

October 31, 2020

General Government and Licensing Committee (“GGLC”)
10th Floor, West Tower, City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Committee Members,

On Wednesday October 28, 2017, Councillor Wong-Tam’s Members Motion was amended to include the following:

“That City Council request the City Manager, in consultation with the Executive Director, Municipal Licensing and Standards and the Chief Financial Officer, to undertake a broader review of possible relief measures that can be considered to assist the taxi industry and report back to the November 30, 2020 meeting of the General Government and Licensing Committee, with any financial impacts to the City addressed through the 2021 budget process. The review should include, but not be limited to, studying the feasibility and impact of:

- *a 12-month moratorium on enforcement of the age of vehicle provisions of taxis and limousines;*
- *a 12-month moratorium on licensing renewal fees for taxicabs retroactive to January 1, 2020;*
- *a significant reduction or elimination of taxicab licensing renewal fees for 2021;*
- *an amendment to Toronto Municipal Code Chapter 441, Fees and Charges, to temporarily reduce the regulatory charges for the Vehicle-for-Hire Accessibility Fund Program by 75 percent for the year 2021 and reinstate the fees to their 2020 levels in 2022; and*
- *an amendment to Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire, to extend the maximum age of vehicles used as a taxicab and sedan limousine from seven model years to eight model years for vehicles of the 2013 model year and onward and the maximum age of vehicles used as a stretch limousine from eight model years to nine model years for vehicles of the 2012 model year and onward”.*

It is our opinion, that the GGLC needs to consider financial relief for taxis and limousines on 5-levels:

1. *An Immediate licensing fee reduction, due to the effects of the Covid-19 pandemic and a long-term permanent fair and level playing field solution for all Vehicles-for-Hire (“VFH”) licensing and licensing fees;*
2. *An immediate and long-term relief surrounding a vehicle age extension noting, there is no financial impact on the City, so a 2-year age extension is preferred to a 1-year age extension, for financial reasons;*
3. *A long-term solution, as to the number of VFH allowed in the marketplace, due to the unfettered vehicle access from Private Transportation Companies (“PTC”) and other benefits they receive that taxis and limousines do not have under Chapters 441 and 546;*
4. *Permanent relief by removing the non-accessible taxi and limousine Accessibility Reserve Fund (“Fund”) portion of their licensing fees, that currently are financially sustaining the Fund; and*
5. *Tariffs.*

Point #1

This is obvious, as since about March 15, 2020, there are approximately 75% - 90% of all taxis and limousines still parked due to the Covid-19 pandemic and the ones that are attempting to work, are facing a 95% loss in business. Considering these facts, most members of the taxis and limousine industries recommend the following.

- ***A moratorium on all taxi and limousine licensing fees retroactive to January 1, 2020 through January 1, 2021; and***
- ***Consider the attached July 21, 2020 report I did for Taxi News and sent to the GGLC and others, that will once and for all create a fair and level playing field for all licensing categories in the VFH by-law. All that would be required is to add a PTC vehicle owner's category and charge them \$5.00 per week and all the other licensing fees would be reduced and many removed, with everyone being licensed equally, paying equivalent licensing fees and without any loss of licensing revenues to the City, but actually shows an increase in licensing fee revenues.***

Point #2

Requires a by-law change that will permanently extend the maximum age of taxis and limousines by **2-years - not 1-year**, because of the 70% loss in business that the taxi and limousine industry now faces. This came about, due to how the City of Toronto ("City") allowed PTC and their vehicle operators unfettered vehicle access into the taxi and limousine marketplace while operating with impunity for 3-years. Due to the difference in business models, which leaves the taxis and limousines unable to financially compete, it is highly unlikely that loss of business to taxis and limousines, will ever return.

Also consider, that almost 1-year has already elapsed since the pandemic started and it will take 12-18 months according to the experts, to at least begin the financial recovery, but unsure how long it will actually take to completely recover, which could take years. Considering these facts, most members of the taxi and limousine industries recommend the following:

- ***An amendment to Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire, to extend the maximum age of vehicles used as a taxicab and sedan limousine from seven model years to nine model years for vehicles of the 2013 model year and onward and the maximum age of vehicles used as a stretch limousine from eight model years to ten model years for vehicles of the 2012 model year and onward".***

Point #3

The Municipal Licensing and Standards ("MLS") has reported that currently, there are approximately 92,000+ PTC vehicles, 5,204 taxis and 584 limousines licensed by the City to operate within its boundaries. When you add to this number, over 600 Greater Toronto Airport Authority ("GTAA") taxis and limousines, who are only allowed to take fares back to the airport, but service other lucrative runs as well, you are now closing in on 100,000 vehicles servicing a market that might at best, support 4,000. This shows we have over 20 times more vehicles to service all VFH consumers than required. These numbers do not include an unknown number of illegal taxis and limousines, that are not licensed whatsoever, but patrol the City streets for fares and service pre-arranged customers as well.

Before the City went to an indicator model, which they never proved how many taxis that were really required, but continued to just issue more taxi owners licenses, there used to be a 1-850 per capita licensing issuing formula used in licensing for taxis that worked quite well, other than perhaps rush hour times, when the waiting times were a little longer.

