City of Mississauga

Agenda

MISSISSAUGA

Public Vehicle Advisory Committee

Date

Thursday, November 19, 2015

Time

9:00 AM

Location

Civic Centre, Council Chambers - Second Floor,

300 City Centre Drive, Mississauga, Ontario, L5B 3C1

Members

Councillor Ron Starr	Ward 6 (Chair)
Councillor Carolyn Parrish	Ward 5 (Vice-Chair)
Al Cormier	Citizen Member
Vikesh Kohli	Citizen Member
Rajendra Singh	Citizen Member
Baljit Singh Pandori	Industry Appointed - Taxicab Brokerages
Karam S. Punian	Elected - Taxicab Drivers
Harsimar Singh Sethi	Elected - At Large
Nirmal Singh	Elected - Taxicab Owners
Joshua Zahavy	Industry Appointed - Limousine Brokerages

Contact:

Karen Morden, Legislative Coordinator, Legislative Services
905-615-3200 ext. 5471
karen.morden@mississauga.ca

Find it online

http://www.mississauga.ca/portal/cityhall/publicvehicleadvisory

1. CALL TO ORDER

2. APPROVAL OF AGENDA

3. DECLARATION OF CONFLICT OF INTEREST

4. MINUTES OF PREVIOUS MEETING

Minutes of the October 1, 2015 Public Vehicle Advisory Committee meeting.

RECOMMEND APPROVAL

5. DEPUTATIONS

5.1 Item 6.1 Dr. Dan Hara, Hara Associates Inc. to present the final report with respect to the Taxi Plate Issuance Model Review.

6. MATTERS TO BE CONSIDERED

6.1 Consultant's Review of the Taxi Plate Issuance Model

Corporate Report dated October 14, 2015 from the Commissioner of Transportation and Works entitled, "Consultant's Review of the Taxi Plate Issuance Model".

RECOMMENDATION

1. That the report from the Commissioner of Transportation and Works, dated October 14, 2015 and entitled "Consultant's Review of the Taxi Plate Issuance Model", be received;
2. That the Public Vehicle Advisory Committee consider Appendix 1 to the report from the Commissioner of Transportation and Works, dated October 14, 2015 and entitled "Consultant's Review of the Taxi Plate Issuance Model", when Council has approved a framework to address the regulation of transportation network companies.

7. INFORMATION ITEMS

7.1 Recommendation PVAC-0042-2015

Memorandum dated October 23, 2015 from Karen Morden, Legislative Coordinator with respect to Recommendation PVAC-0042-2015.

RECOMMEND RECEIPT

7.2 2016 Public Vehicle Advisory Committee Meeting Dates

Memorandum dated October 16, 2015 from Karen Morden, Legislative Coordinator, with respect to the 2016 meeting dates of the Public Vehicle Advisory Committee.

RECOMMEND RECIEPT

7.3 Public Vehicle Advisory Committee 2015 Action List

Members to review the Public Vehicle Advisory Committee 2015 Action List.

RECOMMEND RECEIPT

8. OTHER BUSINESS

9. DATE OF NEXT MEETING

Monday, December 7, 2015 – 9:30 AM, Civic Centre, Council Chambers – 300 City Centre Drive, Mississauga L5B 3C1

10. ADJOURNMENT

City of Mississauga

Minutes (Draft)

MISSISSAUGA

Public Vehicle Advisory Committee

Date

Thursday, October 1, 2015

Time

9:36 AM

Location

Civic Centre, Council Chambers - Second Floor,

300 City Centre Drive, Mississauga, Ontario, L5B 3C1

Members Present

Councillor Ron Starr	Ward 6 (Chair)
Councillor Carolyn Parrish	Ward 5 (Vice-Chair)
Al Cormier	Citizen Member
Vikesh Kohli	Citizen Member
Rajendra Singh	Citizen Member
Baljit Singh Pandori	Industry Appointed - Taxicab Brokerages
Karam S. Punian	Elected - Taxicab Drivers
Harsimar Singh Sethi	Elected - At Large
Nirmal Singh	Elected - Taxicab Owners

Members Absent

Joshua Zahavy	Industry Appointed - Limousine Brokerages

Staff Present

Mickey Frost	Director, Enforcement
Daryl Bell	Manager, Mobile Licensing Enforcement
Robert Genoway	Legal Counsel
Diana Rusnov	Manager, Legislative Services
Karen Morden	Legislative Coordinator

Contact:

Karen Morden, Legislative Coordinator, Legislative Services
905-615-3200 ext. 5471
karen.morden@mississauga.ca

Find it online

http://www.mississauga.ca/portal/cityhall/publicvehicleadvisory

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1. CALL TO ORDER - 9:36 AM

2. APPROVAL OF AGENDA

Approved (A. Cormier)

3. DECLARATION OF CONFLICT OF INTEREST - Nil.

4. MINUTES OF PREVIOUS MEETING

Minutes of the August 12, 2015 Public Vehicle Advisory Committee meeting.

Approved (A. Cormier)

5. DEPUTATIONS

5.1 Matt Daus, Consultant, Windels Marx led the Committee Members through a town hall session regarding the scope of the pending Consultant's Report focused on the Regulation of "Transportation Network Companies (TNCs)" in Mississauga.

Mickey Frost, Director, Enforcement provided background information on the events leading up to the hiring of a consultant to address the City's options with respect to regulating Transportation Network Companies, noting the Corporate Report that was considered by the Public Vehicle Advisory Committee at their meeting on August 12, 2015 and the Committee's recommendation to proceed with the procurement of a consultant to address this issue. Mr. Frost further advised that in addition to the verbal comments provided at the meeting, a dedicated email address had been set up by Windels Marx to receive written submissions from relevant stakeholders.

Mr. Daus provided a brief autobiography and outlined the scope of the project he would be undertaking to provide policy options to the City of Mississauga with respect to the regulation of Transportation Network Companies.

Councillor Starr noted the importance of the input provided by industry stakeholders and invited members of the audience to address the Committee and Mr. Daus.

Mark Sexsmith, All Star Taxi spoke to the matter, noting that the present plate issuance model is effective and successful and that any additions to the fleet should be managed in the same manner under the existing By-law. Mr. Sexsmith further commented that the proposed amendments to the "Definitions and Interpretations" section of the Public Vehicle Licensing By-law 420-04, as amended that he

presented to the Committee at the August 12, 2015 meeting should be reconsidered and a recommendation should be made to make the aforementioned changes.

Mr. Frost noted that the amendments to the wording of the By-law should be referred to staff for consideration once the report from Dana Hara, Consultant, on the taxicab plate issuance model review was complete.

Discussion ensued with respect to proposed amendments to the By-law and referring it to staff and the consultant for consideration.

Al Cormier, Citizen Member requested clarification on the effect of changing the wording in the "Definitions and Interpretations" section of the By-law.

Daryl Bell, Manager, Mobile Licensing Enforcement spoke regarding the current By-law, noting that it gives the authority necessary to deal with UberX and the limited resources in Enforcement Officers, who are responsible for enforcing all licensing by-laws. Mr. Bell further noted that all charges against UberX are before the court.

Chris Schafer, Public Policy Manager, Uber – Canada spoke to the matter, suggesting that the consultant look to other cities in the United States who successfully regulate ridesharing companies and noted the differences in the business model of Uber and the taxicab industry. Mr. Schafer further commented on insurance, technology, and the potential fundamental changes in traffic reduction and environmental issues pertaining to Uber.

Councillor Parrish commented on the Province's responsibility to address this issue and preserve the livelihoods of the taxicab owners and drivers.

Discussion amongst Members ensued with respect to regulations, pricing of Uber, police checks, and training requirements.

Councillor Starr inquired whether Uber would agree to have the same licences and regulations as any other company, if Council passed that recommendation, to which Mr. Schafer commented that it wouldn't make sense to agree to that since Uber is a different business model and the rules imposed by the City did not fit with their business model.

Yad Sidhu, Taxicab Industry presented a newspaper advertisement for Uber, noting that businesses must pay taxes and report earnings to Revenue Canada. Mr. Sidhu further noted that taxi brokerages in Mississauga also have smartphone applications and commented on the difficulty of enforcing companies such as Uber.

Carol-Ann Chafe, Chair of the Accessibility Advisory Committee (AAC) commented that she would bring this issue to the AAC and encourage them to submit comments to the consultant.

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Joe Farrugia, Owner of BramCity Taxi commented that his drivers are reporting a decrease in the number of fares, the loss of income, the loss of customers and the importance of addressing accessibility.

Mr. Sethi spoke to banning Uber from operating in Mississauga until they obtain a licence and Enforcement Division staff enforcing the existing Public Vehicle Licensing By-law.

Robert Genoway, Legal Counsel advised that Uber is required to obtain a licence and that the By-law is being enforced, to which Mr. Frost concurred and advised that staff were enforcing the By-law to the best of their ability.

RECOMMENDATION
That staff be directed to continue to enforce the Public Vehicle Licensing By-law 420-04, as amended, specifically related to unlicensed drivers operating in Mississauga.

Carried (H. S. Sethi)
Recommendation PVAC-0038-2015

Vikesh Kohli, Citizen Member inquired as to how other cities were coping with the loss of control over the transportation industries, to which Mr. Daus advised that cities have the option to create a new licensing category or to require them to do business within the current industry practices.

Councillor Parrish noted that the Province should be addressing this issue and be looking for a Province-wide solution.

RECOMMENDATION
That the Mayor write a letter to the Minister of Municipal Affairs and Housing requesting that the Province seize the Uber problem, including failure to remit HST, and the serious hardship to the duly regulated taxi industry, and to undertake a Province-wide solution.

Carried (H. S. Sethi)
Recommendation PVAC-0042-2015

6. MATTERS CONSIDERED – Nil.

7. INFORMATION ITEMS

7.1 Uber

Email dated August 16, 2015 from Peter Pellier, Taxicab Industry regarding Uber.

No discussion occurred on this item.

RECOMMENDATION
That the email dated August 16, 2015 from Peter Pellier, Taxicab Industry regarding Uber, be received and referred to Matt Daus, Consultant for inclusion in a future report related to the Regulation of "Transportation Network Companies (TNCs)" in Mississauga.

Referred (H. S. Sethi)
Recommendation PVAC-0040-2015

7.2 Uber: Best Practices in Dealing with Mobile Taxicab Mobile Applications (TMA) in Other Cities

Letter dated August 27, 2015 from Chris Schafer, Public Policy Manager, Uber – Canada with respect to dealing with Mobile Taxicab Applications (TMA) in other cities.

This item was dealt with during Deputation A.

RECOMMENDATION
That the letter dated August 27, 2015 from Chris Schafer, Public Policy Manager, Uber – Canada, be received and referred to Matt Daus, Consultant, Windels Marx for inclusion in a future report related to the Regulation of "Transportation Network Companies (TNCs)" in Mississauga.

Referred (H. S. Sethi)
Recommendation PVAC-0041-2015

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7.3 PVAC 2015 Action List

Public Vehicle Advisory Committee 2015 Action List updated for the October 1 Special PVAC meeting.

RECOMMENDATION
That the Public Vehicle Advisory Committee (PVAC) Action List, updated for the October 1, 2015 meeting of PVAC, be received.

Received (H. S. Sethi)
Recommendation PVAC-0043-2015

8. OTHER BUSINESS – Nil.

9. DATE OF NEXT MEETING

Thursday, November 19, 2015 – 9:00 AM, Civic Centre, Council Chambers – 300 City Centre Drive, Mississauga L5B 3C1

10. ADJOURNMENT – 11:48 AM

City of Mississauga

Corporate Report

MISSISSAUGA

Date: October 14, 2015

To: Chair and Members of Public Vehicle Advisory Committee

From: Martin Powell, P. Eng.
Commissioner of Transportation and Works

Originator's files:

Meeting date:
2015/11/19

Subject

Consultant's Review of the Taxi Plate Issuance Model

Recommendation

1. That the report from the Commissioner of Transportation and Works, dated October 14, 2015 and entitled "Consultant's Review of the Taxi Plate Issuance Model", be received.

2. That the Public Vehicle Advisory Committee consider Appendix 1 to the report from the Commissioner of Transportation and Works, dated October 14, 2015 and entitled "Consultant's Review of the Taxi Plate Issuance Model", when Council has approved a framework to address the regulation of transportation network companies.

Report Highlights

- The City of Mississauga engaged the firm of Hara Associates Incorporated to address three requirements, namely, to recommend an approach to predict demand for taxicab and accessible taxicab service in Mississauga; to recommend a licence supply approach for taxicab and accessible taxicab services; and, to recommend a fare model/strategy for taxicabs and accessible taxicabs.
- The regulation of transportation network companies, firms that use internet-based services to directly connect customers with drivers, was outside the scope of work for the study Hara and Associates Incorporated were engaged to perform by the City.
- The purpose of this report is to bring forward for consideration by the Public Vehicle Advisory Committee the final report from Hara and Associates Incorporated, dated October 7, 2015 and entitled "Taxi Plate Issuance Model Review".
- A separate report on the regulation of TNCs is targeted for consideration by the Public Vehicle Advisory Committee at its meeting of December 7, 2015.

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Background

The City of Mississauga engaged the firm of Hara Associates Incorporated to address three requirements related to taxi plate issuance, in consultation with the taxi industry and other stakeholders, and in light of how other municipalities both within the province and outside of Ontario address these matters. The three requirements are noted below:

- Recommend an approach to predict demand for taxicab and accessible taxicab service in Mississauga.
- Recommend a licence supply approach for taxicab and accessible taxicab services.
- Recommend a fare model/strategy for taxicabs and accessible taxicabs.

The final report from Hara Associates Incorporated, dated October 7, 2015 and entitled "Taxi Plate Issuance Model Review" (Hara Report), is attached as Appendix 1. The purpose of this report is to introduce the Hara Report.

During the course of the review conducted by Hara Associates Incorporated, the taxi industry in Mississauga began undergoing a major competitive challenge. The widespread use of smartphones has led to the development of internet-based services that directly connect passengers and drivers. These internet-based transportation services are being offered by firms that are described as "transportation network companies" (TNCs).

The challenge posed by TNCs is that one of their primary services includes drivers who use their personal vehicles and operate outside the regulatory framework. Municipalities are struggling to bring TNC vehicle operation into the regulatory fold. The issue is complicated by their popularity, by the difficulty of enforcing rules on individual unmarked cars and by the recent decision of the Ontario Superior Court of Justice regarding the City of Toronto's application for an injunction against Uber.

Commenting on the TNC issue was outside of the scope of the study conducted by Hara and Associates Incorporated. A separate report on the regulation of TNCs is targeted for consideration by the Public Vehicle Advisory Committee at its meeting of December 7, 2015.

Comments

A summary of the recommendations contained in the Hara Report (attached as Appendix 1) are shown below:

"*Plate Issuance*

Recommendation 4.1: Plate Issuance Formula. If Mississauga wishes to use a plate issuance formula, it is recommended that number of taxi plates issued to operators for use within the city be increased by

- *1% for every 1% population growth in Mississauga, or part thereof; plus*
- *0.07% for every 1% in the growth in passenger traffic at Pearson International Airport as indicated by enplaned and deplaned passenger totals; plus*
- *The number of taxis and accessible taxis required by TransHelp contracts.*

Application would begin with the number of taxis licensed for 2015, with annual adjustment in future years.

Recommendation 4.2: Waiting List.

a) The waiting list should be closed, and new plates should be offered to those on the waiting list until such time as the waiting list is exhausted.

b) After the waiting list is exhausted, new plates should be offered to active drivers with the longest continuous service to present. The list administrators may notify those eligible, however responsibility for applying should rest with the applicant.

Recommendation 4.3: Resolution of TNC Regulation. With the exception of licences issued to serve TransHelp contracts, the issuing of taxi licences under the present or recommend replacement formula should be held in abeyance until Mississauga resolves the regulatory framework for TNCs such as Uber.

Recommendation 4.4 Entry Management by Licence Fee.

a) That Mississauga consider replacing its formula approach to numbers of taxis with entry management by licencee fee.

b) That in support of this consideration, Mississauga seek clarification on restrictions to the level of licence fees in Ontario and, if necessary, seek reform from the province to permit municipalities to utilize this option.

Recommendation 4.5 Waiting List with Entry Management. In the event of a shift to entry management by licence fee, members of the waiting list be offered the new licences at a reduced annual fee, pro-rated according to their years on the waiting list.

Accessible Taxis

Recommendation 5.1: Percent Accessible Taxis. Hara Associates recommends that Mississauga set a target of 21% of taxis being mobility device accessible. This level will ensure that an accessible taxi is near the required address when a call is received,

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and allow dispatch systems to provide a response time that is reasonably equivalent to that received by other customers. Achieving this will radically improve the lifestyle choices available to people using mobility devices. The percentage of less than 100% also allows for a diversity of other types vehicles to meet other disability needs.

This percentage is in addition to accessible taxi licences issued to fulfil TransHelp contracts.

Recommendation 5.2: Accessible Plate Issue. All new issues of plates should be accessible taxi plates until the 21% of fleet target is met.

Recommendation 5.3: Accessible Plate Plan. To achieve a minimally efficient scale of accessible service in the next two years:

a) 30 accessible plates be released in each of the next two years, in advance of plate issuance formula requirements.

b) Such plates be offered first to the waiting list. Any remaining plates be offered to brokers, then to senior drivers.

c) A condition of such plates is that they be put into service in the dispatch pool at least 40 hours per week.

d) Any plates not taken up by active industry members be reserved until the end of the two-year period.

e) At the end of the two-year period, if the additional plates have not been taken up, then they should be issued to brokers proportionate to registered fleet size, with the requirement that they be put into service as a condition of being licensed.

f) Where plates are issued to brokers under (e) above, the required service period should be doubled to a minimum average of 80 hours per week over the year, combined with a general duty to provide accessible taxi service on demand.

Meter Rates

Recommendation 6.1: No Meter Increase. It is recommended that there be no meter rate adjustment for 2015.

Recommendation 6.2: Downward Fare Flexibility. If industry representatives on PVAC request it, companies should be permitted to charge less than the bylaw meter rate. Depending on industry request, either or both of these methods should be considered:

a) *Driver Option. Drivers may offer a fare to an individual passenger at less than the meter rate. In this event, the meter should still be run to show the customer the meter charge, and to create an electronic record of the trip.*

b) *Company Option. If companies wish to formally reduce their meter rates overall, notice of fares should be posted where visible to customers prior to entering the taxi, and fare schedules and posting method should require approval of bylaw enforcement.*

Recommendation 6.3: Taxi Cost Index. Adopt a taxi cost index based on the cost profile and data sources in Table 6.2. The next application of the index should be in the fall of 2016, based on relative changes in cost from 2015."

Staff recommend that the Public Vehicle Advisory Committee receive the report from the Commissioner of Transportation and Works, dated October 14, 2015 and entitled "Consultant's Review of the Taxi Plate Issuance Model". Further, staff recommend that the Public Vehicle Advisory Committee consider the Hara Report (attached as Appendix 1 to the report from the Commissioner of Transportation and Works, dated October 14, 2015 and entitled "Consultant's Review of the Taxi Plate Issuance Model"), when Council has approved a framework to address the regulation of TNCs.

Financial Impact

The recommendations in the Hara Report, if approved, will increase taxi and accessible taxi licence fee revenues if new licences are issued in the future.

Conclusion

The City of Mississauga engaged consulting services to perform a taxi plate issuance model review. The firm of Hara Associates Incorporated was engaged to perform this review and has completed their final report. This report brings forward the final report from Hara Associates Incorporated on the taxi plate issuance model review for consideration by the Public Vehicle Advisory Committee.

Attachments

Appendix 1: Report from Hara Associates Incorporated, dated October 7, 2015 and entitled "Taxi Plate Issuance Model Review".

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Commissioner of Transportation and Works

Prepared by: Mickey Frost, Director of Enforcement

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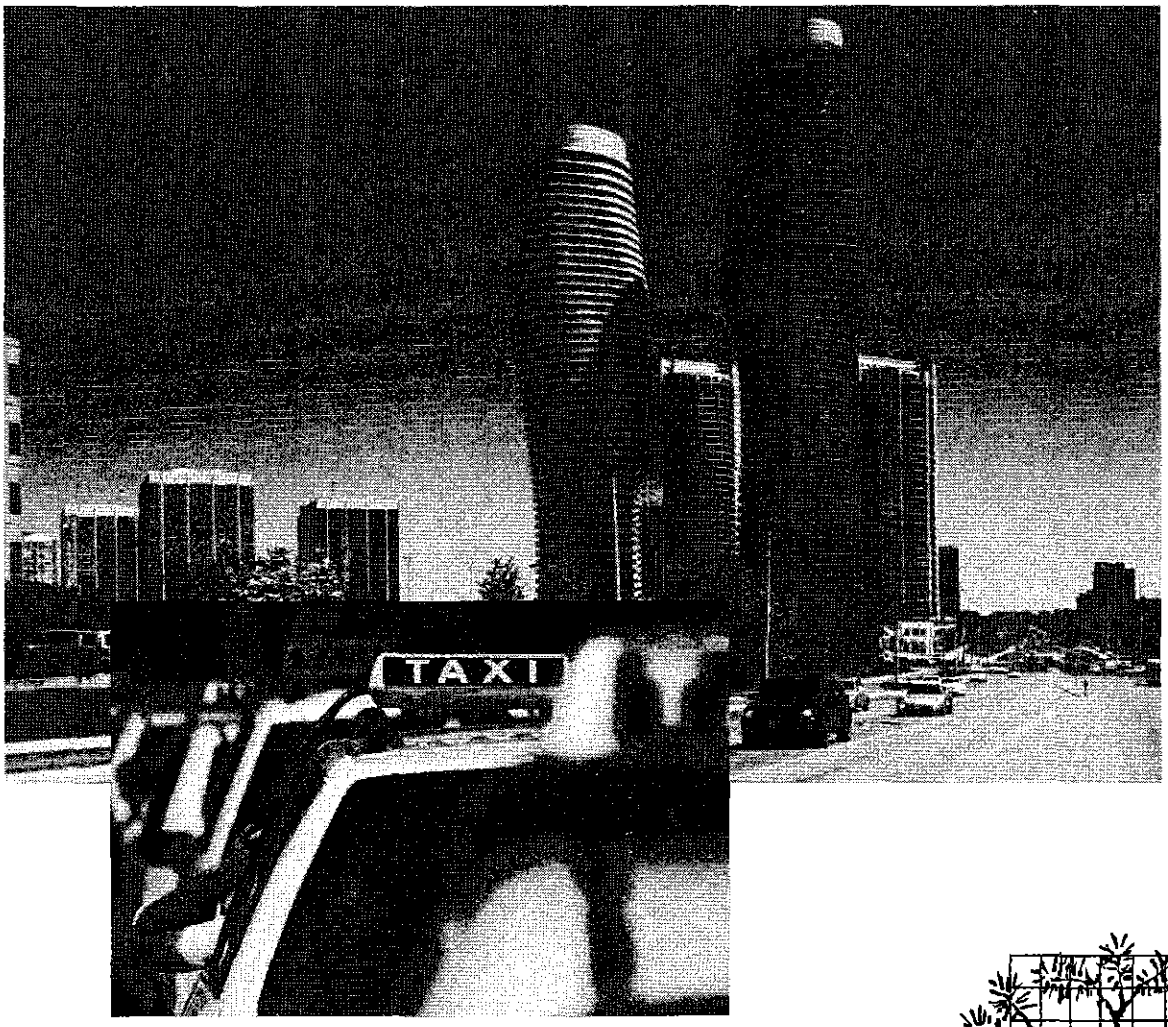
APPENDIX 1

City of Mississauga

Taxi Plate Issuance Model Review



Hara Associates

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Taxi Plate Issuance Model Review

Prepared for:

The City of Mississauga

By:

Hara Associates Incorporated

Bayswater Square, 1066 Somerset Street West, Suite 406, Ottawa, Ontario, K1Y 4T3
613-722-5528, 613-482-4901 (fax), www.haraassociates.com/tax

Oct. 7, 2015

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6.1 i

Executive Summary

As with most cities, Mississauga limits the number of taxicabs permitted to operate. The bylaw sets out a multi-factor growth formula to determine the number of taxi licences it issues.

