Supplementary Report - Review of the City of Toronto Municipal Code, Chapter 546, Licensing of Vehicles-for-Hire

Date: July 12, 2019  
To: City Council  
From: Executive Director, Municipal Licensing and Standards  
Wards: All

SUMMARY

At its meeting on June 24, 2019, the General Government and Licensing Committee adopted GL6.31 Review of the City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire. The report proposed amendments to the Vehicle-for-Hire By-law (the City of Toronto Municipal Code Chapter 546) related to accessibility, public safety, vehicle requirements and limousines.

This report responds to the Committee's request for the Executive Director, Municipal Licensing and Standards to report to City Council at its meeting on July 16 and 17, 2019 on the feasibility of specific items related to public safety, fuel efficiency standards, impacts on the city's transportation network, accessible wait times, and insurance requirements.

The changes proposed in GL6.31 to the Vehicle-for-Hire By-law are based on research completed and feedback heard during consultations in 2018 and the beginning of 2019. Municipal Licensing and Standards (MLS) hosted 18 public consultation meetings and two Accessibility Panel meetings. Internal research included literature reviews, jurisdictional scans, stakeholder consultations, and an analysis of licensing, complaint, and enforcement data.

In addition, a Transportation Impact study was undertaken by Transportation Services with support from the University of Toronto's Transportation Research Institute. MLS also procured a consulting firm to complete an Economic Impact Study and a market research firm to complete public opinion research and focus group sessions.

This report does not recommend changes to the Committee-adopted By-law amendments and was prepared in consultation with Legal Services and Transportation Services.
FINANCIAL IMPACT

There are no financial implications beyond what has already been approved in the current year's budget.

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

DECISION HISTORY

On June 24, 2019, the General Government and Licensing Committee adopted the recommendations in the report GL6.31 Review of the City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.GL6.31) and directed the Executive Director, Municipal Licensing and Standards to report directly to City Council at its meeting on July 16 and 17, 2019 on items related to public safety, vehicle equipment and fuel efficiency standards, the city's transportation network, accessible wait times for on-demand trips, and insurance requirements for private transportation company drivers.

COMMENTS

This report responds to directives from the June 24, 2019 General Government and Licensing Committee meeting and includes a discussion of research, consultations and proposed changes recommended in GL6.31 Review of the City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire.

Public Safety

1. Committee Direction: Report on the feasibility and implications of implementing third-party safety training, including options for using accredited training schools, in-class/car training, and other ways to deliver mandated training.

To enhance the driving safety knowledge of drivers, the Committee-adopted report recommends that all drivers successfully complete a City-approved training program as a requirement of licence issuance or renewal. The City will issue a list of mandatory criteria and review and accredit training programs that satisfactorily meet this criteria. The training criteria will be developed as part of the implementation process, in consultation with relevant stakeholders and City of Toronto Divisions. Preliminary topics include transporting passengers in a safe manner, driving in an urban setting, providing service to accessible users, understanding anti-racism and cultural diversity sensitivity and acknowledging legal requirements related to vehicle-for-hire service. It is recommended that the Executive Director of MLS be granted the delegated authority to set the training criteria and to amend as necessary. For example, the Executive Director may require that training programs impose a final evaluation as proof of successful
completion of an approved course. Delegated authority ensures that the training criteria are continuously reviewed and updated.

The mode of delivery of training is not currently prescribed and may be determined by the City-approved training provider. MLS does not recommend restricting training to accredited colleges. This allows the City to determine the major components of the training program, but creates flexibility in delivery and enables the industry to participate in the training of their own members. This is consistent with the current process for accessibility training whereby the City approves training programs based on a set of mandatory components. There are currently four City-approved accessibility training programs: three within the taxicab industry and one college. As part of implementation, MLS is exploring the use of a third-party organization to support the review and evaluation of all training programs.

