

Legislation Text

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DEPUTATIONS REGARDING MOTION 17-G-057, REVIEW OF TRANSPORTATION INDUSTRY (TAXI) BY-LAW 2006-265 AND REGULATING RIDE SHARING/DRIVER FOR HIRE OPERATIONS

Ms. Sandra McDiarmid provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Ms. McDiarmid advised that she owns five taxis and she discussed the impact increases in the City licensing fees over the years as well as the difficulties in recovering from the fee increases. Ms. McDiarmid discussed the challenges for someone to become a taxi cab driver since it is a transient job with a fee of approximately \$500, and the length of time that it takes to start driving a cab. She proposed a licence fee of \$160 in total. Ms. McDiarmid discussed the staff comments concerning that the licensing of the taxi drivers would be more work than ride sharing and noted that she felt that if the ride along was removed from the by-law that the work would be the same. She provided details of the industry prior to the moratorium being introduced and her concerns about the lifting of the moratorium as she felt that the market would be saturated resulting in less money for operators to maintain vehicles. Ms. McDiarmid remarked that she felt that the taxis should be regulated to some extent and they are not like other businesses. She commented that taxi owners need to make a living and keep the vehicles safe. Ms. McDiarmid asked Council to reconsider the moratorium allowing taxi cab companies to set their own rates as it would help to level the playing field.

Members of Council asked questions of Ms. McDiarmid and sought clarification from City staff and received responses.

Mr. Michael McNeill provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. McNeill commented that he was speaking to reinstate the need for the existing industry protocol to remain for the safety of the customers as the existing regulations have given confidence to those entering into professional taxi business. He stated that the moratorium didn't exist some may not have considered entering the business. He noted that he felt that the City of Barrie already has enough taxi cabs to serve the community. He discussed the proposal to remove the requirement for taxicab drivers to complete a test of their knowledge of the City and noted while GPS can be used if a unit is installed. Mr. McNeill stated that interaction with the customer is the primary source of determining routes and provides better customer service. He remarked that he felt that the interaction with the Enforcement Officer provided confidence to new drivers as they embarked on the career and provided them with some ethical standards.

Mr. McNeill discussed that both taxi cabs and ride sharing operations are providing rides for money regardless if it is through an App or hailing, and that he felt a level playing field should be promoted. He compared Uber to a bully in trying to achieve their goal through intimidation. He listed the cities that he believed had banned Uber as they refused to meet safety regulations. He further discussed his concerns related to the way Uber operates. Mr. McNeill advised that prior to the debate on this matter, the taxi industry did not have any indication there was discontent with its rates. Mr. McNeill thanked Council for the opportunity to speak and present his opinions as well as those of his colleagues. He suggested that this matter provides opportunities to

look at improving the Transit system. In closing, Mr. McNeill noted that the City has regulations in place to ensure customer safety and questioned when their principles had changed and why the standards associated with transportation are being compromised.

A member of Council asked questions of Mr. McNeill and received responses.

Mr. Gerry van Slighthenhorst provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. van Slighthenhorst noted that there are currently 173 taxis operating in the City of Barrie and it may not be worth driving a taxi cab with a limited market and the influx of Uber drivers. He expressed concerns about the loss of money and jobs for taxi cab drivers due to the number of private cars at Uber's disposal.

Mr. van Slighthenhorst discussed that for a taxi cab driver this is their full time job. He suggested that most Uber drivers have other full time jobs and they are just in the business for the days and events where they can maximize fares, whereas a taxi charges the same price all the time. Mr. van Slighthenhorst indicated that he felt that Uber is taking advantage of customers as they are not knowing what they are paying for at different times and that price "hiking" is absurd. He provided an analogy, of a company increasing the price of milk because they needed to have all cashiers available during busy times.

Mr. van Slighthenhorst also commented on safety concerns related to private vehicles that may be operating on behalf of Uber.

Members of Council asked questions of Mr. van Slighthenhorst and sought clarification from staff and received responses.

Mr. Andrew Bacque of Deluxe Taxi provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. Bacque commented that he felt the proposed changes have been made to address technology and business model changes as a result of companies such as Uber. He stated that he does not dispute the need for change but he felt that the proposed by-law does not provide for one level playing field, but for three levels. He discussed that on July 1, the three company categories will be competing with each other under different rules, which he felt was in contradiction to the purpose of the by-law. He provided examples of the similarities between how Deluxe Taxi operates in relation to Ride Sharing and Driver for Hire Operations and remarked how they all will be subject to different rules. Mr. Bacque stated that the innovations are not new, the companies do not have a presence in the City and make no promise to provide service at any time. Mr. Bacque provided the definition of a taxi cab company as defined in the proposed By-law and noted that Deluxe Taxi operates more like a ride-sharing or a driver for hire, so he felt it is not a Taxi Cab Company under the proposed by-law and was confused regarding how Deluxe Taxi should operate after July 1. He questioned whether or not Deluxe Taxi can accept calls from Uber and vice versa. He remarked that he does not feel that his company will be able to attract new drivers and compete fairly given the different rules he believes to be the same service as of July.

