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## General Committee

**Date**

March 2, 2016

**Time**

9:00 AM

**Location**

Council Chamber

2<sup>nd</sup> Floor

300 City Centre Drive

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ADDITIONAL DEPUTATIONS

Item 5.2	Item 6.1	Mickey Frost, Director, Enforcement
Item 5.3	Item 6.1	Karen Cameron, Consumer Advocate
Item 5.4	Item 6.1	Peter Pellier, Taxicab Industry
Item 5.5	Item 6.1	Al Cormier, Resident
Item 5.6	Item 6.1	Mark Sexsmith, Peel Taxi Alliance
Item 5.7	Item 6.1	Baljit Pandori, Taxicab Brokerages
Item 5.8	Item 6.1	Yad Sidhu, Taxicab Industry
Item 5.9	Item 6.1	Para Kumarakurparan, Uber driver-partner
Item 5.10	Item 6.1	Adal Zewde, Uber driver-partner
Item 5.11	Item 6.1	Abdirahman Nor, Uber driver-partner
Item 5.12	Item 6.1	Michael Morden, Uber driver-partner

### ADDITIONAL DEPUTATIONS

Item 5.13 Item 6.1 Malik Katchella, Uber driver-partner

Item 5.14 Item 6.1 Louise Lee, Uber driver-partner

Item 5.15 Item 6.1 Marvin Wright, Uber driver-partner

Item 5.16 Item 6.1 Jawwad Siddiqui, Uber driver-partner

Item 5.17 Item 6.1 Laxman Samtani, Uber driver-partner

Item 5.18 Item 6.1 Salman Chaudhary, Uber driver-partner

Item 5.19 Item 6.1 Samin Azumi, Uber driver-partner

### INFORMATION ITEM

- A. Item 6.1 Letter dated February 29, 2016 from Chris Uber Public Policy Manager - Canada
- B. Item 6.1 Letter dated March 1, 2015 from Al Moore

### ADDITIONAL CLOSED SESSION

(Pursuant to Subsection 239 (2) of the *Municipal Act, 2001*)

- 10.2 Personal matters about an identifiable individual, including municipal or local board employees – Personnel Matter (verbal update)

#### Contact

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#### Find it online

<http://www.mississauga.ca/portal/cityhall/generalcommittee>

# U B E R

February 29, 2016

General Committee  
% Sacha Smith, Legislative Coordinator, Legislative Services  
300 City Centre Drive  
Mississauga, ON  
L5B 3C1

Dear Chair and Members of General Committee,

## **RE: Regulation of Transportation Network Companies**

In reply to the City of Mississauga Corporate Report re “Regulation of Transportation Network Companies” (“the staff Report”):

### **EXECUTIVE SUMMARY**

- Ridesharing is connecting people with safe, reliable rides and flexible earning opportunities while also growing the transportation pie in Mississauga, with taxi trips in 2015 up 7% from 2013 after over a year of Uber operating in the city.
- The use of the term “Unequal Regulation” with “New Licensing Category Option” is misleading. The City of Mississauga already has 4 distinct categories of for hire vehicles with different licensing requirements under its current bylaw.
- Staff note that the regulatory scheme recommended in the staff Report is modeled on Calgary’s vehicle for hire by-law. Like Calgary’s regulatory scheme, staff support the New Licensing Option (Equal Regulation) because they claim it “provides for an innovative and competitive market place”. However, Uber had to exit the Calgary market due to this regulation which fails to address the “unique business model” of ridesharing. This makes the Calgary market currently less innovative and competitive.
- The staff Report erroneously states that Edmonton’s newly passed “Vehicle for Hire By-law” is “more aligned” with the New Licensing Category Option (Equal Regulation). In fact, Edmonton’s new by-law is more closely aligned with the New Licensing Category Option (Unequal Regulation) which better embraces the “unique business model” of ridesharing. This makes the Edmonton market currently more innovative and competitive than Calgary.
- TNCs and Taxi agree on the goals of public safety, driver safety and consumer protection. What TNCs and Taxi do not agree on are whether identical regulations for both industries are necessary to achieve the same goals. If the same goals can be achieved with a TNC regulatory scheme better tailored to the “unique business model” of ridesharing, then that ought to be the default.

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- The Mississauga Report routinely states that ridesharing / TNC's are a "unique business model" yet recommends a regulatory scheme that in some important respects fails to accommodate a different business model. See chart below.
- **Alternative:** Create a sub-committee to study both forms of New Licensing Category Option (Equal Regulation) (Calgary) and New Licensing Category Option (Unequal Regulation) (Edmonton) further.

