
Towing Industry Advisory Committee

Date

2018/03/26

Time

9:30 AM

Location

Civic Centre, Council Chamber,
300 City Centre Drive, Mississauga, Ontario, L5B 3C1 Ontario

Members

Councillor Ron Starr	Chair
Councillor Matt Mahoney	Vice-Chair
Mark Bell	Citizen Member
Robert Fluney	Citizen Member
Daniel Ghanime	Citizen Member
John C. Lyons	Citizen Member
Tullio (Tony) Pento	Citizen Member
Armando Tallarico	Citizen Member

Contact

Stephanie Smith, Legislative Coordinator, Legislative Services
905-615-3200 ext. 3795
stephanie.smith@mississauga.ca

Find it Online

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

1. CALL TO ORDER
2. APPROVAL OF AGENDA
3. DECLARATION OF CONFLICT OF INTEREST
4. MINUTES OF PREVIOUS MEETING
 - 4.1. Towing Industry Advisory Committee Minutes - February 20, 2018
5. DEPUTATIONS
 - 5.1. Teresa Di Felice, Director, Government and Community Relations, CAA with respect to tow truck plate issuance, requirements of towers and the moratorium on licenses
 - 5.2. Todd Keely, TLK Towing with respect to the tow truck license moratorium
 - 5.3. PUBLIC QUESTION PERIOD - 15 Minute Limit

Pursuant to Section 42 of the Council Procedure By-law 0139-2013, as amended:
Towing Industry Advisory Committee may grant permission to a member of the public to ask a question of TIAC, with the following provisions:

 - 1.The question must pertain to a specific item on the current agenda and the speaker will state which item the question is related to.
 - 2.A person asking a question shall limit any background explanation to two (2) statements, followed by the question.
 - 3.The total speaking time shall be five (5) minutes maximum, per speaker.
6. MATTERS TO BE CONSIDERED
 - 6.1. Michael Foley, Manager, Mobile Licensing Enforcement to provide a verbal update regarding plate issuance options and driver requirements.
 - 6.2. Towing Industry Advisory Committee 2018 Action List
7. INFORMATION ITEMS
 - 7.1. Letter dated March 16, 2018 from Teresa Di Felice, AVP, Government and Community Relations regarding repealing the requirement for tow truck drivers to have seven years of experience with an Ontario "G" driver's licence
8. OTHER BUSINESS
9. DATE OF NEXT MEETING - May 14, 2018
10. ADJOURNMENT

City of Mississauga
Minutes



Towing Industry Advisory Committee

Date

2018/02/20

Time

9:35 AM

Location

Civic Centre, Council Chamber,
300 City Centre Drive, Mississauga, Ontario, L5B 3C1 Ontario

Members Present

Councillor Ron Starr, Ward 6 (Chair)
Councillor Matt Mahoney, Ward 8 (Vice-Chair)
Mark Bell, Citizen Member
Robert Fluney, Citizen Member
Daniel Ghanime, Citizen Member
John C. Lyons, Citizen Member
Tullio (Tony) Pento, Citizen Member
Armando Tallarico, Citizen Member

Staff Present

Samuel Rogers, Director, Enforcement
Michael Foley, Manager, Mobile Licensing Enforcement
Stephanie Smith, Legislative Coordinator, Legislative Services

Find it online

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

1. CALL TO ORDER – 9:35AM

2. APPROVAL OF AGENDA

Approved (J. Lyons)

3. DECLARATION OF CONFLICT OF INTEREST – Nil

4. MINUTES OF PREVIOUS MEETING

4.1. Towing Industry Advisory Committee Minutes - January 22, 2018

Approved (J. Lyons)

5. DEPUTATIONS

5.1. Michael Foley, Manager, Mobile Licensing Enforcement regarding Plate Issuance Options

Mr. Foley outlined four plate issuance options which included: Two Tier Tow Truck Licensing; Two Tier Tow Truck Licensing/Two Tier Tow Truck Drivers Licensing; Hard Cap; and Flexible Cap.

Members of the Committee made the following comments:

- That the Committee is moving backwards with the various options presented and enquired when the report would be coming back outlining restrictions for drivers to become a tow truck driver.
- Challenges when matching tow trucks to specific drivers as drivers can operate multiple vehicles.
- The need to deal with specific companies who currently have parked plates.
- The need for time to review the options for plate issuance.
- Benchmarking other municipalities who operate with a two tier licensing model.
- Implementing closed boarders.

Samuel Rogers, Director, Enforcement noted that staff would bring back a Corporate Report to a future meeting with the comments received from the industry.

RECOMMENDATION

That the deputation by Michael Foley, Manager, Mobile Licensing Enforcement regarding Plate Issuance Options be received for information.

Received (R. Fluney)

Recommendation TIAC-0003-2018

6. PUBLIC QUESTION PERIOD - 15 Minute Limit

Pursuant to Section 42 of the Council Procedure By-law 0139-2013, as amended:

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ask a question of TIAC, with the following provisions:

1. The question must pertain to a specific item on the current agenda and the speaker will state which item the question is related to.
2. A person asking a question shall limit any background explanation to two (2) statements, followed by the question.
3. The total speaking time shall be five (5) minutes maximum, per speaker.

7. MATTERS CONSIDERED

7.1. Parked Tow Truck Owners Licences

RECOMMENDATION

That report from the Commissioner of Transportation and Works titled "Parked Tow Truck Owners Licences" be referred to the February 20, 2018 Towing Industry Advisory Committee meeting.

Recieved (J. Lyons)

Recommendation TIAC-0004-2018

RECOMMENDATION

That the letter dated February 16, 2018 from Teresa Di Felice Director, Government and Community Relations CAA South Central Ontario regarding Parked Tow Truck Owners Licenses be received.

Recieved (J. Lyons)

Recommendation TIAC-0005-2018

7.2. Towing Industry Advisory Committee 2018 Action List

RECOMMENDATION

That the Towing Industry Advisory Committee 2018 Action List be received.

Received (Councillor Mahoney)

Recommendation TIAC-0006-2018

7.3. Updates to the Workplace Violence and Respectful Workplace Policies

RECOMMENDATION

That the memorandum from Stephanie Smith, Legislative Coordinator entitled Updates to the Workplace Violence and Respectful Workplace Policies be received.

Received (M. Bell)

Recommendation TIAC-0007-2018

8. OTHER BUSINESS – Nil
9. DATE OF NEXT MEETING - March 26, 2018
10. ADJOURNMENT – 10:10am

DRAFT

Towing Industry Advisory Committee Action List

Issue	Last Discussed on	Who	Status
Training/qualifications for drivers	May 6, 2014 September 14, 2015	Enforcement Office	COMPLETED
Central City pound facility	February 29, 2016	Enforcement Office	In progress
By-law review – WSIB/Insurance requirements	September 20, 2016	Enforcement Office	In progress
Auto clubs operating without owning a pound facility	December 1, 2014	Enforcement Office	COMPLETED
Bill 15 Update	May 4, 2015	Enforcement Office	On-going
Off-Road Recovery	February 17, 2015	Enforcement Office	COMPLETED
Tow Truck Forms	March 22, 2016	Enforcement Office	COMPLETED
Two-Tier Tow Truck By-law	June 22, 2015		COMPLETED
Centralized Vehicle Pound Facility Feasibility Study	February 29, 2016	Chris Rouse	On-going
Vehicle Tow Digital Photographs	June 22, 2015	Enforcement Office	COMPLETED
Accepting all forms of payment	September 20, 2016	Enforcement Office	In progress - On the March 2017 agenda
Tow truck licensed ceases to engage in business for a period of longer than 30 days	November 22, 2016	Enforcement Office	To be brought back to a future meeting
Tow truck owners to notify Mobile Licensing Enforcement of the name of the licensed driver	November 22, 2016	Enforcement Office	To be brought back to a future meeting
Having all licensed drivers renewed at the same time instead of being renewed by birthdate	November 22, 2016	Enforcement Office	To be brought back to a future meeting

Towing Industry Advisory Committee Action List

Increase for the re-tows and tow rates	March 21, 2017	Enforcement Office	To be brought back to a future meeting
Report on Tow Truck Owners Licence Moratorium	September 26, 2017	Enforcement Office	To be brought back to a future meeting
Report on Vehicle Pound Moratorium	June 13, 2017	Enforcement Office	To be brought back to a future meeting
Parked plates and the enforcement plan	December 4, 2017	Enforcement Office	To be brought back to a future meeting



Insurance
Travel
Roadside
Rewards

Sent via email

March 16, 2018

Councillor Ron Starr – Chair, Towing Industry Advisory Committee
Councillor Matt Mahoney – Vice-Chair, Towing Industry Advisory Committee
Michael Foley – Manager, Mobile Licensing Enforcement
City of Mississauga
300 City Centre Drive
Mississauga, Ontario
L5B 3C1

Dear Sirs:

RE: Repeal of the requirement for tow truck drivers to have seven years of experience with an Ontario “G” driver’s licence

This letter follows up on the letter of CAA South Central Ontario to you dated March 5, 2018, with the subject *Re “Tow Truck Owners Licence Issuance Options” presentation to TIAC on February 20, 2018.*

Currently, City of Mississauga by-laws prohibit any person from being issued a tow truck driver’s licence until at least seven years from the date they complete the requirements of an Ontario Class G driver’s licence (the **7-year requirement**).