The last federal census showed the population of the City was approximately 2,731,571, so if I applied the 1-850 per capita licensing issuing formula to these numbers, the City requires 3,213.6 taxis, not 100,000. Therefore, the 4,000 recommended number would more than maintain a high level of service for the consumer, while giving the taxi driver a reasonable opportunity to earn a living. Considering these facts, most members of the taxi and limousine industries recommend the following:

- ***If the taxi and limousine industries are to survive, there must be a cap put on the overall number of VFH allowed to service consumers within the City's boundaries.***

Point #4

This part of the Member Motion needs to be completely removed. *“An amendment to Toronto Municipal Code Chapter 441, Fees and Charges, to temporarily reduce the regulatory charges for the Vehicle-for-Hire Accessibility Fund Program by 75 percent for the year 2021 and reinstate the fees to their 2020 levels in 2022”.*

Without going into an elongated explanation, consider the *attached* July 16, 2020 report I sent to the GGLC, that goes into great detail, why the Fund is not the financial responsibility of the non-accessible VFH owners and drivers, but it is the City’s responsibility if they choose to have this Fund. It came about because of a City over-issuance of on-demand accessible Toronto Taxi Licences.

The report will point out many other things that show the illegality on how this Fund was enacted and that municipal business licensing, should not be used as a collection agency to offset the business losses of one licensed category by another, especially in these times when all categories are currently in financial business distress, which will go on for some time. Considering these facts and the content of the attached report, most members of the taxi and limousine industry recommend the following:

- ***Remove the financial responsibility from the non-accessible VFH owners and drivers, to sustain the Fund, since there are more than enough new licensing revenues to cover its cost.***

Point #5

With the cost of living, including business costs, having escalated at an incredible rate over the past decade+, but the taxi and limousine industries have not been given a City authorized increase in the tariff during that period. This is what the City has done to address this situation:

“TORONTO MUNICIPAL CODE CHAPTER 546, LICENSING OF VEHICLES-FOR-HIRE

ARTICLE 3

Taxicab Rates and Fares

§ 546-22. Rates higher than the tariff.

A. A taxicab broker may offer, and the vehicle-for-hire driver that agrees to provide the trip, may receive a rate higher than the tariff for a taxicab trip if:

- (1) The trip is booked using a software application;*
- (2) The broker clearly and transparently communicates the rate to be charged before the passenger commences the trip;*
- (3) The broker maintains an electronic record that a rate higher than the tariff was accepted before the trip commenced, which receipt shall be kept for 12 months following the trip; and*
- (4) The broker ensures that a print or electronic receipt is provided to the passenger at the conclusion of the trip that sets out the:*
 - (a) Rate charged and any other fee levied or charge made for the trip;*
 - (b) Total duration and distance of the trip;*
 - (c) Total amount paid for the trip;*
 - (d) Date and time the trip ended;*
 - (e) Location at which the trip started;*

(f) Location at which the trip ended; and

(g) Driver's name and taxicab plate number".

This is the only section in Chapter 546 that addresses a possible increase to be allowed in the tariff, but notice what it says, *only a "taxi broker" can offer this increase*, which since the Chapter 546 came into being, no taxi brokerage in the City has offered the taxicabs working under their control to be allowed an increase in the tariff. It is believed they have not done this because of the potential increase in loss of business to the PTC's and their operators, but to combat this lack of increase in business fees have the taxi brokerages helped the taxi owners and drivers financially by cutting brokerage fees or has the City done anything to assist in not having the tariff increased for over this decade+?

Up until the effects of the Covid-19 pandemic that struck on March 15, 2020, the brokerages had not done a thing and in some cases and have actually raised the brokerage fees and the City has steadily increased licensing fees throughout this period.

The independent taxi and limousine owners and drivers, who work outside of a brokerage setup have been left without authority to raise the tariff to help offset their ever increasing business and personal expenses. Considering these facts, most members of the taxi and limousine industries recommend the following:

- ***A section to be added to Chapter 546, that allows the individual taxi and/or limousine owners and drivers, who work either within or outside of a taxi or limousine brokerage, to be allowed to raise the tariff.***

Conclusions

With the taxis and limousines facing the following, as far as their businesses are concerned, we feel the 5 points we have recommended in this report to assist us financially, as far as licensing and licensing fees are concerned, is imperative to be adopted, if we are to survive and have a reasonable opportunity to earn a living that not only supports our business costs, but have the ability to support not only ourselves, but our families as well.

- *Beginning in and around 2013, both industries have lost over 70% of their clientele, due to the manner in which the City allowed PTC's and their operators into their marketplace;*
- *With the restrictions being implemented by government regarding the Covid-19 pandemic since about March 15, 2020 and with no return to regular business in sight, approximately 90% of all business has been lost;*
- *The Covid-19 pandemic has seen the necessity for between 75% to 90% of all taxis and limousines to be parked with this lack of business; and*
- *The industries now facing the difficulties in finding taxi insurance, with taxi brokers now refusing to add any additional membership to their insurance plans and if coverage is found, it is financially unattainable therefore forcing them to obtain coverage under Facility Insurance, which starts with premiums at approximately \$16,000 and up depending on coverage, which under the present business climate, they could never pay. This plan was set up to deal with vehicle owners with a bad history of insurance coverage, not as a punishment for taxi owners, who for the most part have good insurance histories.*

Considering the contents of this report and the 2 additional reports that support the need for long-term City by-law changes if the industries are to survive, we respectfully request that the GGLC, Mayor Tory, all City Councillors and Staff, support all of our recommendations.

I remain,



Gerald H. Manley

Gerry Manley
105 Rowena Dr. Suite 405
Toronto, Ontario
Canada, M3A 1R2
Toronto Taxi Owner – Licence Number 416

July 16, 2020

General Government and Licensing Committee (“GGLC”)
10th Floor, West Tower, City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Committee Members,

On the recommendations of a Municipal Licensing and Standards (“MLS”) staff report, this committee forwarded a number of changes regarding the Toronto Municipal Code, Chapter 546, Licensing, Vehicles-for-Hire (“VFH”), to City Council. With a few minor adjustments, City Council adopted those suggested modifications at their meetings held on July 16, 17 and 18, 2019. A new addition to the VFH by-law that was approved on those dates, was an Accessible Reserve Fund (“Fund”), which with all of the other amendments, came into effect on January 1, 2020.

