

To: Corporate Services Committee

From: Tracy Adams, Commissioner,
Corporate Services Department

Report Number: CORP-20-34

Date of Report: October 6, 2020

Date of Meeting: October 20, 2020

Subject: Modernizing Vehicle-For-Hire Standards in the City of Oshawa:
Regulatory Options

File: D-2200

1.0 Purpose

This report responds to the following Corporate Services Committee (“Committee”) and City Council (“Council”) directions:

- **March 2, 2020 Committee direction (CORP-20-11):** “That pursuant to CORP-20-11, staff proceed with Option ‘C’ as proposed in Section 5.2 and proceed with the public and industry stakeholder consultation process as outlined in Section 5.4 of CORP-20-11 and report back”
- **June 10, 2019 Council direction (CORP-19-57):** “That staff be directed to proceed with the proposed next steps to modernizing and harmonizing, where possible, standards associated with the Vehicle-For-Hire industry as detailed in Section 5.3 of Report CORP-19-57 concerning modernizing and harmonizing Vehicle-For-Hire Industry Standards in the City of Oshawa.”

Specifically, this report:

- presents feedback from the 2020 Public and Industry Consultation;
- presents analysis of the three (3) proposed options; and,
- recommends that Committee select either Regulatory Option “A”, “B”, or “C”.

Attachment 1 – is Report CORP-20-11 “Modernizing Vehicle-For-Hire Standards in the City of Oshawa, Option “C” and Proposed Consultation Process.

Attachment 2 – is a description of the three (3) Proposed Regulatory Policy Options.

Attachment 3 – is correspondence from Uber Canada.

Attachment 4 – is correspondence from Unifor Local 222 on behalf of Citywide Taxi.

Attachment 5 – are written comments from completed feedback forms.

2.0 Recommendation

That the Corporate Services Committee recommend to City Council:

Option “A”

1. That Council approve a consolidated Vehicle-For-Hire By-law and a by-law to repeal Taxicab Licensing By-law 50-2003, as amended, amend the General Fees and Charges By-law 13-2003, as amended, and Licensing By-law 120-2005, as amended in the form of Option “A” – Establish a new Vehicle-For-Hire By-law as detailed in Section 5.1.1 of Report CORP-20-34 “Modernizing Vehicle-For-Hire Standards in the City of Oshawa: Regulatory Options”, dated October 6, 2020, and in a form and content acceptable to the Commissioner of Corporate Services and Legal Services; and,
2. That the requirements of Notice By-law 147-2007 regarding notice to the public for amendments to the General Fees and Charges By-law 13-2003, as amended, Licensing By-law 120-2005, as amended, and the passing of a licensing by-law pursuant to Section 150 of the Municipal Act, 2001 S.O. 2001, c. 25 be waived.

or

Option “B”

1. That Council approve a by-law to amend Taxicab Licensing By-law 50-2003, as amended, in the form of Option “B” – Regulate Transportation Network Companies under a Taxi and Designated Driver Licensing Framework as detailed in Section 5.1.1 of Report CORP-20-34 “Modernizing Vehicle-For-Hire Standards in the City of Oshawa: Regulatory Options”, dated October 6, 2020, in a form and content acceptable to the Commissioner of Corporate Services and Legal Services; and,
2. That the requirements of Notice By-law 147-2007 regarding notice to the public for amendments to the Taxicab Licensing By-law 50-2003 be waived.

or

Option “C”

1. That Council approve a consolidated Vehicle-For-Hire By-law and a by-law to repeal Taxicab Licensing By-law 50-2003, as amended, amend the General Fees and Charges By-law 13-2003, as amended, and Licensing By-law 120-2005, as amended in the form of Option “C” – Limited Regulatory Role as detailed in Section 5.1.1 of Report CORP-20-34 “Modernizing Vehicle-For-Hire Standards in the City of Oshawa: Regulatory Options”, dated October 6, 2020, in a form and content acceptable to the Commissioner of Corporate Services and Legal Services; and,

2. That the requirements of Notice By-law 147-2007 regarding notice to the public for amendments to the General Fees and Charges By-law 13-2003, as amended, Licensing By-law 120-2005, as amended, and the passing of a licensing by-law pursuant to Section 150 of the Municipal Act, 2001 S.O. 2001, c. 25 be waived.

3.0 Executive Summary

Not applicable.

4.0 Input From Other Sources

The following were consulted in the preparation of this report:

- Legal Services
- Corporate Communications
- Durham Municipal Insurance Pool (D.M.I.P.)
- Ministry of Transportation of Ontario, Transportation Safety Division

Staff initiated a Vehicle-For-Hire (V.F.H.) Public and Industry Stakeholder Consultation (“2020 Consultation”) from June 16th to July 6th which sought feedback from members of the public and the broader V.F.H. Industry (e.g. Taxi Industry, Designated Driving Services Industry (D.D.), Transportation Network Companies (T.N.C.) (Uber and Lyft), and Limousines). The 2020 Consultation is detailed in Section 5.2.

5.0 Analysis

5.1 Background

At its June 10, 2019 meeting, City Council directed staff to undertake a process to examine the modernization of the City’s V.F.H. standards. **Table 1** details all the initiatives undertaken on the modernization of the City’s V.F.H. standards from 2019 to date.

Table 1 Initiatives Related to Modernizing the City’s V.F.H. Standards (2019 to Date)

Item	Initiatives Related to Modernizing the City’s V.F.H. Standards	Date
1.	Presentation to the Corporate Services Committee on the issue of T.N.C.s and the approach to bringing forward proposed regulatory policy options.	March 25, 2019
2.	Report: CORP-19-57 “Modernizing and Harmonizing Vehicle-For-Hire Industry Standards in the City of Oshawa” Report CORP-19-57 presented a plan and process to finalize options regarding modernizing and harmonizing, where possible, standards associated with the V.F.H. Industry. City Council directed staff to undertake the proposed process at its meeting on June 10, 2019.	May 27, 2019

Item	Initiatives Related to Modernizing the City's V.F.H. Standards	Date
3.	Held Industry-specific Stakeholder Consultation Sessions with staff to discuss regulatory policy options used in other municipalities and obtain preliminary input on potential options identified by the Industry which includes: <ul style="list-style-type: none"> • Taxicab Industry • Designated Driving Services Industry • Transportation Network Companies (Uber and Lyft) • Limousines 	October 2019
4.	Report: CORP-19-96 "Modernizing Vehicle-For-Hire Standards in the City of Oshawa and Proposed Regulatory Policy Options" Report CORP-19-96 presented proposed regulatory policy options including an overview of feedback and benchmarking prepared by staff to the Corporate Services Committee and obtained the authority to hold Industry-specific Stakeholder Consultation Sessions and a public open house to obtain comments on the options.	November 20, 2019
5.	Report: CORP-20-11 "Modernizing Vehicle-For-Hire Standards in the City of Oshawa, Option "C" and Proposed Consultation Process" (Attachment 1) Responds to Corporate Services Committee's direction to prepare an Option "C" for the purposes of obtaining stakeholder and public input.	March 2, 2020
6.	Report: CNCL-20-74 "Recommended Vehicle-For-Hire Industry Stakeholder Process as a result of COVID-19" Council amended the Corporate Services Committee direction Report CORP-20-11 "Modernizing Vehicle-For-Hire Standards in the City of Oshawa, Option 'C' and Proposed Consultation Process" of having in-person open houses and instead endorse electronic methods, such as email and the City's website, and telephone to receive public and industry consultation feedback on Options 'A', 'B' and 'C' and that staff report back.	May 25, 2020
7.	Obtain Industry-specific Stakeholder and public feedback through email, telephone and the City's community engagement website to obtain comments on the options: <ul style="list-style-type: none"> • Taxicab Industry • Designated Driving Services Industry • Transportation Network Companies (Uber and Lyft) • Limousines 	June 16, to July 6, 2020
8.	Report back on a recommended regulatory policy option at a special meeting of the Corporate Services Committee.	October 20, 2020

Staff completed the final 2020 Consultation on July 6, 2020 and the purpose of this report is to:

- provide feedback from the 2020 Consultation;
- present analysis of the three (3) proposed options; and,
- recommend that Committee select either Regulatory Option “A”, “B”, or “C”.

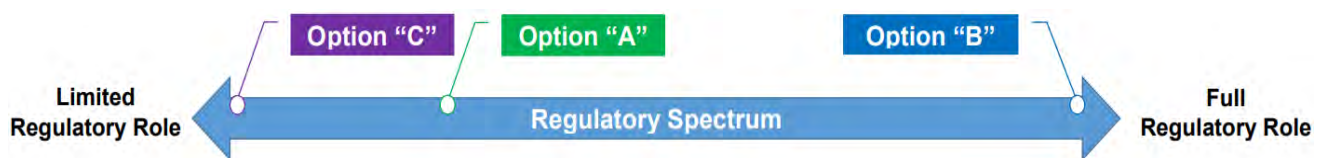
5.1.1 Proposed Regulatory Policy Options

The proposed regulatory policy options detailed in **Attachment 2** are as follows:

- **Option “A” - Establish a new V.F.H. By-law** - would establish a new harmonized and equitable V.F.H. By-law governing all V.F.H. operators in the City of Oshawa.
- **Option “B” - Regulate T.N.C.s under a Taxi and D.D. Licensing Framework** - would essentially prevent T.N.C.s from operating in their current form in the City of Oshawa by regulating them under a Taxi and D.D. licensing framework within the Taxicab Licensing By-law 50-2003 (T.L.B.) and Business Licensing By-law 120-2005 (“Licensing By-law”).
- **Option “C” - Limited Regulatory Role** - would establish limited standards that are critical to addressing health and safety and consumer protection and legislative requirements for the V.F.H. Industry.

The three (3) options represent different levels of regulation ranging from a limited regulatory role to a full regulatory role. This is depicted for illustrative purposes in **Figure 1**.

Figure 1 Proposed Options and Regulatory Spectrum



Note: Figure 1 illustrates the City’s regulatory role in each option and is not intended to provide a detailed representation of the level of regulation for each option.

5.2 2020 Consultation

Staff undertook a three (3) week Public and Industry Stakeholder Consultation Process beginning on June 16, 2020 and concluding on July 6, 2020 to engage community members and stakeholders on V.F.H. standards.

The consultation process involved the use of Connect Oshawa (www.connectoshawa.ca), the City’s online engagement platform, and included options to submit feedback:

- Online through Connect Oshawa.

- Via Email
- Via phone through Service Oshawa.

Staff also engaged directly with stakeholders and those who had previously expressed an interest in the initiative. The public consultation was promoted to the community and stakeholders through various mediums, including media materials, City website, social media, as well as print promotional material.

5.2.1 Public and Industry Response

In total, 73 respondents completed the feedback form. Standardized questions were used in the online and paper feedback form to ensure consistency.

Additionally, correspondence was received from Uber Canada (**Attachment 3**) and Unifor Local 222 on behalf of the taxicab drivers of Citywide Taxi in Oshawa (**Attachment 4**).

The following is an analysis of all sources of feedback.

a) Regulatory Options and Preferences

Of the 73 respondents, 51 respondents identified as members of the public and 22 respondents identified as being affiliated with the Taxi Industry (e.g. Taxicab Drivers and Owners). Feedback was not received from members of the D.D., and Limousine Industries.

Members of the Public:

While opinion was almost evenly split between the three (3) options, Members of the Public indicated the following order of preference:

- 1. First Preference:** Option “A” - Establish a new V.F.H. By-law
- 2. Second Preference:** Option “C” - Limited Regulatory Role
- 3. Third Preference:** Option “B” - Regulate T.N.C.s under a Taxi and D.D. Licensing Framework.

Taxi Industry:

The Taxi Industry (e.g. Taxicab Drivers and Owners) indicated they prefer the regulatory options in the following order of preference:

- 1. First Preference:** Option “B” - Regulate T.N.C.s under a Taxi and D.D. Licensing Framework.
- 2. Second Preference:** Option “A” - Establish a new V.F.H. By-law
- 3. Third Preference:** Option “C” - Limited Regulatory Role

b) Key Highlights from Feedback Received

An analysis of written feedback (**Attachment 5**) was conducted from comments received through the Connect Oshawa feedback forms and correspondence submitted by Uber Canada (**Attachment 3**) and Unifor Local 222 on behalf of the taxicab drivers of Citywide Taxi in Oshawa (**Attachment 4**). The following are the key themes from each stakeholder group:

Members of the Public:

- A level of regulation is necessary to ensure safety for the customer and driver and vehicle screening are important components.
- T.N.C.s should be licensed by the City and standards should be similar to surrounding jurisdictions.
- T.N.C.s are beneficial in the City of Oshawa.

Taxi Industry:

- Regulation for the entire V.F.H. Industry is necessary and standards should be the same for all V.F.H. Industry Participants (e.g. Taxis, T.N.C.s, D.D.s, and Limos).
- Taxicab Drivers and T.N.C. drivers all carry the riding public for a fee. T.N.C. drivers should go through the same police checks and requirements as taxi drivers.
- Limiting the number of Taxicabs in the City will allow drivers to make a consistent and fair income. There should also be a cap on the number of T.N.C. vehicles on the road to ensure a viable industry for all involved.
- Competing with T.N.C. drivers is stressful as T.N.C. drivers are not paying the same fees while performing the same jobs for the public.
- The existing regulatory framework (Option “B”) is working well and is the preferred model.

T.N.C. Industry (Uber):

- Ensuring regulatory consistency between Oshawa and the broader Greater Toronto Area (G.T.A.) is critical to provide industry certainty and deliver on policy objectives; Uber supports either Option “C” or Option “A”.
- There is a difference between taxis and T.N.C.s and many jurisdictions in Canada recognize this distinction in their regulations.
- A responsive supply of T.N.C. drivers and vehicles is important to ensure high service standards and efficient use of the road. A flexible community of T.N.C. drivers can respond to variable demand across the week and across the city. App-based technology helps drivers to know when and where they should drive to minimise avoidable congestion and idle time.

- Competition within the broader V.F.H. Industry results in greater customer satisfaction within the G.T.A.
- Uber has a variety of policies, processes and partnerships in place to ensure safety. Uber is constantly working to improve the safety of the platform, leveraging technology wherever possible.

Note: feedback was not received from other T.N.C.s during the consultation period.

5.3 Analysis and Recommended Regulatory Policy Option

Staff assessed all three (3) proposed regulatory policy options based on:

- feedback received from the 2017, 2019, and 2020 public and industry stakeholder consultation sessions;
- municipal best practices research; and,
- an assessment of all options and their ability to address the City's regulatory objectives of ensuring health and safety, consumer protection, and nuisance control while balancing the need to ensure that proposed standards limit the regulatory burden on the V.F.H. Industry.

Based on the assessment, staff have determined that the recommended regulatory options are:

- **Option "A"** – Establish a new V.F.H. By-law – would establish a new harmonized and equitable V.F.H. By-law governing all V.F.H. operators in the City of Oshawa.
- **Option "C"** – Limited Regulatory Role – would establish limited standards that are critical to addressing health and safety and consumer protection and legislative requirements for the V.F.H. Industry.

This recommendation is premised on the findings detailed in Sections 5.3.1 and 5.3.2.

5.3.1 Analysis of Key Issues

While many of the key regulatory issues are addressed in Report CORP-19-96 "Modernizing Vehicle-For-Hire Standards in the City of Oshawa and Proposed Regulatory Policy Options (**Attachment 1**)", staff have identified a number of specific salient issues which have informed the recommendation of either Option "A" or Option "C".

a) Driver Screening (Police Record Checks and Medical Clearance Letter)

The current by-law, and as included in Option "B", requires a "Level 3" Vulnerable Sector Check. Staff have determined that a check of this level is no longer required and that a "Level 2" Police Record Check, as proposed in Options "A" and "C", would suffice for the following reasons:

- A “Level 3” check includes pardons (now referred to as “record suspensions”) which are presently not a factor in the issuance of a licence.
- A “Level 2” Police Record Check discloses: all criminal convictions; all pending charges; outstanding warrants; outstanding court orders; peace bonds; amongst other things.
- The majority of municipalities surveyed require only a “Level 2” Police Record Check, making the process easier for drivers who work in multiple municipalities.

Similarly, staff recommend that medical clearance letters, a requirement under Option “B”, are not required as a review has determined that concerns related to an individual’s ability to operate a motor vehicle would be addressed through existing provincial legislation.

b) Driver Training

The current by-law, and as included in Option “B”, requires in-class driver training and Standard First Aid with C.P.R. Staff have determined this is no longer required for the following reasons:

- Aside from the provincial driver’s licensing and education system (e.g. “G” Class licensing framework), there are no additional driver training courses which are certified by the Ministry of Transportation of Ontario.
- The consultation found that there was very little value provided by the existing training program. Taxicab Brokers and T.N.C.s supported the notion of allowing the company to deliver the appropriate training (e.g. customer service, distracted driving, etc.).
- No other Durham Lakeshore Municipalities that license drivers (Pickering, Ajax, Whitby, and Clarington) require Standard First Aid (with C.P.R. Level “C”).

Both Options “A” and “C” remove the in-class driver training requirement and first aid. Option “A” continue to require accessible training for drivers operating accessible vehicles.

c) Regulating Tariffs

The T.N.C’s business model includes dynamic and surge pricing. Option “B” would prohibit T.N.C’s to operate without a significant change to this business model.

Both Options “A” or “C” achieve consumer protection as prior to accepting a ride, the customer is fully informed of the cost of the ride and is able to efficiently determine whether or not they would like to engage the service provider.

d) Plate Limits and Accessible Taxicabs

Option “A” recommends regulating T.N.C.s as a separate V.F.H. class and therefore, T.N.C. vehicles would not be subject to Taxicab plate limits. Furthermore, Option “A” recommends maintaining the plate limits for sedan taxicabs while removing them for

accessible taxicabs as a means to encourage a greater supply of accessible taxicabs in the City.

Conversely, Option “C” recommends removing taxicab plate limits altogether.

5.3.2 Recommended Options: Option “A” and Option “C”

Staff are recommending that either Option “A” or Option “C” be approved. The principle considerations for this recommendation are that it most appropriately:

- Responds to the feedback received from the Public and Industry Consultation Sessions in 2017, 2019 and 2020 in a balanced manner.
- Addresses the City’s regulatory objectives by enabling the City to regulate V.F.H. Industries in an industry-appropriate manner that enhances health and safety, consumer protection and nuisance control.
- Limits the regulatory burden by only establishing standards that are necessary to address the City’s regulatory objectives.
- Aligns Regulatory Approach with other Durham Lakeshore Municipalities and other Municipalities that Regulate T.N.C.s. Option “A” is the most similar regulatory approach to other Durham Lakeshore Municipalities who recently updated their V.F.H. By-laws (e.g. Whitby and Pickering).
- Options “A” and “C” are supported by the Competition Bureau of Canada which released a policy paper on modernizing regulations in the Canadian taxi industry. The Bureau asserts that regulations should be “no more intrusive than necessary, so the competitive forces can influence how the industry evolves and innovates.” Moreover, the Bureau contends that competition “is an effective means to ensure that consumers have access to the broadest range of products and services at the most competitive prices.” (Competition Bureau Submission to the O.E.C.D. Competition Committee Roundtable on taxis, ride-sourcing and ride-sharing services. Available at <https://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/04367.html>)

5.4 Conclusion and Next Steps

Following Council’s approval of a regulatory option, staff will prepare a draft amending by-law for approval at a later meeting of Council. With the approval of a by-law, staff will initiate the implementation process which will include undertaking communication and education activities to inform the public and industry about the new and existing regulations, information on the licensing process (e.g. application requirements, fees, etc.), and information pertaining to compliance with applicable standards. This information will be communicated through:

- the City’s website;
- direct contact with interested parties/industry through telephone, email, etc.; and,
- the City’s social media channels.