MLS does not recommend in-car examinations as a condition for licence issuance or renewal. As with all drivers in the province of Ontario, vehicle-for-hire and private transportation company (PTC) drivers are governed by the Highway Traffic Act and the Ontario graduated licensing system, which requires in-car examinations for all drivers. The graduated licensing system requires new drivers to obtain driving experience and skills through a three-step licensing process that takes at a minimum of 20 months to complete. If you obtained a driver's licence outside of Ontario, an in-car examination is required to receive an equivalent class of driver's licence or an applicant must provide proof of having held a full class of driver's licence in a reciprocating jurisdiction for at least 24 months in the 36 month period prior to the driver's licence exchange. Due to its comprehensiveness, the graduated licensing system, introduced in 1994, replaced other provincial driver licensing types, such as the chauffer's licence.

To introduce in-car examinations at the City level would duplicate the graduated licensing process. While some commercial businesses or organizations introduce their own in-car examination processes in the hiring of employees, it is typically when an employee, contractor or volunteer is using commercial property. Therefore, it is a business or organizational decision. In the jurisdictional scan, where vehicle-for-hire and PTC drivers are required to undergo mandated training, it is generally a municipally-approved program that is delivered by a third-party or industry. The mode of delivery is not mandated. Cities that mandate a third-party defensive driving course, such as New York City or Seattle in the United States, use state or federally approved courses. In both cases, in-car or online options are permitted. In speaking with the Ontario Ministry of Transportation, the Province is reviewing digital delivery of driver education programs, but has not approved online driver education programs at this time.

The new requirement for training will supplement existing driver screening requirements that all vehicle-for-hire and PTC drivers must meet before a licence is issued or renewed. Drivers are assessed against a set of screening criteria at the licensing application and renewal stages as well as during audit and compliance checks. For example, every vehicle-for-hire and PTC driver's driving abstract is screened every 14 days. An application or renewal is denied if drivers do not meet the screening criteria, including if they have 9 or more demerit points, or if they have been convicted under the Criminal Code, Controlled Drug and Substances Act or of certain offences under the Highway Traffic Act. With respect to the Highway Traffic Act, a driver does not meet the
screening criteria if they have been convicted of careless driving, racing or stunt driving, exceeding the speed limit by 50 km/hour or more, failing to stop for a school bus, failing to remain at the scene of a collision, or driving while their driver’s licence is suspended. To ensure responsiveness to safety concerns, the Executive Director of MLS has the delegated authority to amend the screening criteria as necessary.

In addition, the Committee-adopted report recommends increasing the current minimum years of driving experience required for all drivers from one year to three years. During public consultations, some participants identified that the three year driving abstract conflicts with the minimum requirement to have one year of driving experience. In addition, industry stakeholders noted that higher age restrictions are placed on drivers who wish to drive for some PTCs (minimum age of 21) or for some taxicab owners and brokerages (minimum age of 25) due to increased insurance premiums. The Insurance Bureau of Canada noted that there are no age requirements for insurance; however, premiums are based on the likelihood of a collision and the estimated cost of a collision which may be higher due to the younger age of a driver. Overall, participants at the public consultation meetings generally agreed that increasing the minimum age or years of driving experience may ensure more experienced drivers are entering the vehicle-for-hire industry.

2. Committee Direction: Report on specific requirements for mobile device holders in vehicles in order to ensure they are mounted securely.

To further ensure the public safety of passengers and drivers, the Committee-adopted report recommends that all drivers must securely mount their handheld devices prior to operating their vehicles, or becoming available to drive on any platform. Staff do not recommend prescribing a specific type of mount, only that the cellphone and mount is securely affixed.

In Ontario, it is illegal to drive a motor vehicle while holding or using a hand-held wireless communication device (for example, cell phone). This is referred to as distracted driving. Under the Highway Traffic Act, a person may drive while using a hand-held wireless device if the device is in hands-free mode (for example, Bluetooth enabled through the vehicle) or if the hand-held device is securely mounted to the vehicle. If a driver is convicted of distracted driving, the first conviction results in a fine of $615 if settled out of court, three demerit points, and a 3-day suspension.

During public consultation meetings, there was general agreement that distracted driving is a concern across all vehicles-for-hire. In the public opinion research, distracted driving was identified as a key component of any training program by 64% of participants, highlighting the importance of safe driving practices.

