



Regulation of Private Transportation Companies (PTCs) in Markham

**General Committee Meeting
December 7, 2021**



PRESENTATION OUTLINE

Item 1 - Introduction

Item 2 - Chronology of PTC Deliberations in Markham

Item 3 - Recap: What is Being Proposed

- Taxi, Limousine, & PTC Fares
- PTC Licensing Fees
- Taxi & Limousine Licensing Fees
- Consumer Protection Measures for PTC Users

Item 4 - Follow-Up Items

- City of Toronto Accessibility Fund
- Licensing requirements for Accessible Vehicle Operators
- City of Toronto Taxicab Fares
- Accessible Taxicabs in York Region

Item 5 - Financial Considerations

Item 6 - Conclusion

Item 7 - Staff Recommendations



1. INTRODUCTION

- The emergence of new technologies like PTC's over the past decade have necessitated a review of regulatory frameworks for vehicles for hire across the globe, including in Markham.
- The digital technology used by PTC's has changed how ground transportation companies do business & and in turn how municipalities must regulate them.
- Markham does not currently regulate PTC's.
- The City does regulate taxicabs & limousines.





1. INTRODUCTION (CONT'D)

- Despite the lack of regulations, 2 PTC companies are currently operating in the City.
- The regulation of PTC's is necessary to achieve the City's desired policy objectives relative to: 1. Public Safety; 2. Consumer Protection; 3. Sustainability; 4. Responsive Regulations; & 5. Regulation Consistent with Industry Standards.
- The proposed regulatory framework, combined with the proposed companion *Mobile Licensing By-law* amendments, will ensure the City's rules are transparent & impact taxicabs, limousines & PTCs in an equitable (albeit different) manner.





2. CHRONOLOGY OF PTC DELIBERATIONS IN MARKHAM

- On **May 6, 2019** – a staff report & presentation on the establishment of a regulatory framework governing PTCs & related amendments to Markham's *Mobile Licensing By-law* was delivered to General Committee (GC).
- At the conclusion of this meeting, staff was requested to organize & hold a Public Information Meeting & invite various stakeholders - this meeting was held on **June 4, 2019**.
- At the conclusion of the **June 4, 2019** meeting, staff were requested to:
 - further consult with Markham's Advisory Committee on Accessibility on the proposed PTC regulations; &
 - report back to GC on issues related to affordability, consumer choice, consumer protection & sustainability.



2. CHRONOLOGY OF PTC DELIBERATIONS IN MARKHAM (CONT'D)

- On **July 29, 2019** staff 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 the City.
- Committee members supported the introduction of PTC regulations in Markham & stressed the importance of ensuring taxi & PTC drivers are trained on how to properly assist persons with a disability during transport.





2. CHRONOLOGY OF PTC DELIBERATIONS IN MARKHAM (CONT'D)

- At the **March 2, 2020** GC meeting, staff presented a report recommending a new regulatory framework for the licensing of PTC's - amendments to the City's current Mobile Licensing By-law relative to traditional taxicabs & limousines were also proposed.
- At the conclusion of the March 2nd meeting, GC adopted all of the proposed recommendations, & requested staff report back to the **March 31, 2020** Council Meeting with additional information on the City of Toronto ride levy for Accessibility Fund, licensing requirements, fees, ride rates & potential revenue.



2. CHRONOLOGY OF PTC DELIBERATIONS IN MARKHAM (CONT'D)

- Unfortunately, COVID-19 forced the cancellation of the March 31st Council meeting & the GC resolution was held in abeyance until recently.
- At the **November 23, 2021** Council meeting, Markham City Council had before them the March 2, 2020 GC resolution & an Information Memo addressing the follow-up items requested at the March, 2020 GC meeting.
- At the conclusion of the above meeting, Council referred the matter back to GC to allow for a fulsome discussion – especially given the passage of time between discussions.



3. RECAP – WHAT IS BEING PROPOSED?

1. Creation of a regulatory framework to regulate PTC's operating in the City & their drivers – to be accomplished via the addition of a “Schedule 8” to Markham's *Mobile Business Licensing By-law 2012-92*.
2. Amendments to the City's Taxicab & Limousine schedules in Markham's *Mobile Business Licensing By-law 2012-92* By-law to lessen the licensing burden; &
3. Harmonizing of the City's requirements in all 3 sectors (PTCs, Taxicabs & Limousines) to ensure the equitable treatment of all participants while respecting the different service models that co-exist.



3. RECAP – TAXI, LIMOUSINE & PTC FARES

- Staff are proposing the following with respect to fares:
 - Fare rates across all sectors (taxis, limousine & PTCs) to be market driven & set by the licensee.
 - Fare rates must be filed with the City.
 - Fares must not (in any way) be discriminatory (ex. persons living with a disability cannot be charged more).
 - Passengers must be made aware of the fare prior to the commencement of the trip.

