



Livery Transport Services Fee Review

What We Heard Summary Report

2019 April

Background

- On 2018 April 11, Council directed Administration to complete a full review of the fee structure in the Livery Transport Bylaw 6M2007. Administration was also directed to explore requirements for training TNC (ride-share) drivers equivalent to that required of other livery industry drivers.
- In 2018 Q3, an external contractor was hired to complete the review and propose a new fee schedule.
- In 2019 January, the contractor delivered the proposed fee schedule to Livery Transport Services (LTS).
- From 2019 February 25 - 28, LTS held information sessions with industry participants to provide an overview of the proposed fee schedule and collect additional comments and questions.
- From 2019 March 1 – 15, an online survey was also available for industry participants to provide additional feedback.

Engagement Overview

In 2019 February, The City of Calgary held six in-person information sessions with industry participants by stakeholder group. Each information session covered the same material and provided an overview of the proposed fee schedule, with time allotted to collect additional comments and questions.

Following is a breakdown of the information sessions and number of participants:

#	Session	# Of Participants
1	Taxi Brokers & Limo Brokers	13
2	Taxi Drivers Session 1	9
3	Taxi Drivers Session 2	34
4	Individual Plate Holders, (Taxi and/or Limousines) Garages, Mechanics	28
5	TNC Drivers & Limo Drivers	49
6	Transportation Network Company (TNC) Representatives (not TNC Driver)	5
	TOTAL	138

Following the LTS in-person Information Sessions, from 2019 March 1 - 15, The City of Calgary hosted an online survey extending the opportunity to all industry participants to provide additional comments/or questions about the LTS Fee Review. The online survey link as well as [The City of Calgary Livery Transport Services Fee Review](#) Report, completed by the external contractor, was sent to the industry participants through the LTS Industry Bulletin via email.

The online survey participant analytics are as follows:

DELIVERED	VIEWED	RESPONDED
5,696	971	196

Note: Industry emails are delivered to industry stakeholders who have subscribed and/or provided consent to receive LTS email updates.

This 'What We Heard Report' includes a high-level summary from the six in-person information sessions and online feedback from the industry participants.



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What We Asked – In-Person Information Sessions

A handout covering the LTS Fee Review background, findings and next steps as well as the proposed fee schedule was provided to each information session participant.

A short presentation of the fee review timeline, fee review findings, driver training and next steps were provided at the beginning of the information session.

Following the presentation, participants were asked to provide questions and/or comments on the proposed fee schedule.

The information session participants were also informed of the online survey to be sent out on 2019 March 1 where they could provide additional feedback.

What We Heard – Summary of In-Person Information Sessions

Taxi Brokers and Limo Brokers

- There were concerns about the proposed fee increase and brokers felt it was too high.
- Participants specifically expressed concern about the proposed increases to the driver licence and renewal, and garage licence renewal fees.
- Participants requested the stakeholder feedback and the 2018 budget vs actual be included in information presented to the Standing Policy Committee (SPC) meeting in 2019 May.
- Some felt the information relating to the industry sector cost responsibility in the proposed fee schedule was not correct.
- Participants felt the fees should be level between the TNC and taxi sectors, and noted that there would be more buy-in if the fees were reduced.
- Some participants suggested a full review of the Livery Transport Bylaw be completed before implementing a new fee schedule.
- Participants requested the actual LTS operating budget that was used to determine the proposed fee schedule.

Taxi Drivers

- Concerns were expressed about the proposed increase in licence fees, with the view they were too high.
 - Drivers suggested LTS should do more research and compare the proposed fees to other cities.
 - Some drivers proposed The City put a cap on Transportation Network Driver's Licences (TNDL).
 - It was suggested, by some participants, the combined licensing costs to operate as a TNC driver should be equal to the licensing costs for a taxi driver/taxi plate licence holder.
 - Some drivers suggested the option to extend the renewal licence time to two years.
- It was also suggested a driver should only pay for one licence, but be able to work as a driver in any of the three industry sectors (i.e. taxi, limo, TNC).

Individual Plate Holder (limo, taxi), Garages, Mechanics

- Garages/Mechanics expressed their concerns, and largely disagreed with the proposed increase in their annual licence fees, stating they were too high.
- There was a wide range of feedback regarding the licencing and renewals:
 - Have LTS change licence renewals from one year to two.
 - Add the 10 cents per-trip fee for the Accessible Taxi Incentive Program to licence renewal fees.
 - Have vehicle insurance part of the driver's licence renewal.
 - Consider a two-year licence term for mechanical/inspection sites.