Provision:	Assessment:
<p><b>All TNC drivers will be required to obtain an annual municipal licence.</b></p>	<p><b>Concerned</b></p> <p>Fixed costs per driver in the form of annual municipal TNC driver licences penalize flexible and casual work schedules, which is central to the ridesharing business model. Flat fees imposed on a TNC in the form of a municipal licence (and/or per-trip fees) are better for the ridesharing model because they do not discourage drivers from trying ridesharing due to upfront costs.</p> <p>City-specific driver licensing doesn't make sense from a regional transportation perspective. <b><u>Over 100,000 Uber rides per week cross municipal boundaries in the GTA.</u></b> Placing barriers on transportation across municipal boundaries dramatically decreases drivers' earnings, hurts the reliability of transportation for riders and would have the unintended consequence of increasing congestion by causing drivers to "deadhead" between trips.</p>
<p><b>TNC driver training will be required on a two-day course on initial application</b></p>	<p><b>Concerned</b></p> <p>As shown in an Ottawa by-law review report, driver training courses have proven far less effective than in-app ratings and feedback at ensuring good service, and they serve as a huge barrier to rideshare drivers given that the majority of them have full-time jobs and only rideshare for a few hours per week.</p>
<p><b>TNC drivers would be required to provide proof of English literacy</b></p>	<p><b>Concerned</b></p>

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	<p>Requiring an English-language proficiency assessment or a valid Ontario secondary school graduation diploma are measures that discriminate against new Canadians and prohibit them from accessing a flexible earning opportunity. It is unnecessary requirement for a digital app where every ride has GPS mapping.</p>
<p><b>Every six months TNC drivers must submit to the Licence Manager a record of inspection</b></p>	<p><b>Concerned</b></p> <p>Twice annual vehicle inspections are unnecessary to ensure vehicle safety.</p> <p>Ridesharing is unique from taxi as it relies upon personal vehicles. Almost two-thirds of Uber partners in Ontario drive less than 10 hours per week (taxis are generally on the road 24 hours a day in 12 hour shifts). In Ontario, they are using vehicles that have a median age of 5 years old and are not allowed to be rebuilt or more than 10 years old.</p> <p>Uber riders provide feedback on rides (rating + written feedback) re safety of driver and vehicle.</p>

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## ALTERNATIVE

That staff be directed to:

- amend the Public Vehicle Licensing By-law 420-04, as amended, to incorporate the provisions of both the New Licensing Category Option (Unequal Regulation) as outlined in the report from the Commissioner of Transportation and Works, dated February 11, 2016 entitled “Regulation of Transportation Network Companies”, or;
  - in the alternative, create a sub-committee to study both forms of Regulation (“Unequal” and “Equal”) further.
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## CASE FOR ALTERNATIVE

- The use of the term “Unequal Regulation” with “New Licensing Category Option” is misleading. The City of Mississauga already has 4 distinct categories of for hire vehicles with different licensing requirements under its current bylaw.
- The Mississauga Report routinely states that ridesharing / TNC’s are a “unique business model” yet recommends a regulatory scheme that fails to accommodate a different business model.
- TNCs and Taxi agree on the goals of public safety, driver safety and consumer protection. What TNCs and Taxi do not agree on are whether identical regulations for both industries are necessary to achieve the same goals. If the same goals can be achieved with a TNC regulatory scheme better tailored to the “unique business model” of ridesharing, then that ought to be the default.
- Staff note that the regulatory scheme recommended in the staff Report is modeled on Calgary’s vehicle for hire by-law. Like Calgary’s regulatory scheme, staff support the New Licensing Option (Equal Regulation) because they claim it “provides for an innovative and competitive market place”. However, Uber had to exit the Calgary market due to this regulation which fails to address the “unique business model” of ridesharing. This makes the Calgary market currently less innovative and competitive.
- The staff Report erroneously states that Edmonton’s newly passed “Vehicle for Hire By-law” is “more aligned” with the New Licensing Category Option (Equal Regulation). In fact, Edmonton’s new by-law is more closely aligned with the New Licensing Category Option (Unequal Regulation) which better embraces the “unique business model” of ridesharing. This makes the Edmonton market currently more innovative and competitive than Calgary.
- Bringing TNCs under a regulatory framework, albeit one that recognizes the “unique business model” of ridesharing, such as the Edmonton by-law provides, still enables competitive taxi industries. **Uber entered the Mississauga market in 2013. Staff note that “in 2015 total dispatched trips for the eight [taxi] brokerages combined increased by 6.8% compared to 2013”.** This occurred while TNCs like Uber operated outside a regulatory framework in Mississauga. Thus, the ground transportation “pie” is growing in Mississauga and this is good for Mississauga residents who have access to greater ways of getting around their city today.

