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Executive Summary

Introduction

In addition to public transportation options, taxis play an essential part of the transportation system, providing door-to-door service, 24-hours a day; seven days a week. While other forms of transportation have become more accessible, progress to improve taxi accessibility in many municipalities has been slower.

Unlike other public transport modes, the taxi industry is composed mainly of small, often very fragmented, independent and privately owned businesses that are operating in a competitive market. Therefore, industry participants are reluctant to take on any services that could potentially hurt their competitive positioning and ability to earn a profit.

The establishment of wheelchair on-demand accessible transportation systems, comparable to those of the rest of the community enhances the opportunity for people with disabilities to participate fully. The goal, therefore, is to identify the most viable solution to enable persons with disabilities the same demand-responsive service throughout the community as standard taxis offer other travelers.

Based on feedback received from stakeholders that were consulted throughout the process and in light of the proposed Accessible Transportation Standards, several guiding principles have been identified which were used to assess the most appropriate service delivery model in the City of Kingston:

- **Accessible service and non-accessible service should be available to the public on a similar basis (24/7 on demand service) with similar performance standards;**
- **Accessible and non-accessible customer should be charged the same rate for similar service provided;**
- **Any decision with respect to on-demand accessible taxi service should be based on a long term sustainable solution for all participants in the industry;**
- **Every effort should be made to avoid or minimize taxpayer subsidy;**
- **The on-demand service should be founded on the principle of inclusive design, principle of integration and full access;**
- **Customer safety will be a priority and accessible service will be provided by qualified drivers.**
The Kingston Area Taxi Commission is the body for the licensing, regulating and governing of the owners and drivers of taxi cabs in the City of Kingston and the former Ernestown Township. It is anticipated that recommendations made in this report impacting the taxi industry would require the approval of the Taxi Commission.

The Accessibility for Ontarians with Disabilities Act (AODA), 2005 received Royal Assent on June 13, 2005. The Ministry of Community and Social Services in 2009 released the proposed Accessible Transportation Standard but these have yet to be legislated. With respect to taxicab service, the proposed Accessible Transportation Standards includes the following draft provision in subsection 8.1:

“Independent operators, brokerages or dispatch service shall provide on-demand taxi services using (a) standard taxis with accessibility features and (b) wheelchair accessible taxis.”

As such, this review is timely in that it provides the opportunity for the City of Kingston to establish clear direction with respect to how the needs for on-demand wheelchair accessible taxi service will be met.

**Additional Cost of Providing Wheelchair Accessible Taxi Service**

All parties consulted recognize that full accessibility is desirable within the City of Kingston. However, it is a well recognized and documented fact that providing wheelchair accessible service is more costly than providing standard taxicab service; both from an operating and capital cost perspective.

It is estimated that the additional capital cost to put a wheelchair accessible taxi vehicle on the road is almost $30,000 higher or approximately $7,500 annually (amortized over 4 years). Wheelchair accessible vehicles are also more expensive to maintain than standard taxis; insurance is more expensive and converted vans are less fuel efficient resulting in an additional annual operating cost estimated to be $6,870. The combined additional annual operating and capital costs associated with operating a wheelchair accessible vehicle is approximately $14,330, almost $1,200 per month per vehicle.

This situation is further exacerbated when revenue forecasts are taken into consideration as accessible taxis typically provide 30%-40% less trips than a standard taxi. Research and direct comparisons reflect that driver revenue which is mainly commission based can be significantly lower for wheelchair accessible vehicles as a result of the additional time required to load and unload passengers and with a smaller relative accessible fleet size, service coverage is difficult resulting in additional “deadhead mileage” (mileage driven without a fare).
In order to attract drivers to provide wheelchair accessible service, efforts are needed to ensure the same potential to generate income as a driver of a standard taxicab (generally accomplished through providing an hourly wage). This further increases the cost of service.

**Customer Subsidies**

The presence of a taxi supplemental program which is currently in place in the City of Kingston should be continued through Kingston Access Services (KAS) and extended to include the available wheelchair accessible taxi service, if implemented, as this can be a cost effective way to manage the service needs of the community. It is recommended that KAS should continue to use taxi service to supplement paratransit service to better serve persons with disabilities as well as to provide overflow capacity.

The City’s existing program which provides monthly transit discounts for low income disabled users offers a reasonable safety net to address low income customers with disabilities, not available to the general low income population. With the extension of low floor bus service to all routes by 2011, this program will allow low income disabled users additional service options.

A taxi scrip program is another option used by some municipalities which provides discount taxi vouchers to eligible customers. Program participants are responsible for the cost difference between the voucher value and the actual meter charge. A taxi scrip program which is currently not available in Kingston may, in fact, be a more cost effective way of serving needs than increasing paratransit services as this program will typically reduce the demand for paratransit service, with the potential to reduce the overall net municipal cost of service. However, savings will only materialize if a commensurate reduction in the paratransit contract is undertaken. As such, at this time, a taxi scrip program for on-demand accessible service is not recommended until a comprehensive accessible transportation strategy is developed and a cost benefit analysis is undertaken to rationalize the most effective manner in which to coordinate services and discounts between paratransit and accessible taxi service.

A number of stakeholders, were interviewed during the course of this study which consistently identified a need to better coordinate all accessible transportation services and develop a comprehensive action plan. A coordinated transportation plan centered on the needs of the customer’s perspective will also help to maximize transportation resources in the community.
Delivery of On-Demand Wheelchair Accessible Taxi Service

Three options were considered for the delivery of on-demand wheelchair accessible taxi service; Kingston Access Service, taxi industry or the limousine industry. An analysis was undertaken on each and the recommended strategy is for this service to be provided through the taxi industry.

The only option employed by the municipalities surveyed was to deliver wheelchair accessible on-demand taxi service through the taxi industry. The provision of on-demand accessible taxi service through the taxi industry has numerous advantages:

- Provides a consistent and inclusive approach to service delivery for accessible and non-accessible users;
- Not only is inclusive design in keeping with the principle of integration and full participation, it is also more cost-effective in the long run. This is borne out in statistics provided through the CUTA (Canadian Urban Transit Association) data whereby analysis included services in Barrie, Brantford, Burlington, Guelph, Oakville, Peterborough, York Region and Windsor;
- Consistent with the taxi industry’s core business delivery model of 24/7 on-demand metered service where dispatch services are already in place;
- Better utilization of the accessible fleet of vehicles – this service delivery option provides the ability to maximize usage of wheelchair accessible vehicles and increase revenue generation opportunities by allowing the wheelchair accessible vehicles to be dispatched to non-accessible calls when not required for wheelchair accessible calls;
- Provides customers with choice, similar to non-accessible customers.

The three brokerage companies recognize the need for on-demand wheelchair accessible taxicab service and are receptive to working together and with the City in an effort to arrive at a sustainable solution. However, the structure of the taxi industry in Kingston is characterized by many owner/drivers and small proprietors who either lease vehicles and hire drivers. The additional cost of accessible service, unless adequately addressed could create an uneven playing field. As such the recommended strategy is to issue the wheelchair accessible plates to the three brokerage companies, rather than small owner/operated taxi businesses. By issuing one accessible plate to each company, the concern with respect to unfair competition is eliminated as all brokerage companies will be operating under the same cost/revenue generating structure.
Financial Assistance to Accessible Taxi Service Provider

Essentially three general options were considered to determine whether and how a financial assistance program for the accessible taxi service provider would be provided. This included:

1. Direct municipal subsidy;
2. Recovery from the taxi industry (drivers, owners); or
3. Recover from all taxi customers (through small increase in fares).

Generally, municipalities that have taxi companies operating with large fleets rather than many small independent businesses have an increased ability to provide accessible service with no subsidy. The fleet managers are able to offset losses in accessible service against the operating profits of standard taxi service. In the City of Kingston, where the industry is comprised of many small independent businesses, without some form of incentive for individual plate holders operating wheelchair accessible taxis, this approach would likely not be sustainable.

The taxi industry, while agreeable to provide wheelchair accessible service believes that to be sustainable a strategy is required for this service to be operated on a break even basis (at a minimum). Otherwise, the City may end up in the same position as it was in the past where service is provided for a period of time but as losses accumulated, service providers could not afford to continue to operate.