Mr. Bacque remarked that if the intent is to foster innovation and competition within the Transportation Industry, then the by-law must allow it and not muddy the waters but clearly define the basic services for dispatch, vehicle and driver as an initial starting point and if this is done all other considerations such as fees,

moratorium, safety and insurance can be applied equally. He stated that Deluxe Taxi is an evolving company and offering a similar App to Uber to keep current and attract new customers. Mr. Bacque noted that the industry should not be defined to what they have done in the past, but by the services they actually provide. He noted that in comparison to Uber they keep all mandated records and play by the rules which provides for a huge competitive disadvantage. In closing, Mr. Bacque questioned a company paying a cut of its sales as a licence to operate and ask Council to reject the by-law and take a pause and try to establish regulations that would be more rational and comprehensive.

A Member of Council asked questions of Mr. Bacque and received responses.

Mr. James Hunt of Deluxe Taxi provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. Hunt commented that it appears that Council had made up its mind with respect to allowing ride-sharing and driver for hire companies in Barrie. He discussed that he feels that it is fair to expect that when companies such as these are placed under the same umbrella as the taxi industry it is done in a way that protects customers and drivers. He advised that he is opposed to the removal of the taxi moratorium and deregulating the fare structure, noting that he doesn't feel that these changes are in the best interest of the public and consumers.

Mr. Hunt spoke to the provisions in the Municipal Act that regulate licensing within a municipality and that many of the regulations associated with the Taxi Industry have evolved over the years to ensure safety and protection of passengers and that these provisions still need to exist. Mr. Hunt provided background information related to the current moratorium on the number of taxi cabs, the cost of operating and maintaining the vehicles. He noted that he felt that the combination of the removal of the moratorium and the proposed deregulation of the fare structure would cause companies to undercut each other with insufficient revenue earned to maintain safe vehicles. He discussed the regulation of fees and provided detailed costs associated with operating a taxi cab, as he reiterated his concerns about the impacts about deregulating the fares. He noted that he understood that the deregulation of fees was proposed to allow taxi cab companies to compete with the ride sharing and ride for hire operations.

Mr. Hunt further touched upon his concerns related to the deregulation to the fare structure and how the price surging used by ride sharing and driver for hire operations wasn't a feasible model for the taxi industry as all shifts are on a busy night. He discussed his belief that it would be adverse to public safety, consumer protection and creating a more level playing field for the three different types of transportation operations. Mr. Hunt noted that fee disputes are quite common and what the taxi cab drivers do when the disputes occur. He provided an example related to consumer protection associated with the price structure and how a fee charged to a customer to get to the grocery store could fluctuate depending on when the customer required the ride. Mr. Hunt questioned how the deregulation of the fare structure would allow taxis to remain competitive with the ride sharing and driver for hire operations. He discussed other municipalities that allow ride sharing companies to operate and still regulate fare structure. Mr. Hunt advised that Ottawa and Toronto consulted with independent advisors to review the impacts on the taxi industry by allowing ride-sharing programs to operate in these cities.

In closing, Mr. Hunt provided an analogy associated with artist renderings as an interpretation of what the end

result will be and if the proposed changes are different than other municipalities, how does it know what the end result will be for the industry. Mr. Hunt further reiterated his concerns associated with the lifting the moratorium and deregulating the fare structure not being in the best interest of public safety and consumer protection or a way to level the playing field.

Members of Council asked questions of Mr. Hunt and sought clarification from City staff and received responses.

Mr. Melvin Woods of Deluxe Taxi provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. Woods discussed his concerns associated with removing some of the safety provisions and tariff provisions that are currently in the by-law and questioned who would regulate pricing as he felt some businesses would over charge customers. He noted that a company should have something in written form that they cannot refuse an individual, that the requirement to operate 24/7 days a week should not be removed from the by-law as it would be disastrous to the industry. Mr. Woods noted that he felt that there will be chaos for the transportation industry. He requested a level playing field for the taxi drivers and urged Council to continue to regulate the industry.

Mr. Zack Abbas provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. Abbas advised that he is the Chair of the Taxi Working Group and commented that the proposed licensing fees be balanced between the ride sharing and the taxi industry to provide a level playing field. He indicated that the City's licensing fees are higher than other municipalities. Mr. Abbas provided examples of estimated fees that would be payable by the Taxi Industry and Uber, and noted that he felt the Taxi Industry is bringing in more revenue to the City. He requested that the taxi driver category be removed to provide for a level playing field between the taxi industry and Uber. Mr. Abbas commented that he felt that it was easy for Uber to do price surging as all transactions are done online and with a credit card meanwhile taxi drivers will have to post rates in their vehicles and explain them if necessary. Mr. Abbas referenced the regulations in Sault Ste. Marie where the City allows the cab companies to establish their own drop rate but the per/kilometre rate is set by the City. He requested that the Pilot Project be put on hold in order to the Taxi Working Group to meet to provide input and give their solutions.

