

Insurance and Vehicles for Hire

Submitted by Philomena Comerford, President & CEO, Baird MacGregor Insurance Brokers LP

The Metro Licensing & Standards' January 2014 Toronto Taxicab Industry Review's Final Report reflected the results of extensive consultations across a broad spectrum of stakeholders including several insurance roundtable discussions for which I was a participant.

The City's report included recommendations that bear repeating lest the findings of this costly and exhaustive review be eclipsed in the debate over Uber.

First and foremost, on page 92 and 93 of the City's own 2014 report peer to peer apps were identified as simply an emerging call dispatching source in addition to existing street hailing, radio and computer dispatch and the report further acknowledged that these smart phone applications could be used by licensed brokerages. It is mystifying as to why this path recommended in the City's own report was ignored. Now that Uber is licensed as a taxi brokerage, it is good public safety policy that the same insurance and licensing requirements should apply to vehicles that are dispatched to carry paying passengers using the smart phone apps.

The City's 2014 report recommendations included:

1. Recognition of the importance of common management principles for the purpose of ensuring availability and affordability of insurance
2. Adoption of risk mitigation strategies to reduce the number of taxicab accidents and their severity through improved training including simulator defensive driver training for all new licensed drivers as well as part of their refresher training to ensure drivers are not engaged in risky behaviour
3. Greater accessible training in all new taxicab owner and driver training courses including all accessible taxicab drivers being required to attend a one day refresher training course every four years
4. Better enforcement of illegal bandit taxis for which UberX falls into this category and enhance ways for the public and the industry to report illegal taxicab operators

Now the City is recommending scrapping training instead of following through on its commitment to improve upon the existing standards. This is astoundingly poor public policy considering that the public's safety including persons with disabilities hangs in the balance. Why is the City's own report being ignored?

As a bare minimum, the City should demand that any and all vehicle(s) licensed to carry paying passengers regardless of the call distribution technology used, be required to certify coverage to the Metro Licensing & Standards on exactly the same basis as taxis without exception; namely require that a \$2,000,000 liability limit be certified with an OPCF 6A Permission to Carry Paying Passengers Endorsement.

UberX drivers will be able to access taxi insurance markets if they are licensed to the same standard as taxicabs because insurers acknowledge the value of the City's criminal background checks, inspections, training and complaint mechanisms. Should UberX drivers become licensed by the city, they should be required to certify adequate insurance to the Metro Licensing and Standards to cure UberX drivers' systemic reliance on personal auto policies that exclude carrying paying passengers. Aviva's endorsement is not reliable because it contains limitations that do not exist in the OPCF 6A Permission to Carry Paying Passengers. It is poor public policy for the city to permit the carrying of paying passengers with deficient insurance coverage. The City must explicitly require UberX drivers to certify \$2 million liability insurance with an OPCF 6A Permission to Carry Paying Passengers endorsement. To do otherwise will almost certainly attract liability to the City of Toronto for its failure to enforce a safe and acceptable public standard.

Respectfully submitted: Philomena Comerford, President & CEO, Baird MacGregor Insurance Brokers LP