## KEY DIFFERENCES BETWEEN TAXI AND TNCs / RIDESHARING

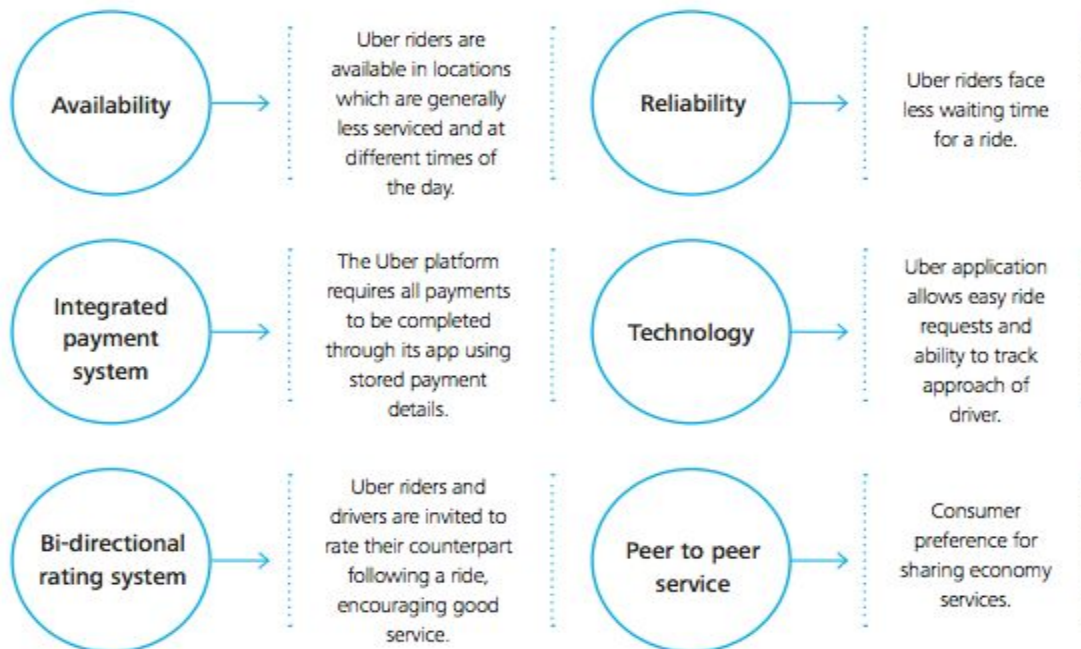
Ridesharing is one part of a growing sharing economy enabled by digital technology used by TNCs like Uber. Ridesharing services are distinct from traditional taxi services and there are benefits to this differentiation, as summarized below. This differentiation necessitates a different

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yet complementary regulatory approach. In other words, different regulatory means to achieve the same policy goals.

Taxi services	Ridesharing services
<ul style="list-style-type: none"><li>• Can accept street hail, taxi rank, phone and advanced bookings</li><li>• A large proportion of transactions are completed through cash (60-77%)</li><li>• Majority of trips are obtained through street hail or taxi rank</li><li>• Fares set by taxi meter</li></ul>	<ul style="list-style-type: none"><li>• Cannot accept rank or hail work or stop in taxi, bus or loading zones</li><li>• All transactions are through electronic payments</li><li>• Underpinned by digital peer-to-peer platform, rides are matched based on geographic location which minimises travel distance and waiting time</li><li>• No taxi meters</li></ul>

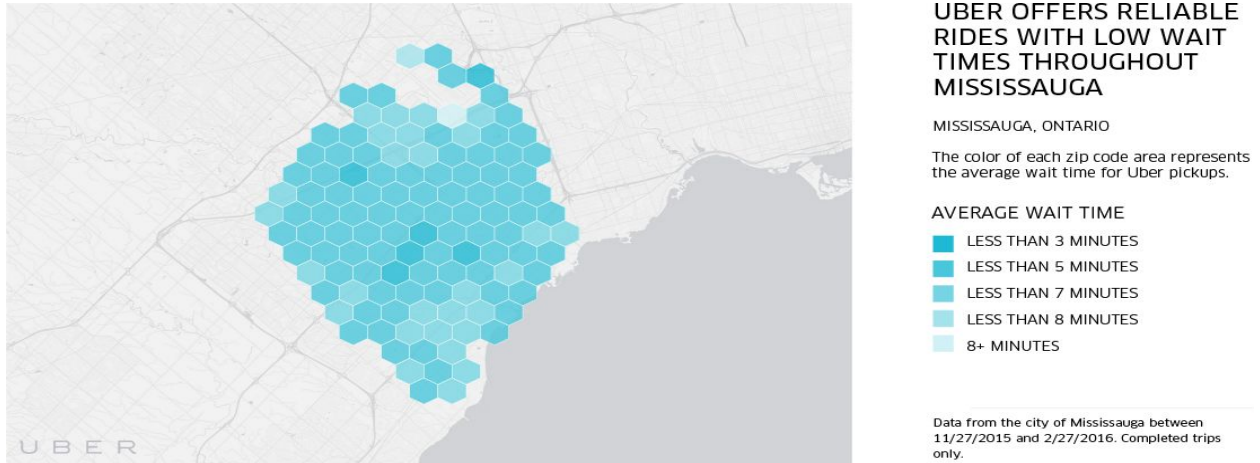
## THE BENEFITS OF THE DIFFERENCES BETWEEN TAXI AND TNCs / RIDESHARING



On the metric of reliability, Uber outperforms taxi in Mississauga. The staff Report notes that, “The average [taxi] response time to the door is 9.8 minutes, with 90% of calls served within 15 minutes” and taxi “service to the north east of the city (near the airport) is slow during weekday rush hours, with the percent of dispatch calls served within 15 minutes down to around 75%”.

