



Licensing of Private Transportation Companies (PTCs) & Associated Amendments to Mobile Licensing By-law 2012-92

**General Committee Meeting
March 2, 2020**



Presentation Outline

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Item 2 - Background

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- Accessibility
- Affordability & Consumer Choice
- Consumer Protection for PTC Users

Item 4 - Conclusion

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1. Introduction

- The introduction of new technologies like PTCs have necessitated a review of regulatory frameworks for vehicles for hire across the globe, including in the City of Markham.
- The digital technology used by PTCs has disrupted how business has traditionally been done & how municipalities must regulate them.





1. Introduction

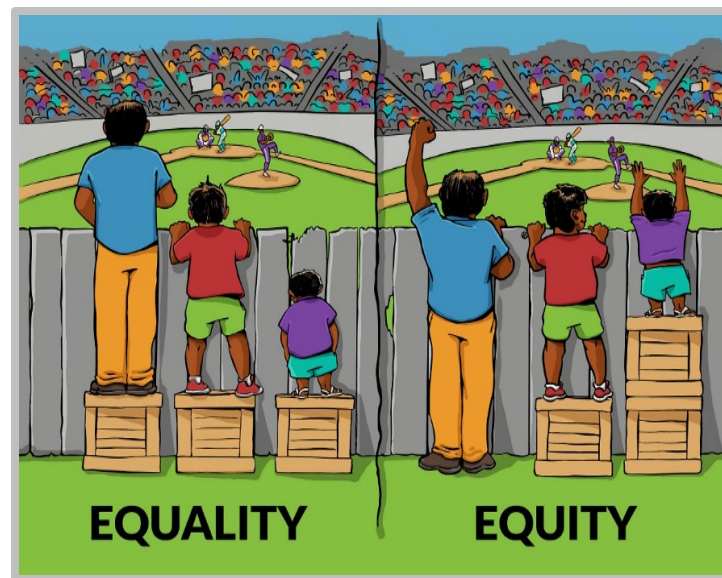
What is being proposed by City staff?

- The addition of a Schedule 8 to Markham Mobile Business Licensing By-law 2012-92 to regulate (for the first time) PTCs operating in the City & their drivers;
- Amendments to the City's Taxicab & Limousine schedules in the By-law to lessen the licensing burden; &
- The harmonization of the requirements in all 3 sectors to ensure the equitable treatment of participants while respecting the different service models that co-exist.



1. Introduction

- With this in mind, the proposed amendments will ensure the City's regulatory requirements are transparent & impact taxicabs, limousines & PTCs in an equitable (albeit different) manner.





2. Background

- The City currently regulates taxicabs, & limousines but not PTCs.
- A Staff Report & Presentation on the Licensing of PTCs & proposed amendments to the City's Mobile Licensing By-law was delivered to General Committee on May 6, 2019;
- Staff was directed to organize & hold a Public Information Meeting & invite various stakeholders - this meeting was held on June 4, 2019.



2. Background

- At the conclusion of the June 4th meeting, staff were requested to:
 - Further consult with Markham's Advisory Committee on Accessibility regarding the proposed PTC regulations & report back on same; &
 - Report back on the following additional issues associated with the proposed regulation of PTCs:
 - a) Affordability & Consumer Choice
 - b) Consumer Protection
 - c) Sustainability



Follow-Up Item - Accessibility

- On July 29, 2019, Deputy Clerk-By-law Enforcement, Licensing & Regulatory Services attended Markham's Advisory Committee on Accessibility to provide an overview of the proposed PTC regulations & to have a high-level discussion regarding accessible private transportation in Markham.
- Committee members supported the introduction of PTC regulations in Markham & stressed the importance of taxi & PTC drivers being trained on how to properly assist someone living with a disability.





Follow-Up Item - Accessibility

- Currently, York Region Transit has accessible customer service training for drivers.
- The Committee suggested City staff speak to the Region regarding their accessible customer service training & incorporate some of its content in Markham's requirements – staff are in the process of doing so.





Follow-Up Item - Accessibility

Accessibility Challenges in Markham (Related to Taxis & PTCs)

- UBER & LYFT do not currently offer mobility device accessible vehicle service outside of Toronto.
- Staff have been advised that there are no plans to expand this category of service at the present time - however UBER is agreeable to the discussion.
- Currently, there are no licensed taxicab companies that offer mobility device accessible vehicle service in Markham.



Follow-Up Item - Accessibility

Improvements

- The proposed amendments would open the municipal borders to permit any licensed accessible taxicab to pick up in Markham.
- Open issuance of Markham taxicab plates provided that:
 - Applicant has 5 years of driving experience; &
 - Applicant operates an Accessible Vehicle for a minimum of 4 years, after which a standard taxicab can be put on the plate.





Follow-Up Item - Accessibility

Improvements

- More robust training requirements for taxicab, limousine & PTC drivers will be reviewed as part of the training needs analysis to be conducted by the Licensing Unit.