NOTE: GC approved this recommendation on March 2, 2020.



3. RECAP: PTC LICENSING FEES

- In Ontario, there are basically 2 different fee models that have been implemented for PTC fees: 1. a fixed annual licensing fee; or 2. an escalating licensing fee based on vehicle number.
- Markham staff are recommending an escalating flat annual licensing fee for PTC Operators - based on the number of vehicles they have operating in Markham & 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

NOTE: GC
approved this
recommendation on
March 2, 2020.



3. RECAP: TAXICAB & LIMOUSINE LICENSING FEES

- In order to provide a more equitable environment, staff are also proposing an adjustment of the annual licensing 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*

NOTE: GC approved this recommendation on March 2, 2020.

*The City does not currently license limousine brokers



3. RECAP: CONSUMER PROTECTION MEASURES FOR PTC USERS

- City staff are proposing a number of consumer protection measures for PTC users:
 - PTC drivers must be a minimum of 19 years of age with 3 years of verified Canadian driving experience.
 - PTC drivers to securely mount all handheld devices to their vehicle.
 - PTC drivers to display notices in their vehicles if a camera is being used to record passengers.
 - PTC drivers will be required to provide background checks.
 - PTC drivers to provide mechanical safety inspection for their vehicle.

NOTE: GC approved this recommendation on March 2, 2020.



3. RECAP: CONSUMER PROTECTION MEASURES FOR PTC USERS (CONT'D)

Training

- *The Mobile Business Licensing By-law* currently requires a taxi driver to attend and complete the applicable City training programs as required by the licensing officer - staff propose this requirement be expanded to encompass all modes (taxi, limousine & PTC).
- Markham staff are recommending a more robust training requirement for taxicab, limousine & PTC drivers, and this will be reviewed as part of the training needs analysis to be conducted by the Business Licensing & Standards Division.
- Drivers of taxicabs, limousines & PTCs will need to successfully complete a prescribed Third Party training program (approved by the City) as a requirement of licence issuance or renewal.



3. RECAP: CONSUMER PROTECTION MEASURES FOR PTC USERS (CONT'D)

- The City will acknowledge training acceptable to another municipality (such as the City of Toronto) for the purpose of licence issuance or renewal.
- Potential training topics could include: transporting passengers in a safe manner; driving in an urban setting; providing accessible service; anti-racism, diversity & sensitivity training; & legal requirements.

NOTE: GC approved the proposed training requirements on March 2, 2020.



3. RECAP: CONSUMER PROTECTION MEASURES FOR PTC USERS (CONT'D)

- On November 9, 2021, Toronto City Council passed a resolution to halt the issuance of new vehicle-for-hire and PTC drivers' licences pending a report from staff on the implementation of a mandatory training program for all drivers.
- MADD Canada issued a statement urging the City of Toronto to reconsider the decision due to the pending holiday season and the impact it could have on impaired drivers on the road.



4. FOLLOW-UP ITEM – CITY OF TORONTO ACCESSIBILITY FUND

- The Accessibility Fund was adopted by Toronto City Council in 2019 to support the availability of accessible services in the City & to offset the higher cost of providing wheelchair accessible service in Toronto.
- The program is funded by a regulatory charge on members of the industry.
- Applicants must sign a declaration indicating the number of hours they operated as an accessible taxicab in order to be considered for funds.





4. FOLLOW-UP ITEM – TORONTO LICENSING REQUIREMENTS

- Individuals applying for a Toronto PTC, taxicab or limousine licence must provide the following at the time their application is submitted:
 - 2 forms of government issued identification
 - Original Criminal Record & Judicial Matters checks
 - Copy of Provincial Drivers License (minimum 3 years driving experience)
 - Copy of Ministry of Transportation Drivers Abstract
 - Photo of Applicant
 - **Proof of successful completion of Third Party Training Program (Pending)**
- The City of Markham requires all of the above elements as part of its current licensing requirements, save & except for the Third Party Training (which was proposed in the March 2nd, 2020 report to GC).



4. FOLLOW-UP ITEM – CITY OF TORONTO TAXICAB FARES

- Under the Toronto By-law, accessible taxicab operators are not permitted to charge higher or additional fees for their services than those operating “traditional” taxicabs.
- Markham staff are preparing amendments to the *Mobile Licensing By-law* to address AODA requirements identified in a recent report by MNP on the City’s compliance as it relates to taxicab/ground transportation services.
- Staff will report back to GC in Q1 of 2022 on this matter.