In recognition of the additional cost of service, the desire to avoid direct municipal subsidy, and the desire to secure a steady funding source, it is recommended that a small surcharge be instituted for all taxicab fares. It is recommended that the Taxi Commission be requested to increase the drop rate (this the amount charged upon entering the taxi which is currently $2.85 plus GST) by $0.05 per trip for all taxi fares (accessible and standard) which would be available to the wheelchair accessible taxi service providers to offset all estimated additional costs to the brokers of operating a wheelchair accessible taxi. It is anticipated that this would have no impact on driver income as this additional $0.05 per trip would flow through to the brokers as the service provider of the wheelchair accessible taxi service. This would be equivalent to a 0.7% increase for a customer on an average taxi fare, and even less for longer trips. It is anticipated that this would have limited/no impact on the demand for service or affordability from a customer perspective.
A comparison of the fares across a number of communities was undertaken to get an appreciation of the existing cost to customers. As shown below, with the exception of Windsor, the fares in Kingston are the lowest in the survey of 15 Ontario municipalities.

**Fare Comparison – 5 km ride**

This approach offers the advantage of spreading the cost over a large customer base with limited/no impact on customers and it fully offsets the additional capital and operating costs of accessible on-demand taxi service. This will improve the economic viability and sustainability of the service. This approach would be easy to administer, particularly if the accessible plates are issued to the three taxi brokers, maintains equity across the industry and will not impact the City’s levy requirements. This innovative approach should create the impetus for the industry to provide wheelchair accessible on-demand taxi service. As the population ages and demand for wheelchair accessible taxis increases, the need for ongoing subsidization through a fare surcharge may not be necessary.

**Summary—Accessible Driver Training and Penalties**

A primary goal in establishing on-demand accessible taxi service is to ensure that a quality service is provided to ensure customer safety and consumer protection. Regulators of the taxi industry recognize the role that taxicab drivers play in meeting this goal. Driver training is important to ensure that drivers are sensitive to addressing specific accessible needs. Therefore, the regulator (Commission) plays an important role in regulating driver training and testing and ensuring that appropriate training standards have been established. Ultimately, the City wants professional drivers that are committed to providing safe, reliable and quality service to the public.
There is currently no training program neither offered by the Taxi Commission nor required in the Taxi Licensing Commission By-law; rather their focus is on providing a training manual and overseeing testing. The companies may also provide driver training, but this is not standardized across the industry nor is it a requirement under the by-law.

By far the most common approach in other municipalities is to integrate training required for accessible vehicles into an existing taxi driver training program. Optimally, an integrated and consistent approach to taxi driver training provides the best solution to ensuring that there is a consistent, high quality and safe service provided. Further, by training all taxi drivers there is a large pool of qualified drivers that would be available to provide service; it provides consistency in training and does not place an additional burden on accessible drivers in terms of cost of training and testing requirements. This is likely not practical in the current Kingston environment where drivers of standard taxis are not required to take a training program.

The introduction of wheelchair accessible on-demand taxi service requires training as this involves hands-on experience and understanding of some aspects of service delivery that are not required in the provision of service in a sedan. This would include boarding and de-boarding assistance procedures and the handling and storage of transportable mobility aids, assistive devices and securing passengers. Program content has been included in the report which incorporates the proposed Accessible Transportation Standards and municipal best practices. It is recommended that any driver (new or existing taxi driver) operating a wheelchair accessible taxi must have successfully completed a wheelchair accessible training program which will include, at a minimum, all requirements set out in the Accessible Transportation Standards as well as training in customer service, sensitivity training, communications, assistive dogs and priority service to accessible customers. How the training will be provided is beyond the scope of this study however this report identifies a number of options and strategies including a partnering with KAS, provision through the taxi companies or a contracted service as is the practice in some Ontario municipalities.

In keeping with the guiding principles associated with providing a consistent and integrated service to the community, any consideration of penalties for unsafe practices and driving without a licence should be the same; regardless of whether it is for standard or accessible taxi service. Contained within the Taxi Commission Licensing By-law, there are penalties and the Commission has the power to refuse, suspend or cancel a licence, at any time, with cause for any breach of the By-law, including driving without a licence or driving in an unsafe manner. This provides adequate flexibility to address any unsafe practices on a timely basis.
Summary of Recommendations

1. That given the significant additional costs of operating a wheelchair accessible service and given that wheelchair accessible on-demand taxi service is a priority for the City to ensure a comparable service is available for the entire community, consideration be given as to how best to ensure financial sustainability.

2. That the industry ultimately responsible for the delivery of accessible service consider options to promote equity for drivers of these vehicles in light of lower revenue generating potential (e.g. hourly wage).

3. That the same taxi fare be charged to all customers for accessible and non-accessible service.

4. That Kingston Access Services be requested to explore opportunities to increase the use of supplemental taxi service and extend this program to wheelchair accessible taxis once implemented. This has the potential to further improve customer service, reduce the overall cost of service to the municipality and increase usage of accessible taxi service in a cost effective manner.

5. That consideration of a taxi scrip program for on-demand accessible service be deferred until such time as a comprehensive accessible transportation strategy is developed and a cost benefit analysis has been undertaken to rationalize the most effective manner in which to coordinate services and discounts between paratransit and accessible taxi service.

6. That on-demand wheelchair accessible taxi service be provided through the taxi industry as this provides an inclusive service, is most cost effective and the infrastructure is in place to provide 24/7 service. This approach meets all guiding principles.
7. That a pilot study whereby one plate to each of the three brokerage firms be issued.  
   Footnote: The reasoning is as follows:
   - Consideration of a number of key criteria such as availability of dispatch service, 24/7 service currently in place, ability to maximize vehicle usage and revenues, potential for service disruption, overall cost of service and ability to enforce the standards found in the taxicab industry to be more suitable than other options considered including the limousine industry or Kingston Access Service.
   - 3 wheelchair accessible plates is equivalent to approximately 1.5% of the total taxi vehicle fleet. While it is beyond the scope of this study to determine the appropriate number of wheelchair accessible plates to issue, by taking a phased approach and issuing only three during the initial phase, this will provide the City with an opportunity to assess the demand for additional vehicles.
   - By issuing one accessible plate to each company, the concern with respect to unfair competition is eliminated as all brokerage companies will be operating under the same cost/revenue generating structure.
   - By issuing to brokerages as opposed to independent operators from the waiting list, there is greater ability for the City/Commission to regulate the service.
   - From a customer perspective, there is the same choice of service as that provided to taxi customers using non-accessible service.
   - As will be discussed in the funding section of the report, this approach provides greater ability to facilitate a subsidy solution that will not cost the City any money and can be readily implemented.

8. That the Taxi Commission be requested to increase the drop rate by $0.05 per trip for all taxi fares (accessible and standard) which would be available to the wheelchair accessible taxi service providers (three brokers) to offset all estimated additional costs of operating wheelchair accessible taxis. This would be equivalent to a 0.7% increase for a customer on an average taxi fare, and even less for longer trips.
9. That, in accordance with the proposed Accessible Transportation Standards and in keeping with practices employed in other jurisdictions, the training at a minimum should include:

**Accessible Transportation Standards**

- Responsibilities related to the Accessibility for Ontarians with Disabilities Act (AODA) 2005 and this Standard;
- The safe operation of accessibility equipment;
- Transportable mobility aid securement systems;
- Boarding and de-boarding assistance procedures;
- The handling and storage of transportable mobility aids and assistive devices;
- The function of personal care attendants, service animals and assistive devices and methods for interacting with customers, who are accompanied by personal care attendants, service animals or use assistive devices;
- Emergency preparedness and response policy and procedures;
- Instruction on acceptable modification to procedures or practices in situations where temporary barriers exist or accessibility equipment fails.

**Additional Training**

- Customer service;
- Understanding various forms of disabilities;
- Sensitivity training;
- Communication tips;
- Assistive dogs;
- Priority service to accessible customers.