This study:

- Compares Mississauga's approach to licence management to that of other cities.
- Recommends a method for managing taxi plate numbers in the future.
- Recommends a target percentage of accessible taxis consistent with the requirements of the *Accessibility for Ontarians with Disabilities Act* (AODA).
- Recommends an approach for adjusting taxi meter rates over time.

The AODA is a material change for the taxi industry, and represents an important step forward for those dependent on mobility devices. Ontario municipalities are required to establish a target percentage and timetable for accessible cabs in consultation with their municipal Advisory Committee for Persons with Disabilities. How this happens is directly affected by Mississauga's approach to licensing and to releasing new licences.

Impact of Uber & TNCs

During the conduct of this study, the industry has been undergoing a major competitive challenge. The widespread use of smartphones has led to the development of internet-based services that directly connect passengers and drivers. Leading firms include Uber, Lyft, and Hailo. A generic term for these firms is Transportation Network Companies (or TNCs). Uber has been particularly active in Toronto, has held recruiting meetings in Mississauga, and has already had an impact on taxi trip volumes here.

The challenge posed by TNCs is that their principal services (UberX in Uber's case) provide drivers who use their personal vehicles, and operate outside the regulatory framework. These services have proved popular. Users like the conveniences offered by smartphone apps. Fares are lower than for municipally licensed cabs because TNC drivers do not pay the costs of meeting regulations for consumer and driver safety that licensed vehicles must pay. Insurance in particular is an issue. TNC drivers, who rely solely on inadequate personal driver insurance, pay approximately $1,000 per month less for that one item. In addition, there are concerns about the safety of personal vehicles used for commercial purposes that are not inspected for such use, the lack of driver training, and the efficacy of criminal record checks.

Municipalities are struggling to bring TNC vehicle operation into the regulatory fold. The issue is complicated by their popularity, by the difficulty of enforcing rules on individual unmarked cars, and by the legal position taken by TNCs that they are merely phone apps, not taxi or limousine brokers.

Commenting on the TNC issue is beyond the scope established for this study. However, the issue affects some of the recommendations made. *In particular, it is suggested that recommendations involving the release of new licences be held in abeyance until the matter of how TNCs are regulated is resolved.*

Mississauga has Good Taxi Service

The report first examines whether Mississauga has the right number of taxis today. Mississauga is found to have a good, but not excessive, supply of taxis. The analysis is based on multiple lines of evidence, from intercity comparison to dispatch response times.

Dispatch response times are good. The average time to the door is 9.8 minutes, with 90% of calls served within 15 minutes. At the same time, analysis by peak hour and geographic area shows minor weaknesses, indicating that there may be room for a small increase in the fleet. In particular, service to northeastern portions 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%.

Simpler Formula Recommended

To manage taxi numbers going forward, a simpler formula for taxi numbers is recommended. The recommended formula is based on population growth, and growth in passenger volume at Pearson International Airport. It would replace the present formula based on some 22 growth factors. Although most of the current growth factors are relevant, their listing and weights were determined by a consensus process, rather than being evidence based. Under best practice, multi-factor growth models are based on statistical tests measuring the correlation between taxi trip volume and the growth factors. Such a process requires at least a ten-year history of trip volumes, but Mississauga's data goes back only about three years.

Other drawbacks to the current system are the lack of consistent data sources for the 22 factors, the resulting risk of error, the difficulty and expense of administration, and the lack of transparency arising from the complex process. Importantly, the current formula also lacks reference to the airport, although a substantial number of local trips are generated as a result of airport travelers staying in Mississauga accommodations, and related airport activity. There is also the perverse result that the present formula would call for a reduction in taxis as taxi plate value declines due to the incursion by the TNCS—effectively ceding the market.

It is also recommended that the existing priority list be used to distribute new plates, but that the list be closed. After the list is exhausted, the recommended replacement would be based on driver seniority.

TransHelp a Separate Consideration

The recommended new formula treats TransHelp separately. It is recommended that the City coordinate with the regional transit service to permit greater use of taxis by TransHelp in delivering its public transit service. Since these taxis are used on scheduled service for public transit clients, they generally are not available to the taxi dispatch pool and thus are separate from formula consideration.

Consideration of a Non-Formula Approach is Also Recommended

The analysis was undertaken within a broad comparison of methods used by other cities to regulate taxi numbers. In this context, it is also recommended that Mississauga consider getting out of the formula approach entirely. It is suggested that consideration be given to a relatively innovative method, first suggested by an international inquiry conducted by the Australian state of Victoria. The term employed in the present report is "entry management through licence fees." It offers Mississauga the opportunity of choosing the level of profitability it wishes to maintain for the industry, while allowing taxi drivers the opportunity to commit to the industry and buy a plate if they wish.

The approach is well known in regulatory frameworks for other types of licensing. Key to its implementation is drawing a distinction between existing plates and new plates, and charging a significant fee for new plates.

Potential issues exist in Ontario law regarding licensing fees and cost recovery. It is also recommended that these be investigated and, if necessary, the province be asked to ensure municipalities have this approach available as an option.

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What is 100% Accessible?

Separate from the size of the taxi fleet is the question: what proportion of taxis should be wheelchair/mobility device accessible?

The question is complicated by the AODA requirement that all disabilities be accommodated. This includes those not in wheel chairs but who may require or prefer a sedan in order to back into a seat at their preferred level. Consultation with both the Accessibility Advisory Committee and with the Older Adults Advisory Panel yielded significant discussion on this point. There was agreement, although not unanimous, that 100% accessible meant 100% accessible to all disabilities. Thus, a diversity of vehicle types is required to meet the diversity of disability types.

Based on a technical analysis of Mississauga dispatch zones and the statistical distribution of accessible taxis within these zones, it is concluded that if 21% of the taxi fleet is wheelchair accessible, service to mobility device users will be comparable to service to other customers, and consistent with AODA requirements. This level of reliability would be a huge increase from today's generally acknowledged poor to non-existent service. The 21% is recommended as a target for Mississauga, and is in addition to any accessible taxis licensed to fulfil TransHelp contracts.

To ramp up to minimum efficient scale quickly, an early release of 30 plates in each of the next two years is recommended. This release would occur in advance of the projected formula for plate release based on population and on airport passenger growth. The release method utilizes the seniority list and voluntary acceptance of the plate offers. If after two years the plates are not picked up, then it is recommended they go to brokers along with a regulatory requirement to use them.

No Change to Meter Rates, but Flexibility to Charge Less

No meter rate change is recommended for 2015. The analysis is based on intercity comparison, a review of taxi costs, and stakeholder consultation.

It is also recommended that if requested by industry representatives, taxis be permitted to charge less than the official meter rate. In such instances, the meter should still be run to ensure the customer knows the discount is fair, and to register the trip in computer dispatch systems. Other conditions on public notice also apply.

The practice of making meter rates a maximum, rather than a fixed rate, has many drawbacks. However, these are outweighed by the need of the industry to respond competitively to the currently unregulated TNCs.

For the future, annual review of meter rates is recommended using a Taxi Cost Index. Formula weights and data sources are provided to support the index.

The full text of recommendations is provided in Chapter 7.

1 Introduction

As with most cities, Mississauga limits the number of taxis permitted to operate. The bylaw sets out a multi-factor growth formula to determine the number of taxi licences it issues. The formula is a weighted average of growth factors ranging from population, to hotel nights, to bingo events, to driver income, to the value of taxi plates themselves.

This study:

- Compares Mississauga's approach to licence management to those used by other cities.
- Recommends a method for managing taxi plate numbers in the future.
- Recommends a target percentage of accessible taxis consistent with the requirements of the *Accessibility for Ontarians with Disabilities Act* (AODA).
- Recommends an approach for adjusting taxi meter rates over time.

The AODA is a material change for the taxi industry, and represents an important step forward for those dependent on mobility devices. Ontario municipalities are required to establish a target percentage and timetable for accessible cabs in consultation with their municipal Advisory Committee for Persons with Disabilities. The AODA expects industries to absorb the cost of accommodation while keeping prices (taxi fares) the same for everyone. How this is done is materially affected by Mississauga's approach to licensing, and to how it releases new licences as examined by this study.

Methodology

The study team combines more than twenty years of experience supporting taxicab regulators in Ontario and internationally. While the taxi industry shares many common elements among cities, each city is unique. Multiple lines of evidence were explored to assess Mississauga's taxi industry. These included:

- Experience reported by Mississauga industry stakeholders, including members of the Public Vehicle Advisory Committee (PVAC), representatives of Pearson International Airport, and TransHelp.
- Consultation with the Accessibility Advisory Committee (AAC).
- Consultation with the Older Adults Advisory Panel (OAAP).
- Structural analysis of the Mississauga taxi industry.
- Comparison to other cities.
- Application of Hara Associates' Taxi Demand Model.
- On-street observations.
- Analysis of electronic trip data kindly provided by licensed taxi brokers.
- Data kindly provided on a confidential basis by individual taxi companies, drivers, and operators.

Detail on methodology is provided in each chapter. Appendix A lists the stakeholders consulted.

Impact of Uber & TNCs

At the same time that this study has been underway, the industry has been beset by a major competitive challenge. The ubiquity of smartphones has led to the development of new internet based services that directly connect passengers and drivers. Leading firms include Uber, Lyft, and Hailo. A generic term for these firms is Transportation Network Companies (TNCs). Uber has been particularly active in Toronto and the surrounding region. Uber has held meetings to recruit drivers in Mississauga,

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and offers service in Mississauga. While convenient for customers, TNCs are problematic for regulators because they effectively act as dispatch, bypassing brokers licensed by municipalities.

Addressing TNC is outside the scope of this report. However, until the issue of TNCs is resolved, many of the questions addressed in this study may be moot.

The challenge posed by TNCs is that their principal services (UberX in Uber's case) provide drivers who use their personal vehicles, and operate outside the regulatory framework. These services have proved popular. Users like the conveniences offered by smartphone apps; they like being able to see on a map where the closest vehicle is, of being able to pay seamlessly by credit card without getting out their wallet, and of being able to rate drivers. They also like the idea of participating in the "sharing economy." Fares are lower than for municipally licensed cabs because TNC drivers do not pay the costs of meeting regulations for consumer and driver safety that licensed vehicles must pay. Insurance in particular is an issue, since TNC drivers, who rely solely on inadequate personal driver insurance, pay approximately $1,000 per month less for that one item.

Despite the attractions, there are associated risks. Historically, regulatory requirements for vehicle-for-hire licensing have arisen for public and driver safety. In addition to insurance, TNCs raise concerns about the safety of personal vehicles used for commercial purposes that are not inspected for such use, the lack of driver training, and the efficacy of criminal record checks. Police forces also have a historic concern about who is operating vehicles-for-hire, as they provide convenient mobile locations for street business.

Municipalities are struggling to bring TNC vehicle operation into the regulatory fold. The issue is complicated by their popularity, by the difficulty of enforcing rules on individual unmarked cars, and by the legal position taken by TNCs that they are merely phone apps, not taxi or limousine brokers.

Commenting on the TNC issue is beyond the scope of this study. However, the presence of unregulated TNCs has an impact on the tasks at hand:

- **Impact on Managing Taxi Numbers.** Any formula for managing the issuance of additional taxi licences assumes that the municipality is licensing the whole of the market. If the market share of taxi companies is declining because of challenges from TNCs, then increasing the number of taxis makes little sense, even if the city's population and overall use of vehicles-for-hire is rising.
- **Impact on Accessible Taxi Service.** The current approach of AODA is to vest expectations for accessible vehicle-for-hire service in the licensed taxi industry. The industry is expected to provide the service while charging all passengers the same fares. Absorbing this cost may not be feasible if the licensed industry faces competitors that do not provide the service or bear the cost.

  In addition, the current approach implicitly relies on the controversial existence of plate value. Until 2014, taxi plates in Mississauga traded privately for as much as $220,000. Under such circumstances, it is relatively easy to motivate the provision of an accessible taxi in exchange for receiving a newly issued plate. But as the market share of TNCs expands, plate values are dropping significantly. If plate values descend to zero, or to any amount below the extra cost of an accessible vehicle—then it will be difficult to get industry operators to step forward and accept an accessible taxi licence.

Therefore, some of the recommendations in this report are conditional on resolving the TNC issue.

Mississauga Taxis Particularly Vulnerable to TNCs

With the exception of a few stands such as at Square One or the Delta Hotel, Mississauga's taxi business is almost entirely dispatch-based. This renders its taxis particularly vulnerable to losing market share to unregulated TNCs. Cities where taxis have done better—such as Toronto or San Francisco—are ones in which ridership is a mix of dispatch and on-street hail, particularly in downtown areas. Licensed taxis have an advantage in such centres because of their clear markings and customer expectations. Since the TNC business model is to replace dispatch, virtually all of Mississauga's current taxi market is affected.

Other Events Affecting the Industry

Findings and recommendations in this report are made within the context of:

- **High cost of taxi Insurance.** Insurance costs rose sharply in 2013—almost doubling for some operators—from around $6,500 per taxi to $12,000 - $13,500 depending on the vehicle. The immediate cause was the withdrawal of long-time taxi insurance suppliers for Toronto and Southern Ontario. Underlying causes have been both local and global. Financial crises in Europe and significant weather events have stressed global insurance markets, causing insurers to pull out of marginal markets of all kinds. For taxi insurance in North America, the impact has been variable depending on the municipality, but wherever the product used by local insurance brokers has been withdrawn, prices have risen dramatically. The consequence has been a significant increase in operating costs.
- **New technology inside the taxicab.** Available in-taxi equipment is changing. Pioneered by New York City and Boston in 2004, passenger information monitors (PIMs) provide customers with better control over their credit cards and an improved experience. People with sight or hearing disabilities can be accommodated in new and convenient ways. The ability to accommodate people with disabilities is relevant to AODA requirements. AODA goes beyond wheelchair accessibility to require accommodating all kinds of disabilities.
- **The advent of apps.** To counter the challenge of TNCs, many larger taxi companies are introducing their own smartphone apps offering similar convenience. As these apps become more common, they will be available economically to smaller companies, such as those operating in Mississauga.
- **Demographic changes.** Demographic changes are affecting taxi usage. The aging population correlates with increased numbers of people with disabilities, particularly wheelchair users, who expect equitable service. At the same time younger generations are choosing to postpone vehicle ownership, increasing their demand for taxis (and public transit) to support this choice.

These considerations are incorporated in the report's analysis.

Size and Role of the Taxi Industry

Mississauga's taxi industry is a significant employer. In addition to the hundreds of taxi drivers, there is associated employment in taxi brokerages, and vehicular maintenance and servicing. Groups that use taxis intensively are business people, the elderly, young adults, low-income earners, people with disabilities, and those who have chosen not to own a vehicle.

The taxi industry also plays strategic roles in the city's economic development:

- **Vital service.** It is an essential service for business travelers, and for those who cannot afford or operate a private vehicle or choose not to own one

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- **Positive factor in public transit usage.** Taxis complement public transit; they are not a substitute. When people organize their lives to make less use of privately owned vehicles, they have to be able to rely on a package of public transit and the availability of taxis when they need quick service. Better taxi service means more public transit use and less reliance on private vehicles.
- **Communicates effectiveness of City administration.** Taxis are ambassadors for the city. They are a significant means by which business travelers assess the quality of civic administration, and the likely ease of doing business with and within the city.
- **Necessary to promote Mississauga as a destination.** Poor availability of taxis compromises a city's ability to compete for large conferences and events, and tourism.
- **Reduced cost of road infrastructure.** Good taxi availability, especially downtown, increases commuting by public transit and reduces road infrastructure costs.

Organization of the Report

Following this introduction, Chapter 2 presents stakeholder views of the issues covered in the report. The views expressed are not necessarily those of Hara Associates. Subsequent chapters draw on these views, and address concerns that stakeholders raised.

Chapter 3 examines the adequacy of Mississauga's current taxi supply. Is today's number of taxis the right place to start in developing a formula for taxi plate issuance in the future? Chapter 4 compares Mississauga's current formula to that of other cities, and recommends an approach for the future.

Chapter 5 turns to AODA issues: what percentage of tomorrow's fleet should be wheelchair/mobility device accessible? How should this be accomplished? Finally, Chapter 6 examines methods for reviewing meter rates, and recommends an approach.

2 Stakeholder Viewpoints

This chapter offers the views of stakeholders in the Mississauga taxi industry, as expressed to the study team in interviews. The views expressed are not necessarily those of Hara Associates, and may cover topics outside the scope of this study.

The interviews were conducted in Mississauga from July 2014-March 2015. Extensive consultation was undertaken with stakeholder groups including:

- Council Members: from the Public Vehicle Advisory Committee (PVAC) and the Accessibility Advisory Committee (AAC);
- Industry Representatives: from A Black Cab, All Star Taxi Service, Blue and White Taxis, Airlift Services, accessible taxis owner and operator, Aeroport Taxis;
- Community Organizations: Members of AAC, PVAC, and of the Older Adults Advisory Panel;
- Region of Peel: TransHelp;
- Greater Toronto Airport Authority.

Stakeholder comments are organized by these topic areas:

- Forecasting Mississauga taxi demand
- Accessible taxis
- Plate issue
- Meter rates

2.1 Forecasting Mississauga Taxi Demand

The following questions were discussed with the stakeholders:

- **Number of Taxis:** Do you think Mississauga has the right number of taxis at present? Are all times of day well served? All neighborhoods?
- **Formula:** Mississauga has a multi-factor formula to determine the number of taxi licences that should be issued. Are you aware of it? How well do you feel it has worked? How would you like to see the number of taxis determined in the future?

Number of Taxis

The majority of stakeholders view the current number of taxis in Mississauga as being too high or reasonable. Based on feedback received, except in special circumstances, (winter storms, holidays), the wait time is typically 10 minutes or less. This is considered by the industry to be a reasonable wait time.

Numerous stakeholders noted that while Mississauga's population is increasing, this has not translated into increased demand for taxis. Industry representatives identified a number of reasons for this, including changes in demographics, new entries to the market, and City initiatives that have adversely affected the demand for taxis over several years and are expected to continue. For example, many hotels provide shuttle services which reduce demand for taxis. Uber's entry into the market was frequently cited as it is having a direct impact on the demand for taxis by offering discounted rates, and is deemed to be competing in an inequitable manner. Stakeholders also discussed the City's efforts to

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expand and enhance transit. While recognized as a positive initiative, stakeholders identified this as a factor impacting demand for taxi service, stating that the number of taxis needs to be evaluated "in the big picture" of all planned transportation strategies.

Few suggested that additional taxis are needed although several pointed to the problem of evening taxi shortages arising from the exclusively daytime use of some cabs. This single-shift use of vehicles was attributed largely to owner-drivers avoiding the higher cost of insurance if multiple drivers are used (double-shift).

The following provides a summary of the feedback received, as well as some direct quotes, under the three main categories (number of taxis is too high, reasonable or too low):

Number of taxis is too high

- The majority of industry representatives maintained that there are too many taxis currently operating in Mississauga.
- Drivers and brokers identified earning a reasonable living as a significant challenge for drivers due to the high cost of insurance and other expenses, new competition, and the recent release of taxi plates by the City. Below are some of their comments:
    - "Drivers are suffering because there are too many taxis"
    - "There are more than enough cabs....33 newly issued were not needed"
    - "Uber is wreaking havoc on the industry. Some drivers and customers are using Uber. Uber is offering the service at discounts to get in the market"
    - "Uber technology is moving into the Mississauga. It is unregulated as you don't know if they are licensed commercially, they can charge whatever they want and there are no vehicle standards"
    - "It is not easy to get a licence and Uber is taking away business"
    - "The City needs to stop illegal and unlicensed services"
    - "More senior homes are providing their own resident transportation vehicles which has reduced the demand for taxi service"
    - "Much of the growth in Mississauga's population is through immigration. Some of the cultures that have immigrated do not use taxis"
    - "The city has matured in development and future growth will be intensified"
    - "Need to keep business prosperous"
    - "School buses and shuttles are taking away business from the taxi industry and do not have the same insurance issues as the taxi industry"
    - "Hotel shuttles have reduced demand for taxis"

Numbers are reasonable

- While the majority of industry representatives maintained that there are too many taxis, numerous stakeholders believe the current number is reasonable.
    - Generally customer wait time is less than 10 minutes which is an industry standard
    - Drivers and brokers both note that when weather is bad, response times will be slower, but this is not indicative of a need for more taxis on the road, but for an

adjustment in expectations on the part of the public. This is also the case for peak holidays, (e.g. Christmas, Thanksgiving, etc.)

- Demand sags in summer, winter is peak season and as such, there are times there are too many cabs and times when there are not enough cabs. However, as one industry representative stated, *"Plates have a value and the cost to enter the business only seasonally is too high so you can't issue seasonal plates"*
- One member of the industry stated that *"I have come to the conclusion that you can bend, twist and re-analyze the figures all you like; in Mississauga, we have enough taxis-just the wrong mix."*

Numbers need to increase

- Several stakeholders noted that additional taxi plates are needed for a number of reasons including the high cost of insurance for having multiple drivers using one vehicle, which results in underutilization of existing taxis (single- versus double-shifts), as well as some additional opportunities to support tourism related business. Others identified opportunities to expand the taxi business through changes in current policies and practices. Taxi brokerages that identified as cooperatives felt that a limited number of additional plates would provide opportunities for members who do not have plates at present. Comments included:
  - "We need more plates because insurance for two drivers is $13,000 versus $4,500 for one, therefore a plate is not being fully utilized."
  - While industry stakeholders believe that daytime rush hours are well served, noting that even during these peak times cars can be seen waiting without passengers, late nights are another matter. "Sometimes customers have to wait 20 minutes due to shortage on shifts. It would be good to have plates issued to address these shortfalls, (e.g. could issue night plates)"
  - The industry receives significant business from tourists staying in Mississauga and visiting Toronto.
  - "Taxi industry needs changing as they are limited to where they can pick up passengers. If this were to change, additional taxis would be needed"
  - "The City used to have more taxi stands in the malls but they have not put any new stands in approximately 10 years. If more were added, it would support the industry and may require additional taxis."
  - Younger population are not buying cars as frequently which may increase demand for taxis

Taxi Formula

Industry stakeholders were asked a number of questions related to the existing multi-factor formula used to determine the number of taxi licences that should be issued. The discussions focused on the existing criteria, the source data used for the calculation, as well as whether there is a need to modify the formula for the future issuance of licences.