6.0 Financial Implications

The enforcement and administration of the three (3) proposed regulatory options will be undertaken with existing staff resources.

It is estimated that Options "A" and "C" will generate approximately \$100,000 in additional licensing revenue. Staff are not able to quantify the revenues from the T.N.C. per trip fee established in both Options "A" and "C" at this time.

7.0 Relationship to the Oshawa Strategic Plan

The recommendation in this report respond to the following goals within the Oshawa Strategic Plan: Economic Prosperity and Financial Stewardship and Accountable Leadership.



Brenda Jeffs, Director,
Municipal Law Enforcement and Licensing Services



Tracy Adams, Commissioner,
Corporate Services Department

Public Report

To: Corporate Services Committee

From: Tracy Adams, Commissioner,
Corporate Services Department

Report Number: CORP-20-11

Date of Report: February 25, 2020

Date of Meeting: March 2, 2020

Subject: Modernizing Vehicle-for-Hire Standards in the City of Oshawa,
Option "C" and Proposed Consultation Process

File: D-2200

1.0 Purpose

On November 20, 2019, the Corporate Services Committee provided the following direction:

“That staff be directed to proceed with holding Industry-specific Stakeholder Consultation sessions and a public open house to attain feedback on the proposed regulatory options as outlined in Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Options, CORP 19-96, Section 5.7, dated November 13, 2019; and,

That staff prepare an Option ‘C’ which limits City involvement to a regulatory role and this option be included in the public consultation.”

The purpose of this report is to present a proposed Option “C” which limits City involvement in Vehicle-for-Hire licensing to a regulatory role and to seek the endorsement of the proposed Option “C” for the purpose of obtaining stakeholder and public input; and, the proposed consultation process.

2.0 Recommendation

That the Corporate Services Committee endorse Option “C” as proposed in Section 5.2 and proceed with the public and industry stakeholder consultation process as outlined in Section 5.4 of Report CORP-20-11 “Modernizing Vehicle-for-Hire Standards in the City of Oshawa, Option “C” and Proposed Consultation Process” dated February 25, 2020 and report back.

3.0 Executive Summary

Not applicable

4.0 Input From Other Sources

Legal Services was consulted in the preparation of this report.

5.0 Analysis

5.1 Background

At its November 20, 2019 Special Meeting, the Corporate Services Committee ('Committee') considered report CORP-19-96 "Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Policy Options" (excerpts of CORP-19-96 appended as **Attachment 1**) which presented:

- Findings from the 2019 Industry-specific Stakeholder Consultation sessions with the Vehicle-for-Hire (V.F.H.) Industry (e.g. Taxi Industry, Designated Driving Services Industry, Transportation Network Companies (Uber and Lyft), and Limousines);
- Municipal benchmarking related to Transportation Network Companies (T.N.C.) regulatory frameworks; and,
- Two (2) regulatory policy options (e.g. Options "A" and "B") for consideration.

Committee subsequently provided the following direction to staff:

"That staff be directed to proceed with holding Industry-specific Stakeholder Consultation sessions and a public open house to attain feedback on the proposed regulatory options as outlined in Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Options, CORP-19-96, Section 5.7, dated November 13, 2019; and,

That staff prepare an Option 'C' which limits City involvement to a regulatory role and this option be included in the public consultation."

The purpose of this report is to seek Committee's endorsement on the proposed Option "C" developed by staff prior to undertaking a public and industry consultation process on the three (3) proposed options. **Attachment 2** provides a consolidated comparison of all proposed regulatory options.

5.2 Proposed Option "C" – Limited Regulatory Role

Staff have prepared Option "C" which limits City involvement to a regulatory role pursuant to Committee's direction. Based on Committee's deliberation at its November 20, 2019 Special Meeting, staff have interpreted the direction to create a regulatory option that limits standards to those that:

- are **critical** to addressing health and safety and consumer protection; and,
- are **legislative requirements** pursuant to provincial legislation.

The aforementioned approach will be hereafter referred to as the "Limited Regulatory Role" or Option "C".

5.2.1 Option “C” and V.F.H. Licensing Framework

Table 1 details which V.F.H. Industry participants would be licensed under Option “C”. Unlike other Options, licences would not be required for Taxicab Brokers (i.e. Companies) as current standards applicable to Taxicab Brokers are no longer required in a Limited Regulatory Role.

Similar to Option “A”, Option “C” would introduce a consolidated V.F.H. Drivers’ Licence for Drivers that are screened and licensed by the City (e.g. Taxi, D.D., and Limo). The consolidated V.F.H. Driver’s Licence would permit City-screened Drivers to operate as a Taxicab, D.D., or Limo Driver but not as a T.N.C. Driver as T.N.C.s would be responsible for screening their own drivers. Establishing one V.F.H. Driver’s Licence will enable all V.F.H. Industries to draw from a larger pool of City-licensed drivers and address a concern expressed by the Taxi Industry that it is difficult to attract drivers.









Table 1 Option “C” - V.F.H. Industry Licensing Framework

	Taxi	T.N.C.	D.D.	Limo
Broker/Company	Not Licensed	City Licenses	City Licenses	N/A
Vehicle Owner	City Licenses	N/A	N/A	City Licenses
Driver	City Licenses	T.N.C. Screens Drivers on City’s Behalf	City Licenses	City Licenses

5.2.2 Option “C” and Driver Screening Standards

Table 2 details the proposed screening requirements for Drivers.

Table 2 Option “C” - Driver Screening Standards

	Taxi	T.N.C.	D.D.	Limo
Police Record Check (P.R.C.) ¹				
Vulnerable Sector Check ²				
Driver’s Abstract				
Medical Clearance Letter				
Age 25+				
Frequency of Driver Screening	Annual	Annual	Annual	Annual

¹ Refers to a Criminal Record and Judicial Matters Check P.R.C. which includes criminal convictions in Canada and summary convictions over the past five (5) years as well as pending entries such as charges or warrants, judicial orders, Probation Orders, etc.

² Includes all information disclosed in the P.R.C.; pending entries such as charges or warrants, judicial orders, Probation Orders etc.; and all record suspensions (pardons), including for Part V Sexual Offences as authorized for release by the Minister of Public Safety

5.2.3 Option “C” and Driver Training Standards

The City would remove all requirements for Driver Training under Option “C” (see **Table 3**). The decision to establish and/or require Driver Training would become the purview of V.F.H. Brokers/Companies.





Table 3 Option “C” - Driver Training Standards

	Taxi	T.N.C.	D.D.	Limo
Driver Training				
Accessibility Training				
Standard First Aid (with C.P.R. Level “C”)				

5.2.4 Option “C” - Vehicle Operating Standards

Option “C” removes vehicle age and door limits, security device requirements, reduces vehicle-marking standards and limits annual inspections to accessible taxicabs only. **Table 4** details the proposed Vehicle Operating Standards under Option “C”.

Table 4 Option “C” - Vehicle Operating Standards

	Taxi	T.N.C.	D.D.	Limo
Safety Standards Certificate			N/A	
Vehicle Age Limit (10 years)			N/A	
Vehicle Door Limit (4 or more)			N/A	
Municipal Inspections (once a year plus audit)	 ³		N/A	
Decals, Vehicle Markings, and Plates	City-Issued Plate Only		City-Issued Sign Only	City-Issued Plate Only
Security Devices (e.g. Emergency Lights or G.P.S.)			N/A	
Frequency of Vehicle Screening	Annual	Annual	N/A	Annual

5.2.5 Option “C” and Regulation of Tariffs/Fares

Under Option “C”, the City would no longer regulate tariffs/fares for the Industry and each V.F.H. Industry would be permitted to establish its own tariff/fare model. This is detailed in **Table 5**. Notwithstanding this, pursuant to Ontario Regulation 191/11: Integrated Accessibility Standards, the City would prohibit V.F.H. participants from charging a higher

³ For accessible taxicabs only to ensure compliance with Ontario Regulation 629: Accessible Vehicles under the Highway Traffic Act, R.S.O 1990, c. H.8.

fare or an additional fee for persons with disabilities than for persons without disabilities for the same trip and charging a fee for the storage of mobility aids or mobility assistive devices.

Table 5 Option "C" - Regulation of Tariffs/Fares

	Taxi	T.N.C.	D.D.	Limo
City-Regulated Fare				
Company-Established or Negotiated Fare Model	✓	✓	✓	✓
Discounts Permitted	✓	✓	✓	✓
Dynamic ("Surge") Pricing	✓	✓	✓	✓
Clean up Fee	✓	✓	✓	✓

5.2.6 Option "C" and Other Operating Standards

T.N.C.s would be prohibited from accepting street hails as such activities would void their insurance policy. T.N.C.s would also be required submit any applicable documentation to the City on request for licensing staff to ensure, through an audit process, that the T.N.C. and its drivers are complying with the standards established by the City. This would include, but not be limited to, all driver and vehicle screening documents (e.g. P.R.C., Driver's Abstract, Safety Standards Certificate, etc.) and insurance certificate(s). Similarly, the City would require the T.N.C. to provide anonymized⁴ distance, fare, and time (start of trip and end of trip) data for each trip occurring within its municipal boundary. The anonymized data will be regularly reviewed and enable the City to adjust its cost recovery model and to inform municipal planning purposes. The proposed operating standards for Option "C" are detailed in **Table 6**.

Table 6 Option "C" - Other Operating Standards

	Taxi	T.N.C.	D.D.	Limo
Maintain Appropriate Insurance	✓	✓	✓	✓
Street Hailing	✓			✓
Picking up at Taxicab Stands	✓			
Data Requirements		✓		

5.2.7 Option "C" and Plate limits

Option "C" would remove current plate limits for Taxis (detailed in **Table 7**).

⁴ Anonymized data refers to data that does not contain an individual's personal information. Collecting data that is anonymized ensures that an individual's privacy is protected.

Table 7 Option "C" - Plate Limits

	Taxi	T.N.C.	D.D.	Limo
Sedan Vehicles				
Accessible Vehicles				

5.3 Comparison of Options "A" and "C"

A consolidated comparison of all proposed regulatory options is provided in **Attachment 2** and more details on Options "A" and "B" are provided in **Attachment 1** (excerpts of CORP-19-96 "Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Policy Options").

Option "A" reduces the regulatory burden on V.F.H. Industry participants by only establishing standards that directly address the City's regulatory objectives of health and safety, consumer protection, and nuisance control. Option "A" proposes to establish a new V.F.H. By-law with harmonized standards that are industry-appropriate.

Option "B" maintains many of the existing standards established in the Taxicab Licensing By-law 50-2003 and Licensing By-law 120-2005 specific to the D.D. Industry and essentially prevents T.N.C.s from operating in their current form in the City of Oshawa.

Option "C" primarily differs from Option "A" in that **Option "C" eliminates:**

- the **licensing** of **Taxicab Brokers/Companies**;
- the requirement for Taxicab Brokers to provide **accessibility training** for Taxicab Drivers who operate accessible taxicabs;
- the City's role in the **regulation of tariffs/fares** for the **Taxi Industry**; and,
- **plate limits** for all taxicabs.

5.4 Proposed Public and Industry Consultation Process

In accordance with Committee's direction and pending the endorsement of the proposed Option "C", staff will conduct a one (1) day Public and V.F.H. Industry Consultation process to obtain feedback on Options "A", "B" and "C". Since there has been extensive public and industry consultation, it is proposed that two (2) open houses be made available to the public and industry stakeholders and be held in the Committee Room from 9:30 a.m. to 11:30 a.m. and 5:00 p.m. to 7:00 p.m. The open houses will be communicated through the City's website and social media accounts, newspaper advertising and direct contact with Industry Stakeholders and those who have requested updates on the initiative.

6.0 Financial Implications

There are no financial implications directly related to the recommendations in this report.

7.0 Relationship to the Oshawa Strategic Plan

The recommendation in this report respond to the following goals within the Oshawa Strategic Plan:

- 4.1 Economic Prosperity and Financial Stewardship; and,
- 4.2 Accountable Leadership.



Brenda Jeffs, Director,
Municipal Law Enforcement and Licensing Services



Tracy Adams, Commissioner,
Corporate Services Department

Attachments

Public Report

To: Corporate Services Committee

From: Tracy Adams, Commissioner,
Corporate Services Department

Report Number: CORP-19-96

Date of Report: November 12, 2019

Date of Meeting: November 20, 2019

Subject: Modernizing Vehicle-for-Hire Standards in the City of Oshawa
and Proposed Regulatory Policy Options

File: D-2200

1.0 Purpose

The purpose of this report is to respond to City Council's June 10, 2019 direction (CORP-19-57) by presenting:

- findings from the 2019 Industry-specific Stakeholder Consultation sessions with staff to discuss regulatory policy options used in other municipalities and obtain preliminary input on potential options identified by the Taxi Industry; Designated Driving Services Industry; Transportation Network Companies (Uber and Lyft); and Limousines;
- municipal benchmarking related to Transportation Network Companies (T.N.C.) regulatory frameworks; and,
- two (2) regulatory policy options for consideration.

2.0 Recommendation

That the Corporate Services Committee recommend to City Council:

That staff be directed to proceed with holding Industry-specific Stakeholder Consultation sessions and a public open house to attain feedback on the proposed regulatory options as outlined in Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Options, CORP-19-96, Section 5.7, dated November 12, 2019.

3.0 Executive Summary

The recent entrance of T.N.C. in many municipalities and the public's affinity for T.N.C. services has compelled regulators to review their Vehicle-for-Hire (e.g. taxis, designated

drivers, and limousines) licensing systems to ensure that the public's interests are addressed.

The last substantial review of the City of Oshawa (the "City") Taxicab Licensing By-law 50-2003 (T.L.B.) occurred in the early 2000s and since then, new technologies and services have introduced new opportunities for both regulators and the Vehicle-for-Hire (V.F.H.) Industries.

Staff initiated an extensive public and industry consultation process and conducted comprehensive analysis on the issue of T.N.C.s. The process identified:

- Oshawa residents use T.N.C.s and are satisfied with the service;
- the City's regulations for Taxis and Designated Driving (D.D.) services are more restrictive compared to the standards other municipalities use to regulate T.N.C.s¹;
- the Taxi Industry believes they have been financially impacted by T.N.C.s; and,
- opportunities exist to streamline licensing administration through the regulation of T.N.C.s.

At its June 10, 2019 meeting, City Council approved a process and anticipated timeline to harmonize and modernize V.F.H. standards in the City of Oshawa. This process is detailed in report CORP-19-57 and the anticipated timeline is detailed in CORP-19-61. In October 2019, staff completed V.F.H. Industry-specific Stakeholder Consultation Sessions which mostly affirmed the current findings.

The following attachments are appended:

- **Attachment 1** – Summary of Proposed V.F.H. Regulatory Options
- **Attachment 2** – Report CORP-19-57: which details the Council-approved process; public and industry-specific feedback; and background information
- **Attachment 3** - T.N.C. Regulatory Regimes and Municipal Survey (March 2019)
- **Attachment 4** – Consolidated Option "A" Proposed V.F.H. Licensing Framework
- **Attachment 5** – Report CORP-15-60 "Automatic Taxicab Tariff Increase 2015 and Taxi Industry Ability to Discount Taximeter Rates"

This report presents the following two (2) Vehicle-for-Hire regulatory options for consideration:

- **Option "A"**, detailed in Section 5.7.1, would establish a new harmonized and equitable V.F.H. By-law governing all V.F.H. industry participants in the City of Oshawa.
- **Option "B"**, detailed in Section 5.7.2, would essentially prevent T.N.C.s from operating in their current form in the City of Oshawa by regulating them under a

¹ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

Taxi and D.D. licensing framework within the T.L.B. and Business Licensing By-law (“Business Licensing By-law”).

Attachment 1 provides a summary of key proposed standards for V.F.H. Regulatory Options “A” and “B” for reference.

This report recommends that staff be directed to proceed with holding Industry-specific Stakeholder Consultation sessions and a public open house to attain feedback on the proposed regulatory options as outlined in Section 5.7.

4.0 Input From Other Sources

The following were consulted in the preparation of this report:

- Legal Services
- Durham Municipal Insurance Pool (D.M.I.P.)
- Durham Region Transit
- Durham Regional Police Service – Records Management
- Financial Services Commission of Ontario
- Statistics Canada
- Other municipalities

Staff initiated a comprehensive V.F.H. Industry-specific stakeholder consultation process in October 2019 which consulted the following groups detailed in **Table 1**.

Table 1 V.F.H. Industry-specific Stakeholder Consultation Sessions

V.F.H. Industry Stakeholder	Date	Attendance
Taxicab Drivers and Plate Owners	October 2	25
Limousine Drivers and Owners	October 2	2
D.D. Drivers and Brokers	October 3	3 ²
City Wide Taxi (Taxicab Broker)	October 22	4
Blue Line Taxi (Taxicab Broker)	October 23	4
Uber Canada (T.N.C.)	October 22	3
Lyft (T.N.C.)	October 24	4

² None of the (3) three D.D. Brokers that were in attendance were licensed to operate as a D.D. Driver or Broker in the City of Oshawa. There are presently six (6) licensed D.D. Brokers operating in the City of Oshawa.

5.0 Analysis

5.1 Background

At its June 10, 2019 meeting, City Council directed staff to undertake a process to examine the modernization and harmonization of the City's V.F.H. standards which included the following phases detailed in **Table 2**.

Table 2 Council-approved Process for Modernizing the City's V.F.H. Standards

Consultation Item	Status
Hold Industry-specific Stakeholder Consultation Sessions with staff to discuss regulatory policy options used in other municipalities and obtain preliminary input on potential options identified by the Industry which includes: <ul style="list-style-type: none">• Taxi Industry• Designated Driving Services Industry• Transportation Network Companies (Uber and Lyft)• Limousines	Completed
Present proposed regulatory policy options including an overview of feedback and benchmarking prepared by staff to the Corporate Services Committee and obtain authority to hold Industry-specific Stakeholder Consultation Sessions and a public open house to obtain comments on the options.	In progress
Hold Industry-specific Stakeholder Consultation Sessions and a public open house with staff to obtain comments on the options: <ul style="list-style-type: none">• Taxi Industry• Designated Driving Services Industry• Transportation Network Companies (Uber and Lyft)• Limousines	Awaiting Direction
Report back on a recommended regulatory policy option at a special meeting of the Corporate Services Committee.	Anticipated Q1 2020

5.2 V.F.H. Modernization Review

The V.F.H. Modernization Review also examined a number of related issues, some of which are on the Corporate Services Committee Outstanding Items List. These issues are detailed in **Table 3**.





