

Transportation Industry By-law Review

Taxis, Ride Sharing and Driver for Hire

PRESENTED BY

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Current Transportation Industry By-law Provisions - Taxis

- Highly regulated with 3 categories of business licences:

Category	2016 # of licences	2016 Fee	Comments
Taxi Cab Company	10	\$455	<ul style="list-style-type: none"> • Fees charged established by Council • Identifiable markings for vehicle • Must have office accessible 24/7 (dispatch)
Taxi Cab	173	\$435	<ul style="list-style-type: none"> • Annual vehicle safety certificate • Inspections of vehicle by staff to ensure neat + clean • Vehicles must have a meter • Significant amount of staff time
Taxi Cab Driver	293	\$365	<ul style="list-style-type: none"> • Drivers abstract and criminal records check required • Driving test for “most direct route” • Significant amount of staff time

Current Transportation Industry By-law Provisions - Ride Sharing/Driver for Hire

- Primarily Uber in Barrie but also includes designated driver type operations
- Current regulations inadequate to deal with ride sharing/driver for hire operations
- No ability to vet drivers/vehicles/required insurance for business
- Doesn't allow taxi industry to compete fairly

Taxi Industry Working Group

- 2 Councillors, industry reps and staff
- Consulted regarding suggestions for potential by-law revisions
- Suggestions for more regulation, not less – anti-competition focus
- Still interested in City regulating rates but potential increases to rates
- Want ride sharing/driver for hire addressed or prohibited

Uber (Ride Sharing)

- Consulted with Public Policy Manager
- Safety measures in place
 - criminal and driving record + proof of licence
 - Vehicles - Safety Inspections, insurance, age limit
- Customers register with credit card info
 - no \$ exchange in vehicle
 - receive cost estimate prior to entering vehicle
 - price surging (based on demands for service / holidays)
- Ability for enforcement agencies to review trip logs
- Ability for enforcement agencies to “ghost ride”

“Drivers” for Hire

- “Designated Driver” type services
- Driver drives your vehicle and you home
- Drivers generally vetted by company
- Insurance covered by customer’s personal insurance (with exceptions)
- Some exchange of money in vehicle (flat rate)

Review of other jurisdictions

- Toronto, Waterloo, Niagara Region, Ottawa consulted
- Many struggles dealing with the traditional business models of taxi services vs ride sharing/driver for hire
- Fed gov't Competition Bureau report - Modernizing Regulation in the Canadian Taxi Industry
- Provincial regulation to address insurance + supportive of sharing economy with adequate protections/fairness
- Kept Taxi Industry generally separate but have reduced some regulations in some cases

Proposed Recommendations - Overview

- Deregulate and return to core values – safety of travelling public and driver
- Level the playing field, as feasible
- Recommend a review of any changes no later than 2 yrs from passing

Proposed Recommendation - Ride Sharing/Driver for Hire

- Licence the company only for ride share and driver for hire services
- Require those companies to provide documentation related to
 - Drivers holding valid licences, driver abstracts and criminal records check, insurance
 - Vehicles in good repair and insured
- Implement per trip fee for Uber/ride sharing services on a pilot basis to address additional challenges associated with administering / enforcing

Proposed Recommendation - Taxi Licensing

- Continue with 3 licensing categories (Taxi Company, Taxi Driver and Taxicab) for now but review in 2 yrs
- Continue to require all “safety items”
 - Vehicle Safety Inspection, minimum insurance requirements, etc.
 - Drivers Abstract, Criminal Record Check
- Remove moratorium on # of taxis permitted
- Remove Taxi Tariff restrictions (companies will set own rates, discounts, price surging etc.) – required to post rates in vehicle
- Remove Driving Test for Taxicab Drivers
- Remove cosmetic items (drivers/vehicle appearance etc.)

Considerations

- Potential small reduction in revenues to City
- Taxi industry reaction
- Public perception regarding reduced control
- Consumer concerns re potential price increases related to companies setting own rates or price surging
- Increased number of vehicles operating, again reducing overall potential business available
- Other ride sharing/driver for hire services ability to address proposed requirements

Conclusion

- Municipality needs to address core values of why we regulate. PUBLIC SAFETY
- Businesses need to be permitted to develop own business model, appropriate pricing and service levels to public.
- This allows for fair competition within similar industries
- Consumers will dictate which business model is successful, based on those items.