

Bill 30: Redefining the Ride-Sharing Economy in Winnipeg

D R E N M A L O K U *

I. INTRODUCTION

Although Winnipeg's population has grown by 7 per cent since 2010, the number of taxicab licences is virtually unchanged since 1947.¹ At one cab for every 1252 passengers, Winnipeg's ratio sits well below Canada's median of one cab for every 860 persons.² Soaring accessibility issues combined with a poor taxicab industry safety record, has resulted in the enactment of hasty ridesharing legislation. Bill 30 - *The Vehicle for Hire Act* (the VFH Act), was first introduced in the Manitoba Legislature ("House") on March 20th, 2017, during the 2nd session of the 41st legislature. Bill 30 came into effect on February 28th, 2018.³ The VFH Act repealed *The Taxi Cab Act*, amended *The Highway Traffic Act*, *The Liquor and Gaming Control Act*, *The Drivers and Vehicles Act*, and *The Manitoba Public Insurance Corporation Act*, and transferred ridesharing jurisdiction over to the city of Winnipeg and other local municipalities from the Province of Manitoba.⁴ This extension in law-making authority enables Manitoban

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¹ Myers Norris Penny (MNP), "Winnipeg Taxicab Services Review" (Winnipeg: 20 December 2016), at 2-3 online (pdf): gov.mb.ca/mr/taxicab/pubs/wpg_taxicab_review_final_rpt_dec20.pdf [perma.cc/LK7F-GWJE].

² *Ibid.*

³ Bill 30, *The Local Vehicle for Hire Act*, 2nd Sess, 41st Leg, Manitoba, 2017, (assented to 28 February 2018) [Bill 30].

⁴ *Ibid.*

municipalities to establish a regulatory framework that administers the taxi industry and ridesharing economy within their respective local markets.⁵

The rampant proliferation of ride-sharing services⁶ across Canada, has disrupted the local vehicle-for-hire industry.⁷ Transportation Networking Companies (“TNCs”) contract via digital applications and online platforms, and have operated in Canada since 2012. Yet, seldom have they competed in concurrence with the local vehicle-for-hire industry, adhered to municipal safety codes, or followed business regulation standards.⁸ In 2016, Edmonton became the first Canadian city to enact ride-sharing related bylaws.⁹ However, unlike Edmonton, the demand for more choice in Winnipeg’s vehicle-for-hire market, resulted in the elimination of the Taxicab Board (“TCB”) and the *Taxi Cab Act*. Henceforth, this paper argues that in an attempt to challenge the *status quo* in Winnipeg’s ride-hailing market, the Manitoba Legislative Assembly implemented reactive rather than proactive legislative measures, which compromised taxicab standards and economically disadvantaged the taxicab industry by creating an unequal

⁵ *Ibid*; Manitoba, Legislative Assembly, *Hansard*, 2nd Sess, 41st Leg, No 28 (20 March 2017) at 2 [Bill Introduction (*Hansard*)].

⁶ Note: Ride sharing services are defined by the Legislative Assembly of British Columbia as pre-arranged services provided by TNCs in a private vehicle for financial compensation.

⁷ The Legislative Assembly of British Columbia, “Transportation Network Companies in B.C.” Select Standing Committee on Crown Corporations (Vancouver: 12 February 2018), at 4 online (pdf): <leg.bc.ca/content/CommitteeDocuments/41st-parliament/2nd-session/CrownCorporations/Report/SSC-CC_41-2_Report-2018-02-15_Web.pdf> [perma.cc/83B7-QDS5]; City of Winnipeg, “Vehicles for Hire Stakeholder Engagement Report” Appendix G (10 November 2018), at 2 online: <clkapps.winnipeg.ca/DMIS/ViewPdf.asp?SectionId=485476> [perma.cc/8ZJN-4XTS].

⁸ “Toronto welcomes ride-hailing apps such as Lyft, Uber with open arms”, *Automotive News Canada* (14 December 2017), online: <canada.autonews.com/article/20171214/CANADA/171219830/toronto-welcomes-ride-hailing-apps-such-as-lyft-uber-with-open-arms> [perma.cc/56PW-S5BH]; See also *Edmonton (City) v Uber Canada Inc.*, 2015 AJ No 357 at para 1, [2015] 2015 ABQB 214.

⁹ “Edmonton becomes first Canadian city to green-light Uber” *The Canadian Press* (27 January 2016), online: <ctvnews.ca/business/edmonton-becomes-first-canadian-city-to-green-light-uber-1.2755109> [perma.cc/4QCG-VZX4].

playing field between taxicab operators and ride-hailing services alike.¹⁰ This paper will first explore the process of proposing Bill 30, including stakeholder consultation pre-bill introductions, the involvement of the Manitoba TCB, and the debate in Manitoba's Legislative Assembly. Next, the paper sets out the justification for Bill 30, discusses the relevant amendments, and analyzes the systematic legislative process that ensued. The paper then challenges the policy consideration that followed post-Bill 30's enactment and examines its merits and demerits against the backdrop of parallel ridesharing legislations across Canadian jurisdictions. Finally, this paper concludes that the transfer in law-making authority from Provincial to municipal regulation occurred at the expense of vehicle-for-hire safety, security standards, and taxicab licence value.¹¹

II. BACKGROUND TO THE DEVELOPMENT OF BILL 30

A. Generally

In 1935, the Manitoba Legislative Assembly enacted *The Taxicab Act*, which controlled and regulated taxicab operations in Greater Winnipeg.¹²

The Taxicab Act established, amongst other things:

- a) The Taxicab Board composition and its power and authorities;
- b) The requirement to hold a taxicab business licence in order to operate a taxicab business;
- c) The requirement to hold an operational taxicab driver's licence issued by the Taxicab Board;
- d) The penalties for operating without the required licences, and;
- e) The appointment of inspectors to enforce The Act and Regulations, as provided in *The Civil Service Act* and grants

¹⁰ Note: The term "reactive" is used in this context to refer to the political pressure and developments in ride-sharing legislations in neighbouring jurisdictions, and not at the Bill 30's legislative timeliness.

¹¹ City of Winnipeg, *supra* note 7 at 5.

¹² MNP, *supra* note 1 at 28; Note: The Taxicab is a term used in Manitoba to refer to all forms of vehicle-for-hires.

inspectors the power of a Peace Officer under *The Highway Traffic Act*.¹³

The Taxicab Act, established the Taxicab Board, a quasi-judicial administrative tribunal, to standardize and regulate the vehicle-for-hire framework, in all of Winnipeg's 13 townships and municipalities.¹⁴ Under *The Taxicab Act*, the Taxicab Board was granted authority to, amongst other things:

- a) Determine the number of licences to be issue;
- b) Determine the types of licences (terms/conditions) based on 'public convenience and necessity';
- c) Determine taxicab business licence application criteria and fees;
- d) Determine liability insurance requirements;
- e) Issue taxicab business licences and taxicab driver licences;
- f) Prescribe minimum and maximum penalties for licence holders;
- g) Establish fares;
- h) Prescribe vehicle and equipment standards;
- i) Require taxicab business licence holders (owners) to submit financial records, and;
- j) Establish regulations and rules governing practice and procedures.¹⁵

Under *The Taxicab Act*, and some municipal legislations, exclusive jurisdiction to regulate the vehicle-for-hire industry in Manitoba was reserved for the Taxicab Board.¹⁶ In 1972, the 13 municipalities were subsumed into the city of Winnipeg, and Taxicab inspectors were authorized under *The Highway Traffic Act*, to issue taxicab licences, and fine taxicab drivers operating without a licences or violating *The Highway Traffic Act*.¹⁷ Taxicab Regulation 209/91, a Winnipeg municipal bylaw, regulated

¹³ *The Taxicab Act*, CCSM c T10 [*"The Taxicab Act"*].

¹⁴ MNP, *supra* note 1 at 28.

¹⁵ *Ibid* at 29.

¹⁶ *Ibid* at 28-29.

¹⁷ *Ibid*.

all taxicab licensing and purchase/operation matters, including; stipulated conditions for driver training, criminal & child abuse registry checks, vehicle inspections, fare regulation, and driver conduct.¹⁸ Vehicles-for-hire operating outside Winnipeg, and outside the purview of the *Taxicab Act*, were regulated under *The Highway Traffic Act*, and its administrative body; the Motor Transport Board (“MTB”).¹⁹ Similarly, the same authority of jurisdiction that applied to taxicab inspectors under *The Taxicab Act*, extended to Peace Officers under *The Highway Traffic Act*.²⁰

Next, *The Drivers and Vehicles Act* (the “DVA”), also regulates the vehicle-for-hire industry. It prohibits taxicabs to operate without a business licence, or taxicab drivers’ operating in the city of Winnipeg, without a business licence, that has been issued by *The Highway Traffic Act*.²¹ Moreover, the DVA, under Regulation 47/2006, determined and inspected the commercial taxicab class 4, and permitted the TCB access to the driver abstracts, vehicle owner registration, and all records related to the driver of the taxicab.²² In the same vein, Taxicab Regulation 209/91, required that all vehicles-for-hire be equipped with insurance provided by the Manitoba Public Insurance (“MPI”) and hold additional commercial vehicle insurance relating to livery.²³ In addition, the *Manitoba Public Insurance Corporation Act* grants the TCB authority to require all operating vehicles-for-hire to carry proof of “financial responsibility” to cover liability that goes beyond the prescribed MPI regulations.²⁴ Lastly, all vehicle-for-hire operators in Manitoba, have to follow requirements under the *Human Rights Code* (Manitoba), and the *Accessibility for Manitoba Act*, which protects passengers from discrimination on grounds of access, equality, universal design, and systematic responsibility.²⁵

¹⁸ *Ibid* at 30.

¹⁹ *Ibid* at 32-33.

²⁰ *Ibid*.

