Voice.** Despite LTAC’s large size and its evolution to give the industry a voice, segments of the industry feel that they cannot effectively be heard through LTAC. These segments, which include taxi brokers and groups of taxi drivers, would prefer to work directly with City administration.
- **Transportation Network Companies have Uncertain Place.** A related issue is how TNCs can be effectively heard. TNCs are not necessarily local. Even when local offices are established, as with Uber, the policy representative to regulators may be regional or national.
- **Size and Effectiveness.** LTAC membership has doubled from nine to eighteen members since 2011. It is too large a group to deliberate effectively within itself, especially with the double duty of hearing public submissions during its regular meetings. LTAC has partly resolved this issue by working in subcommittees. However, all advice to Council must pass through the full committee.

Stakeholders report meetings to be long and difficult. Citizen LTAC members are challenged by the frequency and length of meetings, and the depth of complexity they must master to be accountable to the stakeholders who make submissions.

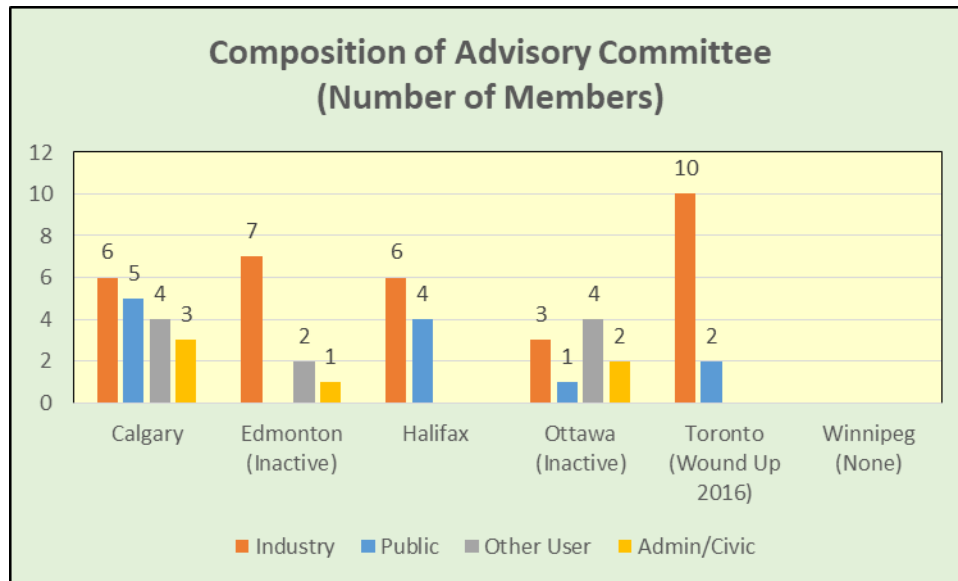


Figure E-1

### Options Considered

This review identifies three possible directions forward for the governance of livery regulation and associated management of public and stakeholder consultation.

**Option A** is to have City administration assume direct responsibility for stakeholder consultation and advising Council. This included three sub-options:

- **Option A.1: An improved LTAC reporting through Administration.** A LTAC of reduced size would advise on its own account and be freed of the obligation to hold public



meetings to collect input. Responsibility for broader consultation would be assumed by the Administration on a case-by-case basis.

- **Option A.2: An industry advisory committee reporting through Administration.** The standing advisory Committee would have six industry representatives only. Administration would consult with other stakeholders separately, in addition to any public consultations as per Option A.1. The result is efficient direct dialog, without the burdening the committee with public hearings, and without the burden of continuous investment in orientation of new citizen and user representatives.
- **Option A.3: No standing advisory committee – Administration Consults Case-by-Case.** The Administration would undertake consultations with stakeholders on a case-by-case basis, as per the current approach in Toronto and Edmonton. This could include separately convening driver representatives or TNCs. Where larger issues are at hand, comprehensive consultation would be designed to suit the case.

**Option B** is to continue LTAC as an advisory committee to Council with a reduced size, improved selection process, and improved practices intended to restore the independent advisory relationship. The latter includes Council being provided with separate attachments stating LTAC assessments of Administration proposals, and having LTAC representatives advance to the bar before Council and Committee, making them available to answer Council questions.

**Option C** is to move to a form of Livery Commission with operating authority.

### **Recommended Option(s)**

*This review recommends Option A, having City administration assume direct responsibility over stakeholder consultations.* Although it is tempting to continue with improvements to the status quo (Option B), the introduction of TNCs has removed much of the rationale for having an advisory committee to Council which itself holds public hearings and consults with the industry. The motivation for the industry to produce consensus recommendations to Council is no longer present.

The expansion of vehicle numbers with TNCs has driven plate values down and will eventually render them negligible. The elimination of the value of the taxi plate removes the incentive for livery interests to cooperate with each other to preserve the public's tolerance.

In addition, industry interests are now too diverse to capture effectively, despite the large LTAC membership. The result is a cumbersome and time consuming process that leaves many industry stakeholders feeling they have no choice but to approach Councillors directly on their issues. The non-local nature of many TNCs also undermines the ability of LTAC to capture all interests.

Although it is possible to greatly improve the functioning of LTAC, the better approach is replace it with a similarly structured advisory group whose role is to advise City administration, and no longer conduct public hearings itself. The broader responsibility for consultation would fall upon City administration, including the responsibility to carry the results of consultation forward in presenting proposals to Council.

Freeing LTAC from the holding of public hearings offers a greater opportunity for advisory committee members to exchange views with each other and deliver their collective advice.

Direct assumption of broader consultation by the Administration would also result in more opportunities for the wide variety of current industry players to work directly with Administration.

*Within Option A, this review recommends A.1: An improved LTAC reporting through Administration.* This option preserves much of what is good about the present LTAC, especially the contributions and investment of citizens at large and members of the hospitality and tourism sectors. Continued liaison with transportation planning is also important to preserve through a forum that meets regularly.

Although the recommended reduction in membership from 18 to 15 still leaves a large group, the reduction of meetings to quarterly, and the elimination of the burden of receiving public submissions, will reduce costs for both the Administration and participants. LTAC members can advise based on their own native expertise as drivers, customers, etc., without having to acquire the depth of understanding necessary to make decisions on other people's public submissions. By focussing on advising on their own account, the demands of LTAC members for information requests from Administration may be reduced.

Option A.1 maintains a majority presence of user representatives, while reducing the number of citizen members back to historic levels more comparable to practice in other peer cities.

Again, as for all variants of Option A, Administration is freed to take the lead in more diverse stakeholder consultation specific to individual issues, and to provide the increased direct interaction that some industry stakeholders strongly feel is needed.

The other options within A are less desirable. Both A.2 and A.3 mean losing the value and perspective of citizen volunteers and other non-industry members. An industry only advisory committee (A.2) would engage efficiently without the need for orientation. However, having an exclusively industry viewpoint risks not dealing with user issues until a crisis occurs. A past example in many cities is the failure to expand taxi supply to meet demand growth. Having user representatives on the committee mitigates this concern. There is also the risk that the regulator will be "captured" if it works only with the industry. Peer cities that have or had advisory committees tended to include user representatives.

Having no advisory committee (A.3) is also less desirable. Although it means the greatest resource savings among the options, it also means there is no forum for regular check-ins where the industry may identify issues pro-actively. It also means that Administration must explain its unique consultation process for each issue brought to Council. Without a regular consultation structure, there is a risk that consultation channels will not be maintained and problems may build until a crisis occurs.

With regard to Option C, this review finds that a Livery Commission is not immediately viable, but offers strong benefits in the long run if undertaken on a regional basis. Benefits include a more level playing field that protects taxis from unfair competition, lower prices and improved services for users of vehicle for hire, enhanced opportunities to integrate vehicles for hire with public transit, and clarification of the use of per trip fees to fund accessible service.

*Therefore, it is also recommended that Council endorse the idea of including regional livery standards and a possible regional livery authority in future discussions of regional cooperation with neighbouring municipalities.*

## LTAC Governance Review

The Livery Transport Advisory Committee (LTAC) is established by Council of the City of Calgary to advise on all matters related to the livery transport industry in the city. Its 18 members are a balance of industry stakeholders, the general public, convention and hospitality associations, the Accessibility Advisory Committee, plus non-voting members from the police and administration. LTAC is chaired by a member of the general public.

In September 2016, Council directed the Administration to conduct a review of LTAC's governance and terms of reference "given the accelerated evolution of the livery industry in Calgary". The review was motivated, in part, by a request from LTAC itself.

The accelerated evolution of the industry includes the licensing of a new form of livery service: Transportation Network Companies (TNCs) dispatching private vehicles through smartphone apps. TNCs licensed by Calgary include Uber, Cowboy Taxi, RidePlease, and TappCar. The advent of these companies has substantive implications for regulating the livery, and for the governance of associated advisory bodies.

This report has been prepared to assist the Calgary Community Standards (CCS) business unit in fulfilling Council's direction. Calgary Community Standards includes Livery Transport Services (LTS), Calgary's enforcement and administration branch administering the Livery Transport Bylaw.

Analysis is supported by interviews with LTAC members, other stakeholders, comparison with other cities, and Hara Associate's experience and expertise in livery regulation. Hara Associates is also familiar with the operations of the former Taxi and Limousine Advisory Committee (TLAC) through a previous governance review, and of the former Calgary Taxi Commission through work with the Audit Committee of Council.

Analytic considerations include:

- Balance of representation and conflict of interest.
- Effective process and public input.
- Capacity to advise on accessible service.
- Capacity to advise on future technological change.
- Preserving the value of volunteer citizen contributions.
- Regional coordination.

Findings and recommendations are organized according to three principal alternatives for the future:

- Replace LTAC with an advisory process managed by Administration.**
- Improve LTAC.** Improve LTAC's functioning as an advisory committee of Council.
- Replace LTAC with an independent body with operating authority.** Calgary has previous experience with this option in the form of the Calgary Taxi Commission.

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The final section of this review recommends the option likely to best serve the needs of the City of Calgary.

# 1 CONTEXT

## 1.1 Current LTAC Responsibilities, Membership, and Budget

The Livery Transportation Advisory Committee (LTAC) is the current incarnation of the former Taxi and Limousine Advisory Committee (TLAC). In 2016, Council expanded TLAC's mandate to include newly licensed transportation network companies (TNCs). Membership was expanded to include representatives of TNC operators and drivers. The present terms of reference are provided in Appendix A.

LTAC advises on:

- All recommendations of the City of Calgary administration related to livery transport prior to presentation to Council.
- Livery issues raised by LTAC members, by the public, or by members of industry.
- Policies and procedures related to the Livery Transport Bylaw.
- Livery fares, rates, and fees (including the taximeter rate).
- The number of taxis permitted to operate.
- Transportation planning, traffic engineering, and design concepts as they affect the orderly movement of livery vehicles.

To accomplish this, LTAC is mandated to:

- Receive submissions, both oral and written.
- Undertake research, including client and customer surveys.

LTAC works in equal partnership with the City of Calgary administration. Advice to Council by LTAC and by City administration may differ.

Historically, Council has also made specific requests of this committee. Examples include directing the former TLAC to conduct user satisfaction surveys, and to study the supply and demand for taxis in Calgary.

At present, LTAC meets 12 times per year. Submissions from the general public and the industry are received at these meetings. LTAC business is also conducted through subcommittee meetings (approximately 20 in the 2017 business plan).

LTAC's 2017 operating budget is \$185,000. Although the funds pass through general revenue, costs are recovered from the industry via licensing fees. Funds include honoraria, research and professional support, meeting expenses, and conferences.

LTAC operates as an advisory committee to Council<sup>1</sup>, subject to the Procedures Bylaw and Calgary's *engage!* principles and practices. Membership is a mix of industry representatives, citizen appointees, representatives of the business community closely linked to travellers and taxi users, and non-voting members of City administration. The 18 members are:

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<sup>1</sup> LTAC is formally listed as an Interest Group under Council policy on Governance and Appointments of Boards, Commissions and Committees (CP2016-03).

*Livery Industry (6)*

- One taxi broker
- One limousine broker
- One Transportation Network Company representative
- One taxi driver
- One limousine driver
- One TNC driver

*User Representatives (9)*

- Five members of the general public
- One representative from the Advisory Committee on Accessibility
- One Calgary Airport Authority representative
- One Tourism Calgary representative
- One Calgary Hotel Association representative

*Administration (3 – non-voting)*

- One Police Service representative
- One representative from the Transportation Planning Unit of the City
- One representative from Livery Transport Services.

With such a large body, and the burden of general meetings doubling as public hearings, much of the work occurs through subcommittees. There are three subcommittees at present:

- Governance Review Subcommittee (related to this review)
- Communications, Engagement, and Research Subcommittee
- Plate Utilization Subcommittee

These subcommittee meetings are public and also governed by *engage!* rules.

## **1.2 History**

LTAC's current form has evolved over time in response to various governance issues.

### **Taxi Commission to Livery Transport Board**

Prior to 2002, taxi and limousine regulation was carried out at an arm's length from Council, through an appointed *Taxi Commission*. As a commission, it made licensing and enforcement decisions directly affecting the industry and its players, including hearing appeals of suspension or removal of licenses. Industry members were excluded from membership for conflict of interest reasons. The enforcement office, Livery Transport Services (LTS), effectively operated under the direction of the Commission.

In 2003/04, following a 2002 Value-for-Money Audit commissioned by Council, Council took more direct responsibility for livery regulation. The Taxi Commission was reconstituted as the Livery Transport Board, an advisory body to Council. Commission staff (LTS) were moved to serve under the City executive officer responsible for Calgary Transit. These measures resolved issues surrounding financial accountability, and the separation of appeals from administration. They also were consistent with revisions to Alberta's Municipal Government Act (MGA). The new MGA required Council to take direct responsibility for regulation of the livery industry.

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The LTB had four citizens at large, three city staff, and a Police Service representative.

