

Uber vs City Hall: 'New' industry models within traditional systems of governance

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'Uber vs. City Hall': Background

- Since 2011 Uber launch, expansion to 400+ cities in 60+ countries
- Controversy over legal right to operate in unregulated space
- Municipal debate centres largely on Taxi vs. Uber and leveling the playing field



The Sharing Economy?

“This is a very dangerous direction to go, **this unregulated economy, that’s what it should be called**, not a sharing economy, it’s an **unregulated, privatized economy** that takes away accountability from the public.”

(City of Toronto Councillor, Interview).

Uber has spent more than
\$1 MILLION
lobbying against regulations in California since 2013. It is said to have set aside at least \$1 billion for future regulatory fights as it expands abroad.

Mother Jones

The company has been valued at
\$51 BILLION.

Mother Jones

Uber: Unprecedented. Not New.

“What is happening is **not new**, there have always been people in their private vehicles sitting in parking lots giving sweet little dollies a lift ... What Uber did was ... they **pulled these little pieces of technology into a slick little app**, found a bunch of people willing to **do what other people have been doing for years**...and said hey, look at this, and **blew it up on a scale and scope that’s unprecedented.**”

(City of Toronto Representative, Interview)

How big is Uber?



'New' Industries, Old Regulations

There's the policy debate that we are having, and **there's the policy debate that perhaps we ought to be having**. The policy debate that we seem to be having is **two extreme positions**...debate we ought to be having looks...at **what are our broader policy objectives** here, why do we have a licensing regime, why do we have some of the rules we have? And we have them for good reason: they **may not be that effective** at doing it, and it **may be difficult to change**, but we **have them for good reasons**."

(Think Tank Advisor, Interview)

Uber vs City Hall: In Context

- Current debate focuses on ride sharing and disruption of taxi and ground transportation sector
- More broadly, debate is about digital technology and digital disruption
 - Posed as 'Uber vs. City Hall', but positioned also as 'Innovation vs. City Hall'
- Regulation as a barrier to innovation?
 - Municipal response and impacts on growth prospects

A blurred photograph of cars at night, likely in traffic. The image is dark with some light sources, including a bright, out-of-focus light source in the upper left and a red taillight on a car in the upper right. The overall scene is out of focus, emphasizing light and motion.

INNOVATION, DISRUPTION & REGULATION:

UBER VS. CITY HALL

Disrupting Ground Transportation

- Forced significant change/innovation in taxi industry (digital access, customer service, monitoring)
- Shift in thinking/opportunity re: transit services, last mile, access, price, provision, unexplored opportunities
- Major re-thinking re: role of regulation in highly regulated sector



Challenging Government

- Is accommodating TNC's a question of accept and collaborate or lose out?
 - Balancing needs / desire of municipal government with Uber's tolerance of regulation
 - Provincial: support for smaller municipalities, insurance products, private members bill on sharing economy
 - Federal: Would Canada benefit from a national message on innovation and disruptive entrants? And if so, what should it be?



'Uber vs. City Hall': Questions

- Questions:
 - Is Uber vs. City Hall emblematic of shifts in governance and government priorities?
 - Should / can regulation be designed to both protect public interest and enable innovation?
 - How can regulation and policy be designed to seek out urban economic opportunity / avoid missed opportunity, particularly in context of competition, globalization and urban resilience?

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