

**DEPUTATION TO BARRIE CITY COUNCIL
MONDAY MARCH 27, 2017**

RE : STAFF REPORT LCS006 – 17

FILE : P18 MARCH 20, 2017

***REVIEW OF TRANSPORTATION INDUSTRY
(TAXI) BY-LAW 2006 – 265 AND REGULATING
RIDE SHARING/DRIVER FOR HIRE OPERATIONS***

**PREPARED AND PRESENTED BY :
ERWIN GILES – PRESIDENT
BARRIE TAXI LTD.**

PAGE 1

- 1. Thank you your Worship, members of council and City of Barrie staff for the opportunity to participate in this review of the evolving transportation industry in Barrie.**
- 2. I am making this deputation on behalf of Barrie Taxi Ltd. the largest taxi service provider in the City of Barrie and area with 70 vehicles and over 100 drivers.**
- 3. Barrie Taxi Ltd. is a significant economic engine in Barrie and it's quite rewarding for myself, my family, 2nd gen. sons, mgrs, office staff, taxicab owners, drivers at BTL to proudly serve the residents of our beautiful city, as well as the community partners we actively and continue to support over the last 27 years on their journey to provide services and necessary assistance to residents.**

PAGE 2

- 4. It is agreed by all, that Staff has done a great job in presenting a comprehensive staff report to your Worship and council. We, as an industry are very thankful and welcome the opportunity to discuss, provide input and present our views and opinions contained in this report.**
- 5. I hope all the deputations presented this evening will provide you with enough pertinent information for you to debate and discuss rationally to make a decision that will be fair and equitable to all parties concerned.**
- 6. Staff is recommending a “pilot project” if this is indeed a pilot project then the playing field must be equal for all parties involved.**

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- 7. The Taxi Industry, Private Transportation Companies and Driver for Hire Companies appear to be different on a lot of fronts, they ALL share one thing in common.**
- 8. They move passengers from point A to point B for compensation ie: MONEY, therefore if it is going to be fair and equitable in licensing it MUST be something we can all “live with”**
- 9. Why on earth should a person who has a taxicab and has to also have a taxicab license have to pay the proposed 2017 fees.**

PAGE 4

10.	TAXICAB	303.07 x 173 = 52,431.11
	TAXI DRIVER	237.11 x 293 = 69,473.23
	TOTAL	121,904.34

11.	PRIVATE TRANSPORTATION COMPANY	
	VEHICLE	000.00
	DRIVER	000.00
	TOTAL	000.00

12. This is absolutely beyond belief. The private transportation company has indicated there are between 301 and 450 active operators in Barrie, still operating carrying passengers for money with zero license expense to operate in Barrie for quite a significant amount of time.

PAGE 5

- 13. Let's assume there is an average of 375 Private Transportation operators that are driving passengers for MONEY with no City License and 375 vehicles carrying Passengers for MONEY with no license.**
- 14. Staff has suggested PTC Company pays 6888.07 divided by 375 = 18.37 really ???**
- 15. PTC DRIVER 237.11 x 375 = 88,916.25
PTC VEHICLE 303.07 x 375 = 113,651.25
Total 202,567.50**

You are either in the game or not.

With cost recovery, if EVERYBODY pays it could result in significant reduction of licensing fees when pilot project is reviewed.

PAGE 6

- 16. Now there is the PROPER VEHICLE INSURANCE issue.**

- 17. If a Taxicab in Barrie pays \$ 7,000 Insurance to carry passengers for compensation. OPCF 6A endorsement. Then this OPCF 6A should also apply to EACH and EVERY PTC vehicle operating in this City, just like a Taxicab. Hopefully, my Insurance representative that has presented a deputation will have provided your Worship, council and Staff with FACTS that have very serious liability and risk factors with regards to PTC's.**

- 18. All of these issues are happening at breakneck speed and it is imperative that something is done. Your Worship is correct, we're not going to please everyone but we have to start somewhere.**

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- 19. I think there should be a buffer in place that if it becomes the wild wild west in Barrie with this evolving issue that council will be allowed to address it sooner rather than later and make the necessary adjustments without having to wait 2 years.**

- 20. I have included some literature for you to read that might give a better insight to what is evolving.**

- 21. In closing, if everybody wants to PLAY then everybody has to PAY. Thank you very much for your time and I welcome any questions.**

Sincerely

Erwin Giles – President

Barrie Taxi Ltd.

TECHNOLOGY

How Uber Deceives the Authorities Worldwide

By MIKE ISAAC MARCH 3, 2017

SAN FRANCISCO — Uber has for years engaged in a worldwide program to deceive the authorities in markets where its low-cost ride-hailing service was resisted by law enforcement or, in some instances, had been banned.

The program, involving a tool called Greyball, uses data collected from the Uber app and other techniques to identify and circumvent officials who were trying to clamp down on the ride-hailing service. Uber used these methods to evade the authorities in cities like Boston, Paris and Las Vegas, and in countries like Australia, China and South Korea.

Greyball was part of a program called VTOS, short for “violation of terms of service,” which Uber created to root out people it thought were using or targeting its service improperly. The program, including Greyball, began as early as 2014 and remains in use, predominantly outside the United States. Greyball was approved by Uber’s legal team.

Greyball and the VTOS program were described to The New York Times by four current and former Uber employees, who also provided documents. The four spoke on the condition of anonymity because the tools and their use are confidential and because of fear of retaliation by Uber.

Uber's use of Greyball was recorded on video in late 2014, when Erich England, a code enforcement inspector in Portland, Ore., tried to hail an Uber car downtown in a sting operation against the company.

At the time, Uber had just started its ride-hailing service in Portland without seeking permission from the city, which later declared the service illegal. To build a case against the company, officers like Mr. England posed as riders, opening the Uber app to hail a car and watching as miniature vehicles on the screen made their way toward the potential fares.

But unknown to Mr. England and other authorities, some of the digital cars they saw in the app did not represent actual vehicles. And the Uber drivers they were able to hail also quickly canceled. That was because Uber had tagged Mr. England and his colleagues — essentially Greyballing them as city officials — based on data collected from the app and in other ways. The company then served up a fake version of the app, populated with ghost cars, to evade capture.

At a time when Uber is already under scrutiny for its boundary-pushing workplace culture, its use of the Greyball tool underscores the lengths to which the company will go to dominate its market. Uber has long flouted laws and regulations to gain an edge against entrenched transportation providers, a modus operandi that has helped propel it into more than 70 countries and to a valuation close to \$70 billion.

Yet using its app to identify and sidestep the authorities where regulators said Uber was breaking the law goes further toward skirting ethical lines — and, potentially, legal ones. Some at Uber who knew of the VTOS program and how the Greyball tool was being used were troubled by it.

In a statement, Uber said, “This program denies ride requests to users who are violating our terms of service — whether that’s people aiming to physically harm drivers, competitors looking to disrupt our operations, or opponents who collude with officials on secret ‘stings’ meant to entrap drivers.”

The mayor of Portland, Ted Wheeler, said in a statement, “I am very concerned that Uber may have purposefully worked to thwart the city’s job to protect the

public.”

Uber, which lets people hail rides using a smartphone app, operates multiple types of services, including a luxury Black Car offering in which drivers are commercially licensed. But an Uber service that many regulators have had problems with is the lower-cost version, known in the United States as UberX.

UberX essentially lets people who have passed a background check and vehicle inspection become Uber drivers quickly. In the past, many cities have banned the service and declared it illegal.

That is because the ability to summon a noncommercial driver — which is how UberX drivers using private vehicles are typically categorized — was often unregulated. In barreling into new markets, Uber capitalized on this lack of regulation to quickly enlist UberX drivers and put them to work before local regulators could stop them.

After the authorities caught on to what was happening, Uber and local officials often clashed. Uber has encountered legal problems over UberX in cities including Austin, Tex., Philadelphia and Tampa, Fla., as well as internationally. Eventually, agreements were reached under which regulators developed a legal framework for the low-cost service.

That approach has been costly. Law enforcement officials in some cities have impounded vehicles or issued tickets to UberX drivers, with Uber generally picking up those costs on the drivers’ behalf. The company has estimated thousands of dollars in lost revenue for every vehicle impounded and ticket received.

This is where the VTOS program and the use of the Greyball tool came in. When Uber moved into a new city, it appointed a general manager to lead the charge. This person, using various technologies and techniques, would try to spot enforcement officers.

One technique involved drawing a digital perimeter, or “geofence,” around the government offices on a digital map of a city that Uber was monitoring. The company watched which people were frequently opening and closing the app — a

process known internally as eyeballing — near such locations as evidence that the users might be associated with city agencies.

Other techniques included looking at a user's credit card information and determining whether the card was tied directly to an institution like a police credit union.

Enforcement officials involved in large-scale sting operations meant to catch Uber drivers would sometimes buy dozens of cellphones to create different accounts. To circumvent that tactic, Uber employees would go to local electronics stores to look up device numbers of the cheapest mobile phones for sale, which were often the ones bought by city officials working with budgets that were not large.

In all, there were at least a dozen or so signifiers in the VTOS program that Uber employees could use to assess whether users were regular new riders or probably city officials.

If such clues did not confirm a user's identity, Uber employees would search social media profiles and other information available online. If users were identified as being linked to law enforcement, Uber Greyballed them by tagging them with a small piece of code that read "Greyball" followed by a string of numbers.

When someone tagged this way called a car, Uber could scramble a set of ghost cars in a fake version of the app for that person to see, or show that no cars were available. Occasionally, if a driver accidentally picked up someone tagged as an officer, Uber called the driver with instructions to end the ride.

Uber employees said the practices and tools were born in part out of safety measures meant to protect drivers in some countries. In France, India and Kenya, for instance, taxi companies and workers targeted and attacked new Uber drivers.

"They're beating the cars with metal bats," the singer Courtney Love posted on Twitter from an Uber car in Paris at a time of clashes between the company and taxi drivers in 2015. Ms. Love said that protesters had ambushed her Uber ride and had held her driver hostage. "This is France? I'm safer in Baghdad."

Uber has said it was also at risk from tactics used by taxi and limousine companies in some markets. In Tampa, for instance, Uber cited collusion between the local transportation authority and taxi companies in fighting ride-hailing services.

In those areas, Greyballing started as a way to scramble the locations of UberX drivers to prevent competitors from finding them. Uber said that was still the tool's primary use.

But as Uber moved into new markets, its engineers saw that the same methods could be used to evade law enforcement. Once the Greyball tool was put in place and tested, Uber engineers created a playbook with a list of tactics and distributed it to general managers in more than a dozen countries on five continents.

At least 50 people inside Uber knew about Greyball, and some had qualms about whether it was ethical or legal. Greyball was approved by Uber's legal team, led by Salle Yoo, the company's general counsel. Ryan Graves, an early hire who became senior vice president of global operations and a board member, was also aware of the program.

Ms. Yoo and Mr. Graves did not respond to requests for comment.