²¹ *Ibid* at 34.

²² *Ibid*.

²³ *Ibid*.

²⁴ *Ibid*.

²⁵ *Ibid*.

B. Pre-Bill 30: Need for Alternative Means of Transportation in Winnipeg

Since the launch of Uber in Toronto in 2012, there has been a trend in Canadian cities pushing for ridesharing bylaws, in which Winnipeg has been no different.²⁶ Although Winnipeg's population has grown by 7 per cent, and airport traffic has increased by 12 percent since 2010; the number of annual taxicab licences has remained static at 410 licences since 2008.²⁷ Accounting for seasonal fluctuations, the total number of taxicab operators (accessible, limousine, seasonal) rises to 756 taxicabs total during the winter. However, even with the inflated seasonal numbers, Winnipeggers are served with one taxicab for every 1252 passengers; a figure that sits well-below the Canadian average of 860 passengers per taxicab.²⁸

C. Ride-Hailing Services in Winnipeg

City	Population (Statistics Canada, 2017)	Standard Taxicab Licenses*	Accessible Taxicab Licenses	All Taxicabs per 10,000 Population	License Transfer Value 2016
Winnipeg	825,713	410 + 73 ses.	33	7.7%	\$406,000
Calgary	1,488,841	1,311	100	12.9%	\$150,000
Edmonton	1,411,945	1,185	35	15.6%	\$100,000
Regina	253,220	120 + 44 ses.	5	8.8%	180,000
Vancouver*	631,486	476	113	9.8%	\$570,000
Ottawa	1,377,016	1,001	165	13.2%	185,000
Toronto*	2,615,000	4,953	n/a	18%	120,000
Montreal	4,138,254	4,445	150	12%	220,000

²⁶ Automotive News Canada, *supra* note 8; See also MNP, *supra* note 1 at 1-2.

²⁷ *Ibid.*

²⁸ Paul Moist, "Uber No Solution for Winnipeg" CCPA (10 April 2017), online: <policyfix.ca/2017/04/04/uber-no-solution-for-winnipeg-analysis-of-taxi-and-transport/> [perma.cc/NS3H-MSM6]; See also MNP, *supra* note 1 at 1-2.

Brian Bowman, Winnipeg's mayor, purported that Winnipeg was long overdue for an overhaul of its vehicle-for-hire industry.²⁹ He reasoned that the ride-hailing industry in Winnipeg is ripe for change and in order for Winnipeg's market to attract large TNCs like Uber and Lyft, the city needed to create "certainty" in its vehicle-for-hire bylaws.³⁰

Subsequently, the City of Winnipeg, employed Myers Norris Penny ("MNP"), a business advisory firm, to carry out a comprehensive analysis into Winnipeg's taxicab market. The MNP report revealed that 2402 taxicab drivers operated under a vehicle-for-hire scheme.³¹ This means that two thirds of taxicab drivers who operate under a taxicab licence on a contractual basis often earn below poverty lines.³² In its report, MNP surveyed 9215 online consumers from Winnipeg and conducted 500 telephone interviews. The report found that overall satisfaction in the industry was ranked at 7.1/10 taxicab experience, whereas, the online survey revealed that only 27 per cent of Winnipeggers felt their transport experience in a cab was similar to or better than in other Canadian cities.³³ The report also highlighted issues related to accessibility and overall safety.³⁴ With longer wait hours during winter, slow driving during rush hours in Winnipeg, and increased traffic during peak hours at Winnipeg's James Armstrong Richardson Airport, the MNP report, emphasized the legitimate need and demand in Winnipeg for increased "capacity."³⁵

²⁹ Braeden Jones, "Winnipeg Mayor Brian Bowman urges province to pass Vehicle for Hire Act" *Metro News* (20 December 2017), online: <c3.vaughan.ca/news/2017/09-September/clip9-21-24.html> [perma.cc/DG9F-9XA7]; See also Bartley Kives "Bowman welcomes Uber, promises to reduce red tape at state of the city speech" *Canadian Broadcasting Corporation* (24 February 2017), online: <cbc.ca/news/canada/manitoba/state-city-speech-bowman-1.3998177> [perma.cc/8LXV-ZQGW].

³⁰ *Ibid.*

³¹ Moist, *supra* note 28; See also MNP, *supra* note 1 at 2-3.

³² *Ibid.*; Note: Wages and Benefits for standard licence holder according the MNP report including are \$21,000.

³³ *Ibid.*

³⁴ *Ibid.*

³⁵ MNP, *supra* note 1 at 2-3.

III. SUMMARY OF BILL 30: THE LOCAL VEHICLE FOR HIRE ACT

Bill 30 was Winnipeg's attempt at modernizing and streamlining its vehicle-for-hire industry, so that Winnipeggers too can access alternate ridesharing services that are in direct competition with conventional cabs via electronic platforms.³⁶ The purpose behind enacting Bill 30 was to provide Winnipeg, and neighboring municipalities, with legislative powers to make bylaws to regulate the operation of the vehicles-for-hire services, such as: accessible vehicles, limousines, seasonal vehicles, and standard taxicabs, including those hired through an online app, a digital network or platform, a website or any other similar manner.³⁷ Bill 30 achieves this result, via transferring law-making authority to *The Municipal Act* or *The City of Winnipeg Charter*, under s.3 (1) and s.3 (2) of the Act, regarding taxicab and ridesharing from *The Taxicab Act* to the City of Winnipeg.³⁸ Further, Bill 30 also replaced the "taxicab" vehicle definition from the *Taxicab Act*, with the "vehicle for hire" term in the *Vehicle-for-hire Act*, to mean:

- a) With a manufacturer's seating capacity originally designed for 10 or fewer occupants including the driver; and
- b) That is used to transport a passenger for compensation where
 - (1) The vehicle is hired for a single trip, and
 - (2) The passenger controls the route travelled or the destination.³⁹

In addition to the by-laws stipulated in the *Municipal Act*, municipal regulations and bylaws that regulate the ride-sharing industry, can also contain provisions including but not limited to:

- a) Determining the manner in which licences are to be allocated;
- b) Prohibiting, controlling or limiting the transfer of licences;
- c) Establishing requirements for persons who carry on or are engaged in the vehicle-for-hire business;
- d) Prohibiting anyone other than a particular class of licence holder from being hired to transport;
 - (1) By hail, being a request made by a verbal action such as calling out, yelling or whistling, or
 - (2) As a result of the passenger first attending a location where a vehicle for hire is standing or parked;

³⁶ *Ibid*; City of Winnipeg, *supra* note 7 at 2.

³⁷ Bill 30, *supra* note 3, s 1.

³⁸ *Ibid*, s 3.

³⁹ *Ibid*, s 2.

- e) Regulating the location and use of ranks or stands for the purpose of hiring a vehicle for hire;
- f) Authorizing conditions for obtaining, holding or renewing a licence to be imposed on a member;
- g) Authorizing conditions be imposed during the term of a licence as a requirement for continuance;
- h) Specifying standards and other requirements for the vehicle-for-hire industry or any aspect of it;
- i) Respecting fees, rates, fares, tolls, tariffs or other charges that passengers may be charged.⁴⁰

In addition to regulating the vehicle-for-hire industry, Winnipeg, and its neighboring municipalities must regard that that vehicle-for-hire applicants and permits-holders ought to:

- j) Respect the type and amount of insurance that must be obtained by an applicant/licence-holder;
- k) Require records be maintained by a licence holder and specifying their content and the length of time
- l) Respect information as per *The Freedom of Information and Protection of Privacy Act*
- m) Establish a Vehicles for Hire Commission, including:
 - (1) Provide for the appointment of members of the commission and remuneration of those members
 - (2) Establish rules governing the commission and its practices and procedures, and
 - (3) Assign the commission the responsibilities set out in the by-law, such as administering the vehicle-for-hire by-law, hearing and deciding appeals concerning matters under by-laws; including public safety
- n) Respect any transitional matters relating to the regulation of the vehicle-for-hire industry⁴¹

Under the established authority of Bill 30, if a vehicle-for-hire crosses over a number of municipalities, then the bylaw that applies is the ridesharing bylaw in the municipality where transportation was arranged.⁴² The *VFH Act*, that came into force on February 28th, 2018, permits the

⁴⁰ *Ibid*, s 3(2).

⁴¹ *Ibid*.

⁴² *Ibid*, s 5.

operation of ridesharing services in concurrence with existing taxicab services.⁴³

A. Transitional Amendments

The VFH Act amended *The Highway Traffic Act*, the *Liquor and Gaming Control Act*, *The Manitoba Public Insurance Corporation Act*, the DVA, and repealed *The Taxicab Act*.

1. *The Taxi Cab Act*

Looking first at *The Taxicab Act*, and its regulatory body the TCB, there are two major changes that transpired as a result of enacting the VFH Act. Firstly, Bill 30 annulled *The Taxicab Act*, and amended subsection 1(2) of the *Local Vehicle for Hire Act* by striking out the term “taxicab” and replacing it with “vehicle-for-hire” as per Bill 30.⁴⁴ Secondly, Bill 30 brought the dissolution of the TCB, and, under the bylaws of the *Winnipeg Municipal Act*, transferred over the law-making authority to Winnipeg Parking Authority, as the vehicle-for-hire regulator for Winnipeg’s ridesharing companies.⁴⁵ Further, any certificate and business licence issued by the TCB, was cancelled, and all the rights, properties, obligations, and liabilities of the TCB, were assumed by the Manitoban government.⁴⁶ Any person holding a licence issued by the TCB under *The Taxicab Act*, was deemed to hold a valid vehicle-for-hire licence under Bill 30.⁴⁷ No causes, of action, compensation, nor remedy, arose as a result of the transfer of the law-making authority over, or as a direct or indirect result of cancellation of a licence or certificate including grounds of “goodwill” or “possible profits.”