3. Committee Direction: Report on requiring stickers cautioning passengers to watch for cyclists when opening doors.

Accidents can occur when a motor vehicle door opens into the path of cyclists, sometimes resulting in injuries or fatalities of cyclists that come into contact with the vehicle door. This is typically referred to as “dooring.” According to Toronto Police Services’ Traffic Services, the number of dooring incidents has declined over the last
three years, from 213 incidents in 2016 to 132 incidents in 2018. However, dooring remains a concern and cycling advocates note that dooring incidents are under-reported to police.

The Committee-adopted report recommends requiring PTCs to send push notifications to passengers to look for cyclists before exiting a vehicle and to require all PTC drivers to post "Watch for Bike" notices in a format and location approved by the Executive Director, MLS. The requirement to post "Watch for Bike" notices will also be extended to limousines. This ensures all vehicles-for-hire will have "Watch for Bike" notices, as taxicabs are already required to have these notices. In determining the appropriate format and location of "Watch for Bike" notices, the Executive Director, MLS, will require that the notice be visible to passengers.

While the requirement for "Watch for Bike" notices will be extended to all vehicles-for-hire, PTCs will also be required to send cellphone push notifications asking passengers to look for cyclists. As part of the Transportation Impact study, work was completed to determine the number of pick-up and drop-offs adjacent to bike lanes and separated bike facilities. While it is difficult to conclusively determine whether a PTC drove into a bike lane in order to pick-up or drop-off a passenger, there appears to be a risk of interaction between PTCs and the City's bike lanes. In addition to the "Watch for Bike" notices and push notifications, MLS is also exploring a public education campaign, in conjunction with Transportation Services' Vision Zero, on the "Dutch Reach."

The "Dutch Reach" involves a passenger using their far hand to open the vehicle door; therefore, positioning their head and shoulders to look out the window towards oncoming traffic before exiting. It is an effective tool for reducing dooring incidents because it promotes an overall change in passenger and driver behaviour. While dooring incidents are a concern in the vehicle-for-hire industry, there are also incidents with personal-use vehicles. Since vehicles-for-hire are not categorized as a separate vehicle type on the provincial collision incident report, it is difficult to determine how much they contribute to dooring incidents. For this reason, MLS will partner with Transportation Services to explore public education of the Dutch Reach during the implementation process. In order to better support the collection of collision data, a recommendation to request the Ontario Ministry of Transportation to review the collision reporting incident form and add taxicab, limousine and private transportation companies as vehicle types, has also been included in the Committee-adopted report.

4. Committee Direction: Report back on the implications and feasibility of requiring private transportation companies, through their software applications or otherwise, to route private transportation company drivers and passengers to pick up and drop off locations where passengers can embark or disembark without the private transportation company vehicle stopping or otherwise obstructing bike lanes, in a manner that is consistent with the existing prohibitions in the City of Toronto Municipal Code Chapter 886 (Footpaths, Pedestrian Ways, Bicycle Paths, Bicycle Lanes and Cycle Tracks) that precludes private transportation company drivers from stopping, standing, parking, loading, or unloading passengers in bike lanes.

Currently, taxicabs are the only vehicles-for-hire that are permitted to pick-up and drop-off passengers in bicycle lanes (authorized under Chapter 886, Footpaths, Pedestrian
Ways, Bicycle Paths, Bicycle Lanes and Cycle Tracks). PTCs and limousines are not permitted to pick-up and drop-off in bicycle lanes and as such, may be subject to a $150 set fine enforced by Toronto Police Services.

Due to challenges with the operationalization and enforcement of this requirement, MLS does not recommend requiring PTCs to route PTC drivers, through their software application, to pick-up and drop-off locations that do not obstruct bicycle lanes. As noted in the Transportation Impact study, the technical limitations of geofencing software makes it challenging to determine if a PTC vehicle picked-up or dropped-off a passenger in a bicycle lane. For example, on one-way streets in Toronto it is difficult to determine on which side of the street a vehicle stopped. There are also no known jurisdictions that have implemented this type of PTC routing.