Outside legal specialists said they were uncertain about the legality of the program. Greyball could be considered a violation of the federal Computer Fraud and Abuse Act, or possibly intentional obstruction of justice, depending on local laws and jurisdictions, said Peter Henning, a law professor at Wayne State University who also writes for The New York Times.

"With any type of systematic thwarting of the law, you're flirting with disaster," Professor Henning said. "We all take our foot off the gas when we see the police car at the intersection up ahead, and there's nothing wrong with that. But this goes far beyond avoiding a speed trap."

On Friday, Marietje Schaake, a member of the European Parliament for the Dutch Democratic Party in the Netherlands, wrote that she had written to the

European Commission asking, among other things, if it planned to investigate the legality of Greyball.

To date, Greyballing has been effective. In Portland on that day in late 2014, Mr. England, the enforcement officer, did not catch an Uber, according to local reports.

And two weeks after Uber began dispatching drivers in Portland, the company reached an agreement with local officials that said that after a three-month suspension, UberX would eventually be legally available in the city.

Follow Mike Isaac on Twitter @MikeIsaac.

A version of this article appears in print on March 4, 2017, on Page A1 of the New York edition with the headline: Uber Uses Tech to Deceive Authorities Worldwide.



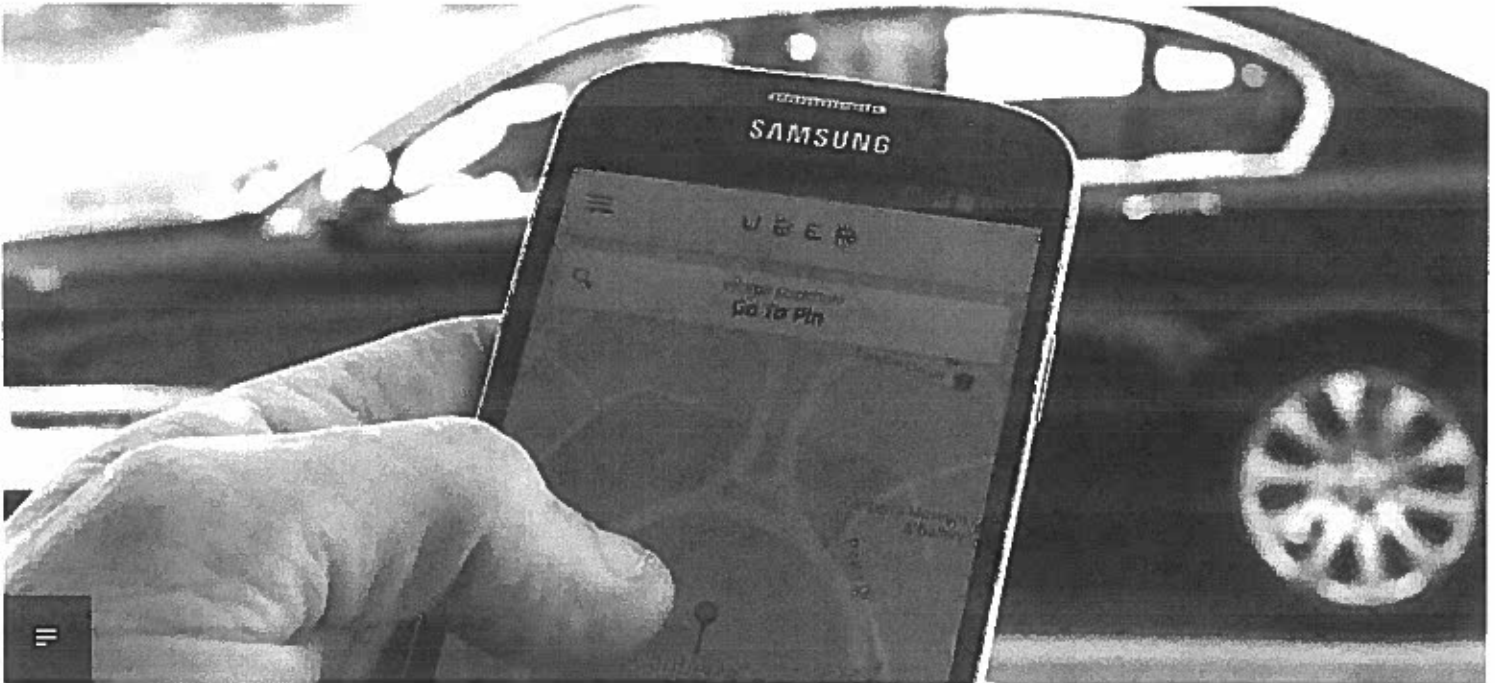
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There are actually a few good reasons to hate Uber



It's easy to make money when you don't have to worry about things like insurance and workers' compensation, isn't it?



by LORRAINE SOMMERFELD | JANUARY 11, 2016

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Legal



There are a lot of reasons I hate Uber, no matter how many headlines you read that they're transforming the car-for-hire industry – that they're the inevitable wave of the future, and that they provide opportunity to anyone willing to work hard. Buloney.

Uber is the biggest, noisiest example of the race to create a totally unstable and dangerous workplace. Virtually anyone driving for Uber right now – estimates are 20,000 drivers in Toronto alone – is doing so uninsured. It is against the law to operate a motor vehicle without appropriate insurance; if you're driving for Uber and your insurance company is unaware that you are doing so, you have invalid insurance. If you think because you still have that little pink slip you're covered, you're not.

"If you tell your personal insurer you are using the vehicle to carry passengers for compensation, they will cancel the policy because it is no longer a personal-use vehicle. The coverage will have to be changed to a commercial policy," says Debbie Arnold, Group Business Development Manager with Sound Insurance Services, Inc. in Toronto. "If you have not had any experience as a taxi operator, then typically the only recourse is Facility Association and it will cost upwards of \$17,000 per year. If you don't tell your insurer and you are involved in an accident while carrying a passenger, the carrier can and will most likely deny the claim."

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Insurance rates quoted in the media frequently quote the \$10,000 per year mark; Arnold's \$17,000 was an actual quote for a customer who decided against becoming an Uber driver.

Maybe you figure the driver's situation is the driver's problem. You just want a cheap, fast ride. But one other detail that seems to get glided over is passenger protection. If you're injured as a passenger, "your medical payments will be first paid by any healthcare coverage (i.e. through their employer); if there aren't any or if those are exhausted, it moves to their own automobile insurance," Arnold says.



If they don't have group benefits or their own vehicle insurance, payments will have to be paid by either the Uber driver's insurance policy (if policy was invalid, that insurer may sue the driver for these payments) or by the third party (other vehicle in crash) insurer, Arnold explains. Accident Benefits in Ontario are set up so that claims will be paid; the passenger will be taken care of regardless, however, it can be a long and confusing process since, effectively, the Uber driver wasn't insured.

If the injury meets the "catastrophic" guideline and the Uber driver was at fault for the accident, then the Uber driver will be liable for any lawsuit and will be held personally responsible. Because there would not be any coverage under the Uber driver's personal policy, he/she is responsible for whatever the award is once that goes to court (about five years) – during which time, the Uber driver will be incurring legal fees for which he/she is personally responsible.

Clear as mud, right?

Uber is far from the only company trouncing on regulations and skirting laws to set up shop, but it is one of the biggest and doing it right up the nose of every city it shows up in.

I did a totally non-scientific poll among some young Uber users: my son and his friends. Their overwhelming appreciation was about how easy and fast it was. A generation accustomed to hitting a button and having magic happen is made for Uber. "Drivers are competing to come pick me up!" laughed one. If you've ever waited for a cab that never came, it's easy to understand the sentiment. "And, dude had, like, water bottles and everything," he finished. They like that no money changes hands, as the app handles the billing through Uber. I asked what would happen if that driver, dude with the water bottles and everything, got hurt either on or off the job and couldn't work for a period of time. "Well, another Uber driver would answer," they concluded.

Why should a passenger care if a driver – a worker – is hurt on the job and not protected? I reminded the kids, their own protection in the event of a crash is not so clear-cut, either.

How often do you use Uber to get around?

- Often
- Sometimes
- I've never used Uber

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I don't blame them for not wanting to see how the sausage gets made. There was one holdout in the room, a young man who simply stated, "This is about a corporation – Uber – getting rich but not having to be responsible for anything. Others – the drivers – assume all of the risk, and Uber just gets the money." Uber says it makes clear their drivers must secure their own insurance coverage and that they are independent contractors. Seattle drivers recently won a ruling stating they are indeed employees of Uber and entitled to the protections that implies.

Uber rules in Canada differ from those in the U.S. Everybody wants to be an independent contractor until something goes wrong. Uber makes much of their \$5,000,000 insurance coverage, but that's to cover their own butt, not their individual "independent contractor" drivers.

It's easier to earn a profit when you don't have to factor in things like insurance and workers' compensation. In Canada, drivers are expected to file HST returns, which means they're supposed to

be collecting that tax. If you earn less than \$30,000 a year, you don't have to charge or remit HST, but the Devil's Advocate in me says that people who are shrugging off their insurance requirements are hardly going to worry much about remitting taxes, even when they meet that threshold.

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All hail the driverless taxi: Self-driving cabs could rock industry

Change is good. We're seeing most industries get shaken up and reordered from the ground up, sometimes seemingly overnight. I'm a huge advocate of figuring out how to get on the train before it runs you over, but embracing change that eradicates human rights and how we value work, as well as individuals, is a fool's game.

We are living in an era where there is always someone who will do your job for less, and watching Uber barge around the car-for-hire industry unmolested by regulation, screaming about the benefits for consumers while ignoring the cost to workers, is backward and ignorant. When *your* job is up next, when you're undercut by a few bucks or someone who agrees to no benefits, when your position is flipped to a contract so you can't secure a mortgage or plan for a family, let me know how cool Uber is.

Insurance companies are developing products as I write this (see below). Cities are wrestling with legislation that will acknowledge the demand for the Uber model. But if the appeal of driving for Uber is to make some money quickly and independently, unless those insurance premiums are thousands less than standard commercial ones and little more than personal ones (and they aren't spread over a fleet, like standard cabs), the incentive to be legal won't budge much.

Am I against the overhaul of the taxi industry as we historically know it? Hardly. The taxi industry should have cleaned up its own stable a long time ago. I'm not against the overhaul of any industry. I'm simply against that overhaul taking place on the backs of uninsured drivers and poorly protected passengers, so some corporate entity that doesn't give a damn about either can make more money. This is less a giant step into our technological future and more like a giant leap back to the Wild West.

As this went to press, Aviva Canada – Canada's second-largest auto insurance provider – announced plans to introduce an endorsement on personal policies to cover part-time rideshare drivers; it will cover collision and personal injury liability for rideshare drivers who spend no more than 20 hours per week using their personal vehicles to carry passengers. Rates, as yet unannounced, would still depend on a driver's record, type of car and other activities, and will also require approval of the

provincial regulator. While such a policy would bridge the lack of insurance, rideshare services still remain in contravention of most current city bylaws.

