

HALIFAX REGIONAL MUNICIPALITY

HALIFAX REGIONAL COUNCIL COMMITTEE OF THE WHOLE MINUTES March 26, 2002

PRESENT:

Mayor Peter J. Kelly
Deputy Mayor Robert P. Harvey
Councillors: Stephen Streach
Gary Hines
Keith Colwell
Ron Cooper
Harry McInroy
Brian Warshick
Condo Sarto
Bruce Hetherington
Jim Smith
John Cunningham
Dawn Sloane
Sue Uteck
Sheila Fougere
Russell Walker
Diana Whalen
Linda Mosher
Stephen D. Adams
Brad Johns
Len Goucher
Reg Rankin
Gary Meade

REGRETS:

Councillors: Jerry Blumenthal

STAFF MEMBERS:

Mr. George McLellan, Chief Administrative Officer
Mr. Barry Allen, Municipal Solicitor
Ms. Vi Carmichael, Municipal Clerk
Ms. Patti Halliday, Assistant Municipal Clerk

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1. **CALL TO ORDER**

Mayor Kelly called the meeting to order at 1:00 p.m.

2. **APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS**

MOVED by Councillor Sloane, seconded by Councillor Hetherington, that the Order of Business be approved. MOTION PUT AND PASSED UNANIMOUSLY.

3. **COGSWELL STREET INTERCHANGE - STAFF PRESENTATION**

Ms. Carol Macomber, Capital District Task Force, made a presentation to the Committee regarding the Cogswell Street Interchange. Mr. Kulvinder Dhillon, Project Manager, Harbour Solutions Project, presented the Treatment Site Highlights portion of the presentation. Copies of the presentation were circulated to members of the Committee.

Responding to a question of Councillor Sloane regarding process, Ms. Macomber stated staff will be bringing the Capital District vision report to Council within one month and at that time the Cogswell Street Interchange will be identified as the number one signature project, and staff will make a recommendation to Council that HRM continue with the redevelopment feasibility study in conjunction with regional planning and transportation.

(Councillor Rankin took his place at the meeting at 1:20 p.m.)

In response to a question of Councillor McInroy, Mr. George McLellan, Chief Administrative Officer, stated the purpose of this meeting was to ensure the context of the matter, as it stands today, was clear to Council so it could see, and validate if necessary, the approach being taken.

Responding to a question of Councillor Hetherington, Mr. McLellan stated there have been a number of informal approaches by private developers but none have been validated or considered by staff at this time. Ms. Macomber stated the land is primarily HRM owned and is very valuable. She stated she would like to review some redevelopment models used across North America to see how similar land was used.

Councillor Sarto inquired if there was any possibility in doing the redevelopment and the treatment plant in tandem. Ms. Macomber responded that she believed the treatment plant is already at the stage where it needs to proceed, but it is not limiting the redevelopment of the site in any way. Mr. Kulvinder Dhillon, Director, Public Works and Transportation Services, added the street network can be developed and there will still be lands available for development.

In response to a question of Councillor Cooper, Ms. Macomber stated the treatment plant will take less space on the site than original high-level planning had identified.

Councillor Cooper stated he agrees something needs to be done with the Cogswell Interchange, but it will take a lot of imagination and input from people of HRM and Council needs to do its homework before making any decision.

Mayor Kelly thanked staff for their presentation.

4. TERMS OF REFERENCE FOR AN INDEPENDENT REVIEW OF THE TAXI AND LIMOUSINE INDUSTRY - STAFF REPORT

C A staff report prepared for Dan English, Deputy Chief Administrative Officer, regarding the above, was before the Committee for its consideration.

Mr. Peter James, Coordinator, By-Law Enforcement, presented the staff report to the Committee.

Mayor Kelly inquired if the zoning structure would remain in place if the limitation was removed. Mr. James responded in the affirmative, noting the industry would also still be monitored for health and safety issues. The only change would be the removal of the limitation on roof lights.

