

RIDESHARING – ELIMINATING RED TAPE FOR DRIVERS (2019)

Opening Statement

Ridesharing, the ability of a driver who has been through appropriate criminal record and driver safety screening to use their personal vehicle to connect with a rider via a smartphone, is a key sector in the sharing economy. Ridesharing is currently available in hundreds of cities around the world, and now in select areas of BC as well, providing a new transportation option and flexible income opportunities for those wanting to drive. However, the red tape for drivers to have a Class 4 license presents an ongoing issue.

Background

The Passenger Transportation Board approved the Uber and Lyft applications to operate in the Lower Mainland and Whistler. BC residents have been looking for more transportation options and ways to increase the affordability of living in Metro Vancouver and throughout BC. Ridesharing provides a key opportunity. It has been shown to:

1. Grow the number of rides in a city, e.g., Portland, Denver
2. Decrease impaired driving e.g., MADD, Temple University
3. Complement existing public transit, e.g., Lyft, Uber
4. Reduce car ownership, e.g., LA Times, IPSOS
5. Encourage passengers to share rides & reduce congestion, e.g., UberPOOL (how it works, why it helps put more people in fewer cars)

Over 70 jurisdictions have adopted regulations that embrace ridesharing. Edmonton was the first Canadian jurisdiction to adopt such rules, and Toronto, Ottawa, Hamilton, Calgary, the province of Quebec, and many other Canadian jurisdictions have brought forward regulations. The Competition Bureau of Canada has encouraged regulators to support competitive markets by regulating ridesharing and reducing unnecessary red tape on traditional transportation providers.

Ridesharing regulations should be focused on enabling this innovative transportation option, while ensuring public safety and consumer protection. Below are key components of a regulatory regime for ridesharing:

1. Ridesharing companies must obtain a provincial licence and pay fees.
2. Ridesharing drivers must have a valid, standard driver's licence issued by Province.
3. To be allowed on the platform, ridesharing drivers must:
 - a. Pass a federal criminal background check;
 - b. Pass an annual vehicle inspection by a certified mechanic;
 - c. Have valid insurance that meets the requirements established by the Province, and;
 - d. Have a safe driving record.
4. Ridesharing drivers can only provide service through the use of an app, and the app must provide the customer with the name and photo of the driver, make and model of the vehicle, and licence plate number prior to the trip commencing. This means that no ride is anonymous and provides assurance to the rider that the driver has been authorized to be on the digital platform.
5. The app must provide GPS tracking and allow the rider to share their ride in real time with friends and loved ones, meaning that every trip is tracked.

6. Ridesharing companies are permitted to set prices based upon market principles and competition to best serve customers
7. Riders must be provided the fare rate in the app, have the ability to estimate the cost of their fare, and only make payment for the trip electronically through the smartphone app. This also helps reduce the chance of the driver becoming a target for theft.
8. The rider must have the ability to rate every ride through the app to help ensure high quality and safe service.
9. Ridesharing companies must have 24/7 customer service to respond in a timely manner to complaints.
10. Ridesharing drivers would not be permitted to hail, accept cash or use telephone dispatch services, leaving this market to the exclusive domain of taxi companies.

The BC Government has brought forward ridesharing legislation, and now with the regulations and implementation underway, hinderances to the successful operation and implementation of ridesharing are known. The nine-member committee that examined ride-hailing regulations for B.C. recommended a regulatory framework that places few requirements on boundaries, fares, numbers of vehicles and the licensing of drivers. They recommended not pursuing the contentious Class 4 driver's license proposed in the original legislation. The recommendation will create less barriers for people with disabilities, specifically those who cannot receive a class 4 driver's license due to health requirements, increasing the overall workforce.

Many not-for-profit and for-profit organizations, governments, Indigenous groups, and citizens are advocating for ridesharing. These groups are calling on government to allow ridesharing as quickly as possible to ensure that equitable and affordable transportation options are available.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Allow for market-based pricing to ensure consumer choice, convenience and innovation; and,
2. Permit taxi and ridesharing drivers to utilize a Class 5 license similar to Ontario, Manitoba and Saskatchewan if the driver meets strict safe driver screening criteria.

Submitted by the Surrey Board of Trade