

From: jj@metstrat.ca
To: [General Government and Licensing](#)
Subject: My comments for 2021.GL27.19 on November 30, 2021 General Government and Licensing Committee
Date: November 29, 2021 2:57:48 PM
Attachments: [VFH update Emissions Congestion Final.pdf](#)

To the City Clerk:

Please add attached comments from RideFairTO, the Toronto Environmental Alliance, CodeRedTO, The Toronto Community Bikeways Coalition and TTC Riders, attached, to the agenda for the November 30, 2021 General Government and Licensing Committee meeting on item 2021.GL27.19, Update on Outstanding Vehicle-for-Hire Directives

I understand that my comments and the personal information in this email will form part of the public record and that my name will be listed as a correspondent on agendas and minutes of City Council or its committees. Also, I understand that agendas and minutes are posted online and my name may be indexed by search engines like Google.

Comments: see attached.



RideFairTO Environmental Stakeholders' Submission

Vehicle-for-Hire Regulation Updates, October 8, 2021

Thank you for the opportunity to provide comments in advance of the planned update on Toronto's Vehicles-for-Hire regulations. Our comments focus on need to address emissions and congestion from an industry that the Toronto Atmospheric Fund (TAF) identified as the fastest-growing source of emissions in the transportation sector pre-pandemic.¹

In 2014, ride-hailing companies pledged to reduce personal car ownership and help decrease emissions and congestion. Like many other urban centres, Toronto chose to legalize and minimally regulate these emerging businesses. Today, in the wake of the meteoric growth of ride-hailing in North American cities, we better understand how the industry has impacted our cities, namely by increasing traffic and emissions while moving passengers out of public transit and back into cars (see Appendix A).

Toronto has clear goals for a more sustainable transportation system. The TTC plans to reverse its decline in transit ridership, and TransformTO has set a goal that by 2050, 75% of trips under 5km will be taken by active transportation. VisionZero aims to reduce, then eliminate pedestrian and cyclist fatalities. CafeTO has begun to transform city streets.

As you tackle the urgent issue of emissions from ride-hailing, we urge you to align Vehicle-for-Hire regulations with ongoing efforts to prioritize public and active transportation in our transportation planning and street/curbside design, and to address the negative impacts that ride-hailing growth has had on public transit and active transportation. These measures will accelerate progress on emissions reductions from the ride-hailing sector.

The temporary reduction in traffic volumes due to the pandemic provides Toronto with a unique opportunity to find a more sustainable balance for our transportation mix. But if we wait too long, we risk another large-scale shift from more sustainable modes of transportation into private vehicles as the economy recovers. We recommend that staff:

1. Immediately establish guardrails around the growth of PTC vehicles operating in Toronto while longer-term planning to reduce emissions moves forward;
2. Work with stakeholders to determine the right number of vehicles on the road, consistent with the city's goals of reducing the number of cars in circulation, protecting and growing transit ridership, and redesigning our streets to encourage safe and active forms of transportation;
3. Set new fuel efficiency standards for the VfH and PTC sectors that come into effect immediately and increase steadily, are consistent with Toronto's Net Zero goals (TAF recommends moving

from a baseline of 8.4 L/100 km at an annual rate of .3L/100KM) while ensuring the costs of decarbonizing PTCs aren't downloaded onto drivers; and,

4. Evaluate how regulations impact labour standards. Staff should consult with drivers directly, not through company intermediaries, about the potential impacts of regulations.

We would be happy to work with you on specific policy recommendations that can accomplish these goals.

Toronto Community Bikeways Coalition



CodeRedTO



Toronto Environmental Alliance



TTC Riders



Appendix A: The environmental costs of de-regulating ride-hailing in Toronto

Since 2014, the City of Toronto has allowed the ride-hailing industry to grow rapidly while, at the same time, the City has effectively eliminated emissions standards applying to all vehicles-for-hire.¹ In addition, City data suggest millions of trips annually have moved out of low-emission modes of public and active transportation into higher-carbon individual ride-hailing vehicles adding to, rather than reducing, greenhouse gas emissions.