Table 3 V.F.H. Modernization Review and Outstanding Items List

Item	Subject	Direction and Date
1	City Wide Taxi – Request for Exemption or Revision to the Taxicab By law to Permit a 10% Discount for Oshawa Senior Citizens, Students Attending Trent, Ontario Tech University and Durham College, and Members of Unifor Local 222	Referred back to staff for further discussion and clarification and a subsequent report. (Council – September 28, 2015)
	Tammy Karantinas, Neal Mattice and Keith Howell – Taxi Driver Course Re: changing Taxi Driver Training from every 5 years to 10 years.	Referred to staff for consideration of any upcoming report regarding the taxi industry. (CORP – September 12, 2016)
14	City Wide Taxi requesting Additional Accessible Taxi Plates	That Report CORP-19-47 concerning additional taxicab plates for City Wide Taxi be referred back to staff to bring forward a recommendation concerning the number of plates to be made available and if the plates will be offered to other taxi companies. (CORP – March 25, 2019)

5.3 Vehicle-For-Hire Industry in the City of Oshawa

The local V.F.H. industry includes Taxis, T.N.C.s, D.D. Services, and Limousines. While all V.F.H.s provide similar services, there are a number of inherent differences that are unique to each industry. **Table 4** details the various similarities and differences within each industry. It is important to note that Limousine Brokers, Owners and Drivers were previously regulated by the City of Oshawa however; standards related to the Limousine Industry were rescinded by Council in 1995.

Table 4 City of Oshawa's Current V.F.H. Industry Participants

	 Taxi	 T.N.C.	 D.D. Services	 Limousine
Conveyance of Passenger(s)	Commercial Vehicle	Personal Vehicle	Customer's Personal Vehicle	Commercial Vehicle
Arranging Rides	Mobile App Phone Street Hail	Mobile App	Mobile App Phone Street Hail	Phone Internet/Email
Fares	Fixed	Dynamic	Negotiated	Negotiated
Limit on Vehicles	Limited at 1:1500 population ³ Taxicabs: 94 Accessible: 14 Total: 108	No Limit ⁴	No Limit	No Limit
Operation	Local	Local/ Regional	Local/ Regional	Local/ Regional
Applicable Regulatory Framework	Taxicab Licensing By-law	Taxicab Licensing By-law ⁴	Business Licensing By-law	Not Regulated

5.4 V.F.H. Industry-specific Stakeholder Consultation Sessions and Feedback

The V.F.H. Industry-specific Consultation Process, detailed in Section 4, was comprised of various consultation sessions with each V.F.H. stakeholder group. Public notice was provided in the local newspapers, on the City's T.N.C. webpage (www.oshawa.ca/tnc)

³ Section 10.3.1 of the T.L.B. states that the population figure to be used shall be as determined by the latest revised population figures available from Statistics Canada (annual estimates and the five-year actuals). Staff contacted Statistics Canada who confirmed that the latest population figures for the City of Oshawa are from the 2016 Census.

⁴ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry.

and staff directly engaged V.F.H. stakeholders in advance of the consultation sessions. At each session, staff:

- presented the feedback received from the public and industry consultation process;
- provided an update on the Council-approved Process for Modernizing the City's V.F.H. Standards;
- presented regulatory policy options used in other municipalities that regulate T.N.C.s; and,
- obtained feedback from stakeholders.

The next sections provide a summary of the preliminary feedback received from each stakeholder group.

5.4.1 Taxicab Drivers and Plate Owners

City staff engaged local Taxicab Drivers and Plate Owners⁵; the following are the key points gathered from the consultation session:

- They believe the Taxi Industry has been impacted financially (loss of income) since T.N.C.s entered Oshawa.
- There is a high level of anger, stress, and frustration arising from the entrance of T.N.C.s in Oshawa.
- There is a desire for the City to more effectively enforce the T.L.B.
- It is difficult to attract and hire new Taxicab Drivers.
- The most important issues for the Taxi Industry are:
 - There is a desire to prohibit T.N.C.s from operating in the City of Oshawa.
 - If T.N.C.s are regulated, they should be regulated with identical standards.
- Taxicab Drivers reported that other than accessible training, taxicab driver training provided very little value for experienced drivers.
- The majority of participants reported that the City should regulate all V.F.H. industry participants.

5.4.2 Taxicab Brokers

Taxicab Brokers provide dispatch services to Taxicab Drivers, operate as fleet managers for some vehicles, and hold many of the City-issued taxicab plates. Staff met with the two (2) Taxicab Brokers, City Wide Taxi and Blue Line Taxi, individually. The following are the key feedback received from the Taxicab Brokers:

⁵ A person to whom a taxicab plate(s) is issued to.

- **Preferred T.N.C. Regulatory Model:** Both Taxicab Brokers did not support the T.N.C. regulatory models adopted in many other municipalities within the Greater Toronto Area. One (1) Taxicab Broker, supports the T.N.C. regulatory model that is presently established in Niagara Region.⁶
- **Market Conditions:** Both Taxicab Brokers stated that it is difficult for the Taxi Industry to operate in the existing “tight” regulatory framework when T.N.C.s are not subject to the same regulatory framework. Both Taxicab Brokers believe that T.N.C. drivers should be required to come in to the City to obtain a City licence.
- **Driver Screening:** One (1) Taxicab Broker is concerned that the T.N.C. driver that has been screened for a Police Record Check and a Driver Abstract check may not be the individual providing the service (i.e. the screened driver lends their T.N.C. driver mobile app to another individual that has not been screened). None of the Taxicab Brokers expressed an interest to screen its own Taxicab Drivers in the same manner as T.N.C.s.
- **Vehicle Caps:** There was concern from both Taxicab Brokers about the number of T.N.C. vehicles operating within the City and specifically that it would cause an oversaturation of the market; both mentioned that a vehicle cap should apply. One (1) Broker suggested establishing graduating licensing fees based on the number of T.N.C. vehicles operating in the City.
- **Taxicab Tariffs and Discounts:** Both Taxicab Brokers stated that they preferred the City to continue to regulate taxicab tariffs and that they did not want an increase in the tariff rates. Additionally, Taxicab Brokers supported permitting Taxicab Drivers to offer discounts off the metered rate subject to conditions. One (1) Taxicab Broker specifically mentioned that it did not want the ability to implement dynamic pricing (also referred to as “surge” pricing).
- **Driver Training:** One (1) Taxicab Broker asserted that training is seen as critical for new drivers; however, refresher training for experienced drivers is not necessary. Another Taxicab Broker stated that it would like driver training to be administered by the Taxicab Brokers as opposed to the City’s training provider (Durham College), as it believes it is better positioned to deliver appropriate training. If training requirements were removed from the existing T.L.B., both Taxicab Brokers would provide training.
- **Accessible Taxicab Plates:** Both Taxicab Brokers are requesting the issuance of additional Accessible Taxicab Plates; one (1) Taxicab Broker is requesting four (4) to six (6) Accessible Taxicab Plates and another is requesting five (5) to ten (10). Both Taxicab Brokers have said they would ensure that their accessible Taxicab Drivers were appropriately trained. One (1) Taxicab Broker mentioned that their Accessible Taxicabs would be available on-demand 24/7 year round. Another Taxicab Broker stated that Accessible Taxicab Plate issuance should not be considered as part of the one (1) to one-thousand five hundred population (1,500) ratio; however, Accessible Taxicab Plates should be issued to the Brokers.

⁶ A comprehensive list of various applicable municipal standards, including those established in Niagara Region, is appended in Attachment 3.

5.4.3 Designated Driving Brokers and Drivers

The Designated Driver Industry is comprised of two (2) groups: Brokers and Drivers. Brokers dispatch calls to Drivers and Drivers provide designated driving services to clients. Individuals can be licensed as both Brokers and Drivers. City staff engaged the D.D. Industry; however, it is important to note that despite directly engaging all licensed D.D. Brokers, only unlicensed D.D. Brokers and Drivers attended the meeting. The following are the key points that were gathered from the three (3) unlicensed D.D. Brokers that attended:

- The D.D. Broker(s) mentioned that they have screening practices for their Drivers which includes reviewing the individual's driver's abstract; however, the unlicensed D.D. Broker(s) stated that they do not currently screen their Drivers' Police Record Checks.

Note: D.D. Drivers licensed by the City of Oshawa are currently required to submit Police Record Checks, Driver Abstracts, and Medical Clearance Letters as part of the licensing process.

- They believe the City's Licensing Framework for the D.D. Industry is making it difficult to attract D.D. Drivers.
- There is a desire to have D.D. licensing be undertaken at the Regional level.
- D.D.s have a working relationship with the City's Taxi Industry and will refer calls to licensed taxis if an individual requires a taxi service. The working relationship recognizes that taxicabs and D.D.s operate differently.

The City did not receive any feedback from the six (6) licensed D.D. Brokers operating in the City of Oshawa.

5.4.4 Limousine Companies and Drivers

City staff engaged locally-based Limousine Companies and Drivers. Only one (1) company attended the designated consultation session and the following are the key points from that meeting:

- They were supportive of screening V.F.H. drivers for Police Record Checks and Drivers Abstracts.
- They stated that the operating model of T.N.C.s is different than the Limousine Industry.
- They noted that if standards such as limits on the age of vehicles are established for limousine vehicles, consideration should be given to older limousines that are considered classic cars.
- Certain Limousines (vehicles with a seating capacity, not including the driver, of 10 or more) are required to comply with the province's Commercial Vehicle Operator's Registration system and must be inspected for mechanical safety and Drivers of such vehicles must comply with maximum driving time standards.

- They were supportive of a licensing system which included regulating the mechanical safety of sedans used as limousines (vehicles with a seating capacity of less than 10 passengers).

5.4.5 Transportation Network Companies

There are presently two (2) T.N.C.s operating within the City of Oshawa: Uber Canada (“Uber”) and Lyft. The City engaged both T.N.C.s and the following are the key points that were gathered:

a) Uber

Staff met with representatives from Uber on October 22, 2019. The following are the key points articulated by representatives from Uber:

- Uber operates predominantly on a regional basis in that Uber drivers offer rides across the Greater Toronto Area (G.T.A.).
- Uber is recommending the following standards be established in a proposed regulatory framework for T.N.C.s:
 - **Driver screening:** Uber recommends the City adopt the City of Hamilton’s driver screening practices as detailed in their by-law⁷. Under this structure, Uber manages the robust background check and driver abstract processes and supports the City in its audits.
 - **Vehicle inspection and requirements:** Uber recommends allowing vehicles that are 10 years old or newer, as long as they pass annual vehicle inspections.⁸
 - **Data sharing/reporting:** Uber is happy to provide trip counts on a quarterly basis. In the interest of protecting the privacy of Uber’s riders and drivers, Uber does not share individual trip-level data.
 - **Service quality:** Uber’s mobile app utilizes a two-way rating system along with 24/7 customer support to ensure service quality.

b) Lyft

Staff spoke with representatives from Lyft on October 24, 2019. The following are the key points articulated by representatives from Lyft:

- Lyft presently operates in the Greater Toronto Area and within the City of Ottawa. Lyft drivers in the G.T.A. often operate across multiple jurisdictions,

⁷ A comprehensive list of various applicable municipal standards, including those established in the City of Hamilton, is appended in Attachment 3.

⁸ Safety Standard Certificates can be obtained at a Ministry of Transportation of Ontario licensed inspection station.

sometimes even within the same day or week. Therefore, Lyft suggests that the City of Oshawa adopt vehicle-for-hire standards that are consistent with other municipalities in the G.T.A. to ensure a harmonized experience for passengers and drivers. In particular, Lyft believes that Oakville's⁹ by-law may serve as a good example. If the City of Oshawa is interested in licensing drivers, Lyft suggests adopting a provision that allows for reciprocity with neighboring jurisdictions. This will prevent an interruption in service for Oshawa residents, reduce the administrative burden shouldered by the City, and ensure that Drivers have a clear understanding of their regulatory obligations.

5.4.6 Consultation with Durham Region Transit

Staff consulted with Durham Region Transit (D.R.T.) and received the following input:

D.R.T. makes public safety its top priority. All D.R.T. operators are highly trained and licensed professionals focused on ensuring the safety of passengers on-board their vehicles along with all other road users. D.R.T. believes it is paramount that any passenger transportation operator in Durham Region satisfy all provincial and municipal regulatory requirements to ensure the safety of its customers and the public at large. Proposed regulations for T.N.C.s should maintain or increase these safeguards and not diminish current safety standards for passengers and the public.

D.R.T. recognizes that T.N.C.s may have a role to play as part of an integrated mobility network providing travel options for areas of Durham that are not well suited to scheduled, fixed-route transit service. D.R.T. is exploring the application of ride sourcing/hailing and micro-transit models that could better connect residents and businesses in lower demand areas with the broader transit network, including as part of the Rural Transit Review currently underway. D.R.T. also continues to monitor the experience in other jurisdictions in partnering with third party providers, such as Uber's agreement with the Town of Innisfil. An April 26, 2018 report to the Region's Transit Executive Committee (Report 2018-DRT-13) compared Innisfil's experience with D.R.T.'s own on-demand approach to offer similar mobility options.

D.R.T. maintains that new private transport options (along with emerging technologies such as autonomous vehicles) should be leveraged to complement and strengthen the public transit system, rather than compete with it, to achieve broader policy goals of improving mobility, reducing congestion and minimizing harmful emissions. The implications of T.N.C.s on overall mobility will need to be monitored and assessed closely. While the impact of T.N.C.s on mobility and transit use in Durham Region is largely unknown at this time, studies in other jurisdictions have found that T.N.C.s may be contributing to busier roadways and reduced transit use¹⁰.

⁹ A comprehensive list of various applicable municipal standards is appended in Attachment 3.

¹⁰ An October 2017 study from the University of California, Davis concludes that ride-hailing services such as Uber and Lyft are "currently likely to contribute to growth in vehicle miles traveled (V.M.T.) in the major [U.S.] cities represented in this study." The

D.R.T. is also monitoring the impact of T.N.C.s on accessible taxicabs which provide contracted accessible transportation services to meet service needs. Approximately nine (9) of the City of Oshawa's thirteen (13) accessible taxicabs augment D.R.T.'s specialized services. Any revised regulatory changes for taxicabs and T.N.C.s should safeguard D.R.T.'s ability to leverage accessible V.F.H. to meet demands for specialized services, including meeting requirements of the Accessibility for Ontarians with Disabilities Act (A.O.D.A.).

5.5 Public Interest and City's Regulatory Objectives

The City regulates the V.F.H. Industry such as Taxicabs and D.D. Services for three (3) principal objectives: health and safety, consumer protection, and nuisance control. These three (3) objectives, articulated in Schedule 4 of the T.L.B. and in **Table 5** below, have traditionally been interpreted as the public's interest.

Table 5 T.L.B. and Regulatory Objectives

Regulatory Objective	Description	Examples
Health and Safety	To enhance and encourage safe maintenance and operational practices for drivers and owners; ensure experienced and qualified drivers are providing services; supply passengers with drivers who have proven themselves to be trustworthy to care for their belongings and their person; and ensure accountability of industry participants for health and safety issues.	<ul style="list-style-type: none"> • Driver Screening and training • Smoke free environment • Requiring vehicle mechanical safety checks • Providing assistance to passengers with accessibility needs
Consumer Protection	To enhance and encourage equal, fair and courteous treatment of passengers, drivers, owners and brokers; protect the property of passengers; ensure competence of owners and drivers in providing taxicab services; promote accountability; ensure consistency in the application of fares; and support proper and good business practices.	<ul style="list-style-type: none"> • Regulating fares and inspecting meters • Requiring Taxicab Drivers to maintain trip sheets • Requiring Taxicab Drivers to undertake training, including accessibility training and first aid certification
Nuisance Control	To promote professional behaviour; fair dealing amongst participants in the industry; ensure courteous treatment; and	<ul style="list-style-type: none"> • Establishing driver dress code

study also found that ride hailing led to a 6 per cent decrease in transit use in major urban centres. [<https://steps.ucdavis.edu/new-research-ride-hailing-impacts-travel-behavior/>]

Regulatory Objective	Description	Examples
	limit or mitigate unsightliness, unnecessary noise, nuisance or disruption for passengers, Drivers, Owners, Brokers and the general public.	<ul style="list-style-type: none"> Establishing driver conduct code

5.5.1 Shift in Public Interest

A staff analysis of feedback from the public survey found that the majority of respondents (77%) expressed a desire for the City to regulate the broader V.F.H. industry. Nevertheless, there appears to be a shift in the public's interest as it relates to establishing regulations for the V.F.H. industry. Historically, addressing the public's interest included regulations which would ensure an emphasis on consumer protection (e.g. regulating fares, record-keeping requirements, regulating fares, record-keeping requirements, driver first-aid training) and quality of services (e.g. cleanliness of vehicles, availability of service, driver appearance). The survey of the general public has found that respondents are now less concerned with addressing issues related to consumer protection (depicted in **Figure 1**) and quality of services (depicted in **Figure 2**). As identified earlier, addressing public health and safety (depicted in **Figure 3**) remains important to the public. Such a shift in interest marks a departure from the public's historical positions on V.F.H. regulations.

