

LIDSTONE & COMPANY
BARRISTERS AND SOLICITORS

MEMORANDUM

TO: Clients
FROM: Rachel Vallance
DATE: March 24, 2017
RE: Ride-Sharing Services
FILE: 99999-000

Ride-Sharing Services in British Columbia

Earlier this month, the Government of British Columbia announced its plan to make legislative and policy changes that will allow ride-sharing services such as Uber and Lyft to operate in the province by December 2017. In the wake of this announcement, clients have contacted us regarding the impact of these proposed changes on local governments.

Much of the Province's announcement focused on the goal of ensuring a level playing field for the taxi industry. For example, the Province has committed up to \$1 million to help the taxi industry modernize and has said that it will ensure that taxis retain exclusive rights to be hired by phone, at a taxi stand or flagged down at a curb.

Of particular relevance to local governments, the Province also announced that it will "work with municipal governments...to remove red tape and overlap within the system" and "work with municipalities and other stakeholders to allow all drivers, including taxis, the same access to provide services wherever and whenever a passenger needs a ride".

It is not yet clear what impact this proposal will have on local governments and their authority to regulate vehicles for hire, as the announcement included few details on this aspect of the proposed scheme. Currently, municipalities can regulate vehicles for hire pursuant to their business licensing powers and section 36 of the *Motor Vehicle Act*.

In addition to the lack of details regarding the proposed regulatory changes, it remains to be seen what impact the upcoming provincial election will have on the proposal. John Horgan, the leader of B.C.'s NDP party, has said that although the party supports ride-sharing, it believes more consultation and a more gradual transition is necessary in order to ensure a level playing field for the existing taxi industry.

It is clear from the announcement that the Province will be looking to local governments and other stakeholders for input on the proposed changes. We recommend that clients who are interested in these developments watch for opportunities for input and consultation.

The “Sharing Economy”

The “sharing economy” is a rapidly growing sector of the Canadian economy. A recent survey by Statistics Canada found that spending on businesses in the “sharing economy” (defined by Stats Can to include private accommodation services such as Airbnb and peer-to-peer ride services such as Uber) totalled \$1.13 billion between November 2015 and October 2016. During that period, an estimated 7% of adults living in Canada used peer-to-peer ride services.