10. That the Taxi Commission By-law be amended to include a provision that all drivers of accessible taxi vehicles be required to submit proof of completion of an approved wheelchair accessible taxi training program.

11. That the City maintain the same penalty standards and provisions for standard and wheelchair accessible taxi service. This ensures consistency in the enforcement of services. The existing provisions which allow for fines to be issued to drivers operating without a driver’s licence and for licences to be suspended or revoked as a result of unsafe practices appears to provide sufficient controls and penalties.
12. That additional clauses be included in the Taxi Licensing Commission By-law for wheelchair accessible vehicles. For example, the following clauses are recommended based on practices employed in other jurisdictions:

Every applicant for an accessible taxi driver's license shall:

- Be licensed under this by-law as a taxi driver;
- Submit proof of successful completion of a training program dealing with transportation of the disabled;
- Produce to the Licence Issuer his or her taxi driver's license for endorsement as a licensed accessible taxicab driver by the License Issuer; and
- Securely fasten all wheelchairs so that they are prevented from moving when in motion.

No vehicle may be operated as a Wheelchair Accessible Taxicab unless it has approved wheelchair tie downs and complies with all applicable legislation and regulations.

Every licensed Taxicab Driver operating a Wheelchair Accessible Taxicab Vehicle shall, if requested, assist a disabled or elderly person to get into and out of the taxicab and ensure the passenger is properly secured in the vehicle prior to transport. If the Driver is unable to properly assist and/or secure the Passenger, the Driver shall notify their Broker and request a Driver or other appropriate service capable of handling the request. The Driver shall record the request and results on the Trip Sheet. The Driver shall remain with the Passenger until assistance from another Driver or appropriate service has arrived. Should a passenger refuse the assistance of the Driver, then the taxi driver and taxi owner shall not be held liable.

Every licensed Accessible Taxicab Driver shall give priority to the use of the Wheelchair Accessible Taxicab by persons with disabilities, and thereafter permit its use for non-disabled Passengers.
Scope of Study and Review Process

The City of Kingston initiated a review of the local environment to consider a number of service delivery models to meet the community needs for on-demand wheelchair accessible service. To this end, BMA Management Consulting Inc. was retained by the City of Kingston to undertake a review and make recommendations with respect to the following key areas as identified in the City’s terms of reference:

1. What might it cost to deliver a ride in an accessible vehicle?
   - Taking into account… Higher start-up cost (for retrofitting), relative to non-accessible vehicle;
   - Taking into account… Higher operating costs.

2. What costs, beyond those associated with operating a non-accessible vehicle, can be assigned to cover additional services provided to wheelchair and scooter users?
   - For the driver to escort the wheelchair or scooter user from/to the front entrance of the pick-up and drop-off locations, from/to the accessible vehicle;
   - For the driver to lift and/or secure, disassemble/assemble the wheelchair or scooter, ramps, etc.;
   - For the driver to carry groceries and other parcels.

3. Recognizing that people with disabilities generally have lower incomes than the able-bodied population, what would be an acceptable “user fee” to ride in an accessible taxi in Kingston – in consideration of the additional costs, above the metered cost of the ride?

4. Who should deliver the service?
   - Kingston Access Services (Access Bus);
   - Privately-owned taxi companies, such as Amey’s, Modern, and Amherst;
   - Privately-owned limousine services;
   - Combination of some of the above.

5. What, if any, portion of a user fee for riders with disabilities, should be provided by the City of Kingston to the accessible taxi operator?

6. What training will the drivers of accessible vehicles receive?

7. What will be the penalties if a driver of an accessible vehicle is found to be operating the vehicle without having received training, or operating the vehicle in an unsafe manner?
Consultation and Review Process

The review included consultation with numerous stakeholders including:

- Taxicab companies (3);
- Limousine companies (11);
- Taxicab commission and staff from the commission;
- Members of City Council;
- Kingston Accessible Services (KAS);
- Director of Transportation and Manager of Transit;
- Representative from the Kingston Municipal Accessibility Committee and Independent Living Centre;
- Representative from Ongwanada;
- Representatives from the local Kingston hospitals;
- The City of Kingston Rural Affairs Co-ordinator.

In addition, a review of the practices undertaken in other jurisdictions was also undertaken to understand:

- the practices employed in other municipalities including but not limited to Ajax, Aurora, Barrie, Brampton, Brantford, Burlington, Calgary, Edmonton, Guelph, London, Mississauga, Oakville, Oshawa, Peterborough, Region of Peel, Sudbury, Region of York and Windsor;
- the success/challenges with the current provision of on-demand taxi service;
- the factors that influenced the decision;
- the extent to which the municipality provides subsidy;
- the fare structure in relation to standard taxi service;
- the applicability of the service delivery model within the City of Kingston.

As will be discussed in this report, there are unique circumstances within a number of municipalities and also within the City of Kingston that result in the potential for different solutions to the delivery of on-demand accessible taxi service.
**Introduction**

Access to convenient, reliable and affordable transportation increases educational, employment and recreational opportunities and can reduce social services and welfare costs to governments and communities. There is a commitment in the City of Kingston to provide accessible transportation service delivery options that meet the needs of the community. To address the service demands for accessible public transit service, the City of Kingston has been introducing low floor buses for a number of years and plans to have all transit routes serviced by low floor accessible buses by 2011. As well, the City of Kingston provides paratransit service through a non-profit agency.

In addition to public transportation options, taxis play an essential part of the transportation system, providing door-to-door service, 24-hours a day; seven days a week. While other forms of transportation have become more accessible, progress to improve taxi accessibility in many municipalities has been slower. One of the main differences is that public transportation is operated with significant taxpayer subsidy while the taxi industry is not. Also, unlike other public transport modes, the taxi industry is composed mainly of small, often very fragmented, independent and privately owned businesses that are operating in a competitive market. Therefore industry participants are reluctant to take on any services that could potentially hurt their competitive positioning and ability to earn a profit.

One of the primary objectives of the City in undertaking this study was to ensure that on-demand wheelchair accessible taxi service is as available and as easily used by disabled people as they are by the public at large. While there may be little dispute over this basic principle, there are differences in the way in which to best achieve this objective. In part, these differences arise because of the nature of taxi industry.

Any discussion about accessible taxi services should recognize that taxis are already accessible to customers with a wide range of disabilities, including wheelchair users. The existing taxi service in the City of Kingston, which uses sedans or vans, can accommodate wheelchair users who are able to transfer from a wheelchair to a taxi seat. The issue is, therefore, not about accessibility; it is about full accessibility for those users who require transportation while remaining in a wheelchair or scooter.

Full accessibility requires specialized vehicles that are equipped to transport people who remain seated in wheelchairs or scooters during the trip and the service needs to be provided by drivers trained in the operation and safety considerations of these vehicles. To bring the service in line with that provided to the rest of the community, wheelchair accessible vehicles with properly trained drivers should be available 24-hours a day and seven days a week, on an on-demand basis. This is currently not the case in the City of Kingston as there are no wheelchair accessible taxi vehicles.
While wheelchair accessible service is available through Kingston Access Services (KAS) to meet the needs of persons with disabilities, this service is only offered from 7:15 am to 11:00 pm on weekdays and 9:00 am to 11:00 pm on weekends. KAS recommends that customers call 14 days in advance to increase the probability of obtaining service. Customers can call on the same day but with no guarantee of service. As such, the current service provided by KAS is not designed or resourced to meet on-demand wheelchair transportation service needs within the community.

The establishment of wheelchair on-demand accessible transportation systems, comparable to those of the rest of the community, enhances the opportunity for people with disabilities to participate fully. A lack of wheelchair accessible service creates barriers for people who are disabled that do not exist for the rest of the population. While able-bodied people have the right to decide at the last minute to participate in a community activity or be on-call for work, this option does not exist for people in wheelchairs that rely on paratransit service as their main transportation service provider. All participants consulted during the course of this study agreed that changes should and must be made to allow all people to participate on an equal basis.

The provision of wheelchair accessible on-demand taxi service has the potential to increase the mobility of many travelers with disabilities if they are fully accessible to the wide range of people with disabilities. The goal therefore is to identify the most viable solution to enable persons with disabilities the same demand-responsive service throughout the community as standard taxis offer other travelers.