No municipality in Ontario regulates its towing industry as tightly as does the City of Mississauga. Thoughtful and considered regulation can provide benefits to consumers and business alike. The 7-year requirement, however, is an unfortunate instance of regulatory overreach. Its benefits are uncertain, to the extent they exist at all, while the consequences to consumers and business are clear and serious.

For the reasons set out in this letter, we call on Council to immediately repeal the unfair 7-year requirement for tow truck driver’s licences.

About CAA

CAA is a trusted emergency roadside assistance provider that has been serving members in need since the early 1900s. CAA has strict standards in place that keep its 2.3 million members top-of-mind, which is why CAA is one of the most trusted brands in Canada.



Background

The rule at issue is item 4(1)(a)(i) of the Tow Truck Licensing By-law 521-04:

- 4.(1)(a)** No person shall be licensed under this by-law unless he/she:
- (i) has at least seven years driving experience after completing the requirements of a full Ontario “G” driver’s licence; [...].

The rule was enacted in 2014, and is one among many changes made to the tow truck licence regime in Mississauga since 1997.

Problems

CAA and others have repeatedly brought to the attention of City staff and Council the harms caused by the 7-year requirement. The various problems with this unfair rule are set out below.

The rule keeps out good drivers...

First, the bylaw is overbroad. In attempting to keep inexperienced tow truck drivers off the road, it also keeps eminently qualified drivers from being licensed.¹ This is a patently unfair outcome.

Drivers who are new to Canada, or new to Ontario are particularly impacted by the 7-year requirement. Many newcomers to Mississauga and the Greater Toronto Area look to job opportunities that involve driving to earn a living and support their families, while contributing to the economic growth and tax base of the City. The bylaw’s discriminatory effect is felt particularly sharply by such newcomers, as it closes them off from an entire class of job. No matter how many years of experience they may have as a driver, or even as a tow truck driver, the City will require them to wait seven years before it will consider issuing them a licence.

Another demographic the rule impacts are those under 25, who are effectively banned from being licensed. Indeed, the purpose behind the 7-year requirement was perhaps to target younger people, who generally have less driving experience.

Businesses understand better than anyone the need to hire the best person for the job. CAA and other local operators already know that young people typically have less driving experience, and consequently carry commensurately higher insurance premiums that reflect this potential risk. Such business realities already hinder most young persons from being hired as tow truck drivers.

¹ Similarly, the rule excludes anyone with an advanced Ontario licence (e.g., Class A or D) and drives large trucks for a living, but who does not have a full seven years of driving experience.



However, many young people are proficient tow truck drivers. These young drivers operate tow trucks in a professional manner every day in every municipality in Ontario – except Mississauga. The City’s blanket ban stops these excellent drivers from being hired. No amount of demonstrated experience driving or operating a tow truck will help them overcome the sweeping nature of the City’s by-laws. The 7-year requirement makes it harder for new workers to break into the industry, and generally harder for young people to find work.

...and it fails to keep out bad drivers

Second, the 7-year requirement is not concerned at all with how well a person drives.

The wording of the bylaw is such that an applicant must have seven years of driving experience to qualify for a licence. However, in practice, licences are issued to anyone who simply possesses an Ontario Class G driver’s licence for seven years. No consideration is given to the number of years of *actual* driving experience, nor the applicant’s driving skill.³ Even if the bylaw could be enforced as written, it concerns only “driving experience” generally, not how well someone operates a tow truck. This is not sensible.

It is an uncommonly severe rule

The 7-year requirement is also out of step with other vehicle licensing regimes.

For example, the City of Mississauga has established licencing rules for various other types of driver licences: Airport Municipal Transportation Vehicles, Airport Public Transportation Vehicles, Taxicab Drivers, and two classes of Limousine Drivers. In none of these instances is there any requirement to have a minimum number of years of driving experience, let alone seven years following the completion of the requirements for a particular class of Ontario driver’s licence.

Similarly, there is no comparable requirement imposed by the Ontario Ministry of Transportation to obtain a Class A or Class D driver’s licence. If the provincial government does not require seven years of driving experience for someone to drive loaded semi-trailer trucks (which also permits the licensee to drive, for example, on 400-series highways, at night, and in inclement weather), it is unclear why Mississauga makes such a requirement of its tow truck drivers.

CAA is not aware of any other municipality that requires the holding of any class of driver’s licence, for any number of years, as a condition to obtaining a tow truck driver’s

³ There are, of course, other provisions in the Tow Truck Licensing By-law that do canvass a driver’s past record, such as item 4(3)(c), which requires applicants to submit a driver’s abstract that does not exceed a given number of demerit points.



licence. The City of Mississauga stands alone in establishing such an onerous requirement.

It's unclear whether the rule has any beneficial impact

In the “Report on Tow Truck Chasing in the City of Mississauga” dated September 2016 (the **Chasing Report**), it was noted that there is both anecdotal and empirical evidence of positive changes in the Mississauga tow truck industry that are thought to be attributed to regulatory changes made since 1997.⁴ This is obviously good news.

However, City staff also noted in the Chasing Report that so many changes have been made to the tow truck licensing regime over the past several years that it is difficult to determine the impact of any single change.⁵ The Chasing Report dedicates three pages to all of the regulatory changes that have been made since 1997: minimum vehicle size, minimum distance to be kept from scene of an accident, a requirement for drivers to provide criminal record searches and driving records, driver professionalism and use of personal protective equipment, and a requirement that drivers photograph vehicle being towed before initiating the tow. Another page of the report sets out various other changes that could be responsible for the positive results: threat of license revocation, weaning out of most aggressive wreck chasers, and increased rigour and consistency of by-law enforcement by Mobile Licensing Enforcement.⁶

Other changes since the Chasing Report was published further complicate the issue. Since January 1, 2017, provincial law now mandates several consumer-focussed practices, including requirements to publicly disclose rates and other information such as the provider’s name and phone number on tow trucks, accept credit cards rather than insisting on cash only, notify customers where their truck is being towed, provide an itemized invoice, and disclose any financial incentive for towing to a particular shop or facility. Tow truck operators are also now required to carry a Commercial Vehicle Operator’s Registration certificate, through which the Ontario Ministry of Transportation addresses vehicle equipment safety standards and driver behaviours.

Given this very long list of changes, it is unclear whether the 7-year requirement is responsible for any of the positive results observed.

The rule has significant negative impacts on job-seekers and motorists in Mississauga

While the positive impact of the 7-year requirement is questionable, its negative impacts are clear: it hurts those that live, work, and drive in Mississauga.

⁴ City of Mississauga, “Corporate Report – Report on Tow Truck Chasing in the City of Mississauga” (dated September 13, 2016, presented at the meeting of the Council Subcommittee of Towing held September 26, 2016), page 17 (the **Chasing Report**).

⁵ Chasing Report, page 17.

⁶ Chasing Report, pages 5–8 and 11.



Of the many regulations the City imposes on its towing industry, the 7-year requirement is among the most onerous. City staff recognized this fact in a recent report:

Some licensed owners have indicated that finding operators that meet the current licensing requirements for Mississauga is challenging, especially the requirement for seven years of full Class G licence experience.⁷

By this rule, the City is effectively reducing the quantity of available tow truck drivers. As a result, residents of Mississauga and those driving through face longer wait times for roadside assistance. In high-demand periods such as during winter storms, these additional wait times can run into several hours.

Because of the rule, tow truck drivers that reside in Mississauga are unable to work in the community in which they live, and instead must commute to another municipality to work. Local towing businesses are also unable to realize efficiencies that come from having drivers that are able to work in multiple adjacent jurisdictions, which ultimately causes higher prices for consumers. This problem is exacerbated in a municipality such as Mississauga, which is at the heart of one of the largest metro areas in North America.

Towing businesses make best use of equipment by having a given truck shared by multiple drivers in successive shifts. An example of the negative consequence of the 7-year requirement is the difficulty in finding tow truck drivers eligible to drive in Mississauga, resulting in the City issuing 381 tow truck owner's licences in Mississauga, but only 283 drivers licensed to operate in the city (as at January 4, 2018).⁸

Note also that it is not just CAA that is experiencing difficulty with the 7-year requirement. At various TIAC meetings, including the working group meeting on February 14, 2018, many members of the industry have expressed concerns about the impact of the rule on the industry's ability to hire drivers in Mississauga. While there may not be full consensus on a solution based on number of years driving, there is a high level of agreement that the current rule is problematic and unfair.

The Solution

For the reasons set out above, Council should immediately repeal the unfair 7-year requirement for tow truck drivers. It should instead pursue only fair, sensible regulations

⁷ City of Mississauga, "Corporate Report – Tow Truck Owners Licence Moratorium" (dated September 17, 2017, presented as item 7.1 at the meeting of TIAC held September 25, 2017), page 5.

⁸ City of Mississauga, "Corporate Report – Parked Tow Truck Owners Licences" (dated January 4, 2018, presented as item 7.1 at the meeting of TIAC held September 25, 2017), page 3. Note that the report states that it is as of January 4, 2017, which is incorrect (it should be 2018).



of the tow truck industry that are targeted, effective, and do not result in undue negative impacts on residents and business.

If for whatever reason the City chooses not to repeal the 7-year requirement on a permanent basis, then the City should consider a pilot project whereby it issues driver's licences for a limited term, such as one year, without expectation to the licensee of any renewal. The City could then monitor the impact on the industry, obtain feedback on businesses and drivers, and reconsider its options at a later date.

