

2010 03 16 Airport limo deal raises fear of layoffs - One company wins contract for five years

By Kim Guttormson, Calgary Herald March 16, 2010 •Story•Photos ( 1 )

Mubasher Rana, left, and Abid Nazir, along with other limo drivers, protest a decision to award a limo contract to a single company at the Calgary airport.

Photograph by: Leah Hennel, Calgary Herald, Calgary Herald

Limiting the number of limo companies serving Calgary International Airport has some competitors crying foul and predicting layoffs.

"This is the only steady source of income," said Mubasher Rana, who drives a limo for Checker and relies on the airport run. "We have heavy financing on our cars, living expenses, like a mortgage and other stuff.

"Drivers will be jobless." The Calgary Airport Authority put its five-year contract to provide limousine service out to tender, calling for a single provider for curbside pickup.

While the unsuccessful bidders can still drop off passengers or pick up pre-booked clients, the companies said the decision will mean laying off drivers.

However, the successful company, Allied Limo, which is operated by Associated Cabs, said it will likely hire another 20 to 25 drivers.

"We'll only add if the demand is there," said Associated's Roger Richard, adding he has about 40 limos at the airport. "We don't want to starve anybody up there. Right now, there are over 100 operating there."

But companies now shut out say there is enough work for everyone. Ruppy Nijjar, a director with Limojet, which also bid on the contract, said unscheduled airport pickups accounted for 85 per cent of his drivers' business.

"The line allowed a lot of drivers to be on the road," he said, adding it created an option between scheduled pickups. "I'll have to release eight of our drivers, out of 15. That's half our fleet gone."

Kurt Enders, with Checker Transportation, said he will also have to lay off limo drivers, but he's not sure how many.

Limos can't pick up passengers on the street the way cabs can, relying on bookings and, until the contract change, airport business.

Jody Moseley, spokeswoman for the airport authority, said the decision to allow only one limo company to pick up fares was made "to provide the best level of public service. A consistent and high level of service. There are a number of challenges dealing with multiple entities."

She couldn't provide examples of problems stemming from using more than one company.

Richard said there was a "lack of discipline between fleets."

But Nijjar said that stemmed from the two larger companies -- Checker and Allied -- taking 80 per cent of the pickups, and the two smaller companies, Limojet and Air Linker Limo, sharing the remaining 20 per cent.

"We got a turn every eight cars," he said.

While all the companies knew the airport authority was heading toward a single provider, with Enders calling it "just business," he does question the wisdom of the move.

Nijjar said it's now a monopoly.

"We don't care it's not us, but at least there should be a second company," he said.

The airport authority's Moseley said she doesn't think moving to a sole supplier of taxis is being considered.

kguttormson@theherald. canwest.com

© Copyright (c) The Calgary Herald

Read more:

<http://www.calgaryherald.com/business/Airport+limo+deal+raises+fear+layoffs/2686842/story.html#ixz z0iLSDfS1b>