



December 11, 2023

Via email: [ken.sim@vancouver.ca](mailto:ken.sim@vancouver.ca)  
(see cc list)

Mayor Ken Sim and Vancouver City Council  
3<sup>rd</sup> Floor, City Hall  
453 West 12<sup>th</sup> Avenue  
Vancouver, B.C., V5Y 1V4

**Re: Congestion and Curbside Management Fee (CCMF) Increases: Ride Hail**

Dear Mayor and Council:

The Business Council of British Columbia appreciates the opportunity to provide its perspective on the City of Vancouver's proposed ride hail fee increases in the City's draft 2024 budget. We are concerned about the proposed increases in tolls on ride hail services entering the downtown core, and the expanded time-related coverage of the tolls. We believe the plan is likely to be detrimental to commerce, affordability, safety, and accessibility.

In terms of **commerce and affordability**, the outlook for B.C.'s economy is already poor. The provincial government expects per capita economic growth in B.C. to decline by around 2% per annum over the next two years. By 2027, per capita GDP is still expected to be lower than in 2021. As a microcosm of B.C.'s economy, the City faces a similar outlook. Residents face declining living standards amid high indebtedness, high interest rates and persistent inflation. Recent polling by [Research Co. and Glacier Media](#) found that 46% of Vancouverites feel their quality of life is declining. As well, commerce in Vancouver's downtown core was severely impacted by pandemic shutdowns and the incomplete return of office workers thereafter. Many businesses have shut down or are still battling to recover.

Given the outlook, the proposed increase in rail hail tolls is unwelcome. The 2.3x increase of the toll from \$0.30 to \$0.70 per ride would mean the City's tolls are the highest in Canada, compared to Toronto (\$0.43 per ride), Calgary (\$0.45), Ottawa (\$0.21), and Edmonton and Winnipeg (\$0.30) - and in those cities, the municipality has primary responsibility for regulating the industry. The City also proposes to significantly increase utility fees and property taxes. The Business Council wonders why the city wants to increase costs for residents and businesses in Vancouver. We have previously expressed our concern that municipal spending has grown faster than inflation and population ([Peacock and Williams, 2019](#)). In our 2019 report, we found "The City of Vancouver shows the least fiscal restraint of any municipality in

the province” according to our Municipal Fiscal Index. With citizens currently having to tighten their belts, it seems fair to ask governments to do the same.

We also disagree with the proposed time change on ride hail tolls from 7am - 7pm to 7am - 10pm. Extended hours will be detrimental to the nighttime economy which supports thousands of jobs. Based on a review of academic studies, cities with ride hail tolls tend to have a daytime to early evening peak hours coverage period. The City’s intention to expand the time is out of line with that approach.

**Safety** is another significant concern for residents of Vancouver. It was referenced by City staff in their [2019 Staff Report](#): *“During late night periods, many individuals may rely on these services to avoid impaired driving or to avoid situations on the transportation network which they believe to be unsafe.”* According to the [OECD](#): *“[W]omen’s mobility is more likely impacted by unsafe experiences and concerns for personal safety. As a result, women are exposed to greater levels of ‘travel burden’ than men relating mostly to cost, stress, time poverty, lack of accessibility and above all, safety.”*

We agree with the safety concerns of Mothers Against Drunk Driving (MADD) Canada and the Downtown Vancouver Business Improvement Association (see CTV article [here](#)). People make riskier decisions late at night when under the influence of alcohol and drugs. *“[R]esearch does show that some well-implemented programs can reduce the number of impaired drivers on the road, high-risk drinking behaviors, and even non-DUI crimes”* ([National Library of Medicine](#)). Without the option of ride hail, the likelihood of impaired individuals making choices to drive their own vehicle increases. *“[R]ideshare volume had a significant negative correlation with the incidence of motor vehicle-associated trauma, and this was most evident in those younger than 30 years; a significant decrease in convictions for impaired driving was associated with the introduction of rideshare services”* ([JAMA Network](#)).

As for **accessibility**, any action that limits choice either directly (i.e., reduced services) or indirectly via increasing fares (i.e., higher user fees), disproportionately affects people of low socio-economic status ([Dale et al., 2021](#)). Ride hailing acts as a safety net for low-income and other underserved communities who need access to reliable transportation and/or cannot afford a car. Low-income communities rely on ride hail as a form of “mobility insurance.” Ride hail services fill both spatial and temporal gaps in public transit service, enabling access to activities such as medical care and grocery shopping; it saves time and is often the fastest available travel option, especially for people working hourly wage jobs ([Brown et al., 2022](#)). Moreover, limiting choice is counter to the stated Goal 5 in the [Transportation Demand Management Action Plan 2021-2025](#) (“TDM”) on equity, *which aims to ensure the needs of disproportionately impacted communities are centered in the development of TDM actions and, as much as is possible, involve those who will be directly impacted in the design and implementation of actions.*

Ride hail increases travel options, contributes to public safety, especially for women, vulnerable people, and those with accessibility and household budget constraints. It contributes to a vibrant downtown core. Consistent with Goal 3 of the TDM, the City

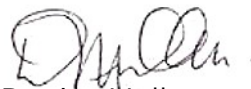
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has been clear about its desire to *collaborate on a range of TDM initiatives locally, regionally, and provincially*. BCBC recommends more in-depth consultations be undertaken with ride hail services stakeholders before any changes are adopted. Such a process should be supported by clear and transparent evidence in keeping with Goal 4 of the City's TDM noted above: *Monitor and Evaluate: Implement a robust monitoring and evaluation feedback loop to drive continuous improvement in TDM programming delivered by the City or its mobility partners*.

Finally, the Business Council is concerned about the possibility that the City's tolls on ride hailing exceed its authority for managing Passenger Directed Vehicles and Transportation Network Services. As we understand it, the Province has sole authority to regulate fleet size and operational boundaries, to set vehicle standards (or choice of vehicle), and to issue driver Chauffeur Permits. Cities retain the ability to issue business licenses and regulate street use and traffic. Raising tolls and restricting hours of operation not only creates a less level playing field for all types of transportation options (i.e., taxis appear to be exempt from the tolls) but also appears to be testing the management boundaries for ride hail services. Respect for jurisdictional boundaries is an important part of well-functioning and efficient governance.

In summary, the Business Council does not support increases in the cost of ride hail services and recommends the City maintain the current fee structure and coverage (i.e., 7am to 7pm). We recommend the City engage with stakeholders more fully, gather further information including traffic statistics, and understand more fully how potential future increases in tolls on ride-hailing services will affect users and daytime and nighttime commerce in downtown Vancouver.

Yours sincerely,



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& Indigenous Relations



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