There was considerable feedback about the existing formula. All stakeholders were supportive of using a multi-factor formula approach, recognizing that there are many aspects that should be considered in determining the number of taxis needed to meet demand. While some municipalities issue plates using the single factor of taxi plate to population, there was no support for simplifying the calculation to this

extent. A number of suggestions were made for updating the existing formula. Some suggested that the existing formula is overly complex, while others identified additional criteria that should be included in the calculation.

Some suggested the City should review the formula more frequently than it has. Formal consultation with the industry was also identified as a priority. This consultation was also recommended to be early in the process to allow the industry to provide input rather than simply comment after the fact. Numerous stakeholders expressed concern that the data provided by the industry, which is used in the formula to calculate the number of taxis, is not readily or consistently available. They suggested that there is a need for the City to validate the data prior to issuing plates.

Comments included:

- "I was amazed at the variety of factors included in the formula"
- "The formula is overly complex and has not been updated since 2004."
- "Formula should be simpler and more transparent"
- "Industry was not consulted"
- "Formula is too old, dated – should be reviewed every five years – we need to be involved in the discussion of how to fix it"
- "Data is not always available, resulting in problems with the calculations and inaccuracies"
- "Not consistent in data use and the quality of the data is suspicious as it comes from the industry"
- "Need clear, accurate and verifiable data"
- "A 2 year review of the formula was undertaken in 2012 which indicated that the city had too many cabs (26 over the limit) but the data was questionable and when revisited, results indicated a need for 33 additional plates to be issued"
- "A simpler formula is needed – most important factors – population growth, demand for service, age of population, tourism needs to be considered as a large part of the business is related to tourism"
- "Some factors are missing and others are not appropriate"
- "Should consider all modes of transportation and look at GTA"
- "Formula includes hotels and occupancy as factors but hotel guests frequently use hotel shuttle services and this has not been factored into the formula"
- "The number of calls are not increasing – must consider call volumes as a key factor in determining taxi need"
- "City has great aspirations for more public transportation. If these alternative modes are successful, it will negatively impact the taxi industry and should be considered in the calculation of the number of taxis needed"
- "Formula should consider the impact of car sharing, ride sharing and bike sharing on taxi usage"
- "Consider waiting time of the customer"
- "Formula didn't factor in the 34 accessible taxis on the street"

2.2 Accessible Taxis

There are two AODA regulations relevant to the taxi industry:

- *Integrated Accessibility Standards.* Requires the municipality to establish "the proportion of on-demand accessible taxicabs required in the community" and a timetable to achieve this.
- *Accessibility Standards for Customer Service*. Requires individual taxi service providers to make reasonable efforts to ensure that "persons with disabilities be given an opportunity equal to that given to others" to obtain and use taxis.

The key questions posed to respondents were:

- What percentage of the fleet needs to be accessible taxis in order to meet the AODA standard?
- What options should we consider to achieve this percentage?

Discussion here was wide ranging, covering a number of issues.

Accessible Service Standards

All participants in the consultation process agreed that improving accessible taxi service in Mississauga is necessary.

Stakeholders from the accessible community consistently identified establishing on-demand accessible transportation systems comparable to those serving the rest of the community as essential to enhancing the opportunity for persons with disabilities to participate fully in the community. This was summed up as, *"A lack of accessible service creates barriers for people who are disabled that do not exist for the rest of the population."* Numerous examples were provided to demonstrate that service levels are not equal. Most stakeholders agreed that changes should and must be made to allow all people to participate on an equal basis. While most people have the right to decide at the last minute to participate in a community activity or be on-call for work, this option does not exist for people who require accessible service.

One of the key service standard differences identified between accessible and standard cab service is that customers with accessible needs, must, for the most part, call in advance (typically 24 hours) compared with on-demand service for standard taxi service. One stakeholder stated that the City *"needs to consider the needs of the customers as it is not fair that they have to book ahead and standard taxis are on-demand."* We also heard, *"People with disabilities do not go out because they can't go out."*

Stakeholders stated that GO transit buses and city buses are 100% accessible (or are moving in that direction) and *"taxis are also a public service and therefore should be the same level of service."* A large service provider for accessible service in the city is TransHelp, but as described by stakeholders, *"this is a slow service as it is shared. People with disabilities work and they need a reliable and timely service. We need to create an equal playing field."*

While standard taxi service operates on a 24/7 basis, accessible taxi service is considerably more limited. Stakeholders stated that there is regularly a lack of accessible cabs in the evenings and on Sundays. Consistently, industry service providers and stakeholders identified the need to ensure that people with disabilities have an equal opportunity to obtain and use taxis, and that on-demand accessible taxis are available when needed.

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Consistently we also heard that there is limited data available to fully understand the demand for accessible service as the processes are not in place to track unmet demand. We also heard for one user of the accessible service that, *"Lousy service is given to the disabled and this is holding down the demand."*

Consistently also, the industry raised concerns over the upfront cost of accessible vehicles, higher operating costs (insurance, fuel, maintenance), and the challenge of earning income on trips that take more time to service. There were different opinions about how to move forward on addressing the service delivery gaps in providing accessible taxis. This will be discussed later in this section of the report.

Another challenge cited is that of aligning the service and vehicle to customer needs using traditional dispatch services. As identified by an accessible taxi service provider, to appropriately service accessible customers, you have to ask the right questions: how many passengers, side entry, rear entry, oxygen, size of the wheelchair. It appears that not all brokerages ask these essential questions. We also heard that, "Customers are being let down by some companies that take other calls and put the accessible customers at the back of the queue." Another difficulty identified is related to drivers not accepting seeing-eye dogs in taxis due to cultural mores, and that City enforcement alone cannot address these situations.

Number of Accessible Vehicles Required—Percentage of Fleet

Having heard widespread agreement on the need to enhance accessible vehicle service, the next question examined was the percentage of the fleet that needs to be accessible taxis. Responses ranged from 25% to 100%.

Information on the demand for accessible service is not readily available which concerns the taxi industry since without complete data, it is impossible to gauge how many vehicles are required to meet accessible needs. As one broker stated:

> *"It is a large investment with no guarantee of demand. We do not have data on how many people are confined to wheelchairs and in need of wheelchair accessible service."* We also heard that there is a "*need to work with industry that is involved in accessible service to see what the demand is."*

This was echoed by another member of the taxi industry who said:

> *"No brokerage can provide information on requests for accessible taxis that are not accepted. And no one can provide accurate information on potential load levels, because with the current availability of accessible taxis, a large segment of the population that might actually use this service does not call, as they have had such poor service response in the past."*

It was said that, while there may be sufficient accessible licences, ensuring these are used primarily for accessible service is a challenge. Some industry participants argued that the problem is that drivers use the cars to make a profit, and as accessible business is more time consuming and therefore less profitable, it is not their first priority. There were also differing opinions on the types of vehicles that should be used for accessible service, and as to whether there should be general integration of the taxi fleet or only specific dedicated vehicles. Feedback was also provided about the type of vehicles currently in use and whether the fleet is meeting the needs of all persons with disabilities. Additional discussion on vehicles is included later in this section of the report.

One of the service providers at the airport indicated the need for additional accessible vehicles to meet existing unmet demands. Other brokers operating in the city, with only a few existing accessible plates indicated that to provide an equal level of service, they would require additional plates. This is also necessary to grow the existing accessible business, since with limited vehicles available at some companies, customers requiring an accessible vehicle become frustrated and stop calling having repeatedly failed to get on-demand service.

One long-time member of the taxi industry described the problem with accessible plate issuance as follows:

> *"The current issuance policies for accessible taxis are based on brokerage performance; the higher the broker's load volume, the more accessible taxi plates the City will issue to that broker. The problem with this* approach is, of course, that you cannot provide the increased service without the vehicles. *The exception here is brokers with major contracts such as TransHelp, which can justify requests for extra vehicles without having the historical dispatch figures to justify the extra vehicles.* The *"two accessible taxis per broker" policy in the Bylaw ignores a basic business premise - a two vehicle "fleet" cannot reasonably be expected to provide anywhere near the service that a 100+ regular taxi fleet provides to the general public for a city the size of Mississauga, and, therefore, the "two vehicle accessible" fleet concept is a preordained failure."*

As stated by members of the accessibility community, provision of accessible on-demand taxi service potentially will increase the mobility of many travelers if the service is fully accessible to the wide range of people with disabilities. The goal, therefore, is to identify the most viable solution for providing people with disabilities with the same demand-responsive service as standard taxis offer other travelers.

Through discussions about accessible service, it became clear that "100% accessible service" requires a clear definition. A fully accessible service delivery model does not necessarily translate into the need for all vehicles to be wheelchair accessible. Rather, a variety of accessibility needs must be considered in establishing standards. It was suggested that all accessibility needs be considered and integrated into the service by offering a variety of vehicles to meet the diversified needs of people with disabilities.

A few brokers estimated that 25% of the fleet should be wheelchair accessible to meet needs and the rest a mix of sedans and minivans. The following summarizes feedback received supporting enhancements to the existing percentage of accessible taxis:

- *"50% will be too high."*
- *"An accessible fleet is not 100% vans—it is not necessary nor practical."*
- *"You must have 100% accessibility because you won't get on-demand service without it."*
- *"Mississauga should move forward to 100% accessibility. It is the right choice financially. It is the right choice legally. And it is the right choice morally."*

The following summarizes comments with respect to the challenges of moving to 100% wheelchair

There was significant concern from some brokers about the cost of service and the impact on the value of the plate accessible service. One estimated that "only 5% of disabled needs require a wheelchair accessible vehicle. There are many other types of disabilities that can be serviced with sedans." Other related comments included:

- "If you make it 100% accessible the value of the plate will be zero."
- "Accessible taxis . . 100% is not possible. It would kill the business."
- "100% is not an option due to the cost of service and the lack of willingness for all customers to receive service in an accessible vehicle"

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- "We are not operating as a bus service. We are operating a business and without taxpayer subsidy – we have to make a living"

The Cost of Accessible Service

Industry participants in the consultation process indicated that purchasing and equipping a wheelchair accessible taxi is more costly than purchasing and equipping a standard vehicle. In addition to higher one-time costs, a wheelchair accessible vehicle is more expensive to maintain and operate on a daily basis. The following summarizes comments received:

- **Upfront cost:** Brokers providing both accessible vehicles and sedans estimated the range of upfront cost of purchasing an accessible vehicle to be $35,000-$50,000 compared with $8,000-$10,000 for a pre-owned sedan. They do not believe that revenues are sufficient to offset the additional cost of accessible vehicles as they typically are used for only four to five years.
- **Operating costs:** Industry representative stated that the cost of insurance is considerably higher for a wheelchair accessible vehicle than for a sedan, which increases the annual cost of service. Maintenance costs were also said to be higher because of increased weight and wear and tear on the vehicles. Fuel costs were also identified as higher for accessible vehicles than for sedans.

Ultimately, members of the taxi industry are concerned that the added costs of providing a wheelchair accessible service, which must be assumed by the industry without additional revenues to offset these costs, is too high. According to industry representatives, this is further exacerbated by the fact that a wheelchair accessible taxi typically does not generate the same revenue as a standard taxi vehicle. However, this was not universally accepted as being the case. Mississauga's largest service provider of accessible taxi service indicated that accessible taxi service can, in fact, generate a good income for drivers.

Transition Planning

As stated earlier, there is an unquestionable need to expand wheelchair accessible services to meet community needs and to achieve compliance with AODA requirements. There was also widespread agreement that any change will require a transition plan and a phase-in strategy. Different options and ideas were identified through the consultation process to improve accessible service as follows:

- "Move toward 100% accessibility. Over the span of 7 years (the lifetime a new sedan/minivan taxi), every new vehicle would be accessible. The extra cost of operation would be immediately factored into the meter price; otherwise, the operators of the accessibles would be personally incurring extra expenses not being assumed by the other drivers. In seven years, the entire fleet would be accessible. With no extra taxis on the road, operators' incomes would not be diluted, and in fact, would be enhanced by the extra traffic generated by the improved accessible taxi service available. All drivers would become proficient in the extra duties required of accessible taxi drivers, and those individuals requiring accessible taxis would not be treated as a separate class of passenger."
- "Allow each broker to expand their accessible fleet, determined by their expectation of call levels. Extra "A" plates would be available, conditional on ongoing performance levels. Brokers who cannot develop a business model that justifies the extra number of plates would see these plates revert back to the City. The extra costs incurred (as presently the case) would be partially covered by the subsidy of a no-charge taxi plate, and the hope of higher fare volume. The down side of this approach is the fact that the extra vehicles on the road would negatively affect the income of the existing vehicles, as some of the extra accessible taxi business would be carrying regular fares. Individuals requiring accessible taxis would still be treated as a

separate class of passenger, contrary to the premise that everyone deserves equal and non-differentiated service in Ontario."

- "Issue transferrable accessible taxi plates to independent operators. This would attract operators who, hopefully, were interested in providing this kind of service. However, as presently the case, there would be those operators whose prime interest in the program is the use of a free plate. The value of the plate, and the hope, as above, of an increased fare volume, would be the incentive here. The same downside as above, however, would apply, as there would be more capacity for ambulatory passengers, with no extra volume. Once again, there would be a two-tiered taxi system, with the perceived stigma that is attached to being transported in vehicles plastered with accessible vehicle graphics."
- "Make it a condition when issuing accessible plates that the vehicles will be available 24 hours a day, 7 days a week. Ideally all vehicles should be double shifted."
- Phase in approach to vehicle replacement – Based on industry feedback, vehicles are typically replaced every 5-8 years. A number of stakeholders suggested that as vehicles are replaced; require replacements to meet accessibility requirements.
- "Require brokerage companies have x% accessible cabs, as vehicles are replaced and establish an end date for compliance."
- "Provide the options to the industry as a % of fleet and the rest of the fleet have to meet accessibility requirements to some degree."
- "Issue new accessible plates to drivers not brokers to provide an opportunity for drivers to enter the market and provide service."
- "Make plates non-transferrable to brokers so they do not have a plate value."
- "Over time, issue additional accessibility plates by starting with the existing priority waiting list to see who is interested. Voluntary option should be provided to the first person on the list with no penalty if they don't accept it."
- "Establish/improve an on call arrangement for evenings."
- "Consider incentive programs for companies to convert standard to accessible plates."
- One industry stakeholder identified the need to re-evaluate the long term direction of taxi service stating:

  "We are entering a time frame when a large portion of the population will be aging, and will be requiring a different level of taxi service. This aspect of our marketing plan cannot be determined by figures gleaned from past performance. Only by looking down the road at the new demographics can we point the taxi in a direction that will provide continuing relevance to our industry. Social service transportation provision is also becoming an important part of our industry. These challenges can only be met by changing the way we do business. We need the vehicles and the operators who are able to meet the needs of an aging demographic."

Vehicle and Equipment Standards

Considerable feedback was received on establishing appropriate vehicle and equipment standards to meet the needs of the community. There was consensus that there is a need for a diversified fleet of vehicles to meet the diversified needs of the community. Ultimately, as one stakeholder noted, there is a *"need to remove barriers; therefore you need a variety of vehicles to meet the needs of all."* Some of the key issued raised with respect to vehicles included the following:

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- Industry recognizes that as the population ages, there is a need for better accommodation of many different types of disabilities.
- Entering a wheelchair accessible vehicle is a challenge for elderly customers due to the height of the vehicle. *"Many seniors simply cannot access these vehicles and require a sedan."*
- Seats in accessible vehicles are not as comfortable as a sedan.
- Need to accommodate all types of equipment and wheelchairs which vary considerably.
- There is a need to make it more accessible for parents with strollers – as such accessibility helps not just disabled, it removes barriers for all.
- Change the vehicle standards and factor the cost into the meter rate.
- Design factors need to take into consideration various types of disabilities (hearing impaired, visually impaired).
- Revisit existing technology for payments (e.g., Visa and debit cards)—today's equipment is not consistent from company to company which affects a customer's ability to enter tips or verify amounts, and requires relying on assistance from drivers. This in turn impacts privacy and security related to card access and pin numbers. Installing automatic vehicle locators in taxis for security purposes for the visually impaired was also suggested.

2.3 Plate Issue

The City currently issues new plates from a priority list. Through the consultation process, the following questions were asked of taxi industry stakeholders:

- Are you happy with how new plates are now issued?
- Are there different approaches you would like this review to consider?

There was generally strong support from the taxi industry to maintain the existing priority waiting list for the issuance of new taxi plates. One stakeholder referred to the priority list as *"the holy grail which cannot be touched."* Others supported this premise, stating that the priority list has worked very well for 40+ years.

One member of the industry stated that, "It is generally agreed that the current issuance model, although in need of updating, has served both the industry and the travelling public quite well over the past years. As the Chairman of the PVAC noted at a meeting last year, the only complaints that the City has consistently received concern the supply of accessible taxis."

However, there was some support for re-evaluating the rules and criteria in order to support active and ongoing participation in the industry, rather than treating a plate as an investment opportunity. Others voiced concern that those on the list were no longer active in the industry and would not contribute to its future success.

Concern was raised that there is insufficient validation of the eligibility criteria for remaining on the priority list, and that it is based on the broker's information, without verification by the City. Industry stakeholders suggested that the City verify the accuracy of the priority list by reviewing trip sheets to prove ongoing involvement in the industry.

Concern was also raised as to the type of plate that will be issued through the priority list. One industry representative stated that, "It is not fair to the people who received plates earlier as a standard plate if

the City now issues only accessible plates from the priority list—this creates an unfair playing field – the cost of putting an accessible vehicle on the road is significantly different, as are the ongoing costs." A suggested alternative is to increase accessibility plates through the replacement of existing vehicles. In this approach, every plate would be deemed a standard plate but on the year of replacement, the plate would convert to an accessible vehicle.

It is recognized that plates in Mississauga hold a value well beyond what is paid to the City and is seen as a "de facto" pension plan for those who have contributed to the taxi industry. Based on feedback, it takes approximately 20-25 years to receive a plate from the priority list. Some additional considerations were identified to support an effective delivery of service by committed taxi industry participants. These included:

- As a condition of receipt, a person who receives a plate must drive the taxi at least 40 hours a week.
- When he/she retires, take the plate back and put it back in the list.

According to taxi industry representatives, any change to the issuance of taxi plates must be long-term and gradual. Another key consideration is the need for the City to *"stagger the plate issuances—not put them out all at once—issue so many each month to spread out the impact."*

2.4 Meter Rates

The industry was asked the following questions related to meter rates:

- **Current Rates.** Are current meter rates at the right level?
- **Recent changes in costs.** What have been the significant recent changes in the costs of operation (both higher and lower)?
- **Method of Adjustment.** Are you happy with how meter rates are determined now? Are there different approaches you would like this review to consider?
- **Rate structure.** Are the drop, distance, and time charges appropriately balanced?

From the taxi industry's perspective, one goal in regulating fares includes ensuring that those in the industry are able to earn a reasonable income for their service. Consequently, industry cost conditions must be considered. Adjusting meter rates to reflect changes in costs helps stabilize driver incomes, which in turn influences the quality of drivers retained by the industry. Discussion focused on the cost of service and changes over time in terms of insurance, fuel, and maintenance.

While the industry recognizes that costs have increased in a number of areas since the last fare increase (approximately four years ago), it wants to ensure that future fare increases will not have a negative impact on the demand for service, which some identified as an outcome of the last fare increase. Further, the industry stated that any fare increase is particularly challenging with the entrance of new, lower cost service providers and alternative service delivery options.

It appears that a sizable portion of the current client base is using taxis out of necessity—not simply for convenience—and as industry representatives pointed out, raising fares has a direct impact on such clients, which could "price taxis out of the market."

There was mixed support for the taxi rate formula currently used by the City, reflecting a need to revisit existing practices, policies, and strategies in setting rates so as to improve transparency and clarity. The following reflects feedback regarding the existing formula:

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- "The City does not appear to be following the formula—if the City finds it too high then the City reduces the rate back to a lower increase."
- "The formula, in effect, is not being used."
- "If the formula reflects an 18% increase, then it should be used—drivers costs have gone up."
- "The City should either use the approved formula or revise it."
- "The fares are reviewed every 2 years which is too infrequent"

The following summarizes concerns about raising fares, despite increasing costs:

- "So many illegal services in the industry run at lower costs."
- "The last increase in fares resulted in a significant reduction in usage."
- "Because of the driver community, there is some concern that usage will drop if a rate increase is implemented."
- "Meter rates are fine, do not increase them."
- "Rates are high."
- "If you increase rates it will kill the business."
- "Main driver is to benchmark rates around Mississauga"
- "It's too expensive to take a cab in Mississauga."
- "Most people can't afford taxis. A trip to the doctor can cost $25-$30 each way versus a transit trip of $3.25."
- "We cannot have a significant meter increase"

Alternative options were also explored with the following responses:

- "What about providing a higher rate for nighttime usage?"
- "The airport flat rate is lower—taxis should be able to charge a flat rate as well."
- "You should be able to charge what you want below the meter rate—it should be treated as a cap."
- "The rate needs to be more responsive to changes in the economics. And it should be automatically reviewed every two years."
- "Use increases in rates to support a target of 100% accessible service."
- "The best time of the year to change the rate is winter."

3 Are There Enough Taxis Now?

Before discussing the future, it is important to establish the right starting point: Does Mississauga have enough taxis now? Is there a shortage? A surplus? This chapter combines dispatch data and other evidence to answer this question. Also addressed is whether there are shortages by neighbourhood, or in peak periods such as bar closing, rush hour, or weekend evenings.

Multiple sources of evidence are reviewed. These include:

- Structural analysis of Mississauga's taxi industry
- Comparison to other large cities
- Application of Hara Associates' Taxi Demand Model
- Dispatch data voluntarily shared, on a confidential basis, by some of Mississauga's taxi brokers.

Evidence from each source is reviewed in turn, followed by a final assessment. The supply of accessible taxis is addressed in Chapter 6.