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Conversely, the average wait time for an Uber in Mississauga is 3.7 minutes (3.9 minutes during rush hour), with 96.3% of Uber trips served under 10 minutes (95.5% during rush hour). See chart below.



## REGULATION FOR THE “UNIQUE BUSINESS MODEL” OF RIDESHARING

Taking into consideration the differences between taxi and ridesharing noted above, and that a majority of Uber driver partners drive on the Uber platform less than 10 hours a week and vary the amount they drive widely from week to week, traditional administrative processes put in place for a full-time taxi industry, are not conducive to the ridesharing business model.

For example, it is appropriate to ensure that every potential ridesharing driver partner pass criminal background screenings before being allowed to offer ridesharing services. Today, obtaining the background screening by way of a third party provider (Garda, First Advantage, etc.) facilitated by Uber ensures the background screen is completed (the City can audit the ridesharing company to ensure the check is completed), while working better with the unique ridesharing business model.

But, given that a large number of Uber driver partners have full-time jobs, asking them to come to City Hall during business hours for a comparable background check administered by the City is challenging and adds no additional safety benefit.

In the end, we all share the same goals, such as public safety and consumer protection. If we can achieve those goals through different yet complementary means, than the goal is still achieved:

- **Licensing:** TNC (Uber) is licensed and not individual drivers
- **Fares:** Fares are not regulated, so different companies can set their fares for different services. Fares are always transparent in-app (taxi can operate on the same basis in-app to compete)



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- **Insurance:** TNC (Uber) maintains insurance with minimum liability specified by City as approved by FSCO
- **Driver Background Screening:** TNC requires drivers undergo background checks. Results of checks are made available to City to ensure compliance
- **Training:** TNC establishes driver training program and makes it available to City and rider feedback after each trip (anonymized and shared with drivers) provides an on-going for of training.
- **Accessibility:** TNC includes option for accessible vehicle (e.g. [uberWAV](#)) and if accessible vehicle not available, TNC to direct passenger to alternate service provider of accessible service or pay fee to the City.
- **Record Collection and Data Reporting:** TNC provides City regular reporting of data
- **Driver Requirements:** TNC drivers do not street hail or occupy taxi stands
- **Vehicle Inspections:** TNC ensures drivers are using vehicles that are inspected regularly by a licensed facility and TNC keeps documentation of inspection reports and makes them available to City to ensure compliance

## COMPARING REGULATORY APPROACHES IN EDMONTON AND CALGARY

New rules governing ridesharing in Edmonton and Calgary illustrate the difference between a by-law that takes into consideration the “unique business model” of ridesharing (Edmonton) and one that does not (Calgary).

TNCs support progressive regulations that address safety and consumer protection, etc. Edmonton recently joined 70 other jurisdictions around the world in adopting regulations that embrace ridesharing, which will create more income opportunities and transportation options in that City.

Edmonton's ridesharing bylaw regulates ridesharing in a manner that protects customers and the public but doesn't take away the flexibility that's the whole reason why many people start driving with ridesharing companies like Uber in the first place. In fact, the staff Report notes that “driving a for-hire [TNC] vehicle has become easier for many people who normally would not drive a for-hire vehicle”.

On the other hand, Calgary's taken the rigidity and expense of the existing regulations on the taxi industry and replicated them for ridesharing, without taking into consideration the different business model of ridesharing and the need to reduce the regulatory burden on the existing taxi industry at the same time to enable it to more effectively compete in a changing ground transportation industry.

Calgary's ridesharing regulatory burdens are not big for someone who is a full-time taxi driver. But for the majority of ridesharing drivers who are only interested in trying Uber-driving out and on a flexible basis (>50% of Uber driver partners drive fewer than 10 hours a week), Calgary

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style rules (and the staff Report’s recommended New Licensing Category Option (Equal Regulation)) create a very high barrier.

	<b>CALGARY</b>	<b>EDMONTON</b>
<b>Cost-recovery fee structure</b>	<b>Unworkable for Ridesharing Business Model</b> (per driver and vehicle fees & admin costs > \$600/year imposed on driver)	<b>Supports Ridesharing Business Model</b> Flat annual fee + per trip fee both paid for by TNC
<b>Background screening</b>	<b>Unworkable for Ridesharing Business Model</b> Must be completed by City	<b>Supports Ridesharing Business Model</b> Allows TNCs to use the same checks as Girl Guides of Canada, Hockey Alberta, and other provincial/national orgs.
<b>Vehicle inspection</b>	<b>Unworkable for Ridesharing Business Model</b> Requires onerous salvaged vehicles inspection for cars already on the road as personal cars and must be submitted to City	<b>Supports Ridesharing Business Model</b> TNCs annual vehicle inspection conducted by provincially certified auto mechanics is accepted and compliance confirmed on audit
<b>Driver Licensing*</b> (*Unlike Ontario, Alberta requires a special class 4 commercial licence for taxi drivers)	<b>Unworkable for Ridesharing Business Model</b> Requires a commercial licence for TNC drivers driving their personal cars and would require a bylaw change should the province update their rules (to not a Class 4 licence similar to Ontario)	<b>Supports Ridesharing Business Model</b> Refers to the provincial requirement

There is a big difference between fees per driver (Calgary) and fees imposed on the TNC/Uber (Edmonton).