One option that the City should not pursue is the raising of tow truck driver training fees. Prospective tow truck drivers already face significant red tape, including the 7-year requirement. Training costs for new drivers are estimated to be in the area of \$800, which must be paid before the driver sees their first dollar in wages. An increase to training fees will further discourage new drivers from applying for tow truck licences. Instead, by repealing the 7-year rule and by holding fees steady, the City will, CAA believes, collect additional revenue from the increase in driver training candidates applying to take the course test and through additional licence application and renewal fees.

Please do not hesitate to reach out with any questions about this letter.

Sincerely,

Teresa Di Felice
AVP, Government and Community Relations
CAA South Central Ontario (CAA SCO)

cc Bonnie Crombie – Mayor of the City of Mississauga
Geoff Wright – Commissioner, Transportation and Works
Sam Rogers – Director, Mobile Licensing Enforcement

Encl Report on Tow Truck Chasing in the City of Mississauga (2016-09-13)
Tow Truck Owners Licence Moratorium (2017-09-12)
Parked Tow Truck Owners Licences (2018-01-04)

City of Mississauga
Corporate Report



Date: 2016/09/13

Originator's files:

To: Chair and Members of Council Subcommittee of Towing

From: Geoff Wright, P.Eng, MBA, Commissioner of Transportation and Works

Meeting date:
2016/09/26

Subject

Report on Tow Truck Chasing in the City of Mississauga

Recommendation

1. That the report from the Commissioner of Transportation and Works dated September 13, 2016 entitled "Report on Tow Truck Chasing in the City of Mississauga" be received for information.
2. That the Council Subcommittee on Chasing direct staff to produce a supplementary report in two years identifying trends in tow truck driver behaviour as measured by assessing the driver's abstracts and reported complaints of driver behaviour of licensed drivers, to measure the effectiveness of amendments to the City of Mississauga Tow Truck Licensing By-law, which was adopted in 2016 and in prior years.

Report Highlights

- The driving abstracts submitted by tow truck driver applicants to the City of Mississauga indicate that there has been a substantial reduction in the number of *Highway Traffic Act* (HTA) violations committed by licensees.
- A review of the historic abstract submissions of drivers that are no longer licensed by the City of Mississauga indicates that the tow truck drivers leaving the industry had significantly worse driving records than those who are currently licensed.
- Enforcement staff believe that the overall improvement in tow truck driver performance is closely linked to amendments that have been developed, approved and enforced by the Towing Industry Advisory Committee, Enforcement staff, and Mayor and Council.
- New proposals designed to improve tow truck driver behaviour as a group would have a far reaching impact, cause significant disruption within the tow industry and would be met with significant resistance and would be difficult to evaluate for effectiveness in light of the recent approval of the Virtual Pound initiative.

Background

The Council Subcommittee of Towing was created for the purpose of addressing concerns related to the practice of tow truck chasing. For the purpose of this report, staff were asked to expand the definition of “chasing” to include not only the behaviour of tow truck drivers as they attempt to reach the scene of a motor vehicle accident, but also the presence of licensed tow truck drivers at an accident scene who have not been dispatched there by a vehicle owner or an authority recognized to do so on the vehicle owners behalf.

Based on this request, staff have identified traditional chasing as being behaviour that would expedite a driver reaching an accident scene, but would also pose a threat to public safety. Behaviours that include:

- speeding;
- inappropriate lane changes;
- reversing in a live lane of traffic; and,
- failing to obey traffic signals.

Expanded Definition Chasing (EDC) is more problematic to research, in that currently the activity does not represent a violation of the Tow Truck Licensing By-law, is commonplace and would not be something identified in a complaint, which could be tracked for frequency.

Why Chasing Takes Place

Automotive collision repair is capital intensive, requiring significant investment in building, equipment and highly skilled labour, for a service that many people will require infrequently, if ever. With the exception of a small number of national brands, most collision repair centres are locally owned and have a limited budget for advertising or brand promotion.

Chasing arose out of a desire to generate increased business and in many cases this was achieved through the re-tasking of assets often already owned by the auto body shop, that being a tow truck. Initially used to service the needs of existing customers, it became evident to those in the repair industry that these trucks could also drive business to a repair facility by responding to accident scenes and offering their services to those involved; a service model similar to the taxi industry.

This level of service was attractive to the public who often had no inkling as to who to call after being involved in an accident and often welcomed the presence of a person both willing and capable of assisting them.

As is often the case when there is a consumer lacking in knowledge who is attempting to make a decision during a period of intense stress, unscrupulous operators began to make their presence felt.

A variety of strategies have been employed in order to first get the tow and second to commit the vehicle owner to a specific facility to have the repair work completed. Strategies that included:

- inducements including free towing or rental vehicle;
- inability to deliver the vehicle to the requested location, resulting in the vehicle being taken to the tower's repair facility;
- accepting only cash as payment for a tow and when the vehicle owner is unable to pay as required, the vehicle is again taken to the tower's repair facility;
- signing a blank work order for a tow instead of an authorization to tow form; and,
- signing a blank work order for the purpose of providing an estimate.

The result being that subsequent to the initial tow, after speaking to their insurance carrier, or having had the time to do their own independent research, the vehicle owner wishing to have their vehicle moved to a different location for repairs might find themselves in difficulty. They may discover that in addition to the towing charge, there is also an exorbitant amount required for storage or for a "tear down" of the vehicle to identify the extent of the damages. They may also be faced with a charge for a breach of the contract implied by a signed work order.

Faced with an invoice that often ran into the thousands of dollars, the repair facility owner could then offer to waive these charges if the repair work was assigned to the shop. Customers would often choose the path of least resistance and simply agree to have the vehicle repaired where it was.

In some cases, insurance adjusters would negotiate for the removal of the vehicle to the desired repair facility by paying out the invoice or a negotiated portion of the invoice. Some might choose to seek redress in civil court, but this was often an expensive and time consuming proposition.

But the key to employing any of these strategies was the tow truck driver. The critical element to obtaining the tow was to arrive first; a situation that rewarded aggressive driving and aggressive salesmanship once on the scene. The tow truck driver would not only be compensated for the tow itself, but would also be rewarded by the repair shop in the form of a commission.

For the tow truck driver, the commission reflected between 5 and 10% of the total repair bill of the vehicle involved in an accident. For an accident vehicle, which may require \$10,000 in repairs, an additional \$500 to \$1000 in commissions from the repair facility would certainly be enticing.

In the 1998 study conducted by the Peel Regional Police “Towing in the Region of Peel”, as outlined in the “Amendments to the Tow Truck Licensing By-law 635-93-General Committee Report November 18, 1998” (Appendix 1), 86% of the stakeholders surveyed identified their belief that tow trucks would be less likely to speed to collision scenes “if repair shops did not offer commissions on the repairs”.

Who Engages In Chasing

A concern identified at the Council Subcommittee of Towing meeting held on May 26, 2016 was that the number of collisions identified by Peel Regional Police and the Ontario Provincial Police was insufficient to sustain the number of tow truck operators that are currently licensed.

The 1998 Peel Regional Police study identified that 64% of tow truck owners or managers and 73% of tow truck drivers, considered the payment of a commission or “finder’s fee” by the repair shop to be an ethical practice. The study also concluded that amongst all stakeholders surveyed, 71% identified the belief that the rate of compensation should be between 5 to 10%. It is common knowledge amongst industry members that some repair facilities pay incentives to tow truck drivers for vehicles requiring collision repairs.

However, even allowing for the existence of commissions being paid by body shops at a rate of between 5 and 10% of the total repair bill, it would be difficult to sustain the entire towing industry entirely on motor vehicle accidents.

In 2014, there were approximately 10,400 motor vehicle accidents in Mississauga requiring the services of a tow truck as reported by the Peel Regional Police and the Ontario Provincial Police as identified in the “Preliminary Report on Tow Truck Chasing in the City of Mississauga, Council Subcommittee of Towing, May 30, 2016” (Appendix 2). Using the assumption that every one of these vehicles was towed to a repair facility where a commission of between 5 and 10% was paid and based on an average collision repair cost of \$5000, this would only translate to approximately \$12,000 to \$18,000 per tow truck licence, including the tow charges. Clearly insufficient to sustain the equipment and overhead associated with the number of tow trucks licensed.

The reason for this is that some tow trucks drivers have no involvement in responding to accidents, while others only engage in the activity when the opportunity arises. Many drivers derive the most substantial portion of their income from activities that involve other aspects of the towing industry including:

- road side assistance;
- contract towing;
- daily duties as assigned by the Tow Company Owner; and,
- movement of vehicles already under repair.

Subcommittee of Towing	2016/09/13	5
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It is therefore difficult to establish to any degree of certainty, the number of tow truck drivers that derive a significant portion of their income from only wreck chasing.

The implementation of the Virtual Pound initiative should allow staff, in future, to gather and analyze data regarding this and determine conclusively whether there is strong correlation between poor driving behaviour and involvement in wreck chasing.

Amendments to the By-law to Address Chasing

1997 was a watershed year for the tow industry. In November of that year, a crash involving a tow truck licensed by the City of Mississauga, resulted in one fatality. Allegations arose that the driver of the vehicle was speeding towards an accident scene in hopes of obtaining a tow, when his truck struck a second vehicle killing one of the occupants. The driver of the tow truck was eventually convicted of dangerous driving causing death.