Based on the evidence, we conclude that Mississauga has enough taxis—there is no oversupply at present. Mississauga has sufficient taxis to provide good dispatch response times. The average response time to the door is 9.8 minutes, with 90% of calls served within 15 minutes. Nonetheless, analysis by peak hour and geographic area shows minor weaknesses, indicating that there may be room for a small increase in the fleet. In particular, 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%.

Evidence also suggests that the strong expansion of the fleet since 2004 (17.2%) has been largely supported by strong growth in Pearson Airport passenger volumes, and associated traffic from air travellers choosing to stay in the Mississauga area. The growth in Mississauga's population has not been enough to sustain this expansion, and other factors, such as the declining cost of private car ownership and meter rate increases, would otherwise have led to a decline in Mississauga taxi demand.

3.1 Background

Current Number of Taxis

At the time of writing, Mississauga licenses 708 taxis, of which 40 are wheelchair accessible. This excludes a separate set of vehicles-for-hire licensed to serve Pearson Airport exclusively, as part of Mississauga's share of the Pearson fleet.[1] Taxis in the airport group are not permitted to serve the Mississauga market, and are forbidden from having meters installed. The focus of this study is the 708 currently licensed for the Mississauga market itself.

Clarifying the question: What is a shortage of taxis?

There is more than one way to interpret the question: *Are there enough taxis?* The broadest interpretation is to ask whether there is *any* alternative arrangement that would improve the taxi system and involve either more or fewer licensed taxis than there are now. This analysis would include assessing the effects of possible changes in regulations and meter rates to complement a change in taxi numbers.

[1] There are 336 of these vehicles for hire, of which six are accessible.

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Using this broad interpretation, it is relevant that rights to Mississauga taxi plates reportedly were being traded privately for $200,000 to $220,000 up until last year. Leases of licences, paid by drivers who wish to run their own business but lack the plate, were reported as ranging from $800 to $1,200 per month, depending on the parties involved.[2] *It can be shown that whenever taxi plates command significant market value, there is always an alternative combination of more taxis and lower meter rates that would provide improved service to customers, while maintaining adequate returns to the industry.*[3] However, such a combination would reduce or eliminate plate values, significantly disrupting current stakeholders in the industry. Owner-drivers would see their incomes fall and the value of a cherished asset disappear.[4] There is also the risk of short-term disruption to incomes of drivers who do not own their own licence, although this would pass as plate leases and/or broker fees were renegotiated.

The second and more usual way of interpreting the question is: *How many taxis does a given city need to maximize efficiency, if all other aspects of the system (including meter rates) remain the same?* If there are too few taxis for a given meter rate, then customers will be waiting excessive times and the shortage will cause potential customers to find other means of transport or not take their intended trips (at a loss to both customers and drivers). In this case the system can be improved by adding more taxis.

If instead there are too many taxis for a given meter rate, then taxi waiting times between fares will be excessive. This will manifest in long taxi line-ups at taxi stands, and lengthy waiting time between fares for taxis booked onto a broker's dispatch system. Excessive waiting time means wasted driver time, wasted fuel, and increased vehicle depreciation. In this case, it may be possible to improve the efficiency of a system incrementally by reducing the number of taxis.[5]

This chapter addresses the second interpretation of the question. It offers an opinion as to whether there are enough taxis, *for the given regulatory structure and meter rates.*

Can you ever have enough taxis? Peak, off-peak, and average peak

In simplest terms, you have too many taxis when the supply of taxis exceeds customer demand. But customer demand for taxis is not a constant. There are peak and off-peak times. For example, few cities have enough taxis to meet demand at the moment that bars close on a weekend night. Severe weather also produces shortages of taxis, even when a city may be otherwise oversupplied. Under normal circumstances, we expect the number of taxis to be sufficient to meet demand during an average peak period, omitting extremes. This ensures that customers can usually count on being able to obtain a taxi at any time of day during the week, other than known times such as bar closing, without excessive delay.

In a well-designed system, taxis wait for customers, rather than customers waiting for taxis. We expect that during average peak periods, an efficient system will average a few more taxis than customers to absorb random variations in demand. Since taxi shifts cover peak and off-peak hours, adequate capacity in peaks means that we expect to see excess taxis in off-peak hours, even in an efficient system.

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[2] Stakeholder interviews and industry sources.

[3] The willingness of buyers to pay for plates is an indication that the net rate of return to a taxi exceeds costs, including the costs of the revenue share necessary to attract drivers to operate the vehicle. For revenues per taxi to have reached this level, the plate freeze must be achieving an artificial restriction in supply below optimal levels that would maximize service to customers while providing just and reasonable returns to the industry.

[4] The licence is the property of the city. However, because the rights to the licence are transferable, drivers view it as an asset.

[5] In this case, the net gain in efficiency would result in a short-term increase in driver income. In the long run, it is likely that driver income gain would be lost to the owners of plates (often not the driver) as plate lease fees and/or relevant broker fees increased.

3.2 Structural Analysis: Mississauga Unusually Subject to Outside Forces

The Mississauga taxi market is unusually subject to outside forces, so that decisions by another authority can significantly affect the balance of demand and supply. Two key players are:

- **Pearson Airport.** Airport activity has a significant impact on taxi usage, even for taxis not licensed to the airport. Passengers who stay at airport hotels in Mississauga often commute to and from Toronto and other municipalities during their stay. As discussed later in this report, an estimated 7% involve crossing municipal boundaries. On top of the airport as an economic driver, rule changes at the airport can also substantially affect the number of taxis available for local dispatch. For example, previously a local Mississauga taxi brokerage was contracted by the Greater Toronto Airports Authority to provide the regular peak period contract hours. This affected how many taxis were present for general dispatch within the City. This practice is just one example of how future rule decisions at the airport materially affect locally available taxi supply.
- **TransHelp.** TransHelp is the Region of Peel's public transit service for persons with disabilities. As part of its strategy for cost-effective service delivery, TransHelp makes use of taxis, both accessible and non-accessible, to provide public transit service to eligible individuals (at bus fare). Taxis hired by TransHelp are placed on scheduled service and removed from the dispatch pool of available taxis. Until recently, the number of Mississauga taxis on TransHelp duty included approximately 30 of the accessible taxis—most of the accessible fleet. Again, this can be good for Mississauga taxis, but also raises the question of how Mississauga can manage its taxi numbers, and accessible numbers, given the possibility that a change of practice can add or remove significant numbers from the dispatch pool. TransHelp continues to seek better solutions using more taxis, but is also frustrated by the limited number of licensed accessible taxis available.

Thus any assessment of the adequacy of current taxi supply, or any plate issuance formula, may be accurate at one moment, but then cease to be accurate given changes in airport rules, or TransHelp requirements.

3.3 Comparison with Other Cities: Taxis per Capita

Figure 3.1 compares Mississauga to peer cities in terms of taxis per 10,000 population, based on 2011 census population.

The difference in per capita taxis between cities is quite large—there is no "normal." Numbers vary according to both history and geography. Burlington's high incomes and high rate of car ownership results in lower taxi demand. Toronto's high per capita taxi rate is a result both of its high density, and of the now defunct owner/driver Ambassador taxi program implemented some years ago which greatly expanded the number of taxi plates available.

Excluding Toronto, Mississauga is towards the high end of its peers.

3.4 Hara Associates' Taxi Demand Model

Given the wide variation in per capita taxis, it is not a measure that can be used to assess the adequacy of Mississauga's taxi supply.

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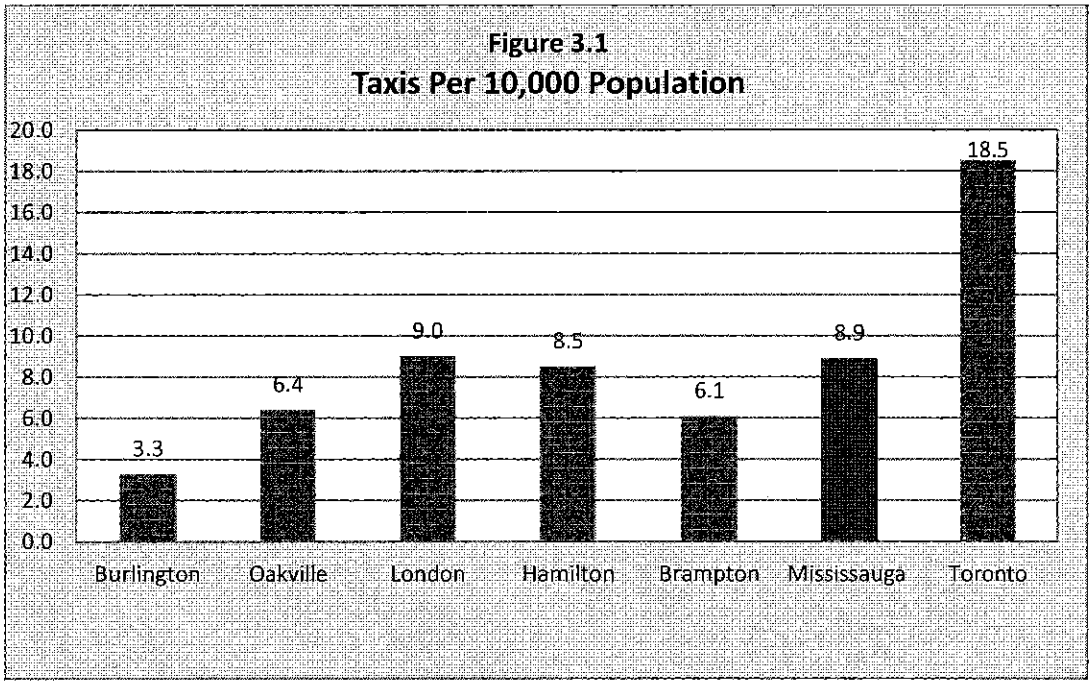


To better account for factors other than population that affect differences between cities, Hara Associates maintains a Taxi Demand Model. It is a proprietary regression-based model that estimates the demand for taxis as a function of:

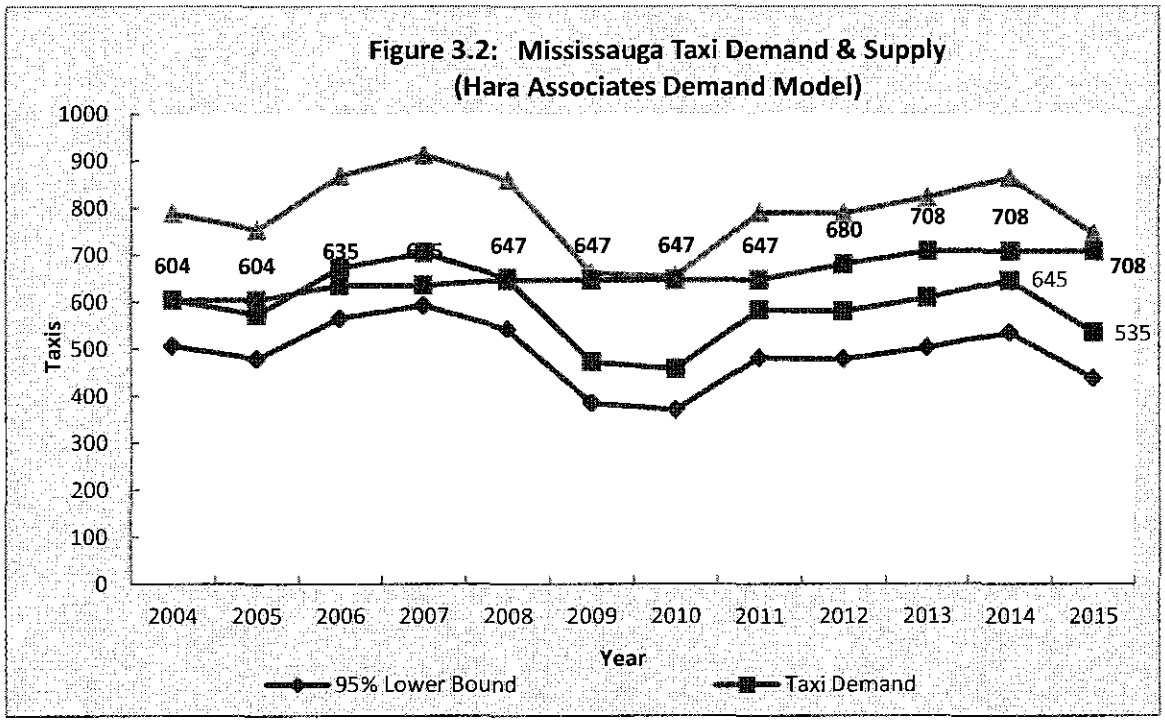
- population
- cost to the customer (meter rates)
- proportion of commuters
- proportion of low income population
- length of winter
- local cost of car ownership.

By accounting for all these factors rather than only for population, the Demand Model has demonstrated itself to be a statistically valid predictor of the number of taxis required by a municipality. As a statistical model, it does not generate a single number, but provides a high-low range within which 90% of cities with Mississauga's characteristics can be expected to fall. Falling outside this range would be cause for concern.

The demand model may be used to track the relative changes in Mississauga taxi demand since the current Bylaw was established in 2004.

Figure 3.2 shows the result from 2004 to 2015. The solid green line shows the number of authorized licences. The authorized fleet expanded from 604 in 2004 to 708 today, an increase of 17.2%. However, this overstates the increase since it includes some 28 accessible taxi plates issued to serve TransHelp and not fully participating in the taxi pool. Disregarding these, the number of taxis participating in the dispatch pool increased from 604 to 680, or 12.6% over eleven years.

The central red line shows the main estimate of relative change in taxi demand over the period, beginning with 604 taxis in 2004. The dotted red lines indicate the high and low estimates of the model. Ninety percent of cities with Mississauga's characteristics fall between the two dotted lines.



Following the central estimate red line: Demand rose from 2004 until 2008 due to population expansion, increased commuter employment in Mississauga, and the rising cost of owning and operating a private vehicle. 2008 saw a broad economic recession, combined a significant increase in meter rates. With the recession, the costs of private vehicle ownership also fell. All these factors had the impact of reducing taxi demand, as shown by the dip in the red line after 2008. Beginning in 2010 there was a slow recovery in demand, driven again by population growth and rising costs of private vehicle ownership. Estimated demand growth peaked at 645 last year, but has fallen precipitously due, again, to the falling cost of car ownership (primarily lower fuel prices). Should lower fuel prices continue, the Mississauga taxi market will see a decline in locally-generated demand as more families purchase second private vehicles.

The recent decline in gas prices in 2015 may be a short term anomaly. If we disregard 2015 and take 2014 as our end point, we see that the relative increase in taxi demand increased from 604 to an estimated 645 – or 6.8%. Meanwhile Licensed taxis (adjusting for TransHelp) have increased approximately 17.2% from 2004 to 2015. The model suggests that taxi supply has been increased more rapidly than demand since 2004.

The model is, however, only one tool. It accounts for more factors than population, but not all factors affecting demand. Additional factors specific to Mississauga also need to be accounted for.

Missing Factor: Growth in Airport Passenger Volumes

Not included in the demand model is the disproportionate impact of Pearson International Airport on the Mississauga taxi business. An airport's impact is normally captured indirectly by the model through population and the other variables. However, Pearson's activity is driven by the entire region yet, as noted in the structural analysis, it has a disproportionate impact on Mississauga taxis through the business generated by travellers who stay in Mississauga.

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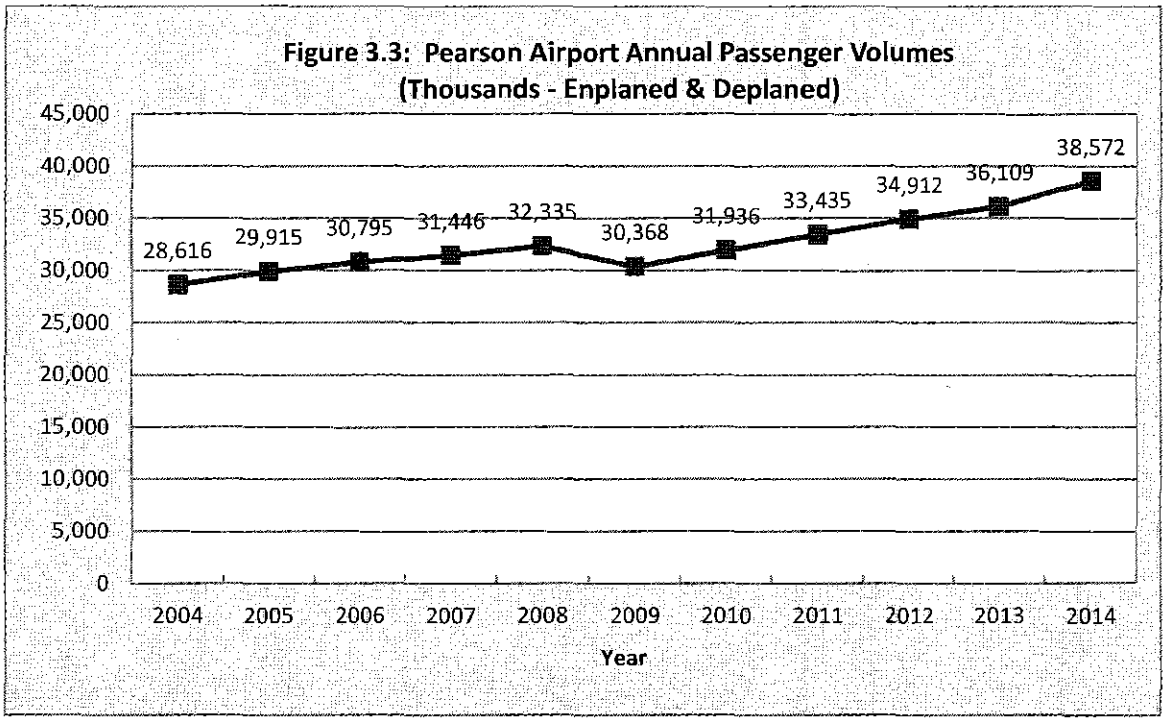
Figure 3.3 shows steady strong growth in Pearson passenger volumes, with only a slight dip during the 2008/2009 recession.[6] Over the eleven years, passenger volume has increased by 34.8%.



3.5 Dispatch Response Times

Has the impact of airport growth overcome other factors and provided enough business to keep current Mississauga taxis busy?

Mississauga is fortunate to have had the cooperation of some of its brokers who provided full disclosure on dispatch response times. Modern dispatch systems include GPS positioning, and time of meter-on and meter-off, although this data is not always retained by companies. Cooperating Mississauga brokers provided individual trip records covering several months, on the assurance that results would be combined to show the overall picture, and that individual company data would not be disclosed. Hara Associates compiled and processed the data accordingly.

With complete data for a variety of seasons, the adequacy of current supply can be conclusively answered.

Mississauga has good dispatch response times

When taxi supply is good, you should not have to wait for a taxi. For dispatch, most customers expect their taxi to reliably arrive within 15 minutes of the call. This will not happen 100% of the time, as there will be bad weather, and office parties on the last Friday before Christmas, and then the regular crunch at peak period like bar closing. However, a good percentage should arrive within 15 minutes.

[6] Source: http://www.torontopearson.com/en/gtaa/statistics

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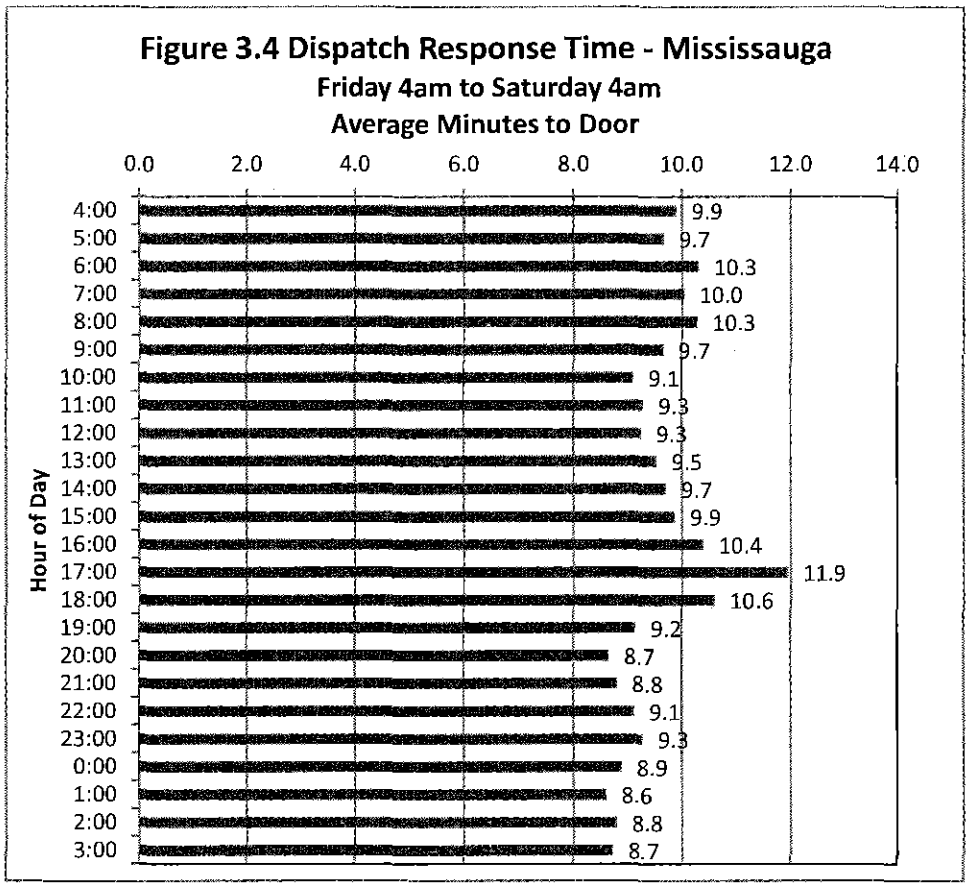
Los Angeles is one of the few cities to set and enforce a standard for response time. There, if less than 80% of calls arrive within the 15 minute window, taxi companies are subject to discipline up to and including revoking their franchise and associated taxi plates. 80% is a bottom line standard—90% is preferable.



The good news for Mississauga is that the average dispatch response time is 9.8 minutes. In addition, 90.01% of dispatch calls were served within 15 minutes. This more than meets acceptable overall standards.

For a clearer picture, it is also helpful to look at peak periods to see if the standard is met. Figures 3.4 and 3.5 show the most challenging day—Friday through to 4am Saturday morning. Average dispatch response time on a Mississauga Friday peaks at 11.9 minutes at 5pm—likely reflecting commuter demand combined with slow rush hour traffic. Interestingly, bar closing times seem well served, with average response time at less than 9 minutes.

Turning to Figure 3.5, the news is less good but still reasonably satisfactory. During most of the day and night, more than 90% of calls have the taxi arrive within 15 minutes. In the worst period (again Friday at 5pm), only 83% of trips meet the standard—but this still is in excess of the overall 80% minimum threshold.