### **Livery Transport Board to TLAC – Addition of Industry Members**

In 2007, Council commissioned a governance review of livery regulation, following significant dissension around passage of the new livery bylaw that year. For example, the process leading up to the bylaw had included Council authorized mediation between industry representatives and Administration.

The hearing of license appeals was moved to the new License and Community Standards Appeals Board. This and other measures allowed the industry members to be appointed to the new *Taxi Limousine Advisory Committee* (TLAC).

Having industry representation on TLAC answered strong concerns by industry for more direct input to Council. Industry members were previously required to make representations to the Livery Transport Board. The industry felt they were often ignored – resulting in frequent representations directly to Council – a volume of interventions that distracted Council members from other equally important civic priorities. Industry participation in the advisory committee was also acknowledged to be giving them appropriate input into developing policies, rates, fees and fares that impact their business.

TLAC was also confirmed as one of Council's official advisory committees. This was presented as remedy to two issues<sup>2</sup>:

- **Direct reporting to Council.** Although the previous bylaw had defined this as a role for the LTB, in practice the LTB had rarely reported directly to Council's standing Policy Committee. In practice, advice was delivered through Livery Transport Services.
- **Strengthening the Advisory Role.** The former LTB lacked the resources that would have enabled it to function independently of the administration, that is, to undertake research and develop reports.

As well, supervision of LTS was moved from Calgary Transit to the Business Licensing unit of Development and Building Approvals. This move was undertaken in response to industry perceptions that Calgary Transit was, in part, a competitor to the taxi industry.

### **Revisions to TLAC – Wider Representation – More Open Process**

As of 2011, TLAC had nine members (3 from industry, 3 citizens, plus the airport, the Tourism Calgary, and the Advisory Committee on Accessibility).

Council initiated another governance review, motivated in part by delays by TLAC in delivering advice and reports requested by Council. Among the changes adopted were:

- Procedural changes to improve adherence to *engage!* principles.
- Addition of an analyst position to support TLAC.
- Clarification that TLAC and City administration were working in equal partnership and that final positions may differ.

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<sup>2</sup> LPT 2007-51, City of Calgary

- Converting the 3 generic industry positions to one driver, one taxi broker, and one limousine operator
- Addition of 4 positions (to 13 total).
  - Limousine operator
  - Calgary Hotel Association
  - Non-voting positions for Police Services, Transportation Planning, and Livery Transport Services.

The addition of an explicit driver representative responded to the need for this point of view on the committee and the existence of vocal driver organizations that felt they had been excluded from the process. The Hotel Association's participation recognized their stake on behalf of customers, and their interaction with the industry. The non-voting positions recognized the impact of livery transportation decisions on these administrative actors.

### **TNCs and Further Expansion of TLAC/LTAC**

Subsequent years saw further expansion of TLAC to the present 18 members:

- Another driver position was added to allow separate representation by limousine and taxi drivers.
- Two general public positions were added to balance the expansion of industry representation.
- Two TNC positions were added (operator and driver) in light of the licensing of Transportation Network Companies.

With the addition of TNCs, the name was changed from TLAC to the Livery Transport Advisory Committee (LTAC).

On the administration side, Livery Transport Services is currently incorporated in the Community Services business unit.

## **2 STAKEHOLDER VIEWS AND CHALLENGES INTRODUCED BY TNCs**

What are the governance questions at issue for LTAC today? Dissatisfaction with the present situation led LTAC to request a review. However, the sources of dissatisfaction vary among stakeholders. Underlying the concerns of stakeholders is something fundamental: The political economy dynamics that have made LTAC work in the past have undergone a substantial change with the advent of TNCs into Calgary.

This section summarizes stakeholder views, and then explores the fundamental changes created by TNC entry. The recent experience of peer cities is also reviewed.

### **2.1 Stakeholder Views**

#### **Uncertainty among some non-industry appointees.**

Much of the work of LTAC and is carried out by members from the general public and other institutions representing users. Some members share a frustration with the current system, and are uncertain whether Council wants to hear from them. This uncertainty stems from multiple sources:

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- **Limited opportunity for direct oral or written presentation to Council or Committee.** Recent LTAC input to Administration proposals has been reaching Council as summaries within Administration reports. A recent issue arose as to whether LTAC could author its own annual report – a matter resolved in LTAC’s favour following clarification from the Clerk’s Office.<sup>3</sup>
- **Council rejection of LTAC advice.** LTAC advice has fared poorly at Council. The most recent example is Council’s rejection of a joint Administration-LTAC proposal on the issue of accessible taxi service. This is Council’s prerogative. However, there is a perception of a poor record for LTAC on multiple occasions during the industry’s recent changes.
- **Perception that LTAC is dominated by industry.** There is concern that Council may perceive LTAC as industry dominated, even though the industry representatives are a minority and much of the leadership is provided by non-industry appointees.

LTAC citizen and hospitality members are split on the direction for improved governance. Some would be happy working directly with Livery Transport Services – reflecting the current LTAC effort for cooperative working relationships with LTS. Others believe that an industry-dominated body could provide more consistent advisory expertise. Still others look to the possibility of a stronger body of citizen appointees without conflict-of-interest, and with some operating authority, (effectively some form of Commission). Finally, there is support for an improved LTAC if a better governance solution can be found.

### **Some Industry Stakeholders Would Prefer to Work Directly with LTS**

All stakeholders would like to see LTAC improved, particularly regarding current size, the length of meetings, and the degree of participation and qualifications of some citizen members.

A number of industry stakeholders also question LTAC’s role. Some would prefer to work directly with LTS. This is the preferred approach of the current taxi broker representative on LTAC (Yellow). Another large broker (Associated) is on record as strongly questioning LTAC’s role repeatedly at LTAC meetings.

Driver representatives on LTAC are generally supportive of LTAC’s current role. However, these drivers were appointed largely on their individual merits rather than their representation of a larger constituency. Past appointments to LTAC/TLAC have often come from groups of drivers representing themselves as driver organizations. These historical organizations are not active at present.

Arguably, the closest thing to an organized driver voice in Calgary today is a group of accessible taxi drivers who first made presentations to LTAC, and then appear to have coalesced around a

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<sup>3</sup> City Clerk’s Office clarification was to the effect that the LTAC Terms of Reference state that LTAC “Reports to Council shall include summaries of opinions and stakeholder groups dissenting from LTAC recommendations, and minority reports (if any) provided by LTAC members.” The LTAC Terms of Reference do not provide that reporting to Council occurs via Administration.



newly formed taxi brokerage: City Cab. These drivers feel that LTAC does not speak for them and is dominated by the larger traditional taxi companies. In their view, they do not have a seat at the table; they would prefer to have input by working directly with LTS.

The TNC representative on LTAC (RidePlease) is supportive of LTAC continuing with improvements. However, she reports that other TNCs have not been responsive to her reaching out. They view her as a competitor. In interviews for this review, Cowboy Taxi (licensed as a TNC in Calgary, and operating primarily out of surrounding municipalities) generally viewed LTAC as one of the barriers to entry to the Calgary industry; its preferred alternative is much less regulation. Uber is reluctant to participate in LTAC, preferring to work directly with the municipality at the transportation planning level, architecting livery as part of a vision of future transportation in the city. TappCar, an Edmonton based company licensed but not active in Calgary at the time of this review, was neutral on governance issues.

### **Member Concerns over Lack of Credibility with Council**

Some current members of LTAC feel that LTAC is doing a great job, and have concern about LTAC's apparent lack of credibility with Council. On broad governance choices, some non-industry members were open to alternatives that reduced the bureaucratic burden.

### **Livery Transport Services – Concern over Resources – Willingness to Consult Directly**

Livery Transportation Services is concerned about the growth in LTAC's size and the resources it requires from Administration; including support staff, up to 10 staff were in regular attendance at LTAC meetings. Until recently, staff from Law attended as did those from Communications. Neither department now sends staff on a regular basis. Nonetheless, the frequent and long meetings add up to a significant resource commitment.

In addition, the large number of members generates numerous information requests, particularly from non-industry members, and imposes an ongoing responsibility for orientation as membership turns over. As well, industry stakeholders use the LTAC process to generate further requests.

LTS would like to see a smaller LTAC. They would also like to assume fuller responsibility for public consultation, such as having an advisory committee report through Administration, as is done in many other cities. LTS notes that it does its own industry consultation with stakeholders at present, and is also responsible for administering the user satisfaction surveys and other activities that are titularly LTAC's responsibility.

## **2.2 Impact of TNCS on Governance of Livery**

Licensing TNCs is a huge change for the industry, and has a significant impact on how public consultation can be conducted. Not only has the advent of TNCs greatly increased the diversity of players, it has also meant that the classic stakeholders no longer have a strong incentive to cooperate. As a consequence, consultation mechanisms such as LTAC may lose their effectiveness.

## The Industry before TNCs

All cities face the challenge of managing livery regulation. The industry tends to generate a disproportionate volume of work for City administration and Council because:

- It is a large industry with many individual licensees.
- To ensure public trust and safety, it is regulated more than other industries. By getting into a vehicle, the customer is placing their personal safety in the hands of the driver. Customers cannot tell the quality of the driver or vehicle simply from looking at them, or when ordering by dispatch. The difficulty in establishing a fair price for an unfamiliar destination also leads to meter rates. In general, unique features of the industry make it difficult for competition and consumer choice to discipline poor providers.
- In the past, it was usually a shared monopoly where new entry was limited. This has been the case in Calgary, where the number of taxis is fixed in Bylaw.<sup>4</sup> The presence of a monopoly creates strong interests among those who have a share, while rapid turnover among drivers means that key public policy issues are revisited periodically.

The challenge is to give the industry the attention it deserves, while preserving Council's time to deal with other civic priorities. A common solution is to establish a special body where concerns may be heard, and issues considered in depth. The special body may be an advisory committee, such as LTAC, or a commission with administrative authority.

An underlying factor that helped such special bodies work has been the *plate value* of taxis. Although there were public policy reasons for limiting the number of taxis, the limits typically were not adjusted as demand increased. The result in most cities was a restricted number of busier taxis whose increased profitability the value of the license of itself. Drivers without a taxi plate would pay an extra fee to existing plate holders for use of the license. This fee supported a rising plate value—over \$150,000 in past years in Calgary.

*Pragmatically, taxi industry stakeholders had an incentive to cooperate in order to preserve a city's tolerance of this situation.* Although this created a system of have-not drivers who wanted their own plates, the industry as a whole had an incentive not to bicker, and to find solutions that produced industry peace.

## TNC Elimination of Taxi Plate Value Changes the Dynamic

The licensing of TNCs effectively lifts the restriction on dispatch livery vehicles. The result, as has been seen in Calgary, is a substantive decline of the value of a plate (Calgary plates issued prior to 2012 are transferable). Although taxis maintain an exclusive right to street-hail fares and taxi stands, Calgary's trade is dominated by dispatch. Under this circumstance, plate values

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<sup>4</sup> It is beyond the scope of this paper to discuss the pros and cons of limiting taxi licenses. Briefly, there are arguments on both sides. One reason often cited for limiting the number of taxis is the unique role of the industry during economic recessions: In the absence of plate limitations, and during a prolonged recession, unemployed workers may convert their cars into taxis in large numbers, creating challenges to maintaining public safety and retaining skilled drivers who have a long term commitment to the industry.

may be expected to decline to negligible levels. Plate value only occurs when the industry is profitable enough (through constraining the number of taxis) that drivers are willing to pay a monthly plate lease to get into the industry. Lifting the limit on vehicles means that revenue per vehicle will be driven down to the point that excess profit represented by plate value will disappear.

This process is already underway in Calgary. For example, at the time of writing this review, offers to buy transferable Calgary plates on Kijiji web site range from \$26,000 to \$38,000, down from the old range around \$150,000. A good portion of even these offers may be speculative, as it is unlikely that the cash generated per taxi represents excess profit after the expansion of Uber and the drop in competitive Calgary meter rates. Purchasers may believe that the old regime will return, or be interested in access to the airport taxi stand, which at present limits TNC pick-up to the upper departures deck (rather than arrivals).

In the long run, plate value cannot exist in the presence of unlimited vehicles unless the hail market is a large proportion of the industry – not Calgary's case.

*Regardless of its public policy benefits, the elimination of plate value removes one of the main motivations to cooperate in a joint body like LTAC. Previously, Calgary taxi brokers could take turns sitting on the advisory committee because they could rely on each other to share a common concern around the key issue of preserving plate value, and associated industrial peace. This bond is now gone and natural differences between competitors are free to emerge. Similarly, the peer pressure within the industry to funnel representations and disagreements through the joint body is reduced.*

Other governance challenges introduced by the licensing of TNCs are:

- **Too many divergent interests.** TNCs, drivers, and brokers compete among themselves as well as with each other. TNCs are also not all the same. They have different business models; some are local, some are international. *It becomes difficult to construct a reasonably sized body representative of all interests.*
- **Drivers find other outlets for discontent.** Before the advent of TNCs, drivers without a taxi plate would organize associations to get a fairer share of the business. With the presence of TNCs, drivers have more choice: they can drive their own car for a TNC, or acquire control of a plate at little cost. This may account for the reduced number of organized driver voices in Calgary compared to past years, and the coalescing of voices that do exist as new brokerages rather than driver organizations.
- **Companies are no longer necessarily local.** The business model of TNCs like Uber does not necessarily require any local office or administrative presence. Uber maintains a Calgary office in part to be responsive to regulation, but is fundamentally a smartphone app. Uber prefers to do things electronically. In regimes where this is permitted, this includes criminal record checks. TappCar is licensed in Calgary but based in Edmonton. One concern of TappCar was whether LTAC meetings could be attended by virtual terminal. Even Cowboy Taxi is not specific to the City of Calgary.