In the interest of moving forward, Councillor Streach stated he was prepared to move the staff recommendation and put forth the following motion:

MOVED by Councillor Streach, seconded by Councillor Whalen, that it be recommended that Regional Council:

- 1. Approve in principle removal of the limitation of the number of taxi owners licenses in the Halifax and Dartmouth taxi zones (Appendix A in the staff report dated March 7, 2002).**
- 2. Authorize staff to commence an amendment process for the Taxi and Limousine by-law accordingly; and**
- 3. Not proceed with the approval of the attached Terms of Reference for an independent review of the taxi and limousine industry (Appendix E in the staff report dated March 7, 2002).**

Councillor Adams stated the Taxi and Limousine Committee worked long and hard to come up with recommendations that, in his opinion, would work. The Councillor stated if Council wants to deregulate the industry, it will mean the fares cannot be regulated either. Councillor Adams stated, at this time, it makes no sense to take away regulation. The Councillor noted two major brokers have indicated they are installing new dispatch systems which should resolve one of the main concerns expressed. Councillor Adams encouraged Council to vote against the recommendation and proceed with the Committee's recommendation for a limit of 610 and a mechanism with regard to distributing those roof lights. With regard to process, the Councillor stated the report was for a terms of reference and not the opinions of staff. In closing, Councillor Adams asked that Council allow the industry the opportunity to prove what it can do.

Councillor Walker inquired if there were going to be any public presentations. Mayor Kelly responded that there were four individuals who indicated a desire to speak. It was agreed that they be heard at this time.

Ed Flewwelling

Mr. Ed Flewwelling addressed the Committee regarding this issue, noting correspondence from himself and David Withrow had been circulated. Mr. Flewwelling stated the problems existing in the taxi industry at this time were specific to Zone 1 (the former City of Halifax). However, he noted that limitation has worked very well for just over 12 years in Dartmouth and it does not experience the same problems as Zone 1. Mr. Flewwelling questioned why Dartmouth should be penalized due to the problems of Zone 1.

Darshan Virk

Mr. Darshan Virk addressed the Committee regarding limitation stating it was obtained in Halifax after 50 years of struggle. Mr. Virk stated the removal of limitation has not been successful in other municipalities. He further stated that if there was a seniority list, people who wanted roof lights would have them and there would be no need to lease them. Mr. Virk stated he believes there is no shortage of taxi cabs, and the public and the taxi drivers are being ignored in this process. He suggested that the issue be left alone for six months to allow time for the new dispatch system to be implemented and assessed to see if the problems still exist.

(Councillor Colwell took his place at the meeting at 1:55 p.m.)

Graham Walker

Mr. Graham Walker addressed Council stating the drivers he represents own their own vehicles but have to rent roof lights for \$3,000 - \$5,000 per year. He stated if the motion is

adopted, it will resolve this problem but it may create a larger problem in the industry. Mr. Walker stated he believes a roof light has property value. He suggested that Council devise a by-law that will give a roof light to the drivers that now have leased lights and issue roof lights for the life of the driver. Mr. Walker stated this will resolve the problem of future leasing. With regard to the figure of 610, Mr. Walker stated it is misleading as there are currently more than 550 roof lights in the industry. He suggested the fare could be increased from 6 p.m. to 6 a.m. to provide an incentive for drivers to work nights.

In response to a question of Councillor Adams, Mr. Walker stated it is his understanding there are between 50 - 60 roof lights currently being leased. Councillor Adams stated every driver that leases a roof light was fully aware that they had to enter into some type of agreement with another party to obtain one. In response, Mr. Walker stated the officials of HRM knew what was taken place and they approved it.

Responding to a question of Deputy Mayor Harvey, Mr. Peter James, Regional Coordinator, By-Law Enforcement stated the physical roof light is owned by the person who has been issued the license. HRM is the owner of the rights to the roof light. With respect to the current leasing arrangements, staff does not believe they are appropriate or fair. Therefore, having no limit on roof lights would give people the opportunity to acquire their own roof light.

In response to a question of Councillor Sarto, Mr. Walker stated he believes roof lights should be issued for the life of the driver and the right to have the roof light is a property interest that has a dollar value and can be enforced in the court of law.

Councillor Adams noted there were some other individuals who wished to speak on this item and requested that Council grant their request. Council agreed to hear the additional speakers.