The Fund, is to be financially initiated and sustained by the non-accessible members of the VFH industry, through an increase in their annual licensing fees, beginning on January 1, 2020. The non-accessible taxicab owners and drivers, have a number of complaints in having to pay into this Fund and during the autumn of 2019, asked for this to be revisited and put on an upcoming GGLC agenda for discussion.

The Chair of the GGLC, Councillor Ainslie informed us, that unless we could show new information why it should be revisited and added as an agenda item to an upcoming GGLC meeting, there is a City Council provision that it can't be reopened for one year. We felt that more than enough new information to warrant this issue to be immediately reviewed had been submitted to all GGLC committee members, but obviously they did not agree. The 1-year anniversary of City Council adopting the Fund has now arrived and for a number of reasons, including the financial disaster that the Covid-19 pandemic has caused the non-accessible taxicab owners and drivers, we are requesting GGLC to add this report, as an agenda item at their very next meeting and revisit this issue.

The content of this report will more than show, the non-accessible taxicab owners and drivers, should not be held accountable for financially initiating or sustaining this Fund, because the need for it, came from the City issuing too many on-demand accessible taxicab owners licences and in doing so, violated a number of senior statutes, including little to no consultation being held. If those consultations had been held and the City had not begun a systematic attempt to make all City taxicabs accessible, which was defeated in court, the need would have shown 25-50 on-demand accessible taxicabs were all that were required to meet the demand, not the eventual 249 that were issued in the on-demand accessible taxicab category and therefore, the Fund would not have been necessary.

To trace the origins why this Fund was added to the by-law, you must go back to the statutes where on-demand accessible taxicab servicing was mandated from. This came about, because of the Accessibility For Ontarians With Disabilities Act, 2005 (“AODA”), Regulation 191/11 Section 79 (“Regulation”). The Regulation, under Duties of Municipalities, accessible taxicabs stated. *“79(1) – Every municipality shall consult with its municipal accessibility committee, where one has been established in accordance with subsection 29 (1) or (2) of the Act, the public and persons with disabilities to determine the proportion of on-demand accessible taxicabs required in the community”.*

Since the City of Toronto’s (“City”) non-accessible taxicab industry members are part of the public and are the ones being mandated to do the servicing of the disabled community on an on-demand basis and would and should have been considered a major stakeholder in this process, is it not required and reasonable to believe, they should have been consulted on accessible taxicab on-demand servicing back in 2011, when the Regulation came into effect?

From December 2011, through June 2016, there were ongoing reformation meetings being held between the City and its taxicab industry and more than once, the issue of on-demand accessible taxicabs was asked to be discussed by our membership. We were always told it would be, but at each ensuing meeting, we were told it was not on that day’s agenda but would be discussed at a later date. *“The topic of on-demand accessible taxicabs in the City, was never discussed during this 4-1/2 year period with the entire taxicab membership”.*

For the taxicab industry, it was doubly important that these consultations be held, because there was already a pre-booked accessible taxicab service being operated by the City's Toronto Transit Commission ("TTC"), as part of their Wheel Trans Program. There was a very good chance that both the TTC pre-book and Regulation 191/11 on-demand services, could have been put under the same business umbrella, therefore removing numerous issues.

I am sure that City staff will make representations that the Fund was discussed at the taxicab reformation meetings held between 2017 and 2019. That in fact, is a true statement, but what it does not tell, *"is who was allowed to attend those meetings"*? The two meetings where the Fund was discussed, were attended by accessible taxicab owners and drivers *"only"*, who for the most part, are not the ones paying into the Fund. Out of all the rest of the meetings that involved the non-accessible taxicab owners and drivers, *"the Fund was not on any of those agendas or discussed, which is rather bizarre, since they are the ones being mandated to financially initiate and sustain it"*.

Toronto Taxicab Licence ("TTL") Accessible Taxicab Fleet

Category	# Accessible Vehicles	Fleet Size	% Of Fleet	Type Of Entry
TTL Vehicles (TTC Wheel Trans)	330	5204	6.34%	Side Entry
Standard Taxicabs (TTC Wheel Trans)	104	5204	1.99%	Side Entry
TTL Vehicles (On-Demand)	249	5204	4.78%	Rear Entry
PTC Vehicles (On-Demand)	35	87,955	0.04%	Unknown
Limousine Vehicles (On-Demand)	0	584	0.00%.	No Accessible Vehicles

Some of the interesting points on this graph are:

- All TTC accessible taxicabs must be side entry only and these owners and drivers *"cannot"* claim from the Fund, but strangely, there are many TTC accessible vehicles that have both side and rear entry;
- Out of a taxicab fleet size of 5,204, accessible taxicabs make up 13.12% of all available accessible taxicabs in the City;
- Out of a Private Transportation Company ("PTC") fleet size of approximately 87,955+, accessible vehicles make up only 0.04% of all available PTC accessible vehicles in the City as of December 31, 2019; and
- Although limousine brokerages and owners are licensed in the VFH by-law as well and have a fleet size of 584, *"they have no licensed accessible vehicles in their fleet"*, yet still must pay into the Fund.