- **Regulation of Rates and Fares Is Less Relevant.** To permit taxis to compete with TNCs, they have been given flexibility on rates. Although limitation of the number of taxi plates remains, the current number appears more than sufficient to serve the taxi industry's share of the expanded market. This raises the question of whether existing limits now handicap taxi company ability to compete.

Consumers too now have a competitive choice between *regimes* as well as providers. They can choose a TNC, or choose the more highly supervised system of taxis.

The net result is to bring into question some of the functions of livery advisory bodies. There is a reduced incentive for stakeholders to bring their concerns to LTAC rather than to Council, and some of the sources of disputes have been removed. At the same time, ongoing structural changes in the industry have moved the livery industry to the front in public policy discussions, and increased Council's need for advice.

### 2.3 Recent Choices by Canadian Peer Cities

To assist this review, Hara Associates reviewed the current experience and choices of five Canadian cities: Halifax, Ottawa, Toronto, Winnipeg, and Edmonton. These cities have also been used in previous governance reviews for Calgary's Council. Below is a brief description of each city's current practice, and how it has changed over time. A more detailed account is provided in Appendix C.

- **Edmonton.** Edmonton currently licenses TNCs as Private Transportation Providers (PTPs). In 2012, Edmonton disbanded its Vehicle for Hire Commission and assumed direct responsibility for livery regulation under the Chief Livery Officer (Licensing and Vehicle Hire Office). The commission had been found to be ineffective because anyone with an active interest in the industry was in conflict of interest and thus barred from sitting on the group.

In 2013, a Vehicle for Hire Advisory Group that reports through the Chief Livery Officer was formed with membership selected from the taxi and limousine industry.

Since the licensing of PTPs in 2016, the Advisory Group has been inactive. At present, the Chief Livery Officer consults with relevant industry groups on an as-needed basis. Groups of drivers are sometimes convened based on known voices in the industry. PTPs are consulted individually as needed.

- **Toronto.** Toronto licenses TNCs as Private Transportation Companies (PTCs). At present, Toronto has no standing consultative committee, either through Council or through the administration. Consultation with the industry and the public occurred in the course of two major taxi reviews in 2014 and 2016. A Taxicab Advisory Committee, reporting through Administration, was established in 2012 to assist the review(s), and was wound up in 2016.

At present, interaction with the industry is largely at the operational level of licensing enforcement, and through direct representations by industry stakeholders to committee of Council. PTPs like Uber provide initial criminal record checks for drivers that are vetted by the licensing administration, leading to regular interaction.

An older Taxi Advisory Committee was disbanded in 2003. The body consisted solely of industry representatives, and was based on elections within the industry, supervised by the City. The representativeness of the Committee was disputed by some industry elements. Dissension among the committee's members meant that relatively few constructive contributions were moved forward.

- **Ottawa.** Ottawa licenses TNCs as Private Transportation Companies (PTCs). There is a Taxi Stakeholders Consultation Group that predates the licensing of PTCs, and is now inactive. Membership was a mix of taxi industry representatives, hospitality and other institutions with a stake as users, and one member of the general public. The body is chaired by the Chief License Inspector (Director of By-Law and Regulatory Services) and reports through the city administration. Currently, consultation is ad hoc. Relationships with the traditional industry are also strained by outstanding lawsuits related to the licensing of TNCs.

The Taxi Stakeholders Consultation Group replaced a Taxi Advisory Committee whose membership was elected by the industry. Disputes within the industry and oppositional politics caused the city administration to conclude the older group was unable to provide effective advice to Council.

- **Halifax.** Halifax does not license TNCs. Its taxi system consists largely of owner-drivers with non-transferable licenses. Halifax maintains a Taxi and Limousine Liaison Group that provides advice to the administration. The group is appointed through the City Clerk's volunteer recruiting process for similar advisory bodies. Membership is six from industry (largely owner-drivers), three citizens at large, and a member from the Accessibility Advisory Committee. The group meets at least quarterly. Halifax management reports that the group is active and useful, both for advice and as a means of communicating with and within the industry. Citizen members are active and interested and generate some work for Administration to answer their questions.

The Liaison Group replaced an advisory committee chaired by a member of Council. That committee had representatives from the livery industry, business associations, and tourism and hospitality sectors. Meetings were public. However, meetings were also sporadic and often dominated by dialogue between the councillor and interveners from the industry.

- **Winnipeg.** Until recently, Winnipeg livery regulation was managed by a provincially mandated Taxicab Board. The provincial government is in the process of delegating this responsibility to the City of Winnipeg, along with the power to and expectation that the City will license TNCs. The City has not yet determined the form of this regime will take.

Until early 2018, the Taxicab Board will remain active, and TNCs are not licensed. The Province appoints board members who include representatives from Winnipeg City Council and the Winnipeg Police Service. The balance of members are drawn from the general public and do not include active members of the industry. The Taxicab Board operates using a formal hearings process. There is no official industry consultation mechanism. However, the chief public servant (the Secretary of the Board) has met regularly with an industry-established committee for consultation and communication. It consists of representatives sent by each licensed company and known driver

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organizations. Meetings of this group are not public – since it is an industry created committee.

*In summary, there has been a general movement over time away from autonomous bodies. There is a shift towards advisory committees that report through city administrations rather than directly to Council.* Edmonton no longer has its Vehicle for Hire Commission and Manitoba has recently ended the term of its Taxicab Board. On paper, Edmonton, Ottawa, and Halifax have advisory committees that advise the City administration rather than directly advising Council. Of these, only Halifax has an active advisory group. The advent of TNCs has rendered the Edmonton and Ottawa advisory groups inactive. Tensions within the traditional industry combined with the challenge of integrating multiple types of players have meant the former groups have not, to date, been replaced.

Even when active, the size of advisory groups among peers was smaller than Calgary’s, indicating a desire for a tight group to provide effective discussion and advice. Figure 1 shows the comparative size of these groups.

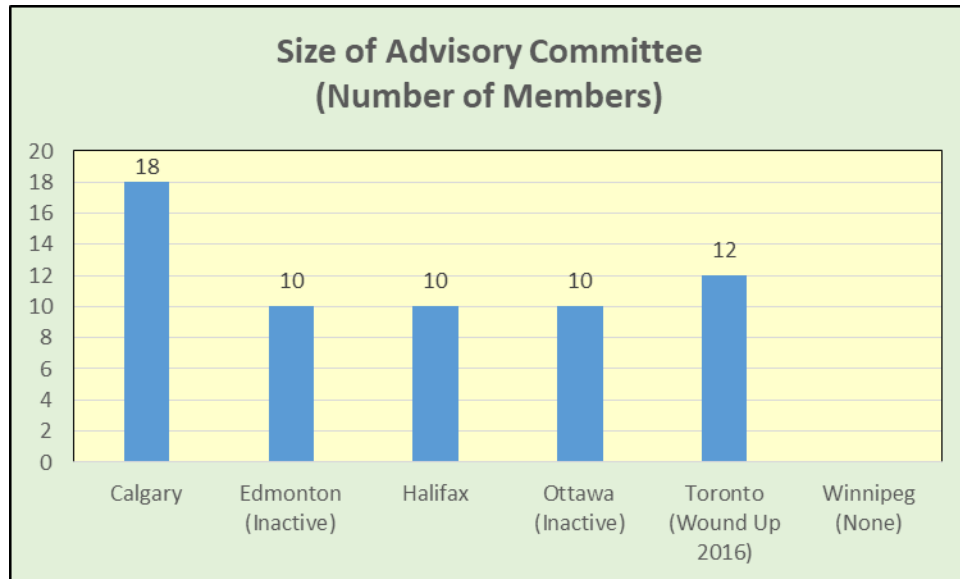


Figure 1

*Of the three advisory groups that still exist on paper, the approach to citizen participation varies.* Edmonton’s group has no citizen members, but does have two other user representatives in the form of an airport representative and Responsible Hospitality Edmonton. Ottawa had only one citizen volunteer and relied on hospitality and institutional representatives to speak for users. Halifax citizen representatives provide an active contribution, however the majority of the appointees are from industry. Toronto had 2 rider representatives and 10 from industry. Figure 2 illustrates the comparative breakdown.

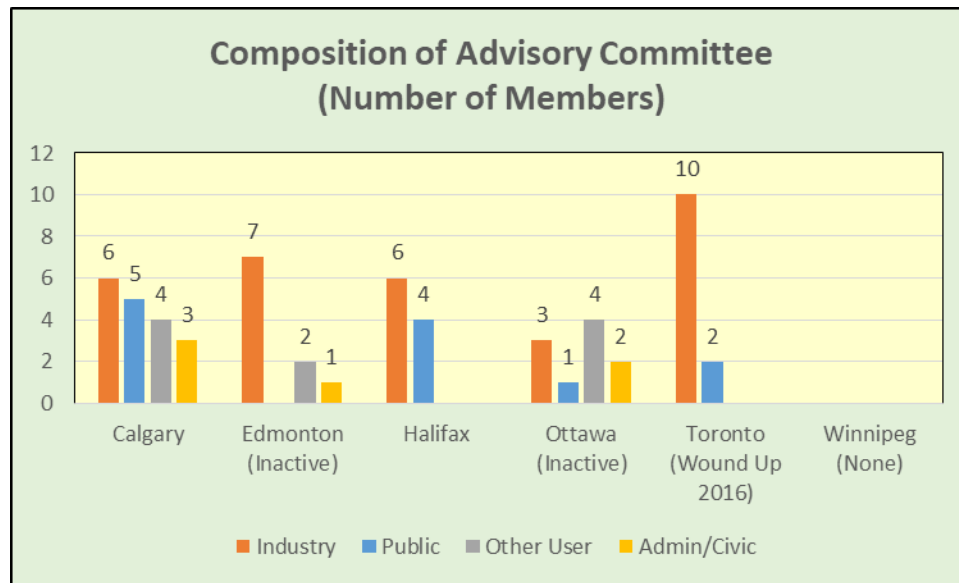


Figure 2

The earlier history of the peer cities also provides these insights:

- **A Councillor on the Advisory Committee is problematic.** This is an idea often suggested by stakeholders who want better input to Council. However, the Halifax experience illustrates the risks. In addition to the burden it places on the selected Councillor, there is a tendency to have dialogue directly with the Council representative in the room. This can subvert the constructive discussions that should occur among all stakeholder representatives.
- **Too much industry representation imports industry dissension.** If too many segments of the industry are represented on the advisory committee, then it begins to function like a subsidized industry council. It imports dissension from within the industry. This may detract from constructive dialogue between industry and users, resulting in an ineffective committee (as per early Ottawa and Toronto experiences).

### 3 ISSUE IDENTIFICATION

With the above information, five key governance issues have been identified and are discussed in the following sections.

#### 3.1 Sustainability of Current Mandate

Can LTAC continue both to provide advice to Council and channel broader industry and public input? The introduction of TNCs has created a greater diversity of stakeholders. It has also removed the factor that helped unify the industry: the value of a taxi plate resulting from restricted entry. Without this unifying factor, the motivations to compromise and provide industry consensus solutions to Council is greatly reduced. Today's LTAC experiences significant challenge from industry stakeholders.

Even before the advent of TNCs, other peer cities were moving away from advisory committees that channeled input through public meetings. When Edmonton replaced its taxi commission

with an advisory committee, the committee meetings were not open to the public. Halifax's current active advisory committee advises on its own account. It does not hold public hearings. Ottawa replaced its industry self-governance model (the Taxi Advisory Committee) with a Taxi Stakeholders Consultation group. Toronto replaced its Taxi Advisory Group with direct consultation with stakeholders by Administration.

### **3.2 Perceived loss of Credibility with Council**

The recent record of LTAC's proposals to Council, combined with procedural practice in recent years, have combined to raise doubts about the credibility LTAC has with Council – at least in the minds of LTAC members and industry stakeholders.

Recent practice has been for LTAC's input to reach Council through City administration items. Until the latest LTAC annual report, LTAC has not been presenting its views in its own words, or appearing before Council to explain its views. This is at variance with its terms of reference, which explicitly allow LTAC members to file minority reports indicating LTAC position. This only makes sense in the context of LTAC having provided its own position.

Providing advice directly and being available to speak to Council is part of the definition of an advisory committee to Council. Even when LTAC is in agreement with City administration proposals, the reason for agreement may be of interest to Councillors. The record of discussions between industry LTAC representatives and LTAC citizen and user members may be informative. There is a multitude of industry and user interests within LTAC, along with submissions received from the broader public and industry.

*The issue of being subsumed into Administration reporting is a perennial one.* The previous Taxi Limousine Advisory Committee (TLAC) replaced the Passenger Transportation Board in part to strengthen the direct reporting relationship. In making this recommendation, the governance review conducted at that time noted that the Passenger Transportation Board already had a direct reporting relationship, but that in practice this feature had been lost and its input was being channeled through the Livery Transport Services of the time.

The loss of direct input to Council has contributed to the existential crisis among LTAC members, particularly citizen appointees. It is one thing not have your advice accepted. It is another to never have the opportunity to express that advice, or provide Council with the nuanced balance of debate among interests leading to the adopted position.

Inadequate direct input may also contribute to other issues noted by stakeholders:

- **Too many stakeholders bypassing LTAC and going to Councillors.** This is every stakeholder's right. However, the perception that LTAC does not have the ear of Council undermines LTAC's function of providing a dedicated forum to be heard and be included in a digest of views.
- **Resource Demands.** LTAC is clearly an advisory body, both from its terms of reference and from its evolution from the former Taxi Commission. Without adequate exercises affirming the advisory relationship to Council, the focus of LTAC members may have shifted to a collaborative working relationship with the Administration. Some LTAC



members describe their function in terms closer to a management board. For example, there were references to a principal of board solidarity on decisions, although this is inconsistent with the provision for minority reports. Non-industry representatives have invested heavily to gain an understanding the industry. They feel a responsibility to contribute to and manage improvements

The shift in self-perception towards management may in turn contribute the high level of information and analysis called for from LTS and other Administration sources. Not all of this is necessary. *The first expertise LTAC members bring to the table is from their industry roles, or their views as customers.*

### **3.3 Segments of the Industry Feel They Lack a Voice**

Despite LTAC's large size and the evolution of its form to give the industry a voice, segments of the industry feel that they cannot effectively be heard through LTAC.