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- Participants indicated TNCs and taxis should have equal training, meter rate, increase in fees, rules, mechanical inspections and insurance.
- Participants suggested one licence for all drivers.

TNC Drivers and Limo Drivers

- Participants generally supported training for drivers.
- Participants were mixed on the preferred method of training. Some participants preferred online training while others preferred classroom training.
- Drivers asked questions around training such as:
 - What would TNC training look like?
 - If a driver had already completed taxi training, would there also be a requirement to complete TNC training?
 - How often is training?
 - Would training be required for part time drivers?
 - Would training be grandfathered for drivers who have already been licenced?

TNC Representatives

- Participants indicated the fees were not split fairly across the industry sectors, suggesting all driver licence fees for taxis, TNCs and limos should be equal.
- Participants indicated the number of taxi vehicles should equal the number of TNC vehicles.
- Participants felt the proposed fees are high.
- Participants felt The City should coordinate with other municipalities, specifically across Alberta, and align with Edmonton.
- Most participants agreed with training for drivers, preferably at no cost.
- Some participants requested LTS bring back customer service training and have it offered more regularly.
- Participants asked questions about training such as:
 - If taxi training has been completed, is TNC driver training required?
 - If a TNC driver has already been operating for some time, would there still be a requirement for training?

What We Heard – Online Survey Summary, Questions and Responses

Please provide any comments and/or questions about the proposed fee schedule that distributes costs by industry sector

- Of the 196 industry participants, who responded to the survey, 32 did not comment on this question.
- Of those respondents who commented, 26 expressed support for the proposed fee schedule, while 24 opposed it.
- 30 respondents indicated the proposed fees were too high.
- There was conflicting feedback about industry sector cost responsibility: some respondents indicated more costs should be assigned to the TNC sector because they have more vehicles on the road; other respondents indicated the taxi percentage should be higher as they generate more revenue, and; one respondent suggested the cost responsibility of the limousine sector should increase as this sector offers a luxury service.
- 14 respondents requested additional information to understand how the proposed fee schedule was determined.
- 12 respondents were concerned about the fees and felt the fees should be reduced, eliminated or remain the same.



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- 10 respondents thought the proposed renewal fees are too high and the renewal time of the licence should be changed from one to two years.
- 9 respondents commented on the equality between industry sectors. Comments included:
 - The fees and meter rate for taxi and TNC should be the same.
 - Fees should be divided equally by the number of vehicles on the road.
 - There should be a fair distribution of parking spots for TNC operators.
- 9 respondents raised concerns about fee increases in a struggling economy. Respondents felt inflation and increasing overhead charges for drivers should be considered in the proposed fee schedule.

Please provide your comments and/or questions about the proposed fee changes:

- Of the 196 industry participants, who responded to the survey, 17 did not comment on this question.
- 35 respondents disagreed with the proposed fee changes and believed they are too high.
- 21 respondents were concerned about the fees and felt the fees should be reduced, eliminated or remain the same.
- 19 respondents supported the proposed fee changes.
- 16 respondents commented on the renewal fees. Comments included:
 - Suggested changing the taxi/limo licence renewal term to 2 or 4 years.
 - Taxi licence and plate renewal fee is too high.
- 10 respondents expressed concern about the lack of information that was provided to support the proposed fee changes.
- 9 respondents felt the proposed fees, including renewal costs, should be equal between taxi and TNC drivers.
- 15 respondents felt the proposed fees are unfair and in favour of other industry sectors.
- 9 Respondents raised concerns about the proposed fee increases during a struggling economy.

Please provide questions and/or comments about providing driver training across all industry sectors (i.e. taxis, limousines and TNCs)