Figure 1 Regulating Consumer Protection

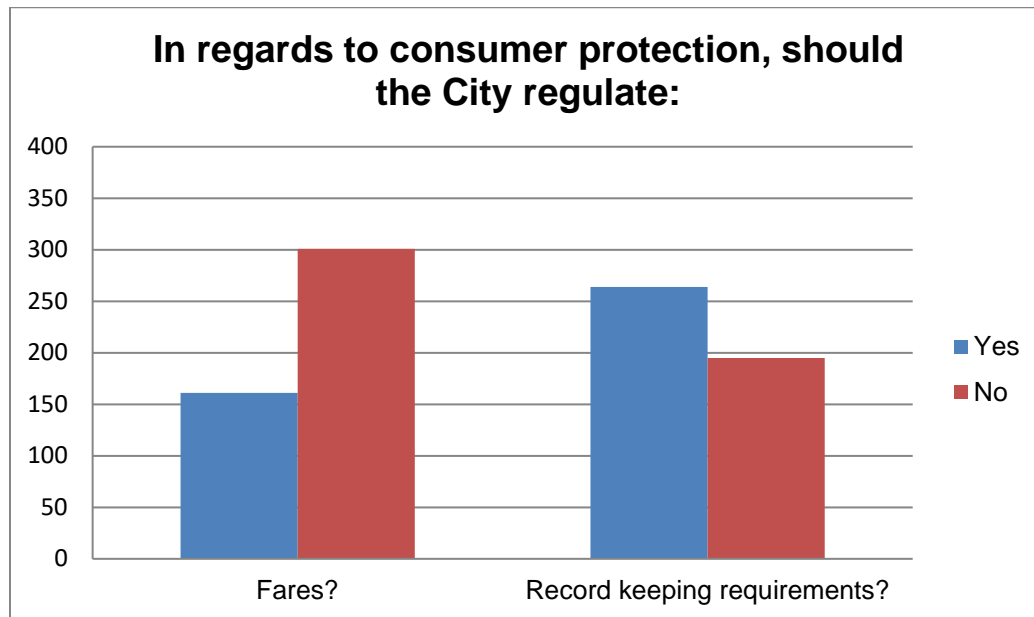


Figure 2 Regulating Quality of Service

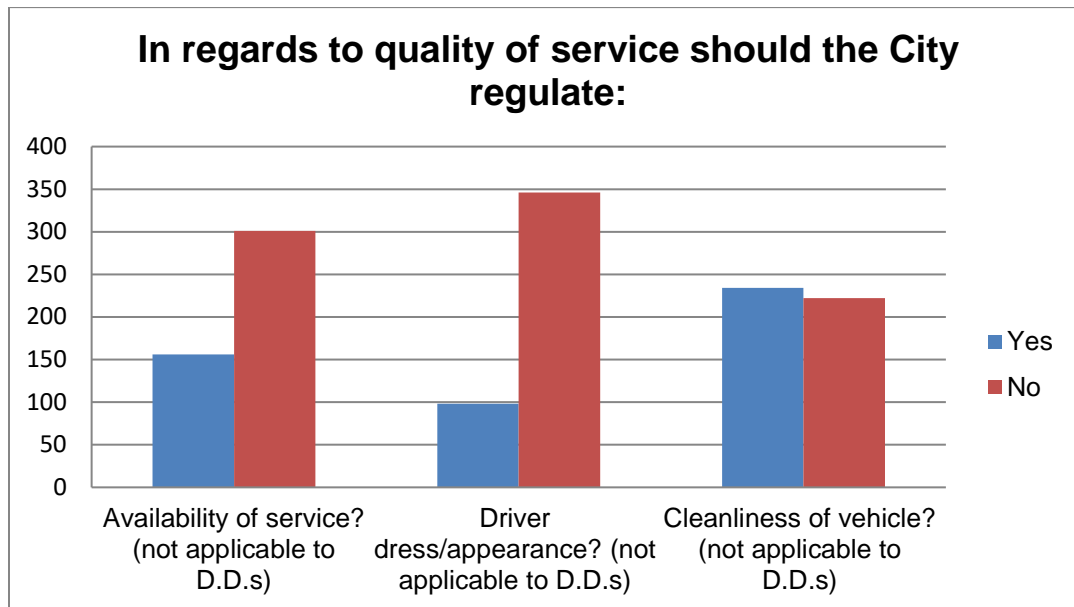
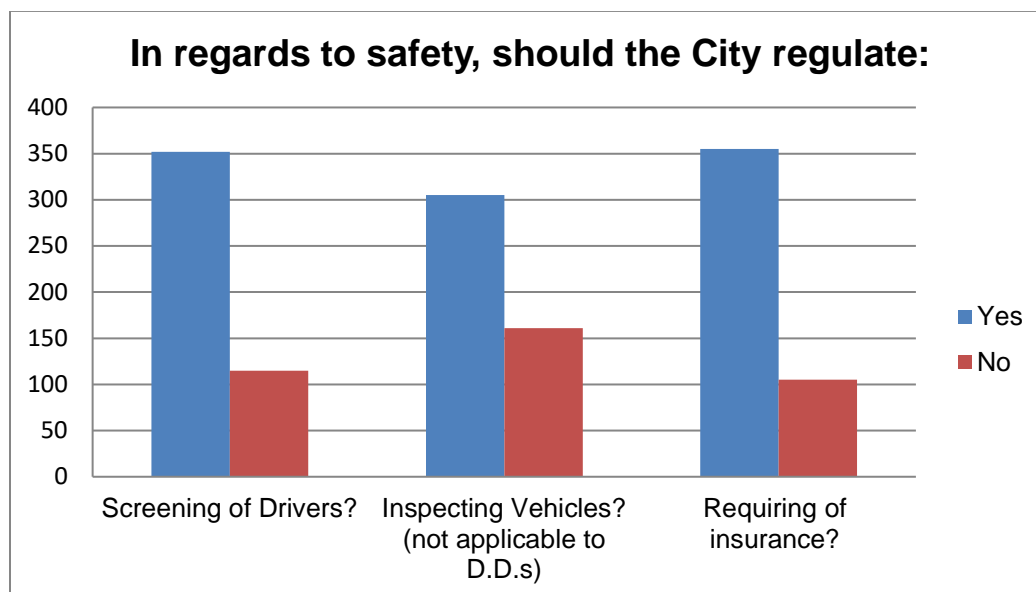


Figure 3 Regulating Health and Safety



The full results of the Public and Industry Consultation Survey are appended in report CORP-19-57 (**Attachment 2**).

5.6 Municipal Benchmarking: Regulatory Frameworks for T.N.C.s

In March 2019, staff updated the municipal benchmarking exercise presented in the initial report CORP-17-24 “Transportation Network Companies and Proposed Public and Industry Stakeholder Consultation Process” and found that the majority of regulatory standards governing T.N.C.s remained the same. The updated municipal benchmarking of

T.N.C. regulatory frameworks is appended as **Attachment 3**. The common elements in municipal T.N.C. licensing systems are as follows:

- **Driver Screening** – Municipalities establish screening standards and licensing thresholds with respect to criminal and driving offenses and permit T.N.C.s to use third-party background checking companies to screen its Driver's police record checks and Driver's abstracts to ensure compliance with municipal standards/thresholds.

Note:

- Staff have confirmed with D.R.P.S. that the Criminal Records and Judicial Matters Check ("Level 2" Police Record Check) undertaken by Uber and Lyft through a third-party background checking company is the same Criminal Records and Judicial Matters Check that D.R.P.S. would provide.
 - The benchmarking exercise found that the only municipalities that licence T.N.C.s directly are the City of Toronto and Niagara Region. To facilitate this process, the City of Toronto has developed a sophisticated integrated system with Uber to remit driver information to the City on a daily basis. The City of Toronto performs its own checks for document validity and works with the Ministry of Transportation to screen for driver abstracts. Conversely, Niagara Region requires all prospective T.N.C. drivers to attend their licensing office and submit the appropriate documents to receive a Niagara Region T.N.C. Driver's Licence.
- **Vehicle Standards** – Municipalities establish vehicle age limits (typically 7 or 10 years) for taxis and T.N.C. vehicles, require that T.N.C. decals be displayed on T.N.C. vehicles, and require that the driver submit a safety standards certificate attesting to the mechanical safety of the T.N.C. vehicle as part of the screening process.
 - **Licensing fee structure** – T.N.C. licensing systems generally establish a combination of a flat T.N.C. licensing fee, a per driver fee, and/or a per trip arranged fee.
 - **Insurance** – Appropriate insurance products are also required by municipalities. Typically, the insurance product is a \$5 million Commercial General Liability insurance policy approved by the provincial financial regulator: Financial Services Commission of Ontario, and a \$2 million and Automobile Liability Insurance for owned, non-owned, or leased T.N.C. Vehicles.
 - **Street Hailing** – T.N.C. drivers are prohibited from accepting rides through street hailing, as this would void insurance coverage.
 - **Auditing** - Municipalities require T.N.C.s to submit documentation (e.g. T.N.C. drivers' Police Record Checks, safety standard certificates, etc.) for audit purposes to ensure that T.N.C.s are complying with applicable municipal standards.
 - **Security Technology (e.g. in-car cameras)** – Given that T.N.C.s leverages a two-way reputational ranking system whereby the client's information is shared with the driver and the driver's information is shared with the client, security technology is not required.
 - **Limit on number of T.N.C. drivers/vehicles** – Municipalities that regulate T.N.C.s do not limit the number of T.N.C. drivers/vehicles that operate in its jurisdiction.

5.7 Proposed Regulatory Policy Options for Consideration

Staff are presenting two (2) regulatory policy options:

- **Option “A”**, detailed in Section 5.7.1, would establish a new harmonized and equitable V.F.H. By-law governing all V.F.H. operators in the City of Oshawa.
- **Option “B”**, detailed in Section 5.7.2, would essentially prevent T.N.C.s from operating in their current form in the City of Oshawa by regulating them under a Taxi and D.D. licensing framework within the T.L.B. and Business Licensing By-law.

5.7.1 Option “A” Establish a new V.F.H. By-law

Option “A” proposes the creation of a new consolidated V.F.H. By-law governing all V.F.H. operators in the City of Oshawa and an amendment to the General Fees and Charges By-law 13-2003 to support Licensing Fees as outlined in **Table 14**. The proposed consolidated V.F.H. By-law would apply to all V.F.H. Industries including Taxis, D.D.s, T.N.C.s, and Limousines. The principal objective of Option “A” is detailed below:

Principal Objective of Option “A”: to create a harmonized and equitable regulatory framework for the City’s V.F.H. Industries that would enhance the City’s ability to address the public’s interests and achieve the City’s regulatory objectives.

A consolidated table of proposed standards under Option “A” is appended as **Attachment 4** for reference purposes.

a) V.F.H. Licensing Framework

Under Option “A”, the City of Oshawa would establish a licensing framework (see **Table 6**) which would license all V.F.H. Brokers/Companies, Vehicle Owners, and/or Drivers. Notwithstanding this, given the unique operating model of T.N.C.s, the City would permit licensed T.N.C.s to screen its own drivers and submit applicable documents to the City for audit purposes (detailed further in Section 5.7.1 (h)).

During the Taxicab Broker Stakeholder Sessions, both Taxi Brokers did not express interest in screening their own Taxicab Drivers in a similar manner as T.N.C.s. Both Taxicab Brokers stated that they would prefer the City to continue to screen and license Taxicab Drivers.

Table 6 Option “A” Proposed V.F.H. Licensing Framework

	Taxi	T.N.C.	D.D.	Limo
Broker/Company	City Licenses	City Licenses	City Licenses	Not Applicable
Vehicle Owner	City Licenses	Not Applicable	Not Applicable	City Licenses
Driver	City Licenses	T.N.C. Screens Drivers on City’s Behalf	City Licenses	City Licenses

b) Proposed V.F.H. Driver Screening Standards

The City establishes standards for the screening of drivers to address health and safety. **Table 7** details the City's existing driver screening regulations and the proposed driver screening standards under Option "A".

Table 7 Existing Standards v. Option "A" Proposed V.F.H. Driver Screening Standards

	Existing Standard			Option "A"			
	Taxi	T.N.C. ¹¹	D.D.	Taxi	T.N.C.	D.D.	Limo
Police Record Check (P.R.C.) ¹²	✓	✓	✓	✓	✓	✓	✓
Vulnerable Sector Check ¹³	✓		✓				
Driver's Abstract ¹⁴	✓	✓	✓	✓	✓	✓	✓
Medical Clearance Letter	✓		✓				
Age 25+			✓				
Frequency of Driver Screening	Every 2 years	Annual	Every 2 years	Annual	Annual	Annual	Annual

¹¹ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry. Uber and Lyft have confirmed that they subject their drivers to certain driver screening requirements including reviewing Police Record Checks and Drivers' Abstracts on an annual basis.

¹² Includes criminal convictions in Canada and summary convictions over the past five (5) years as well as pending entries such as charges or warrants, judicial orders, Probation Orders, etc.

¹³ Includes all information disclosed in the P.R.C.; pending entries such as charges or warrants, judicial orders, Probation Orders etc.; and all record suspensions (pardons), including for Part V Sexual Offences as authorized for release by the Minister of Public Safety.

¹⁴ Driver identification: legal name, driver's licence number, date of birth, gender, class (e.g. G, M, D, F, etc.), conditions (e.g. air-brake endorsement or if glasses/contact lenses are needed), licence status (licensed, unlicensed, suspended), issue date and expiry date, due date for medical (controlled class licences only – Class A, B, C, D, E, F), active Highway Traffic Act and Criminal Code of Canada convictions, suspensions and reinstatements over past 3 years, conviction dates, offence date, demerit points and description(s) of violations.

Option “A” proposes the following amendments:

- **Police Record Checks** – maintain the requirement for a P.R.C. and specifically require all V.F.H. drivers to undertake an annual Criminal Record and Judicial Matters Check which discloses:
 - all criminal convictions;
 - all pending charges;
 - outstanding warrants;
 - outstanding court order;
 - peace bond;
 - Etc.
- **Vulnerable Sector Check (V.S.C.)** – applicants for taxicab, designated driver and limousine driver licences are currently required to submit a V.S.C. in addition to their P.R.C. Staff reassessed the V.S.C. requirement and are recommending that this no longer be required for the following reasons:
 - **All Criminal Code convictions**, including Part V Sexual Offences, will be reported on the individual’s Criminal Records and Judicial Matters Check.
 - While pardons (now referred to as “record suspensions”), approved by the Parole Board of Canada, are not reported on an individual’s P.R.C. (with the exception of a V.S.C.), the presence of a pardon/record suspension does not automatically exclude an applicant from being issued a licence at the present time.

The issuance of a licence for Taxicab Drivers, Owners and Brokers, and Designated Drivers is denied in cases where there is a conviction pursuant to Parts V (Sexual Offences), VIII (Offences Against Persons) or IX (Offences Against Property) of the Criminal Code of Canada. Given that all Criminal Code convictions are disclosed on a Criminal Records and Judicial Matters Check, it is recommended that a V.S.C. not be required. **Table 8** details the relevant excerpts from the sections in the applicable by-laws.

Table 8 Excerpts from Applicable By-laws

Licensing Class	Applicable By-law and Section	Paragraph
Taxicab Driver Taxicab Owner Taxicab Broker	Taxicab Licensing By-law Section 4.7.1 (a)	The City Clerk shall refuse to issue a Licence under this By-law to any Person if: that Person has been convicted of an offence, for which a pardon has not been granted, pursuant to any one or more of Parts V (Sexual Offences), VIII (Offences Against Persons) or IX (Offences Against Property) of the Criminal Code of Canada, R.S.C. 1985 c. C-46, as amended.
Designated Driver	Business Licensing By-law Schedule "N" Section 2. (b)	Condition of holding a licence: The Designated Driver is, at no time, convicted of an offence, for which a pardon has not been granted, pursuant to any one or more of Parts V (Sexual Offences), VIII (Offences Against Persons) or IX (Offences Against Property) of the Criminal Code of Canada, R.S.C. 1985 c. C-46, as amended

- Option "A" proposes to increase the frequency of V.F.H. driver screening by requiring P.R.C.s and Drivers Abstracts to be undertaken annually as opposed to every two (2) years.
- This approach will align the City's V.F.H. screening practices with many municipalities in the Greater Toronto Area (G.T.A.).
- **Medical Clearance Letter** – applicants for Taxicab Driver and Designated Driver licences are currently required to submit a Medical Clearance Letter as part of their application to have a medical professional confirm that the applicant is medically fit to provide driving services. Option "A" recommends removing the standard as a review has determined that concerns related to an individual's ability to operate a motor vehicle may be addressed through existing provincial legislation. Specifically the Sections 203 and 204 of the Highway Traffic Act, 1990 require physicians and optometrists to report to the Registrar of Motor Vehicles any patient age sixteen (16) or over who may be suffering from a medical/visual condition that may impair driving ability. The Ministry of Transportation reviews the report and the driver's licence may be suspended if it is determined that the driver's medical condition does not qualify them to operate a motor vehicle. Removing the Medical Clearance Letter requirement may serve to reduce the regulatory burden.

- **Designated Driver Age Requirement** – Option “A” recommends removing the twenty-five (25) year age limit for Designated Driver applicants. Staff contacted the Financial Services Commission of Ontario who reported that the agency is not aware of any condition that would void coverage to an individual under the age of twenty-five (25) to operate a register motor vehicle owner’s vehicle provided they are given consent and are licensed to operate a motor vehicle in the province of Ontario.
- **Frequency of Driver Screening** – it is recommended that V.F.H. driver screening be conducted annually as opposed to every two (2) years. This will establish a higher level of screening to address public safety in terms of screening for Criminal Code convictions and an individual’s driving record. Additionally, to further streamline the Driver Licensing process, Licensing Services will facilitate an online licensing process where applicants can submit screening documents via email and licences can be mailed to the applicant.

c) Driver Training and Standard First Aid

Option “A” would remove the requirement for Taxicab Drivers to attend a City-administered driver training course and to be certified in Standard First Aid (with C.P.R. Level “C”). Presently, all Taxicab Drivers must attend a three (3) hour Taxicab Driver training course delivered by Durham College when they first apply for a licence and every five (5) years as a refresher. **Table 9** details the existing v. proposed Driver Training and Standard First Aid requirements under Option “A”.

Table 9 Existing Standards v. Option “A” Driver Training and Standard First Aid

	Existing Standard			Option “A”			
	Taxi	T.N.C. 15	D.D.	Taxi	T.N.C.	D.D.	Limo
Driver Training			N/A	Broker provided	T.N.C. provided	N/A	N/A
Accessibility Training				Broker provided	T.N.C. provided	N/A	N/A
Standard First Aid (with C.P.R. Level “C”)			N/A			N/A	N/A

It is recommended that the training of Taxicab and T.N.C. drivers be delivered by Taxicab Brokers and T.N.C.s respectively. This approach would enable V.F.H. companies to tailor their drivers’ training to their industries’ unique needs. The recommended approach is in

¹⁵ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry. Both Uber and Lyft have confirmed that they provide training to their drivers.

keeping with best practices established in other municipalities and through input received from one (1) Taxicab Broker and from T.N.C.s. Industry-specific consultation sessions. Nevertheless, Taxicab Drivers operating accessible taxicabs would be required to complete a City-approved accessible driver's course to ensure they are appropriately trained to provide accessible services.

In regards to the existing requirement for Standard First Aid (with C.P.R. Level "C"), a municipal survey of Durham Lakeshore Municipalities (Pickering, Ajax, Whitby, and Clarington) respecting taxicab driver standards found that the City of Oshawa was the only municipality requiring Taxicab Drivers to be certified in Standard First Aid (with C.P.R. Level "C"). Furthermore, there was a broad consensus amongst Taxicab Drivers that the certification was not useful. It is proposed that the standard requiring Taxicab Drivers to be certified in Standard First Aid (with C.P.R. Level "C") be removed.

d) Consolidated V.F.H. Driver's Licence for: Taxis, D.D.s, and Limousine Drivers

Option "A" recommends the creation of a consolidated V.F.H. Driver's Licence for the proposed City-screened licensing classes which include: Taxicab Drivers, Designated Drivers and Limousine Drivers. A consolidated V.F.H. Driver's licence would permit City-screened Drivers to operate as Taxicab Drivers, as Designated Drivers and Limousine Drivers with the same licence. The consolidated V.F.H. Driver's licence is premised on the fact that Driver screening standards, as detailed in 5.7.1 (b), are harmonized across V.F.H. Industries and that the Broker is responsible for ensuring that their Drivers are appropriately trained. The consolidated V.F.H. Driver's licence would not permit a City-screened Driver to operate as a T.N.C. Driver considering the T.N.C. is responsible for screening its own Drivers. Establishing one V.F.H. Driver's Licence will enable all V.F.H. Industries to draw from a larger pool of City-licensed drivers and address a concern expressed by the Taxi Industry that it is difficult to hire Drivers.

e) Proposed Vehicle Operating Standards

The City's regulatory framework establishes standards for V.F.H. to fulfil the public interest of health and safety and consumer protection. **Table 10** details the City's existing vehicle operating standards and the proposed standards under Option "A". Vehicle operating standards for D.D.s are limited to requiring a D.D. support vehicle to display markings, contact, and licensing information for the Designated Driving Broker with whom the Designated Driver is affiliated on the exterior of the Motor Vehicle. This is because D.D.s provide transportation services in the customer's vehicle rather than in their support vehicle and accordingly, many vehicle operating standards are not applicable to their Industry.