As noted under stakeholder views, driver representatives provide their own input based on experience, but do not lay claim to a larger constituency. Some active drivers coalesce around different initiatives, such as new taxi companies, and would prefer to have a seat at the table working directly with the administration through LTS.

Also as noted above, with the diverse interests to be represented, only one seat on LTAC represents taxi brokers.

### **3.4 How do Transportation Network Companies Have Input?**

A related issue is how TNCs can be heard effectively. TNCs are not necessarily local. Even when local offices are established, as with Uber, the policy representative to regulators may be regional or even national. Uber has expressed little interest in participating in LTAC, preferring to work with the City in a transportation planning framework. In the case of Edmonton based TappCar, the company's principal comment to this review was to ask if attendance at LTAC could be via video teleconference. While this form of attendance might work for a small committee discussion, it would be problematic for participating as a LTAC member and receiving public and industry submissions. Cowboy Taxi, as previously noted, operates primarily out of neighbouring municipalities.

The current representative of TNCs on TLAC is the operator of RidePlease. Unfortunately, at the time of this review, RidePlease was still launching its app and is not yet providing service (although its parallel operation KeysPlease has been operating for some years).

Despite this, the RidePlease operator may be the best available TNC representative, especially given Uber's low interest.<sup>5</sup> These difficulties illustrate the challenge of appointing a TNC representative to the advisory process. It may also contribute to why peer jurisdictions where TNCs are licensed have not re-established standing advisory committees (Ottawa, Toronto).

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<sup>5</sup> Uber was also not licensed in Calgary at the time the LTAC position for a TNC operator was filled.

### 3.5 Size and Effectiveness

LTAC membership has doubled from nine to eighteen members since 2011. It is too large a group for its members to deliberate effectively among themselves, especially with the double duty of hearing public submissions during its regular meetings. LTAC has partly met this issue by working in subcommittees. However, all advice to Council must pass through the full committee.

Stakeholders report meetings to be long and difficult. Citizen participants are challenged by the frequency and length of meetings, and the depth of complexity they must master to be accountable to the public stakeholders who give their input.

As per Figure 1 above, LTAC's size of 18 members compares to a size of 10 members among peer cities.

### 3.6 Options for the Future

The balance of this report assesses the three principal alternatives for the future:

- A. **Replace LTAC with an advisory process managed by Administration.**
- B. **Improve LTAC.** Improve LTAC's functioning as a continuing advisory committee of Council.
- C. **Replace LTAC with an independent body with operating authority.** Calgary has previous experience with this option in the form of the Calgary Taxi Commission.

The final section of this report reviews three main options (A, B, C), and recommends the one likely to best serve the needs of Calgary.

## 4 OPTION A: ADVISORY PROCESS MANAGED BY ADMINISTRATION

One option is for Calgary to follow the trend observed in peer cities and move to an advisory process that reports through the City administration. Under this approach, any standing advisory committee offers its advice to the administration and *no longer conducts its own hearings to receive submissions from the public and industry*. Participants on the committee are advising City administration on their own account. It is the responsibility of City administration to conduct whatever additional outreach or consultations are required specific to the case. Administration would be accountable to Council for adequate public and industry consultation. For example, in matters related to TNCs, the Administration can conduct targeted outreach to TNCs, as it likely would have to anyway under present arrangements.

There are three sub-options in this approach:

- **Option A.1: An improved LTAC reporting through Administration.** An LTAC of reduced size would advise on its own account and be freed of the obligation to hold public meetings to collect input. Responsibility for broader consultation would be assumed by the Administration on a case-by-case basis.
- **Option A.2: An industry advisory committee reporting through Administration.** The standing advisory Committee would have just six industry representatives.

Administration would consult with other stakeholders separately, in addition to any public consultations as per Option A.1. The result is efficient direct dialog, without the burden of public hearings on the committee, and without the burden of continuous investment in orientation of new citizen and user representatives.

- **Option A.3: No standing advisory committee.** The Administration would undertake consultations with stakeholders on a case-by-case basis, as per the current approach in Toronto and Edmonton. This could include separately convening driver representatives or TNCs. Where larger issues are at hand, comprehensive consultation would be designed to suit the case.

#### 4.1 Option A.1: An Improved LTAC Reporting Through Administration

A standing advisory committee is still useful, as in the Halifax example. It provides:

- A ready forum for checking industry and user reaction to proposals.
- A means of communicating regularly to the industry and communities of livery users.
- A standard means of consultation with which Council can be familiar when the Administration reports, allowing brief referral in the case of routine initiatives.

Under this option, LTAC is free to concentrate on its role to *advice*, rather than to hold public hearings and consolidate the input of others. Eliminating regular monthly public hearings provides a simpler and less resource intensive process. Advisory committee meetings can be shorter and devote more time to the mutual exchange of views and discussion, instead of receiving submissions.

Consolidating the input of others, when needed, is a duty that Administration would assume directly. Importantly, this may afford more industry players a chance of direct input to policy development, without being filtered through the limited representation and public process of an advisory committee to Council. Where needed in specific cases, the Administration can convene more extensive meetings of affected stakeholders, or hold public hearings. Direct interaction with Administration is the option that a number of industry stakeholders stated they preferred.

*Option A.1 (LTAC reporting through Administration) would include:*

- *City administration would be accountable to Council for conducting adequate public and industry consultation on livery proposals, including amendments and administration of the Livery Transport Bylaw*
- *LTAC would be a standing body advising City administration on livery issues.*
- *The terms of reference of the LTAC would be simplified to reflect a solely advisory role to Administration and no longer refer to*
  - *the duty to receive public submissions.*
  - *the conduct of surveys and research.*

- *Responsibility for reporting to Council on ongoing performance indicators, such as customer satisfaction, dispatch performance, and application of formulas monitoring taxi demand and taxi cost, would be assumed by City administration.*
- *Minimum frequency of meetings would be reduced to quarterly, rather than monthly.*
- *LTAC meetings would be convened and chaired by the manager of Livery Transport Services, or their designate.*
- *Supplemental consultation and outreach to the public and sectors of the livery industry would be conducted by City administration as needed.*

LTS acting as chair is consistent with the responsibility of Administration to convene the group regularly to share news and receive advice, and consistent with practice in peer cities where advisory groups are maintained.

### **Membership and Reduced Size**

In addition to shifting LTAC's role to an advisory process working with Administration, there is a need to reduce LTAC's size.

A factor driving the expansion in LTAC membership has been the tendency to give a driver and operator seat to each segment of the industry, and then balancing the industry expansion with additional citizen appointees. With the addition of TNCs to the mix, this approach has been impossible to accommodate within a reasonably sized committee. In addition, as noted earlier, the effective removal of supply limits has divided the industry so that there are too many separate interests to be represented, even within a given type of licensee.

One area where the size of the committee might be reduced is in user representatives. There are nine now, to the industry's six. User representatives are appointees from the general public, the Advisory Committee on Accessibility, the Airport Authority, Tourism Calgary, and the Calgary Hotel Association.

The historical expansion of the number of appointees from the general public appears not to recognize the role of the airport, the hotel association, and the tourism association. The latter organizations speak for users too.

Additionally, the increased number of appointees from the general public may reduce their effectiveness and commitment by diluting their role. While some, including the chair, put in enormous effort, variability in the contributions by general public appointees was a concern expressed by many stakeholders. While Ottawa and Halifax do make use of general public appointees, they do so at lower proportionate levels.

*Option A.1 (LTAC reporting through Administration) would include a reduction in the number of appointees from the general public from five to three. This will leave total user representatives numbering seven to the industry's six.*

Another factor behind the historical expansion of LTAC is the addition of non-voting members from City administration and the police. The rationale for each of these was as follows:

- **Livery Transport Services.** A representative of LTS was added to afford the immediate and practical input of the principal Administration unit working with the Bylaw.
- **Transportation Planning Unit.** The availability of livery transportation affects public transit usage, private vehicle use, and infrastructure requirements. Including Transportation Planning on LTAC ensures that livery issues are dealt within the larger transportation-planning framework, and that a similar awareness is brought to LTAC issues.

An example from the previous governance review is the issue of allocating downtown parking spots for taxi stands. A narrow view of this issue is taxi service versus parking revenue. A broader planning perspective takes into account the impact of reliably available livery transport on modal choice. People who know they can grab a nearby taxi when they need one in a family emergency, may be more likely to take a bus to work and leave their car at home. In interviews for this review, the present Transportation Planning representative noted that it easy for this level of coordination to be forgotten without ex officio participation on LTAC.

- **Police Services.** The police also bring a perspective to livery discussion that others may not have. Examples are the preservation of chain of custody when specifying camera standards, or issues around public safety and the identifiability of TNC vehicles.

It makes sense for all three of these actors to participate on a livery advisory committee. Of the three, the easiest to do without is the police. As suggested by the police representative in this review, LTS staff recruiting draws naturally on the pool of law enforcement officers, and the LTS member might be expected to bring a law enforcement perspective to the table.

*Option A.1 (LTAC reporting through Administration) would also include eliminating the requirement for a non-voting member from Police Services.*

## **Appointment**

In general, appointment of an advisory body to City administration should be the responsibility of the business unit being advised, subject to the preferences of representatives of named bodies such as the Airport Authority, Tourism Calgary, etc.

This entails a loss of the current process supervised by the Clerk for the public recruitment of applicants for Council appointments. Although that process is highly valuable for its public outreach, it would be a significant break with current practice to burden the Clerk's office with appointments to Administration bodies that are not directly reporting to Council.

*Option A.1 (LTAC reporting through Administration) place responsibility for filling industry and citizen LTAC members on Administration.*

## **Advantages and Disadvantages of Option A.1**

The advantages of this option are:

- It allows Calgary to continue to benefit from the advantage it has in the high participation of citizen volunteers, including representatives from business associations and institutions who represent user interests.
- It preserves the investment in the present user representatives on LTAC who have become highly knowledgeable and committed.
- It frees LTAC members from the burden of public hearings. In turn, this lets them use meeting time to deliberate among themselves, and advise Administration based on their own experience and the constituencies they represent.
- The draw on Administration resources is substantially reduced because:
  - There are fewer meetings with the reduction from monthly to quarterly. Subcommittee meetings, if any, are reduced since more can be addressed in the main meeting.
  - Meetings are more informal without public hearing components.
  - Information requests by non-industry members will be substantially reduced because, *in the absence of the requirement to judge and channel the broader industry input and public submissions*, each will be free to advise based on their own native experience as a user, or as a driver, etc.
- The reduction in the number of citizen representatives to former levels restores a higher responsibility among those who remain, while reducing the resource cost of orientation.
- The majority of user representatives is maintained, counting both citizens and user institutions (airport, hospitality, tourism) together.
- The assumption of direct responsibility by administration for broader consultation provides greater opportunity for direct interaction with Administration (notably Livery Transport Services) that industry members feel they want.
- Targeted outreach by Administration also addresses the difficulties of consulting with TNCs, many of whose regional and national structure is not structured to participate on municipal advisory committees.

The disadvantages of this option are:

- The reduced LTAC (15 instead of 18) is still large.
- The size, and turnover among non-industry representatives, means ongoing resource costs to provide orientation and answer enquiries. This will be less than

In summary, Option A.1 represents a choice to preserve the value of current citizen and user participation while freeing LTAC to focus on its advisory role, at a reduced but still significant resource cost. Administration assumes direct responsibility for overall stakeholder consultation and reaches out to industry and other stakeholders directly as required.

## 4.2 Option A.2: Industry Advisory Committee

Under this option, the Administration again assumes direct responsibility for consultation, with the aid of a small standing advisory committee of industry representatives. Such a committee would be very different from LTAC. There would no longer be citizen members from the general public. Administration would consult separately, and as needed, with Calgary International Airport, Transportation Planning, tourism and hospitality representatives, and the Police.

*Under Option A.2 (Industry advisory committee):*

- *A Membership of six is recommended consisting of*
  - *1 Taxi broker*
  - *1 Limousine Operator*
  - *1 TNC representative*
  - *3 driver representatives, with a preference given to*
    - *diversity of experience operating taxis, limousines, and TNC vehicles, and;*
    - *representativeness of driver associations, when they exist*
- *As in Option A.1, meetings would meet a minimum of quarterly and be convened and chaired the manager of Livery Transport Services or their designate.*
- *As in Option A.1, Supplemental consultation and outreach to the public and sectors of the livery industry would be conducted by City administration as needed.*
- *As in Option A.1, appointment to the advisory committee of industry representatives would be the responsibility of the Administration.*

Under this option, the driver representatives are not tied to the kind of licence class vehicle they drive. This recognizes the reality that many drivers move freely between types of vehicles for hire. For example, a taxi driver may choose to drive for a TNC, and then return to driving taxi, or move to working for a limousine company. Drivers who do not have their own taxi license are the most likely to do this. Because drivers can move freely, they have an interest in speaking to conditions for all types of vehicles-for-hire, not just the type of vehicle they currently drive.

Leaving the vehicle class unspecified affords the administration greater freedom to appoint the most representative and experienced drivers. It also avoids having to replace an experienced driver representative when they change vehicle class.

This approach is similar to Edmonton and Halifax, in that the majority of members in the advisory committee are from industry. Option A.2 takes this a step further. It has only industry members and places a duty on Administration to consult the other stakeholder groups separately.