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Uber vehicle inspections get a failing grade



It may be convenient and affordable, but using Uber could be a risk to your safety — and you might not realize it until an accident happens



by EMILY CHUNG | MARCH 23, 2016

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First, let me make this very clear: I am neither for the taxi industry, nor am I for the ride-sharing companies. I am writing as an Automotive Service Technician, and I have real concerns about Uber. So far, most of the debate has been about driver and rider safety, following bylaws and getting the right insurance. But there's another issue that isn't being discussed: Did you know that an UberX vehicle can pass the company's vehicle inspection, yet fail the Ontario Ministry of Transportation's (MTO) minimum safety standards? And this isn't just in Ontario – I'm confident that if I put Uber's inspection form up to any province's standards, it's possible to have the vehicle pass UberX and fail the provincial inspection.

There are many vehicles on the road that don't meet the Ministry's minimum standards. We advise our clients about their unsafe vehicle but it's their decision whether they want to fix it or not (that issue in itself warrants another article). As a private citizen, you make that choice. The concern with Uber is that a paying customer can ride in a potentially unsafe vehicle; that vehicle is being used to directly generate income and, as such, I believe it should be considered commercial in nature.

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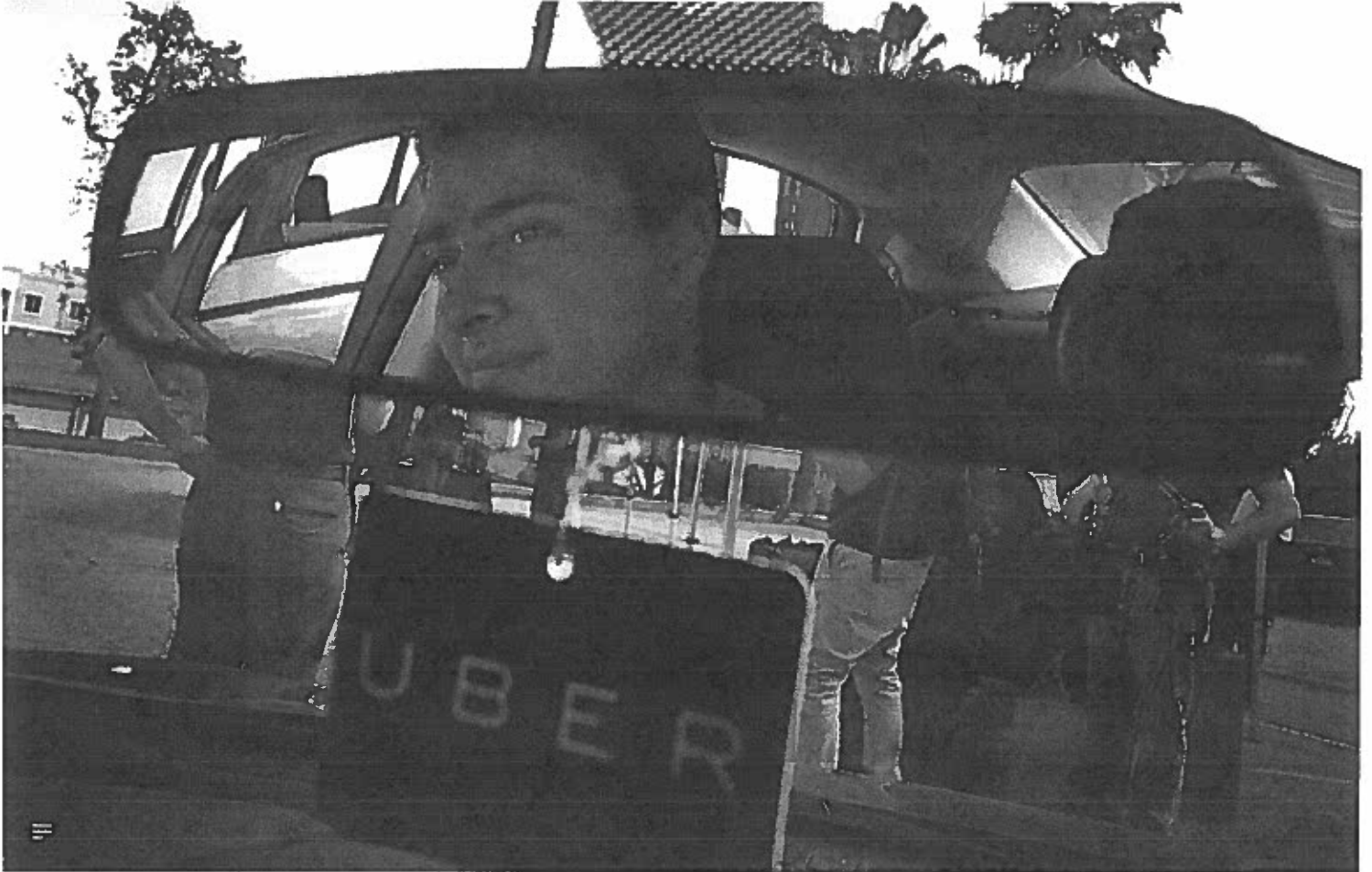
There are actually a few good reasons to hate Uber



Keep in mind that I am specifically referring to the UberX service. Toronto's UberTaxi is held to the municipality's inspection standards, which are to some extent more stringent than the provincial government's. If you want to drive for UberX, vehicle requirements are that it must be a 2006 model or newer, in "good" condition (also not rebuilt or salvaged), with four doors and five seatbelts. Keep in mind, these vehicles can be up to 10 years old.

Uber has always claimed that it isn't a transportation company – it's a "technology" business. One look at Uber's Vehicle Inspection Form and anyone with knowledge about vehicles can point out the

following this vehicle – or, being the one that it's reversing into?



Did you know that Uber promotes major garage chains who run their inspections for \$34.95, yet an MTO inspection at those same garages is over \$100? Often, you can even get the Uber inspection done for free at one of their promotional events.

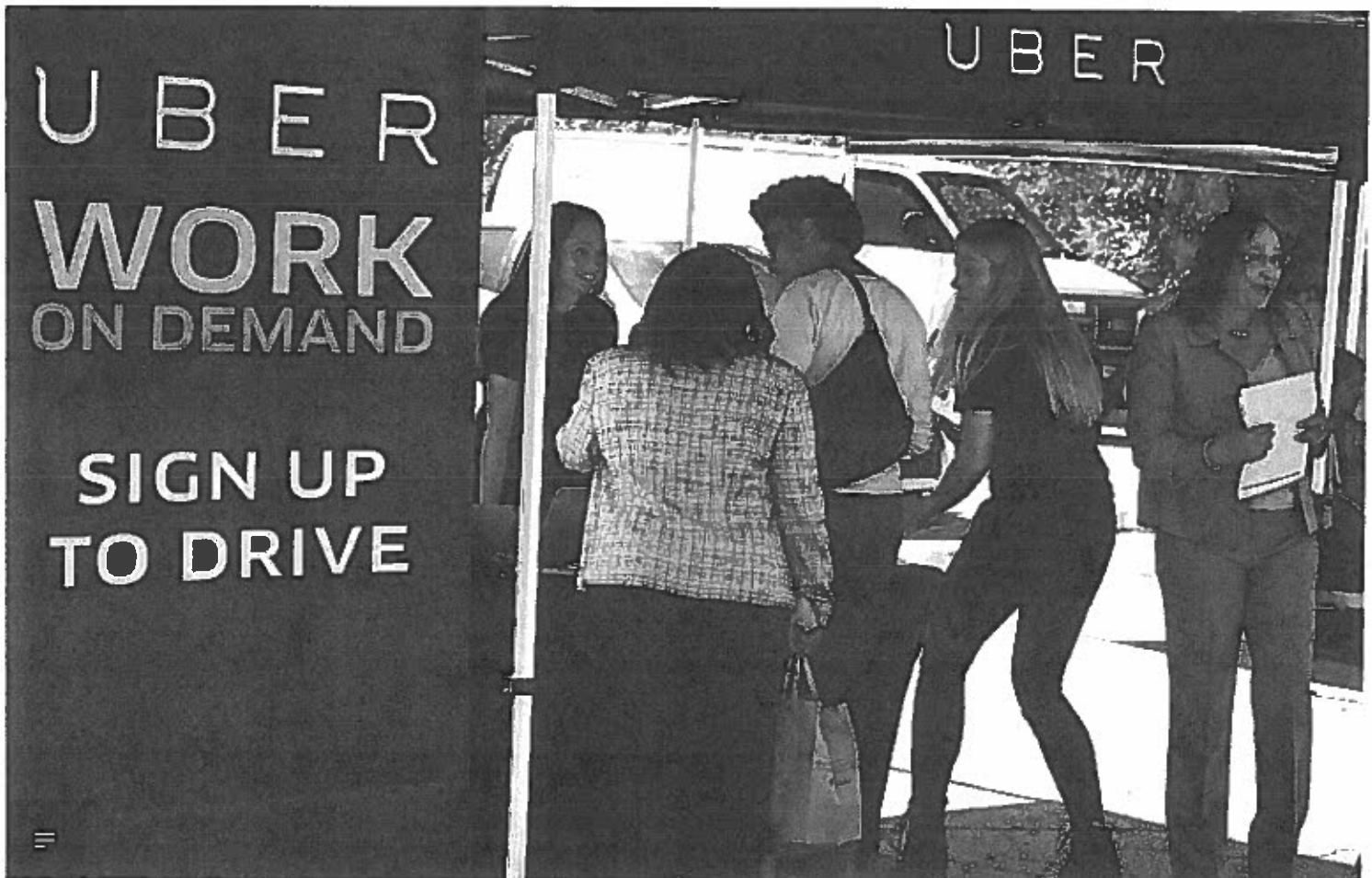
Uber's requirement for brake inspection is that brake pads must be at least two millimetres thick (the same as MTO). But it doesn't ask technicians to check the rotors, drums, brake shoes, wheel cylinders, calipers, brake lines, master cylinder, etc. There's much more to your braking system than just brake pads! An UberX vehicle with a leaking master cylinder passes Uber's form. Can you imagine being in front of this vehicle? Let's hope they don't need to use the brakes, ever.

For the "Windows" section, Uber asks technicians to check the windshield, windshield wipers and windows. No need to check the washer jets – as long as the wiper blades work, who needs washer jets? Because windshields never get dirty while you're driving, right?

Another example: A vehicle could have a broken CV axle shaft, leaking exhaust and fuel spraying – yet this would pass Uber’s form. You won’t get far with that broken axle, but according to Uber, this car is safe! Aside from omitting many components from the inspection, Uber also doesn’t give clear guidelines as to what a “pass” means. Mirrors – pass or fail? Uber asks the technicians if the components are deemed safe. What I define as a “safe” mirror may not be what another technician would say is safe.