Bill Johnson

Mr. Johnson stated he is one of the drivers who leases a roof light and has done so for 2 ½ years. When he got his license, Mr. Johnson stated he was aware he would have to lease a roof light. He stated he has no problem with that, but in order for him to pay all of his bills he has to put in a lot of hours. Mr. Johnson stated the problem in accessing cabs lies within the dispatch system, and suggested the opportunity for the new system to work should be given before any changes are made to limitation. He stated if another 100-200 people are added to the industry, there will not be enough business for those who depend on this industry for their livelihood. In closing, Mr. Johnson stated if the change provides him a roof light at the expense of a lot of current drivers suffering, he does not want it.

In response to a question of Councillor Warshick, Mr. Johnson stated he pays over \$3,000 for his leased roof light. Responding to a further question of the Councillor, Mr. Johnson stated he does not agree someone should own more than one light.

Brian Allen

Mr. Allen stated he has been driving for 3 ½ years and is currently leasing a roof light. Mr. Allen noted he would prefer to lease a roof light rather than opening up the industry. He stated this industry provides his only source of income and he works between 65 - 80 hours per week. If the limitation is lifted, Mr. Allen stated it would cause great hardship for the current drivers and it will force some drivers out of the industry. Also, it will create more opportunity for part-time drivers to supplement their income, but they will not work extended hours in the nights and weekends and bad weather when the cabs are needed. Mr. Allen suggested an alternative solution would be to extend Metro Transit service to evenings and weekends. In closing, Mr. Allen encouraged Council to vote against the motion as it will be devastating to the people currently in the industry.

Responding to a question of Councillor Streach, Mr. Allen stated it is difficult to predict how many people would join the industry if the limitation was lifted. In response to a further question of the Councillor, Mr. Allen stated deregulating the fares could cause problems with undercutting of fares.

Bill O'Handley

Mr. O'Handley stated he is a driver with Casino Cab and he pays \$3,600 per year for his leased roof light. When he entered the industry, Mr. O'Handley stated he was advised that he may never own a roof light and he accepted that fact. Mr. O'Handley noted he works between 70 - 80 hours per week, including nights. In closing, Mr. O'Handley stated he supports the proposal put forth by Councillor Adams and he may have the opportunity to obtain a light in two years.

Responding to a question of Councillor Fougere, Mr. O'Handley stated if another 100 cars are added to the street, paying \$50 for a license will not be a benefit to him as it will be very difficult to make a living. If the status quo remains in place, Mr. O'Handley stated he will be able to make a living even with paying the \$3,600 for the roof light.

In response to a question of Councillor Warshick, Mr. O'Handley stated he believes with Councillor Adam's proposal there will be one light per owner in the next couple of years. He asked that Council given this proposal a chance.

David Withrow

Mr. Withrow questioned why HRM is so far behind the times in this industry and stated taxi licenses should be transferrable as is the case across the country. Mr. Withrow stated as long as he meets the guidelines he should be able to do whatever he wants with his roof light. He noted other cities that have transferability have a regulation that licenses can only be transferable from one individual to another or from a broker to an individual. They cannot be gathered up by one broker. With regard to hotel standards, Mr. Withrow stated only 100 of 600 cars are allowed to park at hotels.

Responding to a question of Councillor Warshick, Mr. Withrow stated he does not believe there should only be one license per owner. In response to a further question of the Councillor, Mr. Withrow stated he owns two roof lights but does not charge to lease the second light.

In response to a question of Councillor Adams, Mr. Withrow stated it is his understanding the market value of a license in London is \$4000. Councillor Adams noted the market value in Toronto is approximately \$75,000. Mr. Withrow stated those licenses bring in \$800 - \$900 per day. Councillor Adams stated if transferability is permitted, it will create the opportunity for someone with no interest in the industry to purchase a license and exploit the drivers that want to use it in the manner it should be used.

Don Shannon

Mr. Shannon noted he is the current drivers' representative on the Taxi and Limousine Committee, and he supports Councillor Adam's proposal of a maximum of 610 owner licenses. Mr. Shannon stated he believes the communication system will prove its worth, noting that most complaints he receives are with getting through to the dispatch system. Mr. Shannon stated to jeopardize the industry by adding an additional 50 - 60 licenses is not fair to the current career drivers. He stated the people in this industry work at jobs with no medical plan, no pension and no opportunity for Workers' Compensation, and they are only asking for stability. Mr. Shannon stated his solution would be to have the courage to tell the few malcontents to follow the proper procedures as the Committee is aware of the problems and is working on solutions. He stated lifting the limitation will create more transient workers, unsafe vehicles, sleepy drivers and will force people out of the industry. In closing, Mr. Shannon stated deregulation will serve no one.