AODA



4. FOLLOW-UP ITEM – ACCESSIBLE TAXICABS IN YORK REGION

- Only Vaughan has a licensed accessible taxicab (however the owner of the plate is not currently operating).
- Newmarket & Aurora have not had licensed accessible vehicles since 2014 & 2015 respectively.
- Richmond Hill has not had a licensed accessible vehicle since 1999.
- Markham has not had a licensed accessible vehicle since 2004.
- Other York Region municipalities do not license accessible vehicles.



4. FOLLOW-UP ITEM – ACCESSIBLE TAXICABS IN YORK REGION (CONT'D)

- York Region formed Mobility on Request (MOR) in 2001.
- Markham staff met with management from York Region Transit (YRT) - they are open to continued discussions on how to best service residents with accessibility needs.
- Staff do not support the establishment of an Accessibility Fund for Markham taxi/limo operators as YRT's current Mobility On Request (MOR) service model appears to be sufficient.





4. FOLLOW-UP ITEM – ACCESSIBLE TAXICABS IN YORK REGION (CONT'D)

- The proposed amendments to the Mobile Licensing By-law will open the municipal borders to permit any licensed accessible taxicab to pick up in Markham provided the driver possesses a valid licence from another municipality
- Staff has also re-evaluated the requirement for new plate owner applicants to operate as an Accessible Taxicab for a minimum of 4 years prior before they are eligible to operate as a standard taxicab (proposed in March 2, 2020 GC report) - this requirement has been removed from the proposed by-law amendments.
- UBER & LYFT have no plans to expand their accessible vehicle services beyond Toronto at this time.



5. FINANCIAL CONSIDERATIONS

- Even pre-COVID19, the taxicab industry was seeing a sizeable decline in ridership numbers (due to the onset of PTC's, increasing insurance costs, etc.).
- Staff anticipate a continued decline in annual revenue from the brokers, plate owners & drivers of traditional taxis.
- A further decline in taxi revenue could also occur once the proposed PTC amendments are adopted & in place, as some traditional taxi companies are already operating on a platform that mirrors the proposed regulations for the PTC style platform, & would require them to be licensed under those new regulations



5. FINANCIAL CONSIDERATIONS (CONT'D)

- Once PTC regulations take effect, Staff anticipate annual licensing fee revenue to be \$10,000 - \$15,000. The proposed annual per trip ride levy (at .30 cents/ride) would also provide approximately \$150,000 - \$200,000 in licensing revenue.
- Traditional taxi revenue is estimated at \$70,000 per annum.
- There will be no increase in staffing costs, as the new framework for PTC's will be administered by the current staffing complement.



6. CONCLUSION

- Ontario municipalities rely on a strong ground transportation network to safely & efficiently transport people & goods. This network includes public transit as well as PTCs, taxicabs & limousines.
- In Markham, PTCs provide residents with options based on a diverse range of accessibility & socio-economic needs & abilities.
- Unlike taxicabs & limousines, PTCs are not currently regulated by the City despite PTCs playing an increasingly important role in local ground transportation.



6. CONCLUSION (CONT'D)

- The COVID19 Pandemic has had an enormous impact on the ground transportation industry – since March, 2020 traditional taxicab brokers & PTCs have experienced a significant reduction in ridership.
- The proposed regulatory framework for PTCs & the companion amendments to the City's *Mobile Licensing By-law* will strengthen Markham's transportation network by lowering business costs, reducing jurisdictional barriers, eliminating regulatory redundancy, improving competitive equity & promoting environmental stewardship.



7. STAFF RECOMMENDATIONS

1. That the report dated March 2, 2020 entitled, “Licensing of Private Transportation Companies (PTCs) & Associated Amendments to the Mobile Licensing By-law” be received; and,
2. That the Memo dated November 23, 2021 & entitled “*Supplementary Memo – Follow-Up to the March 2, 2020 General Committee Regarding the Licensing of Private Transportation Companies (PTC’s)*” be received; and,
3. That the correspondence dated November 22, 2021 from Jake Brockman, UBER Canada, be received; and,
4. That Council approve the addition of the proposed Schedule 8 to the City’s *Mobile Licensing By-law 2012-92* providing for the regulation of PTCs & PTC drivers operating in Markham effective April 1, 2022; and,



7. STAFF RECOMMENDATIONS (CONT'D)

5. That Council adopt the proposed amendments to Schedule 6 of the *Mobile Licensing By-law* (Relating to the Licensing, Regulation & Governing of Taxicab Brokers, Owners & Drivers); and,
6. That Council adopt the proposed amendments to Schedule 4 of the *Mobile Licensing By-law 2012-92* (Relating to the Licensing & Regulation of Owners & Drivers of Limousines); and,
7. That staff report back after 1 year of the new PTC framework's implementation to provide an update; and further,
8. That staff be authorized & directed to do all things necessary to give effect to this resolution.



Questions?

