

## **Tow Truck Industry Review**

<b>Date:</b>	March 21, 2012
<b>To:</b>	Licensing and Standards Committee
<b>From:</b>	Executive Director, Municipal Licensing and Standards
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2012\Cluster B\MLS\LS12005

### **SUMMARY**

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Municipal Licensing and Standards will complete a comprehensive review of the tow truck industry, as well as review the tow truck provisions of Toronto Municipal Code Chapter 545, to address industry issues and strengthen consumer protection provisions. In the fourth quarter of 2012, the industry review work plan will be presented to the Licensing and Standards Committee, with the review to take place in 2013.

A thorough industry review, which ensures all stakeholders issues are addressed is what has been identified as necessary. To conduct this type of review, detailed planning and dedicated resources will be necessary. Due to the current volume of work related to other significant matters and the challenge of resources available to carry out the work, this report is putting forward the timelines needed to conduct this review of the industry comprehensively.

### **RECOMMENDATION**

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**The Executive Director, Municipal Licensing and Standards recommends that the Licensing and Standards Committee:**

1. Receive this report for information.

#### **Financial Impact**

There is no financial impact as a result of the recommendation in this report.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

At the November 14, 2011, Licensing and Standards Committee meeting staff brought forward a report outlining a review of fees for accident tows and tows from private property. At this meeting, industry stakeholders identified various other issues that extended beyond the scope of the proposed staff report. As a result, the Committee directed the Executive Director, ML&S to complete a comprehensive review of the tow truck industry, as well as conduct further consultations with stakeholders and report back to Committee in March of 2012. The Committee direction is as follows:

1. Research on other jurisdictions within Canada that regulate “all other towing” with an all inclusive flat rate, in consultation with the towing industry, the roadside industry, the insurance industry, representatives from the North American Auto Accident Pictures (NAAAP), Towing Division, and Consumer Protection Advocates, and the police service, including the Ontario Association of Chiefs of Police.
2. In consultation with stakeholders, both accident and non-accident rates in order that the two areas can be communicated to the public, in a transparent and streamlined way, to ensure consistency of service needs – even if staff decide to not blend these rates.
3. The legislation pertaining to the services of the collision reporting centres and, as a result of questions raised at the Licensing and Standards Committee, any recommendations for improvement of their operation; and further that the report also include other models used by other municipalities.
4. Information that can be provided to vehicle owners to explain what their rights are following an accident.
5. The establishment of a protocol with regard to parking or towing cars off private property.

## **COMMENTS**

The review of the tow truck industry as contemplated by the Licensing and Standards Committee and the industry at large, will require extensive consultation with industry stakeholders, regulatory agencies and the public.

In order to conduct a thorough and transparent industry review, and to further ensure that all stakeholders issues are addressed, staff is proposing to undertake the review in a similar fashion to that currently underway related to the taxicab industry. Thorough consultation will be a key component of this review and will ensure that all stakeholders have the opportunity to participate in the process and in the matters that are considered.

To conduct this type of thorough industry review, substantial planning and dedicated resources will be necessary.

Municipal Licensing and Standards currently has three full-time policy staff assigned to policy development. These resources are currently tasked with a significant number of policy review items previously requested by the Licensing and Standards Committee, such as Issues Related to Student Housing, Clothing Drop Boxes, Vapour Lounges, and Year-Round Patio pilot project development. In addition to these tasks, there are a number of more complex initiatives, such as the Taxicab Industry review, Street Food Vending project, Toronto Animal Services program review, identified projects related to the Licensing Categories and Business Fees review, a review of Adult Entertainment by-law provisions, and a review of the licensing and by-laws related to Holistics.

Given the allocation of limited resources, staff will not be able to bring forward a tow truck industry review work plan until the fourth quarter of 2012. The work plan will provide detail on how staff will move forward with the review, including stakeholder engagement.

When consultations and the review of the industry has been completed, staff will report back on the effectiveness of the current tow truck regulations and recommend any necessary amendments to the By-law and any other relevant policies. The final report is expected to be before the Licensing and Standards Committee in late 2013.

## **CONTACT**

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## **SIGNATURE**

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