Maximum Accessible Reserve Fund Payouts For TTL On-demand Owners and Drivers

Licence Class	Grant Frequency	Grant Incentive	# Of Licences	# Of Drivers	Unit Fee Combined	Total Payout
TTL Rear Entry Vehicles	\$2,312.71 (Annually)	\$1,312.71 (Annually)	249	N/A	\$3,625.42	\$902,729.58
TTL Drivers	N/A	\$2,187.50	N/A	568	2 Per Vehicle	\$1,242,500.00

Total Maximum Payout For 2020 – \$2,145,229.58

There are only rear entry vehicles being used as TTL on-demand taxicabs, as they are cheaper to convert to and appears to be why the owners in this group took that route. Unlike the TTC mandate that any contracted accessible taxicab must be side entry, the on-demand accessible taxicab does not have that mandate.

Some of the interesting points on this graph are:

- Note that I have put the total payout from the Fund, but this would be the maximum payout possible;
- On-demand accessible vehicle owners must meet certain criteria to collect from the Fund, which I doubt all will, which will reduce this payout; and
- On-demand accessible vehicle drivers must meet certain criteria to collect from the Fund, which I doubt all will, which will also reduce this payout.

Proposed Disbursements For Accessible Taxicab Owner Service Standards Tied To Incentive

Criteria	How It Will Be Measured	Weighting Assigned In Evaluating Funding Eligibility
Minimum number of hours a vehicle is operating and available for dispatch (For example: 1300 hours annually, which is an average of 25 hours weekly)	Declaration/Brokerage Data	95%
Executive Director to have the authority to modify criteria and set minimum standards		
Cordless POS is available	Declaration/Brokerage Data	5%
Yes/No		

An interesting point on this graph:

- It is highly doubtful that all accessible on-demand taxicab owners will meet the eligibility requirements. so the maximum payout of \$902,729.58 will most likely be under \$500,000.

Proposed Accessible Taxicab Driver Service Standards Tied To Incentive

Criteria	How It Will Be Measured	Weighting Assigned In Evaluating Funding Eligibility
Minimum number of hours a driver is operating and available for dispatch. (For example: 1300 annually is an average of 25 hours weekly)	Declaration/Brokerage Data	50%
Executive Director to have authority to set minimum standards		
Accepts all wheelchair accessible vehicle trips dispatched in accordance with restrictions against service refusal in Chapter 546	Declaration/Brokerage Data	50%
Executive Director to have authority to set minimum standards		

An interesting point on this graph are:

- As stated with the taxi owners, taxi drivers will be no different. The maximum payout of \$1,242,500.00 for TTL accessible drivers, will be far less than this total and probably well under the \$750,000 mark.

2020 Licensing Revenues For The Accessibility Reserve Fund

Licence Class	Fee Type	Proposed Fee	Number of Trips	Number of Licences	Total Collected
Taxicab Brokerage	Annual Flat Rate	\$250.64	N/A	22	\$5,514.08
Limousine Brokerage	Annual Flat Rate	\$250.64	N/A	68	\$17,043.52
Limousine Owner	Annual Flat Rate	\$125.32	N/A	584	\$73,186.88
PTC	Per Trip	\$0.10	69,970,683 (Est.)	N/A	\$6,997,068.30 (Est')
PTC Drivers	Annual Flat Rate	\$7.23	N/A	121,200 (Est.)	\$876,276 (Est.)
Non-Accessible Taxicab Owner	Annual Flat Rate	\$125.32	N/A	4,521	\$566,571.72
Accessible TTL Owner	Exempt	Exempt	N/A	579	\$0.00
Accessible Standard Owner	Exempt	Exempt	N/A	104	\$0.00
VFH Drivers	Annual Flat Rate	\$62.66	N/A	11,678	\$731,743.48

Total Amount Collected For The Fund For 2020 – \$9,267,403.98

Minus Maximum Total Payout From Fund For 2020 – \$2,145,229.58

Remaining Revenues Above Cost Recovery Guidelines For 2020 – \$7,122,174.40

Some of the interesting points on this graph are:

- It is my understanding, that a few years ago, Uber sent a letter to the MLS asking to opt out of on-demand vehicle servicing since it was difficult to do, due to their business model. In return, they agreed to pay an additional licensing fee for that consideration;
- Although some of the “projected” PTC figures in this chart will not be totally accurate due to the Covid-19 pandemic, when normal servicing returns and as the years pass by, those figures will materialize and increase. Currently, PTC’s and their drivers are paying 84.5% of all licensing fees to financially sustain the Fund and that won’t change;
- The PTC offer should be accepted, since they supply very few on-demand vehicles and usually when they get a call for servicing in this area, they refer the client to a taxicab brokerage;
- Notice, that the licensing fees collected to operate this Fund, will be \$7,122,174.40 more than would be the maximum payouts, therefore violating cost recovery only restrictions;
- The City is collecting 4.3 times the licensing fees than could possibly paid out;
- There are no PTC vehicle owner fee requirements;
- Although limousine categories pay a fee, they are the only VFH category that has no accessible vehicles; and
- With millions of dollars in new licensing fees being collected from PTC’s and their operators, there is no need to collect any additional licensing fees from the non-accessible VFH owners and drivers to financially sustain the Fund.

PTC Drivers Licensing Applications and Annual Renewal Fees

Year	Number Of Individual Drivers	Number of Drivers Licences Issued	Annual Licence Fee	Total Annual Fees
Dec. 31, 2016	26,753	26,753	\$15.00	\$401,295
Dec. 31, 2017	47,191	51,055	\$15.00	\$765,825
Dec. 31, 2018	72,883	95,532	\$15.00	\$1,432,980
Dec. 31, 2019	87,955	110,686	\$15.00	\$1,660,290

Total Amount Collected From July 15, 2016 To December 31, 2019 - \$4,260,390

Some of the Interesting points on this graph are:

- Notice the number of individual drivers differs from the number of drivers licences issued. This is because a PTC driver’s licence is required for each PTC they drive in; and
- MLS records show, as of June 17, 2020, there are 72,404 PTC drivers, with 90,889 drivers licences issued as of this date. It is obvious the number of drivers and issued licences are steadily increasing exponentially day-after-day and year-after-year and the 2020 numbers will easily exceed the 2019 numbers.