⁴³ MPI, “Vehicles for Hire: 2018 Interim application”, Manitoba Public Insurance (15 December 2017), at 3 online (pdf): <apps.mpi.mb.ca/Rate-Application/2018/2018InterimApplicationVehiclesForHire.pdf> [perma.cc/2SWL-W6JN].

⁴⁴ Bill 30, *supra* note 3, s 14.

⁴⁵ *Ibid*, s 9; See also Barley Kives, “Facing new competition from ride-hailing services” *Canadian Broadcasting Corporation* (1 March 2018), online: <cbc.ca/news/canada/manitoba/taxis-ride-hailing-winnipeg-1.4556015> [perma.cc/DNL6-YFHT].

⁴⁶ *Ibid*.

⁴⁷ Bill 30, *supra* note 3, s 10(2).

2. *The Highway Traffic Act*

Similar to the amendments in *The Highway Traffic Act* and its regulatory body, the MTB changes that transpired as a result of *The VFH Act* are akin to the changes to *The Taxicab Act*. Taxicab bylaws under section 23 of *The Highway Traffic Act*, continued as “vehicle-for-hire” bylaws, under *The VFH Act*.⁴⁸ Further, any inter-municipal livery certificate or business licence issued by the MTB, was cancelled, and all the rights, properties, obligations, and liabilities of the MTB, are assumed by the government.⁴⁹

3. *The Drivers and Vehicle Act*

Next, as a result of enacting *The VFH Act*, the DVA was also amended. Similarly, the registrar can request driver or vehicle information under *The VFH Act*, from municipalities that have enacted ridesharing bylaws for the purpose of enforcing or administering *The DVA*.⁵⁰ Also, section 56 of *The DVA*, was amended by striking out “taxicab” and replacing it with “vehicle-for-hire.”⁵¹

4. *The Liquor and Gaming Control Act*

Correspondingly, the *Liquor and Gaming Control Act*, was also amended as a result of *The VFH Act*, by adding “and other vehicles for hire” to the Act.

5. *The Manitoba Public Insurance Corporation Act*

Lastly, the *Manitoba Public Insurance Corporation Act*, was also amended as a result of enacting *The VFH Act*. MPI may request registrar to collect insurance information from municipalities that have enacted vehicle-for-hire bylaws and any other information deemed relevant by the Corporation.⁵²

Lastly, it is important to note that for all the newly amended Acts the Lieutenant Governor in Council, is authorized under Bill 30, to make

⁴⁸ *Ibid*, s 11(1).

⁴⁹ *Ibid*.

⁵⁰ *Ibid*, s 20 at para 6.

⁵¹ *Ibid*, s 20 at para 14(4).

⁵² *Ibid*, s 20 at para 7(1).

regulations and remedy any inconsistencies or impossibilities, resulting from the transition of power from acts to *The Local Vehicle for Hire Act*.⁵³

IV. LEGISLATIVE PROCESS

Bill 30, *The VFH Act*, was debated in the House, over the course of the 2nd session of the 41st Legislature. Although Bill 30 went through all three readings, including numerous debates and consultations with various stakeholders, there were still outstanding concerns raised during the legislative process. In the final draft of Bill 30 these concerns were either not addressed or were disregarded in favor of the popular choice: ridesharing.

A. Introduction and First Reading

Bill 30: *The Local for Vehicle Act*, was first introduced on March 20th, 2017, by the Minister of Indigenous and Municipal Relations, the Honourable Eileen Clarke.⁵⁴ The motion was seconded by the Minister of Infrastructure, the Honourable Blaine Pedersen.⁵⁵ The sponsoring Minister, the Honourable Eileen Clarke, briefed the House, that the purpose of the bill was to provide a:

Municipality with specific powers to make bylaws regulating vehicles for hire such as taxis, limousines, and other vehicles, including those hired by way of an online application, a digital network or platform, a website or any other similar matter-manner⁵⁶

Minister Clarke, stated that the bill allows municipalities to enact their own bylaws regarding TNCs and ride-hailing, such as Uber.⁵⁷ The House adopted the motion, and Bill 30 proceeded to the second reading. House Opposition Leader, Jim Maloway, tabled Bill 30, for completion in fall of

⁵³ *Ibid*, s 20 at para 13.

⁵⁴ Manitoba, Legislative Assembly, *Hansard*, 41st Leg, 2nd Sess, Vol LXX, No 28 (20 March 2017) at 802 (Hon Eileen Clarke).

⁵⁵ *Ibid*.

⁵⁶ *Ibid*.

⁵⁷ *Ibid*.

2017.⁵⁸ During the same session, a petition against Bill 30 was circulated by Rob Altemeyer, the MLA for Wolseley, against the deregulation of the taxicab industry and the transfer of law-making authority to Winnipeg, and other municipalities.⁵⁹ This petition was reintroduced and supported by Flo Marcelino, NDP leader, Tom Lindsey, and Maloway.⁶⁰ The fiercest critique of Bill 30 during the first reading, came from Mohinder Saran, an MLA representing the Maples constituency, who described the bill as a discriminatory act against the South Asian community in Winnipeg, and an affront to their livelihood and the integration into the Canadian community.⁶¹ Subsequently, Manitoba Premier Brian Pallister, in a move to downsize his cabinet, on August 17th, 2017, first split Clarke’s portfolio—Minister of Indigenous and Municipal Relations—into two, then assigned the Municipal Relations cabinet position to Gimli MLA, Jeff Wharton.⁶²

B. Second Reading

On October 10th, 2017, Bill 30 was presented for debate and for a second reading. Mr. Jeff Wharton, and the new cabinet head of Municipal Relations, restated the purpose of Bill 30 to the House. Additionally, Minister Wharton emphasized the need to transform the vehicle-for-hire industry, and to bring it in line with other major Canadian cities and municipal jurisdictions.⁶³ Further, Minister Wharton highlighted the need for Winnipeg to upgrade its ridesharing industry as well as revamp its vehicle-for-hire regulatory regime in order to better serve local interest.⁶⁴ In commenting on the inception of *The Taxicab Act 1935*, Minister Wharton

⁵⁸ Manitoba, Legislative Assembly, *Hansard*, 41st Leg, 2nd Sess, Vol LXX, No 32 (1 April 2017) at 997 (Jim Maloway).

⁵⁹ *Ibid.*

⁶⁰ *Ibid* at 997-999.

⁶¹ Manitoba, Legislative Assembly, *Hansard*, 41st Leg, 2nd Sess, Vol LXX, No 59 (29 May 2017) at 2536-2537 (Mohinder Saran).

⁶² Elisha Dacey, “Pallister adds new face, new department in cabinet shuffle” *Canadian Broadcasting Corporation* (17 August 2017), online: <cbc.ca/news/canada/manitoba/cabinet-shuffle-manitoba-1.4251238> [perma.cc/K7SP-8TJZ].

⁶³ Manitoba, Legislative Assembly, *Hansard*, 41st Leg, 2nd Sess, Vol LXX, No 68b (10 October 2017) at 2867 (Jeff Wharton) [*Hansard* (10 October 2017)].

⁶⁴ *Ibid.*

said that the Act was created when horses were the conventional method of transportation.⁶⁵ He added that after the Act was created, its body for regulating licences and settling disputes, the TCB, and all of Winnipeg's 13 different municipalities amalgamated, and the lawmaking authority resided with the Act, and its regulatory body and was not transferred back to Winnipeg.⁶⁶ In reporting the findings of the MNP report, commissioned during the NDP government, Minister Wharton asserted that the TCB maintained the same number of taxicab licences since 1947 (400), and that Winnipeg's ratio of taxicabs per person, is the lowest out of any other city surveyed in the report.⁶⁷

Minister Wharton pointed out that the MNP report, after surveying 10 000 Manitobans (including 675 taxicab operators), raised concerns about the artificially high values on neighbouring municipalities that curtail cab owner participation. Consumers, on the other side, were concerned about the long wait times as well as the shortage of cabs at the airport, during peak times, and during winter months.⁶⁸ A clear consensus from the MNP report indicated that the vehicle-for-hire system in Winnipeg was in dire need of modernization and improvement, and that Manitobans wanted more choice, better services, variety in their ride hailing services, and lower cost options.⁶⁹ Minister Wharton also recognized that ridesharing bylaws were already in existence in various municipalities such as Portage la Prairie, Selkirk, and Brandon; and that Bill 30, if passed, would facilitate local decision-making and would not affect the operation of inter-municipal bylaws.⁷⁰ Minister Wharton concluded that Bill 30, if passed, would act as an interim legislation in order to ease transition for both taxicab operators and consumers, until after the Act's proclamation on February 28th, 2018.⁷¹

⁶⁵ *Ibid.*

⁶⁶ *Ibid.*

⁶⁷ *Ibid.*

⁶⁸ *Ibid* at 2868.

⁶⁹ *Ibid.*

⁷⁰ *Ibid*; Note: The Trips according to Minister Wharton would be governed by bylaws based on the municipality where the trip originated.

⁷¹ *Ibid* at 2869.