While no example could be found of PTCs geofencing to prevent activity in bike lanes, there are numerous examples of in-app management for designated pick-up zones. Many airports around the world have designated pick-up areas for PTCs. For example, at Toronto Pearson International Airport, drivers must wait in a designated waiting lot in order to receive trip requests. Within the City of Toronto, non-City institutions have implemented designated pick-up zones at high demand locations. For example, Metrolinx has designated zones at Union Pearson Express stations for Uber drivers and the Eaton Centre has designated a zone in partnership with Lyft on James Street. At both locations there are in-app suggestions and signage to direct customers and drivers to these designated pick-up locations. In high activity areas, cities such as Washington D.C. and West Hollywood have created designated PTC pick-up zones to better manage curb usage. These initiatives are recent and have not yet been studied to determine their effectiveness at managing pick-up and drop-off activity.

In addition to technical concerns, this geofencing requirement would be challenging to enforce as a PTC driver may decide to ignore the software application at the request of a passenger. If this requirement was introduced, it would need to be determined during the investigation process if a PTC driver entered a bicycle lane when following instructions from the PTC software application or because the driver ignored the software application. Toronto Police Services, through Parking Enforcement, enforces illegal stopping in a bicycle lane. It is simpler for Parking Enforcement to observe a PTC vehicle entering a bicycle lane and to lay a charge as required, rather than require MLS enforcement to determine if the software application instructed a driver to enter a bicycle lane. Additional requirements such as "Watch for Bike" notices and push notifications will further aid in the reduction of dooring incidents.

Further study would be required to determine how designated passenger loading zones could be implemented and how providing digitized curb regulation data could better manage curb utilization. Additional monitoring and analysis is needed to better understand the extent of conflicts between cyclists and pick-up and drop-off activity and to determine if this activity correlates with improved cycling comfort and reduced rates of cyclist conflicts.

5. Committee Direction: Report on additional information on the differences between snow, winter, all-season, all-weather, and mud tires and details on industry and insurance standards.
All vehicles-for-hire, including PTC vehicles, must be equipped with snow tires or all-weather tires from December 1 to April 30. Transport Canada recognizes the three-peak mountain snowflake symbol (also referred to as the alpine symbol) as snow tires or all-weather tires. Snow tires and all-weather tires have been designed specifically for use in severe snow conditions. In the current Vehicle-for-Hire By-law "snow tires" and "all-weather tires" have not been defined. Through the review process, it was determined that the lack of definition for snow tires and all-weather tires may hinder compliance and enforcement efforts.

In the Committee-adopted report, it is recommended that snow tires are instead renamed to winter tires and that the Executive Director, MLS has the authority to operationally define a winter tire. It is recommended that the definition of winter tires include snow, all-weather, and mud and snow tires (indicated on tires as "M +S"). Mud and snow tires are also recognized by Transport Canada as suitable for winter, although they are not always suitable for severe snow conditions. The Province of British Columbia requires winter tires during the winter season, which they have defined as snow tires or mud and snow tires.

It is recommended that vehicle owners be permitted to determine on their own if snow or all-weather tires are necessary. Snow tires or all-weather tires are not mandated by the Province of Ontario. However, the Province has required the insurance industry to provide insurance discounts for vehicles equipped with snow tires. Quebec is the only province that requires all vehicles to have snow tires during the winter season.

**Fuel Efficiency Standards**

1. **Committee Direction:** Report on the feasibility of continuing the requirement that replacement vehicles for taxicab owners be alternative fuel vehicles, hybrid vehicles, or low-emission vehicles and enacting a new definition for low-emission vehicles to authorize the Executive Director, Municipal Licensing and Standards, to define a low-emission vehicle in accordance with Natural Resources Canada's Fuel Consumption Ratings.

The Committee-adopted report recommends removing the replacement vehicle provisions that require replacement taxicab vehicles to be accessible, alternative fuel, hybrid or low-emission. Note, the proposed removal of the replacement vehicle provisions does not remove the accessible vehicle requirements for TTLs.

Staff heard through the consultation process, and over the last several years, that standard taxicab owners do not support the replacement vehicle provisions due to its challenges, including a lack of transparency and flexibility in the purchasing process, and the limited number of high-occupancy vehicles available on the low-emission vehicle list. MLS would like to collect additional data from the entire vehicle-for-hire industry to explore moving the industry from prescriptive requirements to an incentive program to reduce emissions.