### **Advantages and Disadvantages of Option A.2**

The advantages of a much smaller advisory committee, relative to a continued form of LTAC in Option A.1, are:

- **A more coherent and efficient discussion.** Dialog may occur directly between Administration and the industry without the need for continuous re-investment in the understanding of citizen and user representatives.
- **Effective use of other stakeholder time.** The airport, tourism and hospitality stakeholders can be consulted separately on the issues that concern them, without having to act as referees on disputes within the industry.
- **Lower resource costs** from the reduced size, and eliminating the need to provide briefing and orientation to citizen appointees.

The other advantages of Option A.1, such as improved input from committee deliberations by freeing committee members from holding public hearings, remain.

The principle disadvantages of Option A.2, as compared to Option A.1 are:

- The loss of Calgary's advantage in dedicated citizen volunteers.
- The loss of the investment in the current LTAC citizen and user institution members.
- A greater risk of user and transportation planning issues going unrecognized until a crisis is reached.
- Greater risk of industry "capture" of the regulator in the absence of balancing user interests regularly at the table.

The last point deserves elaboration. For all cities, in classic vehicle-for-hire regulation, issues that make the industry uncomfortable tend to be left for another day. In particular, the issue of additional taxi licenses to meet demand is often deferred, even when a demand formula was theoretically in place. Historically, this led to periodic crises of extreme taxi shortages, when the business community would at last find its voice and join the public outcry. Having non-industry representatives on an advisory committee helps ensure that decisions to maintain service levels are made regularly – avoiding a crisis.

More subtly, there are other issues where the initial concern will originate outside the vehicle-for-hire industry and is best anticipated early. Having a regular meeting function with Transportation Planning, for example, helps integrate vehicle-for-hire police with overall transportation needs. The supply of vehicles-for-hire can significantly affect vehicle ownership, public transit demand, and infrastructure requirements. Availability of vehicle for hire also directly affects the choices available to public transit in reducing costs on low volume routes and providing accessible transit.

As noted by stakeholders in interviews for this review, having an official liaison position on a committee helps ensure that the liaison activity is recognized in each stakeholder organization, and helps ensure that staff resources are allocated to fulfil the role. This happens now with positions on LTAC. The elimination of positions in a pure industry advisory committee would lose this advantage.

Moderating this concern is the higher profile that the vehicle-for-hire industry has at present. Livery Transport Services indicates that it meets monthly with Transportation Planning



independent of LTAC meetings. The introduction of TNCs as an alternative source of livery vehicle also reduces the risks of taxi supply lagging taxi demand.

### **4.3 Option A.3: No Standing Advisory Committee**

This option reflects the direction that most other jurisdictions have taken given the diversity of industry interests and reduced industry cohesion after the advent of TNCs.

Under this option, Administration takes full responsibility for stakeholder consultations, and reports to Council when necessary on how consultation took place in each instance. This case-by-case approach is what Toronto does now, and where other cities with inactive advisory committees are going or appear likely to move (Edmonton, Ottawa).

The advantages of Option A.3 (no advisory committee) are:

- Saved resources costs from committee administration and maintenance.
- Greater flexibility in matching consultation to the issues at hand, recognizing that the diversity of the industry is now unlikely to be captured in a single advisory committee of reasonable size.
- Greatest potential opportunities for individual industry stakeholders to work directly with Administration on issues that concern them.

Disadvantages of A.3 include these noted for A.2:

- The loss of Calgary's advantage in dedicated citizen volunteers.
- The loss of the investment in the current LTAC citizen and user institution members.
- A greater risk of user and transportation planning issues going unrecognized until a crisis is reached.

In addition, there are these disadvantages unique to A.3.

- The loss of a forum for regular communication with the industry and communities of users.
- The loss of a convenient forum for consultation on small issues.
- The requirement to explain stakeholder consultation methods each time a measure is taken to Council for approval.
- Greater pressure and cost on administration to maintain consultation channels with both industries and users.
- Greater risk of unanticipated crises emerging if Administration fails to keep in touch due to the absence of an established regular forum.
- The loss of a standard convenient method to consult stakeholders on small issues.

Of these disadvantages, the first is possibly the most important. Much of the evolution of advisory committees to the present LTAC reflects the need for a conduit by which the industry may express its views.

## 5 OPTION B: AN IMPROVED LTAC AS AN ADVISORY COMMITTEE TO COUNCIL

Analysis and recommendations under this option address improving LTAC's function and its relationship with Council. Under this option, LTAC would continue to advise Council directly, and to conduct its meetings inclusive of receiving public submissions.

If LTAC is to improve its functionality its advisory role to Council needs to be restored and strengthened, and its size needs to be reduced to a more effective level.

LTAC's terms of reference already make its reporting relationship to Council clear. What would be needed under this option is improvement in practices.

*Under Option B, when there are City administration items presented to Council that require or include LTAC review, then:*

- *The Administration item should include a separate attachment stating LTAC's views, approved by LTAC's citizen chair and including any LTAC minority reports as required.*
- *When Administration representatives advance to the bar before Council or Council Committee, they should be accompanied by the LTAC Chair or their designate drawn from LTAC, who shall be available to respond to any Councillor questions regarding LTAC's position.*

As acknowledged in LTAC's present terms of reference, it is not necessary that City administration and LTAC agree. The function of LTAC is well served if Council is properly informed of the basis of any dissent. City administration also benefits by providing Council with a full assurance that public consultation has taken place, and that all concerns have been taken into account.

Part (a) of the recommendation represents recent practice as of the 2016 LTAC annual report.

### **Reduced Size**

As per discussion of Option A, one source of LTAC's current large size has been the tendency to add citizen members to balance the addition of industry members. This has had the inadvertent effect of diluting the citizen members' role. This degree of expansion is also unnecessary since balance is provided by institutional user representatives such as the airport, and tourism and hospitality associations.

*Under Option B (LTAC Continued as Advisory Committee to Council):*

- *Members from the general public would be reduced from five to three. This will leave total user representatives numbering seven to the industry's six.*
- *The requirement for a non-voting member from Police Services would be eliminated*

As in Option A.1, the net result is a reduction of the size of LTAC from 18 to 15. Although still a large number, this will improve the manageability of the group. The restoration of citizen appointees to their previous numbers will also strengthen their individual roles and reduce the resource cost of the required orientation of new members.

## Selection and Driver Representatives

As part of Calgary's current practice on governance and appointments, the chair of LTAC is provided with a grid of competencies on which to assess and recommend applicants for appointment to LTAC, particularly for positions from the general public.<sup>6</sup> Stakeholder comments on the use and impact of this grid were generally positive.

However, there is an additional issue for the selection of driver representatives.

A key consideration for driver representatives is whether they have a *constituency*. Driver positions have been added in the past in response to outcries from driver organizations that they were not represented. Earlier LTAC terms of references named driver organizations as sources of nominees. However, driver organizations have high turnover and the named organizations could no longer be contacted after a number of years.

Having a constituency is arguably more important than having technical competencies in assessing regulations. A driver brings a basic competency to comment by virtue of their role in the industry.

Without a demonstrated constituency, there is a risk that a driver representative will be standing in for their respective livery operator, possibly reporting on activity rather than strongly representing driver interests. There is also the risk that outspoken drivers who represent a broad number of drivers will be missed.

*Under Option B (LTAC Continued as Advisory Committee to Council), it is recommended that driver selection criteria be amended to allow applicants to driver positions to submit 20 supporting signatures by holders of currently valid livery driver licences.*

This criterion is intended to suggest a minimum. More signatures are not necessarily better. Calgary does not wish end up running a driver election. The negative experiences of Toronto and Ottawa speak to the dissension that elections can introduce into industry consultation. The point of an accessible minimum number of signatures is to demonstrate that the driver has a constituency and speaks for more than just themselves.

## Resourcing

The adequacy of LTAC's operating budget of \$185,000 did not come up as an issue during this review, other than in the context of LTAC's continued existence being a drain on funds supported by livery license fees.

A more substantive issue was raised about the role of the analytic support staff position provided to LTAC. The 2011 governance review noted that the chair of LTAC (then TLAC) required support to meet the work of providing reports summarizing opposing interests within the industry, and receiving public and industry submissions. This finding was made in the context of an issue of delays in Council receiving reports it had requested, and procedural challenges applying *engage!* principles. The addition of a staff person was recommended to

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<sup>6</sup> When qualifications are set out in a Committee's Terms of Reference, the City Clerk's Office populates those qualifications on a skills matrix for the Chair's use. With this, the chair can determine what qualifications are needed from year to year based on their current member composition, skill deficits, and workplans.

meet this need. The recommendation was adopted by Council and implemented by City administration. The general need for support was also acknowledged in the 2007 governance review.

There is some confusion today about that analyst position's relationship to LTAC. While the level of support is appreciated by all stakeholders, to what extent are they LTAC's resource? Or, alternatively, the Administration's? This concern becomes material if LTAC begins, as recommended under this option, to file its own attachments to Council regarding City administration proposals.

*Under Option B, the staff resource provided to LTAC would include the duty to assist the chair in producing reports that reflect the assessment of LTAC, and the results of input it received in public meetings. The success criteria for this staff function would be effective communication by LTAC, independent of whether LTAC reports support Administration positions.*

### **Advantages and Disadvantages of LTAC Continuing as a Council Advisory Committee**

Relative to the status quo, Option B offers these advantages:

- Restoration of the direct advisory relationship with Council will renew confidence in LTAC and improve its function as a body that collects stakeholder input in public meetings.
- Reduced size will improve deliberations and reduce resource draw.
- Council will preserve the value of citizen volunteer input, and the investment in LTAC to date, through the remaining strong core of citizen and user LTAC members.
- Driver representative function will be improved by adding *constituency* to the selection criteria.

However, some of the issues identified in this review will remain unaddressed. These include:

- Meetings will still be burdened with the double duty of receiving public submissions and allowing deliberation among members.
- The elimination of taxi plate values as a unifying force for industry compromise will make the management of meetings a continued challenge.
- Segments of the industry will continue to feel that they have little voice in the LTAC process.
- As the primary source providing Council with stakeholder advice, LTAC will have difficulty representing TNCs not headquartered in Calgary.
- The resource draw on the administration necessary to support the present frequency of LTAC meetings will continue, while still burdening the administration with the need to cover gaps in representation by engaging in parallel consultation efforts.

## **6 OPTION C: A LIVELY COMMISSION**

A third option is to move away from an advisory body and towards a body with regulatory authority. In the current context, conflict of interest would preclude active industry

participation. Thus, the body would also change membership and rely principally on appointees from the general public.

This option was attractive to some stakeholders in this review. It relieves Council of the burden of this policy area, and builds upon the investment by user representatives on LTAC in understanding and formulating policy for the livery industry. Stakeholders pointed to other autonomous bodies maintained by the City as examples.

While there is a trend away from such commissions among Canadian peer cities, there remain strong examples internationally, notably in Washington D.C. and New York City.

The disadvantages of this approach are:

- It is significantly more expensive. A level of training and support is necessary to have an independent body of appointees from the general public supervise the industry.
- There is a risk of industry “capture” in dedicated bodies, where the commission becomes reliant on the expertise and advice of the regulated.
- Most importantly, as found in previous audits and governance reviews for Calgary, the Alberta Municipal Government Act does not allow the City to delegate its supervision of livery regulation. This was a consideration in Calgary’s abolishing the Calgary Taxi Commission, as well as Edmonton’s similar abolition of its commission.

There is one case where a move to a Taxi Commission may make sense. That is a long-term effort to move to a regional authority uniting the livery jurisdiction of Calgary and surrounding municipalities. Regional considerations were part of the scope of this governance review.

Such a move offers potential advantages that may offset the costs of maintaining a separate commission. Since a regional livery commission would require provincial legislation in any event, restrictions on delegation in the present MGA could be amended consistent with the initiative.

The increased case for regionalization of livery regulation stems from changes to the industry resulting from TNCs.

### **6.1 Enhanced Advantages of Regionalization Caused by TNCs**

Traditionally urban centres and suburban municipalities had irreconcilable differences when it came to harmonizing or integrating livery regulation. Urban centres had protected and valuable taxi markets with limited supply, while suburban municipalities were interested in promoting supply and providing rural service.

The difference in orientation leads to differences in safety and other regulatory standards between municipalities. Suburban municipalities had an interest in less costly regulations that would encourage taxi supply.

The biggest issue, however, was that merging urban and suburban markets would bring down taxi plate values in the protected urban centre.

The traditional gain from regionalization was the elimination of “deadheading”, where a taxi driver who took a passenger across municipal boundaries was required to return empty; they could not pick up a passenger in the other jurisdiction.

The historical gains from eliminating deadheading were minor since in a traditional taxi regime with fixed meter rates, taxis in off-peak time periods spend much of their time idle anyway. Time spent deadheading on a return trip might have been spent waiting in the dispatch queue in any event.

With the advent of TNCs, the following changes have taken place:

- **Plate value no longer a barrier.** The expansion in livery supply is already reducing taxi plate values towards negligible levels, eliminating one important issue in merging jurisdictions.
- **Eliminating deadheading now a real gain.** The business model of TNCs like Uber involves flexible pricing – where off-peak service is priced much cheaper and offset by higher volume and busy vehicles. When vehicles are busy, the cost of time wasted deadheading across municipal boundaries is very real, and the savings from regionalization equally real. Deadheading vehicles are more likely to have been used carrying a fare, not waiting in a dispatch queue.
- **Regional boundaries place traditional taxis at disadvantage.** Given the cost of deadheading, and the relatively unmarked TNC vehicles, serving illegally across municipal boundaries is easy to do. This places the traditional taxi industry, with its clearly marked vehicles, at a disadvantage. Merging jurisdictions is one way of protecting the taxi industry.
- **Regionalized livery enables innovative use of livery vehicles by a regional public transit.** Taxis and TNCs both offer options for more cost-effective public transit in off-peak periods, and for low volume or rural routes. The advent of TNCs has expanded livery supply, solving some of the supply constraints that have blocked innovation in the past. Regionalized livery regulation brings common standards and a more flexible collective livery fleet able to serve potential demand by the public transit agency.
- **Regionalization enhances the profitability of serving rural areas, increasing livery service.** The ability to take passengers on return trips, and the potential for regional variation in TNC pricing add to this profitability.