1. Questions

The Question Period started with the Honourable Jon Gerrard, asking whether the Province of Manitoba will ensure that taxicab operators will be treated fairly, and whether there will be a compensation package of sorts in place for taxi drivers who are adversely affected by the transition. Minister Wharton replied by stating that Bill 30 presents an opportunity for a fresh start, and that Winnipeg will have the “[...] powers necessary to create a modern regulatory regime designed to better serve the interest of all Winnipeggers.”⁷² Next, the Honourable Steven Fletcher, asked about the cost of accessible transportation, the impact of ride-sharing services on taxicab investments, and Bill 30’s relation to human rights and accessibility legislations. Minister Wharton responded by stating that Manitoba remained the only province in Canada that regulates the taxicab industry and that MNP report favored modernizing regulations and streamlining oversight.⁷³ Further, Mr. Fletcher inquired how accessible transportation will affect the difference between personal and commercial MPI costs, about inter-municipal rides and the applicable bylaws, and the impact of red tape on ridesharing legislations that are difficult to be policed across multiple municipalities. Minister Wharton responded by stating first that, the issue of insurance will be dealt through MPI. Also, that in inter-municipal transportation, the costs and bylaws of the originating location would apply, and regarding red-tape, that municipalities are best positioned to ensure that adequate bylaws that protect taxicab owners are in place.⁷⁴

Subsequently, the Honourable Judy Klassen, asked whether there has been any discussion with the City of Winnipeg about ridesharing bylaws.⁷⁵ Minister Wharton replied that Bill 30, in fact, is the legislation that aims to do just that: enable Winnipeg to develop ridesharing bylaws that work for the interest of different stakeholders, and not just the taxicab industry.⁷⁶ Lastly, Mr. Saran asked whether Minister Wharton, would remove the clause for compensation that would enable taxicab operations to take legal action against the government, to which the Minister replied that the City

⁷² *Ibid.*

⁷³ *Ibid* (Steven Fletcher).

⁷⁴ *Ibid* at 2870.

⁷⁵ *Ibid* at 2869 (Judy Klassen).

⁷⁶ *Ibid.*

of Winnipeg will reserve the right to make said decision once the bylaw is in place.⁷⁷ Saran, also asked whether the Minister is aware of the compensation package offered to drivers after Uber Inc. entered the Australian market⁷⁸, and whether drivers who immigrated to Canada and invested over \$300 000 to acquire a taxicab licence be compensated.⁷⁹ Minister Wharton replied, stating that he was unaware of the Australian Uber settlement, and reconfirmed that existing taxicab licences would continue to be operational under Winnipeg's *The VFH Act*.⁸⁰

2. Debate

After the floor opened for deliberations, Mr. Maloway, Bill 30's toughest opponent, started the debate by accusing the Minister of playing hide-the-ball, and saying that Bill 30 should be "renamed an act to destroy the 1,600 jobs and turn-make a new low-wage economy in Manitoba."⁸¹ His comments were in reference to the 1970's Autopac government sponsored scheme, where 400 insurance agents were compensated because the Manitoba government had introduced new legislation. Mr. Maloway suggested that the same compensation ought to apply taxicab operators when Bill 30 is enacted.⁸² With respect to the compensation packages that were offered in Australia as a result of Uber, he argued that Bill 30 is projected to diminish the value of taxicab licences by 50 per cent, whereas subsection 10(3) of Bill 30⁸³, if passed, will make taxicab operators ineligible

⁷⁷ *Ibid.*

⁷⁸ Youri Chassin & Youcel Msaid "Uber and Taxis: Australia Opens the Door to Reforms" online (pdf): (2016) 1:1 MEI at 1-2 <iedm.org/sites/default/files/pub_files/lepoint0216_en.pdf> [perma.cc/GZD7-BBVK].

⁷⁹ *Hansard* (10 October 2017), *supra* note 63 at 2871.

⁸⁰ *Ibid.*

⁸¹ *Ibid.*

⁸² *Ibid* at 2872.

⁸³ Note: that section 10(3) of Bill 30 which states that "No cause of action or remedy arises as a direct or indirect result of the cancellation of a licence or certificate under subsection (1), and no compensation or damages (including but not limited to any loss of goodwill or possible profits) are owing or payable to any person in connection with or as a result of such a cancellation" is constructed to mean that business operates are prohibited from seeking recovery or any form of compensation under the legislation.

for compensation.⁸⁴ Mr. Maloway stated that Bill 30 represents an abuse of power, drops the value of taxicab licences, and is an attack on small business owners.⁸⁵ He noted that the “worst” part of Bill 30 is the “complete abdication of social responsibility of this government in facilitating not only the destruction of an important part of our transportation infrastructure but the red carpet deregulation that’s rolling out to a parasitic business model.” Mr. Maloway contrasted the government’s attitude towards small business with the recent Canada-European Union Trade Agreement (“CETA”) and argued that the fair compensation practices that resulted out of CETA, should, in principle, be extended to taxicab operators as well.⁸⁶

The next Speaker to offer comments on Bill 30 was The Honourable Jon Gerrard, who stated that the changes anticipated by the government, repealing *The Taxi Cab Act*, and dissolving the TCB, constitute grave changes and, if implemented, would be onerous for the taxi industry.⁸⁷ In echoing the concerns received by the Honourable Cindy Lamoureux, Mr. Gerrard reasoned that Bill 30 should create: 1) fair competition, 2) standardized insurance and licence plates, and 3) fair compensation for the taxicab industry.⁸⁸ Further, Mr. Gerrard emphasized his dissatisfaction with the lack of public input in the ridesharing debate.⁸⁹ Moreover, he expressed concerns regarding the impact that Bill 30 would have in the Winnipeg community as a whole, affecting the livelihood of small business operators, impacting safety and MPI standards⁹⁰, and imposing undue hardship on taxicab operators.⁹¹ Although Mr. Gerrard is not opposed to competition within Winnipeg’s taxicab industry, he suggested that Manitoba needs competition that is grounded on fairness and equality.⁹² He welcomed the introduction of ride-sharing services in Winnipeg, but believes that any ride-

⁸⁴ *Ibid.*

⁸⁵ *Ibid.*

⁸⁶ *Ibid.*

⁸⁷ *Ibid* at 2887.

⁸⁸ *Ibid* at 2888.

⁸⁹ *Ibid* at 2888-2889.

⁹⁰ *Ibid* (Jon Gerrard); Note: Mr. Gerrard pointed to issues with respect to safety standards in Toronto, the adverse effects that Uber had in that jurisdiction.

⁹¹ *Ibid.*

⁹² *Ibid.*

hailing companies that want to enter the Winnipeg market must adhere to the same driver-screening requirements, covered by the same MPI insurance policy, and abide to the same occupational safety standards, as any other regular taxicab operator.⁹³

The last speaker to offer comments on Bill 30 was Mr. Saran who revisited the issue taxicab licence costs, estimated to be between \$300 000 and \$500 000, and fair compensation thereof, as deemed across Australian jurisdictions.⁹⁴ Again, Mr. Saran, raised the issue of discrimination, and how Bill 30 was an affront to the Indo-Canadian Community, who came to Winnipeg under the *Manitoba Provincial Nominee Program*, purchased taxis and taxicab licences, and now stand to receive no compensation by the Pallister-led government.⁹⁵ Finally, he cautioned the government not to underestimate the political influence that the immigrant community has, and how their vote might impact the upcoming elections, should their concerns not be addressed.⁹⁶

At the conclusion of the debate, the motion carried with 36 MLAs voting in support, and 16 votes against. It is important to note that prior to the committee stage hearings, a petition was introduced, on behalf of the Taxi Industry by Mr. Mohinder Saran, on October 11th, 2017, that urged the Manitoba government to renounce its objectives regarding Bill 30 and to withdraw its plans to deregulate the taxicab industry in Winnipeg.⁹⁷

The petition was as follows:

- (1) The taxi industry in Winnipeg provides an important service to all Manitobans.
- (2) The taxi industry is regulated to ensure there are both the provision of taxi service and a fair and affordable fare structure.
- (3) Regulations have been put in place that has made Winnipeg a leader in protecting the safety of taxi drivers through the installation of shields and cameras.
- (4) The regulated taxi system also has significant measures in place to protect passengers, including a stringent complaint system.

⁹³ *Ibid.*

⁹⁴ *Ibid.*, at 2888-2889.

⁹⁵ *Ibid.* at 2889.

⁹⁶ *Ibid.*

⁹⁷ Manitoba, Legislative Assembly, Hansard, 41st Leg, 2nd Sess, Vol LXX, No 69 (11 October 2017) at 2910.

(5) The provincial government has moved to bring in legislation through Bill 30 that will transfer jurisdiction to the City of Winnipeg in order to bring in so-called ride-sharing services like Uber.

(6) There were no consultations with the taxi industry prior to the introduction of this bill.

(7) This bill jeopardizes safety, taxi service, and also puts consumers at risk, as well as the livelihood of Manitobans, many of whom have invested their life savings into the industry.

(8) The proposed legislation also puts the regulated framework at risk and could lead to issues such as what has been seen in other jurisdictions, including differential pricing, not providing service to some areas of the city, and significant risks in terms of taxi driver and passenger safety.

The petition was subsequently reintroduced during the same hearing by Flor Marcelino, and Jim Maloway.⁹⁸

3. Committee hearing Stage (Standing Committee on Social & Economic Development)

Bill 30 committee meetings were held under the Standing Committee on Social and Economic Development (“the committee”). Bill 30 went before the committee on October 23rd, 24th, 26th, 27th, and 31st, 2017. According to the committee’s *Eight Reports*, the committee heard a total of 159 presentations on Bill 30, out of which 5 presenters were from government and private organizations, and the remainder 154 were private citizens.⁹⁹

Standing Committee	Oct. 23	Oct. 24	Oct. 26	Oct. 27	Oct. 31
Duration	6 hrs	6:07 min	5:54 min	13:54 min	5:35 min
Presenters	28	28	28	56	17
Private Citizens	24	28	28	55	17
Organizations	4	0	0	1	0
Written Submissions	1	1	0	1	0

⁹⁸ *Ibid* at 2912-2913.

⁹⁹ Manitoba, Legislative Assembly, Standing Committee on Social and Economic Development, 41st Leg, 2nd Sess, Vol LXX No 12 (31 October 2017) [Committee Hearing].

Total Presentations	29	29	28	56	17
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At the committee stage, there were submissions from the Manitoba Federation of Labour, Uber Inc., the Winnipeg Airports Authority, Canadian Centre for Policy Alternative, and the Winnipeg Community Taxi Coalition.¹⁰⁰ The speakers at this stage engaged in a clause-by-clause analysis of Bill 30, and largely reiterated the issues advanced to by various MLAs during the second reading.