Staff have heard from taxicab owners that there is a lack of transparency in the way the approved list of low-emission taxicab vehicles is developed. The list changes on an annual basis and is based on American and Canadian national standards that
sometimes conflict: the EPA's Full Useful Life Emission Bin 5, and Natural Resources Canada Fuel Consumption Rating. While Natural Resources Canada's Fuel Consumption Rating is available to the public, a resource of vehicles that meet the EPA standards is not available to the public. There is also a lag between when the newest standards are provided by the two agencies to the public and City, and when the list is updated by the City. Therefore, standard taxicab owners who are looking to purchase a replacement vehicle may not have complete and accurate information at the time of purchase.

MLS staff have considered moving away from the EPA Bin ratings and instead using only Natural Resources Canada's Fuel Consumption Ratings. However, choosing a single Fuel Consumption Rating to maintain the intent of the low-emission vehicle list will likely require a more restrictive rating (to address both air quality and carbon emissions) and may further limit the purchasing options for standard taxicab owners and may contribute to vehicle waste. For example, if the City used a rating of 7.6 (a fuel consumption rating proposed by The Atmospheric Fund), generally only vehicles that are 4 cylinder would meet this standard. The Toyota Camry 6 cylinder vehicle, one of the most popular vehicles for purchase by taxicab owners, does not currently meet this rating. This can be determined by using Natural Resources Canada's Fuel Consumption Ratings search tool. Staff have heard concerns from the taxicab industry that 4 cylinder vehicles do not last the 7 model years; therefore, taxicab owners may purchase more than one vehicle in that time frame. This is also an environmental concern because it contributes to greater vehicle waste.

Staff have also heard concerns from consumers and taxicab owners about the lack of high-occupancy vehicle models reflected in the low-emission vehicle list (for example, vans or larger sports vehicles). As taxicabs are replaced according to the criteria set out in the By-law, there may eventually be no high-occupancy taxicabs in operation, despite consumer demand for them. If the City raised the Fuel Consumption Rating to 10.8 for high-occupancy vehicles (as proposed by The Atmospheric Fund), the most popular and cost-effective high-occupancy vehicles (such as the Dodge Caravan) would not meet this standard. As of July 2019, staff estimate that there would only be 3 common vans (or 4 common models) that would meet this standard.

Vehicle emissions and fuel efficiency continue to improve significantly as the automotive industry advances. Due to the maximum model year age requirement, which is 7 years, vehicles must be replaced by a relatively new vehicle when the maximum age is reached. Since the taxicab fleet is generally now comprised of newer vehicles, many improvements can be achieved without prescriptive vehicle standards.

In response to these findings, staff continue to recommend removing the requirement for replacement vehicles to meet the existing restrictive criteria. Removing these restrictions will increase flexibility for taxicab owners, and allow the market to determine what vehicles are in demand as taxicabs. Vehicles will still be required to have four doors, seat no more than seven passengers excluding a driver, and be a maximum age of seven model years. Vehicles will also still be held to safety standards through regular mechanical inspections. It is recommended in the Committee-adopted report that MLS report back in two years on an emissions reduction incentive program for all industry
participants, once additional vehicle data such as fuel type is collected from the PTC industry.

2. Committee Direction: Report on opportunities to ensure higher vehicle fuel efficiency standards for vehicles-for-hire, including transitioning to hybrid vehicles or fully-electric vehicles for all vehicles-for-hire.

Through an international jurisdictional scan, staff found that the most common approach to addressing emissions in the vehicle-for-hire industry to date is through encouraging fully electric vehicle adoption. It is estimated that PTCs and taxicabs have a similar rate of electric vehicle adoption of less than 1% of total vehicles. During public and stakeholder consultation, however, staff heard from drivers that there are multiple barriers to adoption of fully electric vehicles – particularly financial, as the costs of purchasing and maintaining an electric vehicle can be significant. Staff also heard concerns related to "range anxiety" – worry that an electric car battery will run out of power before the driver reaches a destination or suitable charging point. Drivers pointed out that publicly accessible charging infrastructure in the City is limited. These broader issues related to electric vehicle adoption are being considered as part of the Environment & Energy Division's Electric Mobility Strategy.