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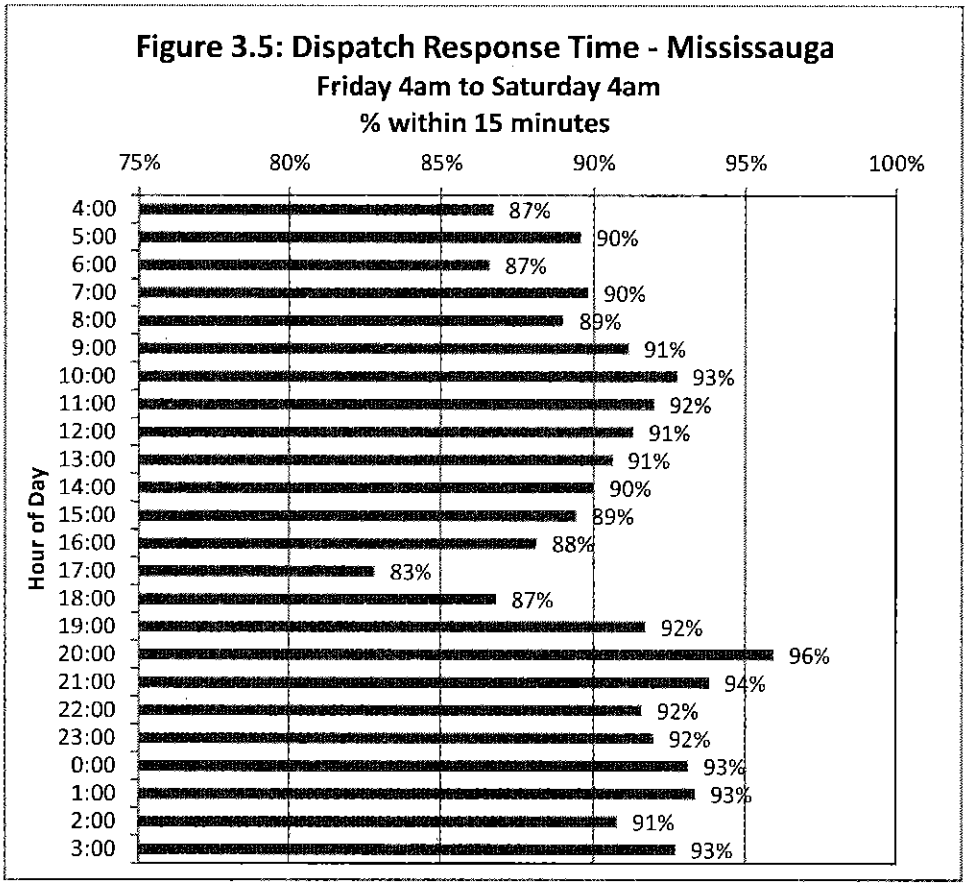

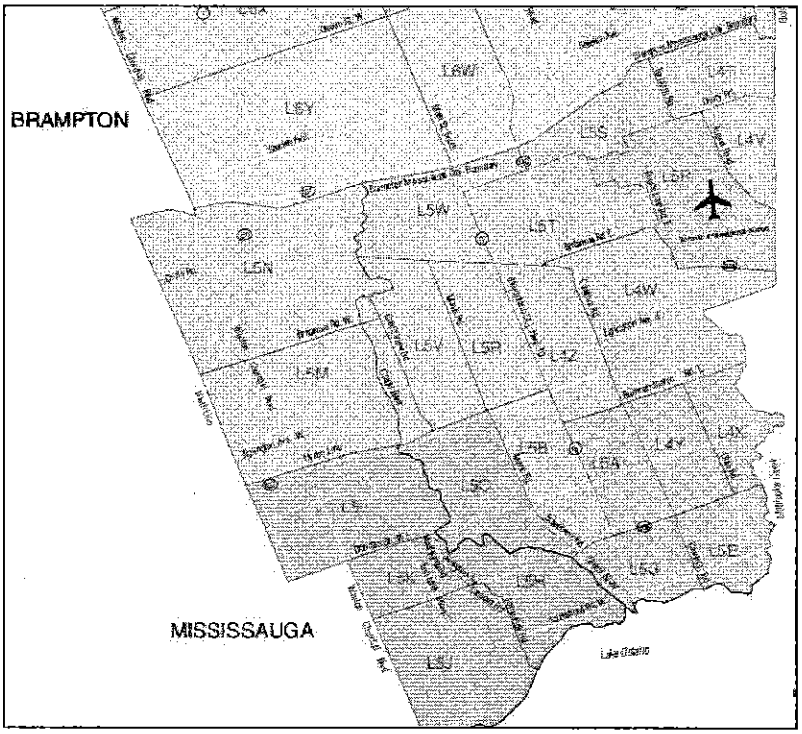

Figure 3.6: Geographic Regions Used for Dispatch Analysis

Analysis by Geographic Area

Good overall response time can mask deficient service to some neighbourhoods. To check for this possibility, the study team divided Mississauga into six geographic areas based on postal code, geography, and airport hotel concentrations. The map in Figure 6 shows the areas used, as indicated by the colored zones and associated postal codes.

Analysis did find some moderate weakness in dispatch performance, primarily in the northeast, near the airport. Weak times of day were:

- Weekdays 8am to 9am avg.12.5 minutes—only 75% less than 15 minutes.
- Weekdays 4pm to 6pm avg. 13 minutes—only 77% less than 15 minutes.
- Saturday (Friday aft midnight) and 7pm Saturday are also issues.

Similarly if you are calling for a taxi in the northwest on a weekday after 2am and before 4am, only 77% of calls will arrive within 15 minutes.

3.6 Conclusion on Adequacy of Mississauga Taxi Supply

The dispatch data shows that:

- Mississauga has reasonably good taxi service, with an average response time of 9.8 minutes and 90% of calls arriving within 15 minutes. Coverage is also good by time of day, with even the worst period (5pm on Friday) still arriving within 15 minutes more than 80% of the time.
- Some moderate weakness in supply is shown for areas near the airport during weekday rush hours and some points late on weekend nights. Here, less than 80% of calls arrive within 15 minutes.

The combination of good dispatch times with slight weakness at some times and areas suggest that Mississauga's taxi supply is adequate, but there is room for a minor increase in the fleet size. The latter point is a consideration in how quickly the accessible taxi supply might be expanded (discussed in Chapter 6).

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4 Approaches to Plate Issuance

The previous chapter showed that the current number of Mississauga's taxis is adequate, and a reasonable starting point for any formula or regime changes for managing taxi numbers into the future. This chapter compares Mississauga's current approach to managing taxi numbers to approaches taken by other cities and recommends a way forward.

A distinction is drawn between formula approaches, and non-formula approaches. Two recommendations are offered. One is a simpler replacement for the formula used now. The other is recommended if Mississauga chooses to take a broader approach to managing taxi numbers. It is also recommended that whatever formula Mississauga adopts, no new plates be issued until the matter of regulating TNCs (e.g. Uber) is resolved.

4.1 Current Plate Issuance Model

The simplest, most common plate issuance formula is a *per capita* formula, whereby one taxi licence is issued for every X thousand population of the city. There are also a variety of more complex approaches.

Mississauga's current plate issuance model rates as one of the most complex. It falls within the category of *weighted growth factor* models. In this approach, the percentage increase in the number of taxi licences is tied to the percent growth in a number of other factors, each weighted at various levels of importance. Thus population may matter, but so may tourism volume as measured by hotel rooms occupied.

The actual formula for Mississauga takes up five pages of the *Public Vehicle Licensing Bylaw* (Schedule 13). Table 4.1 summarizes the growth factors that are included. There are a total of 22 growth factors divided into five categories. The factors range from hotel occupancy rate to the number of licensed bingo nights. Each is assigned its own weight—however the formula includes summary weights as shown (e.g. population factors get a collective 30.4% of the weight).

To apply the bylaw, the City's licensing branch must identify the rate of growth of each factor over the previous two years and then apply the formula.

Formula Developed by Consensus

Ideally, a growth factor formula is developed based on statistical evidence. Potentially relevant factors are checked for their statistical significance in explaining past variation in taxi trip volumes. The most relevant are combined in a formula in which the weights given to each are consistent with the combined explanatory power (through a technique termed *regression analysis*). Although many things contribute to taxi demand, this process usually boils down to the few most relevant and statistically valid factors.

The large number of growth factors in the Mississauga model reflects its origin. It was developed on a consensus basis among stakeholders, rather than through a statistical process. Industry stakeholders were surveyed about a wide variety of suggested growth factors, and the weight given to the set now in use simply reflects the number of respondents who thought they were important. This has advantages and disadvantages.

Table 4.1: Current Mississauga Plate Issuance Formula Summary of Growth Factors		
Category of Growth Factors	**Total Weight Given to Category (adds to 100%)**	**Individual Factors That Must Be Calculated Each Year**
1. Number of Trips Dispatched by Brokerage	17.2%	Trips dispatched
2. Increase in Business Industry	11.1%	Number of hotel rooms Hotel occupancy rate Number of convention group nights Number of licensed bingo nights Number of banquet halls Office occupancy rate Number of theatres Number of banquet halls Number of licensed bars, Restaurants, taverns, etc. Square meters of shopping centres, malls, and plazas GO transit ridership
3. Population Related Factors	30.4%	Population Population in apartments and townhomes. Number of social assistance cases Senior population
4. Information on Drivers/Operators	11.8%	Driver daily income Operating expenditure Ratio of drivers to taxicabs
5. Licence Value (Plate Value)	29.5%	Sale price (between private parties) Average lease price
	100%	

Advantages of the present formula are:

- **Breadth of coverage.** With one exception, each of the growth factors is potentially relevant. For example, if GO transit ridership increases, there will be more commuters seeking taxis at the station, plus the volume of transit ridership also suggests households are choosing to have fewer cars (e.g., forgoing a second car).

  The one exception is taxi driver operating expenditure. It is not clear why an increase in costs to drivers (say, an increase in the price of fuel) will result in more customers. One could argue that more costs mean the taxi is busier and using more fuel, however driver income is already included as a direct measure.

- **Recognition of plate values and plate leases.** The formula explicitly recognizes the link between plate values and the need for more taxis. As taxis become busier, they make more money and the plate is worth more—but customers are also waiting longer at peak periods for

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a taxi. A relative increase in plate values is a good indicator of the need for more taxis. Plate lease value is an even better indicator, as it is not distorted by general economic factors like prevailing interest rates and return on equity.

- **Peace.** Because the number of taxis affects the value of a taxi plate, any formula is contentious. In the consensus process, everyone gets a say and a vote.

Disadvantages of the present formula are:

- **Not evidence based.** The weight given to factors is dependent on their popularity rather than on their actual contribution. For example, there is the aforementioned inclusion of driver operating costs, even though it is dominated by the more relevant driver income.
- **Available data not consistent or reliable for all factors.** While occasional studies or compilations provide numbers for some of the factors, reliable and updated numbers are not consistently available for all of the factors. Worse, even when numbers are available, definitions and measurement methods may be revised from year to year by the primary users of the data. When this happens, the City's bylaw department needs to notice (which requires expertise in each area), and make appropriate adjustments. Some of the data sources are also heavily reliant on other data sources. For example, driver income can be calculated by taking copies of driver trip sheets that the bylaw requires be kept. However, in every city, trip sheets are notorious for being poorly kept. Plate value, as reported to the City, is also highly variable.
- **Difficult and expensive to administer.** Finding and renewing data sources for each of the 22 growth factors, checking data integrity, and performing the four-page calculation accurately, pose challenges for bylaw staff. In the case of the number of hotel rooms, for example, originally was based on reported rooms via the Greater Toronto Hotel Association. This membership-based report, was later replaced by an inventory conducted by the City's Planning and Building Department.
- **Prone to error.** With the above issues, the application of the formula is subject to error. For example, in 2012, the previous 2010 calculation was reviewed and the indicated decrease in taxis for that year was changed from 24 to 26 taxis.
- **Not transparent.** Given its complexity, it would be difficult for members of the industry or the public to accurately review application of the formula or assess its results.
- **Excludes the airport.** Activity at Pearson International Airport is not included, presumably because Mississauga airport taxis are licensed separately. As discussed in previous chapters, it is plain that the volume of passengers through the airport has a significant impact on the volume of taxi traffic in the city.
- **Perverse Results.** The market entry of an unlicensed provider (Uber) will skew the formula's results perversely. Uber has cut into taxi revenue, and made the future uncertain. Reflecting this uncertainty, plate values can be expected to fall sharply, as will lease values in response to the lower revenue per taxi. Taking these factors into account using the current formula, will indicate that the taxi industry should shrink substantially—but this effectively cedes market share to the unregulated entrant, a truly perverse outcome. The industry might prefer to compete with more and better service (in addition to seeking regulatory solutions).

4.2 What Other Cities Do

At the outset, it should be acknowledged that not all cities do what their bylaws say. In cities that have a per capita bylaw formula, responsibility for applying the formula may not be identified. The number of taxis may lag behind population growth until the shortage arouses public protest. At that point, applying the formula will be controversial because of the long delay.

Mississauga has a good reputation in having regularly applied its bylaw.

Table 4.2 summarizes the principal approaches taken by other jurisdictions to manage the number of taxis. Details are provided below. Discussion is divided into formula approaches and non-formula approaches.

Formula Approaches

Fixed caps. Under this approach, a fixed number of taxis is written into a bylaw or regulations. Change happens only if these are reviewed or amended. Toronto uses this approach. Ambassador plates are now being consolidated with older regular plates into the new Toronto Taxi Licence; however the combined total has not been changed. A fixed cap is also used in Regina, Edmonton, and in the Province of Quebec.

A disadvantage of a fixed cap is that it places the practical responsibility for update on the City administration. Without a defined methodology for a review, a significant level of expertise must reside within the City or Province. This is easier at the provincial level. The Province of Quebec regulates the number of taxis in each municipality, but does so using frequent reviews by technical staff, regular consultation, and public hearings.

In Toronto, although taxis have been at the forefront of public policy, the total number of taxis has remained fixed since the start of the massive expansion of plates for its Ambassador owner/driver plate program in 1998. In recent reforms, Toronto consolidated all its taxi licences in a new class of taxis that provide wheelchair accessibility. However the total number of taxis has remained fixed.

In the worst case, there is simply no review or updating of the number of plates until a crisis forces legislative attention.

Fixed caps tend to occur when the primary motivation is to close a previously open industry. At the time of enactment, the fixed number includes current operators and is generally considered "more than enough."

Per capita formula. For this commonly employed approach, the bylaw includes a number such as one taxi per X thousand residents. Ottawa and Sudbury use per capita formulas. The Town of Oakville, mentioned by stakeholders during interviews, changed its per capita formula from 1 per 2,000 to 1 per 1,500 residents, phased in over time. The change was controversial among industry members who reported a resulting decline in business per taxi and associated plate value. Oakville is currently undertaking a broader review in the context of TNCs.

The advantage of a per capita formula is simplicity, combined with a defined method that ties taxi supply to a very relevant indicator of civic need. Data on population is relatively easy to get both through the census and municipal data collection. Ontario's Ministry of Finance also posts estimates and projections of population growth (albeit for the region of Peel rather than Mississauga alone).

The disadvantage is that there many other factors that affect taxi demand in any city. In Mississauga, these factors are compounded by regional economy issues, including the impact of airport volumes as discussed in the previous chapter.

Multi-factor formula. These tie new licence issue to a number of factors in addition to population. This is what Mississauga does now. The City of Brampton takes an approach similar to Mississauga's, evidently sharing some common history on the evolution of their method. As discussed earlier, under best practice, the weight given to each factor is evidence-based and uses a statistical process to measure the correlation of the factors with taxi trip demand. Examples include the past practice

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Table 4.2: Principal Approaches to the Number of Taxi Plates Issued By Other Jurisdictions

Plate Issuance Approach	Advantages	Disadvantages
Formula Approaches		
Fixed Cap (e.g., Toronto, Quebec, Regina, Edmonton)	• Simple	• Taxi supply lags civic growth until action triggered by crisis • Alternatively—there must be sustained expertise in the City or Province attending to the technical details of reviewing taxi market conditions
Per Capita Formula	• Simple. Population data easy to get	• Approximate, excludes many relevant factors
Multi-Factor Formulas	• More accurate (when evidence-based)	• Requires at least 10-year history of taxi trip volumes or similar • More challenging to administer
Non-Formula Approaches		
Public Convenience and Necessity	• Responsive to circumstance • Provides avenue for new entrants	• Poor practical results due to incumbent advantages • Large administrative overhead from hearings • Out of fashion due to barriers to new entrants
Service Standard	• Expands taxi supply when needed to correct service decline	• Requires effective company reporting • Requires civic administrative overhead to analyse performance • May not recognize systemic underserved taxi markets.
Open Entry	• Very simple • Takes the City out of formula game. • Open to competitive entry	• Record of failure during U.S. deregulation experiments of 1970s • Excess entry during recessions results in falling driver incomes, lower service quality, driver protest, and pressure to close once more • High enforcement costs during recessions
Entry Managed By Licence Fee	• Very simple. • Takes the City out of formula game. • Open to competitive entry • Prevents excessive entry during recessions • Protects plate value/industry profitability at level chosen by City. • Generates revenue for City from new entrants. Revenue can fund bylaw enforcement or accessible taxi programs.	• Although a well-known alternative, there are no example major jurisdictions that have taken this approach • Lack of clarity in Ontario law concerning permissible licence fees

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of the City of Toronto. Prior to introducing its Ambassador program, Toronto maintained a model that included such factors as hotel rooms and public transit volumes, each given a weight based on past correlation with taxi trip counts. The City of Sudbury also used to employ a multi-factor model based on the Hara Associates Taxi Demand Model. In a simpler example, the City of Houston uses a two-factor formula—population and local airport passenger volumes.

The advantage of a multi-factor formula, under best practice, is the greater accuracy and sensitivity to the needs of a city.

Among the disadvantages of a multi-factor formula is that it is demanding in terms of the historical data required. It is necessary to have at least a ten-year history of trip volumes to estimate how important various factors are to trip demand. Without that history, the list of factors is notional. There are always many relevant factors—but which are important and by how much? A second disadvantage is the technical expertise and administrative overhead required to maintain the system.

Non-Formula Approaches

There are also approaches that avoid setting and maintaining a formula.

Public convenience and necessity (PC&N). This regime is common to many areas of licensing and regulation. It has a long history and considerable case law governing its practice. It is administered by judge or tribunal. Potential entrants, or those who wish to expand their fleet, must demonstrate that the expansion serves public convenience and need. A public hearing is held where other parties, notably incumbent firms, may challenge the application.

PC&N is a classic approach that has fallen from favour in recent decades as governments have sought to reduce regulatory burdens. In Ontario, intercity trucking deregulation largely removed the PC&N regime for that industry. For taxis, the largest current example in Canada is the Province of British Columbia. The BC Passenger Transportation Board holds hearings on applications for taxi licences by region, as well as setting fares and managing other transportation regulation.

The advantage, in the ideal, is that it permits a rule of reason in each case.

The disadvantage, more evident in practice, is that it gives incumbent firms a significant advantage in preventing new entrants or expansion of existing fleets. This in turn leads to supply shortages over time as the needs of the jurisdiction grow. Part of the problem is that the burden of proof is on new entrants to show they are needed. There have been experiments with reverse onus regimes where incumbents must show why an application should *not* be granted. However, it is difficult to redirect a long legal tradition. A well-known example is Denver, Colorado where efforts of both municipal and state legislators to change the rules failed to change the behaviour of judges and commission members (see references to the case of *Mile High* taxi company).

Another disadvantage is the high public expense of holding hearings, as well the expense for participants.

Service standard. Rather than setting a particular number of taxis, the City uses performance standards to manage taxi numbers. For example, if taxi service is too slow, more licences are issued. The advent of computer dispatch systems (now decades ago) has made this approach feasible, but examples are rare. The City of Calgary uses this approach as part of its management of taxi numbers. Taxi companies each provide the City with a monthly computer file containing all trips dispatched and response times. The City processes this data, monitoring dispatch response time for both regular taxis and accessible taxi service requests. The results are used to guide the advisory committee's reports to Council.

The advantage of this approach is that it is results-based, and keeps the City in touch with actual service performance. The success of implementing accessible taxi service can also be monitored.

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Disadvantages are the administrative investment in monitoring. Collecting the data is fairly straightforward, as most modern dispatch systems generate the necessary data, however, taxi companies may need to invest in understanding all their system capabilities, and pay a programmer to develop a report that meets the city's specification (a one-time expense). The measurement regime also does not provide a complete picture. Taxi dispatch can be fast for areas served, but systemic shortages of taxis may still be present in potential markets where people are choosing to drive, or own a second vehicle, because taxis are difficult to obtain. The absence of taxi trips to and from these areas will mean they receive low weight in the performance measurement.

Open entry. Given the challenges of managing entry, a natural question to ask is why bother at all? Under an open entry regime, anyone who qualifies as a driver, meets vehicle standards, and pays a nominal licensing fee, may enter the market. Most other industries are managed like this.

While intellectually appealing, there are reasons why open-entry is not a common regime. Most cities limit the number of taxi plates in one way or another. There are public policy reasons for this, along with a large body of policy literature. Briefly, the role of taxis as a residual employer means that, unlike other industries, supply rises when the economy falters. If anyone can take their private vehicle and become a taxi, then the unemployed begin to flood the market, reducing the income of long-term drivers and forcing experienced drivers out of the market. This has implications for customer service (the experienced drivers are driven out), public safety, and public peace. Depressed taxi incomes lead to under-maintained vehicles that place others at risk on the street, whether or not they take taxis. In serious recessions, the excess supply also leads to disturbances in public peace as drivers fight at stands, and an overburdened bylaw administration trying to police new entrants and keep them up to standards. The results are also expressed politically. City Council chambers are flooded with protesting taxi drivers asking that their industry be closed. Among Canadian open-entry cities, Edmonton and Halifax were the last holdouts, and both closed entry in recent decades during periods of economic recession and driver protest.

There is also the well-documented history of taxicab deregulation in the 1970s. That decade saw widespread support for deregulation in many industries, ranging from telecom to airlines to taxis. As documented by Teal et al (1987), a number of U.S. jurisdictions deregulated taxicabs.[7] In addition to removing limits to the number of taxis, controls over meter rates were typically eliminated, and other regulations, such as extra vehicle inspections and driver testing, were relaxed.

The results of these taxi deregulation experiments were mixed at best. Although the supply of taxis expanded dramatically, fares often went up instead of down, and total cab usage often went down, which reduced incomes for companies and drivers.[8] Long cab lines usually emerged at major sites like airports, frustrating drivers. Seattle is well known for its decision to re-regulate a few years later, restoring the caps on licence numbers. Many other cities followed suit.[9] Phoenix was an exception.