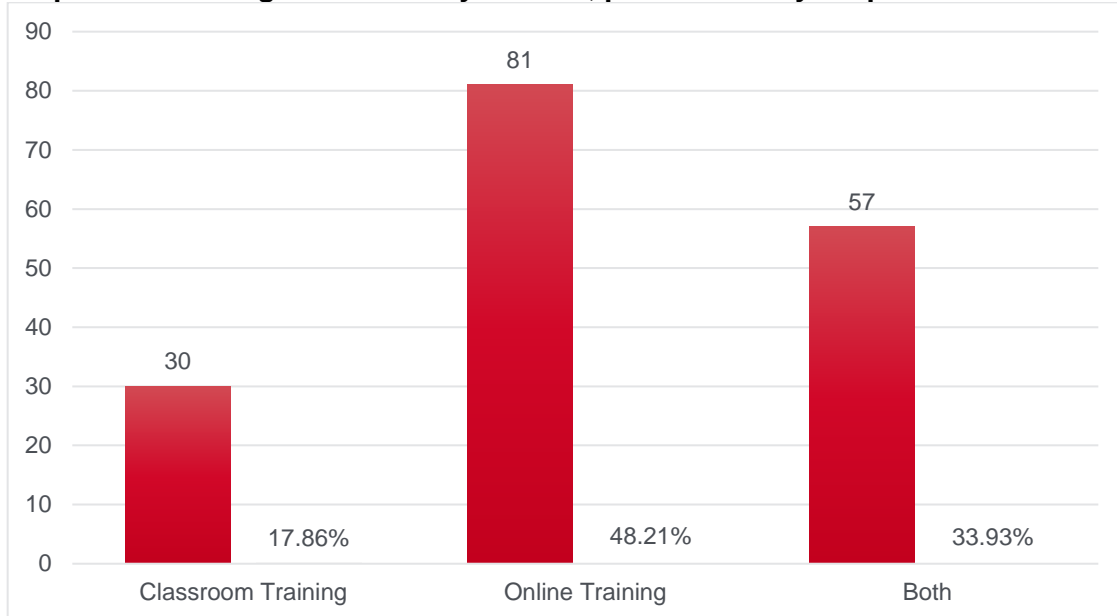
- Of the 196 industry participants, who responded to the survey, 19 did not comment on this question.
- 46 respondents strongly support providing driver training across all industry sectors.
- 15 participants support online training, mainly for the convenience, with emphasis of the training focusing on the importance of safety.
- 8 Respondents felt training should be a requirement for all drivers.
- 8 Respondents saw the value of training for new drivers and/or new hires but should not be required for experienced drivers (2 years or more).
- 8 respondents indicated they would support training if it was provided at no cost.
- 6 respondents supported in-class training because of the benefits of it being hands on and the opportunity to learn from City instructors.
- 6 respondents felt they would like to see more training and improvements with customer service, professionalism and social skills.

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If LTS were to provide training to all industry sectors, please select your preferred method of training:



Do you have any other comments about the Livery Transport Services (LTS) Fee Review?

Responses included:

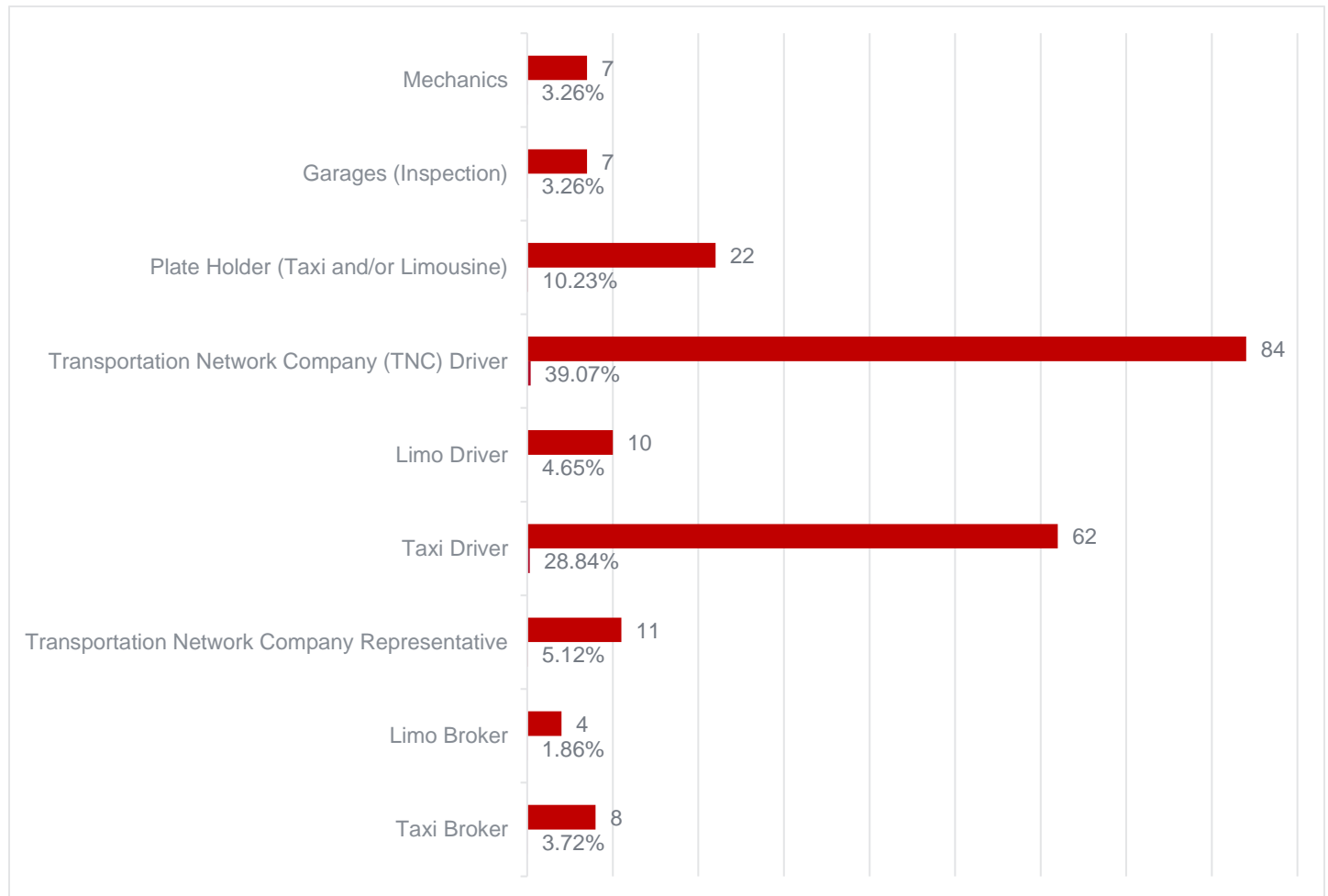
- There is a lack of information and clarity regarding the proposed fee allocation.
- The data provided and method used to create the fee schedule is incorrect and fails to consider the taxes and fees already paid to The City to operate business.
- The fees should be fair for everyone and not be biased in favour of other industry sectors.

