



Report Number: C2020-1440

Meeting: Select a meeting type

Meeting Date: 2020 December 14

NOTICE OF MOTION

RE: Requesting the Government of Alberta Consider Capping Food Delivery Fees

Sponsoring Councillor(s): Mayor Nenshi

WHEREAS the COVID-19 pandemic has been difficult for many businesses to weather;

AND WHEREAS the restaurant and hospitality industry has been hit particularly hard during various stages of the pandemic and have had to make significant investments to accommodate for various rules in order to keep their businesses running;

AND WHEREAS additional mandatory restrictions came into effect at 12 a.m. on Dec. 13 requiring all restaurants, pubs, bars, lounges and cafes to close to in-person service, while still allowing for takeout, curbside pickup and delivery services;

AND WHEREAS given the current circumstances, many restaurants are now relying on food delivery service apps to get their product to their customers as their primary source of income, and likewise, many customers have become increasingly reliant on the food delivery services;

AND WHEREAS some food delivery service apps have made changes to their pricing at various points during the pandemic to reduce costs to businesses; however, some apps can charge up to 30% of the orders value, which is cutting in to already thin margins for many restaurants.

AND WHEREAS governments across Canada are starting to take action to protect the restaurant industry from high delivery fees;

AND WHEREAS On Dec. 2, Ontario passed the *Supporting Local Restaurants Act, 2020*, which caps fees charged by food delivery companies in areas where indoor dining is prohibited to help more small and independent restaurants stay in business. It also permits fines of up to \$10 million to food delivery service companies that do not comply with the law, and provides food delivery service company employees or contractors who perform delivery services with protection that their compensation will not be affected by these changes;

AND WHEREAS British Columbia has also introduced legislation, which has yet to be passed, and Manitoba also appears to be exploring similar legislation;

AND WHEREAS The City of Calgary does not have the legal authority to enact such caps on fees;

NOW THEREFORE BE IT RESOLVED that Council request Mayor Nenshi write a letter to Doug Schweitzer, Minister of Jobs, Economy and Innovation, and Premier Jason Kenney requesting that they work with food delivery app providers, and consider enacting legislation that would ensure a cap of no more than 15% on delivery fees, and suggest that the focus of any such legislation be directed at supporting independent restaurants.