Table 10 Existing Standards v. Option “A” Proposed Vehicle Operating Standards

	Existing Standard			Option “A”			
	Taxi	T.N.C. ¹⁶	D.D.	Taxi	T.N.C.	D.D.	Limo
Safety Standards Certificate	✓	✓	N/A	✓	✓	N/A	✓
Vehicle Age Limit (10 years)	✓	✓	N/A	✓	✓	N/A	✓
Vehicle Door Limit (4 or more)	✓	✓	N/A			N/A	
Municipal Inspections (once a year plus audit)	✓	N/A	N/A	✓	N/A	N/A	
Decals/Vehicle Markings	✓		✓	✓	✓	✓	✓
Security Devices (e.g. Emergency Lights or G.P.S.)	✓		N/A	✓		N/A	
Frequency of Vehicle Screening	Annual	Annual	N/A	Annual	Annual	N/A	Annual

- **Safety Standards Certificate** – A safety standards certificate is a provincial document confirming that a motor vehicle meets minimum standards of mechanical safety. They can be attained from most provincially-licensed inspection stations. It is recommended that an annual submission of a safety standards certificate be required for Taxicabs, T.N.C. vehicles and Sedan Limousines¹⁷. Stretch Limousines¹⁸ are inspected semi-annually for mechanical safety and subject to the province’s Commercial Vehicle Operator’s Registration (C.V.O.R.) system. Accordingly, the City would only require a proof of valid C.V.O.R. certificate in lieu of a safety standards certificate.
- **Vehicle Age Limit (e.g. Model Year Restrictions)** – Vehicle model year restrictions are established to address safety, passenger comfort and vehicle reliability. Many T.N.C.s have established self-imposed vehicle model year

¹⁶ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry. Uber and Lyft have confirmed that it requires vehicle safety standards certificates to be submitted on an annual basis and establish specific vehicle standards for its drivers.

¹⁷ Sedan Limousines are Limousines that carry less than ten (10) passengers (excluding the Driver).

¹⁸ Stretch Limousines are Limousines that carry ten (10) or more passengers (excluding the Driver).

restrictions. It is recommended that a vehicle model year restriction of ten (10) years¹⁹ (not including the current year) be established for all V.F.H. vehicles, with the exception of the D.D. Industry²⁰, operating within the City of Oshawa. Notwithstanding this, the Limousine Industry has indicated that vehicle model year restriction of (10) years may limit classic limousines from being licensed. It is proposed that such instances be considered on a case-by-case basis.

- **Vehicle Door Limit** – It is recommended that the requirement for a minimum number of doors be removed as this is a quality of service standard and best left to the V.F.H. Industry to self-regulate.
- **Municipal Inspections** – A taxicab is required to undergo two (2) municipal inspections each year to ensure that the vehicle complies with the standards set out in the T.L.B. Perhaps the most important portion of the inspection is the inspecting of taximeters which determine the fare the client pays based on the tariff rates established by the City. Taxicab Owners must also submit a safety standards certificate, issued by a mechanic, twice a year demonstrating that the vehicle complies with the Province of Ontario's standards for mechanical safety. Option "A" proposes to reduce the number of municipal inspections to once (1) a year and on an as-required basis if complaints are received. This proposed amendment would reduce the regulatory burden. Many municipalities²¹ have moved from a bi-annual inspection regime to an annual inspection regime. Municipal inspections are not recommended for other V.F.H. vehicles given that T.N.C.s and Limos do not have taximeters and D.D.s operate their client's vehicle as opposed to a commercial vehicle.
- **Decal/Vehicle Markings** – Taxicabs and D.D. Support Vehicles are required to display their Broker affiliations on their vehicles for identification purposes. Option "A" would similarly require T.N.C. drivers and Limousine Owners to display their affiliation in the form of a decal/vehicle markings to allow passengers to identify their V.F.H.
- **Security Devices** - Taxicabs are required to be equipped with either two (2) emergency lights or a Global Positioning System to be activated by the Taxicab driver in the event the driver is in distress. Safety devices are not required for D.D.s considering the transportation service is provided in the client's vehicle. Option "A" recommends maintaining the requirement for Taxicabs to be equipped with security devices but does not recommend that the same requirement to be established for D.D.s and T.N.C. drivers for the following reasons:
 - D.D.s provide transportation in the client's vehicle and therefore it would not be feasible to install safety devices in the client's vehicle prior to providing service.

¹⁹ Ten (10) years is the standard established for Taxicabs in the T.L.B.

²⁰ The service is provided in the client's vehicle.

²¹ Brampton, Halton Hills, Milton, Newmarket, Vaughan, etc.

- o Both the T.N.C. driver and customers exchange their personal information (name, licence plate number, reputational ranking, etc.) when a ride is arranged via a mobile app. Moreover, an electronic record of the entire transaction is maintained. In the event of an emergency situation, information about each party can be transmitted to Police. Conversely, considering Taxicabs take street hails, the identity of the passenger(s) is unknown and therefore there is a greater impetus for taxicabs to be equipped with security devices.

f) Fares/Rates

Municipalities have traditionally regulated taxicab fares (also referred to as “tariffs”) by establishing fixed rates for the purpose of consumer protection. The City of Oshawa establishes the following fixed rates detailed in **Table 11** and on the City’s Taxicab Tariff Webpage. Taxicabs are prohibited from charging any other rate with the exception of providing services under a written contract between a Taxicab Owner and another person for a period greater than nine (9) months at an agreed fare, rate or charge.

Table 11 Taxicab Tariff Rates

Taxicab Tariffs (Detailed on the City’s Taxicab Tariff Webpage)	Rate
First 132 metres or part thereof	\$3.75
Each additional 132 metres or part thereof	\$0.25
Waiting time while under engagement, for each 33.1 seconds	\$0.25
For each package or piece of luggage handled by driver in excess of four (4) pieces	\$0.30
Wheelchairs, walkers, etc.	No Charge
Debit Service Charge	Up to \$1.75

T.N.C.s establish fare structures akin to municipally-regulated tariffs for taxi services in that they often have a fare structure which includes a base fare, a minimum fare, fares calculated by distance travelled and time engaged. In addition to this structure, T.N.C.s leverage data to implement dynamic pricing whereby in periods of higher demand, “surge” pricing (price multiplier) comes into effect. This is to attract more T.N.C. drivers into the high-demand area and to encourage customers who can wait until demand decreases to arrange rides at a lower fare. T.N.C.s provide fare estimates, including notifications that surge pricing is in effect, to their customers prior to requesting a ride when they engage the T.N.C.’s mobile app.

Option “A” recommends permitting T.N.C.s the ability to establish their own fare schedules which would facilitate dynamic pricing or lower rates during periods of low demand and surge pricing, or higher rates, during periods of high demand. Additionally, T.N.C.s will be required to provide pricing details and cost estimates in advance of arranging a trip and

that a receipt providing particulars (e.g. total fare, distance, etc.) be provided to the customer.

Under Option “A” fares for taxicab rides arranged by street hail will continue to be regulated in accordance with the rates established in the T.L.B. This is premised on the notion that a cost estimate of a ride arranged through street hail could not be provided in a timely manner. In other words, the customer would have a limited ability to make an informed decision on whether or not they wish to arrange a ride as a cost estimate would not be available at the time of the street hail. Moreover, both Taxicab Brokers have requested that the City continue to regulate taxicab tariffs at their existing rates. Additionally, one (1) Taxicab Broker has requested the ability for its drivers to charge a cleaning fee in cases where the client(s) fouls the taxicab; Option “A” recommends that such a fee be established.

Option “A” would similarly permit Taxicab Drivers to offer discounts off the metered rate according to the conditions as detailed in report (CORP-15-60, **Attachment 5**):

- A discount is optional and not mandatory.
- The discount can be applied to anyone at the driver’s discretion.
- The taximeter must be operated for the duration of the trip, and the rate charged must not be higher than the metered rate.
- Harmonized Sales Tax (H.S.T.) must be included in the agreed discounted rate and not added after.
- Taxicab drivers are prohibited from offering discounts to passengers already seated inside another licensed taxicab.

Both Taxicab Brokers supported permitting Taxicab Drivers to offer discounts subject to the conditions detailed above. Fares for D.D. and Limousine services would continue to be negotiated under Option “A” as D.D. Services are provided in a customer’s vehicle and the installation of taximeters to facilitate the regulated rates would not be feasible and Limousines enter into a contract prior to the provision of Limousine services. **Table 12** details the existing versus proposed standards for regulating fares/rates.

The principle intent of the proposed amendments to fares/rates in Option “A” is to provide greater flexibility for V.F.H. companies and choice for customers while addressing consumer protection concerns. It is important to emphasize that under Option “A” consumer protection is achieved through the premise that **prior to accepting a ride, the customer is fully informed of the cost of the ride and is able to efficiently determine whether or not they would like to engage the service provider.**

Table 12 Existing Standards v. Option “A” Proposed Standards for Regulating Fares

	Existing Standard			Option “A”			
	Taxi	T.N.C. ²²	D.D.	Taxi	T.N.C.	D.D.	Limo
Regulated Fare	✓			✓			
Negotiated Fare			✓			✓	✓
Company-Established Fare Model		✓			✓		
Dynamic (“Surge”) Pricing		✓			✓		
Clean up Fee		✓		✓	✓	N/A	N/A

g) Operating Standards

i. Insurance:

Option “A” recommends requiring all V.F.H. industry participants to maintain appropriate insurance at all times (detailed in **Table 13**). Specific to T.N.C.s, appropriate insurance refers to maintaining a provincially-approved fleet auto insurance policies or other applicable provincially-approved insurance products. Fleet auto insurance provides coverage from the moment the T.N.C. mobile app is turned on to the moment passengers exit the vehicle. When the mobile app is turned off, the vehicle owner’s personal auto insurance policy applies.²³ It is incumbent on the T.N.C. driver to notify their personal vehicle insurance company that they are operating as a T.N.C. driver.

Table 13 Existing Standards v. Option “A” Proposed Insurance Requirements

	Existing Standard			Option “A”			
	Taxi	T.N.C. ²⁴	D.D.	Taxi	T.N.C.	D.D.	Limo
Maintain appropriate Insurance	✓	✓	✓	✓	✓	✓	✓

²² While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry.

²³ Ontario, Financial Services Commission of. “Ridesharing and auto insurance in Ontario.” Financial Services Commission of Ontario / Commission des services financiers de l’Ontario, Financial Services Commission of Ontario, Corporate Policy and Public Affairs Branch, 14 Nov. 2018, www.fsco.gov.on.ca/en/auto/Pages/ridesharing-info.aspx. Accessed 11 Apr. 2019.

²⁴ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry. Both Uber and Lyft’s insurance policy is available on the Financial Services Commission of Ontario webpage.

The Superintendent of the Financial Services Commission of Ontario (F.S.C.O.), the provincial regulatory body for insurance and other financial services, has approved fleet auto insurance coverage for the following T.N.C.s (current as of October 2019):

- **Uber** – policy provided by Intact Insurance
- **Lyft** – policy provided by Aviva Insurance Company of Canada
- **RideCo** – policy provided by Northbridge Insurance
- **ecoRIDES** – policy provided by Northbridge Insurance
- **Facedrive** – policy provided by Northbridge Insurance
- **DriveHER** – policy provided by Northbridge Insurance
- **Uride** - policy provided by Northbridge Insurance

It is important to note that staff consulted the City's insurance specialist, Durham Municipal Insurance Pool (D.M.I.P.), who have confirmed that the insurance requirements for T.N.C.s as detailed in Option "A" are appropriate. The insurance policies for each T.N.C. are regularly updated on the F.S.C.O.'s webpage.²⁵

ii. Arranging Rides ("Street Hailing")

Option "A" recommends prohibiting T.N.C. drivers from accepting street hails and limiting the hailing of rides exclusively through the T.N.C.'s mobile app for consumer protection purposes. More specifically, the insurance products detailed above provide coverage only when the mobile app is engaged. The T.N.C. driver's personal automobile insurance policy provides coverage when the mobile app is turned off. Personal automobile insurance excludes coverage for the insured when they are carrying paying passengers and accordingly consumer protection is jeopardized when a T.N.C. driver provides services arranged through street hail.

iii. Prohibiting T.N.C.s from Picking Up Passengers in Taxicab Stands

Taxicab Stands are areas set aside and designated by the City to be used by a taxicab while it is waiting for or picking up goods or passengers. For this exclusive privilege, taxicab owners must pay an annual levy to defray the cost of forgone municipal revenues which could have been received through paid on-street parking. It is recommended that T.N.C. drivers be prohibited from picking up passengers in taxicab stands.

h) T.N.C. Data Requirements and Ensuring Compliance

The T.N.C. would be required to submit any applicable documentation to the City on request for licensing staff to ensure, through an audit process, that the T.N.C. and its drivers are complying with the standards established by the City. This would include, but not be limited to, all driver and vehicle screening documents (e.g. P.R.C., Driver's Abstract, Safety Standards Certificate, etc.) and insurance certificate(s). Similarly, the City would require the T.N.C. to provide anonymized distance, fare, and time (start of trip and end of trip) data for each trip occurring within its municipal boundary. The anonymized data will be

²⁵ F.S.C.O. webpage: <https://www.fsco.gov.on.ca/en/auto/Pages/ridesharing-info.aspx>

regularly reviewed and enable the City to adjust its cost recovery model and to inform municipal planning purposes.

Option “A” would require T.N.C.s to provide passenger/driver accounts for staff to conduct compliance inspections. Moreover, T.N.C.s would be required to restrict a T.N.C. driver’s access to the T.N.C.’s mobile app and provide proof upon being notified by the City that the driver and/or their vehicle is being operated in a manner that negatively impacts the public interests and City’s regulatory objectives as outlined in Section 5.5. If cases of non-compliance are identified, the City may utilize a broad range of compliance tools including:

- education;
- issuing Provincial Offences Act tickets or A.M.P.s;
- suspending and revoking business licenses; and,
- requiring the T.N.C. to suspend a T.N.C. Driver’s access to the T.N.C. mobile app.

i) Option “A” - Licensing Fees and Cost Recovery

The proposed fee schedule, detailed in **Table 14**, is premised on the notion of achieving full-cost recovery for the administration of the V.F.H. licensing system. Staff would review the licensing fees periodically and propose applicable amendments to ensure that full-cost recovery was achieved.

Table 14 Proposed Licensing Fee Schedule for Option “A”

V.F.H. Licence Class	Proposed Licensing Fee (Annual fee unless otherwise noted)	New or Existing Fee?
T.N.C. Licence	Licence Fee (based on the number of drivers affiliated with the T.N.C.): <ul style="list-style-type: none"> • 1 to 100 drivers: \$5,000 • 101 to 500 drivers: \$10,000 • 501 to 1000 drivers: \$15,000 • 1001 or more drivers: \$50,000 Per Trip Fee (to be remitted quarterly): \$0.11	New Fee
V.F.H. Driver (Taxi, D.D., Limousine)	\$75	New Fee
Taxicab Broker	\$250	Existing Fee
Taxicab Owner	\$250	Existing Fee
D.D. Broker	\$250	Existing Fee
Limousine Owner	\$250	New Fee

5.7.2 Option “B” Regulate T.N.C. under a Taxi and D.D. licensing framework within the T.L.B. and Business Licensing By-law

Presently, the City’s T.L.B. and Business Licensing By-law 120-2005 regulate Taxicabs and D.D. services respectively. Under the current regulatory framework, T.N.C. drivers are

considered to be operating “taxicabs” contrary to the T.L.B. when providing T.N.C. services, as they are not currently licensed.

The existing framework would essentially prevent T.N.C.s from operating, in their current form, within the City. This is because T.N.C. vehicles are considered as taxicabs under the T.L.B. and, in essence, no new taxicabs are permitted to operate based on the Owner Plate limits established in Section 10.3.1 of the T.L.B. A review of the existing regulatory framework confirms that T.N.C.s would be unable to operate in the City of Oshawa given that Section 10.3.1 of the T.L.B. limits the number of Owner Plates, and therefore Taxicabs, within the City based on a ratio of one (1) Owner Plate per fifteen-hundred (1,500) residents in the City of Oshawa. The number of Owner Plates by Type is detailed in **Table 15**.

Table 15 Number of Taxicab Plates by Type

Type of Owner Plate	Transferable	Number of Plates/Taxicabs
Standard Plate (“Sedan Taxicab”)	Yes	87
Executive Plates (“Sedan Taxicab”)	No	7
Accessible Plate (“Accessible Taxicab”)	No	14
Total	Not Applicable	108

The ratio is determined by the latest revised population figures available from Statistics Canada (annual estimates and the five-year actuals). Staff contacted Statistics Canada who informed that their latest population figures are from the 2016 Census which is 159,458. Accordingly, the limit on the total number of Owner Plates is presently 106 and therefore **no additional Executive Plates²⁶ may be issued**. It is important to note that City Council has in the past approved number of Executive and Accessible Plates in excess of the Owner Plate limit.

In addition to the limit on the number of Taxicab Owner Plates, there are several regulations designed specifically to apply to the Taxi Industry which present significant barriers for the operation of T.N.C. including, but not limited to, requiring the vehicle to be:

- equipped with a taxicab meter;
- in operation not less than thirty-five (35) hours per week at all times. Taxicabs may not comply with this requirement for a period of up to eight (8) weeks, consecutive or intermittently, in one (1) licence year without violating this requirement; and
- equipped with security systems such as emergency lights or Global Positioning System for monitoring the position of the taxicab at all times.

Option “B” would regulate T.N.C. under the City’s existing regulatory framework established in the T.L.B. Furthermore, it is proposed that the T.L.B. be amended to:

²⁶ Section 10.3.4 of the T.L.B. states that only Executive Plates will be issued.