Table 1: De-regulation affecting emissions from taxis and ride-hailing vehicles

	2014	Today
Limits on vehicles licensed	Taxis: Fixed by city; ratio of 1 taxi: 500 residents	Taxis: Fixed number Ride-hailing: no limits to growth
Number of drivers licensed	Taxis: 17,000 (estimated) Ride-hailing: 0	Taxis: 8000 (estimated) Ride-hailing: 87,995 (2019)
Low-emission vehicle replacement policy	Taxis must be replaced by hybrid, alternative fuel or low-emission vehicle	Taxis: requirement removed Ride-hailing: no requirement set
Emissions standard	Low emissions vehicle defined in bylaw: Combined Fuel Consumption Rating established at 8.4 or fewer liters per 100 kilometers (2015)	Taxis: standard never updated; removed in 2019 Ride-hailing: no standard set
Maximum vehicle age	7 years	Taxis: 9 years (until January 2023) Ride-hailing: 7 years

Over the past seven years, regulatory action has been delayed, first to allow for further research and more recently, due to the pandemic. During this time, regulations did not “stand still,” but were effectively watered down:

- 2014: City Council approved a standard for “low emission” vehicles defined with reference to 2014 and 2015 model years for the taxi sector; it was not updated;
- 2014: City Council endorsed the notion that limits on the number of taxi and limo licenses should be linked to changes in demand; it does not appear demand forecasting took place;
- 2016: City Council requested staff report by 2017 on incentive program to lower vehicle emissions; it does not appear an incentive program was developed;
- 2016: City council set no limits on number of PTC licenses issued, instead soliciting “a supply and demand study assessing impacts of volume of PTC vehicles/drivers.” Subsequent studies do not appear to have addressed the question of appropriate supply;
- 2019: City Council refers questions regarding the appropriate number of VFH for further study.

¹ Taxis, limos and ride-hailing vehicles (Uber/Lyft, etc.)

- 2019: City Council refers questions around the impact of ride-hailing activity on congestion and emissions (including an incentive program) for further study; and,
- 2021: VfH update will report “next steps to reduce emissions in the ride-hailing industry.” It does not appear that questions of appropriate supply will be addressed at this point.

According to TAF, **the number of vehicles-for-hire registered in Toronto increasing 500% between 2014 and 2019**. This growth was almost entirely driven by an increase in the number of ride-hailing vehicles.

As a result, TAF estimates **emissions from vehicles-for-hire were growing at least 40,000 tonnes annually pre-pandemic, and were likely to double again within five years** (even before taking into account the fact that the majority of ride-hailing trips in Toronto also replace low-carbon modes of transportation).ⁱⁱ

The City has in the past regulated the number of taxi licenses as well as standards for the licensing of drivers and vehicles – including emissions standards.ⁱⁱⁱ The City has the tools at its disposal to effectively address emissions and congestion caused by ride-hailing, but has thus far chosen to de-regulate the transportation sector. As a result, we have seen the number of ride-hailing daily trips climb from 62,200 in late 2016 to 176,000 in early 2019; in Chicago, a similarly sized city where ride-hailing began three years before Toronto, daily ride-hailing trips reached 330,000 pre-pandemic.^{iv}

As the City has continued to study *how* to regulate ride-hailing, the industry has been permitted to grow without restrictions, rather than maintained its business levels. This must change.

Ride-hailing needs to complement, not undermine, public transit

Ride-hailing companies promised to move cars off the road and complement public transit, but increasingly, the converse appears to be true. In nine US urban centres, 60% of rideshare passengers reported they would have taken public transit, walked, biked or not traveled as their alternative.^v A 2019 Toronto study found similar results, reporting that in 60% of cases, passengers would have chosen a non-car based alternative mode of transit, most often public transit (49%), had ride-hailing not been available. Only 5% would have driven a car.^{vi}

Not surprisingly, several transit rich North American cities began reporting declines in ridership after the advent of Uber and Lyft, including the TTC. A recent RideFair Toronto report reviewed City data and estimated that by 2019, 31 million trips may have been moved out of the TTC and into ride-hailing vehicles, costing the transit system as much as \$74 million in lost fares.^{vii} Conversely, the rate of growth of personal automobile ownership has outpaced the population growth rate across all major cities in the US^{viii} and in the province of Ontario.^{ix}