Follow-Up Item - Affordability & Consumer Choice

It is being proposed:

- That fare rates across all sectors (Taxi, Limousine & PTC) be market driven & set by the licensee; &
- Fare rates must be filed with the City; &
- Fares must not (in any way) be discriminatory (e.g., persons living with a disability cannot be charged more); &
- The passenger must be made aware of the fare prior to the commencement of the trip.



Follow-Up Item - Affordability & Consumer Choice

- Markham Taxi & Limousine Service currently offers a 10% discount on fares for seniors – this is not mandated by the City.
- Staff were asked to report back on the City's authority to impose requirements for PTCs to have a Senior's Rate (discount).
- Under the *Municipal Act*, the City has the authority to establish the rates or fares to be charged for the conveyance of property or passengers.





Follow-Up Item - Affordability & Consumer Choice

- Based on the PTC sector's fare model (which includes surge pricing & prime time fare rates respectively) staff are unsure of how a Senior's Rate would operate in actual practice.
- In researching this question, staff were not made aware of any other municipality requiring a PTC to offer a senior's discount & are not recommending it be mandated by the City.



Follow-Up Item - Affordability & Consumer Choice

Fares

Fare calculation (current state) for taxicabs & limousines is summarized in the Table below:

SECTOR	VEHICLE	FARE CALCULATION
Taxicab	Standard sedan	Metered based on time & distance travelled
Limousine	Higher end sedan, stretch vehicles or SUVs	Hourly rate



Follow-Up Item - Affordability & Consumer Choice

The proposed fare calculation for PTCs is summarized in the Table below:

SECTOR	VEHICLE	FARE CALCULATION
PTCs	Standard sedan up to higher end sedan or SUV	Based on distance (not metered), the class of vehicle & time of day (surge pricing)



Follow-Up Item - Affordability & Consumer Choice

Benefits of Technology

Consumers can make easier & more informed decisions:

- no longer having to guess at prices & avoid surprises, even at peak demand times.
- UBER, LYFT & the “Markham Taxi & Limousine” Company all offer fare estimate tools to calculate the cost of a trip before booking.





Follow-Up Item - Affordability & Consumer Choice

Benefits of Technology

Consumers can compare ride options:

- By seeing the upfront price, consumers can compare prices & pick the best option that suits their budget & schedule;
- Trips change on the consumer's terms:
 - The upfront price may change if the consumer adds stops, updates their destination or the route changes significantly.





Follow-Up Item - Affordability & Consumer Choice

- In order to provide a more equitable environment, staff are proposing an adjustment of the annual fees for taxicabs & limousines.

LICENCE CATEGORY	CURRENT FEE	PROPOSED FEE	% REDUCTION
Taxicab Owner	\$651.00	\$500.00	23%
Taxicab Driver	\$100.00	\$98.00	2%
Taxicab Broker	\$520.00	\$400.00	23%
Airport Taxicab Owner	\$1,370.00	\$1,000.00	27%
Airport Taxicab Driver	\$100.00	\$98.00	2%
Airport Taxicab Broker	\$520.00	\$400.00	23%
Limousine Owner	\$651.00	\$500.00	23%
Limousine Driver	\$100.00	\$98.00	2%
Limousine Broker	N/A*	N/A*	N/A*

*The City does not currently license limousine brokers



Follow-Up Item - PTC Fees

- In Ontario, there are basically 2 different fee models that have been implemented for PTCs (1. a fixed annual licensing fee; or 2. an escalating fee based on vehicle number).
- For PTC operators, City staff are recommending an escalating flat annual licensing fee for operators, based on the number of vehicles they have operating in the City & supplemented by a per-ride fee as illustrated in the Table below:

PRIVATE TRANSPORTATION COMPANY NUMBER OF VEHICLES	ANNUAL LICENSE
1 to 50	\$750 plus \$0.30/trip
51-100	\$2500 plus \$0.30/trip
101-500	\$7500 plus \$0.30/trip
501 or more	\$15000 plus \$0.30/trip



Follow-Up Item - Consumer Protection for PTC Users

- City staff are proposing a number of consumer protection measures.
- Drivers must be a minimum of 19 years of age with 3 years of verified Canadian driving experience.
- Drivers will need to securely mount all handheld devices to their vehicle.
- Drivers will need to display notices in their vehicles if a camera is being used to record passengers.





Follow-Up Item - Consumer Protection for PTC Users

- In the case of taxicab & limousine companies, municipalities typically require drivers to provide background checks & owners to provide mechanical safety inspections.
- In the proposed model, the City would impose these same requirements on PTCs.



Follow-Up Item - Consumer Protection for PTC Users

Training

- Mobile Business Licensing By-law 2012-92 currently requires training for taxicab drivers as required by the Licensing Officer.
- Staff propose that this requirement remain in effect & expand to encompass all modes (taxi, limousine & PTC) subject to a training needs analysis to be conducted by the Licensing Unit.