- remove requirement for refresher Driver Training for Taxicab Drivers;
- permit Taxicab Drivers to offer discounts to customers off the metered rate subject to certain conditions as detailed in CORP-15-60 (**Attachment 5**);
- implement other minor technical amendments related to the Taxi Industry as detailed in Section 5.7.3; and,
- maintain existing Taxicab Plate Owner Limits for Standard Plates and Executive Plates and remove the Plate Owner Limits for Accessible Taxicab Plates as detailed in Section 5.7.4.

5.7.3 Modernizing Standards Respecting the Taxi Industry (Applies to Both Options “A” and “B”)

Other technical amendments would be implemented to modernize the existing standards related to the Taxi Industry which would apply to both Options “A” and Options “B”. These technical amendments include but are not limited to:

- updating definitions and references;
- removing dress and deportment standards for Taxicab Drivers;
- removing interior minimum dimension standards to permit the Taxi Industry to use a broader selection of vehicle makes and models as Taxicabs;
- removing outdated licensing administrative requirements (e.g. submitting passport photos) and taxicab standards (e.g. keeping a current street guide, maintaining written trip sheets as opposed to electronic trip sheets, etc.); and,
- establishing an Administrative Monetary Penalty (A.M.P.) system.

5.7.4 Taxicab Owner Plate Limits and Accessible Taxicab Plates (Applies to Both Options “A” and “B”)

The V.F.H. Modernization Review considered the issue of the Owner Plate limits which, as mentioned earlier, limits the number of taxicabs operating within the City of Oshawa. The Owner Plate limit, established in Section 10.3.1 of the T.L.B., applies to all types of Taxicab Plates (Standard, Executive, and Accessible) and has been historically established for the following reasons:

- addresses concerns related to the oversaturation of the market and provides an opportunity for Taxicab Drivers to earn a reasonable income;
- the Taxi Industry has supported maintaining the Owner Plate limit; and,
- it reduces the licensing administration for the City as there is a fixed number of taxicabs for the City to inspect, license, and enforce.

After considering the aforementioned reasons for maintaining the Owner Plate Limit, it is recommended that the City maintain the existing Owner Plate limits as prescribed in Section 10.3 of the T.L.B. for Standard and Executive Plates only. It is further recommended that the Owner Plate limit not be applied to the issuance of Accessible

Taxicab Plates. The Review also considered requests from both Taxicab Brokers concerning the issuance of additional Accessible Taxicab Plates to enhance on-demand accessible taxicab services in the City. One (1) Taxicab Broker requested four (4) to six (6) Accessible Taxicab Plates and another requested five (5) to ten (10). This Review also responds to the Corporate Services Committee's March 25, 2019 direction:

"That Report CORP-19-47 concerning additional taxicab plates for City Wide Taxi be referred back to staff to bring forward a recommendation concerning the number of plates to be made available and if the plates will be offered to other taxi companies."

Staff consulted both Taxicab Brokers on the issuance to additional Accessible Taxicab Plates and both were agreeable to excluding Accessible Taxicab Plates from the existing Owner Plate Limit but preferred to have the issuance of additional Accessible Taxicab Plates to the Broker and be managed on a case-by-case basis. A concern that was brought forward by one (1) Taxicab Broker was that it believed that the Broker would be more capable of ensuring that the accessible taxicab driver was appropriately trained and qualified.

After careful consideration, it is recommended that the Owner Plate limits not be applied to the issuance of Accessible Taxicab Plates and that any individual or Taxicab Broker should be permitted to apply for and qualify to operate an Accessible Taxicab. This recommendation would apply to Options "A" and "B" and is premised on the following:

- More than fifteen (15) percent of Ontarians have a disability, and that number will continue to rise as our population ages.
- While staff did not consult the Oshawa Accessibility Advisory Committee (O.A.A.C.) as part of this Process given that the initial phase of this Process was limited to consulting V.F.H. Industry-specific Stakeholders, staff are aware of concerns related to excessive wait times and a demand for more Accessible Taxicabs through past consultations and complaints received from the community.
- One (1) Taxicab Broker stated that the existing on-demand Accessible Taxicab service is limited and depending on the time of day, the wait for an on-demand Accessible Taxicab can be up to thirty (30) minutes.
- The majority of Accessible Taxicabs are being used on contract to Durham Region Transit.
- Staff are not able to determine the appropriate number of additional Accessible Taxicab Plates to be issued at this time.
- Currently, Taxicab Owners must be affiliated to a Taxicab Broker and Taxicab Drivers must be affiliated with the Taxicab Owner. Given this connection, and pursuant to the proposal to require Taxicab Brokers to provide industry-appropriate training to their affiliated Taxicab Drivers, the Taxicab Brokers would be able to ensure that its Taxicab Driver are appropriately trained.
- Concerns relating to the oversaturation of Accessible Taxicabs may be mitigated given that the financial cost to purchasing and operating an accessible vehicle or

retrofitting an existing vehicle is high. For instance, a 2015 study commissioned by the City of Ottawa found that the average cost of a three (3) year-old sedan taxicab was \$15,000 compared to \$40,000 for an accessible taxicab of the same year. Furthermore, when it came to daily operating costs, the sedan taxicab's cost was approximately \$123.03 compared to the accessible taxicabs \$196.86.

6.0 Financial Implications

There are no direct financial implications related to the recommendations in this report. Notwithstanding this, a full costing of the recommended regulatory option will be undertaken in the subsequent report.


7.0 Relationship to the Oshawa Strategic Plan

The recommendation in this report respond to the following goals within the Oshawa Strategic Plan:

- 4.1 Economic Prosperity and Financial Stewardship; and,
- 4.2 Accountable Leadership.











Brenda Jeffs, Interim Director,
Municipal Law Enforcement and Licensing Services



Tracy Adams, Commissioner,
Corporate Services Department

Summary of Vehicle-for-Hire (V.F.H.) Proposed Regulatory Options

CORP-19-96
Attachment 1

<p>Option “A”</p> <p>Establish a new V.F.H. By-law</p>	<p>Option “B”</p> <p>Regulate T.N.C.s under a Taxi and D.D. Licensing Framework</p>
<p>Who is Regulated?</p> <div data-bbox="113 337 1037 526">     </div>	<p>Who is Regulated?</p> <div data-bbox="1066 337 1990 526">     </div>
<p>How Option “A” proposes to regulate the V.F.H. Industry:</p> <p>Harmonizes all V.F.H. standards in an equitable and industry-appropriate manner by developing a new consolidated V.F.H. By-law governing all V.F.H. Industry Participants.</p>	<p>How Option “B” proposes to regulate the V.F.H. Industry:</p> <p>Essentially Prevents T.N.C.s from operating in their current form in Oshawa by regulating T.N.C.s using existing standards in the Taxicab Licensing By-law and Business Licensing By-law specific to the Taxi Industry and D.D. Industry respectively.</p>
<p>Key Proposals applicable to Option “A”:</p> <ul style="list-style-type: none"> • Creation of a consolidated V.F.H. Driver’s Licence for Taxicab Drivers, Designated Drivers and Limousine Drivers • Streamlines Driver screening process – all V.F.H. drivers only required to submit “Level 2” Police Record Check and Drivers Abstract on annual basis • T.N.C. permitted to screen its Drivers and Vehicles based on City’s standards; T.N.C. screening is subject to City audits • Brokers/Companies are responsible for driver training • All vehicles (except D.D.s) subject to annual mechanical safety checks and appropriate insurance requirements • T.N.C.s prohibited from picking up street hails and from Taxi Stands 	<p>Key Proposals applicable to Option “B”</p> <ul style="list-style-type: none"> • Maintaining current licensing classes for Taxicab and Designated Drivers and requiring all T.N.C. drivers to apply for a City of Oshawa Taxicab Driver’s Licence • Maintaining current Taxicab and Designated Driver screening requirements • Maintaining current City-administered Taxicab Driver Training for all new Taxicab Drivers • Requiring all T.N.C. vehicles to comply with Taxicab vehicle standards including, but not limited to: municipal inspections, plate limits, installation of taxicab meters and security systems
<p>Key proposals applicable to Both Options “A” and “B”:</p> <ul style="list-style-type: none"> • Removes City-administered Taxicab Refresher Driver Training requirement • Permits Taxicab Drivers to offer discounts off the metered rate subject to conditions • Establishes Administrative Monetary Penalties • Permits any individual/Broker to apply for an Accessible Taxicab Plate • Implements other technical amendments related to Taxi Industry 	

Comparison of Proposed Vehicle-for-Hire (V.F.H.) Regulatory Options

1) V.F.H. Licensing Framework

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ¹	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Broker/ Company	City Licenses	Not Currently Licensed	City Licenses	Not Licensed	City Licenses	City Licenses	City Licenses	N/A	City Licenses	City Licenses	City Licenses	Not Licensed	Not Licensed	City Licenses	City Licenses	N/A
Vehicle Owner	City Licenses	Not Currently Licensed	N/A	Not Licensed	City Licenses	N/A	N/A	City Licenses	City Licenses	City Licenses	N/A	Not Licensed	City Licenses	N/A	N/A	City Licenses
Driver	City Licenses	Not Currently Licensed	City Licenses	Not Licensed	City Licenses	T.N.C. Screens Drivers on City’s Behalf	City Licenses	City Licenses	City Licenses	City Licenses	City Licenses	Not Licensed	City Licenses	T.N.C. Screens Drivers on City’s Behalf	City Licenses	City Licenses

2) V.F.H. Driver Screening Standards

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ²	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Police Record Check (P.R.C.) ³	✔	✔	✔	Not Licensed	✔	✔	✔	✔	✔	✔	✔	Not Licensed	✔	✔	✔	✔
Vulnerable Sector Check ⁴	✔		✔	Not Licensed					✔	✔	✔	Not Licensed				
Driver’s Abstract	✔	✔	✔	Not Licensed	✔	✔	✔	✔	✔	✔	✔	Not Licensed	✔	✔	✔	✔
Medical Clearance Letter	✔		✔	Not Licensed					✔	✔	✔	Not Licensed				
Age 25+			✔	Not Licensed							✔	Not Licensed				
Frequency of Driver Screening	Every 2 years	Annual	Every 2 years	Not Licensed	Annual	Annual	Annual	Annual	Every 2 years	Every 2 years	Every 2 years	Not Licensed	Annual	Annual	Annual	Annual

¹ While the Taxicab Licensing By-law 50-2003 (T.L.B.) did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

² While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

³ Refers to a Criminal Record and Judicial Matters Check P.R.C. which includes criminal convictions in Canada and summary convictions over the past five (5) years as well as pending entries such as charges or warrants, judicial orders, Probation Orders, etc.

⁴ Includes all information disclosed in the P.R.C.; pending entries such as charges or warrants, judicial orders, Probation Orders etc.; and all record suspensions (pardons), including for Part V Sexual Offences as authorized for release by the Minister of Public Safety.

3) Driver Training and Standard First Aid

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ⁵	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Driver Training	✔	✔	N/A	Not Licensed	Broker provided	T.N.C. provided			✔ No refresher	✔ No refresher	N/A	Not Licensed				
Accessibility Training	✔			Not Licensed	Broker provided	T.N.C. provided			✔	✔	N/A	Not Licensed				
Standard First Aid (with C.P.R. Level “C”)	✔		N/A	Not Licensed					✔	✔	N/A	Not Licensed				

4) Proposed Vehicle Operating Standards

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ⁶	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Safety Standards Certificate	✔	✔	N/A	Not Licensed	✔	✔	N/A	✔	✔	✔	N/A	Not Licensed	✔	✔	N/A	✔
Vehicle Age Limit (10 years)	✔	✔	N/A	Not Licensed	✔	✔	N/A	✔	✔	✔	N/A	Not Licensed			N/A	
Vehicle Door Limit (4 or more)	✔	✔	N/A	Not Licensed			N/A		✔	✔	N/A	Not Licensed			N/A	
Municipal Inspections (once a year plus audit)	✔	N/A	N/A	Not Licensed	✔ ⁷	N/A	N/A		✔	✔	N/A	Not Licensed	✔ ⁸		N/A	
Decals, Vehicle Markings, and Plates	✔		✔	Not Licensed	✔	✔	City-Issued Sign Only	City-Issued Plate Only	✔	✔	✔	Not Licensed	City-Issued Plate Only		City-Issued Sign Only	City-Issued Plate Only
Security Devices (e.g. Emergency Lights or G.P.S.)	✔		N/A	Not Licensed	✔		N/A		✔	✔	N/A	Not Licensed			N/A	
Frequency of Vehicle Screening	Annual	Annual	N/A	Not Licensed	Annual	Annual	N/A	Annual	Annual	Annual	N/A	Not Licensed	Annual	Annual	N/A	Annual

⁵ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

⁶ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

⁷ For taximeter inspection and accessible taxicabs (Compliance with Ontario Regulation 629: Accessible Vehicles under the Highway Traffic Act, R.S.O 1990, c. H.8) only.

⁸ For accessible taxicabs only (Compliance with Ontario Regulation 629: Accessible Vehicles under the Highway Traffic Act, R.S.O 1990, c. H.8).

5) Tariffs/Fares

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ⁹	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
City-Regulated Fare	✔			Not Licensed	✔				✔	✔		Not Licensed				
Company-Established or Negotiated Fare Model		✔	✔	Not Licensed		✔	✔	✔			✔	Not Licensed	✔	✔	✔	✔
Discounts Permitted		✔	✔	Not Licensed	✔	✔	✔	✔			✔	Not Licensed	✔	✔	✔	✔
Dynamic (“Surge”) Pricing		✔	✔	Not Licensed		✔	✔	✔			✔	Not Licensed	✔	✔	✔	✔
Clean up Fee		✔	✔	Not Licensed	✔	✔	✔	✔			N/A	Not Licensed	✔	✔	✔	✔

6) Other Operating Standards

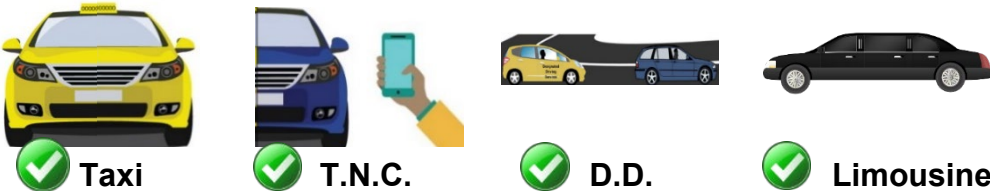


	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ¹⁰	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Maintain Appropriate Insurance	✔	✔	✔	Not Licensed	✔	✔	✔	✔	✔	✔	✔	Not Licensed	✔	✔	✔	✔
Street Hailing	✔			Not Licensed	✔				✔	✔		Not Licensed	✔			✔
Picking up at Taxicab Stands	✔			Not Licensed	✔				✔	✔		Not Licensed	✔			
Data Requirements				Not Licensed		✔						Not Licensed		✔		

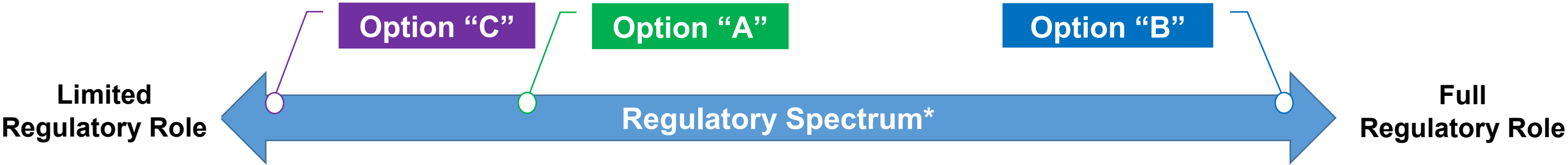
7) Plate Limits

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ¹¹	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Sedan Vehicles	✔			Not Licensed	✔				✔	✔		Not Licensed				
Accessible Vehicles	✔			Not Licensed					✔	✔		Not Licensed				

⁹ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.
¹⁰ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.
¹¹ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

Vehicle-for-Hire (V.F.H.) Modernization Review: Proposed Options

Option "A" Establish a new V.F.H. By-law	Option "B" Regulate T.N.C.s under a Taxi and D.D. Licensing Framework	Option "C" Limited Regulatory Role
Who is Regulated? 	Who is Regulated? 	Who is Regulated? 
How Option "A" proposes to regulate the V.F.H. Industry: Harmonizes all V.F.H. standards in an equitable and industry-appropriate manner	How Option "B" proposes to regulate the V.F.H. Industry: Essentially Prevents T.N.C.s from operating in their current form in Oshawa by regulating T.N.C.s using existing standards in the Taxicab Licensing By-law specific to the Taxi Industry	How Option "C" proposes to regulate the V.F.H. Industry: Limits standards to those that are critical to addressing health and safety and consumer protection and legislative requirements.
Key Proposals applicable to Option "A": <ul style="list-style-type: none">Streamlines Driver Screening Process – all V.F.H. drivers only required to submit "Level 2" Police Record Check and Drivers Abstract on annual basisT.N.C. permitted to screen its Drivers based on City criteria; Driver screening are subject to City audits.Brokers/Companies are responsible for driver trainingAll Vehicles (except D.D.s) subject to annual mechanical safety checks and appropriate insurance requirementsT.N.C.s prohibited from picking up street hails and from Taxi Stands.		Key Proposals applicable to Option "C": <ul style="list-style-type: none">Streamlines Driver Screening Process – all V.F.H. drivers only required to submit "Level 2" Police Record Check and Drivers Abstract on annual basisT.N.C. permitted to screen its Drivers based on City criteria; Driver screening are subject to City audits.All Vehicles (except D.D.s) subject to annual mechanical safety checks and appropriate insurance requirementsT.N.C.s prohibited from picking up street hails and from Taxi Stands.Establishes Administrative Monetary Penalties
Key proposals applicable to Both Options "A" and "B": <ul style="list-style-type: none">Removes Taxicab Refresher Driver Training RequirementPermits Taxicab Drivers to Offer Discounts off the Metered rate subject to conditionsEstablishes Administrative Monetary PenaltiesPermits any individual/Broker to apply for an Accessible Taxicab PlateImplements other technical amendments related to Taxi Industry		
Removes: <ul style="list-style-type: none">Driver training requirementsCity-regulated fares/tariffs for TaxicabsPlate limits for TaxicabsLicensing for Taxicab Brokers		



*Note: For illustrative purposes only.