Mr. Abbas also requested that the requirement for a vehicle safety inspection be removed, as the non-safety and cosmetic ones are being removed under the proposed by-law and suggested that that only a safety standard certificate be required.

Mr. Abbas also discussed his concerns related to the lifting of the moratorium, as he felt the industry could grow rapidly with impacts on parking in the downtown, especially when attending businesses to pick up clients when the patios are out.

Members of Council asked questions of Mr. Abbas and received responses.

Mr. Matt Stolvold of Driverseat provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. Stolvold identified the one main concern he had with the recommendation related to the requirement for a driver for hire company to provide the make, licence plate and VIN number of the company vehicle. He requested that the provision be removed, as he felt that it did not add any value or merit.

Members of Council asked questions of Mr. Stolvold and sought clarification from City staff and received responses.

Ms. Philomena Comerford of Baird MacGregor Insurance Brokers LP/Hargraft Scholfied LP provided a deputation with respect to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Ms. Comerford discussed insurance issues related to ride sharing operations. She provided background information associated with safety related discussions held in other municipalities and by the insurance industry in this regard. She commented that the competition and deregulation were great but expressed concern that safety seemed to be lost in the discussions. Ms. Comerford stated that Uber was telling everyone that it had insurance until it was held to 43 statements. She discussed her concerns related to the number of vehicles “dumped” into the market, the loss of revenues and the local companies and price surging impacts on vulnerable individuals.

Ms. Comerford discussed the way that the insurance provided to Uber drivers works and the limits on the amount of insurance compared to the taxi industry. She noted that many drivers do not tell their insurance companies that they are driving for Uber and many insurers will void a driver policy or not pay claims as a result. Ms. Comerford discussed the importance of getting an insurance certificate from a driver’s personal auto insurance company as well as Uber. She noted the turnover in Uber drivers and the challenges in larger cities trying to regulate the company. Ms. Comerford suggested that a copy of the insurance certificate from the driver’s automobile personal insurer be requested in addition to Uber’s insurer, as well as any cancellation of insurance be a requirement. She also suggested requiring a certificate of Cyber Privacy Insurance from transportation network companies measure of the personal information they gather.

Members of Council asked questions of Ms. Comerford and sought clarification from City staff and received responses.

Mr. Tom Watson-Giles of Barrie Taxi Ltd. provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. Watson-Giles advised that he is the Operations Manager of Barrie Taxi and discussed the need for a level playing field.

Mr. Watson-Giles discussed slides concerning the following topics:

- The requirement for the proposed licensing fees and structure to be applied to each participant in the transportation industry in the same manner;
- Amendments to the proposed by-law to eliminate the three different licensing categories, for taxis, taxi company charge the same licence fees as the other operations and do not charge the taxi companies the per trip/fee levy;
- The elimination of the driver and vehicle licensing categories as Barrie Taxi has been keeping the required documents under the proposed by-law for 27 years;
- The risk associated with a taxi cab company not being prepared to properly manage their drivers and vehicles, is same with Uber and the driver for hire companies and waiting until the end of the review period to reexamine this could impact industry;
- The taxi industry would be paying higher licensing fees compared to other companies;
- The proposed reduction in fees would be adequate enough to level the playing field;
- The amount of resources that would be required if the company was to provide driver and vehicle documents would be the same as the other operations and the licensing fee should be the same; and
- A request that since Barrie Taxi are clearly marked and has an office in Barrie, it should not be subject to

a per trip fee or any other company that meets the requirements should not be subject to the per trip fee.

In closing, Mr. Watson-Giles provided a milk analogy related to requirements for a three different stores to buy and sell milk.

Members of Council asked questions of Mr. Watson-Giles and sought clarification from City staff and received responses.

Mr. Erwin Giles of Barrie Taxi Ltd. provided a deputation in opposition to motion 17-G-057 concerning the Review of the Transportation Industry (Taxi) By-law 2006-265 and Regulating Ride Sharing/Driver for Hire Operations. Mr. Giles advised that he was making the deputation on behalf of Barrie Taxi Ltd. noting that he felt that his company has been a significant economic engine in the community. He provided background information about the company. He indicated that City staff have done a great job presenting a comprehensive staff report but he felt that the proposed pilot project should be equal for all parties involved, as all three industries share one common function of moving passengers from point A to point B for money, and as such the licensing of all three areas should be fair and equitable. He provided comparisons of the proposed licensing fees for the taxi industry and a private transportation company and noted his concern that the private transportation companies have been operating in Barrie without a licence for a significant amount of time. Mr. Giles applied the taxi cab driver fees to estimated number of private transportation company drivers that are currently paying fees and noted that he felt that if everybody pays it could result in a significant reduction in licensing fees.

Mr. Giles also discussed his concerns related to insurance requirements for the taxi industry and his view that private transportation companies should be required by their insurer to carry the same insurance on each of their vehicles. He commented concerning the liability and risk factors associated with private transportation companies. In closing, Mr. Giles commented that there should be a buffer in place so that Council would be able to address and make adjustments to the By-law without waiting for two years.