

## **COVID-19 Board Investigation & Main Applications Decisions Q&As**

### **Why did the Board conduct an investigation?**

The Board decided to conduct an investigation pursuant to section 27(3)(b) of the *Passenger Transportation Act* on the impact of the COVID-19 pandemic on the BC passenger transportation industry. The objective was to help support objective, evidence-based decision-making.

### **Who conducted the investigation?**

The Board retained Hara Associates to conduct the investigation. Dr. Dan Hara is a professional economist with the required expertise in economics and in the BC passenger transportation industry to deliver a well-considered report.

### **Which applications were affected?**

This investigation was initiated in the context of relevant applications currently before the Board. These included the applications of Uber Canada Inc. (#10268-20TNS) and Facedrive Inc. (#10149-20TNS) (collectively known as the “Main Applications”). Pursuant to section 14(d) of the Act, the Board continued to review other applications which involve similar questions of fact, law or policy that may be impacted by the ongoing COVID-19 Board Investigation and decided to Stay such files. These other proceedings include Swiftsure Taxi Co. Ltd.; Duncan Taxi Ltd.; Comox Taxi Ltd.; Oceanside Taxi Ltd. (#10336-20TNS).

### **When did the investigation begin, and when was it completed?**

The investigation began once the Preliminary Decisions on the Main Applications were issued on April 20, 2021. The investigation was completed on September 17, 2021, and the report was posted on the Passenger Transportation Board’s website on September 22, 2021.

**Has the Board rendered its final decision to Uber Canada Inc. (#10268-20TNS) and Facedrive Inc. (10149-20TNS)?**

Yes, Uber Canada Inc. (#10268-20TNS) and Facedrive Inc. (#10149-20TNS) have been informed of the Board's final decision and those decisions can be found in the [December 15, 2021 Weekly Bulletin](#).

**How did the findings of the COVID-19 investigation affect these applications?**

The investigation was launched to assist the Board in determining the public need to help promote sound economic evidence-based decision-making in light of the pandemic's impact on the BC passenger transportation industry.

The report investigated the impact of COVID-19 on both taxis and TNS trip volumes and provided trip data to the Board.

The Board accepted the report as evidence in the Main Applications.

**Has the Board rendered decisions on the other applications that were part of the COVID-19 Board Investigation?**

The Board has rendered a final decision on Swiftsure Taxi Co. Ltd.; Duncan Taxi Ltd.; Comox Taxi Ltd.; and Oceanside Taxi Ltd. (#10336- 20TNS) and that decision can be found in the [January 5, 2022 Weekly Bulletin](#).

The Board has yet to render final decisions on Black Top Cabs Ltd. (#11024-20TNS) and North Shore Taxi (1966) Ltd. (10575-20TNS).

**Has the Board received any other new TNS applications?**

Yes, the Board received a new Transportation Network Services application from Cloudamart Inc (#12616-21TNS) and it was published on August 4, 2021 and a decision has not been rendered.

**Will you continue to make decisions on all future applications based on the findings of the COVID-19 Board investigation report?**

Every case before the Board will continue to be decided independently and on its own merits. The investigation report may or may not be used by the Board in any given application decision. Going forward, if the Board deems that new information should be collected because of a significantly changing economic landscape, it has the discretion to do so.

**What happens if the data collected for this investigation becomes outdated, given the evolving nature of the COVID-19 pandemic?**

Going forward, if the Board deems that new information should be collected because of a significantly changing economic landscape, it has the discretion to do so.

**Why did the Board continue to issue decisions throughout the COVID-19 pandemic? Why did the Board choose to begin an investigation in 2021?**

Since September 2019, when legislative amendments authorizing the Board to make decisions for Transportation Network Services (TNS) came into force, the Board has received more than 40 applications for TNS and granted more than 20 of those applications.

After the province declared a state of emergency due to the pandemic, the Board asked applicants whether they wanted the Board to defer consideration of their applications or to continue. The Board proceeded on the basis of these exchanges. The Board does not have the legal authority to place active applications on hold, except under specific circumstances.

By 2020, the Board had expected to be well-positioned to regulate the industry using objective data and economic analysis; however, the pandemic transformed the economic landscape in unpredictable ways.

The duration and long-term effects of the pandemic were, at that time, still unclear.

The Passenger Transportation Board could not assume that the province would return to previous economic conditions once the pandemic was under control, which meant the Board was unable to rely on pre-COVID data or economic analysis for Board decisions.

The Board, therefore, took a timely decision to undertake a thorough analysis. As an economic regulator, the Board has an important role in helping ensure the economic viability of the passenger transportation industry during this challenging time and into post-COVID economic recovery.

**Did you receive the full cooperation of your stakeholders during your investigation?**

All passenger transportation stakeholders agree that the COVID-19 pandemic has had a significant impact on the BC economy. Stakeholder participation in the investigation was voluntary. The Board gratefully recognizes every participant who provided data.

Stakeholders have been generally supportive of the Board's efforts to protect the health of the industry over the long term and to successfully help fulfil the Board's mandate under the *Passenger Transportation Act*.

The Board will continue to assure stakeholders of its commitment to sound, objective, evidence-based decision-making that relies on up-to-date economic data and analysis.

**Why weren't all relevant applications considered at the same time, and what will happen to the applications that were not part of the Uber and Facedrive decision?**

To comply with the Act, an investigation can only proceed as part of an application currently before the Board.

All relevant applicants have been sent a copy of the final investigation report and given an opportunity to provide submissions on the contents of

the report before the Board renders final decisions. These decisions are expected to be rendered before the end of 2021.

### **How is the result relevant for the taxi industry?**

The Board's mandate is to support the overall health of the passenger transportation industry for the benefit of all British Columbians. The Board is aware that the pandemic has had an impact on the provincial economy and the passenger transportation industry. Through the investigation, the Board sought to best understand the extent of that impact.

The investigation assisted the Board in determining public need and the promotion of sound economic conditions in light of the changed economic situation in the province.

### **How can we access the details of the result of the investigation?**

To read the full report, please see:

<https://www.ptboard.bc.ca/documents/20210922-Economic-Effectsof-Covid-19.pdf>

### **Will the changes or the finding be relevant once the pandemic is over?**

What is clear is that the industry has faced significant challenges due to the pandemic. This is why Board members need objective evidence about the current state of the industry so they can make sound, fair, informed, evidence-based decisions. This approach benefits the industry as a whole.