In summary, in the presence of TNCs, regionalization of livery offers the public real gains in lower off-peak prices and better rural service. At the same time, regionalization helps level the playing field for traditional taxi companies competing with TNCs, and enables cooperation with regional transit use of livery vehicles to enhance service.

### **Regionalization, Accessible Livery Service, and Fees per Trip.**

By opening up the MGA for amendment, regionalization also offers the side benefit of addressing an issue regarding municipal powers and the ability of the regulator to charge a fee per trip.

Collecting a fee per trip, especially from TNC operators, offers a new way of collecting revenue relatively painlessly. From a customer's perspective, fees per trip are offset by the generally lower price of off-peak fares. A fee per trip can fund the cost of regulation and enforcement. Importantly, it can potentially help solve the problem of accessible livery service.

Providing accessible livery vehicles costs operators more than serving other customers, but there is an expectation that persons in mobility devices should pay the same fares as others. This creates a need to provide incentives to operators to off-set their higher costs.

When taxi plates were worth more than a \$150,000, this problem was solved by issuing new plates to accessible taxi service providers. The plates were willingly accepted because the value of the plate exceeded the extra cost of providing accessible service.

Now that plate value is no longer high enough to be an incentive, it would be helpful to find another revenue source to assist with this issue. A fee per trip on TNCs, seen in other jurisdictions, is one possibility. It provides revenue, while simultaneously providing indirect protection to the traditional taxi industry. However, there is the issue of how high a fee per trip fee can be, before it is deemed a tax and thus not within municipal powers.

The creation of a regional livery authority by the province could clarify this issue by including specific authority for fees per trip.

### **Discussion with Other Municipalities**

A meeting was arranged between the consultants and representatives of other municipalities in the region. The municipalities of Cochrane and Airdrie attended with multiple representatives (See Appendix B). The above analysis was included in the presentation. The participating municipalities had a positive reaction to exploring the idea of regional standards further, along with possible regionalization.

### **Option C**

*Option C (Moving towards a Livery Commission) is not recommended, except in the context of a potential regional authority. A regional authority would require a great deal of exploration and consultation. It is not available as an immediate option for Calgary. However, it offers potential benefits worth exploring.*

*Recommendation C.1: That Council endorse the idea of including regional livery standards and a possible regional livery authority in future discussions of regional cooperation with other municipalities in the region.*

## **7 RECOMMENDED OPTION**

Based on analysis and stakeholder input, this review identified three possible directions for governance of livery regulation and associated management of public and stakeholder consultation. Advantages and disadvantages are summarized in Table 1.

Table 1 - Option Advantages and Disadvantages	
<b>Option A.1: Improved LTAC reporting through Administration</b>	
<p><i>Advantages</i></p> <ul style="list-style-type: none"> <li>• Keeps value of citizen and community volunteers</li> <li>• Frees LTAC members from holding public hearings, allows them to advise based on their own experience and constituency.</li> <li>• Significant reduction in resource costs from fewer and more informal meetings, and from reduced information requests to Administration as members refocus on advice based on their native expertise as users or industry members.</li> <li>• User majority maintained.</li> <li>• Fewer citizen members have offsetting more responsible role.</li> <li>• Greater opportunity for industry stakeholders to work directly with Administration through outreach efforts that replace former LTAC public hearings.</li> <li>• More accommodating of TNC companies not headquartered in Calgary.</li> <li>• A regular quarterly check-in with both industry and user stakeholders is maintained.</li> </ul>	<p><i>Disadvantages</i></p> <ul style="list-style-type: none"> <li>• Still large, although membership reduced from 18 to 15.</li> <li>• Investment in staff resources to orient new user representatives and answer queries will continue, although at reduced level.</li> </ul>
<b>Option A.2: An industry advisory committee reporting through Administration</b>	
<p><i>Advantages</i></p> <ul style="list-style-type: none"> <li>• More focused and efficient discussion as stakeholders are all familiar with issues.</li> <li>• Saved time of other stakeholders as airport/tourism/hospitality and admin attendance no longer required.</li> <li>• Lower resource cost than Option A.1.</li> </ul>	<p><i>Disadvantages</i></p> <ul style="list-style-type: none"> <li>• Loss of Calgary advantage in citizen volunteers.</li> <li>• Absence of regular check-in with users to hear input.</li> <li>• Greater risk of user and transportation planning issues going unrecognized until a crisis.</li> <li>• More resources from Administration to ensure ongoing liaison efforts to avoid the above risk.</li> <li>• Greater risk of regulator “capture” by the industry in the absence of regular user presence at the table</li> </ul>
<b>Option A.3: No standing advisory committee – Administration consults case-by-case</b>	
<p><i>Advantages</i></p> <ul style="list-style-type: none"> <li>• Greatest direct resource savings.</li> <li>• Greater flexibility in customizing outreach and consultation according to issue.</li> <li>• Greatest <i>potential</i> opportunity for individual industry stakeholders</li> </ul>	<p><i>Disadvantages</i></p> <ul style="list-style-type: none"> <li>• Loss of Calgary advantage in citizen volunteers.</li> <li>• Loss of forum for regular communication with stakeholders.</li> <li>• Loss of convenient forum to consult over small issues.</li> <li>• Requirement to explain stakeholder consultation process on each Council item.</li> <li>• Greater pressure and cost for Administration to maintain consultation channels with both industry and users.</li> </ul>



Table 1 - Option Advantages and Disadvantages	
	<ul style="list-style-type: none"> <li>Greater risk of unanticipated crises if Administration fails to keep in touch in the absence of an established regular forum.</li> </ul>
<b>Option B: An improved LTAC continued as an advisory committee to Council.</b>	
<p><i>Advantages</i></p> <ul style="list-style-type: none"> <li>Calgary advantage of citizen volunteers retained.</li> <li>Process improvements renew LTAC’s advisory relationship with Council.</li> <li>Reduced size from improves deliberations</li> <li>User majority maintained.</li> <li>Fewer citizen members have offsetting more responsible role.</li> <li>Driver member selection improved by adding <i>constituency</i> to selection criteria.</li> <li>Some resource savings from reduced orientation costs for fewer citizens at large.</li> </ul>	<p><i>Disadvantages</i></p> <ul style="list-style-type: none"> <li>Meetings still burdened by double duty of public hearings and deliberations.</li> <li>Rationale for industry self-management and consensus eliminated by TNC entry and collapse of taxi plate value.</li> <li>Although LTAC is still large, segments of industry will still feel they have no voice through LTAC.</li> <li>LTAC will have difficulty representing TNC’s not headquartered in Calgary.</li> <li>Large resource draw on Administration will continue.</li> </ul>
<b>Option C: A Livery Commission</b>	
<p><i>Advantages</i></p> <ul style="list-style-type: none"> <li>Only makes sense in context of a regional body with neighbouring municipalities.</li> <li>Conditions that prevented regional standardization no longer apply (e.g. high Calgary plate value).</li> <li>Preliminary indications of support from some other municipalities.</li> <li>Gains from TNCs significantly enhanced (lower fares, rural service, and supply of vehicles for hire for innovation by public transit).</li> <li>Elimination of deadheading now a real gain due to high vehicle utilization in off peak by TNCs.</li> <li>Needed to level playing field for taxi industry in presence of TNC competition.</li> <li>Required amendments to MGA allow simultaneous resolution of charging fees per TNC trip to fund improved accessible service.</li> </ul>	<p><i>Disadvantages</i></p> <ul style="list-style-type: none"> <li>Requires MGA amendment to allow delegation of responsibility.</li> <li>Most expensive option.</li> <li>Risk of regulatory capture is higher with an independent body working exclusively with industry.</li> </ul>

Option A is to have City administration assume direct responsibility for stakeholder consultation and advising Council. This included three sub-options:

- Option A.1: An improved LTAC reporting through Administration.** An LTAC of reduced size would advise on its own account and be freed of the obligation to hold public meetings to collect input. Responsibility for broader consultation would be assumed by the Administration on a case-by-case basis.
- Option A.2: An industry advisory committee reporting through Administration.** The standing advisory Committee would have just six industry representatives. Administration would consult with other stakeholders separately, in addition to any public consultations as per Option A.1. The result is efficient direct dialog, without the burden of public hearings on the committee, and without the burden of continuous investment in orientation of new citizen and user representatives.

- **Option A.3: No standing advisory committee.** The Administration would undertake consultations with stakeholders on a case-by-case basis, as per the current approach in Toronto and Edmonton. This could include separately convening driver representatives or TNCs. Where larger issues are at hand, comprehensive consultation would be designed to suit the case.

Option B is to continue LTAC as an advisory committee to Council with a reduced size, improved selection process, and improved practices restoring the independent advisory relationship. The latter includes Council being provided with separate attachments stating LTAC assessments of Administration proposals, and having LTAC representatives advance to the bar before Council and Committee, making them available for Council questions.

Option C is to move to a form of Livery Commission with operating authority.

Analysis found that moving towards a Livery Commission, although favoured by some stakeholders, is not feasible given the Municipal Government Act's requirement for the City to take direct responsibility for livery regulation. Additional disadvantages are the high costs, risks of regulatory capture, and the poor experience that led Calgary historically to move from the Calgary Taxi Commission to an advisory model.

An exception to the rejection of a Livery Commission is the possible establishment of a regional authority. Changes to the industry following the introduction of TNCs have removed some of the barriers to regionalization, and enhanced the advantages.

*Of the remaining options, this review recommends Option A, having City administration assume direct responsibility over stakeholder consultations.* Although it is tempting to continue with improvements to the status quo (Option B), the introduction of TNCs has removed much of the rationale for having an advisory committee to Council which itself holds public hearings and consults with the industry. LTAC can no longer be viewed as a body where the industry consults within itself to produce consensus reliably.

The decline of the worth of taxi plate values has removed the incentive for livery interests to cooperate with each other to preserve the public's tolerance of a shared monopoly. Industry interests are now too diverse to capture effectively, within even a large LTAC. The result is a cumbersome and time-consuming process that leaves many industry stakeholders feeling they have no choice but to approach Councillors directly on their issues. The non-local nature of many TNCs also undermines the ability of LTAC to capture all interests.

Although it is possible to greatly improve the functioning of LTAC, as indicated by recommendations under Option B, the better approach is replace LTAC with a similarly structured advisory group whose role is to advise City administration, and not conduct hearings itself. The broader responsibility for consultation would then fall upon City administration, including the responsibility to carry the results of consultation forward in presenting proposals to Council.

The net result of Option A would be a much less intensive process, a greater opportunity for advisory committee members to exchange views and deliver their collective advice, and more opportunities for the wide variety of current industry players to participate directly in policy formation by working directly with Administration.

Within Option A, this review recommends A.1: *An improved LTAC reporting through Administration*. This option preserves much of what is good about the present process, especially the contributions and investment of the user representatives, both citizens at large and members of the hospitality and tourism sectors. Liaison with transportation planning is also important to preserve in a regular forum. Although the recommended reduction in membership from 18 to 15 still leaves a large group, other features of this option will reduce resource costs significantly. The reduction of meetings to quarterly, and the elimination of the burden of receiving public submissions, will reduce costs and free the advisory committee to provide effective advice.

At the same time, under A.1, Administration is freed to take the lead in more diverse stakeholder consultation specific to individual issues, and to provide the increased direct interaction that some industry stakeholders feel is strongly needed.

An industry only advisory committee (Option A.2) is less desirable than A.1 because an industry only dialog risks a failure to deal with issues that important to users and user institutions until a crisis is reached. The historical example in many cities is the failure to increase the number of taxis to match growth in demand. For this reason, peer cities who maintained standing advisory committees tended to include user representatives and institutions. In addition, moving to a purely industry advisory committee would lose the current investment in citizen volunteers and non-industry representatives. Finally, there is the risk of “regulator capture” by the industry when user representatives are not consistently at the table. These disadvantages exceed the efficiencies of having a small advisory group that already understands the industry.

Having no advisory committee is also less desirable than A.1. Without regular communication with a standing committee, there is a risk that Administration may miss adequately consulting on measures, and the requirement to explain to Council the method of consultation in each case. As with A.2, there is also the loss of the vigour of Calgary’s citizen volunteers, and the loss of the investment that has been made in current LTAC members. Having a regular standing advisory committee is worth more than the savings from having none at all.

With regard to Option C, this review finds that a Livery Commission is not immediately viable, but offers strong benefits in the long run if undertaken on a regional basis. Benefits include a more level playing field that protects taxis from unfair competition, lower prices and improved services for users of vehicle for hire, enhanced opportunities to integrate vehicles for hire with public transit, and clarification of the use of per trip fees to fund accessible service.

*Therefore, it is also recommended that Council endorse the idea of including regional livery standards and a possible regional livery authority in future discussions of regional cooperation with neighbouring municipalities.*



## **Appendix A**

### **LTAC Terms of Reference**



## **Appendix A**

### **City of Calgary Livery Transport Advisory Committee**

### **Terms of Reference**

The Livery Transport Advisory Committee (LTAC) is established by the Council of The City of Calgary to advise and make recommendations to Council on all matters related to the livery transport industry in Calgary.

#### **Mandate**

The purpose of LTAC is to provide advice and recommendations to Council to ensure high quality livery transport services and 'to create and maintain a sustainable ... industry' as specified in Bylaw 6M2007. The objective is to ensure public safety, service quality and consumer protection for customers and service providers. LTAC will follow the direction of Council by responding to Council requests and making recommendations to City Council.