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Please select your industry stakeholder group (check all that apply)



Additional Feedback Received

In addition to the feedback received through the in-person information sessions and online survey, LTS also received two submissions. One from industry participants representing taxi brokerages and another from a TNC company. Following is a summary of these submissions:

- Livery Fee Review Report:** concerns were expressed there was not sufficient detail provided in the report to explain how the costs were calculated to determine the cost responsibility of each sector and the resulting proposed fee schedule. It was suggested providing more information on LTS operating budgets, completing a side by side comparison of each industry sector and including details on how direct and indirect costs were calculated (i.e. using information collected from job shadowing LTS administration and enforcement staff) would have provided a better understanding of the proposed fee schedule.
- Differences in Fees Paid between Industry Sectors:** it was suggested there is an imbalance in the fees that drivers pay in the taxi sector compared to drivers in the TNC sector. On the other hand, a



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TNC representative commented that the proposed 40% increase in TNC driver fees the company currently pays may ultimately result in higher fees being passed along to individual drivers. There was also a difference of opinion between the taxi and TNC sectors regarding the proposed fees for taxi plates. While taxi brokers questioned the costs associated with renewing a plate, the TNC questioned why this renewal fee has been significantly reduced in the proposed fee schedule while individual taxi and limousine drivers face a significant increase in their fees. Taxi brokers also questioned the dramatic increase in broker licence fees, while the TNC submission suggests that possible fees should be shifted from individual drivers to business.

- **Conduct Full Bylaw Review/Compare Best Practices:** Both the taxi and TNC submissions recommended completing a fuller review before implementing a new fee schedule. Taxi brokers recommended a review of the Livery Transport Bylaw so it can dictate the fee structure moving forward. The TNC representative recommended a review of the cost-recovery best practices utilized in other jurisdictions across Canada.
- **Reduce Operating Costs/Increase Transparency:** Both submissions raised questions about the LTS operating budget, suggesting that LTS costs should be controlled or reduced since LTS expenditures have not increased even with the introduction of TNCs into the industry. Both submissions also commented on the need for increased transparency on how costs are allocated across the industry sectors. The TNC submission also recommended using the new revenue from TNC per-trip fees to reduce costs for existing fee payers.

Additional feedback provided in the submissions went beyond the scope of the engagement on the Livery Fee Review, including:

- recommendations on doing more to further understand the day-to-day operations of the livery industry;
- comments regarding how the taxi and limousine industry effectively subsidized the TNC industry until the TNC pilot was completed;
- the need for a control on the number of private for-hire vehicles on the road at a given time;
- a comparison of vehicle inspection requirements across the industry sectors; and
- operating more efficiently to further reduce fees.