Annual PTC Trip Fees

Year of Collection	Per Trip Fee	Number of Trips	Total Fees
July 15, 2016 to December 31, 2016	\$0.30 per trip	7,306,786	\$2,192,036
January 1, 2017 to December 31, 2017	\$0.30 per trip	28,242,340	\$8,472,702
January 1, 2018 to December 31, 2018	\$0.30 per trip	44,551,256	\$13,365,377
January 1, 2019 to December 31, 2019	\$0.30 per trip	59,867,656	\$17,960,297

PTC Per Trip Licensing Fees From July 15, 2016 To December 31, 2019 – \$41,990,412

PTC Driver Licensing Renewal Fees From July 15, 2016 To December 31, 2019 – \$4,260,390

Total PTC Licensing Fees Collected July 16, 2016 To December 31, 2019 – \$46,250,802

Some of the interesting points on this graph are:

- When you combine the two PTC licensing and per trip fees charts covering July 15, 2016 to December 31, 2019 the total in licensing fees was \$46,250,802, in just 3-1/2 yrs., which not only will grow exponentially day-after-day, but year-after-year and “which did not exist prior to July 15, 2016”;
- As of January 1, 2020, the per trip fee increased from \$0.30 per trip, to \$0.31 per trip fee. The City also added an additional \$0.10 per trip fee to be paid into the Fund, so now the PTC’s and their drivers are paying the City \$0.41 per trip bringing in millions more in annual licensing fees;
- Notice the incredible increase in PTC trip revenues from year to year. Although the 1st quarter of 2020 has total of 13,415,526 PTC trips registered with the City, a slight decrease than expected due to the COVID-19 pandemic, in 2020 there still is an overall 15% increase expected, raising the 2020 trips to approximately 68,847,804 and bringing in \$28,227,599.60 at the new \$0.41 per trip licensing fees for this year;
- When you add approximately \$2,730,636 in PTC driver’s issuance and renewal licensing fees, the City in 2020 will collect in total licensing fees from PTC’s and their drivers about \$30,958,235.60.

- Why can't just a portion of this new and ever expanding licensing fee revenue stream, be used to finance the Fund, without putting this financial burden on the shoulders of the non-accessible taxicab owners and drivers, including reducing the taxicab owners annual licence renewal fees by 75%?

VFH Licensing Fees In Chapter 441 For Categories Contained In Chapter 546 For The Year 2020

Category	Annual Licensing Renewal Fee	Annual Accessibility Reserve Fund Fee	# Of Units	Total Annual Fees
Taxicab Broker	\$281.95	\$250.64	22	\$11,716.98
Limousine Company	\$281.74	\$250.64	68	\$36,201.84
Limousine Owner	\$709.74	\$125.32	584	\$487,675.04
Standard Taxi Licence Owner	\$1,003.84	\$125.32	4,417	\$4,987,499.72
VFH Drivers	\$132.60	\$62.66	11,678	\$2,280,246.28
PTC's	\$0.31 Per Trip	\$0.10 Per Trip	69,780,683 (Est.)	\$28,610,080 (Est.)
PTC City Issued Drivers Licences	\$15.30	\$7.23	121,200 (Est.)	\$2,730,636 (Est.)

Total Licensing Revenues From VFH Categories For The Year 2020 – \$39,144,055.86

Some of the interesting points on this graph are:

- The licensing fees on this chart, will increase annually. There are 4,521 standard taxicab owners licences, but 104 of them are accessible and like the 579 TTL's, don't pay any owners licensing fees into the Fund, leaving the remaining 4,417 standard licence holders, to pay an annual owners fee into this Fund;
- The number of PTC drivers will also continue to increase; and
- The amount of PTC per trips fees, as shown by a previous chart, which shows the exceptional growth from July 15, 2016 to December 31, 2019, will continue to rise as well, all adding to future annual licensing fees.

Proposed 75% Reduction of Standard Owner Annual Licence Fee Recommended By Mayor Tory Including An Elimination Of Accessibility Reserve Fund Fees For Standard Taxicab Licence Owners and Drivers

Category	Annual Licensing Fee	Reduce Annual Licensing Fee By 75%	New Annual Licensing Fee	Cancel Standard Taxi Owners Annual Accessibility Fund Fee	Cancel Taxi Drivers Annual Accessibility Fund Fee	Number of Units	Total Financial Loss Of Licensing Fees
Standard Taxi Licence Owners	\$1,003.24	\$752.43	\$250.81	\$125.32		4,417	\$3,877,021.75
Taxicab Drivers	N/A	N/A	N/A	N/A	\$62.66	11,678	\$731,743.48

Total - \$4,608,765.23

Total VFH Licensing Fees For 2020 – \$39,144,055.86

Minus Recommended Licensing Fee Reduction and Fund Exemptions – \$4,608,765.23

2020 Remaining VFH Licensing Fees – \$34,535,290.63

Some of the interesting points on this graph:

- The remaining \$34,535,290.63 will more than cover the cost of the Fund and the 75% reduction of the owner's annual licensing fees and these numbers will continue to increase annually;
- The City has and will continue to benefit from new and ever increasing licensing fees from PTC's and their drivers, which will easily reach \$75,000,000+ for the 4-1/2 year period that started in July 15, 2016 and ending on December 31, 2020 and will continue to increase for years to come; and
- Those increases include the additional \$0.10 per trip fee levied against PTC licensing fees for 2020, which will amount to approximately \$600,000 more in new licensing fees. All PTC licensing fees did not exist prior to July 15, 2016, when Chapter 546 was enacted.

