

2015 Meeting Note Advice to Minister

Meeting Date: November 2, 2015 Cliff #: 102796
Attendees: Josh Blair, Executive Vice President TELUS Health and President of Business

Solutions West

Issue: Meeting requested to discuss the future of the ride-sharing industry

Conclusion:

• It is unclear as to what the Telus interest is in the ride-sharing business.

- An example of a current ride sharing trend is Uber, an American transportation network company that uses a mobile application to connect riders to drivers, offering an alternative to the taxi industry.
- Uber's business model has been criticised by governments and the taxi industry for its allegedly unsafe and illegal use of unlicensed, crowd-sourced drivers.
- Uber has been issued a warning from the Ministry of Transportation in 2014 to refrain from operating illegally in BC. To discuss specifics on how Uber could fit into the BC transportation system, we recommend setting up a meeting with the Ministry of Transportation.

Background:

- MAV is meeting with Josh Blair, Executive Vice President TELUS Health and President of Business Solutions West to discuss the future of the taxi ride-sharing industry.
- In September 2015, Vancouver's four taxi companies that came out in opposition to Uber in 2014, launched an App that integrates all four into a single dispatch.
- Much like Uber, the eCab app allows users to pre-book a cab, track it in real time, pay with their phone, and rate their driver. It is Apple and Android compatible.
- The Uber mobile app allows consumers with smartphones to submit a trip request which is then routed to sharing economy drivers. Uber argues that developing a mobile app that lets customers hail nearby cars makes it a technology company rather than a transportation firm.
- Uber was founded as "UberCab" by Travis Kalanick and Garrett Camp in 2009. It is headquartered in San Francisco and currently operates in 300 cities around the world. Canadian cities with Uber service include Halifax, Montreal, Toronto, Edmonton, Ottawa and Quebec City.
- Uber has raised over US\$2.8 billion in funding and has generated close to \$10 billion in revenue.

Attendee: Josh Blair, Executive Vice President TELUS Health and President of Business Solutions West

Josh Blair oversees TELUS Health and Payment Solutions, a Canadian leader in electronic medical and health records, home health monitoring services, and benefits and pharmacy management solutions. In addition, Josh has oversight of TELUS Sourcing Solutions, a leading provider of innovative human resources and talent management solutions.



He also oversees TELUS International, the global arm of TELUS with approximately 16,000 team members in North America, Central America, Asia and Europe, providing contact centre and business processing solutions to major corporate clients worldwide.

Josh also serves as TELUS' Chief Corporate Officer, supporting the company's Board on selected activities and priming relationships with many of TELUS' external

stakeholders. In addition, he oversees TELUS Ventures, a team dedicated to investing in promising start-up companies with innovative technology solutions that can help TELUS operate more effectively and succeed in the marketplace.

Analysis:

- Since Uber's launch, many governments and the taxi industry have protested against Uber, alleging that its use of unlicensed, unregulated crowd-sourced drivers is unsafe and illegal.
- Most recently, a judge denied the City of Toronto its application for an injunction against Uber, ruling that Uber's ride-sharing service does not constitute a taxi or limousine service and therefore does not have to follow the same rules and regulations.
- Uber is looking to gain a foothold in Vancouver, but is facing opposition from the taxi industry and municipal governments. Uber claims there is a strong demand for its services in BC, citing a petition with over 27,000 signatures from Vancouver supporters who want Uber service in BC.
- In 2012, Uber ran a limousine service for six months before the Province forced it to withdraw by imposing a minimum fare of \$75. In 2014, Minister of Transportation, Todd Stone, issued a warning against Uber trying to operate illegally.
- In April 2015, Uber met with representatives of taxi companies, police, and the tourism and hospitality sector in a meeting organized by the City of Vancouver.
- It is unclear whether Uber intends to open offices in BC, potentially creating jobs and tax revenue, or if the company only wants Uber service to be available in BC cities.

Contact: Kevin Butterworth, ED, Technology and Innovation Branch - (250) 356-1984