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Submission on Car-Share Parking in Permit Parking Areas Public Works and Infrastructure Committee Karl Baldauf, Vice-President, Policy & Government Relations Ontario Chamber of Commerce

The Ontario Chamber of Commerce is a network of about 140 local chambers and boards of trade, comprising about 60,000 small, medium and large employers across the province. Our members are traditional operators who are concerned with the "disruptive economy," in addition to many organizations who are working hard to ensure Ontario is well positioned to embrace the sharing economy.

As Chambers, the most important thing we can do is advocate on behalf of the employer community with ideas to help grow the economy, protect jobs, and advance the knowledge that only those who build businesses, build practices, and build communities truly understand. And so I'm happy to contribute to this conversation.

My submission will discuss the sharing economy generally, and highlight work that the OCC has done in this area. I think many of the points I will raise are relevant to consider as you determine how the City will respond to the request that car-sharing vehicles have freer access to on-street parking.

In August, the OCC released *Harnessing the Power of the Sharing Economy*, a report which considered this emerging issue.

The sharing economy is about the potential to embrace considerable economic wealth in the coming decades. It's about celebrating entrepreneurship, and resisting the potential to be a casualty of progress. This year, consulting firm PwC estimates that global revenue from sharing economy companies will be \$15 billion, with the sector expected to reach global revenues of \$335 billion in ten years. That's nothing short of explosive growth.

Toronto's city government needs to ensure that we have the strongest foundations possible to ensure our share of the sharing economy – the potential it brings, the innovations it promises, and the revenue it will ensure.

From where we sit right now, Ontario has the opportunity to be a first-mover. The provincial government demonstrated a willingness to embrace change in the 2015 budget speech, which is important, because jurisdictions that are building adaptable regulatory and tax frameworks are more likely to produce new technologies that will drive economic growth.

One area where we have been slow to adapt is in the area of car-sharing. Presently, jurisdictions other than Toronto work with car-sharing companies to ensure that there is a flexibility in place so that car-sharing can thrive: alleviating congestion and helping our environment.

And clearly the public is there too. Our polling data shows that Ontarians see the benefits, fully 2/3rds of us believe the growth of the sharing economy is a good thing for our economy. In the Greater Toronto Area, this number jumps to 85 percent. It also finds that nearly 40 percent of young Ontarians are consumers in the sharing economy. The numbers also tell the story of why. Consumers are being driven

by affordability and convenience.

Our report was developed in cooperation with leading figures in industry and across our network to consider how we can seize upon this moment to create an adaptable regulatory system. The working group concluded that we do not presently have a system in place that can adequately regulate the sharing economy. And that, I would suggest to you, is the root of much of the political tension that you're seeing play out in places like Toronto and Ottawa. Together we asked ourselves, when it comes to the sharing economy, how do we lead, drive and shape in order to position ourselves for success into the future?

I will not go into our recommendations in detail. Instead, I would refer you to the report which can be found <u>here</u>. But I will say that when it comes to the sharing economy, no jurisdiction has landed on a comprehensive approach and Toronto is no exception. Toronto has an opportunity before. Sharing economy companies and peer-to-peer networks have the potential to become a significant segment of our future economic activity, stimulating new consumption, raising productivity, catalyzing entrepreneurship, and generating new tax revenue. We therefore strongly encourage the City to adopt regulations that further embrace the sharing economy, and allow citizens to more freely utilize services offered by these innovative companies, which will take cars off the road, alleviate gridlock, and support the freer movement of goods and people throughout Toronto.

Those jurisdictions that recognize the opportunities within the sharing economy and build regulatory and taxation frameworks that support innovation, will be more likely to harness its economic potential. We encourage you to take that into consideration as you move forward.