It is worth noting that hybrid vehicles are not necessarily the most viable low-emission option; particularly for the taxicab industry. For example, if a battery charge diminishes due to the length of time driving, a plug-in battery electric (PHEV) hybrid vehicle will transition to its conventional gasoline engine which may not be fuel efficient. The overall impact on emissions and air quality in this case will depend on the fuel economy of the gasoline engine. Due to the length of time a taxicab is on the road, and limited charging infrastructure currently available in the City, taxicabs that are hybrid driving PHEVs are likely to use the gasoline engine once the battery charge diminishes. Furthermore, the price difference between conventional and hybrid vehicles are still substantial for popular models in the taxicab industry (for example, approximately $5,000 more for the Toyota Camry hybrid model).

To assess the impact of the industry as a whole on GHG emissions and air quality, more research is required to understand the types of vehicles being used as vehicles-for-hire. While sufficient data is currently collected for taxicab vehicles, greater data is required for PTC vehicles in order to draw reliable conclusions. This data will also enable more robust analysis to inform future policy decisions. Staff intend to use this enhanced data to generate more refined estimates of GHG emissions and air quality impacts, and to explore options for a more nuanced approach to incentives across the vehicle-for-hire industry. Staff will report back on potential options for incentives or fee structure changes in the future.

Impact on the City's Transportation Network

1. Committee Direction: Report on the impact of vehicles-for-hire on traffic congestion and opportunities to mitigate this impact.

Traffic congestion is an issue that affects City residents daily when traveling in all parts of the city. A central element of the Vehicle-for-Hire By-law review was to look at
whether there is evidence that the congestion that impacts all road users has been made measurably more severe because of the growth in PTC travel demand. Transportation Services completed a study of the transportation impacts of the vehicle-for-hire industry in partnership with the University of Toronto's Transportation Research Institute (UTTRI). While the study initially aimed to look at transportation impacts of the entire vehicle-for-hire industry, taxicab brokers declined participation in the study. Equivalent data on taxicab and limousine trip patterns is not available as a form of comparison to the trends and patterns observed with PTC travel. Additional requirements for taxicab and limousine trip data are included in the Committee-adopted report (Recommendations 42 and 60) to ensure future transportation planning studies reference the entire vehicle-for-hire industry. As a result, the Transportation Impact study is focused on PTC travel in the City.

The study looked at travel time trends in the downtown over a 1.5-year period using PTC trip data and data on travel times collected using Bluetooth sensors deployed across major streets in the downtown core. Over this time period, minimal changes in travel times were seen aside from regular month-to-month variation. Over this same period, PTC trips increased by 80,000 trips per day (96%) city-wide. Research completed as part of the study showed that the second choice of mode for most of these travelers would have been public transit or taxicabs. Conservative estimates show that PTCs now make up as much as 8% of daily traffic volumes in downtown neighbourhoods. Overall, to date the transportation system has been able to absorb these changes in travel demand patterns without resulting in a measurable impact on travel times. It will be key to continue to monitor these trends going forward.

These findings raise several questions:

A. How can PTC volumes increase without seeing changes in travel times?

There are a number of factors that explain travel demand patterns and travel times in the City including road construction, incidents and road closures, weather, special events, seasonal changes and in general, changing travel demands across all modes. Traffic systems, in particular in vibrant, multi-modal urban downtown cores are extremely complex and changeable. Evidence in Toronto has shown repeatedly in downtown projects, whether for construction lane closures or for large projects like the King Street Transit Pilot, that these systems are not governed by simple traffic engineering theories that if you add additional PTC vehicles, all other elements in the systems stay unchanged. Changes in the City impact residents’ travel and mode choice decisions on a daily basis, meaning decisions on shifting to transit, working from home, travelling at different times of day or taking different routes.

B. How reliable is travel time data?

Bluetooth travel time data is a very reliable source for travel time data. The data is collected using sensors that anonymously detect devices traveling between sensor locations. The data has been used for a number of years for monitoring travel times and providing information to travelers on the Gardiner Expressway and DVP. They were deployed across Downtown Toronto in order to monitor the impacts of the King St Transit Pilot on downtown travel patterns.
C. Can these trends be externally verified?
There is evidence to suggest that these findings regarding marginal changes in congestion in the downtown core are indicative of those also occurring city-wide. Recent studies by INRIX and TomTom, two independent transportation data services companies, also have shown marginal changes in city-wide congestion between 2017 and 2018. Tomtom reported a 1% increase in congestion levels, while INRIX showed a 4% decrease in congestion in the City of Toronto from 2017 to 2018.