Let’s talk tires. Uber wants to know if the tires “pass or fail,” and the only requirement is that the treads be above the wear bar. MTO has guidelines for any defect in the tires (bulges, cracks, etc.), the tires must be the proper size for the vehicle, with specific manufacturer’s stamping, and so on. For Uber, if the tires are black, round and the treads are above the wear bar, they’ll pass!

This only scratches the surface of what’s missing from Uber’s safety inspection form – the list goes on.



they've said from the beginning that they're *not* a transportation company – so what business do they have in determining the requirements for a safe vehicle?

By now you may sense my exasperation with Uber's flawed inspection form. It is incredibly misleading to both the drivers and riders who represent and use their technology. As a technician, it places me in a position where I could legitimately sign off on the Uber form that the vehicle is safe, yet write on the client's invoice "DO NOT DRIVE" because, according to provincial standards, it's unsafe. If you had a driver who could care less, they would continue to drive for UberX and the rider would be none the wiser. If UberX wants to continue providing an opportunity for its drivers to generate profit, then at the very least, the vehicles should undergo a provincial safety inspection or something that will be just as robust, if not more so.

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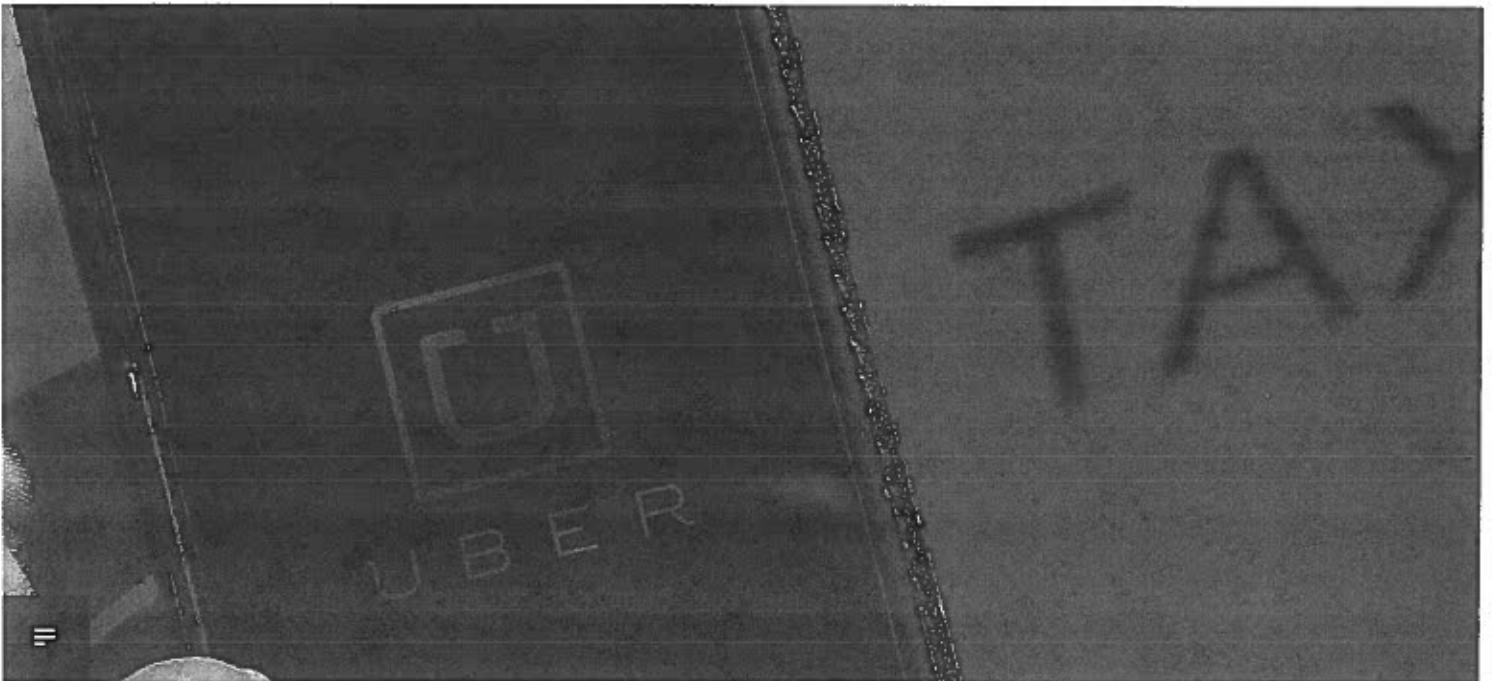
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Using your car as a taxi? Don't lie about your insurance



When it comes to working with hire-a-drive services like Uber, you can't afford to ignore the insurance implications



by LORRAINE SOMMERFELD | JULY 6, 2015

Legal
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“Uber drivers can use the HOV lanes,” read the headline. Upon closer observation, the sentence continued: providing they have three or more occupants, just like everyone else. So close, Uber, so close. The trendy hire-a-drive app that puts a car at your fingertips in many parts of the world just can’t seem to catch a break. Does it deserve to?

The Pan Am Games are set to descend upon the Toronto region in the coming days, promising to swirl the already catatonic gridlock further down into the depths of hell. I’m sure more than a few Uber drivers were parsing the fine print that allows taxis and airport limos to use the coveted HOV lanes, now temporarily drawn on an additional 185 kilometres of major highways around the Greater Toronto Area. That’s in addition to the existing 50 permanent kilometres. In the eyes of the law, Uber still hangs in a no man’s land.

This article started out six months ago as a stunt piece: I was going to simply become an Uber driver for a day and report back. A call to my insurance broker simply seeking background information ground that idea to a halt, and fast. Even hinting what I was considering would cost me my private car insurance policy, a risk I can’t afford to take. A quick pivot sent me to Twitter looking for an existing Uber driver who would let me ride along; after an initial encouraging phone call and a few email exchanges, he went to ground, never to be heard from. Guess having his name in the paper was too much of a risk.

Read more: The cost of cheaper insurance is your privacy

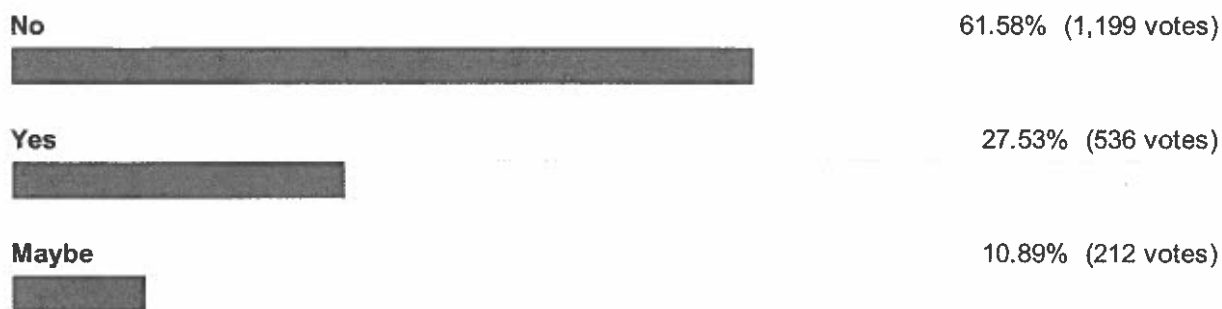
News organizations aren’t fans of pseudonyms, but it didn’t matter. I couldn’t even get someone to play along with a black bar across their eyes and a voice scrambler. Uber advertises itself as an excellent way to make easy money if you own a car. You must be 21 with a full licence, own a four-door car less than 10 years old, pass a background check they pay for, and have valid car insurance.

Therein lies the rub for prospective Uber drivers here in Canada. “Will any of the described automobiles be rented or leased to others, or used to carry passengers for compensation or hire, or haul a trailer, or carry explosives or radioactive material?” Every insurance company in Canada uses

forms that carry some version of this sentence, and if you check “no” and then sign off on the application and then start accepting fees for ferrying people (or pizzas) around, you could be committing fraud.

It’s not that you can’t be an Uber driver and also have insurance; it’s that you can’t lie about it. A recent *Forbes* survey published in the U.S. found “...while the vast majority of respondents – almost 70% – say they plan to purchase a policy in the future, a disturbing 84% say they do not tell their insurer or their agent/broker about their ridesharing activities.”

Would you ever consider using your car as a taxi with services like Uber?



Total Votes: 1,947

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Uber outlines how their end of the deal functions: your responsibility is riding on your personal insurance, and if damages reach past your limits, their own insurance will kick in. Uber knows you’re driving for Uber; there’s a good chance your insurance company does not, unless you notified them. And notifying your insurance company of your Uber intentions can work out one of two ways:

- You call your company and ask innocently if considering being an Uber driver could affect personal insurance. They could cancel your insurance or at the very least start investigating it because now they know what you’re doing or;
- They can offer to sell you the proper product for what you’re considering, which is commercial coverage. This will be – and I’m ballparking here – maybe three times your current rate.

So, there's a chance some individuals won't call their insurance company, and if that *Forbes* survey is even close to accurate, the chance is most won't. Who can remember ticking that box so many years ago? Besides, if I start delivering pizzas, I'm hardly going to have to call my insurance company, right? Actually, you are. Your insurer does need to know that you're delivering pizzas. They want to know if anyone in your household with access to your car is delivering pizzas. Or flowers. Or Uber clients.

It's not that they're going to jack your rates similarly for pizzas and passengers. As Pete Karageorgos of the Insurance Bureau of Canada is quick to point out, "Insurers know pizzas aren't passengers. Our job is to match policy to risk; it's critical that you inform your provider of any material change to that risk, and be transparent about it."

Also read: Why there's no such thing as a car 'accident'

If you're not, you're swimming in a fraud pond. In the event of a crash, insurers can opt to deny the claim, leaving you at the mercy of someone like Uber's Internet promises. They could also decide to cover the claim, but then back charge you the premium you should have been paying had you notified them in the first place. I like to complain about usurious insurance rates, especially here in Ontario, but I would be angrier if payouts to drivers using their vehicles commercially are pooled with my non-commercial activities.

A call to police services reveals that cops consider this a matter of licensing unless a driver is breaking the Highway Traffic Act. Constable Clint Stibbe raises an interesting thought, however, as we wind up the call.

"Right now, police cars, rentals cars and taxis that are decommissioned have to be registered with the Ministry so as to be readily and honestly identified to buyers. Where's the protection for buyers buying a car that hasn't been flagged but has been used commercially?"

Uber may indeed end up being too big to fail as riders vote with their wallets, and their phones. But until licensing commissions and politicians sort out the fine print, your biggest concern if you plan on driving for Uber in Canada isn't whether you can use the HOV lanes – it's whether your insurance will kick you to the curb.

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DRIVING OUR INDUSTRY FORWARD.