Former Mayor Hazel McCallion held an emergency meeting of tow truck operators on November 12, 1997 to address tow truck safety. One year later a report was brought forward, identifying specific recommendations to improve the safety of tow truck operators. The report identified a number of issues within the tow industry and provided the basis for some of the earliest amendments adopted to curtail chasing.

Vehicle Size

Based on recommendations from the Police Service Board's Report on Towing, the City of Mississauga Truck Licensing By-law 638-93 (Rescinded) was amended to require all new and replacement tow trucks to meet a minimum gross vehicle weight rating of not less than 4536 kg (10,000 lbs), with all tow licensed tow trucks required to meet the standard by June of 2000).

The amendment was identified as a mechanism to reduce aggressive driving, in that the vehicle's increased weight would reduce its maneuverability and make it less likely that the drivers would speed. The vehicle's increased gas/diesel consumption would also serve as a deterrent to chasing, where the operator had a lower probability to be first on the scene.

Tow Trucks on Scene

The Tow Truck Licensing By-law 638-93 (Rescinded) (Appendix 3) required that tow trucks remain 60 metres away from an accident, where sufficient tow trucks were already on scene to deal with the apparent number of vehicles involved. Police and enforcement staff identified their concern that congestion at the scene remained an issue, though to a lesser extent. It was the impression of those attending these scenes, that the 60 metre distance still allowed tow drivers to exit their vehicles and approach the accident scene on foot in order to solicit business.

Subcommittee of Towing	2016/09/13	6
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In April of 2001 the by-law was amended pursuant to a recommendation from staff found in the “Tow Truck Licensing By-law, General Committee Report April 9, 2001” (Appendix 4), to increase the distance to 200 metres, which was identified to be sufficient to discourage additional trucks from speeding to a scene in the hopes of soliciting business.

Criminal Record Searches

While criminal record searches were required under the by-law previously, amendments brought forward in 2013 provided clarity as to the response of the Licensing Authority when the criminal record check was returned, showing that convictions had been registered.

The City of Mississauga Tow Truck Licensing By-law 521-04, as amended, now requires that applicants for an initial licence or a renewal supply:

A criminal record search issued within the past sixty (60) days by the Peel Regional Police, or other police service in Ontario, which contains no convictions for five (5) years prior to the date of application or renewal. (130-13)

Provisions were made for currently licensed drivers to maintain their status by providing documentation confirming that the renewal applicant was pursuing a Record Suspension through the Parole Board of Canada.

The amendments also affected drivers with criminal record searches older than five years, by prohibiting licensure when the criminal acts identified included offences deemed to be of a more serious nature and identified in Schedule 4 of the By-law as outlined in “Recommended Changes to the Tow Truck Licensing By-law 521-04, as amended, for the Licensing of Tow Trucks” dated March 13, 2013 (Appendix 5).

Drivers Records

The City of Mississauga Tow Truck Licensing By-law 521-04, as amended, was further amended in 2013 to require that applicants for a Tow Truck Drivers Licence, new or renewal submit:

a driver’s abstract issued within the past sixty (60) days which contains not more than six (6) demerit points or any one Ontario Highway Traffic Act conviction with a value of four (4) or more demerit points or similar convictions from outside of the Province of Ontario. (130-13)

This represented a significant shift in the licensing of tow drivers from the earlier iteration. Drivers were now subject to unambiguous expectations regarding their driving behaviour with meaningful consequences; licence revocation, being attached to issues of non-compliance.

Subcommittee of Towing	2016/09/13	7
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Driver Experience

A further amendment to the City of Mississauga Tow Truck Licensing By-law 521-04, as amended, enacted in 2014 required that new applicants for a tow truck drivers licence are required to have a minimum of seven years driving experience, after having obtained a full G Province of Ontario.

This substantially increased the age and driving experience of applicants for new tow truck drivers licences.

Driver Professionalism

Improving not only the professional appearance of the tow truck drivers, but also the safety of the licensees and concomitantly other individuals at an accident scene, an amendment to the City of Mississauga Tow Truck Licensing By-law 521-04, as amended, in 2014 requires:

3) At all times be neat and clean in personal appearance and properly dressed which must include but is not limited to: (11-14)

- a) a blaze orange, a blaze yellow or a combination of both orange and yellow safety vest with two fluorescent stripes, five centimetres in length in the shape of an "X" on both the front and the back of the vest;*
- b) patch green safety boots;*
- c) pants with a silver reflective stripe down the side of both legs or a silver reflective band encircling each leg; and*
- d) an identification badge showing the Driver's first initial and last name.*

An amendment enacted in 2015 requires that all drivers complete a training course and pass a test based on course content. The amendment further requires that retraining of all licensed drivers take place every five years.

This training provides tow truck drivers with detailed information regarding the requirements of the City of Mississauga Tow Truck Licensing By-law 521-04, as amended, and the expectations regarding their conduct when operating a tow truck.

Driver Responsibility

A 2015 amendment to the City of Mississauga Tow Truck Licensing By-law 521-04, as amended, requires that the tow truck driver photograph all vehicles being towed prior to initiating the tow.

An amendment the following year (2016) changed the requirements surrounding Permission to Tow forms. Drivers are now required to submit copies of these forms to the Mobile Licensing

Subcommittee of Towing	2016/09/13	8
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Manager within 30 days of the tow taking place, as recommended in “Amendments to the Tow Truck Licensing By-law 521-04, as amended, Requirements for the use of Permission to Tow Vehicle Form” dated March 14, 2016 (Appendix 6).

Improvements to the Existing Vehicle Pound System

In 2016 staff were directed, pursuant to the Central Vehicle Pound report, to develop and implement a mandatory on-line towing and storage software application to be used by the Enforcement Division of the Transportation and Works Department, and the towing industry. This Virtual Pound system will serve to address issues that arise after a vehicle has been towed and provide greater consumer protection to the vehicle owners (Appendix 7).

Comments

Analysis

While amendments to by-laws seek to address issues of significant municipal interest, there is often little quantifiable evidence available through which to measure impact.

With regards to tow truck driver behaviour, there is data available that can be utilized to provide insight. All tow truck drivers, when seeking either a new licence or the renewal of an existing licence, are required to submit a current driver’s abstract issued by the Province of Ontario, identifying recent HTA convictions, current demerit points and licence status. Ostensibly, this requirement allows the licensing authority to establish that the applicant has the requisite class of Ontario Drivers Licence needed and that there are no impediments to a licence being issued, such as accumulated points.

These abstracts are maintained in each driver’s file and when examined collectively, provide a record of driver behaviour over an extended period of time.

It was postulated that if amendments made to the by-law were designed to improve driver performance, then some evidence of this should be reflected in the collective records.

Methodology

The drivers’ abstracts of all tow truck drivers whose files were currently available in the Mobile Licensing Enforcement Section were reviewed and were initially broken down into two groups; Licensed and Unlicensed.

These abstracts were then examined and a record made of HTA offences for which a conviction was entered for the period between 2004 and 2015 for Licensed Driver. The Unlicensed group provided reliable information only until 2014, due to insufficient data for the year 2015.

In that the purpose of this report deals with the issue of “chasing”, only offences related to moving violations were recorded. Offences related to documentation such as lacking an insurance card are not reflected in the totals.

Drivers with less than one full year of licensed activity were excluded from the calculations, due to the fact that the abstract supplied shows only behaviour prior to being licensed as a tow truck driver and while useful in determining whether a candidate meets the requirements to be granted a licence, provides little insight into their activity as a tow truck driver.

It should be noted, that the abstracts supplied could not identify whether the infractions occurred while the driver was actually operating a tow truck. This is identified as a limitation, but is a limitation shared by the control group as well. This limitation is further mitigated by the fact that the by-law itself does not make a distinction between infractions taking place while driving a tow truck or a personal vehicle in its proscriptions regarding demerit points accumulated on the drivers licence.

In order to establish a point of comparison, the inquiry also examined the driving records of a control group, that being licensed taxicab drivers. The taxi drivers were identified as the ideal control group by the fact that they:

- drive similar long hours;
- drive on the same streets;
- are subject to the same police authorities; and,
- are predominantly male.

All new applicants for a Taxi Drivers licence receive mandatory training in defensive driving and periodic mandated “refresher” training”. There is a general consensus that Mississauga’s taxi drivers, as a group, provide consistently good service to the general public and operate in a safe manner.

The key difference between the licence groups being that taxi drivers do not “chase”; the success of their endeavours are not dependant on getting to a fare first as their calls are dispatched, based on a physical queue, on random chance (i.e. street hail) and there is no direct competitive force at play.

Approximately 100 taxi drivers were selected at random from the files maintained by Mobile Licensing Enforcement to be included in the control group. The file had to indicate that the driver was currently licensed as a taxi driver and that their licence did not include the “Not Driving” designation, which is assigned to drivers who wish to keep their licence from lapsing, but are not active within the industry at present. The drivers abstracts were then reviewed in the same manner as those of the tow truck drivers

Subcommittee of Towing	2016/09/13	10
------------------------	------------	----

The number of drivers licensed in each category, in each calendar year were determined and then compared with the number of HTA violations that were issued to these drivers in that year. This provided a “rate of violation”, or “ROV”. For example, a result of 35% in a given year, would indicate 35 HTA convictions of various types were registered against every 100 drivers operating during that period.

From an enforcement perspective, staff would wish to see a rate of violation that is small, as this is the best indication that licence holders are driving in a responsible manner, both while driving a personal vehicle and while driving in their capacity as a City of Mississauga Licensee. There is, however, no stated target rate. No previous attempt has been made to attempt to measure driver behaviour collectively.