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Comparison of Proposed Vehicle-for-Hire (V.F.H.) Regulatory Options

1) V.F.H. Licensing Framework

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ¹	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Broker/ Company	City Licenses	Not Currently Licensed	City Licenses	Not Licensed	City Licenses	City Licenses	City Licenses	N/A	City Licenses	City Licenses	City Licenses	Not Licensed	Not Licensed	City Licenses	City Licenses	N/A
Vehicle Owner	City Licenses	Not Currently Licensed	N/A	Not Licensed	City Licenses	N/A	N/A	City Licenses	City Licenses	City Licenses	N/A	Not Licensed	City Licenses	N/A	N/A	City Licenses
Driver	City Licenses	Not Currently Licensed	City Licenses	Not Licensed	City Licenses	T.N.C. Screens Drivers on City’s Behalf	City Licenses	City Licenses	City Licenses	City Licenses	City Licenses	Not Licensed	City Licenses	T.N.C. Screens Drivers on City’s Behalf	City Licenses	City Licenses

2) V.F.H. Driver Screening Standards

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ²	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Police Record Check (P.R.C.) ³	✔	✔	✔	Not Licensed	✔	✔	✔	✔	✔	✔	✔	Not Licensed	✔	✔	✔	✔
Vulnerable Sector Check ⁴	✔		✔	Not Licensed					✔	✔	✔	Not Licensed				
Driver’s Abstract	✔	✔	✔	Not Licensed	✔	✔	✔	✔	✔	✔	✔	Not Licensed	✔	✔	✔	✔
Medical Clearance Letter	✔		✔	Not Licensed					✔	✔	✔	Not Licensed				
Age 25+			✔	Not Licensed							✔	Not Licensed				
Frequency of Driver Screening	Every 2 years	Annual	Every 2 years	Not Licensed	Annual	Annual	Annual	Annual	Every 2 years	Every 2 years	Every 2 years	Not Licensed	Annual	Annual	Annual	Annual

¹ While the Taxicab Licensing By-law 50-2003 (T.L.B.) did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

² While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

³ Refers to a Criminal Record and Judicial Matters Check P.R.C. which includes criminal convictions in Canada and summary convictions over the past five (5) years as well as pending entries such as charges or warrants, judicial orders, Probation Orders, etc.

⁴ Includes all information disclosed in the P.R.C.; pending entries such as charges or warrants, judicial orders, Probation Orders etc.; and all record suspensions (pardons), including for Part V Sexual Offences as authorized for release by the Minister of Public Safety.

3) Driver Training and Standard First Aid

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ⁵	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Driver Training	✔	✔	N/A	Not Licensed	Broker provided	T.N.C. provided			✔ No refresher	✔ No refresher	N/A	Not Licensed				
Accessibility Training	✔			Not Licensed	Broker provided	T.N.C. provided			✔	✔	N/A	Not Licensed				
Standard First Aid (with C.P.R. Level “C”)	✔		N/A	Not Licensed					✔	✔	N/A	Not Licensed				

4) Proposed Vehicle Operating Standards

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ⁶	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Safety Standards Certificate	✔	✔	N/A	Not Licensed	✔	✔	N/A	✔	✔	✔	N/A	Not Licensed	✔	✔	N/A	✔
Vehicle Age Limit (10 years)	✔	✔	N/A	Not Licensed	✔	✔	N/A	✔	✔	✔	N/A	Not Licensed			N/A	
Vehicle Door Limit (4 or more)	✔	✔	N/A	Not Licensed			N/A		✔	✔	N/A	Not Licensed			N/A	
Municipal Inspections (once a year plus audit)	✔	N/A	N/A	Not Licensed	✔ ⁷	N/A	N/A		✔	✔	N/A	Not Licensed	✔ ⁸		N/A	
Decals, Vehicle Markings, and Plates	✔		✔	Not Licensed	✔	✔	City-Issued Sign Only	City-Issued Plate Only	✔	✔	✔	Not Licensed	City-Issued Plate Only		City-Issued Sign Only	City-Issued Plate Only
Security Devices (e.g. Emergency Lights or G.P.S.)	✔		N/A	Not Licensed	✔		N/A		✔	✔	N/A	Not Licensed			N/A	
Frequency of Vehicle Screening	Annual	Annual	N/A	Not Licensed	Annual	Annual	N/A	Annual	Annual	Annual	N/A	Not Licensed	Annual	Annual	N/A	Annual

⁵ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

⁶ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

⁷ For taximeter inspection and accessible taxicabs (Compliance with Ontario Regulation 629: Accessible Vehicles under the Highway Traffic Act, R.S.O 1990, c. H.8) only.

⁸ For accessible taxicabs only (Compliance with Ontario Regulation 629: Accessible Vehicles under the Highway Traffic Act, R.S.O 1990, c. H.8).

5) Tariffs/Fares

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ⁹	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
City-Regulated Fare	✔			Not Licensed	✔				✔	✔		Not Licensed				
Company-Established or Negotiated Fare Model		✔	✔	Not Licensed		✔	✔	✔			✔	Not Licensed	✔	✔	✔	✔
Discounts Permitted		✔	✔	Not Licensed	✔	✔	✔	✔			✔	Not Licensed	✔	✔	✔	✔
Dynamic (“Surge”) Pricing		✔	✔	Not Licensed		✔	✔	✔			✔	Not Licensed	✔	✔	✔	✔
Clean up Fee		✔	✔	Not Licensed	✔	✔	✔	✔			N/A	Not Licensed	✔	✔	✔	✔

6) Other Operating Standards

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ¹⁰	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Maintain Appropriate Insurance	✔	✔	✔	Not Licensed	✔	✔	✔	✔	✔	✔	✔	Not Licensed	✔	✔	✔	✔
Street Hailing	✔			Not Licensed	✔				✔	✔		Not Licensed	✔			✔
Picking up at Taxicab Stands	✔			Not Licensed	✔				✔	✔		Not Licensed	✔			
Data Requirements				Not Licensed		✔						Not Licensed		✔		

7) Plate Limits

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ¹¹	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Sedan Vehicles	✔			Not Licensed	✔				✔	✔		Not Licensed				
Accessible Vehicles	✔			Not Licensed					✔	✔		Not Licensed				

⁹ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.
¹⁰ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.
¹¹ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

8) Proposed Licensing Fees

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ¹²	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Broker/ Company	\$250 (Annual)	\$250 (Annual)	\$250 (Annual)	Not Licensed	\$250 (Annual)	See Table 1	\$250 (Annual)	N/A	\$250 (Annual)	\$250 (Annual)	\$250 (Annual)	Not Licensed	Not Licensed	See Table 1	\$250 (Annual)	N/A
Vehicle Owner	\$250 (Annual)	\$250 (Annual)	N/A	Not Licensed	\$250 (Annual)	See Table 1	\$250 (Annual)	\$250 (Annual)	\$250 (Annual)	\$250 (Annual)	N/A	Not Licensed	\$250 (Annual)	See Table 1	\$250 (Annual)	\$250 (Annual)
Driver	\$150 (2 year)	\$150 (2 year)	\$150 (2 year)	Not Licensed	\$75 (Annual)	See Table 1	\$75 (Annual)	\$75 (Annual)	\$150 (2 year)	\$150 (2 year)	\$150 (2 year)	Not Licensed	\$75 (Annual)	See Table 1	\$75 (Annual)	\$75 (Annual)

Table 1 Proposed Licensing Fees for T.N.C.s

Type of Fee	Fee
Licence Fee (based on number of drivers affiliated with T.N.C.)	<ul style="list-style-type: none">1 to 100 drivers: \$5,000101 to 500 drivers: \$10,000501 to 1000 drivers: \$15,0001000 or more drivers: \$50,000
Per Trip Fee	\$0.11

9) Proposed Penalties

	Current State				Option “A”				Option “B”				Option “C”			
	Taxi	T.N.C. ¹³	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo	Taxi	T.N.C.	D.D.	Limo
Administrative Penalties (A.M.P.)	No	No	Yes	Not Licensed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not Licensed	Yes	Yes	Yes	Yes
Provincial Offence Act (P.O.A.) Set Fines	Yes	Yes	Yes	Not Licensed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not Licensed	Yes	Yes	Yes	Yes

¹² While the Taxicab Licensing By-law 50-2003 (T.L.B.) did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

¹³ While the Taxicab Licensing By-law 50-2003 (T.L.B.) did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

**MEMORANDUM**

TO: Oshawa City Council

SUBJECT: Response to Vehicle-for-Hire by-law review

DATE: July 3, 2020

Introduction

Uber welcomes the opportunity to continue to contribute to this review to provide regulatory certainty for the industry. Uber continues to enjoy a high level of trust within Oshawa. Our operations have provided hundreds of local workers access to a new income opportunity via the Uber app which they could do on their own schedule day or night - weekend or weekday - simply by meeting the regulated safety criteria and then pressing the Go button. These drivers provide safe trips for riders heading to grocery stores, work or school, medical appointments, or home from a night out.

Uber believes that ensuring regulatory consistency between Oshawa and the broader GTA is critical to provide industry certainty and deliver on policy objectives. The current regulatory environment strikes the right balance between enabling innovation and maintaining a safe and reliable marketplace. We are in support of either Option C or Option A.

Response to proposed regulatory options

Uber recommends that Oshawa recognises the material and relevant distinction between taxis and ridesharing (i.e. Option C or A) within any new by-law. Every jurisdiction in Canada recognises this clear distinction. Taxis and ridesharing vehicles have access to different parts of the market, face different risks, and are therefore regulated in different ways.

Ridesharing trips are not anonymous and are GPS-tracked in real time. Riders are provided with the name, photograph, vehicle model and registration number of driver-partners prior to entering the vehicle. Driver-partners are supplied with the name of riders prior to collecting them. Without this exchange of information, the rider is unable to identify their vehicle, and partners are unable to locate the rider.

By comparison, taxi street and rank hails are anonymous and unsupervised. External markings are used to enable the passenger to recognise an accredited vehicle. Camera systems are used to mitigate risks associated with anonymity. These requirements are not applicable to ridesharing, which uses new technology to achieve safety outcomes.

The relevant distinctions between taxi and pre-booked transportation services have long been recognized by Canadian law. No jurisdiction in the country regulates the two services in the same way. This is in recognition of the different risks and roles each play in the vehicle for hire industry as seen below:

Different models, different risks and different mitigation			
	Taxi	Limo	Ridesharing
Passenger identity	Anonymous	Known	Known
Driver identity	Unknown / susceptible to fraud		Known
Fare calculation	Vulnerable to driver interference	Agreed in advance	Automatic with fare estimates available in app
Transaction	Cash	Cash or invoice	Cashless
Navigation	Unguided	Pre-planned	GPS guided and tracked
Feedback system	Ineffective Driver only		Digital and real time Driver and rider
Driver conditions	High upfront costs Low flexibility		Low upfront costs High flexibility
Insurance	Commercial insurance		Commercial insurance provided by the PTC from the moment the driver app is on until it is turned off
Driver background	Criminal background check, minimum age requirement, driver licence status and tenure requirement, and proven safe driving history check (driver abstract).		

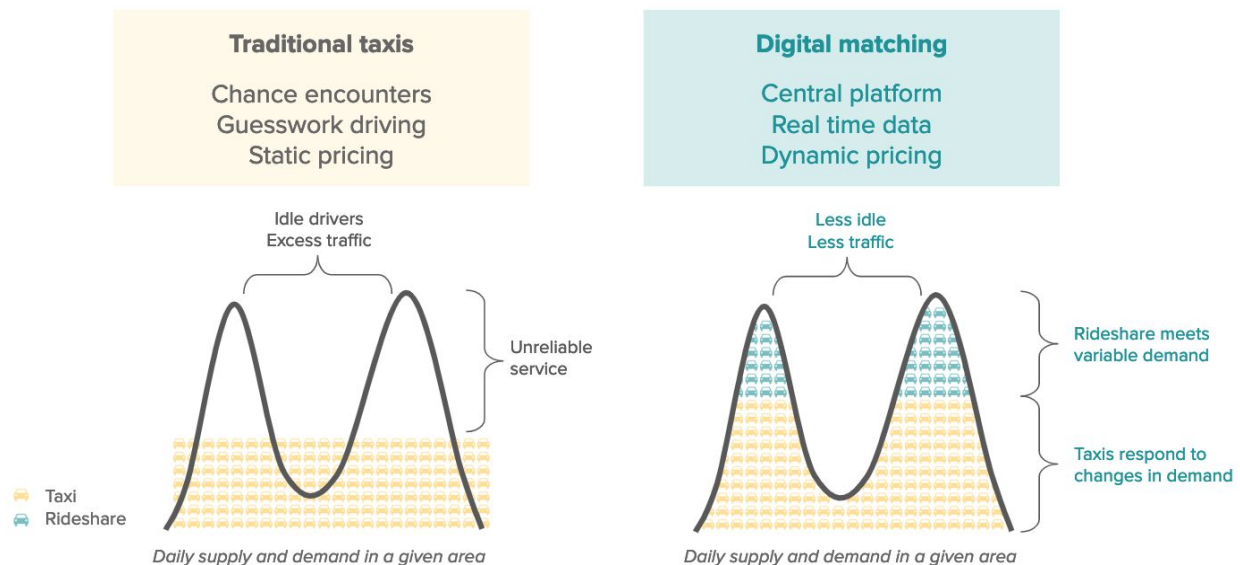
Service availability and choice

A responsive supply of vehicle-for-hire drivers and vehicles is important to ensure high service standards and efficient use of the road. A flexible community of rideshare drivers can respond to variable demand across the week and across the city. App-based technology helps drivers to know when and where they should drive to minimise avoidable congestion and idle time.

Digital applications that power PTCs like Uber help drivers to understand real time passenger demand across the city. They can better plan when and where to drive in response to variable

demand, helping to ensure that vehicles are on the road only when they are needed. Increasingly, taxis are making use of the same technology to respond to customer demand. This avoids the unnecessary congestion and low driver utilization that traditionally characterised the vehicle-for hire-industry.

The introduction of responsive supply addresses a longstanding structural issue with the vehicle-for-hire sector. The taxi industry faces highly variable levels of demand over the course of each day, week and month. Historically, this change in demand was difficult to manage in the taxi industry as the number of vehicles could not change as quickly as demand given high operational costs and inability to know exactly where customers were located. In addition, for the unbooked ‘hail’ taxi market to operate effectively, sufficient taxis must be available around historical key demand hotspots in the hope of finding customers and providing them with reasonable wait times.



Driver competency and training

Historically, prescriptive service quality training was required to drive in the vehicle-for-hire industry. A lack of service differentiation, competition and repeat customers meant there was little commercial incentive for providing a quality service compared to other industries. In response, regulatory requirements were introduced to train drivers on customer service. Despite best endeavours, these have not proven effective. In the absence of meaningful competition there has been historic underperformance in the vehicle-for-hire sector in relation to customer satisfaction within the GTA.¹

¹ City of Toronto, Taxi and Uber Consultation Qualitative Research, 2016 [link](#)

The introduction of ridesharing by-law improved customer service far more effectively than previous attempts through mandatory driver competency/training. By broadening the industry, service providers had the right incentives to deliver good service. Customers have access to a diverse range of pre-booked PTC services, limousines and taxi services. Much like a restaurant or retail store, if a customer receives good service, they will often use the brand again. If they receive poor service, they will not. This has raised standards across the board, with industry participants striving hard to provide quality service to attract new customers and ensure repeat customers. The industry has grown, customer feedback has improved and new services have been developed as a direct result.² Reports across Canada have indicated that “Consumers perceive TNC [transport network company] drivers as offering a higher quality of customer service than traditional taxi drivers”.³

In response to competitive incentives, service providers have responded to the need for driver service quality improvements in different ways. Taxi Brokers have introduced courses with a focus on improving customer service⁴ and the ability for customers to book using smartphone apps. PTCs have digital identification and actionable two-way feedback to keep people accountable and reward good service. In addition, many offer different pricing and new service offerings, including providing pooled services and taxi services. The development of varying service quality improvements and offerings indicates the regulatory regime is working as intended, delivering more choice and better outcomes for the customer.

In a competitive marketplace, the customer is best able to reward and punish providers based on service quality. The introduction of ridesharing has allowed for this and the substantial growth in the industry alone is proof that standards have markedly improved. In this environment reintroducing mandatory service quality training is unlikely to be effective and will represent a deadweight economic loss for impacted drivers.

Uber Safety Features

We have a variety of policies, processes and partnerships in place and leverage the most advanced safety technology to help keep people safe.

Key safety features include:

- **In-App Safety Toolkit:** Passengers have immediate access to the Uber app’s safety features all in one place, including the ability to share your trip status with friends and family in real time, 24/7 incident support, and an emergency assistance button to call to

² For examples of improved customer satisfaction following the introduction of ridesharing regulations see [link](#)

³ City of Ottawa Taxi and Limousine Regulations and Service Review, "Customer Experience" (October 14, 2015). [Link](#) and City of Calgary, LTACT Citizen Satisfaction 2017 [link](#) and City of Toronto, Taxi and Uber Consultation Qualitative Research, 2016 [link](#)

⁴ Toronto Taxi News website [link](#)

get help if you need it. The app displays your location and trip details, so you can quickly share them with the emergency dispatcher.

- **Engagement with Law Enforcement:** Uber works very closely with law enforcement. We have an online portal just for law enforcement inquiries where law enforcement can put in data and information requests from Uber. Uber also has a Law Enforcement Operations team that works on the ground with local law enforcement.
- **RideCheck:** By using sensors and GPS data, RideCheck can help detect if a trip goes unusually off-course or if a possible crash has occurred. If the app alerts Uber to anything out of the ordinary, they'll reach out to provide riders with the tools to get help.
- **Real-time ID Check:** Uber utilizes facial recognition software to randomly require drivers to take a selfie to ensure that the correct driver is accessing the account.
- **PIN Verification:** We encourage users to double-check the app for their driver's information to ensure they are getting in the right car by matching the license plate number, the car make and model and driver's photo to the information in the app. Uber's newest feature is PIN verification. On some trips, riders will be asked to provide their driver with a unique 4-digit PIN before the trip can start. This helps riders verify that they are getting into the right car.
- **Commitment to Women's Safety:** Uber committed to a multi-year, multi-million dollar campaign to partner with leading sexual assault and domestic violence partners around the world. In Canada, Uber works with organizations such as YWCA Canada, Woman Abuse Council of Toronto, Toronto Rape Crisis Centre, and the Canadian Centre to End Human Trafficking to help keep people safe and end gender-based crimes in our country.
- **Driver Safety:** All the above safety features, including 24/7 support and the emergency button, are available to drivers as well as features like speed limit alerts.

While these represent some of our key safety features at the moment, we are constantly working to improve the safety of our platform, leveraging technology wherever possible.

Cameras in Vehicles

No Canadian city currently requires cameras in ridesharing vehicles, Toronto, Calgary and Ottawa have completed reviews on the matter and determined that cameras are not necessary for business models that only conduct pre-arranged trips and retain appropriate rider and driver information to maintain accountability, such as TNCs. Additional pieces of rationale include:

- TNCs (Uber) and Limos only accept prearranged rides. Limos have historically not required a camera. Uber and Limo are more alike in this regard because trips are pre-arranged.
- Taxis are granted special permission to operate via street hails and accept cash, which has led to a requirement for cameras. Ridesharing drivers are not permitted to accept street hails or accept cash and are at a lower risk.
- Pre-arranged trips through an app (with driver and vehicle information and ratings provided to the customer, and customer identification provided to the driver, with computerized records of the information) provides additional security. Data must be shared with the regulator monthly and retained for law enforcement purposes.
- To work effectively, cameras installed must be tamper proof, always on and only accessible to police. Even then, it raises significant privacy concerns as the same ridesharing vehicles used commercially are also used privately to take family to and from activities and appointments. It would be a significant privacy violation to be recording a family's private activities.

