

No quotas on Hansom cabs

By Heather Douglas, For The Calgary Herald August 14, 2009

Brilliant fictional detective Sherlock Holmes depended on hansom cabs to rush to crime scenes and help London's finest solve England's foulest murder mysteries. Conversely, hailing a taxi in Calgary today can be very challenging, and private eyes shun them.

Summoning a hansom in the 19th century was easy. Those magnificent horse-drawn, two-wheel carriages were plentiful. If one was not sitting at the curb of 221B Baker Street, a simple shout or two sharp whistles was enough to bring one trotting up.

Before the 1980s, anyone in Calgary with a car (whether owned or borrowed) could put out a "for hire" sign and transport people. Quite a few vehicles were rattletraps, as there were no vehicle safety regulations. Then a few enterprising cab companies formed an interest group, called the Calgary Livery Association, to provide safe and reliable service. It also lobbied city hall saying there were too many drivers and the "ruinous competition was turning the cabbies into paupers."

City council, based on advice from the Taxi Limousine Advisory Committee, sets a quota on the number of licences available, establishes the prices charged and regulates the safety standards that all cabs and drivers must meet.

Despite the recent economic downturn, the value of a Taxi Plate Licence has almost tripled in the last two years, rising from \$50,000 to about \$140,000. The inflated tag price means taxis in Calgary are sometimes scarce. In 1986 there were 1,311 cabs available. Today the city has 1,411; the extra 100 are dual-usage cars with wheelchair accessibility and were added in 2006.

The Calgary Chamber of Commerce believes a city with more than a million residents needs a lot more taxis to meet the needs of visitors and citizens. However, in a free market environment, the number of taxis should match demand.

Sherlock Holmes understood most hansom drivers were savvy professionals. The best knew where the savoury meals were, could find a decent room at a hotel or inn, would steer the cab through the maze of some of London's seedier districts and delivered their passengers to the train platform on time.

The Chamber appreciates the often-unnoticed work of this city's cabbies. They welcome tourists to the Calgary Stampede. They bring investors to meetings with local entrepreneurs. And they provide a real service to the elderly and poor who use them for their weekly grocery-shopping outings. Many late-night workers, especially women, rely on them to get home safely. They do this while negotiating construction barriers, traffic congestion and slippery streets.

But, the Chamber hears complaints about Calgary's taxis. Most criticize the long waits and the shortage of taxis during rush hour, blizzards, or after-hours concerts and Christmas parties. Nearly all think surplus cabs are queued at the airport. Some

Chamber members, who own hotels or restaurants, now offer shuttle service to their patrons and bypass the taxi industry altogether.

Despite the numerous frustrations citizens and tourists experience, the city is not willing to deregulate the market. The Chamber recognizes fewer people hire taxis during a recession. As soon as the economy turns around however, Calgarians will face shortages. Drivers are struggling, but the reality is the quota system keeps them poorer.

New Zealand deregulated its taxi markets, abolished the Taxi Plate Licence quotas and allowed all operators who met basic safety and competence requirements to drive cabs. This resulted in more cars, better service, cheaper fares and more employment for drivers who previously could not afford the exorbitant cost to buy a tag. Their drivers got creative and offered a much wider variety of prices and services.

Chamber members like the idea of deregulating Calgary's taxi industry. They support the notion of more drivers making better wages, improved service and shorter wait times. Our members recommend city council lift the cap on quotas and pricing to permit greater competition for drivers between existing and new companies, while maintaining oversight to ensure high safety, environmental and driver standards. The Calgary International Airport is a unique market and should continue to set conditions for ground transport on its property.

The legend of Sherlock Holmes was enhanced by his trademark deerstalker hat, curved pipe and quick access to hansom cabs.

Alas, while Calgary has its cowboy hats and boots, the quotas can keep our cabs as scarce as the proverbial hens teeth.

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