Specific responsibilities include:

- To assist the livery transport industry to work with The City to build upon and strengthen an integrated, healthy livery transport industry, and help make the personal transportation system in Calgary more efficient and effective for all users and providers;
- To review all recommendations of The City of Calgary administration related to the livery transport industry prior to presentation to Council;
- To receive submissions, oral and written, from members of the public and the livery transport industry on matters related to LTAC's mandate and duties;
  - LTAC shall publish rules and procedures defining how members of the public and industry may make their submissions.
- Annually, or as the need is identified, report to Council on submissions received and actions taken or not taken on submission proposals and requests.
- As the need is identified, in consultation with City of Calgary administration, to make recommendations to Council on all issues related to the number of license plates and vehicles on the road, fares, rates and fees for livery vehicles and the related businesses;
- As the need is identified, in consultation with administration, to make recommendations to Council on policies and procedures as specified in the Livery Transport Bylaw, or on amendments to the Livery Transport Bylaw;
- To represent the livery transport industry in providing input into transportation planning, traffic engineering, design concepts and development approvals to ensure adequate consideration is given to the orderly movement of livery vehicles, and the accommodation of the needs of customers served by this industry;
- To undertake research, including client and customer surveys, and follow the *engage!* principles and practices when developing recommendations to Council.

- LTAC will work in equal partnership with City of Calgary administration. After mandated review and consultation, advice to Council by LTAC and by the City administration may differ.

### **Reports to Council**

Reports to Council shall include summaries of opinions and stakeholder groups dissenting from LTAC recommendations, and minority reports (if any) provided by LTAC members.

### **Membership**

LTAC shall consist of eighteen (18) members who meet the eligibility criteria and are appointed by resolution of Council.

Membership shall be comprised of:

- One (1) member for taxi brokers, who holds a Brokerage Licence in good standing with Livery Transport Services, selected by Council from respondents to a public notice for applicants to sit on the committee.
- One (1) member for limousine brokers, who holds a Brokerage Licence in good standing with Livery Transport Services, selected by Council from respondents to a public notice for applicants to sit on the committee.
- One (1) member of Transportation Network Companies, who holds a Transportation Network Company Licence in good standing with Livery Transport Services, selected by Council from respondents to a public notice for applicants to sit on the committee.
- One (1) member for taxi drivers who holds a Taxi Driver's Licence in good standing with Livery Transport Services and does not hold a Brokerage or Transportation Network Company Licence, selected by Council from respondents to a public notice for applicants to sit on the committee.
- One (1) member for limousine drivers who holds a Limousine Driver's Licence in good standing with Livery Transport Services and does not hold a Brokerage or Transportation Network Company Licence, selected by Council from respondents to a public notice for applicants to sit on the committee.
- One (1) member for transportation network drivers who holds a Transportation Network Driver's Licence in good standing with Livery Transport Services and does not hold a Brokerage or Transportation Network Company Licence, selected by Council from respondents to a public notice for applicants to sit on the committee.
- One (1) representative of the Calgary Airport Authority nominated to Council by the Calgary Airport Authority Board of Directors.
- One (1) representative of Tourism Calgary nominated to Council by the Tourism Calgary Board of Directors.
- One (1) representative of the Calgary Hotel Association nominated to Council by the Calgary Hotel Association.
- One (1) representative from the Calgary Police Service (non-voting).
- One (1) representative from the Transportation Planning unit of City administration (non-voting)



- One (1) representative from Livery Transport Services (non-voting)
- Five (5) representatives of the general public, selected by Council from respondents to a public notice for applicants to sit on the committee.
  - *Public members to provide customer and client input representing the interests of business travelers and general users, low income, senior and special needs customers*
  - *Public representatives include 1 member with background in administrative law, 1 member with a background in finance, economics or rate setting and 1 member with a business background and/or knowledge of Calgary's business community.*
- One (1) representative from the Advisory Committee on Accessibility.

The Chair of LTAC shall be appointed by Council from the five (5) representatives of the general public.

Annually, following the appointment of new members at the annual Organizational Meeting of Council, a Vice Chair is to be elected by the members of LTAC from among the representatives of the general public, the Advisory Committee on Accessibility, the Calgary Airport Authority, Tourism Calgary, or the Calgary Hotel Association.

Subcommittees may be established by LTAC annually or on an as required basis.

### **Quorum**

With regard to quorum for LTAC, quorum is defined as five (5) Voting Members comprised of the following:

- Two (2) members representing the public.
- One (1) member representing either the Advisory Committee on Accessibility, the Calgary Airport Authority, Tourism Calgary or the Calgary Hotel Association.
- One (1) member representing Brokerages, Transportation Network Companies or drivers.
- An additional one (1) member from either
  - the Advisory Committee on Accessibility, the Calgary Airport Authority, Tourism Calgary or the Calgary Hotel Association, or
  - the Brokerage, Transportation Network Company or driver categories.

### **Term**

- A member's term will be for a one or two year term to allow for staggering.
- A member ceases to be a member at the end of their term.
- A member may service up to a maximum of six consecutive years.
- Despite the above, a member serves until their successor is appointed. The service of a member beyond the appointed term shall not count toward the calculation of the limit on length of service if that extension is less than half the length of a term.
- When an appointment is made to fill a vacancy during the last half of a term, the

balance of the term shall not count toward the maximum length of service for the member. However, any partial service longer than half of the appointment term will be counted as a full term toward the maximum length of service.

- A member may serve more than six consecutive years by a Two-Thirds Vote of Council.
- Appointments should be staggered where possible in order to maintain organizational memory and continuity.
- A member may resign at any time upon written notice to City Council
- Council may, by resolution, remove any member

### **Qualifications and Eligibility**

**Voting** Members appointed by resolution of Council shall:

- Represent one of the categories identified by Council
- Be at least 18 years of age
- Be a resident of The City of Calgary
- Not be a member of the Licence and Community Standards Appeal Board or The City of Calgary administration
- Abide by pecuniary interest requirements

**Non-Voting** Members appointed by resolution of Council shall:

- Represent one of the categories identified by Council
- Be at least 18 years of age
- Not vote on motions before LTAC
- Not be a member of the Licence and Community Standards Appeal Board
- Abide by pecuniary interest requirements

Members appointed by resolution of Council to represent the general public shall not have a pecuniary interest in the livery transport industry, shall not hold a livery license during their term of appointment, and shall not have held a livery license during the 12 months previous to their appointment.

Any of the following skills and experience would be an asset for advisory committee members

- Three to five (3 to 5) years' experience as a board member
- Conflict resolution training or experience
- Policy and public administration knowledge
- Budget planning and financial management experience
- Research and analysis experience
- Good verbal and written communication skills

### **Pecuniary Interest**

Members of LTAC are obligated to act in the best interests of all stakeholders and not represent their personal or business interests, or those of an immediate relative, when

developing recommendations or representing the advisory committee.

A LTAC member, immediately upon becoming aware of a potential conflict of interest in any matter before the LTAC, shall:

- Inform LTAC members of this conflict
- Enter into the minutes the conflict of interest
- After declaring the nature of the pecuniary interest and having it recorded in the minutes of the meeting, a member having pecuniary interest in a matter may vote on the matter.

LTAC members shall sign, annually, a statutory declaration that no conflicts of interest have gone undeclared during the previous year.

Failure to report a conflict of interest may result in the removal of the member from the LTAC by City Council.

### **Compensation**

Approval of an honorarium is at the discretion of Council.

### **Meeting Schedule**

LTAC will annually establish the day and time of Regular Meetings and will publish notice of the meetings on its website.

### **Procedures**

As an advisory committee to City Council, LTAC is obligated to abide by principles of transparency and inclusiveness and will follow the LTAC Policy and Procedures Manual unless contrary to the intent of the Procedure Bylaw. When a matter arises related to proceedings in a meeting which is not covered by a provision of the LTAC Policy and Procedures Manual, the matter may be decided at the discretion of the Chair by reference to The City of Calgary Procedure Bylaw or a motion may be made to amend the LTAC Policy and Procedures Manual. All amendments to the Policy and Procedures Manual require a two-thirds (10) vote of LTAC.



## **Appendix B**

### **List of Interview Respondents**



## Appendix B – Interview Respondents

### LTAC

- Lauri Brunner, Advisory Committee on Accessibility
- Linda Ciurysek, General Public
- Travis Gaede, Strategist, Transportation Planning
- Ginger Greenwood, General Manager, The Driving Alternative Inc, TNC Operator
- Clement Gulston, TNC Driver
- Kurt Enders, President and CEO, Checker Transportation Group, Taxi Broker
- Stewart Lang, Community Member (Volunteer on Sub-Committees)
- Ian Lawson, Carey Elite Limousine Service Ltd, Limousine Operator
- Gordon Lowe, General Public
- Robert McGregor, Limousine Driver
- Cheryl McLaughlin, General Public
- Jaskaran Randhawa, Taxi Driver
- Sergeant Ken Richards, Police Services
- Andrew Rodych, Director, Operations, Tourism Calgary
- Kay She, General Public
- Spencer Villam, General Manager, Clarion Hotel, Calgary Hotel Association
- Shawnah Whittaker, General Manager, Ground Transportation & Parking, Airport Authority
- Tongjie Zhang, General Public & LTAC Chair

### Industry

- Ishtiaq Ahmed, Calgary City Cabs
- Mohamad Benini, Cowboy Taxi (TNC licensee)
- Naeem Chaudry, President, Calgary City Cabs
- Ramit Kar, General Manager, Uber, Industry Representatives
- Mobeen Akhtar Mir, Public Relations Director Calgary City Cabs
- Shayne Saskiw, TappCar
- Gurcharan Sidhu, Driver, Calgary City Cabs
- Michael Van Hemmen, Public Policy Manager, Uber

### City and Council

- Marcia Andreychuk, Business Analyst, Livery Transportation Services
- Steve Dawson, Deputy Chief License inspector, Livery Transportation Services
- Staff Sergeant Steve Ellefson, Calgary Police Services
- Jill Floen, Assistant City Solicitor, Law Department
- Mark Halat, Manager, Livery Transport Services
- Mario Henriques, Former Chief Livery Inspector, Livery Transport Services
- Carmen Hindson, Senior Business Strategist, Calgary Community Standards
- Richard Hinse, Acting Director, Calgary Community Standards
- Jodi Hughes, Issue Strategist and Liaison, Livery Transport Services
- Nathan Irving, Barrister & Solicitor, Law Department
- Katarzyna Martin, Governance and Policy Coordinator, City Clerk's Office

- Kathleen Miller-Letendre, Administrative Support, Livery Transport Services
- Abdul Rafih, Chief Livery Inspector, Livery Transport Services
- Leanne Squair, Issue Strategist, Advisory Committee on Accessibility
- Neil Younger, Senior Strategist, Intergovernmental and Corporate Strategy
- Nicole Zhang, Business Strategist Calgary Community Standards
- Councillor Diane Colley Urquhart, City Councillor

### **Attendees at Regional Workshop**

- Colleen Kinley, Chief License Inspector, Town of Airdrie
- Lynn Mackenzie, Team Leader, Municipal Enforcement, Town of Airdrie
- Suzanne Gaida, Senior Manager, Community Services, Town of Cochrane
- Jules Hall, Planning Manager, Town of Cochrane
- Stacey Loe, Senior Manager, Legislative & Government Services, Town of Cochrane
- Marcia Andreychuk, Business Analyst, Office of Livery Transportation Services, City of Calgary
- Robert Virkutis, Senior Strategist, Intergovernmental & Corporate Strategy
- Deputy City Manager's Office, City of Calgary
- Neil Younger, Senior Strategist, Intergovernmental and Corporate Strategy, City of Calgary
- Nicole Zhang, Business Strategist, City of Calgary



## **Appendix C**

### **Practice in Peer Cities**

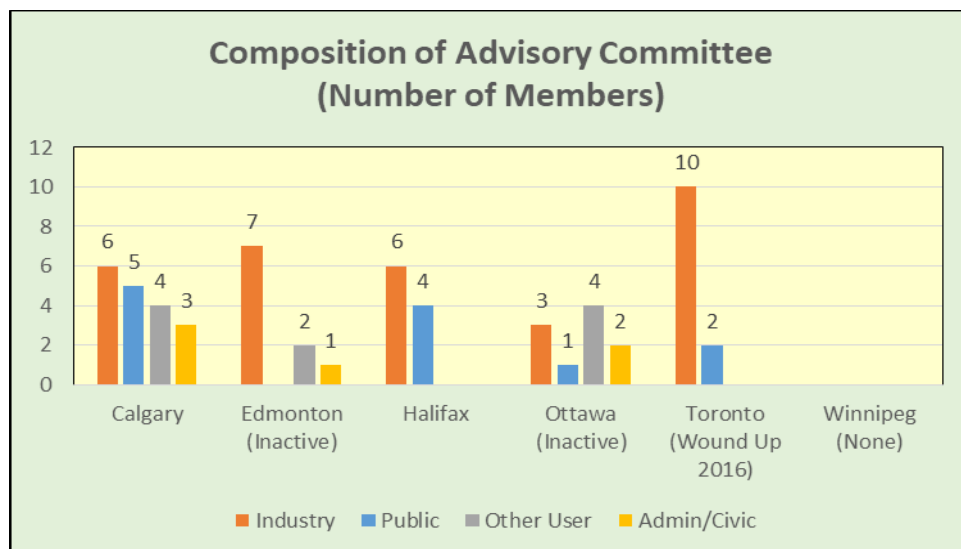
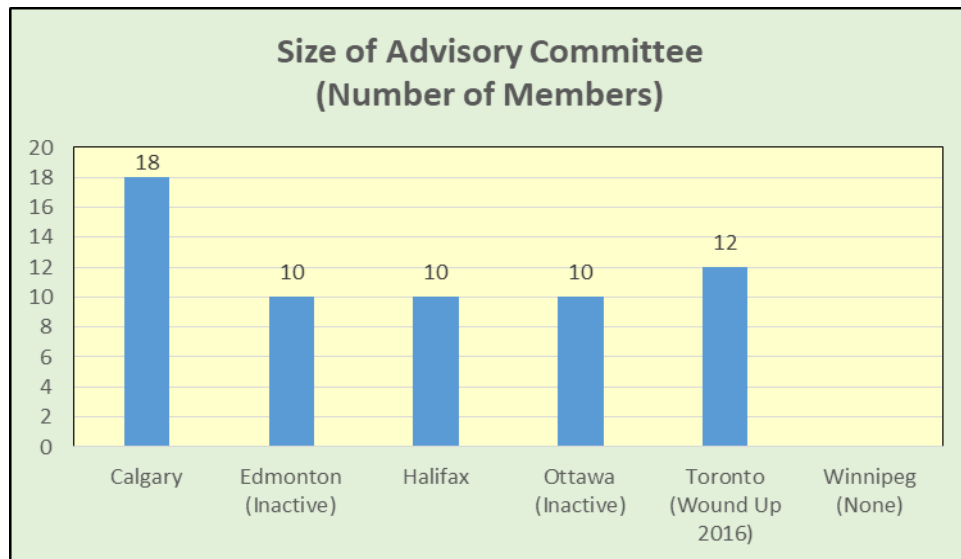


## Appendix C: Practice in Peer Cities

To assist this governance review of Calgary’s Livery Transport Advisory Committee, Hara Associates reviewed the current experience and choices of five other Canadian cities: Halifax, Ottawa, Toronto, Winnipeg, and Edmonton. These cities have also been used as peer comparators by previous governance reviews for Calgary’s Council. The text below provides a brief comparison. It is followed by individual reviews of each city’s practice and history

### Summary

Overall, there has been a movement away from autonomous bodies. There is movement towards advisory committees that report through Administration rather than directly to Council, or to no advisory committee at all. The figures below provide a comparative summary, including identification of bodies that are now inactive or wound-up.