The committee sessions started with a presentation by Mr. Kevin Rebeck, with the Manitoba Federation of Labour, who spoke against Bill 30, and transferring authority with respect to “safety” and “health protections” in private transportation to the City of Winnipeg.¹⁰¹ Mr. Rebeck referred to Quebec’s recent requirements on Uber drivers as an example, and stated that ridesharing companies ought to adhere to the same screening and training requirements (criminal background checks, mechanical inspections) and safety standards (safety shields, in-car cameras) as taxicab operators in Manitoba.¹⁰² Additionally, Mr. Rebeck, touched briefly on the issue of employment within the sharing economy. He reasoned that ridesharing companies are based on a business model that shifts risk and low wages to self-employers, while negatively impacting employment standards.¹⁰³ The speakers generally agreed with the concerns brought forth by Mr. Rebeck. Similarly, Paul Moist, with the Canadian Centre for Policy Alternatives, noted that Bill 30 is silent on the matter of revenue sharing arrangements regarding the regulation of the vehicle-for-hire industry between the city and the province. Also, he raised concerns with respect to compensation, and stated that Winnipeg should not proceed with Bill 30, without addressing the issue of employment standards and minimum wages.¹⁰⁴

Conversely, Chris Schafer, representative from Uber Inc., spoke in favor of Bill 30 and of extending the law-making authority in the vehicle-

¹⁰⁰ *Ibid.*

¹⁰¹ *Ibid* at 197.

¹⁰² *Ibid.*

¹⁰³ *Ibid* at 197-198.

¹⁰⁴ *Ibid* at 235-236.

for-hire industry to the city of Winnipeg.¹⁰⁵ He noted that in most Canadian cities (Edmonton, Toronto, and Ottawa) the vehicle-for-hire industry is regulated at the municipal level, and mentioned that these constitute “cost-neutral” and “revenue-neutral” regulatory implementations for cities to recoup licensing costs from both ride-sharing companies and the local taxi industry.¹⁰⁶ Maloway, as the official opposition to Bill 30, concerned with the regulatory risks, maintained that the Australian state of Victoria enacted ride-sharing bills in its legislature somewhat similar to Bill 30.¹⁰⁷ Further, Victoria set up a \$494-million fund, and offered compensation ranging from \$50 000 to \$100 000 for taxicab operators.¹⁰⁸ Mr. Maloway stressed the significance of clause 10 in Bill 30, and how that prevented any legal action against Manitoba for licence compensation.¹⁰⁹ Mr. Schafer pointed out that there is no municipal or provincial government in Canada that has chosen to compensate taxicab operators for “[...] any loss of value.”¹¹⁰ Further, regarding new entrants in the vehicle for hire industry, compensating incumbents, discourages innovation. Schafer stated that taxicab licences are a “permission to operate a business” and are not “protected assets.” Lastly, he noted the beauty of Bill 30, in that Winnipeg, much like the Financial Services Commission in Ontario, in cooperation with MPI reserves the right to select the adequate system that fits the Winnipeg vehicle-for-hire market, which Uber Inc. would make available and purchase on behalf of their drivers.¹¹¹

Barry Rempel, from the Winnipeg Airports Authority (“WAA”), also presented in support of Bill 30. He stated that Winnipeg deserves a vehicle-for-hire system with the capacity to meet the demand, and the ability to enhance customer service.¹¹² Mr. Rempel noted that clause 4 of Bill 30, obliges municipalities to “maintain a sustainable industry that meets the needs of the travelling public,” and that this would be beneficial to the

¹⁰⁵ *Ibid* at 199-200.

¹⁰⁶ *Ibid.*

¹⁰⁷ *Ibid* at 200-201.

¹⁰⁸ *Ibid.*

¹⁰⁹ *Ibid.*

¹¹⁰ *Ibid.*

¹¹¹ *Ibid* at 201-202.

¹¹² *Ibid* at 256-257.

private transportation sector, and the 4 million passengers that rely on the WAA.¹¹³ In closing, all suggested amendments at the committee stage were defeated

4. Report Stage Amendments

During the committee stage, Mr. Maloway suggested, that the House postpones the compensation under clause 10(3) to 10(5), and safety regulation amendments under clause 3(3) and 3(4) of Bill 30 to the reporting stage. There was a total of five amendments proposed at the report stage on November 7th, 2017.¹¹⁴ Mr. Maloway presented the first report stage amendment under Bill 30, which proposed additional safety standards to be added to clause 3(4).¹¹⁵ The proposed changes, would require vehicles-for-hire to be equipped with shield protection, on-board cameras, a strobe light and a panic button for each respective vehicle.¹¹⁶ In addition, the amendments required vehicle-for-hire operators to pass a criminal record and child abuse registry check, and undergo a minimum of 35 hours of training in areas ranging from safety to cultural sensitivity.¹¹⁷ Mr. Maloway, who had moved the motion for the amendment, explained that the Manitoba government is trying to dump responsibility off to the City of Winnipeg by proposing a bill with no consultation from the industry, which risks creating an “unlevel playing field.”¹¹⁸ In seconding Mr. Maloway’s remarks, Mr. Saran commented that the process was “undemocratic,” that the government has been apathetic towards the minority community, and failed to consult the taxicab industry.¹¹⁹ Mr. Ted Marcelino, expressed a similar opinion.¹²⁰ Mr. Fletcher stated that he could not support the amendments since the amendments cannot fix the “unfixable” in a bill that

¹¹³ *Ibid.*

¹¹⁴ Manitoba, Legislative Assembly, *Hansard* 41st Leg, 2nd Sess, Vol LXX No 80b (7 November 2017) at 3531-3532 [Report Stage (Hansard)].

¹¹⁵ *Ibid* at 3532.

¹¹⁶ *Ibid.*

¹¹⁷ *Ibid.*

¹¹⁸ *Ibid.*

¹¹⁹ *Ibid* at 3536.

¹²⁰ *Ibid* at 3540.

misses the “mark.”¹²¹ Honourable Jon Gerrard took a more nuanced position, and stated that ensuring a secure and safe environment within the ridesharing industry is critical.¹²² Minister Wharton, once again, stated that on matters of safety and accessibility, the City of Winnipeg and neighboring municipalities are currently responsible for managing the public transportation system, and would be best suited to regulate the vehicle-for-hire-sector.¹²³ In closing, all three proposed amendments that failed to pass the report stage.

C. Concurrence & Third Reading

The third reading of Bill 30 took place on November 9th, 2017. Minister Wharton presented a motion, seconded by Minister Clarke, to move Bill 30 to be read for a third time.¹²⁴ Mr. Maloway, spoke on the Bill 30 once more. He reaffirmed his position against the Bill, and stated that the government was creating a “big mess.”¹²⁵ Mr. Maloway, expressed disappointment that none of the amendments were passed on the report stage, and stated that the regulatory framework that the government is creating across all 137 municipalities is guaranteed to clog the system and create even more red tape.¹²⁶ Ms. Lamoureux, also spoke against the Bill, stating that the lack of safety precautions and the stipulation against legal action for compensation will hurt the taxicab industry and thousands of Manitobans.¹²⁷ The last MLA to speak on Bill 30 was Mr. Saran. He re-emphasized his concerns regarding the financial burden that Bill 30 imposes on the Indo-Canadian community, and the fact that the government, by transferring responsibilities, is giving Uber Inc. a free ride to the Winnipeg vehicle-for-hire market.¹²⁸ The Bill then passed the third reading.

¹²¹ *Ibid* at 3538.

¹²² *Ibid* at 3555-3556.

¹²³ *Ibid* at 3535-3536.

¹²⁴ *Ibid* at 3641.

¹²⁵ *Ibid*.

¹²⁶ *Ibid* at 3642-3643.

¹²⁷ *Ibid* at 3643-3644.

¹²⁸ *Ibid* at 3644-3645.

D. Royal Assent and Coming into Force

Bill 30, the *Local for Vehicles for Hire Act*, received Royal Assent on November 7th, 2017, and came into effect on February 28th, 2018.

E. Evaluating the Legislative Process

Bill 30, underwent all the standard stages of the legislative processes. The long chain of standardized legislative processes, connected via motions and debates, appeared practical and transparent. The decisions and debates that followed Bill 30, albeit repetitious at times, bore little results through all three stages. Bill 30, though fairly short in length (14-pages), was expected to have major regulatory consequences for stakeholders and government agencies alike. However, when issues of compensation, competition, and consultation (safety & security) were scrutinized during question-periods or committee debates, Minister Wharton appeared to distance himself from substantive critiques addressed in opposition to Bill 30 and the government in power.¹²⁹ Particularly, the issues of compensation (which was followed by numerous amendments) the proposition of a compensation commission, and a petition introduced in the first reading, were constantly ignored by the government throughout the legislative process.¹³⁰ When pressed on the issue, Minister Wharton admitted that he was not aware of the compensation scheme that was implemented in Australia.¹³¹ This demonstrated a lack of due diligence during the legislative process. Subsequently, with respect to consultation, the government did not gather sufficient public input throughout the process. During the committee hearing stage, there were a total of 100 citizens that waited over 20-hours, whom the government refused to hear, citing lack of time.¹³² Further, the government did not consult taxicab stakeholders—taxicab drivers, dispatchers, and owners. Taxicab representatives repeatedly admitted during the committee stages that they were not consulted throughout this process.¹³³ When pressed on the issue, Minister Wharton, would reference

¹²⁹ *Ibid* at 3641-3642.

¹³⁰ *Ibid*.

¹³¹ *Hansard* (10 October 2017), *supra* note 63 at 2867.

¹³² Committee Hearing, *supra* note 99 at 563-564.

