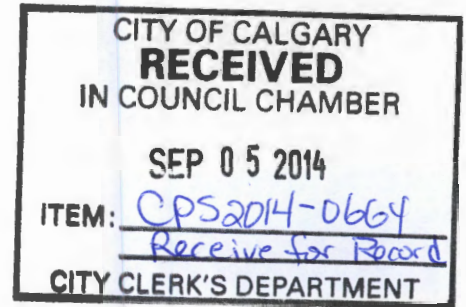


Allied Limousine & Sedan Service

404 - 35 Avenue NE T2E 2K7

Tel. 403-299-9555

September 05, 2014



Re: 383 Taxi plate increase & rate increase

I have been in the ground transportation industry in Calgary since 1990. Since 1998, I have been in the Taxi & Limousine business as a driver, dispatcher, supervisor, manager and currently as the general manager of Allied Limousine and Allied Airport Shuttle. I hold both, Taxi & Limousine driver's licenses as well; I am a wheelchair accessible taxi plate owner.

I am a very active member of the livery community and I am truly dedicated to this industry since I have been in it for nearly 25 years.

I have absolutely no doubt taxi industry has suffered catastrophic losses over the last 15 years. The cause of this is lack of taxis in Calgary. This has created a black market value for the taxi plates as well as increasing the rental fees for the drivers who rent from the taxi owners. A taxi owner on average pays a taxi broker a total of \$380.00 per week for insurance, credit card processing, stand rent and dispatch fees. The same Taxi plate owner will then rent his taxi to either one or two drivers depending on if he is driving or not for upwards of \$500 to \$600 dollars for each shift. Considering average maintenance, vehicle depreciation fees do not exceed \$120.00 to \$150.00 per week it creates a very profitable occupation for the taxi owner as he will have 100% occupancy as there are over 4000 taxi drivers and only 1526 taxis in the city of Calgary.

Furthermore, adding these 383 taxi plates will bring the ratio of taxi to population to a level that has already proven to be the perfect balance as it was in the late 90's. During those years I was a taxi driver and there was a competition between taxi owners to find good quality drivers to rent their cabs. They used to compete by having the best taxis, rental rates and working arrangements. All of these factors resulted in providing better service to the passengers and making it a good occupation for both the driver and the plate owner. Those days are long gone now because of the population growth and shortages of Taxis. Now, the Taxi plate owner has the ability to operate sub-standard cars, rent his cab to the highest bidder, treat drivers with disrespect and cash in on the situation created by this shortage.

I often hear about the latest technology in particular, Apps like Uber. The only reason these apps are successful in getting passengers rides is because they are new and only 20% of the travelling public use them. I assure you once they are better known they will also be overwhelmed during busy times just as

taxi dispatch systems are. In fact these systems are nothing new. They use a full GPS method to find the closest car to the passenger just as taxi systems do. If these apps enter the taxi market in Calgary they will be catering to the 20% that use them resulting in worsening the situation for taxi shortages as there will then be even less taxis available for the rest.

I currently have an app that works exactly like Uber and I assure you there is no such a thing that connects the driver directly to the passenger. These app companies are actually a dispatch system and they just as the taxi companies have dispatcher like staffing to assist the drivers with issues. They use this to be able to situate themselves right in the best part of any business and that is the cash register, without having to do any of the "dirty" work of running a livery service.

I also agree with the rate increase of 8.1% to be able to maintain a balance between costs and ability to provide good service, however I strongly ask the City Councillors to re-visit the minimum charges imposed on limousines to protect the taxis. There is no reason to have the highest minimum rate in North America in Calgary. At \$85.00 minimum rate regardless of distance or time the bylaw is preventing the public to have choices other than taxi cabs. I understand the need for having a "premium" to differentiate a limousine from a taxi service, but to have a minimum rate that is based on ensuring limos are out of reach of the public and not a competition to taxi is unfair, unethical and against the competition act in Canada. I have presented several ideas to TLAC to have a better rate structure for limos and yet ensuring the quality of service is unharmed, however TLAC has never shown any interest thus far.

Cam Naghsineh

General Manager