The Control Group

The randomly selected control group of 107 licensed taxi drivers provided a median ROV of 28.5% (28.5 violations per 100 drivers). With the highest rate of violation occurring in 2008 at 39% and the lowest rate occurring in 2014 when it fell to 20%.

Noteworthy, is the consistency across time for the group with a low standard deviation (5.7); a desirable characteristic for a control group. This group has been relatively stable and there have been few amendments to the Taxi Licensing By-law during the surveyed years, which were intended to directly impact driving behaviour. This information is illustrated in the attached graph (Appendix 8).

Unlicensed Tow Truck Drivers

The second group identified are tow truck drivers who have chosen not to renew their licence, have allowed their licence to lapse or have become ineligible for a Mississauga licence through failure to meet current requirements or through revocation. The files related to these drivers indicate a median ROV of 45%, significantly higher than that of the control group.

This group also achieved the highest single ROVs recorded, in 2004 (70%), 2007 (58%), 2010 (49%) and 2011 (48%) with rates that were almost double those of the control group. The ROV for this group began a steady decline in 2011 with the rate of violation for unlicensed drivers at 22% in 2014.

As a group, the unlicensed tow truck drivers showed the highest variations in findings with a standard deviation of 15.75. This information is illustrated in the attached graph (Appendix 9).

Currently Licensed Tow Truck Drivers

The group exhibited ROV consistently higher than the control group but never reaching the extreme of the unlicensed group. The median ROV for this group was calculated at 37.

This group also shows a similar decline in the years following 2011, with reported ROV for 2015 being 10%, (less than half the ROV of the control group.) This current ROV also represents a 78% reduction in ROV from 2011. This information is illustrated in the attached graph (Appendix 10).

Interpretation

The review of driving records would strongly indicate that measures undertaken to address the issues of Tow Truck Driver operational behaviour have had an impact and that the impact has been positive, with current drivers engaging in significantly fewer violations now than during peak periods.

It might be interpreted that the decline in the ROV for tow truck drivers who are unlicensed, is the result of many of the drivers with the highest rates of violations have withdrawn from the towing industry in Mississauga. Whether they have changed professions entirely or moved to other jurisdictions cannot be identified by the records.

The licensed group also shows a similar decline from a high point that approached 50% in 2011 to approximately 10% in 2015.

Similar regulatory measures were not imposed upon the control group and the findings are consistent with expectations for a control group of this type. They exhibit a consistent rate of violation over a period of 10 plus years.

It would be difficult to establish which by-law amendments have had the most impact. There are multiple amendments in some years, so isolating the effect of one from another would be problematic.

Some stakeholders have identified the threat of licence revocation as having the greatest effect. Revocation of licence has traditionally been identified in the By-law as a possible outcome for multiple serious convictions under the HTA, but actual revocations have previously been rare. The fact that a number of revocations have occurred and survived review at the Licence Appeal Tribunal, may have had a chilling effect on the industry as a whole.

Other stakeholders have indicated that as the most aggressive of the wreck chasers have been weaned out of the industry there is a greater amount of work available, which has reduced the incentive to engage in higher risk driving behaviour.

Still other stakeholders have identified a shift in tenor, that occurred within the Mobile Licensing Enforcement section as partially responsible. This shift has included more rigorous enforcement of the by-laws and a more consistent response to violations that occur.

Proposed Initiatives to Reduce Chasing

In the second portion of the report, staff were directed to investigate the feasibility of two proposals raised as possible responses to the issues of chasing; both the traditional definition and the expanded definition of chasing.

The proposals were evaluated based on the following criteria:

- effectiveness at reduction of chasing;
- cost;
- integration with the approved Virtual Pound initiative; and,
- potential impact on Tow Truck Industry.

Proposal #1 - Fleet Management Technology

A variety of fleet management solutions are commercially available “off the shelf” that permit the management of a large number of vehicles, simultaneously, through constant monitoring. This is achieved through the use of the Global Positioning System (GPS) and real time telemetry being uploaded from the vehicle to a centralized tracking location. The link to the tracking site is established through hardware connected to the vehicles diagnostic port.

The tracking station collects data related to a variety of factors that would be of interest to enforcement staff including:

- speed of the vehicle;
- direction traveled;
- turn by turn logging of each trip; and,
- use of the winching system on the vehicle.

Effectiveness

Through automated monitoring of every vehicle operating as a licensed tow truck, enforcement staff would be made aware of drivers engaging in a variety of activities that would meet the traditional definition of “chasing.” Activities that include:

- travelling at rates of speed higher than posted limits;
- sudden or erratic directional changes;
- cutting through private property to avoid traffic lights;
- sudden reductions in speed; and,
- presence of a passenger in vehicle.

Subcommittee of Towing	2016/09/13	13
------------------------	------------	----

This information could then be evaluated as a result of a complaint or ongoing audit of the industry, by enforcement staff, and used as the basis for actions against the licence holder, both owner and the driver. The technology also permits cautioning the driver in real time audibly of undesired practices including over speed warnings and idling alerts.

Fleet management technology would also be effective in eliminating Expanded Definition Chasing, which at its highest level has been described as tow trucks towing vehicles from accident scenes where they have not been dispatched, either by the vehicle owner or a competent authority.

This activity however is currently not a violation of the City of Mississauga Tow Truck Licensing By-law, which does allow for licensed tow trucks to stop at the scene of an accident, as long as the number of tow trucks does not exceed the number of vehicles “apparently requiring the services of a tow truck.” Elimination of EDC would necessitate amending this section of the by-law.

With an amended by-law prohibiting licensed tow vehicles from stopping at the scene of an accident, fleet management could provide the data required to determine if each tow is in compliance. In that dispatch would in most cases occur based on a telephone call from the vehicle owner, a call that would be time stamped by the telephone and issues arising over a disputed dispatch could be easily confirmed.

Attempts to circumvent the system by stopping at an accident scene and soliciting a vehicle owner to call for the dispatch of his/her truck, would be easily countered by the fact that the vehicle would be identified by the fleet management system as having arrived at the scene prior to the dispatch call.

Costs

The costs associated with the monitoring and storage of data for a fleet management system, all in the range of \$600 per year, per vehicle.

Typically large fleets of vehicles will recover all or a portion of these fees through efficiencies gained through the systems use;

- fuel saving through reduced idling time;
- better route management; and,
- reduced wear and tear on vehicles due to improved driving maintenance practices.

While the information collected for each vehicle could be supplied to the vehicle owner for their own use, it is unlikely that significant savings would accrue to the vehicle owners.

Virtual Pound Integration

Subcommittee of Towing	2016/09/13	14
------------------------	------------	----

The technology would provide a level of enhanced support to the approved Virtual Pound Initiative, in that it could provide confirmation of the location of pick-up and drop-off of each vehicle that is entered into the Virtual Pound system. It would also serve to discourage licensees from attempting to circumvent the Virtual Pound, by failing to report tow activity.

Potential Impact on Towing Industry

Stakeholders have identified that there would be significant resistance to the implementation of a system that constantly tracks every licensed tow truck. Privacy issues have been raised, as well as the expense that is attached to the system, an expense which would be borne by the licensees.

Some privacy concerns could be addressed through the ability to geofence the system limiting the tracking ability to a defined geographic area, but within the municipality and within the surrounding municipalities the system would be active.

Proposal #2 - Multiple Privately Operated Vehicle Pound Facilities

This proposal would require the City of Mississauga be divided into multiple geographic zones, with each zone maintaining one vehicle pound facility from which tow trucks would be dispatched to any motor vehicle accident taking place within the borders of the prescribed zone. Tow trucks wishing to engage in accident towing would be sequestered within the pound until such time that they were dispatched to the scene of an accident where vehicles require their services.

Once engaged, the tow truck operator would remove the vehicle to the originating vehicle pound facility where it would be held until such time that the vehicle owner decided, either on their own or through consultation, where the vehicle should be moved.

The selected operators of each pound would be required to segregate the vehicle pound operation from any vehicle repair facility that may be operating on the same property. This would likely require a separate office space, separate entrances and unambiguous signage.

Vehicles that were impounded at each location would incur a minimum charge for the service.

Effectiveness

In order for a multi-zone vehicle pound system to provide a positive impact on traditional chasing it would be necessary that the existing Tow Truck Licensing By-law be amended to restrict any tow truck from stopping at the scene of an accident, unless it was dispatched from the vehicle pound facility in that zone.

A failure to implement an amendment of this type would likely lead to situations whereby, licensed tow trucks choosing not to wait in the zoned queue and continue the current practice of staking out a limited area, would then be placed with a distinct advantage in arriving at a scene first, with the possibility of being directed by the motorist to assist, the equivalent of a hailed tow truck.

The amendment would include the removal of the section which permits a number of tow trucks to stop within 200 metres equal to the number of vehicles that appear to be involved in the accident. Essentially, the proposal would make it necessary to eliminate any tow truck from stopping to render assistance at a motor vehicle accident, unless it was dispatched there through the pound system.

The issue would then become one where the definition of “dispatched” would have to be closely examined. While trucks would be dispatched from the zoned pound, this would not negate the ability of the motorist to request a tow vehicle of their own through cellular phone. A vehicle owner choosing to do this could easily call for a tow, which would then be ‘dispatched’ to the scene. In order to circumvent this scenario, it would become necessary to amend the by-law to require that the vehicle owner utilize the services of the tow truck dispatched from the zoned pound.