The importance of fixed-costs depends on the number of hours worked: Fixed costs per driver—such as in Calgary—penalize drivers that work only a few hours.

Fixed costs per driver penalize flexible and casual work schedules, which is central to the ride-sharing business model. Flat fees imposed on a TNC and/or per-trip fees are better for the ridesharing model.

## **ASSESSMENT OF NEW LICENCE CATEGORY OPTION (EQUAL REGULATION)**

Understanding why Edmonton’s TNC bylaw is workable because it takes into consideration the “unique business model” of ridesharing, is important. This enables a better understanding of why certain provisions in the Mississauga staff Report are unworkable.

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## Licensing Requirements & Training

Provision:	Assessment:
<p><b>All TNC drivers will be required to obtain an annual municipal licence.</b> Licence requirements will be the same for the taxi and limousine drivers, for screening, criminal record searches, driver abstract requirements, etc. Insurance requirements will be equivalent to taxis and limousines, while TNC drivers are operating as a ride-sharing service.</p>	<p><b>Concerned</b></p> <p>Fixed costs per driver in the form of annual municipal TNC driver licences penalize flexible and casual work schedules, which is central to the ridesharing business model. Flat fees imposed on a TNC in the form of a municipal licence (and/or per-trip fees) are better for the ridesharing model because they do not discourage drivers from trying ridesharing due to upfront costs.</p> <p>Requirements with respect to screening, criminal record searches, and driver abstract requirements, can be a requirement that is carried out by TNCs and third party vendors.</p> <p>City-specific driver licensing doesn't make sense from a regional transportation perspective. <b><u>Over 100,000 Uber rides per week cross municipal boundaries in the GTA.</u></b> Placing barriers on transportation across municipal boundaries dramatically decreases drivers' earnings, hurts the reliability of transportation for riders and would have the unintended consequence of increasing congestion by causing drivers to "dead head" between trips.</p> <p>With respect to insurance, Edmonton which passed a workable ridesharing by-law, required as a condition the approval of a ridesharing specific insurance product, such as the one AVIVA recently received approval for from the Financial Services Commission of Ontario (FSCO), and/or the ridesharing insurance program being pursued by Intact Financial for approval by FSCO (and the Alberta equivalent).</p>

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**The TNC itself will be required to obtain a municipal licence**, similar to a taxi broker's licence.

## **Workable**

Flat fees imposed on a TNC in the form of a municipal licence (and/or per-trip fees) are better for the ridesharing model because they are imposed on the TNC and not the driver, thus not preventing/discouraging drivers from trying ridesharing due to upfront costs.

Requirements with respect to screening, criminal record searches, and driver abstract requirements, can be a requirement that is carried out by TNCs and third party vendors. This is not limited regulation, rather than regulating differently to achieve the same regulatory compliance outcome.

An audit-based regulatory model is the standard for regulating TNCs, such as Uber and Lyft, across jurisdictions in the United States. Unlike the Daus Report which suggests that Option 3 re New Licensing Category (Unequal Regulation) is "without any government oversight", this is not the case with auditing under the TNC model in place in U.S. jurisdictions. Regulators prefer it because a TNC's electronic systems enhance safety and provide cities with a more effective and efficient model of regulation.

Only driver-partners whose documents have been fully vetted are able to login to the Uber driver partner app and provide ridesharing services through the TNC's network. In addition, the moment their account is deactivated by the TNC, they no longer have access to offer or provide service. By contrast, the [news reported](#) that an Ottawa taxi driver was recently pulled over by a bylaw officer. While being given a citation it was discovered that the driver's paper taxi license had expired three months earlier. That is not possible with a TNC such as Uber. Automatic triggers restrict driver

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partners from the digital network when documents (such as a driver's licence) expire.

In addition, through the rating system, every ride is a check on safety and quality. City staff in various cities have sometimes raised the concern of TNC driver partners "sharing access to the app" or an unauthorized person providing service. Ironically, this is a much greater risk with traditional paper based licensing systems cities are currently using. Before every Uber trip begins, the rider is given the name and picture of the driver partner picking them up (in addition to other vehicle related information). They are able to visually verify the identity of the driver partner before stepping into the vehicle. Additionally, at the conclusion of every trip, the rider is sent an electronic receipt that includes the driver-partner's profile, the route they took, and the value of the trip. As such every trip via Uber, or other established TNCs, is also a check on the driver's identity, and any issue can be dealt with quickly and accurately. With a paper-based, city-controlled, licensing system, the rider has no way to visually identify the driver's identity before entering the vehicle, and they are unlikely to provide feedback if they have a concern.

