



TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE PUBLIC PARTICIPATION MEETING ON MARCH 30, 2016
FROM:	G. KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT & COMPLIANCE SERVICES AND CHIEF BUILDING OFFICIAL
SUBJECT:	TAXICAB AND LIMOUSINE LICENSING BY-LAW - AMENDMENTS

RECOMMENDATION

That, on the recommendation of the Managing Director, Development & Compliance Services and Chief Building Official, an **AMENDMENT** to Taxicab and Limousine Licensing By-law (attached hereto) **BE INTRODUCED** at the Municipal Council Meeting on April 5, 2016, to amend regulations pertaining to application requirements, vehicle advertising and discounting of fares.

BACKGROUND

Municipal Council, at its meeting held on September 29, 2015 resolved:

That the following actions be taken with respect to Vehicles for Hire - New Technologies:

- (a) on the recommendation of the Managing Director, Development and Compliance Services and Chief Building Official, the Civic Administration BE REQUESTED to report back to the Community and Protective Services Committee in January/February 2016 on licensing regulations including, but not limited to:
 - i) minimum and maximum fares;
 - ii) e-hail technologies;
 - iii) licensing fee structures; and,
 - iv) recent jurisprudence related to vehicle-for-hire technology apps;

it being noted that any amendments to the Taxicab and Licensing By-law adhere to the municipal purposes of health and safety, consumer protection and service quality to ensure an efficient vehicle-for-hire service is available to all persons including the travelling public and that such service is provided in a manner that provides a safe environment for both passengers and drivers; and,

The purpose of this report is to address matters related to the existing regulations in the Taxicab and Limousine Licensing by-law. As a result of consultation with the vehicle for hire industry the following amendments are recommended.

Harmonized Sales Tax

In July 2010, the Taxicab and Limousine Licensing By-law was amended to increase fares as a result of the implementation of the federal harmonized sales tax (HST). Since that time, the Canada Revenue Agency has been in contact with enforcement officers for the purposes of investigating federal tax issues. All drivers collect the federal HST tax via the fares and are responsible for submitting the HST tax collected from passengers to the federal government. From an administrative perspective, it would be preferable to document the HST registration number from all the licence applicants at the time of the application process. It is important from a transparency perspective, that the public is aware that a portion of the fares are remitted to the federal government by the drivers as they collect the HST for transportation services rendered in a vehicle for hire.

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Vehicle Advertising

The Taxicab and Limousine Licensing By-law permits advertising on the exterior of the vehicle of a size not exceeding 36 cm x 51 cm (14" x 20"). This advertisement may only be placed on the side panels on the front doors of the cab and on the rear trunk lid of the cab and the sign must relate solely to the vehicle for hire business. In discussions with the taxi industry, there is some demand to allow for vehicle advertising related to consumer products, local events or other services unrelated to transportation. It is common in many municipalities to permit advertising via roof signs. Another form of vehicle advertising is adhesive vehicle wraps (refer to illustration below). It would be reasonable to permit advertising in the form of roof signs and vehicle wraps (limited to the side doors and rear fender). All other requirements in terms of vehicle identification would still be required as well as a common colour scheme for the associated brokerage.



Student Fare Discounts

The Taxicab and Limousine Licensing By-law allows for discounting cab fares for seniors at a maximum of 10% of the subject fare. There has been some debate on whether to regulate fares as prescriptive amounts; maximum fares allowing for discounting; or no regulation on fares which would allow for peak time (surge) pricing. It is the position of Civic Administration that fares could be discounted by a maximum of 10% for student clients. Civic Administration does not support allowing discounting fares with no minimum limit or surge pricing with no maximum limit. Fares are set for the greater public good whereby the public has a certain expectation and certainty on the cost of this public transportation service. Discounting affairs with no minimum limit would lead to what's known in the industry as "a race to the bottom". This results in reduced profits for drivers which may inherently result in declining vehicle maintenance and customer service.

CONCLUSION

As a result of consultation with the vehicle for hire industry, three amendments are recommended to allow for greater flexibility in offering discounts for students, opportunities for vehicle advertising and documenting HST registration numbers for the purposes of public transparency.

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PREPARED BY:	RECOMMENDED BY:
OREST KATOLYK CHIEF MUNICIPAL LAW ENFORCEMENT OFFICER	GEORGE KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT AND COMPLIANCE SERVICES & CHIEF BUILDING OFFICIAL

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