PRESS RELEASE

For Immediate Release

OTTAWA, Canadian Taxi Association and UNIFOR address the Department of Finance - March 2, 2017

Requesting Amendments to Increase Collection of GST/HST from Ride-Sharing Companies and Affiliated Drivers

Mr. Keenan:

We are writing to address a significant inequity in the application of GST/HST that has a substantial impact on us and our members and to request a meeting with you to discuss our serious concerns.

CANADIAN TAXI ASSOCIATION

The Canadian Taxi Association is the voice for Canada's taxi industry. Our members consist of the largest taxi companies in most major cities across Canada. We speak for an industry of 30,000 taxicab owner-operators and over 50,000 taxicab drivers, which undertake over \$2 billion in consumer transactions annually.

UNIFOR

Unifor is Canada's largest private sector union, with more than 310,000 members across the country, working in every major sector of the Canadian economy. Over 30,000 of our members are employed in federally regulated sectors including transportation, communications, and financial services.

GST/HST AMENDMENT REQUIRED

All taxi operators in Canada are required to be registered for GST/HST purposes and to charge and collect, report and remit GST/HST on their fares regardless of their annual revenues.

Ride-Sharing Companies ("RSCs") – such as Uber and TappCar – and their drivers are not required to be registered, typically are not registered, and do not charge and collect, report or remit any GST/HST.

This creates a significant competitive disadvantage for our drivers and members, and provides a direct competitive advantage to RSCs and their drivers.

Accordingly, we call on the Government of Canada to address this clear inequity by amending the Excise Tax Act ("ETA") to require the registration of all RSCs for GST/HST purposes – regardless of whether they are located in Canada or outside Canada – and to impose an obligation upon them to collect, report, and remit GST/HST on the fees they earn, or, at a minimum, to impose such obligation on their affiliated drivers, so as to level the playing field between them and our drivers and members.

Specifically, we are requesting one of the following actions:

- Amend the definition of "taxi business" in subsection 123(1) of the ETA, such that it will generally apply to RSC Drivers carrying on business in Canada. As a result of this amendment, RSC Drivers will be required to register for GST/HST, regardless of whether they are considered "small suppliers" under section 148 of the ETA, and to charge and collect GST/HST on their fares; or
- Introduce provisions in the ETA which impose a GST/HST collection obligation on RSCs, rather than RSC Drivers. This could be accomplished by introducing a simplified registration for foreign-based digital service providers, and a further provision which deems that RSCs, rather than RSC Drivers, are the suppliers of the transportation services.

Our reasons for recommending these measures above are to:

- Ensure a fair, equitable, and consistent application of the GST to all suppliers in the private transportation industry (including taxis and RSCs);
- Maintain a competitive private transportation industry, unburdened by arbitrary taxation preferences;
- Simplify the application of the GST in the private transportation industry, for both consumers and suppliers;
- Ensure stability of the Federal Government's GST/HST revenues from the RSCs and their drivers, just as our members and drivers collect, report, and remit GST/HST for the government's benefit; and
- Improve the operation of the GST for the benefit of all Canadians.

HISTORY & CONTEXT

Since the introduction of the GST in 1990, the ETA has provided a registration exception for "small suppliers". In general terms, if a person has annual revenues of less than \$30,000, the person is a "small supplier" under section 148 and may choose not to register for GST/HST. As a result, the "small supplier" is generally not required to collect and remit GST/HST in respect of its taxable supplies.

Initially the small supplier registration exception applied to taxicab operators. However, after amendments were made in 1993 (made effective 17 December 1990), subsection 240(1.1) of the ETA requires that "every small supplier who carries on a taxi business is required to be registered for the purposes of [Part IX of the ETA] in respect of that business."

"Taxi business" is defined in subsection 123(1) as "a business carried on in Canada of transporting passengers by taxi for fares that are regulated under the laws of Canada or a province".

The 1993 amendments to the ETA were made following consultations by the Department of Finance and Government of Canada with the Canadian taxicab industry. The amendments were introduced as a means of ensuring that the "taxi industry operates under a consistent pricing structure", where all taxi fares are inclusive of GST.

At the time the amendments were made, the concern was that two-tier pricing for taxicab fares would emerge as a result of the different ownership and management structures in the taxicab industry. For instance, some taxicabs are owned and operated by the same person, whereas in other instances, companies hire employees to operate a fleet of taxicabs. In circumstances where taxicabs are owned and operated by the same person, prior to the 1993 amendments, these operators could have potentially taken advantage of the "small supplier" registration exception and, as a result, would not have been required to collect GST from their customers. Consequently, these "small supplier" taxicab operators would have had a significant pricing advantage over other taxicab operators that were not "small suppliers".

The 1993 amendments remedied the potential for two-tier pricing by requiring all taxicab operators to register for GST, regardless of whether they are considered "small suppliers" under section 148 of the ETA. This resulted in a fair and consistent application of the GST to all suppliers in the private transportation industry.

RSCs & THE GST/HST

More than 20 years later, with the entrance of RSCs into Canada's private transportation industry, a similar two-tier pricing issue has arisen.

Although RSCs and their Drivers offer a service that is interchangeable with the service offered by taxicabs, unlike taxicabs, RSC Drivers are able to take advantage of the "small supplier" registration exception. As a consequence, "small supplier" RSC Drivers have a significant pricing advantage with customers, simply as a consequence of the inconsistent application of GST/HST.

This inequity arises because the definition of "taxi business" within subsection 123(1) of the ETA is restricted to "a business carried on in Canada of transporting passengers by taxi for fares that are regulated". In many cities and jurisdictions across Canada, although RSCs and RSC Drivers are regulated, their fares often are not. As a result, RSCs Drivers generally do not meet the requirements necessary to be considered a "taxi business" for the purpose of the ETA.

Further, this conclusion based on the current law has been confirmed by the Canada Revenue Agency in a GST/HST Ruling issued to the City of Ottawa dated September 8, 2016 (CRA Case No. 177455).

Consequently, RSC Drivers that are able to remain unregistered for GST/HST as "small suppliers" gain a significant competitive advantage in the market. They are not required to collect GST/HST from their customers, which effectively reduces the total fare that customers are required to pay for their services. Ultimately, this reduction in price discourages consumers from using those suppliers that are required to collect GST/HST, such as taxicabs or other RSC Drivers that are not "small suppliers". In order for the private transportation industry to remain healthy, competitive and fair, an amendment to the ETA is required.

Although suppliers registered for GST/HST have the ability to claim input tax credits, this does not offset the inequitable application of the ETA. While unregistered "small suppliers" cannot claim input tax credits, the pricing advantage that they enjoy over their competition in the private transportation industry – and in particular, our drivers and members – significantly outweighs the benefits of claiming input tax credits. Moreover, "small suppliers" are free from the considerable administrative burden associated with GST/HST registration.

Accordingly, we are requesting one of two remedies; either:

- the definition of "taxi business" is amended, such that it will generally apply to RSC Drivers carrying on business in Canada; or
- provisions are added to the ETA which require RSCs to collect GST/HST on the fares paid for their Drivers' services, rather than their affiliated RSC Drivers.

FAIRNESS & EQUITY

Prior to the introduction of the GST in 1990, the Department of Finance published The White Paper: Tax Reform 1987, which lists the five primary objectives of its tax reform proposal: fairness, competitiveness, simplicity, consistency and reliability. It is these five objectives of the GST which necessitate that amendments be made to the ETA in respect of its application to the private transportation industry.

The White Paper provides details on how the introduction of the GST would achieve each of its primary objectives. Specifically:

- Fairness – is to be achieved, in part, "by broadening tax bases through eliminating and reducing selective preferences".
- Competitiveness – is to be achieved by introducing a tax system with "lower rates and a broader base." Furthermore, The White Paper describes how "[s]pecial preferences help some taxpayers, but at the cost of higher tax rates that hurt others. As a general principle, the government should refrain from using the tax system to subsidize particular types of investment activity. Such subsidies introduce distortions in economic decisions and inequities among taxpayers. Where incentives remain, they should serve well-defined objectives, and should endeavour not to bias choices among similar types of economic activity."
- Simplicity – "fewer invidious borders between products taxed differently under the sales tax will contribute to meeting this objective." Moreover, "[a] tax system with fewer special preferences will also be more straightforward and more readily understood by Canadians" and ultimately, "[a] simpler tax system will ease compliance and reinforce the self-assessment principle that is the foundation of our tax system."
- Consistency – "it is important that the personal, corporate and sales tax structures be well integrated and internally consistent to assure Canadians that the total tax burden is fairly shared and that the system is economically efficient. Consistency also enhances understanding of the system and facilitates compliance and administration."
- Reliability – "[t]he basic objective of the tax system is to raise revenues to pay for publicly funded programs. To provide the high standard of services to which the government is committed, the tax system must yield predictable and reliable revenues derived from a fair, broad and secure tax base."

If the necessary amendments are not made to the ETA so as to require the collection of GST/HST in respect of all transportation services provided by RSCs/RSC Drivers, the five primary objectives of the GST will not be met. As such, we are requesting our proposed amendments as a means of:

- Ensuring that the GST is applied fairly in the private transportation industry by eliminating a selective preference for RSC Drivers;

- Maintaining a competitive private transportation industry, unconstrained by the arbitrary competitive advantage conferred only to RSC Drivers that are “small suppliers”;
- Simplifying the application of the GST to the private transportation industry, for both consumers and suppliers. Consumers will not be forced to seek out “small supplier” RSC Drivers in order to receive the lowest fare. Suppliers will more readily understand and comply with their self-assessment obligations;
- Establishing a consistent application of the GST in the private transportation industry, where the burden of the system is shared equally by all types of suppliers; and
- Ensuring stability of the Federal Government’s GST revenues from the private transportation industry, even as consumers are increasing their reliance on the services offered by RSC Drivers, rather than the services offered by traditional suppliers, such as taxicabs.

AMENDMENT OPTIONS

Amend the Definition of “taxi business”

One possible remedy for achieving a fair, consistent, simple and reliable application of the GST in the private transportation industry, is to amend the definition of “taxi business” in subsection 123(1) of the ETA, such that it will generally apply to RSC Drivers carrying on business in Canada. Following the amendment, RSC Drivers will generally be required to register for GST/HST, regardless of whether they are considered “small suppliers” under section 148 of the ETA. As a result, the GST will be applied consistently to the fares of all types of suppliers in the private transportation industry. Our recommendation for amending the definition of “taxi business” would be to include a separate reference to RSC Drivers. For example the definition might be amended to read as follows:

“taxi business” means

- (a) a business carried on in Canada of transporting passengers by taxi for fares that are regulated under the laws of Canada or a province, or
- (b) a business carried on in Canada of transporting passengers by passenger vehicle that is regulated under the laws of Canada, a province, or municipality as a ride-sharing service, private transportation service or other similar service;

The inclusion of a specific reference to RSC Drivers in the definition of “taxi business” is of particular importance in light of the recent decision by Australia’s Federal Court, *Uber B.V. v Commissioner of Taxation*, [2017] FCA 110, in which Uber argued that its drivers are not “taxis” for the purpose of Australia’s GST Act. Given the similarities between the ETA and Australia’s GST Act, if the ETA is not amended to include an explicit reference to RSC Drivers, it is highly likely that Uber will bring a similar legal challenge in Canada.