The proposal would have a positive effect on expanded definition chasing at the scene of accidents. The requirement that the vehicle initially be taken to the approved pound for initial release, would eliminate ploys such as work orders being signed in place of a permission to tow form and the requirement for cash to release the vehicle at the vehicle owners requested location.

This result would be predicated on significant amendments to the existing Tow Truck Licensing By-law.

Integration with the Approved Virtual Pound

The multiple private pound concept was reviewed with Mobile Licensing staff who are currently developing the approved Virtual Pound system. It was determined that it would be difficult to integrate the two proposals in a meaningful manner.

The Virtual Pound system is designed to work closely with the tow truck industry and the City of Mississauga Tow Truck By-law as currently configured. The adoption now of a multi-pound system, with the requisite changes to the by-law that would be required, would undermine the Virtual Pound initiative.

For example, one component of virtual pound requires that the location of the vehicle be recorded and that this be consistent with the wishes of the vehicle owner. This would not be the

case with the multi-pound system, which would rely on the vehicle being taken to a predetermined drop off location for storage irrespective of consumer choice.

The proposed multiple pound concept also presents a number of other challenges that are not addressed in the approved Virtual Pound Initiative including:

Dispatch - The proposal was clear in its position that the tow trucks wishing to attend motor vehicle collisions would be sequestered at the pound within the zone they wished to operate. It remains unclear as to how these vehicles would be dispatched to the scene of an accident.

Consultation with representatives of Peel Regional Police identified concerns as to whether private “for hire” vehicles staffed by non- first responders could be dispatched to the scene of accidents through the 911 system. They are currently exploring other options that may exist.

Complexity - a system of four, eight or more privately operated vehicle pound facilities servicing a defined area could give rise to significant confusion amongst both the public and the tow industry. Zones would vary in the amount of activity and high levels of activity in a single area would necessitate secondary and tertiary protocols for response to a demand that is difficult to predict.

Industry Resistance - the requirement that tow truck operators wait in a queue at a vehicle pound to be dispatched to an accident scene where they would then be compelled to tow the customers vehicle back to the same pound, a vehicle pound that is associated with a competitor’s auto repair shop, would likely generate high levels of mistrust and the perception amongst licensees, that the City has favoured certain auto body shops to the detriment of others.

The perception that the City has “approved” certain repair facilities because of their association with designated vehicle pound facilities might also be transmitted to the public by the selected pound operators.

Resistance to the component of the proposal which would require trucks to queue up in compounds for an opportunity to respond to a motor vehicle accident was also highlighted. It has been identified in previous reports that the largest component of towing work is servicing vehicles that have experienced mechanical failure. Sequestration in a zoned pound would prohibit the tow truck from being assigned other work duties while in the queue.

Finally, it was noted that the same benefit related to EDC could be achieved by amending the by-law to prohibit any tow truck from stopping at an accident scene, unless dispatched there by a person with the authority to do so.

This would require that a tow truck driver be able to demonstrate that they had a valid reason to attend at a motor vehicle accident, other than proximity. This option is currently in place in

Subcommittee of Towing	2016/09/13	17
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Ottawa. It would require that motor vehicle owners make greater preparations in the event that they are involved in an accident, including contacting their insurance agents to identify preferred responders or preselecting tow truck brokerages to provide service.

Cost

The initial cost to set up the system of pounds needed would be substantial, but would be borne primarily by the industry. The establishment of each zone would be based on stakeholder feedback. There would be some increase in staffing resources required to co-ordinate “approved” Vehicle Pound activities.

Financial Impact

No direct impact would be experienced by the City of Mississauga.

Conclusion

The City of Mississauga, through the efforts of the Compliance and Licensing Enforcement Section and the Towing Industry Advisory Committee have developed and brought forward a number of amendments to City of Mississauga Tow Truck Licensing By-law. There is both anecdotal and empirical evidence that these amendments have shown positive results with regards to the behaviour exhibited by licensed tow truck drivers operating in the City.

The empirical evidence indicates that licensed tow truck drivers records currently show historically low numbers of highway traffic offences being committed.

The review of driving records of those who are no longer licensed by the City of Mississauga indicates that drivers with poorer driving records are over represented in this group. It can be inferred from this data that these drivers are not only modifying their behaviour but are leaving the industry.

The proposed strategies for reducing traditional chasing, and expanded definition chasing, were reviewed and evaluated. Based on the evaluation, the use of fleet management technology would provide the most effective method of regulating a large number of vehicles engaged in the towing industry and would be the easiest to implement. It was, however, also identified as being the most intrusive, and as such likely to meet significant resistance from the industry. It was also noted that, based on the current low rate of violation, the impact of fleet management technology may not be large enough to offset the disruption to the industry that it would cause.

Attachments

Appendix 1: Amendments to the Tow Truck Licensing By-law 638-93, General Committee Report November 18, 1998

Subcommittee of Towing	2016/09/13	18
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- Appendix 2: Preliminary Report on Tow Truck Chasing in the City of Mississauga, Council Subcommittee of Towing May 30, 2016
- Appendix 3: The Corporation of the City of Mississauga, The Tow Truck Licensing By-law 638-93 (rescinded)
- Appendix 4: Tow Truck Licensing By-law, General Committee Report April 9, 2001
- Appendix 5: Recommended Changes to the Tow Truck Licensing By-law 521-04, as amended, for the Licensing of Tow Trucks
- Appendix 6: Amendments to the Tow Truck Licensing By-law 521-04, as amended, requirements for the use of Permission to Tow Vehicle Form
- Appendix 7: Centralized Vehicle Pound Facility Feasibility Study – Recommendation Report
- Appendix 8: Control Group Graph
- Appendix 9: Unlicensed Tow Truck Drivers Graph
- Appendix 10: Licensed Tow Truck Drivers Graph



Geoff Wright, P. Eng, MBA, Commissioner of Transportation and Works

Prepared by: Michael Foley, Acting Manager, Compliance and Licensing Enforcement

[Note: appendices not included]

City of Mississauga
Corporate Report



Date: 2017/09/12

Originator's files:

To: Chair and Members of Towing Industry Advisory Committee

From: Geoff Wright, P. Eng., MBA, Commissioner of Transportation and Works

Meeting date:
2017/09/25

Subject

Tow Truck Owners Licence Moratorium

Recommendation

That the City of Mississauga Tow Truck Licensing By-law 521-04, as amended, be amended to repeal the current moratorium on the issuance of tow truck owners plates.

Report Highlights

- The tow truck owners licence moratorium was initiated as a temporary measure in 2012 to address growing concerns regarding practices within the industry.
- Since 2012 the Tow Truck Licensing By-law has been amended a number of times to strengthen driver requirements and have had a positive effect on the industry in Mississauga.
- A survey of industry members identified a demand for additional licences to be issued.

Background

At the February 28, 2012 meeting of the Towing Industry Advisory Committee (TIAC), discussions took place regarding a proposal to cap the number of tow truck plates in order to address vehicles being towed outside of the city boundaries. The meeting resulted in the following resolution:

"TIAC-0009-2012

That Licensing and Enforcement staff prepare a Corporate Report with respect to the possibility of capping the number of tow truck licenses issued by the City of Mississauga and return this matter to a future Towing Industry Advisory Committee meeting for consideration."

Towing Industry Advisory Committee	2017/09/12	2
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The minutes from the TIAC meeting held June 18, 2012 indicates the following:

“Councillor Starr raised the issue of capping the number of Tow Truck Licences and drivers licences and put an immediate moratorium on any new licences. He noted that there is a lot of pressure to bring this report to the September meeting but we have to take a proactive step.”

This resulted in the following recommendation from TIAC:

“Recommendation TIAC-0014-2012

The Towing Industry Advisory Committee recommends an immediate moratorium be placed on the issuance of any new tow truck and tow truck drivers licences issued by the City of Mississauga pending a review of Tow Truck Licensing By-law 521-04 as amended, and that the by-law be amended to include more stringent licensing.”

The recommendation was approved by General Committee on June 27, 2012.

On October 22, 2012 a report was brought forward to TIAC dealing with more restrictive requirements for tow truck driver applicants, including a requirement that new applicants and those seeking a renewal provide a clear criminal record search and an acceptable driving record search. One conclusion reached in the report was that if the more restrictive requirements were approved then the moratoriums on new tow truck drivers licences and tow truck owners licences should be lifted.

The Tow Truck Licensing By-law was amended in 2013 and 2014 to adopt more restrictive requirements, which included:

- A clear criminal record search;
- A reduction in the number of demerit points on the provincial drivers licence that would be acceptable; and,
- Seven years of driving experience after obtaining a full “G” drivers licence.

At the TIAC meeting held on February 19, 2013 the moratorium issue was raised by the Licensing Manager who noted that it was still in effect. Members of TIAC indicated their support for a continuation of the moratorium and the following recommendation was made:

“TIAC-0003-2013

That the Towing Industry Advisory Committee recommends a continuation of a moratorium on the issuance of new tow truck plate licenses and that the matter be reviewed in one year.”

In June of 2013, amendments to the Tow Truck Licensing By-law that incorporated more restrictive driver requirements were passed by Council. An amendment to section 18, which

restricted the Licensing Manager from issuing new tow truck owner licences was also passed and remains in force.

The issue does not appear to have been revisited by TIAC until February of 2016 when representatives of Classic Towing spoke to the issue, identifying their need for tow truck licences due to contractual obligations they have with clients. The Chair identified that he and the Vice-chair would review the matter.