Finally, cities have preferred an audit-based regulatory model due to its efficiency. An audit-based model empowers cities while avoiding the cost and complexity of creating real-time registries or registering individual drivers--activities that do not enhance safety or compliance. Audit-based systems allow cities to effectively keep pace with the growth of TNCs. In addition, different TNCs likely store the required documentation via different means. Creating a real-time registry that links to various companies' databases would be costly and complicated, with significant privacy and business trade-secret concerns.

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	<p>All levels of government have faced challenges when creating new registries (recall the final cost of the federal long-gun registry). Moreover, the goals of such a registry - enhanced safety through real-time compliance - are easily achieved via audits and street enforcement.</p>
<p><b>TNC driver training will be required on a two-day course on initial application</b> focusing on by-law orientation, passengers with disabilities and defensive driving. Training renewal at five year intervals will be consistent with existing taxi and limousine training requirements.</p>	<p><b>Concerned</b></p> <p>Driver training courses have proven far less effective than in-app ratings at ensuring good service, and they serve as a huge barrier to rideshare drivers given that the majority of them have full-time jobs and only rideshare for a few hours per week.</p> <p>As Ottawa's <a href="#">Policy Options</a> paper notes, "Customer service concerns have been raised by users of the traditional taxi service, while customer service provided by Uber drivers has been reported as generally being very good. This raises a question as the effectiveness of the course relative to other mechanisms, such as driver rating".</p> <p>Uber is extremely proud that it provides a very high level of customer service in cities like Mississauga. A key reason for this success is that every trip on the Uber platform, the driver and rider are rated on a 5 star ranking system. Written feedback is encouraged and very often given, and for every rating three stars or lower it is required. This feedback loop encourages drivers to treat customers with care. Feedback received is monitored and responded to by Uber 24 hours a day and drivers receive anonymized feedback from Uber each week based on customer feedback in order to help them improve the customer service they offer. As such, Uber offers continuous customer service feedback and learning.</p> <p>Research firm Core Strategies who conducted the focus groups in September</p>

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2015 for the City of Ottawa's taxi bylaw review, reported that Uber scored higher than taxi for car cleanliness, comfort and driver courtesy. Uber driver partners were found to be more caring, professional, and engaged than taxi drivers.

Mandating existing taxi training courses for TNCs does not make sense when existing taxi training courses produce inferior customer service results. However, we are not opposed to seeing the regulatory burden on taxi in the form of traditional taxi driver in class training being reduced, whereby taxi introduces similar in-app ranking and feedback mechanisms that are used to improve customer service on a very regular basis.

For prospective and current Uber driver partners, video content is available online: See: [t.uber.com/ubervideos](https://t.uber.com/ubervideos). Partners can also come into Partner Support Centres for assistance (downtown Toronto) and a remote Partner Support Centre in Mississauga once a week.

Remedial training is available through a 3rd party, online provider [R3Z Solutions](#):

Warning:

- When an Uber driver partner is warned, they have the option of taking an online course called "Quality Improvement General" and it is a 40-60 minute self-directed class. It's entirely voluntary and is meant to help them out before potential deactivation. The link for this course is: [t.uber.com/qualitywarning](https://t.uber.com/qualitywarning)

Deactivation:

- In the event of temporary deactivation, Uber driver partners are sent an email along with a course link.

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	<p>This course is "Quality Improvement Recovery" and is 85 - 100 minutes and is done 1x1 with an instructor. In order for someone to be reactivated they must complete this course and enrolment and completion is validated with the course provider. The link for this course is: <a href="https://t.uber.com/deactivation">t.uber.com/deactivation</a></p>
<p><b>TNC drivers would be required to provide proof of English literacy</b> to the Licence Manager.</p>	<p><b>Concerned</b></p> <p>Requiring an English-language proficiency assessment or a valid Ontario secondary school graduation diploma are measures that discriminate against new Canadians and prohibit them from accessing a flexible earning opportunity.</p>

## Operating Conditions

<b>Provision:</b>	<b>Assessment:</b>
<p><b>TNC vehicles must use a City-approved App, which calculates a fare based on distance travelled.</b> The requirements of the App have not yet been finalized.</p>	<p><b>Workable</b></p> <p>While the criteria for an approved App remain unknown and possibly problematic, smartphone apps proprietary to TNCs like Uber already use GPS technology to calculate fares based on time and distance travelled.</p>
<p><b>TNC drivers will not be permitted to accept street hails under any conditions.</b></p>	<p><b>Workable</b></p> <p>TNCs like Uber already do not permit street hails, as the only secure means of ensuring the driver-partner has been approved to be on a ridesharing platform is to have the request for a ride made through an app.</p> <p>With TNCs like Uber, trips are no longer anonymous. When a driver-partner accepts a request, a rider sees his or her first name, photo, vehicle model, and license plate number. Riders can also check whether others have had a good experience with him</p>