In summary, open-entry has the advantage of simplicity and allowing competitive entry. It has the disadvantages of periodic crises whenever the economy turns down, with negative impacts on driver incomes, customer service, and public safety.

Entry managed by licence fee. In this approach, the City no longer sets a fixed number of plates, but guards against excessive entry by setting a significant annual licence fee. Older licencees are allowed to continue renewing at older fee levels, but any additional licences require the higher licence fee.

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[7] Teal, Roger F. and Mary Berglund, "The Impacts of Taxicab Deregulation in the USA", *Journal of Transport Economics and Policy*, January 1987, pp. 37-56.

[8] ibid.

[9] Of the ten cities identified by Teal and Berglund, the majority (six) have returned to closed systems at the time of writing. The re-regulated US cities include San Diego, Seattle, Sacramento (recent freeze in 2011), Kansas City, Oakland, and Portland.

Advantages of this approach are:

- **It allows the City to choose the level of profitability it wishes to protect.** If the desire is protect current plate value levels, then the annual fee would be set equivalent to the current plate lease rate (in Mississauga's case this would be $800 to $1000 per month, or $9,600 to $12,000 per year). Alternatively a lesser value might be chosen, one sufficient to keep plates valuable and motivate provision of the more expensive accessible taxis.
- **It allows competitive entry**. Anyone who thinks they can do better than the present providers can take out licences directly from the City, rather than having to negotiate purchase of the plates from existing holders.
- **It lets drivers acquire their own licence.** When an individual driver wishes to commit to the industry, they too can acquire a licence from the City instead of seeking someone who wishes to sell one. Even when drivers prefer to lease from old plate holders, the bargaining relationship is more balanced, as the driver always has the option of obtaining a new plate from the City.
- **Current plate holders are protected.** Through this process, the City effectively sets a ceiling on plate leases of older plates, since no driver would pay more than what they could pay the City for a new plate. In exchange, plate holders operate in a regime that recognizes and legitimates the level of revenue to plates. In addition to the increased security from the new framework, the explicit regulation more readily enables financial institutions to recognize the value of the plates when plate holders use them as bonds. In a further benefit, it can be shown that the long run stabilization of plate lease revenue effectively makes older plates a less risky asset in the financial sense, increasing the value of the plate to potential purchasers.

  In exchange for the City choosing to stabilize the return to existing licences, current plate holders receive the security of explicit recognition of their value. This makes the plates easier to use for financial purposes at the bank. In the long run, it can be shown that the stabilization brought to lease rates of plates from this policy raises plate values by an additional amount.
- **Plate numbers are driven by market requirements.** The City no longer has to establish a set number of plates. When demand increases, industry members will find it profitable to take out additional plates. The number adjusts automatically to market conditions, as in other markets.
- **Lower administrative costs.** The City no longer has to review and maintain formulas on plate numbers.
- **Potential revenue can be used to improve service or enforcement.** Initially revenues from new plates may be quite low. However, as the city grows and the need for taxis increases, more new plates will be taken out. The revenue can be used to pay the costs of bylaw enforcement, or put back into programs such incentives to provide effective accessible taxi service.

Disadvantages of this approach are:

- **No current examples.** Although a well-known solution in other regulatory frameworks[10], taxi regulation through licence fees is not currently practiced. The strongest endorsement so far came from an international inquiry conducted by the Australian state of Victoria. That inquiry, led by the former head of their competition bureau, recommended the approach. It also recommended a fee that would effectively have reduced plate value to half its previous level. The Victoria government, after a second review, endorsed the recommendation. However,

[10] In economic terms, the principal is *duality*. Anything a regulator wishes to accomplish in quantity terms can be accomplished by an equivalent measure focused on price. Both can get you to the same point on consumer demand. Application ranges from international trade quotas to regulating money supply. The approach is particularly useful when there is uncertainty about the quantity required, but have greater clarity on the price.

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controversy over the plate value reduction, combined with a change of government, has left this recommendation in limbo.

As a result, any city that implements this process will be in the position of an innovator.

- **Possible legal issues in Ontario.** Ontario law has restrictions on how much money can be raised by licensing fees. However, the underpinnings and interpretations of this restriction are not clear. The history of the issue is around preventing municipalities from taxing lawful businesses out of existence for moral reasons (e.g. massage parlours). Its relevance or application to a bylaw that effectively makes entry the industry more open remains to be determined.

4.3 Analysis and Recommendations

Hara Associates offers two alternative recommendations. One is a replacement formula for plate issuance. The other is recommended if Mississauga is willing to consider non-formula approaches.

Recommended Plate Issuance Formula

A multi-factor formula is a preferred approach when evidence based. Unfortunately Mississauga lacks a reliable ten-year record of trip volumes, the minimal requirement for conducting the appropriate statistical analysis. In addition, the burden of maintaining any multi-factor formula is significant.

As detailed earlier, the present multi-factor formula involves some 22 factors selected and weighted according to a voting process. While there are many relevant factors in the formula, there is no evidence-based weighting, and the lack of historical data means that such weighting cannot be credibly determined. In addition, data sources are not consistently available for all the factors. Data collection and the application of the four-page formula is prone to errors, and a great deal of staff time both inside and outside bylaw enforcement must be devoted to updating the calculation.

In addition, the time spent by stakeholders in engaging in the complex process is a distraction given the more urgent challenges the industry faces.

In the absence of data to support a more complex approach, Hara Associates recommends a simpler formula based solely on population and traffic volumes at Pearson International Airport.

Recommendation 4.1: ***Plate Issuance Formula.*** *If Mississauga wishes to use a plate issuance formula, it is recommended that the number of taxi plates issued to operators for use within the city be increased by*

- *1% for every 1% population growth in Mississauga, or part thereof; plus*
- *0.07% for every 1% growth in passenger traffic at Pearson International Airport as indicated by enplaned and deplaned passenger totals; plus*
- *The number of taxis and accessible taxis required by TransHelp contracts.*

Application would begin with the number of taxis licensed for 2015, with annual adjustment in future years.

Population is a primary indicator of taxi demand. Including Pearson passenger volume recognizes that it is an important source of taxi trips within the city, not just to and from the airport, and that the volumes are reflected regionally, not just by Mississauga's own population. The weight given airport taxi volumes reflects findings from dispatch data noted in Chapter 3. Of the dispatch calls where both origin and destination were identifiable, approximately 7.0% crossed municipal boundaries.

Taxis contracted by TransHelp are effectively taken out of the dispatch pool for much of their service period—they are providing public transit service and need to be accounted for separately. Adoption of the suggested formula would empower Mississauga staff to coordinate with TransHelp to easily

facilitate expansion in the use of Mississauga taxis. We note that this is important to the industry as TransHelp can easily source taxis from other municipalities within the region. Facilitating TransHelp is also important as it uses taxis to provide better and more cost effective service to its client base.

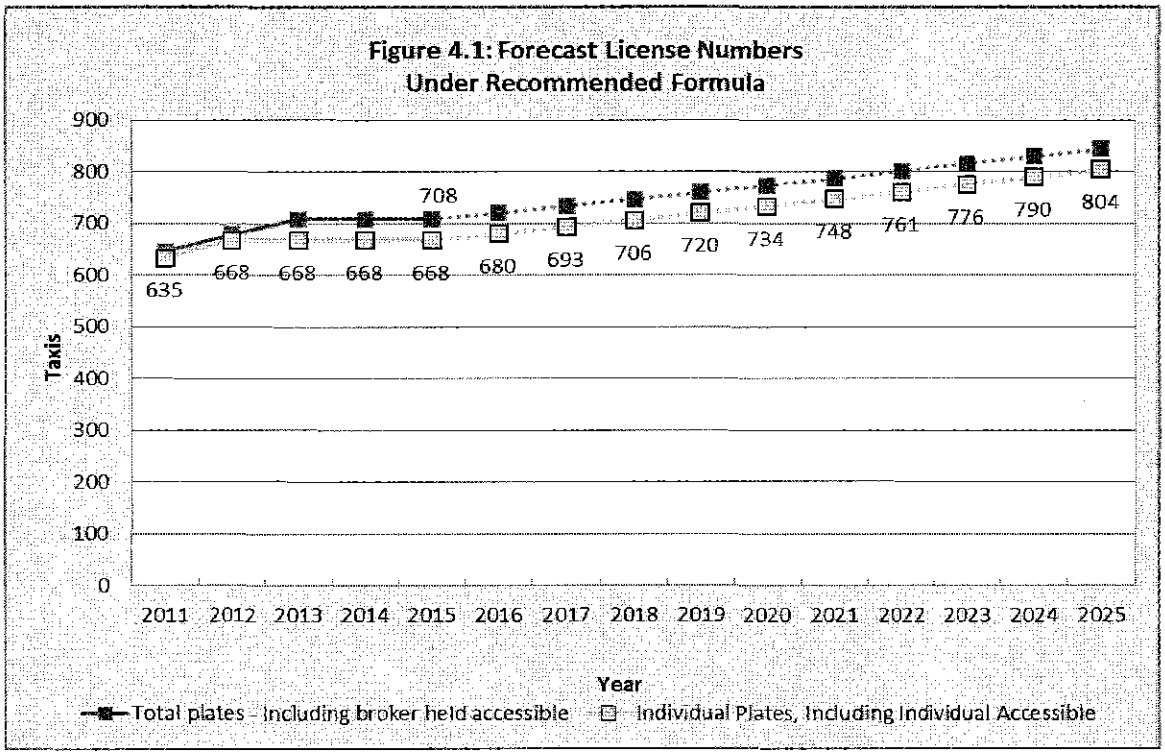
Data sources for the formula are publicly available on a consistent basis. In addition to Mississauga civic estimates, estimates and forecasting of population growth in the Region of Peel are provided regularly by the Ontario Ministry of Finance. As well, monthly enplaned and deplaned passenger estimates are reported by the airport to Statistics Canada for publication.[11] The most recent numbers are also posted on the Toronto Pearson International Airport website.

The simplicity of the formula, relative to the current formula, allows for more frequent and responsive application on an annual basis.

Figure 4.1 provides a forecast growth of licences under application of the formula. The forecast is based on forecast population growth for Peel by the Ontario Minister of Finance[12], and forecasts of Pearson passenger volumes posted on the airport website.[13] Population growth is forecast at 1.6% annually in the coming years, while airport passenger growth is projected to increase by 2.8%.

Figure 4.1 shows two lines. Individually issued plates (which in the future may include accessible taxis) are forecast to grow from 668 at present to 804 by 2025. In addition to individually owned plates, there are two accessible taxi plates currently issued to each broker, plus an additional number that were issued to fulfil previous TransHelp contracts. This brings the total to 708. Future totals would be subject to TransHelp arrangements.

Figure 4.1: Forecast License Numbers Under Recommended Formula



[11] Enplaned and deplaned passengers are the most common measure of activity. Although it includes passengers in transit, the figure is relatively consistent and reliable. Data on passengers actually leaving the terminal is less frequently available, and the methodology for estimation more subject to change.

[12] *Ontario Population Projections (http://www.fin.gov.on.ca/en/economy/demographics/projections/)*

[13] *Report of the Airport Consultant to the Greater Toronto Airports Authority*. Axis Consulting Inc., 2014.

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Distribution of Plates and the Waiting List

There is currently a waiting list for new plates. Some people have been on the list for a considerable time, and have paid fees and met conditions for remaining on it. Industry stakeholders almost universally felt that the current waiting list for plates should be respected even though there are drawbacks to the system.

Among these drawbacks are:

- The need to consider the group's legitimate concerns complicates any present or future regulatory reform.
- The list may create unreasonable expectations for those far down the list as to whether they will receive a plate.
- Getting on the list requires awareness of the nature of the system. Long serving drivers may not realize the importance of putting themselves on the list until many years have passed.

If designing a system from the beginning, Hara Associates recommends using the continuous years of service of active taxi drivers as a fairer method of distributing plates.

Recommendation 4.2: ***Waiting List.***

a) The waiting list should be closed, and new plates should be offered to those on the waiting list until such time as the waiting list is exhausted.

b) After the waiting list is exhausted, new plates should be offered to active drivers with the longest continuous service to that time. The list administrators may notify those eligible, however responsibility for applying should rest with the applicant.

Recognition of Current Crisis in Vehicle-for-Hire Industry

Recommendation 4.3: ***Resolution of TNC Regulation.*** *With the exception of licences issued to serve TransHelp contracts, the issuing of taxi licences under the present or recommended replacement formula should be held in abeyance until Mississauga resolves the regulatory framework for TNCs such as Uber.*

As discussed in the introductory chapter, at the time of this study, the industry has been undergoing a major competitive challenge. The increased number of people with smartphones has led to the development of new internet-based services that directly connect passengers and drivers. Leading firms include Uber, Lyft, and Hailo. A generic term for these firms is Transportation Network Companies (TNCs). Uber has been particularly active in Toronto and the surrounding region, has held recruiting meetings for drivers in Mississauga, and offers service in Mississauga. While convenient for customers, TNCs introduce issues for regulators because they effectively act as dispatch, bypassing brokers licensed by municipalities.

The resulting negative impact on trip volumes for current Mississauga taxi operators has been significant. The Mississauga taxi industry is especially vulnerable since it is primarily dispatch-based and lacks the street-hail market that taxis serve in cities like Toronto. In this climate of uncertainty and lower revenue, it would be difficult to ask the industry to accept the issuing of more taxi licences.

Resolution of the TNC issue is outside the scope of this study, but is being tackled on an urgent basis by many cities, including Mississauga.

Recommendation if a Non-Formula Approach is Considered

Any formula approach is subject to inaccuracy. In addition, as discussed in the introduction, Mississauga is uniquely vulnerable to decisions by other authorities, such as changes in rules governing Pearson airport.

What would be desirable is a system in which:

- Mississauga could choose the level of profitability in the taxi industry it wishes to protect;
- The inaccuracy and expense of maintaining a formula is avoided;
- Drivers who wish to commit to the industry are able to acquire a plate of their own easily; and
- New companies with new ideas have a means of entering the industry.

The Entry Management by Licence Fee approach, detailed earlier in this chapter, meets all these requirements. It is a well-known solution to the quandary of how to protect current incumbents while opening a licensing regime to new entrants and increased customer demand. It is also fairly simple—it only requires setting a different and higher annual licence fee for new plates issued by the City.

However, the approach depends upon the will to risk innovation, and its application to taxi regulation lacks noteworthy examples (apart from the findings of the Victoria Taxi Inquiry conducted in Australia). It also requires clarification of restrictions in Ontario law concerning bylaw licensing fees.

Recommendation 4.4 ***Entry Management by Licence Fee***

a) That Mississauga consider replacing its formula approach to numbers of taxis with entry management by licencee fee.

b) That in support of this consideration, Mississauga seek clarification on restrictions to the level of licence fees in Ontario and, if necessary, seek reform from the province to permit municipalities to utilize this option.

A move to entry management by licensing fee raises the question of the waiting list for plates.

Recommendation 4.5 ***Waiting List with Entry Management.*** *In the event of a shift to entry management by licence fee, members of the waiting list be offered the new licences at a reduced annual fee, pro-rated according to their years on the waiting list.*

For example, those at the top of the list might receive a plate that could be renewed at the same rate as the older class of licences (effectively a free plate). Those at the bottom of the list might have the option of obtaining one of the new plates, with the ability to renew at 90% of the rate being charged to someone coming off the street. Those in the middle of the list would have the option for a plate at a renewal rate discounted somewhere between these extremes.

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5 How Many Accessible Taxis?

Wheelchair and mobility aid users are heartfelt in their desire for reliable taxi service. Whether for work, or to be able to go out Saturday night like everyone else, having reliable transportation options is part of having equal opportunity for a full life.

Community support for accessible taxi service is reflected in the *Accessibility for Ontarians with Disabilities Act* (AODA). The AODA requires municipalities to establish "the proportion of on-demand accessible taxicabs required in the community"[14] in consultation with its Accessibility Advisory Committee,[15] and to set a timetable for meeting this goal.

This chapter assesses the percentage of Mississauga's fleet that should be wheelchair/mobility-device accessible. After providing background, alternative target service levels are discussed along with the number of taxis likely to be needed to achieve each level. A target percentage of accessible taxis is recommended, along with an approach to implementation.

5.1 Background and Considerations

The Principle of Integration

The AODA reflects the principle that, where possible, disabilities should be accommodated within existing services rather than by constructing separate systems. This is pursued both for reasons of social integration, and for efficient use of society's resources. Consequently, wheelchair accessible taxis are typically integrated with general taxi service. They pick up any dispatched fares, but are available for priority assignment when a wheelchair accessible taxi is requested.

Consensus that Current Service is Unacceptably Poor

Mississauga currently allots two accessible taxi licences per broker, with more available to any broker who can demonstrate a business plan to put more service into place. In practice this has meant extra plates issued to service TransHelp contracts (see previous chapters).

Thus, although Mississauga has issued 40 accessible taxi plates, most are being driven primarily on scheduled routes for TransHelp public transit contracts.[16] Thus they are not reliably in the dispatch pool. In addition, the high cost of insurance for adding a second driver has caused much of the industry to single-shift cabs—suggesting that many accessible taxis go home with the driver after finishing their TransHelp runs.

During interviews, the assessment of service quality by most industry stakeholders matched the assessment by members of the Accessibility Advisory Committee (AAC). Reliable accessible taxi dispatch, or any form of accessible taxi, is difficult to get. The typical story involved the need to book at least 24 hours in advance—with no guarantee that a taxi will be available. There are dedicated drivers of accessible vehicles who work to serve this market. There just is not enough capacity to provide the on-demand service that AODA mandates. To reliably get to a wedding or birthday party, people in mobility

[14] Section 79, *Integrated Accessibility Standards* (regulation under AODA).
[15] Municipalities with a population greater than 10,000 must establish such a committee. This may be fulfilled by continuing the existence of any similar committee that pre-existed the AODA.
[16] TransHelp arrangements are in the process of being restructured.

devices often must consider expensive alternatives, such as booking a patient transfer service and paying hospital rates.

What does 100% accessible mean? Accommodating a diversity of disabilities

One line of thinking is that all taxis should be wheelchair accessible. This is the approach taken in London England, where the specially designed London cab accommodates wheelchair users and all others using a single unified design. Toronto recently committed to 100%, despite a contentious reconsideration by the new council after the last election.

However, not all disabilities involve wheelchairs. Many seniors prefer a regular sedan in which the seat height and position make it easy to enter or back into the cab. There are also other disabilities. Consultation with members of Mississauga's Accessibility Advisory Committee included passionate discussion about a person with knee braces, and their challenges accessing some wheelchair accessible vehicles.

In the end, with substantive debate, participating AAC members upheld their long standing objective of a 100% accessible taxi system, but felt that the definition of 100% accessible should be understood to mean 100% accessible to all forms of disability. This position is consistent with the AODA. The AODA asks municipalities to set a percentage target for wheelchair accessible taxis, but also requires the industry to provide effective service to all types of disability.

Discussion with the Older Adult Advisory Panel (OAAP) also reflected this debate. In terms of seniors with mobility concerns, there was recognition of this as a need to be accommodated, but also an interesting comment from one senior who liked the high SUV-like seats for entering—he found the ceiling height and higher seat easier to mount. Members of the OAAP did not ask that all taxis be wheelchair accessible, but spoke of percentages ranging from 50%, as a compromise, or a percentage equal to the portion of the population who use mobility devices.

Thus, the position that respects all disabilities seems to be that a 100% accessible system involves a diversity of vehicles to accommodate the diversity of disabilities.

Fortunately, the taxi dispatch system allows this possibility. When one is waiting for a bus, the bus that arrives is the only one in that moment. This means all buses must be designed to meet a common accessibility standard. With taxis, the dispatch system has a choice as to which vehicle to send to your door. This allows for a diversity of vehicles, but requires enough wheelchair accessible taxis in the pool to ensure that prompt on-demand service is available to all customers regardless of their mobility needs.

Related issue: Aging population will increase demand

Wheelchair use is correlated with age (See Figure 5.1).[17] As the baby boom generation moves through its later years, the growing number of wheelchair users will increase the demand for wheelchair accessible taxis. In addition to meeting the mobility rights of people with disabilities, providing accessible taxi service will help people live in their own homes longer, resulting in greater personal satisfaction and lower social costs.

[17] Shields, Margo. "Use of wheelchairs and other mobility support devices." Health Reports, Vol. 15, No. 3, May 2004. Statistics Canada 82-0003.

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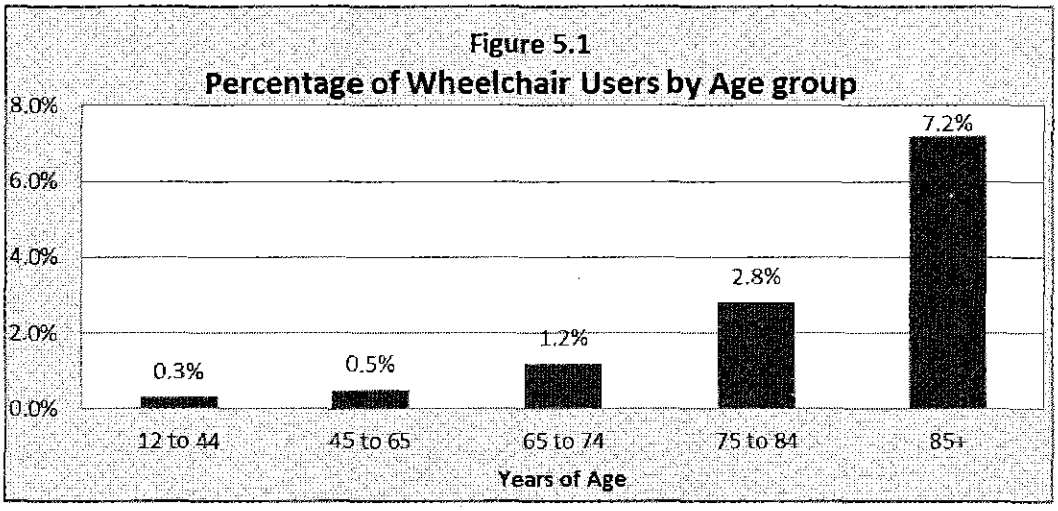


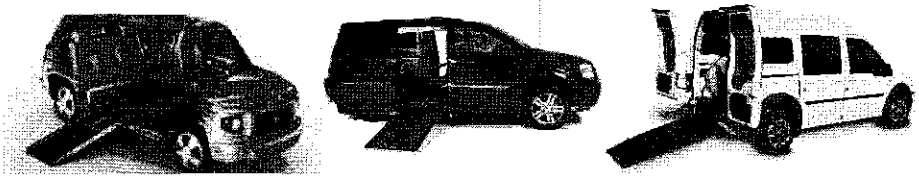
Type of Accessible Vehicle

Part of the policy discussion on accessible taxi service revolves around the type of accessible vehicle one envisages. Is there a vehicle type that would accommodate everybody? Principle choices are illustrated in Figure 5.2.