As the population continues to age, specialized transport options will become more important. As stated by the Ontario Human Rights Commission, it is estimated that 1.6 million Ontarians have a disability. As the population continues to age, it is estimated that in 20 years, one in five Ontarians could have a disability. As such, public transit, paratransit and taxis will be increasingly critical to meeting the transport needs of the aging population.

The evidence from this study and research indicates that purchasing and equipping a wheelchair accessible taxi is more costly than purchasing and equipping a standard vehicle. In addition to these higher one time costs, a wheelchair accessible vehicle is more expensive to maintain and operate on a daily basis. This is further exacerbated by the fact that a wheelchair accessible taxi typically does not generate the same revenue as a standard taxi vehicle for various reasons as will be described in this report.
Taxi operators in the City of Kingston recognize that certain segments of the population, notably those with special needs, have not always been served equitably. Just like society in general, the industry has become more enlightened in recognizing that fact and, in keeping with their mandates, are ready and willing to play a role inremedying those deficiencies. However, in so doing, this service should beimplemented such that the service is financially viable.

As a result of the economic situation, municipalities have faced significant challenges in trying to achieve comparable service for individuals requiring wheelchair accessible on-demand taxi service as those in the community being served by standard taxi service. Municipalities continue to struggle with how best to ensure that there is an appropriate level of service to the community. With the pending AODA regulations, more and more municipalities are searching for the most appropriate mechanism to deliver on-demand wheelchair accessible service.

**Proposed Guiding Principles**

Based on feedback received from stakeholders that were consulted throughout the process and in light of the proposed Accessible Transportation Standards (as will be described in the report), several guiding principles have been identified which were used to assess the most appropriate service delivery model in the City of Kingston:

- **Accessible service and non-accessible service should be available to the public on a similar basis (24/7 on demand service) with similar performance standards;**

- **Accessible and non-accessible customers should be charged the same rate for similar service provided;**

- **Any decision with respect to on-demand accessible taxi service should be based on a long term sustainable solution for all participants in the industry;**

- **Every effort should be made to avoid or minimize taxpayer subsidy;**

- **The on-demand service should be founded on the principle of inclusive design, principle of integration and full access;**

- **Customer safety will be a priority and accessible service will be provided by qualified drivers.**
To provide a solution that meets these guiding principles, it is necessary to fully understand the unique aspects of the local environment to identify the most appropriate way to deliver an on-demand wheelchair accessible service.

**Legislative and Regulatory Environment**

The *Accessibility for Ontarians with Disabilities Act* (AODA), 2005 received Royal Assent on June 13, 2005. The goal of the Act is to achieve accessibility for Ontarians with disabilities by 2025. That is, businesses and organizations that provide goods and services to people in Ontario will have to meet certain accessibility standards in five important areas including customer service, transportation, information and communication, built environment and employment.

The new Act applies to both public and private sector organizations and has two new goals: a) the establishment of provincial accessibility standards, and b) Universal Accessibility by 2025. There are two kinds of provincial accessibility standards being developed: common and sector-specific standards. Common standards may apply broadly to all persons and organizations in Ontario and may address barriers common to all sectors such as customer service, the built environment, employment and information and communications. Sector-specific standards apply to accessibility requirements that may be unique to a particular sector and wouldn’t otherwise be covered by a common standard, for example accessible transportation.

The Ministry of Community and Social Services in 2009 released the proposed Accessible Transportation Standard but these have yet to be legislated. The objective of the proposed standard is to make passenger transportation conveyances and services under provincial and municipal jurisdiction in Ontario accessible for persons with disabilities.

With respect to taxicab service, the proposed Accessible Transportation Standards includes the following draft provision in subsection 8.1:

> “Independent operators, brokerages or dispatch service shall provide on-demand taxi services using (a) standard taxis with accessibility features and (b) wheelchair accessible taxis.”

The proposed standard does not stipulate what proportion of taxi vehicles must be wheelchair accessible and what role, if any, municipal licensing authorities will have in achieving this objective.
As stated in a recent letter from the Association of Municipal Clerks and Treasurers of Ontario (AMCTO), the proposed Standard does not mention the municipal role because the standards development committee received a legal opinion that regulators of taxicab services are not subject to the AODA themselves as they are not the service provider as defined by the Act. In practical terms, however, both the general public and the disability community expect municipalities that license and regulate taxicabs to use their powers to address accessibility needs. As such, this review is timely in that it provides the opportunity for the City of Kingston to establish clear direction with respect to how the needs for on-demand wheelchair accessible taxi service will be met.

The Kingston Area Taxi Commission is the body for the licensing, regulating and governing of the owners and drivers of taxi cabs in the City of Kingston and the former Ernestown Township. The Taxi Commission is comprised of three elected officials appointed annually; a councilor from the City of Kingston, a councilor from Loyalist Township and a member of the public.
Additional Cost of Providing Wheelchair Accessible Taxi Service

This section of the report focuses on the first two questions identified in the City’s terms of reference:

1. What might it cost to deliver a ride in an accessible vehicle?
   • Taking into account… Higher start-up cost (for retrofitting), relative to non-accessible vehicle;
   • Taking into account… Higher operating costs.

2. What costs, beyond those associated with operating a non-accessible vehicle, can be assigned to cover additional services provided to wheelchair and scooter users?
   • For the driver to escort the wheelchair or scooter user from/to the front entrance of the pick-up and drop-off locations, from/to the accessible vehicle;
   • For the driver to lift and/or secure, disassemble/assemble the wheelchair or scooter, ramps, etc.;
   • For the driver to carry groceries and other parcels.

All parties consulted recognize that full accessibility is desirable within the City of Kingston. However, it is a well recognized and documented fact that providing wheelchair accessible service is more costly than providing standard taxicab service; both from an operating and capital cost perspective. This has been documented in research undertaken in Canada, the United States and Australia.

The focus of this section of the analysis identifies the additional capital and operating costs to operate an accessible versus standard taxicab. The analysis included:

• Identification of the additional cost associated with the vehicle itself compared with a standard taxicab (sedan) – difference in initial purchase price;
• Identification of the upfront start up capital costs for retrofitting the vehicle to meet accessibility requirements;
• Identification of the useful life for accessible vehicles;
• Identification of additional operating costs including such costs as insurance, fuel, maintenance costs;
• Identification of driver costs in terms of revenue generation and the need to equalize driver earning potential for standard and wheelchair accessible taxi service; and
• Calculation of the estimated level of subsidy that would be required to eliminate the additional operating and capital costs.
The key guiding principles considered in this section of the analysis includes:

- *Any decision with respect to on-demand accessible taxi service should be based on a long term sustainable solution for all participants in the industry;*
- *Every effort should be made to avoid or minimize taxpayer subsidy.*

The following provides a summary of the projected additional cost of service from a capital and operating (general and driver) perspective.

### Capital Costs

The up front capital cost differential between a conventional and a wheelchair accessible taxi is substantial. This is related to the initial purchase price of the vehicle as well as the additional costs required to convert the vehicle to be wheelchair accessible. The following table illustrates the estimated difference from a capital cost perspective for a used taxi sedan compared to a used van converted to wheelchair accessible taxi vehicle:

<table>
<thead>
<tr>
<th>Capital Cost</th>
<th>Standard</th>
<th>Accessible</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price</td>
<td>$7,500</td>
<td>$20,000</td>
<td>$12,500</td>
</tr>
<tr>
<td>Conversion Cost</td>
<td></td>
<td>$14,500</td>
<td>$14,500</td>
</tr>
<tr>
<td>Financing Costs</td>
<td>$791</td>
<td>$3,636</td>
<td>$2,846</td>
</tr>
<tr>
<td><strong>Total Capital Costs</strong></td>
<td>$8,291</td>
<td>$38,136</td>
<td>$29,846</td>
</tr>
<tr>
<td>Annualized (4 Years)</td>
<td>$2,073</td>
<td>$9,534</td>
<td>$7,461</td>
</tr>
</tbody>
</table>

**Assumptions**

Assumes a 4 year useful life for both the sedan and the accessible taxi
Financing cost 5%, amortized over 4 years (estimated useful life)
For comparative purposes, this analysis assumes the purchase of a used sedan for standard taxi service using an industry standard vehicle for medium sized municipalities and a used van that can be converted for wheelchair accessibility. This analysis was prepared based on research using information from independent research undertaken in other jurisdictions, commercial conversion companies providing the service in Ontario and Ontario taxicab companies that are currently providing both standard and accessible taxi services. It should be noted that utilizing a new factory built wheelchair accessible taxi would cost approximately $60,000. To be conservative and based on the practice employed in most other jurisdictions, the analysis of additional costs assumed a converted used vehicle.

