



**STAFF REPORT  
ACTION REQUIRED  
with Confidential Attachment**

**Applications By the Airport Taxi and Limousine  
Associations to Quash the Airport Exemption By-law**

<b>Date:</b>	August 28, 2007
<b>To:</b>	Licensing and Standards Committee
<b>From:</b>	City Solicitor
<b>Wards:</b>	All
<b>Reason for Confidential Information:</b>	This report is about litigation that affects the City and contains advice that is subject to solicitor-client privilege.
<b>Reference Number:</b>	

**SUMMARY**

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The Airport Limousine Operators Association and the Airport Taxicab (Pearson Airport) Association (together the “Associations”) have each brought applications to quash By-law 435-2007 (the “By-law”) passed by Council on April 23 and 24, 2007.

The By-law amended the *Municipal Code* to delete the exemption in the *Municipal Code* that previously allowed taxicabs that held permits issued by the federal Minister of Transport (entitling them to pick up passengers at a particular airport) to pick up passengers within the City of Toronto (the “City”) and transport them to an airport operated by the Crown without also requiring that these taxis have a taxi license issued by the City. The By-law also imposed a restriction prohibiting vehicles with taxi or limousine licenses issued by another jurisdiction from applying in Toronto to obtain a Toronto limousine license.

The applications are scheduled to be heard by the Superior Court of Justice on November 21, 2007. The confidential attachment to this report contains legal advice from the City Solicitor regarding the court applications.

## **RECOMMENDATIONS**

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The City Solicitor recommends that:

1. Council adopt the confidential instructions to staff in Attachment 1; and
2. Council direct that the confidential attachment remain confidential indefinitely as it contains advice that is subject to solicitor-client privilege.

## **FINANCIAL IMPACT**

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The financial implications are set out in the confidential attachment.

## **ISSUE BACKGROUND**

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Under the *Municipal Act, 2001*, municipalities have the power to license taxicabs and limousines that pick up passengers in their jurisdictions. Taxicabs or limousines picking up passengers to transport them to an airport outside of the municipality that is operated by:

1. the Crown; or,
2. a designated airport authority

are exempt from the requirement to have a municipal license if that taxicab or limousine has a valid license or plate issued in respect of the airport under the *Government Airport Concession Operations Regulations* (a “GACOR Permit”) or a license issued by the designated airport authority.

The Greater Toronto Airport Authority (“GTAA”) is a designated airport authority and issues taxicab and limousine permits to permit vehicles to operate at Lester B. Pearson Airport (“Airport”).

Unlike the *Municipal Act, 2001*, however, the *City of Toronto Act, 2006* permits the City to license taxicabs and limousines picking up passengers in the City, regardless of the passengers destination. The *City of Toronto Act, 2006* does not exempt taxicabs or limousines taking passengers from the City to the Airport from complying with the City’s general licensing requirements. Therefore, taxicabs and limousines picking up passengers in the City to take them anywhere, including an airport outside the municipality, are required to have a license issued by the City.

The By-law amended the *Municipal Code* to:

1. delete the language in the *Municipal Code* that permitted taxis without a license issued by the City to pick up passengers in the City for transportation to an airport “owned and operated by the Crown ... situate outside the municipality” if the taxi had a “a valid and subsisting plate issued in respect of such airport under the *Government Airport Concession Operations Regulations* made under the

Department of Transport Act (Canada)” (the “Airport Exemption Provision”). The language in the *Municipal Code* was the same language used in section 156(3)(a) of the *Municipal Act, 2001*, which no longer applies to the City; and,

2. prohibit limousines with a license issued by another jurisdiction from applying to obtain a license from the City (the “Dual Licensing Prohibition”).

The Airport Exemption Provision of the By-law was to come into force on April 23, 2007. At the Council meeting on May 23, 24, and 25, 2007, the By-law was amended so that the Airport Exemption Provision would come into force on September 30, 2007. The Dual Licensing Prohibition has been in force since the date the By-law was passed.

The Airport Limousine Operators Association commenced an application to quash the Airport Exemption By-law on May 14, 2007. The Airport Taxicab (Pearson Airport) Association commenced a virtually identical application on May 16, 2007. The City delivered its documents in response to both applications on June 29, 2007.

Both applications are scheduled to be heard by the Superior Court of Justice on November 21, 2007.

## **CONTACT**

Michele A. Wright, Solicitor, Legal Services Division, Litigation  
Tel: (416) 397-5342; Fax: (416) 397-1765; e-mail: [mwright4@toronto.ca](mailto:mwright4@toronto.ca)

## **SIGNATURE**

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Anna Kinastowski, City Solicitor

## **ATTACHMENTS**

Attachment 1 – Confidential Information: Applications By the Airport Taxi and Airport Limousine Associations to Quash By-law 435-2007 (the “Airport Exemption By-law”)