While there is no evidence that the increase in PTC trips to date has resulted in increased travel times on city streets, continued increases in the future will likely create traffic and operational changes throughout the city. Streets in downtown Toronto where PTC vehicle concentrations are highest experience congested conditions several hours out of every day.

Further study will be required to determine the appropriate mitigation measures if continued monitoring identifies increases in travel times that can be linked back to growth in PTC travel demand. Mitigation measures would be identified and implemented through the Transportation Services’ Congestion Management Plan. Toronto City Council adopted a 5-year Congestion Management Plan in November 2015 with a capital budget of about $7 million annually. The Plan has resulted in new programs to manage traffic congestion on Toronto’s streets and expressways. This has been achieved through the expanded use of Intelligent Transportation Systems technologies, operational enhancements such as the traffic warden program and signal coordination studies, as well as enforcement and information sharing. Transportation Services is embarking on an update to the Congestion Management Plan, and the results of the PTC analysis will help to inform that work.

2. Committee Direction: Report on methods to monitor the following: (1) the number of private transportation company vehicles on the city of Toronto’s roads during selected time periods; and (2) the percentage of private transportation company vehicles on the City of Toronto’s roads with and without passengers during selected time periods.

The current By-law does not require PTCs to provide the City with the number of vehicles on Toronto’s roads. For the Transportation Impact study, Transportation Services placed a request for additional data from both Lyft and Uber on the volumes of vehicles picking up passengers in peak hours. Only Uber complied with the request. Based on March 2019 data, it is estimated that 5,000 - 6,000 total PTC vehicles are typically operating on weekdays (Monday - Thursday) during the afternoon peak period (4 - 7 p.m.). At the highest demand period on Friday and Saturday nights (7 p.m. - 1 a.m.), this increases to about 7,500 vehicles. No comparable data is available for taxicabs in Toronto, however there are 5,206 licensed taxicabs in Toronto. Taxicabs may operate 24/7.

Uber also provided data on the distance travelled by Uber vehicles both with and without passengers. In September 2018, 45% of distance travelled by vehicles was either cruising or en-route to pick up passengers (this is often referred to as "deadheading"). There is currently no way to evaluate this in the context of the overall vehicle-for-hire industry as no comparable data is available for taxicabs or limousines.
The key to being able to monitor these trends, as well as overall trip and congestion trends is to ensure that the City is receiving the data that is required to track and monitor trends. Updated data requirements are recommended in the Committee-adopted report (Recommendation 54). This is central to the City’s ability to study PTC and vehicle-for-hire trends, as well as to recommend and design appropriate mitigation measures if they become necessary.

**Accessible Wait Times for On-demand Vehicles-for-Hire**

*Committee Direction: Report on appropriate wait time standards for accessible private transportation companies and vehicles-for-hire, together with a method of monitoring whether these standards are being achieved and what additional measures might be needed to achieve the standards, and provide this information in an Annual Report to City Council through the General Government and Licensing Committee.*

In Toronto, wheelchair accessible service is provided by PTCs as well as through two types of taxicab licences: Toronto taxicabs (TTLs) and standard taxicabs that are wheelchair accessible. PTCs with more than 500 drivers are required to provide wheelchair accessible service to the public. This service must be available when requested through the platform within the average wait time for non-accessible taxicab service, and the fare cannot be higher than the fare charged for the lowest-cost non-accessible service. MLS has set a wait time standard of 11 minutes for PTC accessible service. There is currently no requirement or wait time standards for accessible taxicabs.

Currently, the City has 579 TTLs and 97 standard taxicabs with wheelchair accessible vehicles. This means that 13% of the City’s taxicab fleet is wheelchair accessible. However, 323 of these wheelchair accessible taxicabs are currently associated with the TTC’s Wheel-Trans contract. Under the By-law, every TTL is required to be affiliated with a taxicab broker, in part to ensure dispatch and wait time data is being recorded and submitted to the City. However, to date, this data has not been provided to the City. Staff recommend in the adopted report to increase data submission requirements for taxicab brokers to enable the City to better assess the supply of and demand for wheelchair accessible vehicles, determine the average wait time for wheelchair accessible service and identify any unmet accessibility needs.