As illustrated on the previous page, the additional capital cost to put a wheelchair accessible taxi vehicle on the road is almost $30,000 higher or approximately $7,500 annually (amortized over 4 years).

Dating back to the early 1990’s, the Government of Ontario and the Ministry of Transportation offered a one-time $10,000 grant for each wheelchair accessible taxicab an operator purchased. The rationale was that all Ontarians ought to have the same transportation options, and that fares must be the same for all riders. To make the operation financially feasible, it was assumed that private operators needed some type of monetary aid to even the costs of a standard ride and a wheelchair accessible ride.

Unfortunately, these programs fell short of the actual capital cost differential between the provision of standard and accessible taxi service and did not address the ongoing operating costs. As such, as is the case in the City of Kingston, taxi operators were unable to financially justify replacing those subsidized vehicles when their operating efficacy deteriorated. Further because this program was one-time in nature it was not sustainable. The Province of Ontario and the Ministry of Transportation no longer offers an incentive to private taxicab operators to purchase wheelchair accessible taxicabs.
Operating Costs

Wheelchair accessible vehicles are also more expensive to maintain than standard taxis. Based on actual company records (outside the City of Kingston) that operate both wheelchair accessible and standard taxi service, this is equal to an additional $2,400 annually.

Insurance is more expensive for wheelchair accessible taxicabs both because the vehicle is more costly which requires additional insurance related to the purchase price and also because people with disabilities may be more prone to injury being helped in and out of the vehicle. BMA was able to work with taxi industry providers of both standard and wheelchair accessible taxi service outside the City of Kingston to verify the insurance costs for each type of service. On an annual basis, the differential is approximately $2,950 between the standard and wheelchair accessible service.

Converted vans are less fuel efficient and they generally encounter additional mileage costs (due to significant deadhead mileage travelling longer distances to pick up passengers) which are not recouped from fares. For comparative purposes, it is estimated that both standard and wheelchair accessible vehicles travel 80,000 km a year. A sedan is more fuel efficient (14L/100 km) compared to the converted van (16L/100 km). As such, there are additional fuel costs related to the operation of a wheelchair accessible vehicle estimated to be $2,400.

As shown below, the additional annual operating costs (excluding the driver costs which will be addressed separately) are estimated to be $6,870.

<table>
<thead>
<tr>
<th>Annual Operating Costs</th>
<th>Standard</th>
<th>Accessible</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance</td>
<td>$3,600</td>
<td>$6,000</td>
<td>$2,400</td>
</tr>
<tr>
<td>Insurance</td>
<td>$3,800</td>
<td>$6,750</td>
<td>$2,950</td>
</tr>
<tr>
<td>Fuel (80,000 km @ $.95/litre)</td>
<td>$10,640</td>
<td>$12,160</td>
<td>$1,520</td>
</tr>
<tr>
<td>Total Annual Operating Costs</td>
<td>$18,040</td>
<td>$24,910</td>
<td>$6,870</td>
</tr>
</tbody>
</table>

The combined additional annual operating and capital costs associated with operating a wheelchair accessible vehicle is approximately $14,330, almost $1,200 per month per vehicle. This situation is further exacerbated when revenue forecasts are taken into consideration.
Revenue Generation and Driver Cost Differentials

To operate a quality and sustainable service to the community, it is important to consider not only the cost to taxicab vehicle owners (as described above), it is important to also take into consideration the potential for revenue generation of the vehicle and how this differs for standard taxi versus wheelchair accessible service.

For the most part, drivers are paid on a commission basis therefore in order to attract drivers to provide wheelchair accessible service, efforts are needed to ensure the same potential to generate income as a driver of a standard taxicab. This is particularly the case given the enhanced driver training required for accessible service (as will be described later in the report) as well as the additional physical demands in providing wheelchair accessible service. The goal therefore is to make every effort to establish a structure such that there is the opportunity for drivers to receive the same level of compensation, regardless of whether they are providing standard or wheelchair accessible service. It would be unfair, and in fact lead to a shortage of qualified drivers, if those who provide accessible service cannot earn the same income as those who provide standard taxi service to the rest of the community.

By far the most significant differential between standard taxi and accessible taxi service is related to the driver’s ability to generate income. Research and direct comparisons reflect that driver revenue can be significantly lower for wheelchair accessible vehicles (unless a different compensation structure is implemented) as a result of the following:

- Additional time required to load and unload trips which reduces the number of trips available per shift;
- Lower levels of demand for trips (regardless of whether it is used exclusively for accessible service or whether it can also be used for standard service during non-peak periods);
- Generally shorter trips which are less profitable;
- Smaller relative fleet size makes service coverage difficult resulting in customers pre-booking and drivers experiencing additional deadheading mileage - longer distances between trips.

Wheelchair accessible transportation requires time to load/unload the passenger with their assistive devices. The driver, at the pick-up/destination points must first find a suitable parking location, then lower the loading ramp, strap/unstrap the assistive devices, and assist with the embarkation of the customer. Upon arrival at the destination, the driver assists with disembarkation and escorts the passenger into the building. This reduces the revenue generating time available for the taxicab driver as there is less time available to receive calls.
Operators of wheelchair accessible vehicles indicate that while there is insufficient demand for accessible service, it is difficult to use wheelchair accessible vehicles for any other kind of traveler. Studies undertaken by BMA in other Ontario municipalities (in locations such as Burlington, London, Windsor, Oshawa, Hamilton) as well as through independent research, indicated that customers without visible handicaps routinely refuse service by wheelchair accessible vehicles due to a belief that they are using a wheelchair accessible vehicle at the expense of someone who needs it or due to the perceived stigma of using an accessible vehicle. Further, a majority of pre-booked work means more deadhead time and less freedom for drivers to pick up ‘hailed’ jobs on the street.

For all of the above noted reasons, research and actual statistics that have been maintained by the taxi industry in other jurisdictions, consistently prove that the number of available trips per shift is significantly lower than that of a standard taxi; directly impacting the driver’s ability to earn a living. Typically, standard taxis in Kingston receive approximately 20-25 calls per shift, consistent with the level of activity in a number of other municipalities surveyed. Based on an analysis of markets with similar standard taxicab activity levels, wheelchair accessible taxis typically provide 30%-40% less trips than their standard taxi counterparts; directly impacting a driver’s ability to earn a reasonable income. Further, due to a lower demand for service; frequently these vehicles are not operating 24/7.

The taxi industry is a service industry and as such, a portion of the driver’s income is also heavily reliant on tips. As a good portion of accessible business is based on contract work, drivers receive less income, as tips are generally not provided. For the private trips, the majority of the people requiring transport have excessive additional living costs leaving them with limited income, so tipping is left to a minimum. Further, tips will be lower if there are fewer trips per shift and if the trips are shorter in length.

Practices in Other Jurisdictions

People are sometimes misled by the use of the term “taxi industry.” In fact, the “industry” is made up of many small business operators, the vast majority of whom own and operate a single taxi. It is more appropriate to speak of “taxi businesses.” As is the case in the City of Kingston, taxi operations are private businesses and in almost all cases drivers are either independent operators or are paid on a commission basis. Both the taxi vehicle owners and hired drivers (when such are employed by the taxi owners) are independent contractors. There is competition among them for available business which is managed through the three brokerages.
Strategies have been employed in other municipalities to address the driver earning differentials but this comes at a cost to the industry that would otherwise not exist for standard taxi service and generally requires a different compensation structure which must be managed. For example, to guarantee drivers of accessible vehicles a reasonable income, some companies pay drivers an hourly wage making these drivers employees of the company/brokerage.