Responding to a question of Councillor Warshick, Mr. Shannon stated he owns one license and works 60+ hours per week, and he does not believe an owner should own more than one license.

There were no further speakers from the public on this issue.

Responding to a question of Councillor Uteck, Mr. James stated there were 667 licenses in the Halifax Zone when limitation came into effect. Today, there are 599.

Councillor Hetherington stated the problems seem to be in Zone 1 and questioned the logic of including all zones.

In response to a question of Councillor Goucher, Mr. James stated cross-zone trips are permitted to be made by drivers, but a driver cannot pick up a passenger in a different zone and drop off that same passenger in that different zone. Responding to a further question of the Councillor, Mr. James clarified that staff is not making any recommendation with respect to the zone system and that the zone system will remain intact. He stated if the demand existed for the service, the service provider would emerge independent of the zone system. Councillor Goucher stated his main concern is the leasing of the roof lights, and he does not support that practice. The Councillor also expressed concern with ensuring adequate service will be provided to the Bedford and County areas if limitation is lifted.

Councillor Cunningham expressed appreciation for the speakers noting some have not been heard from before and, in many instances, they brought forward a fresh approach. The Councillor stated the industry seems to be reacting to Council's concerns. Councillor Cunningham inquired if adding a premium to evening fares is a possible alternative that staff is considering. In response, Mr. James stated London, England, is a good example, noting they do not have limitation on owner lights. He stated the England model is very much committed to the owner-driver model and staff could explore this alternative further.

In response to a further question of the Councillor, Mr. James stated staff have examined other municipalities and there is a lot of discussion on this issue across the country. Most municipalities limit the number of owner licenses but most are looking at HRM very closely to see how it proceeds on this issue.

Councillor McInroy stated it is clear there is a change needed with the multitude of issues, differing opinions, allegations, etc., that are surrounding this issue. The Councillor stated Council needs some objective recommendations regarding this matter. Councillor McInroy stated Mr. Walker's presentation clearly indicated the need for some transitional considerations. After a thorough review and some alternatives and recommendations being presented to Council, Councillor McInroy stated further changes can be made. The Councillor stated there needs to be fairness and consistency brought into the matter if Council is to stay in the regulation of this industry. Therefore, Councillor McInroy stated he could not support the motion as many factors are being left out.

Councillor Cooper stated the total implications of de-regulating the industry are not known, and Council has not spent enough time examining them. The Councillor further stated that Council does not have enough information regarding the implications and costs of de-regulation, and he urged Council not to go in that direction at this time.

(Deputy Mayor Harvey assumed the Chair at 3:15 p.m.)

Councillor Smith stated there is a lot of fear surrounding the issue of opening up the taxi industry and it is not known how many people will come forward if this takes place. The Councillor suggested an examination of the taxi industry by an independent party may be necessary. Councillor Smith stated he does not support leasing of roof lights nor an owner having more than one roof light.

(Mayor Kelly returned to the meeting at 3:20 p.m. and assumed the Chair.)

Mr. McLellan stated the issue is whose responsibility is service, and this would be clearer if the taxi industry was a business HRM ran as opposed to regulated. In response to a request of Mr. McLellan, Mr. James provided some background as to staff's recommendation. He clarified the recommendation is with respect to the removal of limitation and not deregulation. Mr. James advised there are only 728 taxi drivers currently licensed in the Halifax Zone and 240 in Dartmouth, and the removal of the limitation of owner licenses will not cause a huge flood into the industry. He noted there is a very tight three step driver qualification process that needs to be followed before a person can join the industry. Mr. James stated there are currently 75 leasing arrangements on record for the Halifax Zone, and it is anticipated that a percentage of those currently leasing will want to pursue their own roof light which would promote an owner-driver industry. With regard to the Dartmouth Zone, Mr. James stated there are 69 of 200 roof lights currently subject to leasing arrangements.

Responding to a question of Councillor Sarto, Mr. James stated there are 240 drivers and 199 roof lights currently issued in the Dartmouth Zone. The Councillor stated he could not support deregulation in Dartmouth as it would have a serious negative economic impact on the drivers.