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	or her. Lack of anonymity on the Uber platform makes it inherently safer for our driver partners.
<b>TNCs will be required to provide the Licence Manager with data on trip volumes and vehicle counts.</b> The data requirements have not yet been finalized.	<b>Workable</b>  Subject to the information provided by TNCs being treated as trade secret and commercial information, the disclosure of which could significantly prejudice a TNCs competitive position, as per the <i>Municipal Freedom of Information and Protection of Privacy Act</i> , cities can access information from TNCs related to a valid licensing purpose, for the reasons of auditing the practices of TNCs to ensure regulatory/legal compliance. We are happy to engage with the City to discuss what data they would find useful.
<b>TNCs will be required to provide the Licence Manager with enforcement accounts with their approved App</b> for the purposes of locating in-service vehicles for on-road inspections.	<b>Workable</b>  While the criteria for an approved App remain unknown and possibly problematic, Uber is not opposed to Licence Manager requesting rides for the purposes of locating in-service vehicles for on-road randomized inspections.

## Fleet Size Restrictions

<b>Provision:</b>	<b>Assessment:</b>
<b>There will be no restriction on the number of TNCs permitted.</b>	<b>Concerned</b>  Not restricting the number of TNCs permitted is commendable as it provides competition in the marketplace among TNCs to the benefit of riders and drivers.  However, it is not clear whether a cap on the number of TNC vehicles/drivers is contemplated. Supply caps are not advisable as they limit income earning opportunities of local residents, while significantly increasing the rate at which TNC rates “surge” or increase, including the length of ETAs as passengers wait longer for fewer available

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	vehicles.
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## Rate Setting

Provision:	Assessment:
<p><b>Through the approved App, TNCs can choose to charge any rate and change this rate whenever they choose.</b> The rate must be clear and transparent to the customer.</p>	<p><b>Workable</b></p> <p>While the criteria for an approved App remain unknown and possibly problematic, Uber supports price/fare flexibility.</p> <p>Uber provides an “estimate your fare” feature so riders can always check the price in advance. But when surge pricing kicks in, we are extra careful to ensure that riders know how much more they will be charged.</p> <p>When riders open the app, they instantly see whether their Uber ride is surging thanks to the lightning bolt icon at the bottom of the screen. If they request a ride, a popup alerts them to the surge multiplier at that time, and they’re then asked to confirm the fare increase or given the option to be notified when the price drops. When the multiplier is unusually high, riders will be asked to manually type-in the multiplier to ensure they really are OK to pay the higher fare.</p>

## Brokerage Affiliation:

Provision:	Assessment:
<p><b>The brokerage affiliation restrictions would be lifted.</b> This change does not prevent brokers, and taxicab and limousine plate holders and drivers, from entering into private sole-service agreements.</p>	<p><b>Workable</b></p> <p>Uber supports this recommendation as it improves the well-being of drivers, be they taxi, limo or TNC affiliated.</p> <p>This recommendation should encourage different brokerages to treat drivers better in the hopes of discouraging them from working for other brokerages.</p>

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## Vehicles/Markings:

Provision:	Assessment:
<p><b>No identifying markings will be allowed, except a small decal required for enforcement purposes</b> to identify approved TNC vehicles.</p>	<p><b>Unnecessary but workable</b></p> <p>This recommendation conflicts directly with an earlier recommendation that “TNCs will be required to provide the Licence Manager with enforcement accounts with their approved App for the purposes of locating in-service vehicles for on-road inspections”. The provision of an enforcement account achieves the objective of locating and identifying approved TNC vehicles for the purposes of enforcement.</p> <p>In a large majority of markets in which ridesharing is regulated in the U.S., decals or vehicle identification is not required. It is not required due to the fact that an Uber passenger already receives the picture of the driver, name of the driver, make and model of the vehicle and driver plate licence number when making a request for a ride on the Uber platform.</p> <p>Making a decal or identifier mandatory on Uber vehicles presents the possibility that drivers not affiliated with Uber (in addition to be subject to the background check and vehicle inspection requirements of the Uber platform) may try to use a decal to street hail passengers similar to ways in which “bandit” cabs currently street hail passengers.</p>
<p><b>Every six months TNC drivers must submit to the Licence Manager a record of inspection</b> for the motor vehicle in accordance with the requirements of the Ministry of Transportation (MTO).</p>	<p><b>Concerned</b></p> <p>Twice annual vehicle inspections are unnecessary to ensure vehicle safety.</p> <p>Personal vehicles are not commercial, and that is reflected in vehicle safety. Taxi companies generally lease taxis to drivers for two 12 hour shifts every day, up to 168 hours</p>

# U B E R

a week. Ridesharing is very different as it relies upon personal vehicles. The average personal vehicle in Canada is only driven for a little over an hour a day. With regards to ridesharing, almost two-thirds of Uber partners in Ontario drive less than 10 hours per week, and many only drive for a short time-period to meet a financial need. Every driver-partner sets their own hours and provides service according to their own schedule. In Ontario, they are using vehicles that have a median age of 5 years old and are not allowed to be rebuilt or more than 10 years old.

