



December 9th, 2024

EX19.4 - 2024 Review of the Vehicle-for-Hire By-Law and Industry

The Toronto & York Region Labour Council is and has been very concerned about the growth of the so-called “gig-economy” which has been threatening good paying jobs in all sectors, while eroding workers rights in the process. We are happy the the City has taken the important step of reviewing the practices of companies in a portion of the sector, and welcome the recommendations to regulate the sector.

By undertaking its review of the private transportation company (PTC) industry, the City has shone a light on the exploitative practices of the growing gig-economy. By taking steps to regulate the industry, and ensuring those regulations are strongly enforced, the City has an opportunity to directly improve the lives and working conditions of tens of thousands of working people in Toronto, and simultaneously improve the livability of the city for all its residents.

In the supplementary report to this staff recommendation, EX19.3 Analysis of Driver Wages in the Vehicle-for-Hire Industry, the City has revealed quite plainly what many already knew: the gig-economy is an industry of intense exploitation and abuse. While industry lobbyists will tell you they offer flexible schedules and competitive wages, the reality that this report laid out is that drivers on gig platforms are making less than 1/3 of minimum wage for all work time after expenses.

To obfuscate the reality of their exploitative practices, gig companies like Uber will tell you that wages for so-called “engaged time” is the better, or indeed the only, measure of driver pay. But would this be acceptable to people in any other workplace? Would we accept a store which stopped paying wages during periods where there are no customers? Pro-rated wages for every time you stopped work to take a sip of coffee? Cuts to pension contributions anytime you used the washroom? The obvious answer is no, so why should we accept it from PTC companies like Uber?

Ultimately, the only solution to this form of exploitation is the complete and total overhaul of the labour code at the provincial and federal levels. To protect workers and ensure they can fight for the lives they deserve, we need: an end to misclassification, and equal rights for all workers; the right to join, and take concerted action with, labour unions, without the threat of government interference; and real enforcement of labour laws, to ensure that employers who break the law and mistreat workers are punished for their crimes.

While the long term solution laid out above may be obvious, taking such action is unfortunately out of the hands of municipalities. However, the City nonetheless has opportunity to directly impact the lives of people working on app-based platforms right now by imposing the cap on PTC licences.

Right now, city staff are recommending capping licences near 80,000, which more or less reflects the number in circulation right now. While capping at 80,000 might help ensure the problems caused by the PTC industry won't get any worse, it will not improve the conditions of

workers in the PTC industry, nor will it improve other city problems exacerbated by the PTC industry, like congestion and pollution.

Instead of the arbitrary cap of 80,000, the City should look to impose a far smaller cap on PTC licenses, and regularly review the cap to see if it should be reduced further.

The organization RideFair, which represents a broad coalition including PTC drivers, are proposing a cap of 26,500 licenses for the PTC industry, a position the Labour Council strongly supports. Introducing a smaller cap like this would ensure that drivers are more likely to be able to earn more than the abysmal wages they receive now, and will spend less of their day waiting for rides and more actually working. Importantly, we also support RideFair's call for a direct licensing program to manage this new cap.

In addition to the direct benefits to workers in the PTC industry, there would also be indirect benefits to all people in Toronto. Currently 1 in 7 cars on Toronto streets are PTC vehicles, and introducing a lower cap will mean greater efficiency for the service and less traffic congestion on our streets. There will also be benefits to vital city services like the TTC, which is losing out on millions in weekly fare revenues because of trips diverted from transit to companies like Uber - meaning a weakened TTC service, and even more congestion and pollution in the city.

Taking steps to better regulate the PTC industry, and indeed all of the "gig-economy," would benefit the lives of all working people in Toronto. We applaud the city for initiating this important process, and urge them not to take a half-measure, and adequately regulate the PTC industry today.

Sincerely,
Jack Copple
Organizer
Toronto & York Region Labour Council