



100 John West Way
Aurora, Ontario
L4G 6J1
(905) 727-3123
aurora.ca

Town of Aurora

General Committee Report

No. CS23-007

Subject: Business Licensing By-law Amendments – Taxicab Tariffs

Prepared by: Alexander Wray, Manager of Bylaw Services

Department: Corporate Services

Date: February 7, 2023

Recommendation

1. That Report No. CS23-007 be received; and
2. That staff bring forward amendments to Schedule 13 and Appendix 'A' of the Town's Business Licensing By-law No. 5630-14 to a future Council meeting to remove taxicab tariffs; and
3. That staff be directed to implement regulatory framework to regulate Vehicles for Hire (VFH) in Aurora for the purpose of consumer protection and public safety.

Executive Summary

The purpose of this report is to seek Council approval to bring forward amendments to Schedule 13 and Appendix 'A' of the Town's Business Licensing By-law No. 5630-14. The proposed amendments will allow the Town to continue supporting its Taxicab industry, ensure a high level of consumer protection, and protect public safety in the private transportation sector.

- Deregulating tariffs will allow the taxicab industry to remain competitive with vehicles for hire, while also considering ongoing economic pressures.
- Staff have consulted with the Taxicab industry on the proposed changes and have received support for deregulating tariffs.
- Taxicabs will be required to display their tariff rates on a tariff card inside the vehicle.

- Implementing regulatory framework for Vehicles for Hire (VFH) will assist in ensuring the Town's public transportation industry remains safe and competitive.

Background

In 2022 members of the Town's Taxi Industry contacted Bylaw Services to discuss financial hardships being experienced in the industry. During staff's discussions with the taxi industry, it was indicated that rising fuel costs, insurance costs, and the unregulated VFH industry (ex. Uber, Lyft, Steer) are contributing to a steady decline in business and wage sustainability. As a result of staff's discussions, Aurora's taxi industry agreed that deregulation of taxi tariffs would allow for increased competition, reduced operating costs, and an increase in wage stability.

Analysis

Deregulating tariffs will allow the taxicab industry to remain competitive with vehicles for hire, while also considering ongoing economic pressures.

Deregulating Taxicab tariffs, commonly referred to as fares, will allow for taxicab owners to establish competitive market-based pricing. Under the currently approved Taxicab Fare Structure (Attachment 1), a one way trip in a taxicab originating at 100 John West Way, Aurora and terminating at 1 Henderson Drive, Aurora would cost between \$9.40 - \$12.20. Comparatively, the same trip in a VFH ranges between \$12.15 - \$15.84. This approach will allow the taxi industry to adjust their tariffs when factors such as wages, fuel prices, insurance costs and service demand impact operating abilities. Additionally, deregulation of taxicab tariffs will not change the Town's current approach to taxicab licensing and inspections.

Recently, the City's of Markham and Richmond Hill successfully deregulated taxicab tariffs to address similar concerns from their respective taxi industries.

Staff have consulted with the Taxicab industry on the proposed changes and have received support for deregulating tariffs.

In 2022, staff from Bylaw Services consulted with the Town's taxi industry to discuss ongoing challenges and the proposed recommendations in this report. The taxi industry agreed that moving away from the existing model would be beneficial and would allow the industry to compete with unregulated private transportation providers in the VFH industry.

Taxicabs will be required to display their tariff rates on a tariff card inside the vehicle.

In order to ensure continued consumer protection, Bylaw Services will still require tariff cards to be displayed in a conspicuous location inside the taxicab. By requiring the vehicle owner/operator to display the tariff card, passengers can still expect a strong level of consumer protection, while clearly being made aware of rates and additional charges which may impact their trip.

Implementing regulatory framework for Vehicles for Hire (VFH) will assist in ensuring the Town's public transportation industry remains safe and competitive.

Bylaw Services, through consultation with the Town's taxi industry, recommend that Council consider implementing a regulatory framework for the Town's VFH industry. Similarly to taxicabs, regulatory framework for VFH's is tied directly to consumer protection and public safety. It is expected that as Aurora's community continues to grow and traffic activity returns to pre-pandemic levels, we will experience increased growth in this industry. Regulation of VFH's has been achieved successfully in municipalities such as: Newmarket, Markham, Pickering, Vaughan, Toronto, and Whitby.

Advisory Committee Review

N/A

Legal Considerations

Legal Services staff will assist Bylaw Services with the amendments to the Town's Business Licensing By-law No. 5630-14.

Financial Implications

There are no direct financial implications to the Town as a result of this report.

Communications Considerations

The Town will inform the public about the information in this report by posting it to the Town's website. The Communications team will also work closely with Bylaw Services on additional communications pieces if Council was to implement a regulatory framework for VFH's.

Climate Change Considerations

The recommendations in this report do not impact greenhouse gas emissions or impact climate change adaptation.

Link to Strategic Plan

The amendments to the Town's Business Licensing By-law coupled with support to implement regulatory framework on Vehicles for Hire supports the Strategic Plan Goal(s) of: Supporting an Exceptional Quality of Life for all and Promoting service accountability, excellence, and innovation.

Alternative(s) to the Recommendation

1. Council provide direction to staff.

Conclusions

It is staff's recommendation that Council support the recommendations outlined in this report. By doing so, the Town will continue to support our taxi industry and ensure a high level of consumer protection.

Attachments

Attachment 1 – Appendix 'A' Taxicab Fares

Previous Reports

N/A

Pre-submission Review

Agenda Management Team review on January 19, 2023

Approvals

Approved by Techa van Leeuwen, Director, Corporate Services

Approved by Doug Nadorozny, Chief Administrative Officer