Note: All of the figures contained in the graphs in this report, come from the City. Any estimated (Est.) figures fall well within acceptable parameters, when compared to City figures from previous years and are probably low.

Reasons Why The Non-Accessible Taxicab Industry Memberships Are Not Responsible For The Fund

- According to Ontario's Ministry for Seniors and Accessibility, AODA, which includes Regulation 191/11, Section (79) dealing with on-demand accessible taxicabs and I quote, *"In the Transportation Standards under the Act, requirements for taxicabs are placed on municipalities, as opposed to the individual owners/operators. As a result, individual owners/operators are not accountable under the Act"*;
- If taxicab owners are not held accountable under the AODA and its Regulation for on-demand accessible taxicab servicing, how can they be held responsible for a taxicab Accessible Reserve Fund;
- The province has mandated the on-demand accessible servicing through their Act and regulations as being a municipal responsibility and in doing so, makes on-demand accessible taxicab servicing a public transportation requirement, not a private transportation requirement, therefore making the service a responsibility of the City, not the taxi industry;
- The City already had in place, an accessible taxicab pre-booked service operating through the Toronto Transit wheel trans program, which had been running for years. Why wasn't the on-demand accessible taxicab mandated service rolled into this program;
- The TTC program is financially subsidized by the City. Why isn't the same being done for the on-demand accessible taxicab program, rather than making the non-accessible taxicab owners and drivers financially responsible for the supplementing of the on-demand accessible taxicab servicing through the Fund;
- With the TTC pre-booked accessible taxicab servicing, the disabled community is required to pay only a regular TTC fare for door-to-door service. Why is this community required to pay a full taxicab meter rate for on-demand accessible taxicab servicing;
- With the City mandating in Chapter 546 that non-accessible taxicab owners and drivers must pay into and sustain the Fund, this has now created a conflict between the provincial Act and the municipal by-law. When this occurs, the senior statute takes precedence, which in this case, makes the municipal mandating of non-accessible taxicab owners and drivers to financially initiate and maintain the Fund, ultra vires, redundant, a moot point and therefore, without effect;
- When Regulation 191/11 came into being in 2011, the City was involved in reformation meetings with its taxicab industry that went on for 4-1/2 years. Although the industry membership requested on-demand accessible taxicab servicing to be a topic of discussion on numerous occasions, during this whole process, the City never discussed it with the entire taxicab industry membership;
- In the recent reformation meetings between the City and the taxicab owners and drivers, the issue of the Fund was discussed in two separate meetings. The problem arising here, is those two meetings were attended only by accessible taxicab owners and drivers, who for the most part, do not contribute to the Fund;

- The vast majority of the taxicab industry taxicab owners and drivers who are not involved in on-demand accessible taxicab servicing, also attended other meetings during this period, but the Fund was never discussed at those meetings.
- We believe the MLS deliberately left out this discussion at those meetings, because in the end, it is these groups that are legislated to pay into and maintain this Fund and there would have been quite a backlash at those meetings regarding its financing,
- With the City allowing unfettered vehicle access of PTC's and their operators into the taxicab industry, which now has reached over 100,000 vehicles when combined with taxicabs and limousines into a market that can financially support approximately 4,000, how does the City think the non-accessible taxicab owners and drivers can financially support the Fund when they cannot make a living themselves;
- With the City unnecessarily over issuing taxicab owners licences and charging well above cost recovery for licensing issuance and renewals for decades prior to 2016, it clearly showed that the City had entered the taxicab business and was looking for profit, which violates their powers to license as given to them by the province in the City of Toronto Act, 2005.
- Now with the Covid-19 pandemic hitting our City and well over 95% of the taxicab fleet parked with no business to service and scrambling to support themselves and their families, how does the City believe the non-accessible taxicab industry membership, can afford to pay into this Fund;
- TTL's were issued and accepted on a voluntary basis. The recipients of these licences were advised by senior members of our industry, not to accept them and the numerous reasons why, but they accepted them anyway.
- Under what authority does the City believe they have the right to make the non-accessible categories in Chapter 546 financially responsible for the business shortfalls of the on-demand accessible TTL category, which is contained in the same chapter?
- Each entity contained in this by-law, is an independent business owner and operator and responsible only for their own business successes and failures not someone else's, which makes the Fund in direct contradiction of that premise;
- Under what authority, has the Executive Director of the MLS been given the right to govern and administer the Fund, including how it is run and how the monies are disbursed, with no accountability mechanism in place? Does the Executive Director of the MLS even have the authority to operate a Fund for the City;
- The reason for the Fund came about because the MLS, without consultations, came up with a nefarious plan to make all taxicabs in the City accessible vehicles; The taxicab industry knowing such a plan to make all taxicabs accessible vehicles would destroy their remaining business, challenged this in court. On January 30, 2015, Justice J. Stinson of the Ontario Superior Court of Justice released a judgment quashing these City plans, therefore disallowing the entire fleet to be made accessible vehicles;
- The only reason for the Fund, is the City did not hold the mandated meetings for on-demand accessible taxicab servicing and over issued TTL's. This happened to fulfil a plan to make all City taxicabs accessible, which they thought the industry would not challenge. As you see in the previous bullet point, it was; and
- By the time of the judgment and continued on for a short while after, the City had issued 249 on-demand TTL owners' licences, but if the Regulation meetings were held that were mandated to be held, that number would have been proven to require only 25 to 50 on-demand TTL's.