Ride-hailing trips are currently 69% more polluting than modes of transit they replace, according to a recent report by the Union of Concerned Scientists.^x In 2019, the California Air Resources Board reported ride-hailing vehicles emit approximately 50% more grams of CO₂ per passenger mile traveled than California passenger vehicles, because 1) cars travel without passengers while *en route* to pick-ups or circulating between rides, and 2) even pre-pandemic, ride-pooling was relatively rare.^{xi}

A ride-hailing oversupply hurts drivers

We welcome the City’s goal of addressing GHG emissions in a way that leaves no one behind. However, the dominant ride-hailing employers currently employ a precarious business model, downloading

operating costs onto drivers and compensating drivers for only a portion of time spent working. In the US, the Economic Policy Institute estimated the average take-home pay of an Uber driver in the US in 2018 — after expenses — at \$9.21 an hour, slightly above the federal minimum wage. As a result, reportedly only 4% of drivers remained active on Uber after a year.^{xii}

Under current employment practices, it is possible that the City’s decision to permit the unrestricted growth of ride-hailing has hurt drivers, who may face longer unpaid times as more drivers compete for fares. The pandemic has almost certainly compounded these challenges. Conversely, limiting the volume of ride-hailing with a view to lowering emissions could incentivize ride-hailing employers to minimize unpaid “cruising” time. We urge the City to work directly with ride-hailing drivers and their organizations (not through employer intermediaries) to understand the impacts potential regulations have on drivers’ welfare.

Prioritizing sustainable modes of transportation

Increased ride-hailing has added vehicles to the road at the same time that neighbourhoods are calling for roads to be redesigned to encourage active transportation and reduce traffic. Cyclists and accessibility advocates have also flagged the issue that the need to pick up and drop off customers at non-designated spots increases safety risks for other road users, particularly cyclists. If Toronto wants to address its VisionZero and TransformTO goals, we must ensure that we reduce the use of cars for private transportation purposes, and that road design encourages and protects active forms of transportation.

Conclusion:

The City’s decision to allow unrestricted growth in ride-hailing licenses while relaxing fuel efficiency requirements for *all* vehicles-for-hire has come at a cost: in tonnes of additional carbon emitted annually, in lost ridership and revenues for public transit, in increased congestion along some surface transit routes, and in labour standards in our transportation sector. And with current vehicle age maximums (a proxy for fuel efficiency) frozen in place until early 2023,^{xiii} the time we have to act is shrinking.

The good news is that we don’t need to wait. By right-sizing the ride-hailing industry, we can have an immediate impact on emissions from the transportation sector.

Sources

ⁱ https://taf.ca/wp-content/uploads/2019/06/TAFs-Comments-on-Vehicle-for-Hire-Bylaw-Review_GL6.31.pdf

ⁱⁱ https://taf.ca/wp-content/uploads/2019/06/TAFs-Comments-on-Vehicle-for-Hire-Bylaw-Review_GL6.31.pdf

ⁱⁱⁱ [Microsoft Word - TAF's Comments on Vehicle-for-Hire Bylaw Review_2019.06.\[dd\]](#)

^{iv} https://www.toronto.ca/wp-content/uploads/2019/06/96c7-Report_v1.0_2019-06-21.pdf

^v <http://www.schallerconsult.com/rideservices/unsustainable.pdf>, p. 2

^{vi} https://www.toronto.ca/wp-content/uploads/2019/06/8ffa-Transportation-Impact-Study_v1.0_2019-06-21.pdf, p. 28

^{vii} https://ridefair.ca/wp-content/uploads/2021/02/Ridefair-Report_Feb_2021_final.pdf

^{viii} <http://www.schallerconsult.com/rideservices/unsustainable.pdf>, p. 2

^{ix} Statistics Canada, annual population estimates, 1999-2020, 17-10-0005-01 (formerly CANSIM 051-0001); vehicle registrations by type, 1999-2019, 23-10-0067-01 (formerly CANSIM 405-0004).

^x [Ride-Hailing Climate Risks | Union of Concerned Scientists \(ucsusa.org\)](#)

^{xi} https://ww2.arb.ca.gov/sites/default/files/2019-12/SB%201014%20-%20Base%20year%20Emissions%20Inventory_December_2019.pdf

^{xii} [How Uber Makes Money Now - CB Insights Research](#)

^{xiii} <https://www.toronto.ca/legdocs/mmis/2020/gl/bgrd/backgroundfile-158559.pdf>