A properly insured personal vehicle has already been deemed roadworthy, and driver partners have a significant incentive to keep their vehicles safe. When they are not driving on the platform they are using those same personal vehicles to ferry around their families and friends. Regulators have recognized there is a difference between vehicles used for ridesharing and taxi, and the manner in which they are used. In doing so, some have mandated vehicle inspections similar to the 26 point inspection by provincially certified auto-mechanics currently used by Uber in Canada today.

Most importantly, riders rate their ride. Thereby virtually every trip taken on the Uber platform is rated by the rider and reflects their view on the safety of the driver and the vehicle. Written comments may always be entered, but if a trip is rated 3 stars or less out of 5 written comments must be provided. This ensures that Uber can provide direct feedback to the driver. Safety related concerns are dealt with most urgently, and drivers or vehicles can be restricted from the platform as appropriate.

**From:** [A.M](#)  
**To:** [Sacha Smith](#)  
**Subject:** A Better Option Than Uber Taxis And Uber-X  
**Date:** 2016/03/01 12:59:04 PM  
**Attachments:** [A Much Better Option Than Uber Taxis And Uber-X.docx](#)

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Dear Sacha:

By way of introduction, my name is Al Moore and I have been a member of Toronto's taxi industry for over 40 years. Over those years I have appeared before many committees and commissions with respect to said industry. I was one of five cab owners who were invited to meet with Mrs. Tracey Cook, Executive Director, Municipal Licensing and Standards (City of Toronto), on July 29, 2015, to represent the interests of cab owners and the industry; and I was one of 12 cab owners who were invited by city staff to meet with Mrs. Tracey Cook and staff with respect to "the equitable regulation of all ground transportation providers, including taxis, limos and other vehicle-for-hire services" on February 02, 2016. In addition, I have created a website that contains a wealth of information about Toronto's taxi industry, including such information as exactly when and why it went from being an industry that provided very good taxi service; at a cost that was lower than in almost all other major North American Cities (*1982 executive summary, Currie, Coopers & Lybrand report to the Commission*); and the majority of taxis were no older than 4 model years; to being a taxi industry that is one of the most impoverished on the continent and one of the most expensive in the world. The website can be seen at [www.torontotaxireform.com](http://www.torontotaxireform.com).

As an aside, due to the large number of changes that have been necessary over the past year and a half I will be rewriting the website in a more academic format next winter.

Since 1982, stakeholders in Toronto's taxi industry have been envious of the way that Mississauga's councillors have managed their taxi industry and dealt with industry stakeholders. We have been envious of the fact that the City of Mississauga has limited the number of taxis that are licensed to operate in their jurisdiction, thereby maintaining the quality of its taxicabs and ensuring that cab owners and shift drivers could make a decent living, while, at the same time, keeping the cost of a taxi trip as affordable as possible.

Now, it would appear that things in Mississauga's taxi industry could change for the worse. If, on Wednesday next, you and your fellow councillors vote to allow Uber free reign to operate Uber-X "taxis" in Mississauga you will, in effect, be deregulating your taxi industry.

Make no mistake, your taxi industry and Uber-X can not co-exist. Do not turn your industry into a carbon copy of Toronto's.

The vast majority of stakeholders in the taxi industry like the technology that Uber brings to

the table. It's Uber's prices and Uber-X that they don't like. That said, there is a fair and affordable way to provide your industry and the taxi-riding public in Mississauga with the technology they want; and which, if adopted, will improve service times and get rid of Uber-X, thereby increasing the income of cab owners and shift drivers.

Please see the attachment for details.

Yours truly,

Al Moore



## **RECOMMENDATION NUMBER ONE**

### **A BETTER ALTERNATIVE TO RIDE-SHARING COMPANIES AND GYPSY CABS**

Uber is not the only technology company operating in Toronto, but it is, by far, the most expensive because 20 to 28 percent of the cost of every trip that is taken in an Uber taxi or an Uber-X gypsy cab is kept by Uber for dispatching the run.

A much more affordable alternative would be a company such as Toronto based GATA, which only works with licensed taxis, is equal to or better than Uber in every respect, and charges brokerages a monthly service fee of \$75 to \$100 depending on usage, and a per-trip fee of 1 or 2 percent.

Readers who think that GATA is inferior to Uber in any way, shape or form are dead wrong. GATA is a well-established Canadian company that works with taxi companies in 110 cities in Canada and the United States, including Co-op Taxi and Crown Taxi in Toronto. That number is increasing rapidly for obvious economic reasons; and, for added convenience, the same GATA app that is used in Toronto connects to a local cab company in each of those cities.

The appropriate department should be instructed to put out a tender for an established technology company that wishes to provide the public with a cell phone app that can connect them to a nearby taxi in the City of Toronto, regardless of its brokerage affiliation.

Only one company will be granted the contract. Multiple companies will have a detrimental effect on service times.

The winning company must not be a taxi brokerage and brokers must not be allowed to bid on the contract. Rather, the service provided would be an adjunct to the services provided by the existing taxi brokerages and it would be mandated that every taxi in the city that is associated with a brokerage must be able to service those orders.