Recommendations

- This report, clearly shows that the City, by enacting a by-law to mandate the non-accessible taxicab owners and drivers to financially initiate and sustain the Fund is not only wrong, but unethical and illegal all at the same time and therefore, must cease immediately;

- The annual non-accessible taxicab owner's licensing fee of \$125.32 to be paid into the Fund as part of the annual licensing renewal fee, must be cancelled and any payments for this fee that has already been paid to the City in 2020, must be reimbursed to the non-accessible taxicab owner;
- The annual non-accessible taxicab driver's licensing fee of \$62.66 to be paid into the Fund as part of the annual licensing renewal fee, must also be cancelled and any payments for this fee that has already been paid to the City in 2020, must be reimbursed to the non-accessible taxicab driver;
- There are many reasons why TTL's cannot earn a living including the City issuing too many licences in the TTL on-demand accessible taxicab category, but all taxicab members are in the same position;
- We are all dealing with how the City allowed PTC's unfettered vehicle access into our marketplace resulting in losing over 70% of our customers and 95% of the value of the taxicab owners licences; leaving us financially unable to compete due to PTC's undercutting our tariff; elevated licensing fees; vehicle insurance problems; no meter increase in over a decade; the Covid-19 pandemic; *"now the City wants to put the financial responsibility for the Fund on the shoulders of the non-accessible taxicab owners and drivers"*;
- This new licensing revenue source can be also used to reduce the cost of taxicab owners' annual licensing renewal fees by 75%, which was what Mayor Tory recommended. The PTC's and their operators' total licensing fees over the past 3-1/2 years alone of \$46,250,802 million dollars, which will increase exponentially day-after-day and year-after-year for decades, easily covers this recommended decrease in taxi owners annual licensing fees along with eliminating the taxicab industry from financial responsibility for the Fund; and
- By the end of 2020, the City will have gained \$75,000,000+ in additional licensing fees from PTC's and their drivers that never existed prior to July 15, 2016. Since these *"new and ever increasing licensing fees"* are mandated to be spent in the category from which they are collected from. How can the City staff make the claim that to reduce the taxicab owners annual licensing fees by 75% as recommended by Mayor Tory, would bring a \$3,350,000 licensing shortfall or that there is a financial need that the non-accessible taxicab owners and drivers be required to financially initiate and sustain the Fund?

In Conclusion

It's a blatant abuse of municipal business licensing authority for the City to legislate the non-accessible taxicab owners and drivers to be financially responsible for a Fund, which came about from a needless and excessive issuance of City business licenses culminating in the City's actions being unethical, unwarranted, unnecessary and arguably illegal as well. There can be no doubt or dispute that if the Fund is to continue, the financial responsibility for the Fund lays with the City, not with the non-accessible taxicab owners and drivers.

It is our belief, that the content of this report on the Fund more than warrants it to be added as an agenda item at the very next GGLC meeting and in addition, I am requesting to be added on a deputants list and informed the date Committee will deal with this issue . We are asking for Mayor Tory, GGLC members and all City councillors to support the recommendations contained in this report and reverse the injustices surrounding the financing of the Fund that are currently being perpetrated against the non-accessible taxicab owners and drivers.

I remain,



Gerald H. Manley

Gerry Manley
105 Rowena Dr. Suite 405
Toronto, Ontario
Canada, M3A 1R2
Toronto Taxi Owner – Licence Number 416

July 21, 2020

Mr John Duffy
 Publisher, Taxi News
 38 Fairmont Crescent
 Toronto, ON M4L 2H4

Dear John,

How many times prior to or shortly after the passing of the Toronto Municipal Code, Chapter 546, Licensing, Vehicles-for-Hire (“VFH”), did Mayor Tory publicly state that with the passing of this by-law on July 15, 2016, that the City of Toronto (“City”) had achieved a fair and level playing field for all categories contained in the by-law?

Although I can take issue on that statement on many points contained in Chapter 546, in this report I am going to review licensing fees, as contained in the Toronto Municipal Code, Chapter 441, Fees and Charges, Appendix “C”, Schedule 12, Municipal Licensing and Standards.

Toronto Municipal Code, Chapter 441, Fees and Charges, Appendix “C”, Schedule 12, Municipal Licensing and Standards - Vehicles-for-Hire Licensing Fees For 2020

<i>Ref. No</i>	<i>Fee Description</i>	<i>Fee</i>	<i>No. Of Units Or Trips</i>	<i>Total Fee Collected</i>
162	Taxicab Broker Licence	\$281.95	22	\$6,202.90
164	Limousine Service Company Licence	\$281.74	68	\$19,158.32
380	Standard Taxicab Owner Licence	\$1,003.84	4521	\$4,538,360.64
382	Limousine Owner Licence	\$709.74	584	\$414,488.16
439	Taxicab Operator Licence	\$306.00	31	\$9,486.00
441	PTC Per Driver Fee	\$15.30	Est. 96,750	Est. \$1,480,275.00
442	PTC Per Trip Fee	\$0.31	Est. 69,780,683	Est. \$21,632,011.73
444	VFH Drivers Licence	\$132.60	11,678	\$1,548,502.80
482	Taxicab Brokerage Accessibility Reserve Fund	\$250.64	22	\$5,514.08
483	Limousine Brokerage Accessibility Reserve Fund	\$250.64	68	\$17,043.52
484	Limousine Owner Accessibility Reserve Fund	\$250.64	584	\$146,373.76
485	PTC Accessibility Reserve Fund	\$0.10 Per Trip	Est. 69,780,683	Est. \$6,978,068.30
486	PTC Accessibility Reserve Fund (Driver)	\$7.23	Est. 96,750	Est. \$699,502.50
487	Standard Taxicab Operator Accessibility Reserve Fund	\$125.32	31	\$3,884.92
488	Non-Accessible Standard Taxicab Owner Accessibility Reserve Fund	\$125.32	4521	\$566,571.72
489	VFH Driver Accessibility Reserve Fund	\$62.66	11,678	\$731,743.48

Total Licensing Fees – \$ 38,797,187.80

The above graph does require an explanation on a couple of points. The PTC licensing fee and per trip numbers are estimated due to the Covid-19 pandemic and will not be totally accurate, but fall well within acceptable levels when reviewing their previous 3-1/2 years of growth. There is little doubt that when we return to some sort of normality in our industry, the PTC estimated numbers will most likely be well short of where they will end up and that's without considering these fees will increase exponentially day-to-day, month-to-month and year-to-year.