Edmonton no longer has its Vehicle for Hire Commission and Manitoba has recently ended the term of its Taxicab Board. On paper, Edmonton, Ottawa and Halifax have advisory committees that advise Administration rather than directly advising Council. Of these, only Halifax has an active advisory group. The advent of TNCs has left the other two inactive. Tensions with the traditional industry combined with the challenge of integrating multiple types of players have meant the former groups have not, to date, been replaced.

Calgary	
TNCs licensed?	Yes, as Transportation Network Companies
Advisory Committee Name	Livery Transport Advisory Committee
Accountability	To Council
Current Status	Active
<b>Membership</b>	
Vehicle for Hire Industry:	6
Citizens at large, including Advisory Committee on Accessibility:	5
Other user representatives:	4
Administration/Police/Other Civic:	3
<b>Total Membership</b>	<b>18</b>

The Livery Transportation Advisory Committee (LTAC) is the current incarnation of the former Taxi and Limousine Advisory Committee (TLAC). In 2016, Council expanded TLAC’s mandate to include the newly licensed transportation network companies (TNCs). Membership was expanded to include representatives of TNC operators and drivers.

LTAC advises on

- All recommendations of the City of Calgary administration related to livery transport prior to presentation to Council.
- Livery issues raised by LTAC members, by the public, or by members of industry
- Policies and procedures related to the Livery Transport Bylaw.
- Livery fares, rates, and fees (including the taximeter rate).
- The number of taxis permitted to operate.
- Transportation planning, traffic engineering and design concepts as they affect the orderly movement of livery vehicles.

To accomplish this, LTAC is mandated to

- Receive submissions, oral and written
- Undertake research, including client and customer surveys

LTAC is to work in equal partnership with the City of Calgary administration. Advice to Council by LTAC and by City administration may differ.

At present, LTAC meets 12 times per year. Submissions from the general public and the industry are received at these meetings. LTAC business is also conducted through subcommittee meetings (approximately 20 in the 2017 business plan).

Edmonton	
TNCs licensed?	Yes, as Private Transportation Companies
Advisory Committee Name	Vehicle for Hire Industry Advisory Group
Accountability	through Administration
Current Status	Inactive
<b>Membership</b>	
Vehicle for Hire Industry:	7
Citizens at large, including Advisory Committee on Accessibility:	
Other user representatives:	2
Administration/Police/Other Civic:	1
<b>Total Membership</b>	<b>10</b>

Edmonton’s taxi licensees are largely owner-drivers, out of an effort to repatriate taxi vehicle licenses to their beneficial owners some time ago. Edmonton currently licenses TNCs as Private Transportation Providers (PTPs). In 2012, Edmonton disbanded its Vehicle-for-Hire Commission and assumed direct responsibility for livery regulation under the Chief Livery Officer (Licensing and Vehicle Hire office). The Commission was found to be ineffective because anyone with an active interest in the industry was in conflict of interest and not able to sit on the group.

In 2013, a Vehicle-for-Industry Advisory Group was formed with membership drawn from the taxi and limousine industry. The group reports through the Chief Livery Officer and its membership is selected from qualified applicants. Since the licensing of PTPs in 2016, the Advisory Group has been inactive. At present, the Chief Livery Officer consults with relevant industry groups on an as needed basis. Groups of drivers are sometimes convened together based on known voices in the industry. Individual PTPs are consulted individually as needed.

The Vehicle for Hire Industry advisory group is primarily industry, supplemented by attendance of groups or institutions that may speak for users, and the police. Industry members are formally part of the group, whereas other members *may* attend. The latter are generic positions that may be filled by their respective organizations.

Membership is defined as:

- 2 limousine service business licensees with a minimum of five years as limousine business owners:
- 2 taxi drivers who are not plate licensees or brokers, one of which must be an accessible taxi driver with a minimum of five years as a taxi / accessible taxi driver
- 2 plate licensees who are not taxi brokers with a minimum of five years as a plate licensee.
- 1 taxi broker with a minimum of five years as owner or in management of a taxi broker.

In addition, the following stakeholders may attend the meetings and participate in discussions:

- A representative from the Edmonton Police Service
- A representative from the Edmonton International Airport
- A representative from Responsible Hospitality Edmonton

Meetings are held monthly and are not open to the public.

<b>Halifax Regional Municipality</b>	
TNCs licensed?	No
Advisory Committee Name	Taxi and Limousine Liaison Group
Accountability	Reports through Administration
Current Status	Active
<b>Membership</b>	
Vehicle for Hire Industry:	6
Citizens at large, including Advisory Committee on Accessibility:	4
Other user representatives:	0
Administration/Police/Other Civic:	0
<b>Total Membership</b>	<b>10</b>

Halifax Regional Municipality (HRM) does not license Transportation Network Companies. Its taxi system consists largely of owner-drivers with non-transferable licenses. Halifax maintains a Taxi & Limousine Liaison Group. It provides advice to Administration and is appointed through the City Clerk’s volunteer recruiting process for similar advisory bodies. The group meets at least quarterly. Halifax management reports that the group is active and useful, both for advice and as a means of communication to the industry. Citizen members are active and interested and generate some work to answer their questions.

Membership is six from industry, three citizens at large, and a member from the Accessibility Advisory Committee. HRM taxis are licensed in three geographic zones representing approximate municipal boundaries prior to merger as a regional municipality. Accessible taxis are able to operate in any zone. The zone members and accessible taxi representatives are owner-drivers. The present taxi broker representative is the operator of the largest taxi company. Membership is defined as:

- 1 Halifax Taxi Participant
- 1 Dartmouth Taxi Participant
- 1 County Taxi Participant
- 1 Accessible Taxi Participant
- 1 Taxi Broker Participant
- 1 Limousine Participant
- 3 Citizen Participants
- 1 HRM Accessibility Advisory Committee Participant

The Liaison group replaced an Advisory Committee chaired by a member of Council. That Committee had representatives from the livery industry, business associations, and tourism and hospitality sectors. Meetings were public. However, meetings were also sporadic and often dominated by dialogue between interveners from the industry and the Councillor.



Ottawa	
TNCs licensed.	Yes, as Private Transportation Companies
Advisory Committee Name	Taxi Stakeholders Consultation Group
Accountability	Report via Administration
Current Status	Inactive
<b>Membership</b>	
Vehicle for Hire Industry:	3
Citizens at large, including Advisory Committee on Accessibility:	1
Other user representatives:	4
Administration/Police/Other Civic:	2
<b>Total Membership</b>	<b>10</b>

Ottawa licenses TNCs as Private Transportation Companies (PTCs). There is a Taxi Stakeholders Consultation Group that pre-dates the licensing of PTCs. It is presently inactive. Membership was a mix of taxi industry representatives, hospitality and other institutions with a stake as users, and one member of the general public. One of the co-chairs of the Committee must be the Chief Licence Inspector (Director of By-law and Regulatory Services). The committee is convened by the Chief Licence Inspector and reports through City administration.

With the Committee inactive, current consultation is ad hoc. Relationships with the traditional industry are strained by outstanding lawsuits related to the licensing of TNCs.

Membership is:

- The Chief License Inspector (Director of By-law and Regulatory Services)
- 1 taxi plate owner
- 1 taxi broker
- 1 representative of the Taxi Union
- 1 member from the Ottawa-Gatineau Hotel Association
- 1 member from the Ottawa Airport
- 1 member from Algonquin College (provides the driver training program)
- 1 member of the Chamber of Commerce
- 1 member of the Public
- 1 member from the Ottawa Tourism and Convention Authority

The membership reflects the taxi industry structure in Ottawa. Most dispatch is handled via contract by a single broker (dispatch company). This company does not hold many taxi plates itself. Taxi plate holder licensees include several large holders who jointly contract with the dispatch company to dispatch under their separate brand names. Taxi drivers have a union and collective agreements in place with each large company.

The Taxi Stakeholders Consultation Group replaced a Taxi Advisory Committee, a portion of whose members were appointed based on election within the industry. Disputes within the industry and oppositional politics caused the City administration to conclude the older group

was unable to provide effective advice to Council. The older committee was larger and had a more extended mandate to provide a conduit between City Council, affected citizens, and the industry. The mandate was intended to promote self-management of the industry. The City found that this was not the ultimate result.

Replacement occurred in 2007. The new committee was repositioned to work more directly with Administration. The number of industry representatives was reduced to the list above. The number of citizens at large was also reduced, reflecting the frustrations that such members had experienced with the complexity and disputes of the industry. Similarly, liaison members from other committees were removed. The importance of other user representatives was increased and the distinction between voting and non-voting members was dropped.

The membership of the older Taxi Advisory Committee (2002 to 2007) was:

**Voting Members**

- 1 Taxi Broker
- Up to 3 Taxi Owners
- Up to 3 Taxi Drivers
- Up to 3 Members of the Public who do not have any pecuniary interest in the taxi industry
- A minimum of one citizen appointment representing the rural community
- 1 member from the Ottawa Tourism and Convention Authority
- 1 member from the Ottawa International Airport Authority

**Non-Voting Members One (1) representative from each of the following:**

- Algonquin College Taxi Driver Training Program
- Ottawa Accessibility Advisory Committee
- Roads and Cycling Advisory Committee
- Hotels and Conventions industry

The total was up to 17 members.

Toronto	
TNCs licensed?	Yes, as Private Transportation Companies
Advisory Committee Name	None
Accountability	
Current Status	None
<b>Membership</b>	
Vehicle for Hire Industry:	10
Citizens at large, including Advisory Committee on Accessibility:	2
Other user representatives:	
Administration/Police/Other Civic:	
<b>Total Membership</b>	<b>12</b>

Toronto licenses TNCs as Private Transportation Companies (PTCs). At present, Toronto has no standing consultative committee, either through Council or through administration. Consultation with the industry and public has taken place largely through two major reviews in 2014 and 2016.

Interaction with the industry is largely at the operational level of licensing enforcement, and through direct representations by industry stakeholders to Council Committee. PTCs like Uber provide initial criminal record checks for drivers that are vetted by the licensing administration, leading to regular interaction.

A Taxicab Advisory Committee was established as part of a major review beginning in 2012 and reporting in 2014. The committee reported through the Executive Director of Municipal Licensing and Standards. It was wound up formally in 2016. As of early 2016, membership consisted of

- 3 Drivers
- 1 Ambassador Taxi Plate Owner (a class of owner-driver)
- 1 Accessible Taxi Owner
- 1 Standard Taxi Owner
- 2 Brokerage Operators
- 2 Taxicab Riders
- 2 Other Industry Stakeholders

A previous and different Taxi Advisory Committee was wound up in 2003. The body was made up exclusively of industry representatives. Selection was based on elections among industry stakeholders, with voting supervised by the City. Dissension among industry representatives meant relatively few constructive contributions were moved forward. The representativeness of the Committee was disputed by some industry elements. As a result, the City ended the mandate of the committee.

Winnipeg (Province of Manitoba)	
TNCs licensed?	No. Possibility allowed in recent delegation to City of Winnipeg
Advisory Committee Name	None
Accountability	
Current Status	
<b>Membership</b>	None
Vehicle for Hire Industry: Citizens at large, including Advisory Committee on Accessibility: Other user representatives: Administration/Police/Other Civic:	
<b>Total Membership</b>	<b>0</b>

Up until recently, Winnipeg livery regulation was managed by a provincially mandated Taxicab Board. The Board does not license TNCs, but did conduct a major review of the issue in 2015/2016. Following this exercise, the provincial government elected to delegate vehicle for hire regulation to the City of Winnipeg (via the *Local Vehicles for Hire Act*). This delegation makes specific allowance for “those hired by way of an online application, a digital network or platform, a website or any other similar manner.” The future form of this regime has not yet been determined by the City.

Until early 2018, the Taxicab Board remains active, and TNCs are not yet licensed. The province appoints board members. They include a representative from the Winnipeg City Council and the Winnipeg Police Service. The balance of members are appointed by the Lieutenant Governor in Council. The Taxicab Board operates with a formal hearings process that receives input from industry, the general public, and other stakeholders.

In addition to the formal hearing process, the chief public servant (the Secretary of the Board) met regularly with representatives from the industry for consultation and communication.