The most common vehicle is the adapted family minivan. This is what predominates in Mississauga. It is usually rear-loading and accommodates the broadest variety of mobility devices, some of which can be quite large. It also has the lowest initial price for owner-drivers, although still costing significantly more than the typical taxi vehicle.

Figure 5.2: Types of Accessible Taxis

	Purpose Built	Minivan	Compact Van
Fuel Economy	Least	Middle	Best
Initial Price	Most	Lowest	Middle
Entry	Side	Either	Rear
Service Network	Low	High	High
Room For Mobility Devices	Most	Middle	Least



Cities that want high numbers of accessible taxis may consider a more expensive solution—the purpose-built taxi. England's London taxicab is an example. These vehicles are designed from the ground up to be taxis, and have enough room to accommodate a wheel chair or mobility device (although not all sizes on the market today can be accommodated). Another example is the MV-1, a larger vehicle being developed in North America. The idea is to provide an accessible taxi that is also attractive to most users. However, there are trade-offs. For example, the MV-1's rear seat is necessarily set back to make room for a wheelchair. This makes entry difficult for those who use walkers, and for anyone who prefers to back into a seat from the curb while holding the door frame or a grab bar.

An intermediate solution is the adapted commercial compact van. These vehicles typically are altered by the original vehicle manufacturer. They offer a lower seat height and room for larger mobility devices.

Recommendations on vehicle type are outside the scope of this study. For now, we note that there is no type of vehicle that will accommodate all disabilities. More expensive choices will accommodate more types of disabilities, but no single vehicle type will accommodate everyone.

5.2 Choosing a Level of Service

Requirements of AODA

How many accessible taxis are needed? At least enough to fulfil the requirements of the AODA. In regulations governing customer service, the AODA requires, for all Ontario industries that "persons with disabilities be given an opportunity equal to that given to others to obtain, use, and benefit from the goods and services". This means that service standards for mobility device users must be the same as for others as is practically achievable. In addition, this must be achieved without charging a different fee than other customers pay.

Note that AODA establishes this as a right—it is not dependent on how many mobility device customers there are. As business people, some industry stakeholders expressed the desire to see customer volume before investing in expanded accessible service. The AODA has a different expectation— it sets a standard of service which an individual using a mobility device has the right to expect. In addition, the regulation places the obligation directly on service providers, whether or not the municipal government assists by providing the required regulatory framework.

Also note that:

- The more accessible taxis there are in the general dispatch pool, the more taxis there are to share the cost of responding to accessible taxi requests, thereby lowering costs for any vehicle;
- With increasing numbers of people with disabilities as the population ages, the market volume is likely to be there once the service is reliably available.

Estimating an adequate percentage of accessible taxis

Because AODA sets a service standard requirement, the question of the percentage of taxis that should be accessible is an operational problem: how many accessible taxis do we need in the dispatch system before service-on-demand is readily available, and where the speed of service is not readily distinguishable from how quickly other dispatch requests are served?

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The greater the proportion of the fleet that comprises accessible taxis, the more closely the level of service to those with mobility disabilities will approach regular service levels. Conceptually, four potential levels of service can be defined. In declining order they are:

1. **Equal Service Levels.** The only way to ensure that every call for an accessible cab is responded to as quickly as every call for a standard cab would be to have every taxi in the city accessible. This would be consistent with the approach taken for public buildings (universally accessible for new buildings and eventually for all older buildings). A downside to this approach is the negative impact on the accommodation of other types of disabilities, for which AODA also requires accommodation.

   The taxi industry would also find a 100% accessible standard a significant financial burden. It would impose a cost of around $45,000 for every new vehicle on all existing taxi licence holders—an expense that would have to be renewed every five years or so.

2. **Reasonably Comparable.** A "reasonably comparable" level of service is one that ensures a cab is available for every call (barring extreme weather) and available for dispatch from within the same general area of the city. This would result in occasionally slower, but generally reliable timeframes comparable to any other customer.

3. **Generally Available**. A "generally available" level of service is one that ensures an accessible cab is available for every call (barring extreme weather) and available for dispatch from within the same general area, but may have to complete a prior call before responding (i.e., the accessible taxi may already be carrying a fare or traveling to pick up an assigned fare at the time of the request). This would result in somewhat slower, but perhaps acceptable response times.

4. **Basic Service.** Basic service ensures that all calls can be accommodated, but the accessible taxi might have to be assigned from another part of the city, and may have to complete its current fare. This would mean a significantly higher average wait time than other taxi users experience at the same time of day.

Of the above, only levels one and two meet the AODA standard. The number of taxis required to reach the level one is 100% of the fleet. Determining the number of accessible taxis needed to meet level two (or the other levels) is a statistical exercise.

Estimating the proportion of accessible taxis required by service level

Because accessible taxis serve the whole market, both wheelchair customers and others, they will be distributed randomly throughout the city at any given moment. Thus, one can never be completely certain that an accessible taxi will be available in the immediate neighbourhood. It is possible, however, to obtain an acceptable level of certainty. For example, one may ask: "How many accessible taxis are necessary for it to be 90% likely that an accessible taxi will be in a given geographic zone and available for a fare when a request comes in?"

The steps required to answer this question entail:

- **Division of Mississauga into geographic dispatch areas.** The geographic dispatch areas should represent the largest possible units where a taxi in the zone can reach a customer in that zone in reasonable time. A good guide is the taxi zones set up and used by the taxi dispatch companies themselves—since this is the problem they are solving with their own systems. For the purposes

of this calculation, the city is divided into 27 zones. This represents a middle choice between the various Mississauga taxi company dispatch maps.

- **Estimating the average number of taxis during peak.** During peak hours, almost all of the Mississauga fleet is active. Conservatively counting only the 668 plates issued to individual operators produces an average occurrence of 25 taxis per zone.
- **Determine the number of accessible taxis necessary to meet service levels 2 and 3**. Taxis spend more than half their time with the meter off, even in a busy system. Thus if only one taxi is available in a zone, there is at least a 50% likelihood that it will be busy and any new customer will have to wait. This is "basic" service. If there are two taxis in a zone, it is likely that one will be immediately free for dispatch. This corresponds roughly to "general availability." If there are three in a zone, the odds are high that one will be available for immediate dispatch. This is "reasonably comparable" service.

Given the above, it is possible to calculate the number of taxis that achieve a 90% likelihood of providing level 2 or 3 service in the urban core.[18] Table 5.1 summarizes the results.

Table 5.1: Summary of Options for Accessible Taxi Service Levels in Mississauga (Based on Core Fleet of 668 Taxis)*

Approach	4 Basic	3 General Availability	AODA Compliant 2 Reasonable Comparability	 1 Equal Service Level
Accessible Licences Required (% of fleet)	61 (9% of fleet)	102 (15% of fleet)	138 (21% of fleet)	668 (All of the fleet)
Service Level Experienced by Clients with Wheelchairs/ Mobility Device	Virtually all trips served but wait times may be longer and occasionally very long when a taxi must be dispatched across the city	Virtually all trip requests served, many trips with some waiting periods	All trip requests served, most within similar timeframe to other taxi requests	All trip requests served, wait times the same as other taxi request.

**Does not include some 40 current accessible taxis, most of which are allocated to TransHelp.*

From the table, we see that increasing the number of accessible taxis to 21% of the fleet, over and above any contracted to TransHelp, would achieve reasonably comparable service (and a vast change in lifestyle options for those using mobility devices). At this level, variation in response time would be the same as for other customers 90% of the time, and probably indistinguishable from service received by others given the generally rapid dispatch response times prevailing in Mississauga.

The choice of service level between level 2 and level 1 is a community choice. The AODA does not set a standard for individual communities, but does require discussion and that there be a community plan to fulfill agreed upon objectives over time.

[18] Based on the binomial probability distribution.

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5.3 Recommended Choice for Mississauga

Recommendation 5.1: ***Percent Accessible Taxis.*** *Hara Associates recommends that Mississauga set a target of 21% of taxis being mobility device accessible. This level will ensure that an accessible taxi is near the required address when a call is received, and allow dispatch systems to provide a response time that is reasonably equivalent to that received by other customers. Achieving this will radically improve the lifestyle choices available to people using mobility devices. The percentage of less than 100% also allows for a diversity of other types vehicles to meet other disability needs.*

This percentage is in addition to accessible taxi licences issued to fulfil TransHelp contracts.

5.4 Implementation: How do We Get There?

The usual approach to offering accessible taxi service is to do so by issuing new accessible taxi plates as the industry's needs expand. Those on the waiting list may choose to decline and wait longer, but most accept the extra cost of putting an accessible taxi into service rather than waiting an additional indeterminate time.

The number of accessible plates required to reach the 21% target is at least 140 more than at present. Based on the recommended formula, and the projections detailed in the previous chapter, this is close to achievable in a ten-year time frame. By 2025, using the formula recommended in this report, Hara Associates projects approximately 136 more taxis would be required (See Chapter 4, Figure 4.2).

There are drawbacks to a slow phase-in:

- Those with mobility devices want and need material change now.
- A minimum scale is necessary to provide any form of reliable service. Even achieving the "basic level" of service discussed in this chapter would require about 61 more accessible taxis (9% of the fleet). As well, without minimum reliability, mobility device customers will tend not to use the service. Those using mobility devices are less able to risk being stranded than are other customers.

However, a more rapid expansion of the accessible fleet also raises issues. There are only two ways to achieve it:

- **Release extra new plates ahead of formula.** Releasing 61 plates over the next two years would achieve at least a basic level of accessible service, and anticipate the formula projection for plate needs up to year 2020. The industry is unlikely to feel comfortable with such an expansion in the current climate of uncertainty resulting from TNCs. This approach also assumes that projected increases in population and Pearson traffic materialize to provide business for the increased fleet.
- **Force conversions on existing plate holders.** Some industry stakeholders felt this could be done by requiring conversion to accessible taxis when currently registered vehicles reach their maximum allowed years of service. However, doing this for only a portion of the fleet will place an unfair burden on those unfortunate enough to have their vehicles "expire" first.

Given these considerations, the following compromise is suggested:

Recommendation 5.2: ***Accessible Plate Issue.*** *All new issues of plates should be accessible taxi plates until the 21% of fleet target is met.*

Recommendation 5.3: ***Accessible Plate Plan.*** *To achieve a minimally efficient scale of accessible service in the next two years:*

a) 30 accessible plates be released in each of the next two years, in advance of plate issuance formula requirements.

b) Such plates be offered first to the waiting list. Any remaining plates be offered to brokers, then to senior drivers.

c) A condition of such plates is that they be put into service in the dispatch pool for at least 40 hours per week.

d) Any plates not taken up by active industry members be reserved until the end of the two-year period.

e) At the end of the two-year period, if the additional plates have not been taken up, they should be issued to brokers proportionate to registered fleet size, with the requirement that they be put into service as a condition of being licensed.

f) Where plates are issued to brokers under (e) above, the required service period should be doubled to a minimum average of 80 hours per week over the year, combined with a general duty to provide accessible taxi service on-demand.

As with the recommendation in the previous chapter, implementation of these recommendations should be suspended until a framework for TNC regulation is resolved.

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6 Meter Rates

This chapter addresses two questions:

- Are current meter rates at the right level?
- How should meter rates be managed over time?

6.1 Background

History

Mississauga taxi meter rates were last adjusted in 2010. Since that adjustment reflected the increased taxation of the industry under HST harmonization, arguably the last adjustment was in 2008, seven years ago. In the intervening period, operating costs have risen, especially for taxi insurance which occurred to varying degrees across Canada around 2013.

Industry Reluctant to Raise Rates

As discussed in Chapter 2, Stakeholder Views, most industry stakeholders are reluctant to increase rates despite the lack of an increase over this long period. They fear losing business. At the beginning of this study, there were general concerns that business was being lost to limousine companies running short trips out of hotels, and about price resistance among Mississauga residents. The latter concern increased during the course of the study as Uber's market penetration was felt.[19]

This has prompted some stakeholders to raise, the possibility of being allowed to charge *less* than the official rates.

Policy Objectives and the Law

Cities regulate meter rates primarily to protect consumers. In the absence of regulation, passengers cannot assess a fair price given the variable nature of the service in terms of both distance, and the quality of vehicles and drivers. Regulated meter rates provide a convenient guide, and avoid situations of haggling or exploitation (as on a lonely street late at night).

Although rates are set for the benefit of the consumer, the concerns of the industry also must be considered. The broader framework of common law places duties on governments when regulating the price of any product or service; prices must be set high enough to allow firms in the industry the opportunity to make a *fair and reasonable* rate of return on their investment. To achieve this, the industry's cost conditions must be considered. Cities typically change taximeter rates in response to changes in industry costs.

Another relevant consideration is the value of a taxi plate within the jurisdiction. Over time, the limited right to operate tends to accrue a value. Taxi plates in New York City (termed medallions) are auctioned for as much as a million dollars. Mississauga plates were reputed to be worth between $200,000 and $220,000 at the beginning of 2014, although that price is likely falling given current industry uncertainty.

When people are willing to pay to enter an industry, it is evidence that returns to capital are higher than generally available—prima facie evidence that the regulator's duty to permit just and reasonable returns is more than met.

[19] At the time of writing, it appears the limousine shuttles from Mississauga hotels also have begun to disappear due to competitive pressure from Uber.

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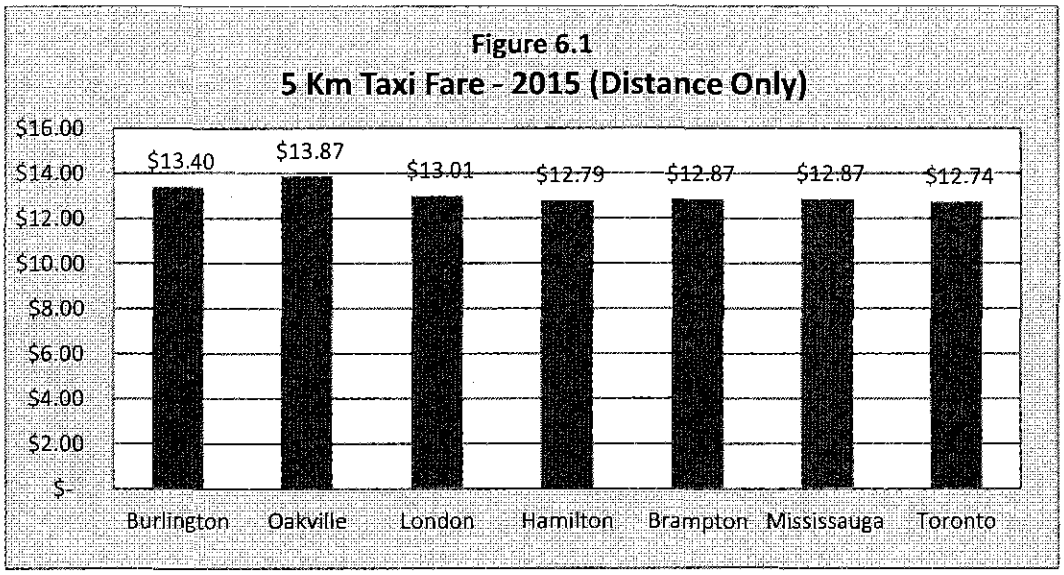
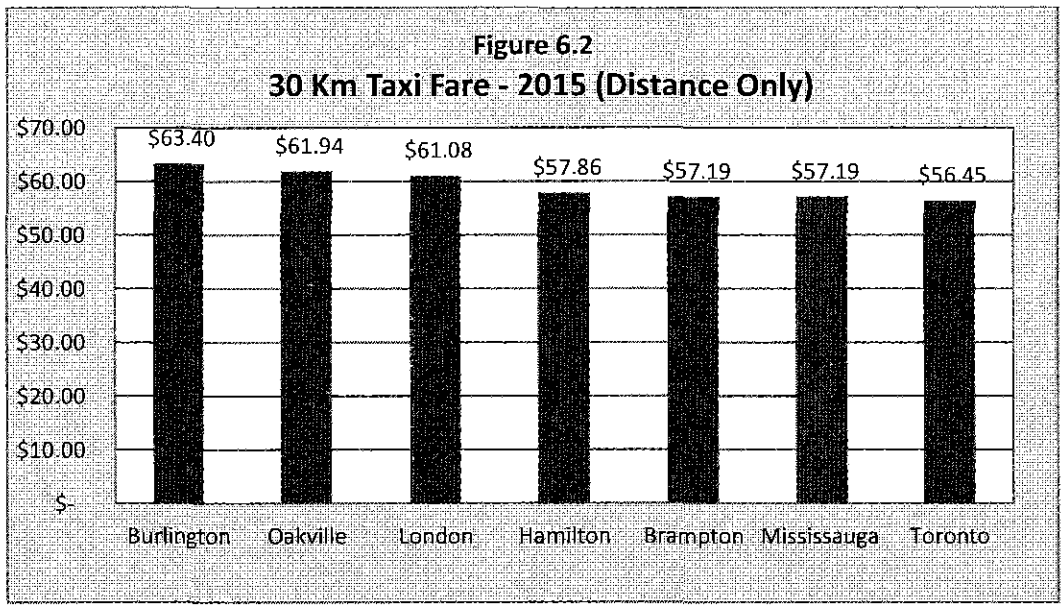
In the presence of plate value, cities still manage meter rates on a relative basis, adjusting them proportionate to changes in industry costs. A well-managed rate preserves a moderate level of plate value consistent with a healthy industry, and provides a predictable environment in which all industry participants can plan for the future. If rates are left unadjusted while costs rise, service may be disrupted as industry players do not make the needed long-term investments in equipment and service, and energy is shifted to determining who is bearing the cost burden and how this is to be ameliorated.

6.2 Comparing Meter Rates in Other Jurisdictions

Figures 6.1 and 6.2 compare meter rates for Mississauga with peer Ontario jurisdictions. The comparison shows that Mississauga's current rates are competitive with peer cities. The short-distance fare is just below the middle of the pack. The long-distance fare is cheaper than all but Toronto, but not noticeably out of line despite the lack of change since 2010.





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6.3 A Cost Profile for Mississauga Taxis

The costs of taxi operation vary from city to city. Fuel costs can be a larger or smaller proportion depending on the road network and city density. Double-shifted taxi are common in some cities, and an exception in others. To provide better insight into how Mississauga meter rates have kept pace with costs of operation, a cost profile of a typical Mississauga taxi was developed. The profile was designed in consultation with industry stakeholders, combined with Hara Associates data from other cities and operations.

Consultation with Industry Stakeholders and Financial Confidentiality

An accurate cost profile includes industry stakeholders so that local conditions are captured.

A major obstacle to consultation is the industry's desire to keep its financial data confidential. To facilitate industry cooperation, it was agreed that industry members could speak frankly with the study team on estimated dollar amounts, but that only the percentage breakdown of costs would be shared with the City and in the public report. This arrangement was recommended based on previous index construction experience. Better quality information is obtained when industry members feel comfortable enough to speak freely. The City and industry participants agreed to this arrangement.

One of the advantages of this process is that there is little conflict of interest for industry participants. Since costs must add up to 100%, increasing one cost necessarily decreases another. On a percentage basis, it is in the interest of all participants to declare costs accurately so that future meter rate adjustments respond to actual changes in costs.

Information was collected based on a survey form and follow-up interviews. Detailed line items were consolidated into simpler totals that could be linked to cost categories monitored by Statistics Canada (e.g., repairs and maintenance includes both regular maintenance and repairs from accidents not paid by insurance).

The final cost profile combines the input of participants. Where there was variation, the study team applied its experience from other jurisdictions and expert judgment. While collecting this data, fuel prices changed significantly. Stakeholder input was adjusted to reflect the date the interviews took place..

Cost Profile of a Typical Mississauga Taxi

Table 6.1 and Figure 6.3 show the percentage breakdown of costs for a typical Mississauga taxi. For example, fuel is an estimated 28.1% of costs, while insurance is 11.5%. Since drivers, too, are part of the cost of taxi, the table includes the cost of labour (what drivers currently receive). There must be enough revenue for drivers to keep qualified ones behind the wheel. Returns to driver are 38% of the cost.[20]

6.4 Tracking Costs Over Time—Methodology

The cost profile can be used to estimate the historical movement of taxi costs over time, including the impact of the recent hike in insurance costs. Fortunately, Statistics Canada publishes monthly statistics on key areas that are closely related to each taxi cost element. For example, the cost of gasoline is tracked, as is that of personal auto insurance. Combining these with the current cost profile allows

[20] The table does not include lease payments on the plate itself, since that is not a *cost* of operation in the regulatory sense. The plate is actually owned by the City, and lease payments for the plate, separate from the vehicle and dispatch services, is economic rent created by the system for a small piece of metal. The plate lease portion of payments does not represent a real consumption of resources to produce a service. Including plate lease in the index is not normally done, as it results in a circular process. Raising meter rates according to an index that included lease rates would increase the profitability of a taxi, in turn raising the market lease rate—which in turn would raise the index yet again.

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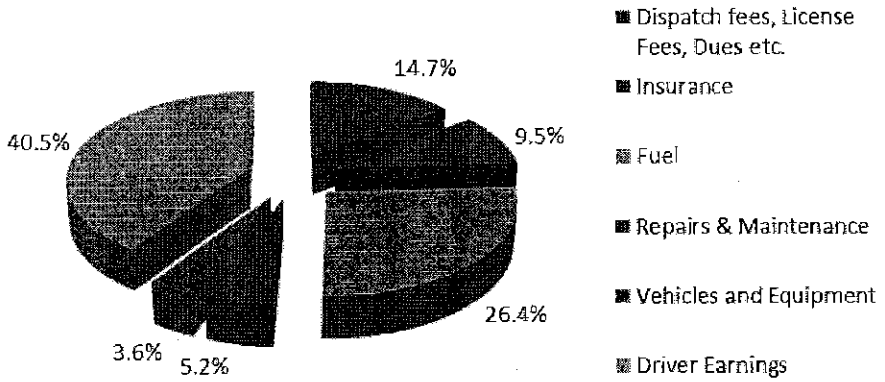
construction of a Taxi Cost Index (TCI) that approximates how the total cost of taxi operation has changed from year to year.

Table 6.1
Cost Profile of a Mississauga Taxi

Item	% of Taxi Cost
Dispatch fees, licence fees, dues, etc.	14.7%
Insurance	9.5%
Fuel	26.4%
Repairs and maintenance	5.2%
Vehicles and equipment	3.6%
Driver earnings	40.5%
TOTAL	**100.0%**

Figure 6.3
Mississauga Taxi Cost Profile - 2015



The virtue of a TCI is that it provides a total picture. Rather than focusing on gasoline one year, and insurance the next, the TCI describes how total costs rise (or fall). Many regulators make use of the TCI approach to regulate meter rates. In Ontario, both Toronto and Ottawa use taxi cost indexes.