¹³³ Manitoba, Legislative Assembly, *Standing Committee on Social and Economic Development*, 41st Leg, 2nd Sess, Vol LXX No 9 (24 October 2017) at 292 (Committee Report).

the 2016 findings of the MNP report as proof. He reasoned that the 10 000 Manitobans that were surveyed in the report, which included 9215 online surveys and 500 telephone interviews, demonstrated that a valuable input from the taxicab industry was sought and received.¹³⁴ This demonstrated poor consultation during the legislative process.

F. Public Opinion on Ridesharing Legislations

Media coverage was largely supportive of *The VFH Act* as was the majority of the public stakeholders, Indigenous communities, the Winnipeg Chamber of Commerce (“WCC”), Uber Inc., and Mayor Bowman, who rallied in support of bringing vehicle-for-hire legislation to Winnipeg.¹³⁵ Bill 30 was hailed as the Consumer Choice Bill. Industry stakeholders, such as TCB, the Winnipeg Taxi Alliance (“WTA”), and small business owners, rallied at the legislature, and provided critical commentaries in opposition of Bill 30.¹³⁶

1. Stakeholder Opinions

Ross Eadie, a sitting member on the TCB, stated that prior to passing ridesharing legislations, it is crucial to determine what the demand for taxi services in Winnipeg is.¹³⁷ Further, Mr. Eadie, spoke of the unfair, bad reputation that the taxicab industry has in Winnipeg, and how allowing big players like Uber Inc., that refuse to pay taxes and purchase commercial insurance, is “evil.”¹³⁸ The two major taxicab operators in Winnipeg,

¹³⁴ *Ibid*; Report Stage (9 November 2017), *supra* note 125 at 3641-2.

¹³⁵ Winnipeg Mayor's Office, “Amendments to be proposed to vehicle for hire bylaws” *City of Winnipeg* (11 December 2017), online: <mayorbowman.ca/news/read,378/213/amendments-to-be-proposed-to-vehicle-for-hire-bylaw> [perma.cc/U9CQ-DXPT]; Kives, *supra* note 28; See also Kristin Annable, “Uber’s drive into Winnipeg kicks into high gear”, *Winnipeg Free Press* (31 August 2016), online: <winnipegfreepress.com/local/ubers-drive-into-winnipeg-kicks-into-high-gear-391940001.html> [perma.cc/RG8F-3258].

¹³⁶ Mark McAvoy “Taxi Owners Rally at Legislature Over Uber Bill”, *Winnipeg Classic 107* (6 August 2017), online: <chvnradio.com/news/taxi-owners-rally-at-legislature-over-uber-bill> [perma.cc/6QYC-VYKU].

¹³⁷ Annable, *supra* note 135.

¹³⁸ Ligia Braidotti, “Winnipeg taxi service steps up fight against Uber”, *Community News Commons* (19 January 2016), online: <communitynewscommons.org/our-neighbourhoods/winnipeg-taxi-service-steps-up-fight-against-uber/> [perma.cc/VR9V-

Unicity and Duffy's, joined forces in the WTA, against Uber and other ride-sharing companies.¹³⁹ A WTA spokesperson, Luc Lewandoski, noted that the number of households that go "careless" and the number of "traditional transit users," during winter months and peak periods, affects the number of licences issues by the TCB.¹⁴⁰ Both Lewandoski and Eadie, noted the increase in efficiency as the taxicab rolled out their own smartphone app, but also admitted that there is room to improve, particularly referring to the industry's relationship with marginalized communities.¹⁴¹

However, as was illustrated in the MNP's comprehensive vehicle-for-hire industry report, the introduction of ridesharing services in Winnipeg involves more than just using an app to book a ride.¹⁴² Uber Inc. reached out to the public via e-mail and social media, in order to encourage them to participate in the study and provide their input.¹⁴³ The MNP report, completed on December 2016, highlights that 74 per cent of Winnipeggers felt that there are not enough taxis to meet the demand in Winnipeg. In addition, 55 per cent of Indigenous women felt unsafe using a taxicab in Winnipeg.¹⁴⁴ Similarly, a 2013 study suggested that there were "39 reported cases where cab drivers were accused of incident acts, sexual assault, or suspicious activity."¹⁴⁵ Winnipeg's Mayor, Brian Bowman, stated that the ridesharing legislations encourage innovation, and therefore sufficient consultation ought to take place during the process.¹⁴⁶ The Manitoba Liberal party campaigned in the 2016 provincial elections in Winnipeg on the promise that, if elected, they would "pave the way for ridesharing

AV8D].

¹³⁹ *Ibid.*

¹⁴⁰ *Ibid.*

¹⁴¹ *Ibid.*

¹⁴² Dylon Martin, "Uber Not a Silver Bullet for Winnipeg's Taxicab Issues", *Uniter* (16 March 2017), online: <uniter.ca/view/uber-not-a-silver-bullet-for-winnipegs-taxicab-issues> [perma.cc/B69J-QNW8].

¹⁴³ Annable, *supra* note 135.

¹⁴⁴ *Ibid.*

¹⁴⁵ *Ibid.*

¹⁴⁶ Christian Aumell, "Cab drivers worried about Uber pack Winnipeg city hall", *Global News* (27 September 2017), online: <globalnews.ca/news/3772805/cab-drivers-worried-about-uber-pack-winnipeg-city-hall/> [perma.cc/Q4RR-V7AR] [Aumell, "Drivers Worried"].

services” to come to Winnipeg.¹⁴⁷ Meanwhile, the WCC, a long-time supporter of the “sharing economy,” expressed support for ridesharing legislation and the need to update Manitoba’s vehicle-for-hire regulations.¹⁴⁸

2. *The Aftermath and Media*

After the introduction of *The VFH Act*, City regulators requested additional 60 taxicab licences by the end of 2018, in order to bring Winnipeg’s taxicab ratio down to one cab for every 1203 residents.¹⁴⁹ Vehicle-for-hire companies; Uber and Lyft, requested that MPI designs a “blanket policy” that covers all ridesharing activities, otherwise it would be “too difficult to do business” in Winnipeg.¹⁵⁰ The MPI introduced a unique “time band” insurance policy for TNCs, which depending on the usage, required drivers to pay an add-on of 20 per cent to their all-purpose insurance.¹⁵¹ While this MPI policy kept Uber and Lyft out of the Winnipeg market, other TNCs such as TappCar, Cowboy Taxi, and InstaRyde, said that they will subsidize the MPI approve bands as a means of attracting more drivers.¹⁵² Scott McFadyen, a spokesperson for the Winnipeg Community Taxi Coalition, said that taxicabs in Winnipeg are listening to Winnipeggers, reconciling with the Indigenous community, and testing collision-avoidance technology, in order to stay competitive in the market against “Internet” ridesharing services.¹⁵³ On December 16th, 2017, the

¹⁴⁷ Braidotti, *supra* note 138.

¹⁴⁸ Annable, *supra* note 135.

¹⁴⁹ Laura Glowacki, “Winnipeg Welcomes Uber: ride-hailing approved by city council”, *Canadian Broadcasting Corporation* (13 December 2017), online: <cbc.ca/news/canada/manitoba/winnipeg-taxis-uber-lyft-council-1.4446417> [perma.cc/V87J-SHLG].

¹⁵⁰ Christian Aumell, “MPI ‘confident’ it can find way for Uber”, *Global News* (16 January 2018), online: <globalnews.ca/news/3968173/mpi-confident-it-can-find-way-for-uber-lyft-to-come-to-manitoba/> [perma.cc/U88E-PC2Y] [Aumell, “MPI Consistent”].

¹⁵¹ *Ibid.*

¹⁵² Bartley Kives “Uber, Lyft willing to pay insurance tab if MPI drops time restrictions” *Canadian Broadcasting Corporation* (1 March 2018), online: <cbc.ca/news/canada/manitoba/uber-lyft-ride-hailing-winnipeg-1.4557474> [perma.cc/RL2Z-L3W9].

¹⁵³ Barley Kives, “Facing new competition from ride-hailing services” *Canadian Broadcasting Corporation* (1 March 2018), online: <cbc.ca/news/canada/manitoba/taxis-ride-hailing-winnipeg-1.4556015>

owners of Duffy's Taxi and Unicity Taxi, filed an injunction seeking to suspend *The VFH Act* on the grounds that the Act devalues their taxicab licences, and discriminates against their section 15 equality right under *The Charter of Rights and Freedoms*.¹⁵⁴

V. COMPARISON TO OTHER CANADIAN RIDESHARING LEGISLATION

Ridesharing services have become prevalent across Canada, and they are here to stay. Edmonton was the first city in Canada to introduce ride-sharing legislations, which were passed in Alberta prior to the introduction of *The VFH Act*. Unlike Winnipeg's *The Local Vehicle for Hire Act*; Edmonton's city council in implementing a Vehicle for Hire Bylaw 17400, established a two-pronged system. This system enabled TNCs to operate under the private transportation provider (PTP) and taxis under the transportation network vehicles (TNV), starting January 27th, 2016.¹⁵⁵

In 2014 Uber Inc. started operating in Edmonton without government regulatory oversight.¹⁵⁶ Similar to the taxicab industry in Winnipeg, taxi drivers in Edmonton protested and demanded that the government prevented the entrance of TNCs into the Edmonton market. While the city of Edmonton did not charge Uber Inc. for violating its bylaws, they filed an application for an injunction against Uber Inc. for operating without a valid

[perma.cc/AP37-K2Z9].