Introduce a Simplified Form of GST/HST Registration

An alternative remedy would be to introduce provisions in the ETA which are designed to impose a GST/HST collection obligation on RSCs, rather than RSC Drivers. As many RSCs provide their services through foreign entities (such as Uber B.V. in the Netherlands), the primary challenge will be in compelling these foreign entities to register for, collect and remit GST/HST.

It is our understanding that the government is considering amendments to the ETA which are aimed at imposing a GST/HST collection obligation on foreign-based digital service providers (“Foreign DSPs”). These proposed measures have often been reported in the media as the “Netflix tax”. If the reports are in fact correct, we request that they expressly include RSCs in the proposed amendments.

On our understanding, collection of GST/HST from Foreign DSPs might be accomplished through a simplified form of GST/HST registration. Under this simplified registration, Foreign DSPs would be required to register for GST/HST and, consequently, collect and remit GST/HST in respect of their taxable supplies made in Canada. This would relieve Canadian consumers of their obligation to self-assess GST/HST payable in respect of these foreign-based digital services.

An additional challenge in imposing this simplified registration requirement on RSCs, is that many RSCs have structured their operations in such a manner that creates ambiguity as to whether it is the RSC or the affiliated RSC Driver that is making the supply. For example, Uber Technologies, Inc., provides its services through a subsidiary in the Netherlands (Uber B.V.), which provides drivers with access to its Uber app, thereby allowing the drivers to receive ride requests. Uber B.V. asserts that it merely facilitates the relationship between the Uber driver and the passenger. Once that connection has been established, it is the Uber driver that is supplying the transportation services.

Therefore, to ensure that a simplified registration will be effective in imposing a GST/HST collection obligation on RSCs, we are requesting further amendments to the ETA which would specifically deem that the RSCs, rather than their affiliated RSC Drivers, are supplying the transportation services.

Overall, the effect of a simplified registration will be to shift the administrative burden associated with GST/HST registration from RSC Drivers to the RSCs, while still achieving a fair, consistent, simple and reliable application of the GST to the private transportation industry.

Prohibit RSCs from Initiating Legal Proceedings, Unless Registered for GST/HST

An additional measure, which could be implemented in conjunction with a simplified registration, would be to prohibit foreign RSCs from initiating legal proceedings in Canadian courts unless they are registered for GST/HST.

The incentive for RSCs to register for GST/HST to ensure they can avail themselves of the benefits of Canada’s court system would virtually ensure GST/HST registration and compliance by the RSCs.

For example, the registered trade-marks of RSC and foreign-based digital content and service providers have significant value. If they were unable to commence an action in a Canadian court to enforce their trade-mark rights unless or until they were registered for GST/HST purposes, there would be great incentive upon them to register for and to collect GST/HST.

Similarly, RSCs have been benefitting from the use of Canada’s court system to gain the ability to conduct business in municipalities across Canada. Yet to date, they have not voluntarily registered to comply with their corresponding tax obligations, taking the position that they are not required to do so.

There is precedent for this approach to enforcing registration obligations. In most Canadian provinces, corporations that carry on business in the province are required to be extra provincially licensed or registered in the province. If they fail to do so, such extra-provincial corporations are not allowed to maintain legal actions in respect of contracts made within the province, unless and until the extra-provincial corporation is registered under the province’s Extra-Provincial Corporations Act, Business Corporations Act or other similar statute.

CONCLUSION

The unfair and inconsistent application of the ETA’s “small supplier” registration exception poses a significant threat to the competitiveness of the private transportation industry. Unless amendments to the ETA are made:

- “Small supplier” RSCs and their Drivers will have an arbitrary, but significant pricing advantage in the market;
- Consumers will be forced to seek out “small supplier” RSC Drivers in order to receive the lowest fare; and
- As consumers continue to increase their reliance on the services offered by RSC Drivers, the Federal Government’s GST revenues from the private transportation industry will steadily decline.

Accordingly, we call on the Government of Canada and the Department of Finance to amend the ETA to address this inequitable application of GST/HST between our drivers and members and RSCs and their drivers.

We also request a meeting with you to discuss our concerns. Upon review of this letter, please contact our counsel with respect to this matter – David Douglas Robertson of EY Law LLP at (403) 206-5474 – to coordinate a time for this meeting.

Yours sincerely,

Canadian Taxi Association
Marc André Way
President
455 Coventry Road
Ottawa, ON K1K 2C5

Unifor
Jerry Dias
National President
205 Placer Court
Toronto, ON M2H 3H9

Click here to read full Letter to the Department of Finance (<http://www.cantaxi.ca/wp-content/uploads/2017-March-2-Submission-to-DOF-re-Uber.pdf>)

Taxi Associations call upon Aviva to make new insurance available to cab drivers, report on product sales

TORONTO, Feb. 1, 2016 /CNW/ – The Toronto Taxi Alliance (TTA) today repeated requests for information it sent to Aviva's CEO on January 29th.

In a letter to Aviva CEO Greg Sommerville signed by TTA President Gail Souter and Canadian Taxicab Association (CTA) President Marc Andre Way, the TTA and CTA wrote:

"We in the legal, regulated taxi industry are perplexed as to how it is possible for any Ontario insurance company to insure an illegal activity, such as UberX. In fact, one of our city councillors has written Finance Minister Charles Sousa to inquire as to how his ministry could approve an insurance product for an activity which violates the Highway Traffic Act."

Among the requests the TTA and CTA made of Aviva were:

- That Aviva agree to release the number of such endorsements actually sold: "As we have been informed by a number of insurance professionals, the fact that a commercial endorsement (for example, the OPCF 6A) is *AVAILABLE* does not mean any UberX drivers will purchase it.

"We are very concerned that an Aviva announcement that 'an approved product exists and is available for purchase' will be misconstrued by politicians to mean '20,000 illegal UberX drivers are now insured.'

"The fact that a product is available does not mean that thousands of UberX drivers are going to announce that they are picking up paying passengers, and purchase Aviva insurance with the new endorsement.

"More likely, they will continue to do what they are doing now: carry only a personal policy and refrain from notifying their insurance company they are carrying passengers for compensation. Release of information on the actual number of endorsements purchased will give politicians more accurate information on which to base their debates and decisions."

- That when this new hybrid endorsement is actually available, Aviva make it available to licensed, regulated taxi drivers who meet the same conditions being set out for UberX drivers.

"I trust you will agree that everyone – consumers, service providers, elected officials and the insurance industry itself – will be well and fairly served with the release of the above information."

SOURCE Toronto Taxi Alliance & Canadian Taxi Association

For further information from Toronto Taxi Alliance contact Rita Smith at 647 242 5505 or ritasmith@rogers.com

For further information from Canadian Taxi Association contact Jim Bell, Executive Director of Operations and Member Services by E-mail: jbelle@cantaxi.ca (<mailto:jbelle@cantaxi.ca>)

Canadian Taxi Association warns would-be drivers in Niagara, Ont. of Uber insurance risks

The Canadian Taxi Association (CTA) is warning anyone who is living in the Niagara, Ont. region and thinking of driving for Uber to think twice.



"Canadian insurance companies are cracking down on customers who drive for Uber without proper commercial coverage," said CTA (<http://www.cantaxi.ca>) president Marc Andre Way in a press release on Friday. "Errant drivers are having their policies voided and could be left completely uninsured."

The CTA noted that last week, Aviva Canada (<http://www.avivacanada.com>) "cracked down on four Ottawa-based customers who are Uber drivers after having received information from the CTA." Off-duty taxi drivers have been taking Uber rides to collect licence plate numbers and driver information and providing it to insurance companies, the CTA reported.

Read More (<http://www.canadianunderwriter.ca/news/canadian-taxi-association-warns-would-be-drivers-in-niagara-ont-of-uber-insurance-risks/1003888325/?er=NA>)

Taxi Association sending Ottawa Uber driver info to insurance companies

The Canadian Taxi Association is battling illegal Uber drivers operating in Ottawa by conducting undercover stings to gather driver information to send to insurance companies — an effort that has led to at least two Ottawa Uber drivers having their insurance cancelled.

So far in Ottawa, the association has collected the licence plates and driver profiles of more than 200 drivers who work for the ride-sharing service, said association president Marc Andre Way, who is also vice-president of Coventry Connections.

"We do that constantly. It's an ongoing effort where we collect a database of licence plates of those who are driving illegally within our cities," Way said, adding they've been lobbying insurance companies since Uber surfaced in Canada.

Read More (<http://ottawacitizen.com/news/local-news/taxi-association-sending-ottawa-uber-driver-info-to-insurance-companies>)

CANADIAN TAXI ASSOCIATION WARNS NIAGARA DRIVERS OF UBER INSURANCE RISKS

NIAGARA, ON, Nov. 6, 2015 – Anyone living in the Niagara region and thinking of driving for Uber should think twice, according a warning from The Canadian Taxi Association (CTA).

"Canadian insurance companies are cracking down on customers who drive for Uber without proper commercial coverage. Errant drivers are having their policies voided and could be left completely uninsured," said Marc Andre Way, CTA.

Just this week Aviva Canada cracked down on four Ottawa-based customers who are Uber drivers after having received information from the CTA. Off duty taxi drivers have been taking Uber rides to collect licence plate numbers and driver information and providing it to insurance companies.

Personal auto insurance does not cover the elevated risks of vehicle damage or personal injury involved in providing commercial car for hire services. Any claims being made by Uber drivers or their passengers would be denied under personal insurance policies.

The warning comes as Uber continues to recruit Niagara area drivers even though the company cannot legally operate and its application is still only under consideration.

"Regulated taxis are held to higher standards than illegal car for hire services," explains Marc Andre Way. "We are properly insured, our cars meet all safety checks and our service is accessible to everyone. And, taxi operators are local companies investing in the communities we serve."

CANADIAN TAXI ASSOCIATION SPEECH TO TORONTO CITY COUNCIL – LICENSING STANDARDS COMMITTEE – September 16, 2015

Good afternoon ladies and gentlemen,

I would like to take this opportunity to thank you for the opportunity to speak to you today about this extremely important topic of regulation.

The Canadian Taxi Association represents 100's of taxi operators from across the country.

Our mission is to develop a respected and vibrant taxi industry that is modernized, customer service centric and meets the needs of Canadians by sharing information and best practices with taxi owners and operators.

Today we are here to discuss regulation. Regulation is the key to creating a level playing field for both Uber and Taxi companies to compete.

The Canadian Taxi Association is here today to advise council that what you do in regulating taxis and Uber in the beautiful city of Toronto, will become the benchmark and set the precedence for regulation across the country.

What you do will affect over 20,000 + full times jobs related directly to the industry across the country in cities where Uber operates and the families these jobs support.