While very helpful, a TCI only approximates the cost changes for an average taxi. Individual taxis vary. In addition, events may occur that are not captured by the Statistics Canada published series used to track cost changes. For example HST harmonization in 2010 had a complex impact on the taxi industry. While the gross rate of taxation rose from 5% to 13%, the tax paid on gasoline and selected other inputs became an HST tax credit, effectively *reducing* the cost of fuel by the 8% provincial sales tax that had been eliminated. Statistics Canada series on gasoline prices are based on the posted price, and do not capture changes in tax advantage.

Table 6.2 shows the public data sources used to track the movement of taxi operation costs in Mississauga. For example, the cost of fuel is monitored using the Ontario component of the Consumer Price Index (CPI) for fuel. One of the costs that must be tracked is the cost of keeping the driver behind the wheel. Taxi drivers are not paid wages, but they must be offered a deal that nets them at least as much as they could earn from occupations available to them. This amount changes as economic conditions change, including inflation.

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To track the return needed to retain drivers, the average hourly wages for Ontario was used.[21]

Statistics Canada tracks wages and prices in large municipalities, but only releases data when confidentiality can be protected and the estimate is deemed reliable. Thus some series are available only for all of Ontario, while others are available for large urban areas, of which Toronto is the closest.

Table 6.2: Taxi Cost Index Data Sources—Mississauga

Item	% of Taxi Costs	Public Data Source Used to Independently Track Costs		
		Name	Data Source (Statistics Canada CANSIM # used for retrieval)	Table Description
Dispatch fees, licence fees, dues, etc.	14.7%	All Items CPI for Toronto	v41692888 Table 326-0020	Consumer Price Index, (2002=100)
Insurance	9.5%	Passenger vehicle insurance premiums (Canada CPI)	v41691141 Table 326-0020	
Fuel	26.4%	Gasoline (Ontario CPI)	v41691994 Table 326-0020	
Repairs and maintenance	5.2%	Passenger vehicle parts, maintenance, and repairs (Ontario CP)I	v41691995 Table 326-0020	
Vehicles and equipment	3.6%	Purchase of passenger vehicles (Ontario CPI)	v41691992 Table 326-0020:	
Earnings, all drivers	40.5%	Average hourly earnings for employees paid by the hour, Industrial aggregate excluding overtime, for Ontario	v1591285 Table 281-0029	Average hourly earnings based on the North American Industry Classification System (NAICS)

Three cost items were tracked using the general CPI and consolidated, rather than specific series related to the item. The reasons for this vary by item:

- **Miscellaneous costs and professional fees.** There are no series that track changes in these prices. To estimate cost changes a general measure of inflation was used—the CPI as a whole. These are small part of total costs.
- **Dispatch fees, licence fees, dues, etc.** These are fees that brokers charge taxi owners. The TCI uses the CPI to track these costs rather than the real costs, even though the real costs are known. This is because a meter rate formula based on actual broker fees would automatically

[21] This indicator is more stable than the specific series that includes taxi drivers: wage in Ontario Transportation and Warehousing. The latter is subject to sudden moves due to collective bargaining settlements outside the taxi industry.

pass any increase in broker fees straight to the consumer. Instead, the TCI gives a general allowance for adjusting broker fees based on the CPI.

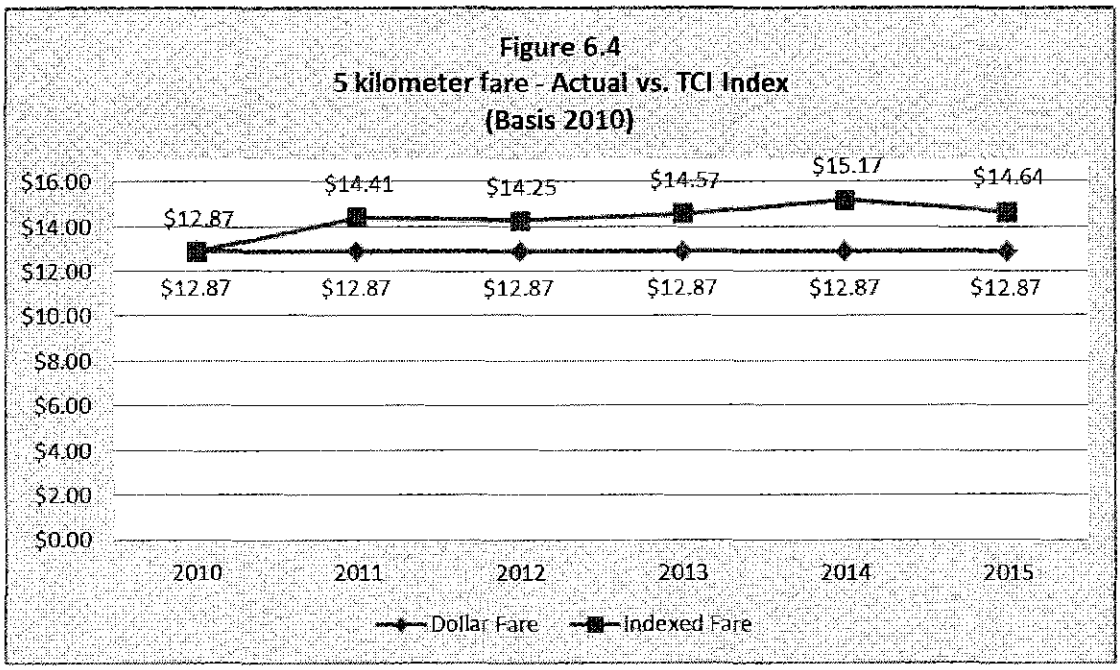
- **Municipal licence fees.** The actual cost of these is known. They are the fees the City charges to license drivers and vehicles. To protect the confidentiality of the underlying numbers provided by the industry, licence fees have been lumped in with dispatch fees and miscellaneous costs.

6.5 Results of Tracking Costs over Time

A cost index expresses the change in costs in percentage terms. To apply a cost index over time, that is, historically, one must choose a starting point, or base period. The usual choice is the last time meter rates were set by the City. Applying the cost index from that point forward allows meter rates to be adjusted proportionally to changes in taxi operating costs.

Figure 6.4 applies the cost index to meter rates using the 2010 meter rate for a five-kilometer fare as the starting point. In 2010, the five-kilometer fare was $12.87.[22] The blue line shows the actual meter rate year by year (unchanged). The red line shows what the meter rate would have been if adjusted annually according to estimated changes in industry costs.

Between 2010 and 2015, Mississauga taxi operating costs rose an estimated 13.8%. If matched by a fare increase, the five-kilometer meter rate would have moved to $14.64.



6.6 What should Meter Rates Be?

Should there be a rate increase given that industry costs have risen 13.8% since the last adjustment in 2010?

A rate increase is not recommended. The industry is largely negative on the idea, despite the increase in operating costs. Average fares currently are within reason compared to regional peers. Prior to Uber's

[22] Distance charge only. To facilitate year-to-year comparisons, fares are also calculated using the distance rate per meter, rather than calculating "on-the-nickel" according to the fixed $ increments of the taximeter.

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expansion into Mississauga, the industry was also able to make sufficient profit at present rates to support a significant plate value.

Recommendation 6.1: ***No Meter Increase.*** *That there be no meter rate adjustment for 2015.*

Downward Flexibility in Fares?

In the face of competition from TNCs, some industry stakeholders have suggested that Mississauga taxis be permitted to charge less than the metered rate. At least one Toronto company has made this request of the Toronto administration.

While some cities take the approach that meter rates are a maximum, there are reasons why the majority of cities set meter rates as fixed—that is, they are both the maximum and the minimum. To assess the risks, consider two ways that downward fare flexibility might be implemented:

- **Via individual drivers.** Individual drivers could be permitted to offer flat rates that are lower than the metered rate, or discounts on the metered rates. This approach risks drivers over-charging those unfamiliar with the metered fare. *In the event this approach is taken, the meter should always be run so that the customer sees what they would have paid, and so that the dispatch system records the carrying of a passenger.*

- **Via companies setting lower meter rates for their taxis.** This approach risks confusion among consumers, and potential complaints when fares are unexpectedly higher than previously experienced. *At minimum, this approach calls for posting discounted meter rates on exterior facing labels, and notifying bylaw enforcement of rate schedules and changes in schedules.*

Beyond these considerations, there is also the concern that companies may race to the bottom, collectively undermining their profitability and risking under-maintained vehicles and higher inspection and enforcement costs.

Outweighing these traditional considerations is the need to free companies to meet the competition during this TNC-generated crisis period. As a result, the following is recommended:

Recommendation 6.2: ***Downward Fare Flexibility.*** *If industry representatives on PVAC request it, companies should be permitted to charge less than the bylaw meter rate. Depending on industry request, either or both of these methods should be considered:*

a) Driver Option. Drivers may offer a fare to an individual passenger at less than the meter rate. In this event, the meter should still be run to show the customer the meter charge, and to create an electronic record of the trip.

b) Company Option. If companies wish to formally reduce their meter rates overall, notice of fares should be posted where visible to customers prior to entering the taxi, and fare schedules and posting method should require approval of bylaw enforcement.

6.7 Managing Meter Rates in the Future: CPI or TCI?

Many cities manage taximeter rates by waiting for industry requests. This leads to infrequent and large increases since the industry prefers not to expose its financial affairs to public view.

It is preferable that that there be an annual review process with an objective guide to the relative role of different costs. A predictable process allows the industry to form sensible expectations about future rates. It allows consumers to do so as well. This helps avoid large and infrequent rate increases that lead to customer sticker shock and loss of passengers. Regular adjustment also provides individuals who are considering giving up car ownership a more stable framework in which to make that choice.

The Consumer Price Index (CPI) tracks the cost of living for the average household. Its advantage is that it is well understood and easily available. The CPI tracks the cost of a "basket" of goods representing average consumer purchases. When the cost of living rises by 2%, cities that rely on the CPI consider increasing meter rates by 2%.

The disadvantage of the CPI is that it does not give sufficient weight to things that are important to operating taxis. The price of fuel, vehicles, and insurance are far more important to taxis than the weight they are given in the consumer basket of the CPI.

The alternative to the Consumer Price Index is a Taxi Cost Index. Mississauga has used a cost index approach in the past. Its advantages are:

- **Specific to each city.** Costs of taxi operation vary from city to city. Fuel costs vary, distances per fare vary, time spent waiting for a fare varies, etc. The TCI reflects actual taxi operating costs and behaviour in the city for which it is developed.
- **Easy to update.** Once the cost profile for the starting year is established, the index can be recalculated whenever desired using published data from Statistics Canada or other reliable public agencies. Usually this is done annually.
- **Easy to apply.** If the TCI rises 5%, then rates can be adjusted upward by 5%. Most cities use the index as a guide, leaving open the possibility that the industry might decline the rate increase (as sometimes happens), and giving City Council ultimate authority. City councillors tend to feel comfortable and well guided when an objective index is used. This permits the council process to become routine.
- **More regular rate adjustments.** Ease of application allows regular small adjustments to fares, rather than large adjustments after a few years. The index itself should be reviewed and re-based at least every ten years.
- **Standardized methods.** The principles of cost indexes are well known. Calculation can be embodied in a computer spreadsheet that can be reviewed by anyone and crosschecked against public sources.

The disadvantages of a taxi cost index are:

- **Only preserves the status quo.** A taxi cost index is used to keep the profitability of the industry at the same level as in the base year that is chosen. It says nothing about whether the profitability in the base year was too high or too low.
- **Requires updates when vehicle technology changes.** The cost index assumes that the physical requirements for operating in the industry remain unchanged. In reality, gas mileage may improve, reducing the importance of fuel. Other changes also occur, including longer lasting vehicles with lower maintenance, or a shift to a new kind of vehicle such as hybrids. When technology changes, the cost index will no longer give the correct weight to each factor. *Cost indexes should be updated at least once every ten years to account for technological change.*
- **More challenging for municipal staff to maintain.** A cost index is not complex, but errors can be made by those unfamiliar with the formula or the data sources. Experience shows that a TCI can be maintained by in-house staff so long as a spreadsheet tool is provided that identifies the data sources and guides the updating process in easy steps.

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Recommendation 6.3: ***Taxi Cost Index****. Adopt a taxi cost index based on the cost profile and data sources in Table 6.2. The next application of the index should be in the fall of 2016, based on relative changes in cost from 2015.*

The majority of industry stakeholders were supportive of a cost-based approach, rather than the Consumer Price Index.

To minimize the risk of miscalculation, if desired, the study team will provide a spreadsheet tool to guide updates of the index.

7 Recommendations

For convenience, the recommendations made in previous chapters are provided below.

Plate Issuance

Recommendation 4.1: ***Plate Issuance Formula.*** *If Mississauga wishes to use a plate issuance formula, it is recommended that number of taxi plates issued to operators for use within the city be increased by*

- *1% for every 1% population growth in Mississauga, or part thereof; plus*
- *0.07% for every 1% in the growth in passenger traffic at Pearson International Airport as indicated by enplaned and deplaned passenger totals; plus*
- *The number of taxis and accessible taxis required by TransHelp contracts.*

Application would begin with the number of taxis licensed for 2015, with annual adjustment in future years.

Recommendation 4.2: ***Waiting List.***

a) The waiting list should be closed, and new plates should be offered to those on the waiting list until such time as the waiting list is exhausted.

b) After the waiting list is exhausted, new plates should be offered to active drivers with the longest continuous service to present. The list administrators may notify those eligible, however responsibility for applying should rest with the applicant.

Recommendation 4.3: ***Resolution of TNC Regulation.*** *With the exception of licences issued to serve TransHelp contracts, the issuing of taxi licences under the present or recommend replacement formula should be held in abeyance until Mississauga resolves the regulatory framework for TNCs such as Uber.*

Recommendation 4.4 ***Entry Management by Licence Fee.***

a) That Mississauga consider replacing its formula approach to numbers of taxis with entry management by licencee fee.

b) That in support of this consideration, Mississauga seek clarification on restrictions to the level of licence fees in Ontario and, if necessary, seek reform from the province to permit municipalities to utilize this option.

Recommendation 4.5 ***Waiting List with Entry Management.*** *In the event of a shift to entry management by licence fee, members of the waiting list be offered the new licences at a reduced annual fee, pro-rated according to their years on the waiting list.*

Accessible Taxis

Recommendation 5.1: ***Percent Accessible Taxis.*** *Hara Associates recommends that Mississauga set a target of 21% of taxis being mobility device accessible. This level will ensure that an accessible taxi is near the required address when a call is received, and allow dispatch systems to provide a response time that is reasonably equivalent to that received by other customers. Achieving this will radically improve the*

lifestyle choices available to people using mobility devices. The percentage of less than 100% also allows for a diversity of other types vehicles to meet other disability needs.

This percentage is in addition to accessible taxi licences issued to fulfil TransHelp contracts.

Recommendation 5.2: ***Accessible Plate Issue.*** *All new issues of plates should be accessible taxi plates until the 21% of fleet target is met.*

Recommendation 5.3: ***Accessible Plate Plan.*** *To achieve a minimally efficient scale of accessible service in the next two years:*

a) 30 accessible plates be released in each of the next two years, in advance of plate issuance formula requirements.

b) Such plates be offered first to the waiting list. Any remaining plates be offered to brokers, then to senior drivers.

c) A condition of such plates is that they be put into service in the dispatch pool at least 40 hours per week.

d) Any plates not taken up by active industry members be reserved until the end of the two-year period.

e) At the end of the two-year period, if the additional plates have not been taken up, then they should be issued to brokers proportionate to registered fleet size, with the requirement that they be put into service as a condition of being licensed.

f) Where plates are issued to brokers under (e) above, the required service period should be doubled to a minimum average of 80 hours per week over the year, combined with a general duty to provide accessible taxi service on demand.

Meter Rates

Recommendation 6.1: ***No Meter Increase.*** *It is recommended that there be no meter rate adjustment for 2015.*

Recommendation 6.2: ***Downward Fare Flexibility.*** *If industry representatives on PVAC request it, companies should be permitted to charge less than the bylaw meter rate. Depending on industry request, either or both of these methods should be considered:*

a) Driver Option. Drivers may offer a fare to an individual passenger at less than the meter rate. In this event, the meter should still be run to show the customer the meter charge, and to create an electronic record of the trip.

b) Company Option. If companies wish to formally reduce their meter rates overall, notice of fares should be posted where visible to customers prior to entering the taxi, and fare schedules and posting method should require approval of bylaw enforcement.

Recommendation 6.3: ***Taxi Cost Index****. Adopt a taxi cost index based on the cost profile and data sources in Table 6.2. The next application of the index should be in the fall of 2016, based on relative changes in cost from 2015.*

6.1 PPP

Appendix A

List of Interview Respondents

6.1 999

Appendix A
Interview Respondents

Committees

- Al Cormier – Citizen Member of PVAC
- Paramvir Singh-Nijar, owner representative, PVAC member
- Harismar Sing Sethi, driver representative, PVAC member
- Dianna Simpson, AAC member
- Clement Lowe, AAC member
- Rabi Khedr, AAC member
- Naz Husain, AAC member
- Glenn Barnes, AAC member
- Carol Ann Chafe, AAC member
- Pat Saito, Councillor and AAC member
- Lorena Smith, Community Development Coordinator, Older Adult Recreation Division, Older Adults Advisory Panel

Industry

- Shokat Ali, Manager, A Black Cab
- Gus El-Gharib, Airlift Services Limited
- Gurvel Singh, Broker and PVAC Member, All Star Taxis
- Ranjit Desi, Aerofleet Cab Services
- Baljit Pandori, Blue and White
- Peter Pellier, former driver
- Phil Sheridan, former owner of Airport Taxi
- Mark Sexsmith, former taxi industry
- Ron Baumer, Accessible Taxis Owner and operator

Region of Peel

- Mark Castro, Region Disabled Transit

Greater Toronto Transit Authority

- Mark Reginald, GTAA
- Marina Marchetti, Manager of Grounds Transportation, GTAA

7.1

City of Mississauga

Memorandum

To: Chair and Members of the Public Vehicle Advisory Committee

From: Karen Morden, Legislative Coordinator, Office of the City Clerk

Date: October 23, 2015

Subject: Recommendation PVAC-0042-2015

At its meeting on October 1, 2015, the Public Vehicle Advisory Committee made the following recommendation:

PVAC-0042-2015
That the Mayor write a letter to the Minister of Municipal Affairs and Housing requesting that the Province seize the Uber problem, including failure to remit HST, and the serious hardship to the duly regulated taxi industry, and to undertake a Province-wide solution.

This recommendation was subsequently amended at General Committee on October 7, 2015 to the following:

GC-0613-2015
Whereas many cities in Canada are grappling with the impacts of the new UBER-type transportation services on the regulated taxi and limousine industry; and

Whereas Toronto, Mississauga and other major Ontario Centres continue to strive for fair and equitable regulations that will both protect a legitimate industry and benefit consumers;

Therefore be it resolved the Mayor of Mississauga request the Premier of Ontario to undertake a study within the appropriate ministry, resulting in a basic set of principles which individual municipalities can then use to formulate regulations for Transportation Network Companies within their jurisdictions.

GC-0613-2015 was subsequently adopted by Council on October 14, 2015.

Karen Morden
Legislative Coordinator
Legislative Services, Office of the City Clerk
(905) 615-3200 ext. 5471
karen.morden@mississauga.ca

City of Mississauga

Memorandum

To: Chair and Members of the Public Vehicle Advisory Committee

From: Karen Morden, Legislative Coordinator

Date: October 16, 2015

Subject: 2016 Public Vehicle Advisory Committee Meeting Dates

The 2016 meeting dates for the Public Vehicle Advisory Committee have been scheduled as follows:

Tuesday, February 16, 2016
Tuesday, April 19, 2016
Tuesday, June 21, 2016
Tuesday, October 18, 2016
Tuesday, December 13, 2016

Unless otherwise advised, all meetings will be held at 9:30 AM at the Mississauga Civic Centre, 300 City Centre Drive, Mississauga, in the Council Chambers.

Meetings may be cancelled at the call of the Chair due to insufficient agenda items or lack of quorum.

Please kindly contact me in advance of the meeting if you will be absent or late so that quorum issues can be anticipated and dealt with accordingly.

Karen Morden
Legislative Coordinator
Legislative Services, Office of the City Clerk
300 City Centre Drive, Mississauga, ON L5B 3C1
(905) 615-3200 ext. 5471
karen.morden@mississauga.ca

Public Vehicle Advisory Committee 2015 Action List

Updated: NOVEMBER 2015

Issue	Last Discussed on	Who	Status
Accessible plates	September 11, 2012	Enforcement Office	**Completed**
Term of plate leases coincide with vehicle year limit	September 11, 2012	Enforcement Office	**Completed**
Mobile taxi application	September 11, 2012	Enforcement Office	**Completed**
Airport taxi's – Stickers on windshields	September 11, 2012	Enforcement Office	**Completed**
Advance payment in evenings	September 11, 2012	Enforcement Office	**Completed**
Hotel Shuttles	April 29, 2013	Enforcement Office	**In progress** • **Directed to hold public consultation**
Regulations of DADD drivers	October 15, 2013	Enforcement Office	**In progress** • **Directed to hold public consultation**
Public Meetings – Licensing of medical transfers and shuttle service vehicles.	October 15, 2013	Enforcement Office	**In progress** • **Directed to hold public consultation**
Parcel Delivery service	October 15, 2013	Enforcement Office	**In progress** • **Directed to hold public consultation**
Need for taxi stands	October 15, 2013	Enforcement Office	**Completed**
2010 and 2012 Taxicab Plate Issuance	February 4, 2014	Enforcement Office	**Completed**
Timing of taxicab plate renewal issuance - priority list, identification requirement	September 29, 2014	Enforcement Office	**In progress – on November 19, 2015 agenda**
Mobile Licensing Enforcement Practices	March 3, 2015	Enforcement Office	**Completed** **Update to PVAC: 2016**
Taxicab Mobile Applications	April 21, 2015	Enforcement Office	**Completed**

Public Vehicle Advisory Committee 2015 Action List

Updated: NOVEMBER 2015

Consultant's Report	April 21, 2015	Enforcement Office	**In progress** • **March 3, 2015 – Update to PVAC** • **September 2015 – Final Report (POSTPONED)** • **Final Report – November 19, 2015**
Issuance of Accessible Plates	March 3, 2015	Enforcement Office	**In progress – on November 19, 2015 agenda**
Review of the Terms of Reference for PVAC	April 21, 2015	Clerk's Office	**Completed**
Illegal Taxicab Operations – Best Practices Report	June 16, 2105	Enforcement Office	**In progress**
Engagement of Consulting Services – Mobile Taxi Applications	August 12, 2015	Enforcement Office	**In progress**