Thank you for your ongoing dialogue and the consideration of our perspectives. As always, we look forward to many more years of partnership between Uber and the City of Oshawa for the benefit of all who live, work and play there.

From: Colin James <cjmilestone@hotmail.com>
Sent: Wednesday, July 8, 2020 3:40 PM
To: Mayor@Oshawa.ca; colinjames@local222.ca
Subject: Vehicle For Hire Standards

As the President of Unifor Local 222 I am speaking on behalf of the drivers of Citywide Taxi in Oshawa. For years we have been disadvantaged by UBER, LYFT and any other ridesharing companies. They do not have to pay the same licensing fees or insurance and do not abide by the same regulations but somehow they are deemed untouchable. Competing with these drivers daily makes our jobs much more stressful just knowing that it is costing us more money out of our pay checks to perform the same jobs for the public. Many of us have grown up in Oshawa and would like to continue to provide good service to the public but it is getting more and more difficult to compete. I commend the City Of Oshawa for having the conversation and allowing us to have a say with your "vehicle for hire standards". We strongly urge you to implement Option B of the 3 regulatory options being considered.

Regulate Transportation Network Companies under a taxi and Designated Driving Licensing framework. This prevents T.N.C.'s from operating in their current form in Oshawa by regulating T.N.C.'s and using existing standards in the taxicab Licensing Bylaw specific to the taxi industry.

This would definitely help the drivers in Oshawa and set an even playing field for those that want to come in to the City Of Oshawa from other communities.

I apologize for sending this letter two days past the deadline but it was mailed to the union hall by one of our members that works for Citywide with a letter asking if I could respond on their behalf. I just received the letter in the mail and realized that the deadline was July 6th. This issue is important to these members and has come up many times over the years so please accept the recommendation with apologies.

In Solidarity,

Colin James

President Of Unifor Local 222

Written Comments from Feedback Forms

Members of the Public

Comments on Option “A” – Establish a New V.F.H. By-law: Harmonizes all V.F.H. standards in an equitable and industry-appropriate manner

- It makes sense to treat TNC and taxis essentially the same. Option A certainly makes sense. The problem is that Option A doesn't wind up regulating anything because it doesn't regulate price. TNC's will find myriad ways to adjust real-world service without breaking the letter-of-the-law. Making it all useless. I don't want to see our roads turn into a slum of gig workers. It reminds me of the red-light windshield washers.
- This would appear to be the most reasonable suggestion.
- while option B is the most fair way to deal with this Option A is most likely the most reasonable option for all involved.
- This is the option I would like to see in place.
- I think this is the best option out of all of them.
- As long as it is in harmony with other Regional standards. Don't make Oshawa a VFH Dead zone in Durham
- All options remove driver training requirements which makes me unwilling to put my life into the hands of the driver.
- Plain and simple it is a tax grab. Please tell us instead the number of accidents and incidents that would necessitate this. These are for the most part low income jobs providing money to people and you would like to take some of this low income wage from them. I have a better idea, why not ensure the people you contract to do the recycling are not the biggest litterers in the city. Right now they are.
- If the new law allows for the taxi companies we still have working in Oshawa to continue to operate at the same level and the new companies do not push them out of their jobs, then yes bring in the laws to cover the change.
- City needs to license TNCs, for public safety. Public safety is at too much risk without vulnerable check on CIR for all VFH! 2-door VFH should not be allowed.
- Reasonable compromise
- too much regulation

- no
- This puts too much regulation into the system and the ridership will end up paying increased fares
- I like this option as it allows a more level playing field, while ensuring proper training etc for public safety.
- This isn't necessary.
- Option A is better than B but keeping the plate limit still maintains the plate monopoly that exists. (There are people who own multiple plates)

Comments on Option “B” – Regulate T.N.C.s under a Taxi and D.D. Licensing Framework: Essentially prevents T.N.C.s from operating in their current form in Oshawa by regulating T.N.C.s using existing standards in the Taxicab Licensing By-law specific to the Taxi Industry

- Not in agreement
- A car-for-hire is a car-for-hire. I've never understood why TNCs would be different than taxis. If I'm hiring a car, I expect it to be a safe car. What that means is city-governed. Why wouldn't it always be so? We limited the number of taxis for a reason. It wasn't because of the colour. There shouldn't be a way around our existing rules, just because some tech company uses a new type of hammer. Option B is, in my mind, maintaining our laws for the very same reasons that we always had the laws, and wanted them in the first place.
- I think that this is the fairest option
- this option is the most fair way to regulate tnc's and taxis which in use and purpose are the same thing.
- This model doesn't address the current needs of the for hire driver apps.
- Traditional Taxi is an outdated and expensive business model. Adding these requirements to VFH will raise costs and encourage Taxi service not to evolve and change
- This just strengthens taxi company monopolies, pads their pockets, and does nothing for the community.
- Too much government oversight that will add to the already high tax burdens the residents of the City of Oshawa pay. Find out where the self interest in this lobbying comes from.
- yes this is fare.

- I feel this would protect those using the services more.
- A limo is a VFH and should not be excluded. All vehicles should be subject to annual safety inspection and a minimum level of insurance. Only dependable/licensed taxis should be allowed to pickup from hails or taxi stands. City should regulate them but does not need to licence DDs. Remove medical clearance (unnecessary beaurocracy) 2 years is too long to go between driver abstract checks for taxis and DDs. Drivers should not be required to have first aid training. Taxis and TNC should be required to have training for dealing with persons with mental health issues. TNCs should not have regulated fare (the fare is already known in advance by the rider)
- no. this is dumb
- no.
- You cannot regulate the future away from Oshawa. Do not do this option, and put Oshawa behind the times.
- I believe the rules should apply to all or none
- yes it should be regulated, dont need uber
- MY OPINION IS THAT ALL TRANSPORTATION COMPANIES SHOULD ALL BE REGULATED AS THE TAXIS DO. I MYSELF FEEL SAFE WHEN I ORDER A TAXI RATHER A DD OR UBER ETC.TAXI COMPANIES HAVE BEEN AROUND A LONG TIME. THEY HAVE FINGER PRINTS DONE, CRIMINAL RECORD, DRIVERS ABSTRACT, CPR COURSE. YOU HAVE A PRETTY GOOD FEELING THAT YOUR BEING DRIVEN BY SOMEONE WHO IS SAFE. WHY ARE DD AND UBER ETC. ANY DIFFERENT THAN THE TAXI DRIVERS?
- Taxi drivers are registered with the city of Oshawa. Mandatory Criminal Checks, finger prints, license, CPR training etc.
- all ride share and/or taxi company should require, full back-round checks, active certificate in first aid in case of medical emergency. as well as same flat rate fees before adding in their destination for fair and even field when searching for a taxi, D.D, or T.N.C
- Option b
- I feel much more safer getting in a vehicle that I know has been properly regulated.
- This seems more open to legal challenge in terms of fairness, and I think ignores the reality of ride share companies being there already.
- This is NOT the way to go.

- I'm a retired cab driver and I much prefer using cabs as opposed to Uber etc. as they are much better regulated and monitored by the city for safety etc.
- This is only fair to everyone in transportation industry
- Option B might seem the fair way because it imposes existing rules and regulations across the board. But the existing rules and regulations are not fair to everyone because of inherent flaws in the system.

Comments on Option "C" – Limited Regulatory Role: Limits standards to those that are critical to addressing health and safety and consumer protection and legislative requirements.

- Option C is very simply the removal of [almost] all the laws. I have zero confidence that this industry can manage itself. Cars break. Prices change. We'll have thousands more of these cars -- why wouldn't each and every teenager with a drivers' licence list themselves for the few extra bucks? Throwing out every law we've ever had isn't a solution to anything.
- This option is unacceptable to the public as it will see a reduction in taxis on the road due to over saturation. Restricting the number of taxis and/or tnc's is essential to keeping the business viable for all/
- More or less regulation seems always to be the options. What about just the minimum amount of the right regulations. This enables industries to grow and safely serve the PUBLIC interest. Not all legacy industries should be 'protected' at all costs. Business generally should be allowed to flourish or fail on their own. A free market allows for this.
- No because there needs to be more regulations that make it a fair playing field for all.
- TNC's have become an essential service. Designated driver services specifically play a significant role in providing an option for customers and their vehicles to get home safely when alcohol has been consumed. As the vehicle owner's insurance is primary for this option, they shouldn't be regulated the same as the taxi industry. It adds a financial burden that is not included in other territorial jurisdictions thereby putting the public at greater risk when this service is not available.
- Best Option
- I choose Option C as I want to feel safe no matter what paid vehicle I enter.
- yes
- Minimal is best. Give some examples of what has happened to necessitate any of this outside of complaints by the taxi cab industry that has the best ability to avoid

taxation. Driver Apps are easy to audit and as such maximize revenue for prov and fed governments.

- yes this should be included
- This scares me - interpretation of 'critical to health' and expectations can lead to unsafe actions.
- City needs to license TNCs, for public safety. Public safety is at too much risk without vulnerable check on CIR for all VFH. 2-door VFH should not be allowed. Taxis need more than just the plate at the back. Vehicle signage is necessary. Taxi fair should be regulated in all cases.
- I favour this option.
- Yes
- This is the ideal path forward.
- This doesn't seem to ensure public safety sufficiently in my opinion.
- This is the ideal option. There's no need to be regulating or providing by-laws against TNCs like Uber and Lyft. They're operating just fine, and are actually more cost effective for people and SAFER than traditional cabs.
- Cab companies that are upset should merely change their model. No reason we have to change a booking industry to serve an antiquated business.
- The taxi industry is controlled by brokers who own the majority of plates and cars and charge exorbitant fees to working drivers struggling to make a working wage. As an experienced cab driver I myself have experienced after paying flat and gas going home on many occasion after working 12 hours with little or no pay. The current system means that plate owners still demand a full days flat whether a driver was able to earn a sufficient income to cover flat, gas and a reasonable working wage. I personally have been disheartened on many occasions after working a 12 hour shift with very little or nothing to show. Option C would truly allow self employed taxi cab drivers to generate sufficient living income without having to hand over a large proportion of their daily takings by making available the option to have their own plate and car thus eliminating 50% of generated cab incomes being syphoned off to wealthy business owners who own multiple cars and plates.

Taxi Industry (Taxicab Drivers and Owners)

Comments on Option “A” – Establish a New V.F.H. By-law: Harmonizes all V.F.H. standards in an equitable and industry-appropriate manner

- The Taxi System has been running for over 50 years and it works. Someone develop and app through a lot of money in advertising and now asking the City of Oshawa jump through

a bunch of hoops. It is a bad business model that takes away control from the city (traffic, driver training, screening) but holds the city liable for the out come. Have ever been in grid lock? I have work through the pandemic to insure that our front line workers were able to do their job. Where were these companies? (Parked) Taxis are an essential service and there is a good reason. We help people get thing done all the time.

- This is not an equitable option...I see the "highlights" in this question and I wonder if the quiz creator understands what taxi cab drivers do, how they make a living, and how much different that is from the vehicle for hire industry. Although arguments can be made that certain elements of the vehicle for hire industry are interesting and possibly beneficial industry ideas, it cannot be denied that the regulation of the entire industry is necessary. The diagrams above show option "B" as the outlier, the heavily regulated option. Without regulation, private industry in many sectors, including this, will not benefit workers or customers.
- No
- Option A puts the taxi industry at a disadvantage while TNC enjoy light 'regulations.'
- Regardless of Options City of Oshawa should compensate original plate owners as government of Quebec has done
- There are many problems with the current situation in the taxi industry. The three options you are offering do not deal with the complexity of the situation. Rating these options in a particular order does not make them acceptable. Many years ago the city attempted to change the license structure by opening up the number of plates. The taxi plate owners presented cogent legal arguments that this was inappropriate and unfair. I will be searching for the old records so that the committee can refresh its memories on this issue. The current taxi industry has been seriously corrupted by the current situation where a large number of illegal taxi cabs are operating in the city and violating the current bylaws for many years. Designating this activity as "ride sharing", "gig economy", or "transportation network" is unfair, inappropriate, and wrong. It is in fact a big con job. It is widely known that the plan of these new age transportation companies is to undercut the current system on price until it collapses. Then of course the plan is to increase prices after the current industry is no more. During all this malign activity these new companies have been corrupt, and they are still not making any money. Billions of dollars have been wasted on these endeavors. It certainly should be illegal for these huge companies to make financial contributions to elected representatives at City Hall. There has been no enforcement of driver standards, vehicle standards, and especially APPROPRIATE insurance. This is completely unfair and unjust. Many jurisdictions have chosen to compensate the current taxi plate owners who are slowly but surely being put out of business by this unfair and corrupt competition. In fact City Hall has done nothing to address this situation and are in fact complicit. I will be working with other taxi plate holders to right this wrong.

Comments on Option “B” – Regulate T.N.C.s under a Taxi and D.D. Licensing Framework: Essentially prevents T.N.C.s from operating in their current form in Oshawa by regulating T.N.C.s using existing standards in the Taxicab Licensing By-law specific to the Taxi Industry

- Ride share programs & apps are not meeting the same requirements & pre-requisit as the taxi industry.

- Should have same rules and regulations like local taxi companies
- The people of Oshawa need to know that they can rely on a safe cost effective ride to and from their transportation needs. I have personally been involved in the industry for more than 40 years and think this is the best option for all concerned. I am not sure these alternative services will survive. I hear that the USA top court ruled that the drivers from Uber were employees not independent contractor's this is a huge blow to this company and I expect they will withdraw from the markets that choose to enforce the law.
- rules should apply to all or NONE
- Even playing field and treat everybody the same. No special privileges giving an unfair advantage to any one platform. Driving a person from point A to B for a fee should fall under all the same regulations.
- Standard fares are essential for 2 very important reasons, and I don't think that there is a very empathetic element to the creation of the above info-graphic, as I believe it presents a skewed view of the facts. When everyone is regulated under the same rules, and consumer costs are kept fair and equitable, you have reason 1: Customers are charged a fair and consistent price and reason 2: drivers have a reliable and consistent form of income. I cannot stress enough how beneficial it is to have 200 taxi cab drivers who make a consistent and fair income, and 500 vehicle for hire drivers who do not make a fair and consistent income. The families of your community will lose jobs that just make enough money to survive, and replace them with jobs that incur poverty on families, and their children. Our society needs more well paying jobs...stop listening to big corporations who don't give a rip about Oshawa.
- pls regulate
- Yes
- RULES FOR ALL
- regulation is necessary imagine automobiles on the road without rules, imagine a hockey game with one team playing anyway the want without rules etc
- Please advise me by email about all future developments on this file. You already have my contact information and you should have advised me previously about these important changes to the taxi cab regulations. I can be contacted at [redacted] my name is [redacted] telephone [redacted] There are many problems with the current situation in the taxi industry. The three options you are offering does not deal with the complexity of the situation. Rating these options in a particular order does not make them acceptable. Many years ago the city attempted to change the license structure by opening up the number of plates. The taxi plate owners presented cogent legal arguments that this was inappropriate and unfair. I will be searching for the old records so that the committee can refresh its memories on this issue. The current taxi industry has been seriously corrupted by the current situation where a large number of illegal taxi cabs are operating in the city and violating the current bylaws for many years. Designating this activity as "ride sharing", "gig economy", or "transportation network" is unfair, inappropriate, and wrong. It is in fact a big con job. It is widely known that the plan of these new age transportation companies is to undercut the current system on price until it collapses. Then of course the plan is to increase prices after the current industry is no more. During all this malign activity these new companies have been corrupt, and they are still not making any money. Billions of dollars have been wasted on these

endeavors. It certainly should be illegal for these huge companies to make financial contributions to elected representatives at City Hall. There has been no enforcement of driver standards, vehicle standards, and especially APPROPRIATE insurance. This is completely unfair and unjust. Many jurisdictions have chosen to compensate the current taxi plate owners who are slowly but surely being put out of business by this unfair and corrupt competition. In fact City Hall has done nothing to address this situation and are in fact complicit. I will be working with other taxi plate holders to right this wrong. If City Hall is serious about addressing the problems it would be prescient to survey how many illegal ridesharing vehicles are currently operating in the city and how many were operating before the current collapse due to Covid 19. Also we should know how many of these vehicles had valid insurance policy to cover ridesharing activities. Also are these vehicles roadworthy and is the driver of the vehicle the owner of the insurance policy. Also City Hall should immediately enact an interim by law to fine current transportation networks who are operating in violation of the current bylaws.

- Taxi drivers/TNC drivers each serve and carry the riding public for a fee. They do identical jobs and must be regulated EQUALLY. There must also be a cap on the number of TNC vehicles on the road to ensure a viable industry for all involved.
- this would be my choice
- Regardless of Options City of Oshawa should compensate original plate owners as government of Quebec has done
- If City Hall is serious about addressing the problems it would be prescient to survey how many illegal ridesharing vehicles are currently operating in the city and how many were operating before the current collapse due to Covid 19. Also we should know how many of these vehicles had valid insurance policy to cover ridesharing activities. Also are these vehicles roadworthy and is the driver of the vehicle the owner of the insurance policy. Also City Hall should immediately enact an interim by law to fine current transportation networks who are operating in violation of the current bylaws.
- they shouldn't even be here but they should have to go through the same police checks as taxi drivers plus all the other things taxi drivers do to get their licence
- rules need to apply to all

Comments on Option “C” – Limited Regulatory Role: Limits standards to those that are critical to addressing health and safety and consumer protection and legislative requirements.

- Looks like you are looking to deregulate the whole Taxi industry and provide no cost standards there will be no way for people to budget the cost of transportation. Deregulation has not worked out well in any industry. I believe that this is by far the worst thing that could happen to our seniors and their ability to live independently. Taxi help meet their needs.
- No, No, NO. Don't be lazy, I am sure some at the city want this option, so they don't have to spend money or do work to make everything work for the people of Oshawa. Don't be LAZY. Regulations can be difficult to design, and hard to enforce...but they benefit the people. No regulations just create a system without any rules that allows the powerful to take advantage of those who don't have it. Protect the little guy, don't give in. We don't elect

you to take care of the few. DO YOUR JOB. Get in touch with regular people, workers, people who are regular users of the system.

- No
- Open entry has proven to be disastrous to all members of taxi/TNC. Too many vehicles means far less opportunity for a driver to earn their living; feed their families and to shop in their communities. This option ludicrously entices drivers on to the road under false hopes and pretences. Too many vehicles on the road ensures poverty and despair adding insult to injury to an already suffocated industry.
- Regardless of Options City of Oshawa should compensate original plate owners as government of Quebec has done
- This option significantly infringes the legal rights of current plate owners. Other jurisdictions have provided significant compensation to current plate owners to address this matter. A free-for-all with unlimited plates is not a stable system. The limited number of plates has been a stable and sensible system. Issuing an unlimited number of disabled plates which are largely used for regular taxi cab calls will also be unwise because there will be too many taxicabs on the road. It will of course undermine current attempts to stabilize the taxicab business by limiting plate numbers to the benefit of all participants.