**Industry Feedback**

The industry believes that the only way in which the taxicab companies will be able to ensure that the service is provided by qualified and reliable taxicab drivers is by offering to pay the drivers an hourly wage, comparable to what they would earn if they were driving a standard taxicab. This would also include payment of WSIB and other benefit entitlements as these drivers would be considered employees of the company which is not the case for the existing independent drivers at the three brokerage firms operating in the City of Kingston.

Clearly one of the key factors in reducing the loss of revenue is to develop sufficient demand to mitigate, in part, the other factors that reduce revenue generation potential in the accessible market. This will be discussed later in the report but would include such strategies as contracted services with various agencies and boards of education, homes for the aged and hospitals.

**Summary of Financial Analysis – Additional Cost of Accessible Service**

Research has consistently reflected that there are, in fact, additional capital and operating costs as well as reduced opportunities to generate revenue associated with the operation of a wheelchair accessible service. In fact, analysis suggests that in the absence of some form of subsidy provided to wheelchair accessible services, these services operate at a net loss.

In light of the competitive nature of the taxi business in Kingston, with many independent operators, it does not appear that an accessible taxi service can be sustained without some form of financial subsidy or incentive.
Recommendations—Additional Cost of Accessible Taxi Service

1. That given the significant additional costs of operating a wheelchair accessible service and given that wheelchair accessible on-demand taxi service is a priority for the City to ensure a comparable service is available for the entire community, consideration be given as to how best to ensure financial sustainability.

2. That the industry ultimately responsible for the delivery of accessible service consider options to promote equity for drivers of these vehicles in light of lower revenue generating potential (e.g. hourly wage).
Customer Subsidies

Research consistently reflects that taxi use is important to disabled people. On average, research has shown that the disabled population makes more use of taxis than their non-disabled counterparts yet their use, in some cases is curtailed by their ability to pay. As stated in a report called the Economic Aspects of Taxi Accessibility, prepared by the International Road Transport Union (2001) there is, therefore, a circle: disabled people would use taxis more if they could pay for them but, by and large they cannot; taxi operators would provide more fully accessible taxis if they could generate sufficient revenue but, because disabled people frequently cannot afford them, that additional revenue is not there.

While it is generally true that disabled people have incomes below their non-disabled peer groups (certainly among those of working age) this is not universally the case. For those disabled people who can afford taxis, the ability to physically access them is presumably the main determinant of their use. Thus it can be argued that a proportion of fully accessible taxis should be provided irrespective of whether there is some form of subsidy available.

The City of Kingston identified, in the terms of reference for the project, the need to consider the following:

3. Recognizing that people with disabilities generally have lower incomes than the able-bodied population, what would be an acceptable “user fee” to ride in an accessible taxi in Kingston – in consideration of the additional costs, above the metered cost of the ride?

The key guiding principles that will be considered in this section of the analysis include:

- Accessible and non-accessible customers should be charged the same rate for similar service provided;
- Any decision with respect to on-demand accessible taxi service should be based on a long term sustainable solution for all participants in the industry;
- Every effort should be made to avoid or minimize taxpayer subsidy.
Legislative Requirements

According to the initial Proposed Transportation Accessibility Standards, independent operators, brokerages or dispatch services providing on demand taxi services shall not charge passengers with a disability a higher fare than passengers without a disability for the same trip at the same time of day. This suggests that regardless of whether the cost of service is higher for accessible on-demand service, the fare should be the same. This is consistent with the principle defined earlier in the report which states that accessible and non-accessible customers should be charged the same rate for similar service provided.

Existing City of Kingston Fare Policies

The City’s existing transit fare policies support the notion that while it is generally agreed that accessible transit or taxi service is more costly, these additional costs should not be borne by the customer. The City’s existing transit fare policy charges accessible and non-accessible the same fare but also offers a discounted monthly fare for low income disabled users that are in receipt of Ontario Disability Support Program (ODSP) or Canada Pension Plan (CPP) Disability.

Any consideration of offering a subsidized on-demand taxi service should consider the programs offered by the City in terms of their in-house and contracted transit operations. At this stage, the City has not extended any customer subsidy programs for on-demand taxi service for seniors, disabled or low income segments of the population.

Options to Consider

Based on research undertaken, there are two options that have been used by municipalities to improve the affordability of accessible taxi service:

1. Supplemental Taxi Program Through Paratransit;
2. Taxi Scrip Program.
Supplemental Taxi Program

Many paratransit services in Ontario (including Kingston) supplement their bus and van operations with taxis, either sedan or accessible vans (if available). Some use taxi services as a supplement only when their accessible vans are overbooked or suffer breakdowns, while others make taxi services a regular component of their family of services.

Supplemental taxi contracts are essentially subcontracts with the paratransit service provider to provide paratransit or transit service. Potential supplemental taxi uses include:

- Reassignment of trips from paratransit routes running behind schedule due to congestion, on-board passenger incidents, breakdowns, or accidents. (Flexible taxi capacity can reduce the need to send out an extra run with a minimum number of billable hours.);
- Reduce off peak revenue hours and increase overall system hourly productivity (late night service when demand and hourly productivity are low);
- Handle open booking list trips that cannot be accommodated onto runs as cancellations come in (avoidance of trip denials);
- Accommodating on-demand medical calls rather than sending back a dedicated, scheduled paratransit vehicle.

This approach helps to increase capacity without increasing paratransit fleet size. It should be noted that this is different from a discount for accessible on-demand taxi service (i.e. a taxi Scrip program) in that the customer cannot directly contact the taxi company and pay at the transit fare rate; it must be initiated by the paratransit service. The supplemental program is operating as an extension of the paratransit service.

Paratransit vehicles are dedicated exclusively to the provision of transit service to those meeting the City’s eligibility criteria. In contrast, supplemental taxis participate as non-dedicated vehicles providing service to the general taxi market and, when needed, to the paratransit service. In theory, and often in practice, taxis can provide a more cost-efficient alternative to dedicated paratransit services because they are able to spread their operating costs and overhead over a broader general public market when not operating as a paratransit supplement.
KAS operates using this practice whereby one of the taxi companies is contacted to serve overflow activity that KAS is unable to serve or where they have determined that the service can be more cost effectively provided through a taxi. Currently, without the presence of wheelchair accessible taxis, this supplemental service can only be utilized for customers that are able to transfer from their wheelchair to a sedan or for other eligible customers of Kingston Access that can use sedan service. The customer pays only the transit fare for this supplemental service of paratransit and the taxi company submits to Kingston Access for reimbursement for the difference between the actual taxi metered fare and the transit fare.

It is anticipated that with the addition of wheelchair accessible taxis, there will be increased opportunities to send additional overflow activity to the taxicab companies as this would open up the service to those unable to transfer from their wheelchair to a vehicle. This may help to increase the demand for wheelchair accessible taxicab service once implemented.

Statistics from the Canadian Urban Transit Association (CUTA), which tracks a number of performance indicators for paratransit services reflects a significantly lower cost per passenger in the City of Kingston for non-dedicated accessible service (available through taxis) than through the dedicated services of accessible transit vehicles (Kingston Access Service). In 2007, the expenditure per passenger was $21.89 for paratransit service compared with only $8.06 for non-dedicated service (taxis).

Benefits of this supplemental program can be defined in terms of improved service to paratransit customers, the avoidance of trip denials and cost savings. If there are cost savings, a greater assignment of trips to taxi contractors can be justified. If there are no cost savings, then the assignment of trips to taxi contractors should be limited to compliance issues or emergencies.
Taxi Scrip Program

Taxi scrip programs may be established as subsidized programs to provide increased access to affordable transportation service for persons with disabilities than would otherwise be available through paratransit services or through supplemental programs (as described in the previous section).

In general, scrip programs registrants are provided a limited number of discounted taxi vouchers each month. Program registrants can book service directly with the participating taxi company of their choice. Vouchers are used for full or partial payment for the trip based on the taxi meter charges. Program participants are responsible for the cost difference between the voucher value and the actual meter charge.