Let's be honest, Uber doesn't really want regulation. Just this week they denounced potential regulation put forward by the city of Edmonton. Aside from insurance, the total costs to drivers for cars inspections, background checks, licenses and administration costs was about \$700 dollars. Uber said that was too much. That would be too much of a barrier for drivers and would not work for Uber's business plan.

Uber's business plan and goal is no regulation of Uber. That would kill the taxi industry and I do not think replacing 20,000 FT jobs that supports our local economies across Canada with PT, Casual or even transitional employees would be good for any economy. As a matter of fact I wish you would do a study on that as part of this regulation process.

The CTA has observed this phenomenon for quite a while and It seems Uber is constantly rewarded for breaking the rules and laws, disrespecting politicians, insurance companies and even their consumers and their drivers by putting them in dangerous situations, while taxi operators are punished through lack of enforcement for following the rules and laws cities stated they had to abide by, laws you said they have to abide by. An example of this is the insurance issue. We know they do not have the proper insurance to protect consumers but yet they are still allowed to operate and this puts public safety at risk and could make the city liable for allowing it to happen.

And now they are working with Intact insurance to create new products and services that will actually cover customers and drivers. This is an admission they don't have proper coverage, but we all know that. I can tell you this, if they do create new insurance products for Uber drivers at a much cheaper rate, the Canadian Taxi Association will lobby to have those products offered to taxi drivers as well, because aside from the app the service provided on the street by both Uber and taxi drivers is getting people from point A to point B for compensation, so those new insurance products should apply to taxi drivers as well.

A brilliant man once said "The definition of insanity is doing the same thing over and over again expecting a different result." That brilliant man was Albert Einstein.

Uber wants no regulation for them to operate their business as they want too, but we have seen what has happened with deregulation before in the industry in the 30's, 70's and today in so many part of the states where Uber is working under almost no regulation and that is the Race to the Bottom. Please don't do the same thing expecting a different result, because it won't happen. Please don't make Albert Einstein role over in his grave.

Thank you.

CANADIAN TAXI ASSOCIATION ANNOUNCES NEW EXECUTIVE DIRECTOR OF OPERATIONS

Jim Bell's experience and knowledge of Canadian Taxi Industry will help Drive Industry Forward Into 21st Century

OTTAWA, ON, August 18, 2015 – The Canadian Taxi Association (CTA) is proud to announce that it has retained the services of former president of Diamond Taxi in Toronto, Canada as the new Executive Director of Operations and Member Services for the Canadian Taxi Association.

"The CTA is proud to have Jim Bell join our association as Executive Director," said CTA president Marc Andre Way. "Jim brings a wealth of knowledge to the association. He is a subject matter expert in the areas of regulation, customer service standards, safety and lobbying. He is well connected to the entire industry not, only in Canada, but in North America and globally," continued CTA president Marc Andre Way. "With over 25 years of experience in the industry Mr. Bell is the perfect person to assist the CTA in achieving its goals and vision. He has witnessed the effects of deregulation, impact of changes in technology including dispatch systems, meter units and the ways in which we hail taxis."

"I am so happy to be part of something that will see the Canadian Taxi Industry thrive as we aim to provide service standards that truly resonate with a changing demographic and preferences in hailing taxi services across Canada," said Jim Bell. "Working closely with my colleagues from across Canada, members of the Taxi, Limousine Paratransit Association in the United States and other associations from across the globe, the CTA is poised to revolutionize the industry in the face of illegal bandit operators breaking into the Canadian landscape."

Bell says he feels like he has seen it all. From the early days when people just hailed taxis on the curb of a street, to the implementation of telephone hailing systems to online and app hailing services of recent years. "It has been an amazing thing to watch this industry grow and change and now I can help companies across Canada, adapt and grow."

His new job doesn't come without challenges though. With the increase in bandit taxi operations from companies like Uber who claim they are not a taxi company, Mr. Bell is facing some harsh competition from new systems. "Uber is a company that uses an app to hail cars for hire. Taxi companies do too. When Uber stops breaking the law and conforms to regulations as they claim they want too, then we will have a level playing field where we can all compete."

About the Canadian Taxi Association

In Canada there are approximately 30,000 taxicabs providing transportation services from coast to coast to coast. The CTA is the only national association dedicated to our industry, the Canadian Taxi Association is committed to a vibrant and respected taxi industry across Canada. We are proud to provide our members a network of programs, services and support that can enhance their ability to effectively and profitably serve their local communities.

-30-

For additional information contact:

Jim Bell, Executive Director of Operations and Member Services

E-mail: jbell@cantaxi.ca (mailto:jbell@cantaxi.ca)

REJUVENATED CANADIAN TAXI ASSOCIATION STEPS UP TO FIGHT UBER AND DRIVE FURTHER TAXI MODERNIZATION

CTA Positions as the Voice of Canada's National Taxi Industry

OTTAWA, ON, July 9, 2015 – With the taxi industry at a crossroads, the Canadian Taxi Association (CTA) is stepping up to provide a unified voice for the nation's taxi industry in the ongoing national dialogue centred on regulation and transformation with a new mandate, a new look and a new website. Marc Andre Way, owner of Capital Taxi in Ottawa and vice-president of Coventry Connections, has been appointed President of the CTA. Technology has been a game changer for the industry. The new CTA's mission is to further advance modernization of the taxi industry by raising standards, improving infrastructure and increasing competitiveness. Its focus is to support its members by providing resources, sharing best practices and identifying opportunities to improve and expand taxicab services from coast to coast.

It will also help members effectively deal with ride-sharing companies like Uber, and UberX, the service that connects riders with unlicensed drivers and uninsured vehicles. The service has been expanding in Canadian cities, but it's also prompted a backlash. In Vancouver, the entire business has been banned. Montreal's mayor has said that UberX is illegal, and earlier this week, just days after an Ontario Superior Court judge denied the City of Toronto's bid to shut down Uber, Mayor John Tory vowed to overhaul Toronto's entire taxi regime and promised a single bylaw that will cover taxis, limousines and ride-sharing services like Uber.

With the regulatory landscape changing in Toronto and possibly across the country, the CTA will play a crucial role in helping its members navigate those changes.

"The Canadian taxi industry is experiencing unprecedented competition from new business models and global, and often illegal, operators," explained Marc Andre Way, president of the Canadian Taxi Association. "Canadians want a responsive, trustworthy and convenient service, and today's successful cab operators need to meet this demand while complying with strict regulations and in often unionized environments. It's our mission to help them achieve that."

The Canadian Taxi Association represents independent taxicab operators across Canada. As part of the repositioning, the Canadian Taxi Association worked with Brand Clarity to contact over 200 operators through interviews and surveys across the industry to identify opportunities for providing greater service and value. The research revealed that Canada's taxi operators are interested in important issues such as improving customer service, adopting and integrating new technology, addressing regulation and licensing matters and fighting increased competition from unregulated global operators.

As part of the new approach, the CTA worked with Brand Clarity to develop a modern new look for the Association, including a new logo and website. The new tagline – Driving Our Industry Forward – helps communicate the CTA's focus on the future. To learn more, please visit www.cantaxi.ca (http://www.cantaxi.ca)

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Federal Budget 2017: How the budget will affect your pocketbook

By Monique Scotti National Online Journalist, Politics Global News

WATCH ABOVE: Alcohol and tobacco taxes going up, Uber will have to charge GST/HST, and no path out of deficit are just a few highlights from the 2017 federal budget. Vassy Kapelos has more.

Changes to credits, taxes and other rules in the federal budget will affect Canadians who take the bus, care for loved ones, smoke, or are trying to have a baby.

Overall, experts suggest the Liberals have taken a very cautious approach to their second fiscal roadmap, making tweaks and investing in many different areas, but not racking up huge spending or introducing dramatic changes that will hurt or help the average Canadian.

READ MORE: Federal budget 2017 is a plan to train, but not retain, Canadian brains

“This is just routine housekeeping,” said Ian Lee, a professor at the Sprott School of Business at Carleton University, of the measures announced Wednesday.

Still, that housekeeping won’t go unnoticed. Here’s a look at some of the key policy changes that could affect your wallet.

Public transit credit axed

Canadians who have claimed their public transit passes for a tax break will have to start looking elsewhere for refunds starting on June 30, 2017.

After that date, any transit pass purchased won’t be eligible to submit to the Canada Revenue Agency next spring.

“We found that it was not doing what it was



File photo of a TTC streetcar.

intended to do,”
explained Finance
Minister Bill Morneau.

Fred Lum/The Globe and Mail/THE CANADIAN PRESS

Specifically, the credit was supposed to encourage the use of public transit and reduce greenhouse gas emissions.

READ MORE: Trudeau government raising EI premiums and hiking taxes on smokes, booze

Instead of the individual “boutique” credit, the Liberals say they are investing on a broad scale – to the tune of \$20 billion over 11 years – to improve transit systems and encourage usage across Canada.

“That was going to a lot of people who didn’t need it,” said Lee of the ill-fated credit, which dates back to the Harper government.

“Should you be subsidizing the user, or the machine?”

(Slightly) higher prices on alcohol and cigarettes

WATCH: Does the budget deliver on promises to help the middle class?

Indulging in your chosen vice may get slightly more expensive with increases to taxes levied on alcohol and cigarettes. The excise duties charged to manufacturers and importers of these products are going up, which means higher costs passed along to consumers.

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According to officials within the department of finance, that will translate to a 53-cent increase on the cost of a carton of 200 cigarettes, a 5-cent increase on a 24 pack of beer, a 7-cent increase on a bottle of spirits and a 1-cent increase on each litre of wine.

“We believe that it’s important that we have a tax system that works, that’s fair,” said Morneau. “We are actually just ensuring that taxes stay consistent over time.”

HST/GST on UBER

Ride-sharing’s free ride
when it comes to

HST/GST rules is officially over. The definition of a taxi business is being amended under the Excise Tax Act so it will include ride-sharing services, including UBER and Lyft, as of July 1, 2017.

What that means is the average consumer is now going to see an HST and GST charge on their receipts after using a ride-sharing service, just like they would on a regular taxi ride.

The budget states that this will effectively “level the playing field” in a highly competitive and rapidly evolving industry.