Follow-Up Item - Consumer Protection for PTC Users

Training

- Preliminary training topics include: transporting passengers in a safe manner; driving in an urban setting; providing accessible service; anti-racism, diversity & sensitivity; & legal requirements.
- Drivers of taxicabs, limousines & PTCs will need to successfully complete the prescribed training program (approved by the City) as a requirement of licence issuance or renewal.





Follow-Up Item - Consumer Protection for PTC Users

Training

- It is also being proposed that the City acknowledge training acceptable to another municipality such as Toronto for the purpose of licence issuance or renewal.



Follow-Up Item - Consumer Protection for PTC Users

Safety & Security

- Safety features in both the UBER & LYFT applications:
 - Consumers are provided with the driver's name, picture, vehicle make, colour & license plate at the time of booking.





Follow-Up Item - Consumer Protection for PTC Users

- The UBER & LYFT platforms both have a feature in their safety toolkits where riders can share trip details & status with trusted contacts.
- UBER & LYFT have also recently launched a 911-calling feature consisting of an emergency button embedded in the platform's mobile application. Once activated, the application displays live location & trip details (such as the vehicle information & licence plate number) that can be shared with an emergency dispatcher at a 911-call centre.





Follow-Up Item - Consumer Protection for PTC Users

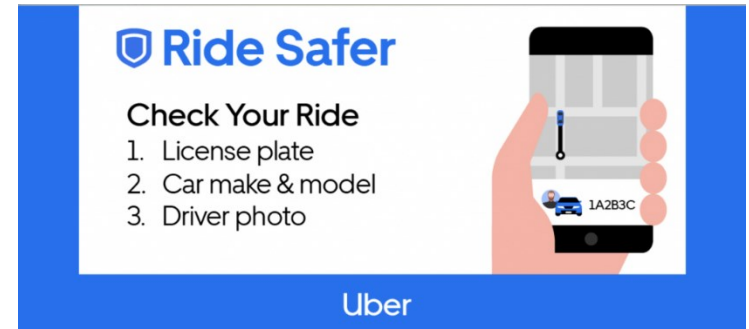
- UBER has recently started offering riders a 4-digit Personal Identification Number (PIN) to help ensure they are getting into the right vehicle.
- If a consumer is using the system, the UBER app will send that rider a four-digit PIN just before the driver arrives.
- When the driver arrives, the rider can verbally provide the PIN to the driver before getting into the vehicle - after driver enters correct PIN into their device, the app displays a message to the rider that their ride is verified & the trip may begin.





Follow-Up Item - Consumer Protection for PTC Users

- Most recently (February 2020), UBER has launched 2 new safety features in Canada:
 - **On-Trip Reporting** - gives riders ability to report a non-emergency safety issue in real time, instead of waiting until after the trip has ended.
 - **Ridecheck** - proactively displays tools in the app that riders & drivers may need when they detect something may have gone wrong (ex. possible crash or an unexpected long stop).





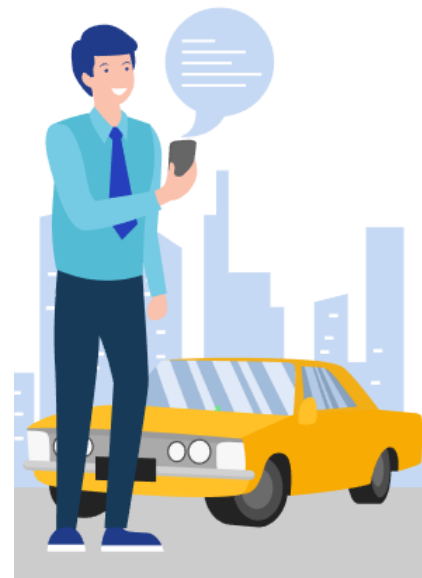
4. Conclusion

- All municipalities rely on a strong ground transportation network to safely & efficiently transport people & goods - this includes public transit as well as the taxicab & limousine industries.
- PTCs are playing a growing role in the municipal ground transportation network by providing Markham residents with options based on a diverse range of accessibility & socio-economic needs & abilities.



4. Conclusion

- New services such as PTCs can also help to fill in public transportation gaps, such as first-and-last-mile, & further promote sustainable growth & development.
- The proposed recommendations are intended to strengthen the City's transportation network by lowering business costs, reducing jurisdictional barriers, eliminating regulatory redundancy, improving competitive equity & promoting environmental stewardship.





5. Staff Recommendations

1. That the report entitled, “Licensing of Private Transportation Companies (PTCs) & Associated Amendments to the Mobile Licensing By-law” be received; &
2. That the proposed amendments to the Mobile Licensing By-law 2012-92 concerning the regulation of PTCs be adopted; &
3. That the proposed amendments to Schedule 6 (Relating to the Licensing, Regulation & Governing of Taxicab Brokers, Owners & Drivers) of the Mobile Licensing By-law be adopted; &



5. Staff Recommendations

4. That the proposed amendments to Schedule 4 (Relating to the Licensing & Regulation of Owners & Drivers of Limousines) of the Mobile Licensing By-law 2012-92 be adopted; & further,
5. That staff be authorized & directed to do all things necessary to give effect to this resolution.





Thank You