Taxi companies are reimbursed for the program vouchers that they turn in to the municipality in accordance with the billing cycle. Monthly voucher ceilings are established for budget control purposes and program auditing is accomplished through the review of vouchers turned in by the taxi companies.

Taxi scrip programs are available for standard taxi vehicles as well as wheelchair accessible vehicles; to any person meeting the eligibility criteria for paratransit services which is not restricted to wheelchair users. In addition to increasing the affordability for customers, these programs also increase the demand for accessible (and standard) taxicab service, thereby increasing the viability of the service from the industry’s perspective. It also makes it possible for transit systems and social service agencies to obtain accessible on-demand service at costs below typical vehicle arrangements.

Experience from other municipalities has identified mixed results in terms of the acceptance of a taxi scrip program with the taxi industry. In smaller cities where they constituted a fairly large share of the market, drivers were relatively happy to take vouchers as this increased the demand for service. However, in other (generally larger) cities, vouchers were not as profitable to the driver who would try to avoid people who had them or people likely to have them such as those in wheelchairs hailing a taxi or calling for an accessible vehicle.
The rationale for providing such a program is:

- It facilitates increased usage of on-demand accessible taxis which increases the viability for the taxi industry – this expands the base for accessible taxis;
- It offers a relatively affordable option to supplement the paratransit service;
- On a cost of service basis, it can be less costly to the municipality than increasing service levels of a paratransit operation;
- It attempts to address situations where the service levels of paratransit are lower than standard transit operations;
- In some cases, it is directed at only low income disabled persons which helps those most in need while at the same time lowering the cost of the program to the municipality.

**Practices in Other Municipalities — Taxi Scrip program**

Several Ontario municipalities provide a customer subsidy for service through the use of a taxi Scrip program. Municipalities that provide this type of program include Burlington, Guelph, Hamilton, Kapuskasing, Lanark County, Thunder Bay, Waterloo Region, Woodstock and York Region. In general, programs include the following key parameters:

- Available for anyone who meets the eligibility criteria of specialized transit
- Establish a discount of generally 40%-50% of the total cost of taxi service
- Typically limit the number of books of coupons per month (generally 2 or the equivalent of $40 of vouchers)
- Taxi Scrips are submitted monthly to the City for reimbursement

In addition to offering customers a discount, these programs are established and operated by balancing paratransit requirements with the ability to divert some demand through a taxi scrip program. Cost benefit analysis undertaken by other municipalities demonstrates that such a program can be operated at a net savings to the municipality if a balancing in the paratransit contract is undertaken. From the customer perspective, experiences have demonstrated that taxi scrips act as an adjunct to the paratransit base programs rather than replacement because the cost of paratransit per ride is substantially cheaper than the taxi discount fare cost.

The Region of Peel is providing a pilot program in 2009 for low income residents with disabilities, offering a 60% subsidy for residents meeting the eligibility criteria. It should be noted that this program is income based as opposed to programs in municipalities such as Hamilton, Guelph and Burlington that offer the program to all residents meeting the specialized transit criteria, regardless of income.
Summary—Customer Subsidies

The presence of a taxi supplemental program which is currently in place in the City of Kingston should be continued through KAS and extended to include the available wheelchair accessible taxi service, if implemented, as this can be a cost effective way to manage the service needs of the community. It is recommended that KAS should continue to use taxi service to supplement paratransit service to better serve persons with disabilities as well as to provide overflow capacity. A net benefit will include opportunities to generate business opportunities for the accessible taxi industry. Overall cost savings remain a function of how such supplemental services are deployed. As such, the City should monitor its contract with KAS to identify if there are additional opportunities with the addition of wheelchair accessible taxi service to further reduce the cost of paratransit service for the municipality.

The City’s existing program which provides monthly transit discounts for low income disabled users offers a reasonable safety net to address low income customers with disabilities, not available to the general low income population. With the extension of low floor bus service to all routes by 2011, this program will allow low income disabled users additional service options.

A taxi scrip program may, in fact, be a more cost effective way of serving needs than increasing paratransit services as this program will typically reduce the demand for paratransit service, with the potential to reduce the overall municipal cost of these programs. However, savings will only materialize if a commensurate reduction in the paratransit contract is undertaken. A quantitative way of measuring this is to compare the average public subsidy cost per taxi voucher trip with the cost to serve the trip through KAS. This should be undertaken as part of a more comprehensive accessible transportation strategy in order to maximize service delivery options and minimize the municipality’s overall cost of transportation. As such, at this time, a taxi scrip program for on-demand accessible service is not recommended until a comprehensive accessible transportation strategy is developed and a cost benefit analysis has been undertaken to rationalize the most effective manner in which to coordinate services and discounts between paratransit and accessible taxi service.

A number of stakeholders, were interviewed during the course of this study which consistently identified a need to better coordinate all accessible transportation services and develop a comprehensive action plan. A coordinated transportation plan centered on the needs of the customer’s perspective will also help to maximize transportation resources in the community as well as identify mechanisms for increasing mobility and access. This approach may identify partnering opportunities, areas of synergies, joint arrangements (sharing of vehicles), sharing of information and referral services.
Recommendations—Customer Subsidies

3. That the same taxi fare be charged to all customers for accessible and non-accessible service.

4. That Kingston Access Services be requested to explore opportunities to increase the use of supplemental taxi service and extend this program to wheelchair accessible taxis once implemented. This has the potential to further improve customer service, reduce the overall cost of service to the municipality and increase usage of accessible taxi service in a cost effective manner.

5. That consideration of a taxi scrip program for on-demand accessible service be deferred until such time as a comprehensive accessible transportation strategy is developed and a cost benefit analysis has been undertaken to rationalize the most effective manner in which to coordinate services and discounts between paratransit and accessible taxi service.
Delivery of On-Demand Wheelchair Accessible Taxi Service

The terms of reference outlined the following potential options with respect to the provision of on-demand accessible taxicab service as follows:

4. Who should deliver the service?
   - Kingston Access Services (Access Bus);
   - Privately-owned taxi companies, such as Amey’s, Modern, and Amherst;
   - Privately-owned limousine services;
   - Combination of some of the above.

The key guiding principles that will be considered in this section of the analysis include:

- Accessible service and non-accessible service should be available to the public on a similar basis (24/7 on demand service);
- The on-demand service should be founded on the principle of inclusive design, principle of integration and full access.

Kingston Access Service (Access Bus)

Kingston Access Services (KAS) is a charitable non profit organization, under the laws of the Province of Ontario. It is funded by the City of Kingston, passenger revenue, and donations. KAS oversees the operations of the Kingston Access Bus (KAB), the Kingston Area Patient Shuttle (KAPS) and operates a Dial-A-Bus service in the "rural" portions of the City for Kingston Transit. The service is currently offered to 3,600 registered passengers.

Kingston Access Service Feedback

Staff at Kingston Access Services, agreed that there is a need for on-demand wheelchair accessible taxi service in order to provide a full range of services to the community and increase the flexibility in service delivery. With the availability of wheelchair accessible vans, staff further indicated that there may be an opportunity to further extend the use of their supplemental program to those individuals requiring a fully accessible service.
With respect to determining whether KAS may be an appropriate agent to deliver on-demand accessible taxi service, staff felt that there would be some challenges with respect to the provision of a 24/7 service given the existing hours of operation and the lack of around the clock dispatch service. Further, the KAS is undergoing a review of its operations, particularly with the loss of the Board of Education contract and with the recent labour disruption and may not be the most appropriate agency to delivery on-demand service at this time. The KAS and the City do not currently have a contract for service in place that defines service levels. The City could negotiate a contract for service with KAS.

**Practices in Other Municipalities**

Providing wheelchair accessible on-demand taxi service through the paratransit operator is not a common practice. In fact, no other examples were identified where the service is provided through a paratransit bus service.

**Assessment**

The provision of on-demand accessible taxi service through KAS has several advantages:

- Drivers are fully trained in providing service to the accessible community which increases the quality and continuity of service.