¹⁵⁴ Cameron MacLean, "Future of lawsuit over ride-hailing legislation unclear after cab companies ask for adjournment", *Canadian Broadcasting Corporation* (14 March 2018), online: <cbc.ca/news/canada/manitoba/winnipeg-taxi-company-lawsuit-adjourned-1.4576415> [perma.cc/3D4H-LSMT]; See also Bill Redkop, "Taxi companies seek court injunction over ride-hailing", *Winnipeg Free Press* (16 December 2017), online: <winnipegfreepress.com/local/taxi-companies-seek-court-injunction-over-ride-hailing-bylaw-464636423.html> [perma.cc/QB44-9R3X]; See also *Canadian Charter of Rights and Freedoms, Part I of the Constitution Act, 1982, being Scheduled B to the Canada Act 1982 (U.K.)*, 1982, c.11.

¹⁵⁵ *City of Edmonton, By-law No. 17400-2016*, at 1-11; See also Lisa Shields, "Driving Decision-Making: An Analysis of Policy Diffusion and Its Role in the Development and Implementation of Ridesharing Regulations in Four Canadian Municipalities" online: (2016) 7:1 MPA Major Research Papers at 34 <ir.lib.uwo.ca/lgp-mrps/150>.

¹⁵⁶ *Ibid.*

Taxi Broker Licence, and without a Business Licence under bylaw 13138.¹⁵⁷ The same injunction was held and applied to Calgary's market.

In Alberta and Ontario, municipalities, not the province, are responsible for managing and regulating the taxicab industry.¹⁵⁸ The Edmonton market had a closed-entry system and capped the number of taxicab licences.¹⁵⁹ The purpose of the cap was to prevent depreciation of existing taxicab licences, while preventing the taxi market from being saturated with oversupply.¹⁶⁰ While Winnipeg, did not have a closed-entry system, the number of licences that were issued remained frozen since World War II. Thus, the *modus operandi* of Uber Inc. differed for both cities. Edmonton has a larger urban population than Winnipeg, and the taxicab industry is regulated at the municipal instead of at the Provincial level. Further, the vehicle-for-hire regulatory framework was lax in Edmonton, which permitted TNCs to operate without government oversight. Hence in 2015, Edmonton's City Council commissioned a review of its taxicab industry, with the intention of understanding the impact that illegally operating TNCs had on its taxicab market.¹⁶¹ A similar council report was also commissioned and carried by the City of Calgary, where staff assessed the impact of illegally operating TNCs in its market.¹⁶² During the assessment, staff in both cities conducted a thorough jurisdictional scan in order to understand how other North American cities, like Washington D.C. and New York City, regulated the illegal operation of TNCs in their respective markets.¹⁶³ In a number of North American jurisdictions, TNCs were allowed to operate alongside taxis.¹⁶⁴ Hence, staff in Alberta's jurisdictions after assessing the level of effectiveness behind such ridesharing legislations, consulting extensively with industry stakeholders (industry advisory group, taxi brokers, taxi plate licences/renters, and

¹⁵⁷ *Edmonton (City) v Uber Canada Inc.*, 2015 AJ No. 357 at para 1, [2015] 2015 ABQB 214

¹⁵⁸ Shields, *supra* note 155.

¹⁵⁹ *Ibid.*

¹⁶⁰ *Ibid.*

¹⁶¹ *Ibid* at 25-26.

¹⁶² *Ibid* at 25-27.

¹⁶³ *Ibid* at 25-26

¹⁶⁴ *Ibid* at 35.

TNCs) and holding consultation workshops, voted for a business model that allowed TNCs to “co-exist” with conventional cabs.¹⁶⁵ Whereas, the assessment conducted in the 2016 MNP report was lacking in that it did not conduct sufficient cross-jurisdictional research outside of Canada. The report relied solely on the business model of Portland and omitted analyzing other jurisdictions such as Washington D.C. which operated under an effective co-existing TNC model.¹⁶⁶ According to the 2015 Edmonton staff report presented to Council:

The new regulatory framework affords consumer choice and safe service for Edmontonians, while complying with provincial regulations. It supports a diversified economy and innovation in the industry, creating a model that enables the taxi business and ride sharing services to co-exist.

The City strove to find the right balance between recognizing the long history of service by the taxi business and being responsive to innovation in the vehicle for hire industry. Changes to the industry will be closely monitored and adjustments made in the future, if necessary, to address potential issues, such as predatory pricing, that may have a negative impact¹⁶⁷

Bylaw 17400 introduced a new class for the vehicle-for-hire industry, where Private Transportation Providers (“PTP”) and Transportation Network Vehicles (“TMV”) are regulated independently from one another. TNCs under the PTP system are regulated by the City of Edmonton and cannot be hailed but must be prearranged, whereas taxis are regulated by both the City of Edmonton and the Province of Alberta.¹⁶⁸ Calgary and Toronto passed similar bylaws that were modeled by Edmonton’s two-pronged system. Whereas Ottawa, acting on the Competition Bureau of Canada’s advice, allowed TNCs to compete with the taxicab industry on the basis that “greater competition benefits consumers in terms of lower prices,

¹⁶⁵ *Ibid* at 25-35.

¹⁶⁶ *Ibid* at 11, 35.

¹⁶⁷ *Ibid* at 26.

¹⁶⁸ Daniel Ward, “Transportation Network Companies & Accessibility” (2017) 1:1 SCARP Graduating Projects at 22, online: <open.library.ubc.ca/cIRcle/collections/graduateresearch/310/items/1.0342994> [perma.cc/3BZJ-PF3T]; “Vehicle for Hire” *City of Edmonton* (1 April 2018), online: <edmonton.ca/business_economy/licences_permits/vehicle-for-hire.aspx> [perma.cc/N8Z9-U6FW].

higher quality of service, increased consumer convenience, and higher levels of innovation.”¹⁶⁹

Overall, Manitoba’s legislation, under *The VFH Act*, falls somewhere below Alberta’s and Ontario’s comprehensive vehicle-for-hire regimes. *The VFH Act* is not quite as “Uber-friendly” as Edmonton Vehicle for Hire Bylaw 17400, and not as equitable as Toronto’s 545-4 Municipal Code, which creates an even level of playing field.¹⁷⁰

VI. ANALYSIS OF THE MERITS AND DEMERITS OF BILL 30 & ALTERNATIVE SOLUTIONS

The real and substantive issues that resulted out of *The VFH Act*, continue to revolve around the issue of the 3C’s: compensation, consultation, and competition, which will be examined below.

A. Merits and Praises of the VFH Act

The City of Winnipeg, and the Province in Manitoba, acted swiftly in assessing the need of the local vehicle-for-hire market and in implementing ridesharing legislations that enable Winnipeggers to have more choice. *The VFH Act* was introduced in the House on March 20th, 2017 and received Royal Assent on November 7th, 2017. The entire legislative process, which resulted in the repeal of the *Taxi Cab Act* and dissolution of the TCB, lasted just over eight months. *The VFH Act* transferred ridesharing jurisdiction to municipalities and introduced significant changes that addressed the gap in taxi supply. Further, it launched a new MPI insurance scheme for all vehicle-for-hire drivers, while reforming the ridesharing landscape in the province of Manitoba.¹⁷¹

Winnipeg, with a taxicab ratio of one cab per every 1252 passengers, was one of the most under-served municipalities across all of Canada. As shown, during peak business hours and winter months, nearly 50 per cent more Winnipeggers would rely on the services provided by the taxicab

¹⁶⁹ Shields, *supra* note 155.

¹⁷⁰ *Ibid* at 27-29.

¹⁷¹ MPI, *supra* note 43 at 2-5.

industry.¹⁷² As illustrated in the MNP report, Winnipeg's population has grown disproportionately to the vehicle-for-hire industry capacity.¹⁷³ This issue of dependency is further exacerbated when one considers how Winnipeggers' public transportation options are lacking, or how Winnipeg's public transportation system fares against Calgary's light rail system, or Toronto's subway and streetcars transit system. By allowing TNCs to enter the Winnipeg market and compete with traditional cabs, we address the supply concern, increase convenience, and reduce prices and wait times during winter months.¹⁷⁴ Since *The VFH Act* came into effect, three TNCs (TappCar, Cowboy Taxi, and Insta Ryde) have received licences to operate in Winnipeg.¹⁷⁵ Additionally, having responsible private transportation options, not only bridges a supply gap, but also addresses some of the safety concerns raised against the taxicab industry. The Indigenous community had raised numerous concerns with the then TCB, against cab drivers' discriminatory and abusive treatment towards Indigenous women.¹⁷⁶ Since *The VFH Act* came into effect, Cowboy Taxi, has rolled out a "girl power" option, which allows users, regardless of their gender, to request a ride with a female driver.¹⁷⁷ This option addresses both safety and comfort issues, while offering women a safe ridesharing alternative.

Subsequently, another safety concern raised during the committee hearings was the issue of ridesharing insurance for TNCs. Ahead of all municipalities, Winnipeg enacted their ridesharing legislations in concurrence with MPI backed insurance plans.¹⁷⁸ The problem with most Canadian municipalities was that insurance for ridesharing drivers fell on

¹⁷² Ray A. Mundy, "Winnipeg Taxi Study" (2009) TTLF at 3-4, online (pdf): <gov.mb.ca/mr/taxicab/pubs/surveyvol1.pdf> [perma.cc/HYL8-LSW7].

¹⁷³ MNP, *supra* note 1 at 2-3.

¹⁷⁴ Stephanie Taylor, "Allow Uber into Winnipeg's taxicab market: report", *Metro News* (21 December 2016), online: <metronews.ca/news/winnipeg/2016/12/21/report-released-on-winnipeg-taxi-industry.html>.

¹⁷⁵ Kives, *supra* note 153.

¹⁷⁶ *Ibid.*

¹⁷⁷ "Two rides and a missing cowboy: CBC tries out new ride-hailing apps" *Canadian Broadcasting Corporation* (2 March 2018), online: <cbc.ca/news/canada/manitoba/ride-hailing-apps-1.4559921> [perma.cc/65Z2-66G4].

¹⁷⁸ MPI, *supra* note 43 at 2-5.

