



## SHARESMARTCITY

*The sharing economy is mentioned repeatedly in the news. What is the sharing economy? Will it affect our social and economic environment? Does it make services and other assets more accessible? How does this affect the quality of life of people as they live in their community? How will our communities and municipalities embrace the emergent sharing economy to enhance life across our Region? Is it an alternative to goods offered in the market? Lawson Hunter, a former member of Community Development Halton's Board of Directors, offers a reflection on the sharing economy and its support of building vibrant smart cities. I thought it important to share his thoughts.*

*Joey Edwardh*

Recently, there's been a fair amount of discussion about the 'Sharing Economy' in the news and within several industries. What exactly is the sharing economy? Is it a help or hindrance to local businesses? Are for-profit companies taking advantage of underemployed people offering promises of lucrative sources of income (without the benefits of health coverage, insurance or liability)? Are companies like Uber, Airbnb, Lyft, TaskRabbit,<sup>1</sup> Panda Parking<sup>2</sup> and dozens of others simply skirting regulations and taxes? The list of questions, and questionable motives, grows while municipalities grapple with their own by-laws and try to balance a healthy local economy with the rights of citizens to choice and affordable options.

Rather than deal with the 'ride-sharing'-vs.-taxi industry dilemma head on, Toronto city councillors, after a raucous six-hour debate, chose to punt the issue to staff to come up with new rules that create "a level playing field" between traditional cabs and Uber,<sup>3</sup> the tech company that provides software to everyday drivers eager to pick up passengers and charge a fraction of what the licensed taxi companies would charge.

Uber was asked to cease its service until the staff report came back but has yet to comply. At the same time, taxi companies in Toronto scrambled to implement smart phone apps and online booking services, mimicking the convenience of ride-sharing programs. The overall message – municipalities are caught flat footed with out-of-date regulations as tech companies, many valued at millions, if not billions of dollars with little or no infrastructure and off-shore head offices, operate beyond the reach of any national, let alone municipal legislation.

But I'm getting ahead of the real issue.

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<sup>1</sup> TaskRabbit is an online service that connects work needed (raking leaves, repairing household items) with those who have a skill and time.

<sup>2</sup> Panda Parking connects your empty driveway with someone who needs to park their car for a couple of hours

<sup>3</sup> CBC. "Toronto city council votes for new rules to accommodate Uber"

<http://www.cbc.ca/news/canada/toronto/uber-toronto-city-debate-1.3249983>

Let's start by differentiating between sharing a cup of sugar over the fence with offering an out of town visitor an empty room at half the price a hotel would cost; or shovelling an elderly neighbour's sidewalk with doubling up a car-ride and charging a fee to offset gas and maintenance.

The traditional definition of sharing is perceived to be the exchange of unused items or making articles available to others for free or splitting the cost and benefits of an item (like a ladder or a fence). At the same time, concepts such as car-sharing, tool libraries, house exchanges, couch surfing, and even donations of clothing or food add to the local economy, provide employment and encourage budding entrepreneurship not to mention the environmental benefits of reducing, reusing and recycling.

In addition, co-operative ventures in housing, banking, sporting equipment and food markets are also considered to be part of the 'sharing economy' and have long been part of the fabric of our daily lives. With the growth of the Internet, sites such as eBay and Kijiji "allow people to take idle capital and turn them into revenue sources."<sup>4</sup> Forbes magazine estimated that the sharing economy would reach \$3.5 billion in 2013.<sup>5</sup> PwC, the accounting firm, notes that figure as having been surpassed and could reach as much as \$335 billion by 2025.<sup>6</sup> If the municipalities of Halton are serious about attracting new enterprises, young entrepreneurs, and expanding their base of the 'knowledge economy,' they had better get on board this racing train.

For example, Airbnb, the website that lists, finds and rents lodging has over 1.4 million listings in 34,000 cities and 190 countries.<sup>7</sup> That's truly an impressive number, but if one thinks about how many times a day neighbours exchange items, share resources, donate articles to a local cause, or simply work together on a project, it becomes apparent that our culture is based on co-operation. Without sharing and volunteering and coaching little league, very little would operate (smoothly) in our communities. We, in fact, already live in a sharing economy. The common things we share, like parks, pathways, clean water, and services such as health care, education and training all contribute to a better life – regardless of our 'social standing' or economic means.

A Sharing City makes for a friendly, warm and welcoming experience and a 'liveable' city. We all benefit from our shared amenities, even if we don't all use the public ice rink, library, or transit system. There are also benefits to be had by exploring how Halton residents can learn and earn from various sharing models and platforms that are inevitable and surrounding our community already. But residents also need to know that local government is supportive of alternative economic models – without threatening existing businesses.

The Sharing Economy is known by many names: peer-to-peer economy, collaborative consumption, circular economy, the 'gig' economy, etc. reflecting that there is no one-size-fits-all approach or results. The sharing economy touches on transportation, accommodation, finance, staffing, crowdfunding, media (books, music, digital). It also holds the possibility of being disruptive to numerous jobs already being done (or not done if the costs are prohibitive). It also holds out the potential to lift a number of

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4 Forbes. "Airbnb and The Unstoppable Rise of the Share Economy"

<http://www.forbes.com/sites/tomiogeron/2013/01/23/airbnb-and-the-unstoppable-rise-of-the-share-economy>

5 PWC. "The sharing economy – sizing the revenue opportunity"

<http://www.pwc.co.uk/issues/megatrends/collisions/sharingeconomy/the-sharing-economy-sizing-the-revenue-opportunity.html>

6 Forbes. "Airbnb and The Unstoppable Rise of the Share Economy"

7 About Us – Airbnb. [www.airbnb.ca/about/about-us](http://www.airbnb.ca/about/about-us)

people out of the precarious nature of underemployment by utilizing their skills and possessions in the 'after-market'.

The sharing economy affects residents and businesses alike, and deserves our attention. Citizens need to tell their elected officials they want a vibrant conversation about the sharing economy and what it should look like. Local levels of government, and business associations (like the Chamber of Commerce) need to get ahead of this growing trend before impacts on local employment are felt – through careful and thorough analysis and recommendations on appropriate regulations and restrictions, and to track the amount of activities anticipated. “Big issues also have yet to be worked out over how these services are taxed and whether they protect customers sufficiently from liability and fraud.”<sup>8</sup>

The Sharing Economy is coming to a town near, and dear, to you.

*ShareSmartCity invites any and all to join together, meet and network with groups and individuals that participate in the 'sharing economy' in order to map out and spread the word that Burlington is a Sharing City.*

*Individuals are also invited to discuss the 'sharing economy'. Help identify groups and organizations in our community that share goods and services. Thursday, April 14 at 7:30pm in the Frank Rose Room, Burlington Central Library, 2331 New Street.*

For more information, contact Lawson Hunter @ShareSmartCity (Twitter) or email: [info@newsandcomment.com](mailto:info@newsandcomment.com)



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