On February 24, 2017 an application was received from Thunder Towing for a tow truck owner licence. This application was subsequently denied by the Licensing Manager due to the moratorium in place.

On April 11, 2017 the owner of TLK towing, Mr. Todd Keely, made an application for a new tow truck owner licence. This application was subsequently denied by the Licensing Manager due to the moratorium in place. The decision of the Licensing Manager was appealed by the applicant to the Appeal Tribunal and a pre-trial hearing was set for July 25, 2017. The pre-trial hearing did not resolve the matter and has been set over for a full hearing before the Tribunal.

On May 16, 2017 staff met with representatives of the Canadian Automobile Association (CAA) who identified their concerns regarding a number of issues in the Towing By-law, including the moratorium, which they feel is having a negative impact on their ability to service customers in Mississauga.

On June 7, 2017 Mr. Keely provided a deputation to Council identifying the hardship created by his inability to acquire additional tow truck owner licences. It was identified to Mr. Keely that the appropriate venue to deal with this matter was with TIAC.

Comments

Given that the decision to implement a moratorium on the issuance of new tow truck owner's plates was not based on a staff recommendation, it is difficult to fully determine the rationale for the initial implementation. However, it is clear that the moratorium was meant to be temporary in nature.

Amendments to the Tow Truck By-law

A number of amendments to the Tow Truck Licensing By-law 521-04 were introduced after the adoption of the moratorium as measures to improve the performance of tow truck operators in the City. These amendments are as follows:

- **Criminal Record Searches** - While criminal record searches were required under the By-law previously, amendments brought forward in 2013 provided clarity as to the response of the licensing authority when the criminal record check was returned showing convictions. The By-law now requires that an applicant provide a criminal record search that contains no convictions for the previous five years as a condition of initial licensing or renewal. It further identifies that offences occurring more than five years earlier, but

appearing on a list of offences identified as being more serious in nature, were also grounds for licence refusal. The amendment did make allowances for currently licensed individuals to obtain conditional licences while their application for a record suspension was processed by the Parole Board of Canada.

- **Drivers Records** - The By-law was further amended in 2013 to require that driver's abstracts of those seeking an initial tow truck driver licence or a renewal supply a driver's abstract that does not contain more than six demerit points, or a single conviction under the Highway Traffic Act with a value of four or more demerit points.

This represented a significant shift in the requirements for licensing as the drivers were now subjected to unambiguous expectations regarding driving behaviour with meaningful consequences, including licence revocation, resulting from non-compliance.

- **Driver Experience** - Enacted in 2014, this amendment requires that all new applicants for a tow truck driver's licence have a minimum of seven years driving experience after having obtained a full class G licence in the province of Ontario.
- **Driver Professionalism** - Further amendments to the By-law introduced in 2014 to improve driver professionalism requires that tow truck drivers dress in a manner consistent with their role while at an accident scene, including the requirement to wear safety footwear, a reflective vest, pants with a reflective stripe and an identification badge showing their first initial and last name.
- **Driver Training** - In 2015 tow truck licensing was amended to require that all tow truck operators attend in-class training and pass a test based on the course content. The training provides drivers with detailed knowledge as to the requirements of the Tow Truck Licensing By-law and the expectations regarding their conduct when operating a tow truck.

Research done in 2016 to measure the impact of these amendments on the overall driving behaviour of tow truck drivers indicated that as a group, they had demonstrated a marked improvement. In the report from the Commissioner of Transportation and Works, dated September 13, 2016 and entitled "Report on Tow Truck Chasing in the City of Mississauga" that was received by the Members of Council Subcommittee of Towing on September 26, 2016, it was identified that the rates of violation observed on submitted driving record searches began to decline steadily after 2011.

That report reached the conclusion that *"there is both anecdotal and empirical evidence that these amendments have shown positive results with regards to the behaviour exhibited by licensed tow truck drivers operating in the City."* (Appendix 1)

Implementation of Moratorium

During the past five years of the moratorium, tow truck owners were permitted to "park" an unused tow truck licence at the licensing office.

This practice was originally intended to provide the licenced tow truck owners sufficient and reasonable time to obtain a replacement vehicle and to prevent the licence from expiring completely while the new vehicle was on order. However, some of these plates remained parked for periods of time far in excess of what was originally intended. This has resulted in a situation whereby companies that had larger numbers of plates, prior to the moratorium, have been permitted to park plates and then reactivate them as their business needs dictated.

There is currently no provision in the By-law that explicitly states that a tow truck owner's plate can be parked. However, the By-law is clear in section 19(4) that, "No Licence may be renewed more than sixty (60) days after the date upon which it expires."

The ability to park licences provided a significant advantage to the larger tow operators who were able to hold licences in reserve against future business needs. This was detrimental to both smaller and new operators who have been unable to expand their capacity as business needs may have dictated.

Mobile Licensing Enforcement records indicate that currently 74 tow truck owner plates are listed as inactive. As of July 2017, the Licensing Manager has ceased the practice of parking licences beyond the 60 day provision. Moving forward, staff are prepared to make by-law amendment recommendations for dealing with this matter should the moratorium remain in place.

Current State

At present, there are approximately 381 tow truck owner plates that are active. By comparison, there are only 277 tow truck drivers licensed to operate in the City. This disparity is the result of some vehicles that are licensed for use in Mississauga are being used exclusively in other jurisdictions.

Some licensed owners have indicated that finding operators that meet the current licensing requirements for Mississauga is challenging, especially the requirement for seven years of full Class G licence experience.

Mobile Licensing Staff polled members of the industry to gauge the effects of the moratorium and to identify their requirements for additional owner's licences should the moratorium be lifted. A number of industry members identified that the moratorium is having a negative impact on their ability to service existing contracts, especially in the area of roadside assistance and that Mississauga residents are now experiencing wait times that are in excess of those in other jurisdictions. Of the 58 industry members that were polled, 21 (36%) identified a need to acquire additional owner plates. The number of plates required was identified as being approximately 122 in total. A letter from CAA, one of the largest providers of roadside assistance, identifies their concerns regarding this issue is attached as Appendix 2.

A number of other new businesses have also been in contact with the Licensing Manager identifying their need for tow truck owner's licenses to support their business requirements.

As part of this report, benchmarking was conducted with other municipalities in the Greater Toronto Area and it was determined that no other jurisdiction currently limits the number of tow truck owner licences. (Appendix 3)

Financial Impact

Based on the polling of industry members, a repeal of the moratorium would trigger a modest increase in revenue from the issuance of tow truck owner licences. This increased revenue will likely be offset by other licence owners returning unused licences that have only been renewed over the years to keep the licence active as a hedge against future business needs.

The repeal of the moratorium is also likely to increase the number of licensed tow truck drivers as presumably those industry members advocating for more plates have drivers that will meet the City of Mississauga requirements. It is estimated that the net financial impact would be approximately \$27,000.

Conclusion

While there is little documentation surrounding the implementation of the initial moratorium, it is clear from the minutes of TIAC that it was intended to be temporary. A permanent moratorium provides little recourse for industry members to expand operations as business needs might dictate. It also limits existing licence holders from disposing of their business assets, as any tow company operating within the City becomes tied permanently to the current owner of the licences.

It is also clear that the moratorium was at least partially intended to address perceived shortcomings within the industry, as evidenced by the original moratorium on both drivers and owners licences. The subsequent amendments to the By-law would appear to have, at least partially, addressed these shortcomings and the current driver cohort is operating in a manner that is generally acceptable to the public, at a level consistent with other licence groups. Given the relatively low number of currently licensed drivers, it can be concluded that amendments have had a significant impact on the industry.

The polling of industry members indicates that there is a need for new owner licences by some operators. While other members appear oversupplied with owner plates, demonstrated by the fact that more than 70 plates have been parked and the number of tow truck owner licences exceeds driver licences by approximately 110. The existing moratorium provides no mechanism for the distribution or redistribution of the existing pool of plates to address changing needs amongst industry members. As a result, a prolonged moratorium will likely further degrade the service levels experienced by residents for non-collision service requests.

For these reasons it is the recommendation of staff that the moratorium should be repealed.

Attachments

Appendix 1: Report from the Commissioner of Transportation and Works, dated September 13, 2016 and entitled "Report on Tow Truck Chasing in the City of Mississauga"

Appendix 2: CAA Letter

Appendix 3: Benchmarking of Municipalities



Geoff Wright, P. Eng., MBA, Commissioner of Transportation and Works

Prepared by: Michael Foley, Manager Mobile Licensing Enforcement

[Note: appendix 1 not included]



Insurance
Travel
Roadside
Rewards

July 7, 2017

Submitted by e-mail

Mr. Michael Foley
Manager, Mobile Licensing Enforcement
City of Mississauga
Enforcement Division, Mobile Licensing
3235 Mavis Road
Mississauga, Ontario L5C 1T7

Re: Safety and licensing challenges with CAA service calls in City of Mississauga

Dear Mr. Foley,

On behalf of CAA South Central Ontario (CAA SCO), a not-for-profit automobile club representing over two million members across our territory (with 125,000 in the City of Mississauga), we are writing to you regarding an urgent challenge that is increasingly impacting CAA's ability to service our approximately 40,000 annual calls in the City of Mississauga in a prompt and safe manner.