With respect to PTCs, there are currently 32 licensed wheelchair accessible vehicles (as of June 2019). As of March 2017, passengers using accessible service with PTCs were subject to wait times that were about twice as long as wait times of non-accessible PTC service (4.5 minutes for non-accessible service versus 9.8 minutes for accessible service). This is not unexpected due to the low overall volume of accessible trips in the City and the small population of licensed accessible vehicles; it is also within the MLS wait time standard of 11 minutes. This data does not reflect cancelled, rejected or unavailable trips. As part of the implementation process, MLS will begin a compliance process to ensure this data is being provided and that accessible service is being adequately provided within PTCs.

MLS recommends reporting back in two years, after the implementation of the Vehicle-for-Hire Accessibility Fund program and the collection of enhanced data as described in
the Committee-adopted report, on any observed changes to accessible wait time standards. The Accessibility Fund Program and increased access to accessibility-related data will allow staff to better assess industry wait times and respond appropriately using an evidence-based approach. For example, if the data suggests that more wheelchair accessible taxicabs are required, staff would consult with Toronto Accessibility Advisory Committee and report to City Council with recommendations.

Insurance Requirements

_Committee Direction: Report on requiring private transportation company drivers to notify their personal insurance companies that they are operating their vehicles for private transportation company use and requiring private transportation company drivers to provide proof of insurance to the Executive Director, Municipal Licensing and Standards._

In the Vehicle-for-Hire By-law, there is a requirement for PTC drivers to notify their personal insurance company that they offer or intend to offer transportation through a PTC. It is an offence for a PTC to permit a driver to drive if they have not met this requirement. This may be verified through audit and compliance checks with the PTC. All vehicles-for-hire, including PTCs, must provide proof that every vehicle operating is insured with a minimum of $2,000,000 of coverage for third-party liability, loss or damage resulting from bodily injury or death and loss or damage to property. This amount reflects the higher risks associated with operating for-hire vehicles, as drivers of these vehicles tend to drive more frequently and carry more passengers than with private-use vehicles.

Under the By-law, PTCs may choose to maintain automobile liability insurance of $2,000,000 for all vehicles using their platform or alternatively, the PTC may require that each PTC driver maintains his or her own Automobile Liability insurance in an amount no less than $2,000,000 per incident. PTCs have chosen the former option and all vehicles are insured as soon as drivers are available for passenger requests. The Insurance Bureau of Canada (IBC) and Intact Insurance have advised MLS that they believe this system of insurance coverage for PTCs has worked well as there is a strong incentive for PTC drivers to claim an incident under a PTC’s commercial policy rather than personal automobile insurance (as claims under the commercial policy do not impact their personal insurance premiums). The Insurance Bureau of Canada has advocated for this model to be used in other jurisdictions who are considering regulations related to PTCs. As such, MLS does not recommend any further amendments to the insurance provisions at this time.

Next Steps and Implementation

MLS does not recommend additional changes to the recommendations adopted by Committee in GL6.31. The research noted above was considered as part of the Vehicle-for-Hire review process and as such, was considered during the formulation of staff recommendations.

It is recommended in the Committee-adopted report that the proposed changes to the Vehicle-for-Hire By-law come into effect on January 1, 2020. This provides a period of
approximately six months for staff to update licensing, administration, communications and compliance plans.

Several back-end technology improvements will require additional time, and are being considered as part of the 2020 MLS work plan, including:

- Creating a system, and process for the collection of taxicab and limousine data; and
- Enhancing the current system that collects, and reports on data collected for PTCs.

Staff will collaborate across relevant City divisions and work with industry stakeholders to develop a detailed implementation plan. The implementation plan will include components related to IT, administration, communications, compliance, and enforcement.

Staff will report back on progress and program outcomes as required.

**CONTACT**

Elizabeth Glibbery  
Interim Director, Policy and Strategic Support  
Municipal Licensing and Standards  
Tel: 416.338.5576  
Email: Elizabeth.Glibbery@toronto.ca

**SIGNATURE**

Carleton Grant  
Executive Director, Municipal Licensing and Standards