Speaking against the motion, Councillor Walker stated Council has heard from drivers leasing roof lights who do not want the limitation to be lifted. The Councillor further stated that these drivers work long hours as it is and they do not need the extra competition.

Councillor Rankin noted Council already approved an increase in the number of licenses in the Halifax Zone to 610, and the concerns expressed were with respect to how these would be issued. The Councillor stated the number of licenses should no longer be debatable, and the issue is now the methodology to get to that number. Councillor Rankin expressed disappointment in the process being followed at this meeting. The Councillor stated if this motion is defeated, Council should return to the spirit of the recommendation at the Public Hearing. In response, Mr. McLellan stated it is Council's option to either approve or reject the staff recommendation or to make a different recommendation.

Responding to a question of Councillor Warshick, Mr. David Steele, Inspector, Taxi and Limousine Services, stated there are approximately 125-150 names on the waiting list for roof lights in the Dartmouth Zone. Speaking against deregulation, Councillor Warshick stated he

is prepared to first give the new dispatch system a chance to work. The Councillor stated he supports one license per owner and suggested the Committee should look carefully at this recommendation.

Councillor Hetherington expressed concern with the amount of Council's time being spent on taxi issues. The Councillor suggested if Council has a problem with the leasing of roof lights, it needs to find a way to give lights to those who want them. Councillor Hetherington stated Council's mandate is to ensure the public has a safe means of transportation. The Councillor stated the industry needs to be regulated but not over-regulated. Councillor Hetherington also suggested there should be changes made to the composition of the Taxi Committee and industry members need to be removed as voting members and used as a source of resource instead.

Councillor Fougere stated Council's role in the taxi industry is to ensure the cabs are clean and safe and that the drivers are well trained and licensed. In principle, the Councillor stated she believes the taxi industry should be deregulated because business determines its own level. Councillor Fougere stated she does not believe there will be a huge influx of drivers wanting owner licenses. The Councillor stated deregulation should be a long term goal of Council, but there are other issues that need to be addressed such as licensing, inspection, issuance of roof lights, etc. Councillor Fougere stated a plan for deregulation needs to be put in place first to ensure it has the least impact on the majority of people. Therefore, she stated she could not support the motion at this time.

Councillor Cooper stated it is defined regulation that is needed, not deregulation.

Councillor Whalen stated she believes, philosophically, that Council should be going in the direction of the deregulation, but a note of caution has been raised. The Councillor stated Council should be able to depend on the Committee to give it good advice on taxi issues, and the structure of the Committee needs to be reviewed. Councillor Whalen stated she believes the motion may be premature at this time.

Speaking in support of the motion, Councillor Hines stated those who want to survive in the industry will do so, with or without deregulation. The Councillor further stated that those in the industry need to take it over and become successful rather than depending on the Committee to protect them.

Councillor Adams stated the report requested by Council did not ask for staff's opinion on limitation, rather it asked for comment on regulation of brokers, composition of the Taxi Committee and the practice of leasing roof lights. The Councillor suggested members of Council should attend a Taxi Committee meeting to become familiar with the issues of the industry. If the motion is defeated, Councillor Adams stated he will put forth a motion to adopt

the mechanism for distributing roof lights, as indicated in Appendix A of the report. In response, Mr. McLellan stated the motion before Council is staff's opinion. With regard to whether or not it was appropriate to bring it forward, he stated this would have to be revisited and agreed to get back to Councillor Adams regarding this.

Councillor Sloane stated this is a difficult issue, but Council needs to look at the public service aspect of the issue and do what is right for the community.

Councillor Streach stated he never received one phone call regarding the inability to obtain a taxi cab. The Councillor expressed concern with the number of Councillors who have flip-flopped on this issue. Councillor Streach stated he will not partake in another debate on this issue and suggested that, in future, the matter be referred to community councils of the areas involved.

Councillor Johns also expressed concern with the amount of Council's time spent on this issue, noting it has nothing to do with the residents he represents.

Councillor Hetherington stated decisions of Council need to be made on an HRM wide basis and not by which districts are directly affected.

Closing the debate, Councillor Streach clarified his comment regarding participating in further debates was not with respect to boundaries but to the relevance of regulating an industry that he does not believe is under the mandate of Council.

MOTION DEFEATED.

There being no further business, the meeting adjourned at 4:10 p.m.

Vi Carmichael
Municipal Clerk