Over the past few years, CAA has observed a significant increase in its response times by our providers to service a member in the City of Mississauga, once the call has been placed. In 2017 alone, we have seen the average response time balloon to just over one hour. These delays increase the risk for Mississauga residents who are experiencing extended wait times to receive the service requested from CAA and its providers. Through CAA's operating model, vehicles are dispatched following a service request by members. The majority of CAA's services on Mississauga's roads are concentrated on vehicle breakdowns and roadside assistance, not collisions.

In reviewing our internal data, CAA and its providers in Mississauga (Professional Recovery Equipment and Towtal Roadside Solutions) are increasingly impacted by the City of Mississauga's 2012 decision to place a moratorium on towing licenses. Over the past five years, both call volumes and the city's population have increased, however the number of available towing plates remain frozen at 2012 levels. The result is a growing challenge for CAA to provide service in a reasonable and safe amount of time to its members who have requested service within the city. For CAA, the safety of our members is paramount.

CAA is aware that the moratorium was approved at the July 4, 2012 Council meeting, with a further amendment approved on September 12, 2012. That amendment provided an exemption to the Tow Truck Plates and Tow Truck Driver Licensing moratorium, where tow truck companies could identify driver shortages, and provide justification for new drivers, subject to approval by the city.

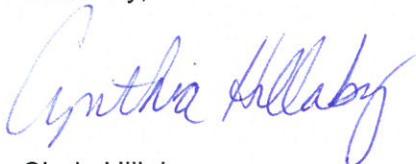
Recognizing that the exemptions to the moratorium have been provided, CAA is formally requesting an immediate solution to ensure that our contracted tow providers can service our members in a reasonable amount of time. Doing so would greatly minimize risk to the safety of Mississauga's motorists, by reducing their lengthy wait times and getting them off the road.

Through a review of service requests in the City of Mississauga, CAA requests that an additional seven (7) tow truck licenses are assigned to Professional Recovery Equipment, along with eleven (11) for Towtal Roadside Services to ensure that both companies can adequately support increasing demands from CAA members. Both Professional Recovery Equipment and Towtal Roadside Services would work with the City

of Mississauga staff to provide the necessary paperwork and details to ensure compliance with City's by-laws and requirements.

On behalf of CAA, we thank you for the opportunity to share our concerns on this issue of importance to our members. We are happy to discuss this subject further at your convenience, should you have any questions or require any clarification.

Sincerely,



Cindy Hillaby
Vice-President
Automotive, Government & Community Relations
CAA South Central Ontario
e-mail: ch1@caasco.ca



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Government Relations Specialist
CAA South Central Ontario
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cc. **Lori Diamond** – Supervisor, Mobile Licensing Enforcement

City	Population	Cap on Plates
Markham	327,000 (2013)	No cap on plates
Vaughan	288,000 (2011)	No cap on plates
Toronto	2,615,000 (2011)	No cap on plates
Caledon	59,500 (2011)	No cap on plates
Oakville	182,520 (2011)	Tow trucks not licenced
Milton	100,000 (2013)	Tow trucks not licenced
Burlington	176,000 (2011)	Tow trucks not licenced
Hamilton	520,000 (2011)	No cap on plates
Oshawa	150,000 (2011)	No cap, limited licensing requirements
Richmond Hill	201,125 (2014)	No cap on plates
Mississauga	713,000 (2011)	Yes

City of Mississauga
Corporate Report



Date: 2017/01/04

Originator's files:

To: Chair and Members of Towing Industry Advisory Committee

From: Geoff Wright, P. Eng, MBA, Commissioner of Transportation and Works

Meeting date:
2018/01/22

Subject

Parked Tow Truck Owners Licences

Recommendation

That report from the Commissioner of Transportation and Works titled "Parked Tow Truck Owners Licences" be received for information.

Report Highlights

- In June of 2012, the City of Mississauga amended the Tow Truck Licensing By-law placing an indefinite moratorium on the issuance of new tow truck owner's licences.
- During the ensuing five years tow truck owners were permitted to park licences that were not in use to be reactivated later.
- Currently there are 70 parked licences associated with 11 different licensees.
- The parking of licences is not supported by the by-law and as such, corrective measures are being undertaken to eliminate the practice.

Background

At the February 28, 2012 meeting of the Towing Industry Advisory Committee (TIAC), discussions took place regarding a proposal to cap the number of tow truck owner's licence in order to address vehicles being towed outside of the city boundaries.

The meeting resulted in the following resolution:

"TIAC-0009-2012

That Licensing and Enforcement staff prepare a Corporate Report with respect to the possibility of capping the number of tow truck licenses issued by the City of Mississauga and return this matter to a future Towing Industry Advisory Committee meeting for consideration."

On June 18, 2012 the following recommendation was made by TIAC:

“TIAC-0014-2012

The Towing Industry Advisory Committee recommends an immediate moratorium be placed on the issuance of any new tow truck and tow truck drivers licences issued by the City of Mississauga pending a review of Tow Truck Licensing By-law 521-04 as amended, and that the by-law be amended to include more stringent licensing.”

The recommendation was approved by General Committee on June 27, 2012.

In the five years following the moratorium, a number of tow truck owners were permitted to park unused tow truck owners licences at the licensing office.

This practice was intended to provide the time required to order and take delivery of a replacement vehicle, a process that might take a number of months. The tow truck owner's licence would be parked and when the new tow vehicle was acquired the licence was reactivated. This was viewed as necessary by some industry members. Had the owner's licence expired during the time necessary to obtain a replacement vehicle, there would be no opportunity to re-licence as this would be viewed as a new licence and prohibited by the moratorium.

Some of these owners' licences remained parked for periods of time far in excess of what was originally intended. This has resulted in a situation whereby companies that had larger numbers of owners' licences, prior to the moratorium, have been permitted to park licences and then reactivate them as their business needs dictated. This resulted in an unfair competitive disadvantage to smaller companies that were unable to obtain new owners licences.

There is currently no provision in the Tow Truck Licensing By-law 521-04, as amended, that states that a tow truck owners licence can be parked. However, the By-law is clear in Section 19(4) that, “No Licence may be renewed more than sixty (60) days after the date upon which it expires.”

Currently there are 70 tow truck owners' licences that are parked at Mobile Licensing. These licences are associated with 11 different licensees. Some of the licences have been parked since 2013.

At the TIAC meeting held on December 4, 2017, staff identified that Mobile Licensing Enforcement would be returning to a practice that is consistent with the By-law. Staff outlined the enforcement plan to bring this about, which included:

- notifying all licensees associated with the parked licences of the by-law requirements.
- providing 60 days for the licensees to renew any or all of the parked owners licences.
- treating any un-renewed owners licences as expired once the 60 days has elapsed.

Members of TIAC requested that staff bring a report to the next meeting providing details regarding the parked owners' licences. It was also requested that staff contact these licensees

to inform them of the situation and determine what their intentions were with regards to their parked owners licences.

Comments

Staff were able to contact 10 of the 11 licensees associated with the parked tow truck licences. Collectively, these owners represent 69 of the 70 parked licences (99%).

Of the ten licensees contacted, eight were aware that they had tow truck owners licences parked. However, some were unsure as to how many licences they actually had parked.

All ten of the licensees indicated that they would be re-activating at least some parked licences in the immediate future. Combined, the licensees indicated that they would be re-activating a total of 40 tow truck licences of the 69 that were linked to this group (58%).

Nine of the ten licensees contacted indicated that they would reactivate most or all of the tow truck owners' licenses that they had parked. The tenth company estimated that they would only reactivate 10 of the 36 owners licences for which they have an interest in.

Staff estimate that adherence to the requirements of the Tow Truck Licensing By-law will result in the issuance of approximately 40 to 45 additional tow truck licences that have previously been parked.

Mississauga currently licences 381 tow trucks. An additional 40 to 45 owners' licences would represent an increase of 10% - 12% and bring the total number of licenced tow trucks to between 421 and 426. Currently there are only 283 tow truck driver licences that have been issued. The disparity between the number of owners' licences and drivers' licences is likely to continue as industry members have identified a shortage of drivers that meet the current By-law requirements.

Financial Impact

There would be a positive financial impact of approximately \$25,000 in additional revenue for 2018.

Conclusion

It is imperative that those charged with the responsibility of enforcing by-laws be seen as operating in a consistent manner in accordance with the requirements of the by-law. The cessation of the past practice of parking tow truck owners licences supports Mobile Licensing Enforcement's commitment to public safety, consumer protection and fairness in its dealings with the industry.

Staff have identified an enforcement plan that is fair and provides time for each licensee with an interest in a parked owner's licence to take the necessary action to re-activate the licence if that is their wish.

Staff have projected that there will be an increase to the total number of tow truck owners licences of approximately 10% to 12%. While this is not an insignificant increase it should be noted that the current shortage of qualified drivers will likely slow the entry of these vehicles into actual use in Mississauga and many of these vehicles may be licensed as a hedge against future needs by current owners, given the current moratorium on the issuance of new owner's licences. It is also noteworthy that of the 40 to 45 parked licences that will likely be re-issued, only 21 are associated with companies that are linked to chasing activities on the road. This combined with the current paucity of licensed drivers will minimize the overall impact that the licences may have on the industry in total.

The upper projection of total tow truck owners' licences, 426 still represents a significant reduction (-15%) from the 491 tow truck owners' licences in 2012, the year the moratorium took effect.



Geoff Wright, P. Eng, MBA, Commissioner of Transportation and Works

Prepared by: Mike Foley, Manager, Mobile Licensing Enforcement