Also, you will notice that I only incorporated 4,521 standard taxicabs into this graph even though there are approximately 5,204 standard taxicabs. The reason for this, is that 683 of these licences are accessible taxicabs and do not pay any annual owners licensing renewal fees.

If I told you that it was possible to dramatically reduce licensing fees for taxicab and limousine owners and drivers while substantially increasing licensing fee revenues for the City, would you believe me? Probably not, but I believe it is more than feasible if the City uses the content contained in the following graph, as a template for change.

Toronto Municipal Code, Chapter 441, Fees and Charges, Appendix “C”, Schedule 12, Municipal Licensing and Standards – Vehicles-for-Hire Recommended Licensing Fees For 2020

<i>Ref. No.</i>	<i>Fee Description</i>	<i>Fee</i>	<i>No. Of Units Or Trips</i>	<i>Total Fee Collected</i>
162	Taxicab Broker Licence	\$250.00	22	\$5,500.00
164	Limousine Service Company Licence	\$250.00	68	\$17,000.00
380	Standard Taxicab Owner Licence	\$250.00	4521	\$1,130,250.00
382	Limousine Owner Licence	\$250.00	584	\$146,000.00
439	Taxicab Operator Licence	\$250.00	31	\$7,750.00
441	PTC Per Driver Fee	(Repeal And	Replace With Next	Line)
441	PTC Vehicle Owner Licence	\$250.00	Est. 96,750	Est. \$24,187,500.00
442	PTC Per Trips Fee	\$0.31	Est. 69,780,683	Est. \$21,632,011.71
444	VFH Drivers Licence	\$65.00	9,174	\$596,310.00
482	Taxicab Brokerage Accessibility Reserve Fund	(Repeal)		
483	Limousine Brokerage Accessibility Reserve Fund	(Repeal)		
484	Limousine Owner Accessibility Reserve Fund	(Repeal)		
485	PTC Accessibility Reserve Fund	(Repeal)		
486	PTC Accessibility Reserve Fund (Driver)	(Repeal)		
487	Standard Taxicab Operator Accessibility Reserve Fund	(Repeal)		
488	Non-Accessible Standard Taxicab Owner Accessibility Reserve Fund	(Repeal)		
489	VFH Driver Accessibility Reserve fund	(Repeal)		

Total Recommended Licensing Fees – \$47,722,321.71

This graph has achieved something the first graph does not, which is a fair and level playing field for all VFH categories. Notice how that was realised:

- All VFH taxi and limousine brokerages plus their vehicle owner's licence renewal fees are equal, while reducing licensing costs substantially, in most cases;
- There are no longer driver's renewal fees required for any VFH owner, who drives their own vehicle;

- The Municipal Licensing and Standards (“MLS”) reports that there are currently 11,672 VFH drivers licences issued, but 9,174 are drivers only, who do not own a taxicab, limousine or accessible vehicle;
- My graph does not include any requirement for the current 2,498 taxicab, limousine or accessible vehicle owners who currently must have a VFH driver’s licence to drive their own vehicle and that is why the figure 9,174 was used.
- The 9,174 VFH taxi drivers annual licensing renewal fees, have been reduced by 50%;
- All PTC drivers licensing renewal fees currently being paid by the PTC’s, have been removed;
- PTC \$0.31 per trip fee is to remain the same, as that was the price negotiated by the PTC’s with the City as their brokerage fee, which has nothing to do with vehicle owner’s and driver’s licensing fees;
- The same owner’s licensing fee has been applied equally to all VFH categories including PTC vehicle owners who to date, have never personally paid an owner’s or driver’s licensing fee;
- With PTC’s and their vehicle owners now controlling over 70%+ of all the VFH business, the suggested \$250 annual owner’s renewal licensing fee is more than fair and levels the playing field, as to what all other VFH vehicle owners are required to pay to renew their owner’s licence;
- Repeals all requirements for Accessibility Reserve Fund (“Fund”) licensing fees to be paid by any VFH category;
- The 2nd graph still generates \$8,925,133.91 more in City VHF business licensing fees than the 1st graph does, while creating a fair and level playing field for all VFH categories and will more than cover the cost of the Fund; and
- All licensing fees are to remain the same for a 3-year period and 90 days before this period concludes, the City is to hold a show cause hearing with the VFH membership, if they feel an increase is required.

Note: *The estimated (“Est.”) numbers contained in both graphs fall well within acceptable levels, considering the growth in those categories over the past 3-1/2 years. When the Covid-19 pandemic ceases to affect the business climate and things return to normal, I believe these Est. numbers will be low and at the very least, will exponentially increase day-to-day and year-to-year.*

If the recommendations outlined in graph number 2 are legislated into Chapter 441, a quantifiable level playing field for all will finally be established. It will remove a great deal of the licensing fee pressures that the taxicab and limousine owners and drivers are currently facing, due to recent by-law changes; increased cost and difficulty in finding vehicle insurance; and the Covid-19 pandemic. This will not only maintain, but increase the required licensing fees for the administration and enforcement of the VFH by-law.

I remain,



Gerald H. Manley