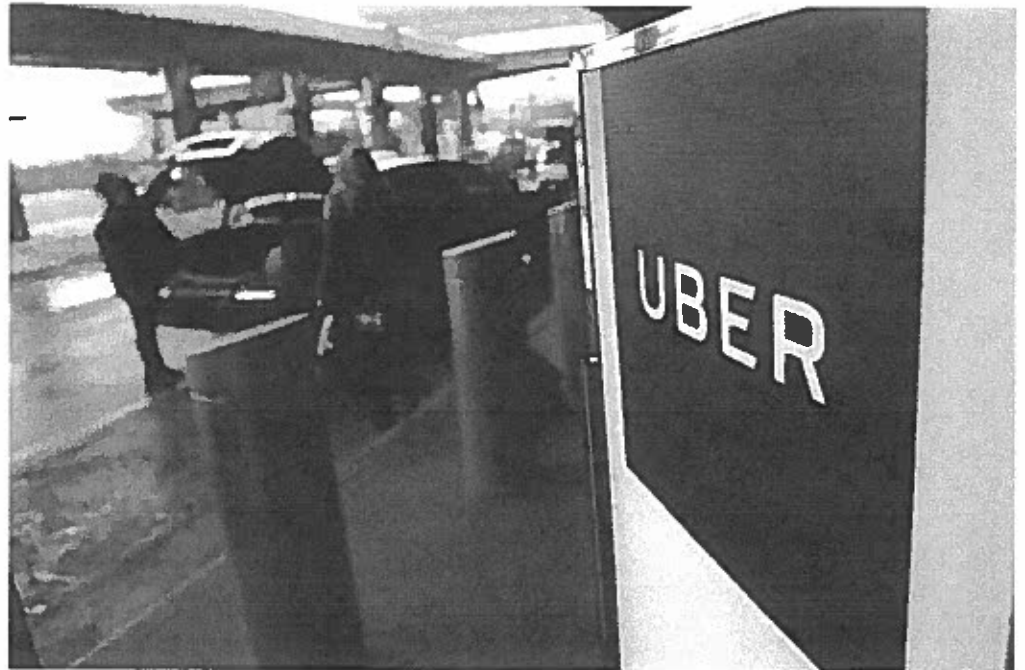
Goodbye Canada Savings Bonds

The sale of Canada Savings Bonds peaked in the 1980s, but the federal government says the program simply doesn’t make sense anymore.

The bonds are no longer as popular, the budget argues, and therefore no longer a cost-effective or reliable source of funds for the government. Lee says their demise was a long time coming.

“That’s been discussed for literally years,” said Lee. “The financial markets have matured and there’s many other financial instruments available.”

READ MORE: Trudeau government projects \$28.5 billion deficit in 2017-2018



File- In this March 15, 2017, file photo, a sign marks a pick-up point for the Uber car service at LaGuardia Airport in New York.

Ottawa will discontinue new sales of the bonds this year, gradually phasing out the program and honouring “all outstanding retail debt.”

GST/HST information for taxi and limousine operators

On this page

[Find out about the GST/HST for taxi or limousine drivers](#)

[Find out if you need to register for a GST/HST account](#)

[How to calculate the GST/HST included in a fare](#)

[How to calculate input tax credits \(ITCs\)](#)

[How to calculate the net tax](#)

Find out about the GST/HST for taxi or limousine drivers

As a GST/HST registrant, you usually have to collect the GST/HST on amounts you charge for taxable supplies of property and services. In the taxi business, taxi and limousine drivers provide mostly services. However, tax is usually already included in taxi and limousine fares. For more information, see [How to calculate the GST/HST included in a fare](#).

[See example - Amounts charged in the taxi or limousine business](#)

As a registrant, you can generally claim [input tax credits \(ITCs\)](#) to recover the GST/HST paid or payable on your business purchases such as gas, car repairs, and car washes.

You have to [keep records](#) of the amounts you pay or owe to support your ITC claims.

You also have to complete and file GST/HST returns according to your [reporting period](#). This will be either annually, quarterly, or monthly.

When you complete your GST/HST return, you have to use the regular method of calculating your net tax, unless you tell us that you want to use the quick method.

Find out if you need to register for a GST/HST account

If you are a self-employed taxi or limousine driver in the taxi business, you must [register for the GST/HST](#). You are usually self-employed if you are in one of the following situations:

- You own your taxicab/limousine.
- You lease a taxicab/limousine from an owner for a flat fee, either on a daily, weekly, or monthly basis.
- You lease the taxicab/limousine from an owner for a percentage of fares.

If you are not sure whether you are self-employed or an employee, you can request a ruling to have your status determined by using [Form CPT1, Request for a Ruling as to the Status of a Worker under the Canada Pension Plan and/or the Employment Insurance Act](#).

How to calculate the GST/HST included in a fare

In the taxi or limousine business, the GST/HST is usually included in fares. For that reason, you may have to calculate the amount of GST/HST included in the fares.

[See examples](#)

Tax rate to apply depending on the trip

The trip	Tax included in the fare
begins in Alberta, British Columbia, Manitoba, Northwest Territories, Nunavut, Quebec, Saskatchewan, or Yukon and ends in Canada	GST
begins in New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, or Prince Edward Island and ends in Canada	HST
begins anywhere in Canada and ends outside Canada	GST

To determine the amount of GST included in the fare, multiply the total by 5 and divide the result by 105.

To determine the amount of HST included in your fare:

- for 13% HST, multiply the total by 13 and divide the result by 113
- for 14% HST, multiply the total by 14 and divide the result by 114

- for 15% HST, multiply the total by 15 and divide the result by 115

For more details on the provincial GST/HST rates, go to [GST/HST rates](#).

How to calculate input tax credits (ITCs)

You can claim ITCs for the GST/HST paid or payable on your business purchases such as:

- gasoline, diesel fuel, and propane
- vehicle repairs, maintenance, and washes
- vehicle leases and purchases

You **cannot** claim ITCs for insurance costs or interest as they are not subject to the GST/HST.

You **cannot** claim ITCs on most of your business purchases if you use the quick method.

You may be able to use the **simplified method for claiming ITCs**. For more information, see [Simplified method to claim input tax credits](#).

How to calculate the net tax

As a taxi or limousine driver you need to calculate your net tax to file your GST/HST return. There are two ways to calculate your net tax – the regular method and the quick method.

If you use the **regular method**, you total the GST/HST you charged or collected and deduct your ITCs from this amount. The difference between these two amounts, including any adjustments, is your net tax. If you charged or collected more GST/HST than was paid or payable on your business purchases, you send us the difference. If you charged or collected less GST/HST than was paid or payable, you can claim a refund.

There is also the simplified method to claim ITCs, which can be used by most small businesses. For more information, see [Simplified method to claim input tax credits](#).

The **quick method** is another method for calculating the net tax. You can use this method if your annual taxable sales, including those of your associates, are no more than \$400,000 (including GST/HST and zero rated supplies) in any four consecutive fiscal quarters over the last five fiscal quarters. You can start using it at the beginning of any reporting period.

For more information on the net tax calculation, see [Calculate the net tax to complete a GST/HST return](#).

Date modified:

2016-07-05



What is ride-sourcing?

Ride-sourcing is an ongoing arrangement where:

- you (a driver) make a car available for public hire
- a passenger uses, for example, a website or smart phone app provided by a third party (facilitator) to request a ride, for example Uber, GoCar and others
- you use the car to transport the passenger for payment (a fare) with a view to profit.

Ride-sourcing arrangements can be enabled by a technology platform maintained by a third-party facilitator. Typically, a website or mobile device application is used to facilitate a transaction between a driver and a passenger.

Ride-sourcing is one example of collaborative consumption in the sharing economy.

See also:

- [The sharing economy and tax \(/Business/GST/In-detail/Managing-GST-in-your-business/General-guides/The-sharing-economy-and-tax/\)](#)

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All about GST in Australia

By Chris Sievers, Barrister

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Federal Court finds UberX drivers supply “taxi travel” to customers

Posted on February 20, 2017 by chrissievers

In *Uber BV v Commissioner of Taxation* [2017] FCA 110 the Federal Court found that UberX services constituted the supply of “taxi travel” within the meaning in s 144-5(1) of the GST Act. The Court accepted the Commissioner’s submissions that the ordinary meaning of the word “taxi” was a vehicle available for hire by the public which transports a passenger at his or her direction for the payment of a fare that will often, but not always, be calculated by reference to a taximeter. The Court found that the ordinary meaning of “taxi” was sufficiently broad to encompass the UberX service.

Division 144 of the GST Act provides an exception to the general rule that an entity is only required to be registered for GST when its annual turnover meets the statutory threshold –



Chris Sievers is a barrister specialising in revenue law, with a particular focus on GST.

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currently \$75,000. Under Division 144 an entity is required to register for GST if it supplies “taxi travel” – regardless of its turnover. The words “taxi travel” are defined to mean “travel that involves transporting passengers, by taxi or limousine, for fares”.

Uber submitted that Division 144 was intended to create an exception from the general rules for a specific industry – being taxi operators – and the Division should not be construed as having been intended to extend to some new state of affairs to which it might arguably extend. Uber also contended that the words “taxi” and “limousine” bore a trade or non-legal meaning, or at least those words bore an ordinary meaning that was best suited to achieving the statutory object of carving out a specific existing industry from the operation of an otherwise universally applicable general (and beneficial) rule. This ordinary meaning had characteristics which were founded on the regulation of the taxi industry one each of the States and Territories, including that they taxi travel must be provided by a registered taxi and a licensed driver, the vehicle must be physically identified as a “taxi”, the vehicle have a light on the roof to show its availability, the vehicle contain a taximeter which calculates and displays to the passenger the progressive fare.

The Commissioner contended that the definition of “taxi travel” connoted transportation, by a person driving a private vehicle, of a passenger from one point to another at the passenger’s direction and for a fare, irrespective of whether the fare is calculated by reference to a taximeter. The Commissioner also contended that it was wrong for Uber to rely on State and Territory regulatory regimes applying to the taxi industry because the GST Act is a federal statute – also, the GST Act provides in s 9-10(3) that a supply occurs irrespective of whether it is made in compliance with the law.

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The Court found that a plain object of Division 144 was to address the difficulties that had arisen in overseas jurisdictions because not all taxi drivers were registered for GST – meaning that GST was not paid by all drivers. The Court accepted the Commissioner’s construction that, in these circumstances, the concept of “taxi travel” as defined in s 195-1 should be construed broadly and not technically. The Court also considered that a practical and common sense approach should be applied and to avoid an approach which was “unduly technical or overly meticulous and literal” – referring to *Young J in Saga Holidays*.

The Court found that the UberX driver in question (driving a Honda Civic) was supplying “taxi travel” because he was supplying travel that involved transporting passengers by taxi for fares. The Court considered that fact that his car did not have a taximeter installed was not determinative of the question because this was not an essential aspect of the ordinary meaning of the word “taxi” that a vehicle must have such a device. Nor were the other characteristics advanced by Uber necessary elements of the ordinary meaning of the word “taxi”. The Court did not consider that the vehicle involved travel by a “limousine”, as the vehicle was not a luxury car.

The decision is a further example of the Court applying a practical approach to the application of the GST Act to transactions, in this case “ride sharing” services. The Court accepted the Commissioner’s submission that it was appropriate to regard the relevant provisions of the GST Act as “always speaking” – therefore merely because software technology of the type used in providing the UberX service may not have been known at the time that Div 144 was inserted into Pt 4-5 of the *GST Act* was not determinative of the question of whether that Division could apply. This approach may give the Commissioner some comfort as to the






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