“no-man’s-land,” and between personal and commercial insurance.¹⁷⁹ When Edmonton enacted bylaw 17400, the province of Alberta struggled with the ridesharing insurance plan put forth by the city of Edmonton, so much that it suspended TNC operations in the Province of Alberta for six months, until it reached a deal with a private third party insurer.¹⁸⁰ The Province of Manitoba was able to evade the commercial private insurance obstacles, by introducing a unique flexible “time band” approach that offers TNCs, like Uber, a blanket policy that covers all private transportation activities for both the driver and customer alike.¹⁸¹ The TNC “add-on” insurance solution, introduced parallel with *The VFH Act*, adds an additional 20 per cent on any all-purpose coverage.¹⁸²

B. Demerits and Concerns with the VFH Act

Notwithstanding the achievements of *The VFH Act*, two acute issues raised during the legislative process, consultation and industry standards, indicate that the deregulation of the taxicab industry has created an uneven playing field at the expense of taxicab operators.

One major criticism against *The VFH Act* is that neither the Province of Manitoba nor the City of Winnipeg elicited sufficient input from the taxicab industry. During the MNP survey, taxi industry stakeholders were consulted, but stakeholder representatives voiced concerns, and stated that while they were aware that consultations were taking place, they “complained that the questions being asked were too rigid and did not allow back-and-forth discussion of relevant issues.”¹⁸³ The MNP report, during stakeholder consultations, did interview standard taxicab operators, but did not interview wheelchair accessible cabs nor require input from any of the 384 seasonal licence holders, who would most be affected by the introduction of *The VFH Act*.¹⁸⁴ This practice was also evident during the

¹⁷⁹ Mathew Feeney, “Is Ridesharing Safe”(2015) 767:2 Policy Analysis at 9, online (pdf): <mygalaw.com/wp-content/uploads/2015/01/Cato-Institute-on-Ridesharing.pdf> [perma.cc/TP6W-HJ7G].

¹⁸⁰ Shields, *supra* note 155 at 41.

¹⁸¹ Aumell, “MPI Confident”, *supra* note 150.

¹⁸² MPI, *supra* note 42 at 3-7.

¹⁸³ Aumell, “Drivers Worried” *supra* note 146.

¹⁸⁴ MNP, *supra* note 1 at 1-14.

legislative process, which culminated with the exclusion of 100 citizens from consultations after waiting over 20-hours to submit their oral presentation, during the committee hearing on October 31st, 2017.¹⁸⁵ The open-entry approach that Manitoba has created can lead to unreliable taxicab services and inflated prices.¹⁸⁶

Another major criticism against *The VFH Act* is the safety industry standards mandated to the taxicab industry, which does not apply to TNCs operating in Winnipeg. The TCB, imposed mandatory in-car cameras, panic buttons, criminal record checks, and driver shields, in order to secure the drivers, but also ensure the safety of the passenger.¹⁸⁷ Since taxi drivers face an “unrealistic” high degree of risk from being victimized in a crime, and passenger safety was a major concern emphasized in the legislative process, it is rather absurd why the same requirements that apply to cabs were not included in *The VFH Act*.¹⁸⁸ Ridesharing apps like Uber are praised for cashless transactions and GPS tracking, but not for their driver screening methods.¹⁸⁹ These inadequacies have permitted TNCs to enter the market without complying with the same rules that the taxi industry is subjected to. A recent report on sexual assault in the City of Austin, Texas, indicated that between the month of April and August 2015, seven sexual assaults were reported against ridesharing drivers, and only three against standard taxi drivers.¹⁹⁰ This implies that ridesharing services are not particularly “safer” than standard cabs. Further to this point, the disclosure of passenger identity *vis-à-vis* ridesharing applications is yet another concern that was not addressed in *The VFH Act* and could potentially open the City of Winnipeg to costly legal actions.¹⁹¹ Safety, the second largest category filed in MNP report, although repeatedly voiced in Bill 30’s legislative process, is almost

¹⁸⁵ Committee Hearing, *supra* note 99 at 563-564.

¹⁸⁶ Mundy, *supra* note 172 at 3-4.

¹⁸⁷ MNP, *supra* note 1 at 4-5.

¹⁸⁸ *Ibid*; See also Feeney, *supra* note 177 at 2-3.

¹⁸⁹ Feeney, *supra* note 179 at 2-3.

¹⁹⁰ Martin, *supra* note 142.

¹⁹¹ MNP, *supra* note 1 at 4-5; See also Feeney, *supra* note 179 at 2-3.

entirely ignored in *The VFH Act*. Hence, it is difficult to envision how TNCs will operate in the absence of mandatory minimum safety standards.¹⁹²

C. Alternatives

This open-entry system under *The VFH Act*, has allowed TNCs to compete in a market that is highly tilted in their favor. *The VFH Act* was introduced to Winnipeggers, as a “there-can-be-only-one” vehicle-for-hire legislation, and the only way to allow TNCs to enter the market would be through the dissolution of the TCB and the elimination of *The Taxi Cab Act*. Hence, a suitable amendment to *The VFH Act* would be one that bridges the financial disadvantage between taxicabs and TNCs drivers and adopts a compensation plan that reimburses cab drivers for their licence depreciation. A “2015... article in *The Walrus* charted the decline in value of municipal taxi plates (licences) in 2015 from \$360,000 in 2012, to \$120,000 by 2015” in the municipality of Toronto.¹⁹³ The 2016 MNP report, estimated the value of a taxicab licence in Winnipeg to be at \$406 000, whereas the transfers of licences to range from \$100 000 to \$505 000.¹⁹⁴ Bill 30’s largest critic, Mr. Maloway had put forth an interesting proposal, during the legislative process, where he suggested that Manitoba emulates the compensation scheme adopted in the state of Victoria, in Australia, when ridesharing legislation where introduced for the first time.¹⁹⁵ In 2016, Victoria’s government voted for legalizing TNCs, established a single taxicab scheme for taxis and ride sharing services alike, while procuring a 75 million “fairness fund” in order to assist with compensation permit holders who experienced financial hardships as a result of the transition.¹⁹⁶ Similarly, the ridesharing competition reform that New South Wales (“NSW”) underwent in Australia, in 2015, resulted in the

¹⁹² Sharon Pfeifer, “Safety’ questioned in Winnipeg’s proposed vehicle for hire bylaw” *Global News* (6 December 2017), online: <globalnews.ca/news/3899957/winnipeg-taxi-drivers-furious-about-proposed-vehicle-for-hire-bylaw/> [perma.cc/ZAL9-AQXH].

¹⁹³ Moist, *supra* note 28.

¹⁹⁴ MNP, *supra* note 1 at 57.

¹⁹⁵ Committee Hearing, (23 October), *supra* note 98 at 200.

¹⁹⁶ Stephanie Anderson, “Uber to be legalised in Victoria; taxi, ride-booking services to be hit with \$2 per trip levy” *ABC News* (23 August 2016), online: <abc.net.au/news/2016-08-23/uber-to-be-legalised-in-victoria-services-to-be-hit-with-levy/7777196> [perma.cc/G9K4-44P5].

elimination of its existing taxi dispatch companies, and there like in Victoria, taxicab licence owners who sustained financial loss from implementation of the regulatory changes were subsequently compensated.¹⁹⁷

Since Manitoba, is the only Canadian jurisdiction that deregulated the taxi industry, and did not pursue the co-existing ridesharing model, then a compensation scheme is a convincing argument because it promotes fairness and ensures for healthy competition in the transportation market. While taxicab drivers did purchase a licence to operate a business, and that licence ought not be treated as a guaranteed investment, that same licence is depreciating in value primarily because TNCs do not have to subject to the same safety standards nor incur the same inspection costs as taxicab owners do. Seeing as TNCs oftentimes are not subjected to the same industry rules and regulations as taxicabs are, then the compensation approach implemented in the state of Victoria would be fitting for the Winnipeg model. Similar to NSW, cab owners and operators in Winnipeg did sustain financial losses with the introduction of *The VFH Act*. Like cab drivers in NSW, cab drivers in Winnipeg had their legislative privileges taken away, and only appropriate reimbursements can allow them to modernize their technology, improve their customer service relations, and increase accessibility to customers with mobility restrictions.¹⁹⁸ If adopted, this rationale can address the imbalance in Winnipeg's ridesharing market.

VII. CONCLUSION

Digital technology has given ridesharing service economies a “new meaning,” but it has also prevented traditional service industries from competing fairly against the new kids on the block.¹⁹⁹ While the entrance of TNCs onto the Winnipeg market preceded Bill 30, their presence has acted as a catalyst for legislative changes, which came at the expense of the taxicab industry. Winnipeg is ripe for a change and Winnipeggers want more choice

¹⁹⁷ Chassin, *supra* note 78 at 1-2.

¹⁹⁸ *Ibid*; “New taxicab regulations don’t do enough to erase double standards for accessible cabs” *Canadian Broadcasting Corporation* (30 January 2017), online: <cbc.ca/news/canada/manitoba/winnipeg-accessible-taxis-1.4509665> [perma.cc/9DL4-8BQP].

¹⁹⁹ Jian Lian, “Peer-to-Peer” *Canada's Occupational Health & Safety Magazine* (20 June 2017), online: <ohscanada.com/features/peer-to-peer/> [perma.cc/CC8U-F975].

in their local transportation economy. Manitoba with the enactment of *The VFH Act*, did not balance the need of Winnipeggers against the interest of industry stakeholders, but instead disadvantaged taxicab owners, taxicab drivers, and the many Winnipeg families that rely on that income.

In conclusion, to preserve the integrity of the regulatory system, and for *The VFH Act* to be effective, it is paramount that the City of Winnipeg introduces compensation bylaws similar in principle to those of NSW, in order to modernize the taxicab industry and foster healthy competition. If the taxicab industry is no longer profitable, then innovation is hampered, and, as a result, customers will suffer.