- Because the service to KAS is contracted by the City, there is a high degree of control that the City can exercise in ensuring that the service is provided as desired and the City is better positioned to track usage and demand for service.

- By providing the service through a company that exclusively offers accessible services, customers will benefit from the delivery of service from vehicles that would be exclusively used to support accessible customers, thereby avoiding some of the challenges encountered with the vehicles that are used to service both accessible and non-accessible customers.

- There would be an improved opportunity to manage the paratransit bus service with the presence of a complementary taxi service. This would improve flexibility in the delivery of service, especially for rural areas and would allow KAS to more cost effectively manage service. However, this can still be accomplished if the wheelchair accessible taxis were operated by the taxi industry.
While there are a number of advantages to providing service through KAS, there are also recognized challenges:

- Currently, KAS operates during limited hours; 7:15 am to 11:00 pm on weekdays and 9:00 am to 11:00 pm on weekends. To achieve similar service levels to on-demand standard taxi service, there would be a need for 24/7 dispatch services which are not currently in place at KAS. This would further increase the cost of the program compared with providing the service through the taxi industry which already has 24/7 dispatch services;
- Providing on-demand wheelchair accessible taxi service through KAS limits a customer’s choice of service which is currently available for the rest of the community;
- By having all accessible services provided through one operator, there is a greater risk of service disruption. In fact, this was recently experienced in the City of Kingston where KAS was on strike for an extended period of time;
- The cost of service would likely be higher through KAS as drivers are unionized compared to the taxi industry which is not unionized;
- Reduced ability to maximize vehicle usage as there would be no ability to provide standard on-demand taxi service. Taxi companies regularly use wheelchair accessible taxis for non-wheelchair trips when there is no demand for wheelchair service which helps to maximize revenue generating opportunities; and
- As this service is provided by a non-profit agency and is highly subsidized by the City, combining taxi with paratransit services has the potential to increase the level of subsidy by the City.

**Taxi Industry**

Taxis are an integral part of public transport systems in general and are, in particular, an important link in the accessible transport chain. The goal is to ensure that all members of the community have access to a 24 hour on demand door-to-door transport service.

There are three taxi brokerage companies operating in the City of Kingston. The following summarizes the companies and the estimated number of plates operating within each (this varies as taxi owners move from company to company):

<table>
<thead>
<tr>
<th>Company Name</th>
<th># of plates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amey’s</td>
<td>79</td>
</tr>
<tr>
<td>Amherst</td>
<td>54</td>
</tr>
<tr>
<td>Modern</td>
<td>70</td>
</tr>
</tbody>
</table>
Taxi Company Feedback

The three taxi companies recognize the need for on-demand wheelchair accessible taxicab service and are receptive to working together and with the City in an effort to arrive at a sustainable solution. Given that three companies are already meeting some of the needs of the accessible community (for those customers that can transfer from their wheelchair to a vehicle) there are synergies to adding a wheelchair accessible service.

The three brokerage firms are agreeable to working together to address the needs of the community and to work with the City to identify a fair and equitable manner in which to provide the service. Further, they recognize that the proposed Accessible Transportation Standards advocate an integrated service and recognize that taxicab companies should offer a fully inclusive service. However, the structure of the taxi industry in Kingston is characterized by many owner/drivers and small proprietors who either lease vehicles and hire drivers. The additional cost of accessible service, unless adequately addressed, which can be more difficult in a small business structure, could create an uneven playing field.

From the perspective of the taxicab industry in the City of Kingston, there is a need to provide a subsidy, regardless of who is ultimately responsible for the delivery of the service in Kingston to offset the additional cost of service and to make the service financially viable. Further, the industry wants to ensure that any decision made with respect to the delivery of wheelchair accessible service maintains balance and does not create unfair competition between the three firms. For example, one option to fund the additional cost of wheelchair accessible service would be to increase brokerage fees whereby all drivers operating at the company would contribute. However, this would only be fair if all companies were part of the service delivery equation.

Other Municipal Practices

Based on the survey undertaken, the only option employed by the municipalities surveyed was to deliver wheelchair accessible on-demand taxi service through the taxi industry. This is the practice in municipalities including, but not limited to, Ajax, Aurora, Brampton, Burlington, Calgary, Edmonton, London, Mississauga, Oakville, Oshawa, Sudbury and Windsor. In some cases, the plates are issued to individuals on the priority list, in others they are issued directly to the brokers.
Assessment

The provision of on-demand accessible taxi service through the taxicab industry has numerous advantages:

- Provides a consistent and inclusive approach to service delivery for accessible and non-accessible users – adheres to the Transportation Standard which states that independent operators, brokerages or dispatch service shall provide on-demand taxi services using standard taxis with accessibility features and wheelchair accessible taxis. As stated by the Ontario Human Rights Commission, the importance of inclusive design was very important to all stakeholders consulted;

- Promotes the same service levels for all customers;

- Consistent with the taxi industry’s core business delivery model of 24/7 on-demand metered service where dispatch services are already in place;

- Better utilization of the accessible fleet of vehicles – this service delivery option provides the ability to maximize usage of wheelchair accessible vehicles and increase revenue generation opportunities by allowing the wheelchair accessible vehicles to be dispatched to non-accessible calls when not required for wheelchair accessible calls;

- Not only is inclusive design in keeping with the principle of integration and full participation, it is also more cost-effective in the long run. This is borne out in statistics provided through the CUTA data;

- Provides customers with choice, similar to non-accessible customers.

The disadvantages to providing the service through the taxi industry include:

- Unfortunately, in many cities other riders and markets are more profitable than the wheelchair accessible market; which through the provision of an integrated service, can compromise the ability of wheelchair accessible customers to receive comparable service to the non-disabled market, particularly when limited vehicles in the fleet will likely be wheelchair accessible. Control mechanisms must be put in place in order to ensure that accessible customers will be given priority.
Should the taxi industry be considered the most appropriate service delivery option for wheelchair accessible taxi service, there are several options that may be considered in terms of the structure of the service. These options include:

- A largely separate on-demand taxi-based service, dedicated to providing service for the accessible community. This can be done by setting up a separate company or restricting usage of wheelchair accessible taxis to service only disabled persons requiring a specialized vehicle;

- Integrated service - providing fully accessible taxis as part of the standard taxi fleet. This may be done whereby the wheelchair accessible vehicles may only be dispatched to customers requiring accessible service or by providing an on-demand taxi sharing service designed mainly for disabled people, but usable by other (non-disabled) people as well.

Providing accessible on-demand taxi service through a separate entity is most common in European countries but is generally not the practice in Ontario municipalities. The main advantage of this approach is that with a service dedicated exclusively to the provision of accessible service as opposed to being able to use the vehicles for standard taxi service, there is a greater likelihood that on-demand needs will be met. Further a dedicated separate service increases the likelihood of providing the service through a trained and qualified workforce and generally increases the quality of service.

However, by separating this service from the standard taxi service, without sufficient demand, this is frequently operated in an inefficient way resulting in an underutilization of accessible vehicles, higher costs and lower driver revenues. This approach has only proven to be successful when there is sufficient and consistent demand for service. Further, this approach does not support the concept of inclusiveness or integration. As such, it is recommended that wholly separate services for disabled people should be avoided.

The second option is to provide wheelchair accessible taxis as part of the conventional taxi system. This avoids the problem of stigmatized transport – but still presents some difficulties. For example, as discussed previously, standard taxi service is generally more profitable than accessible service and as such controls need to be in place and policies established to ensure that the wheelchair accessible vehicles are giving priority response to those requiring a wheelchair accessible vehicle.
All municipalities that were contacted during this study, as noted in the previous section, that provide wheelchair accessible service through the taxi industry do so through an integrated fleet of wheelchair accessible and standard taxis. In each of these cases, the wheelchair accessible taxis may be used for both accessible and non-accessible service to maximize vehicle use and driver income but priority must be given to servicing the intended accessible market. This can be addressed through provisions in the Taxi By-law.

**Limousine Industry**

Another option that was identified in the City’s terms of reference was to consider whether the limousine industry would be a viable option to deliver on-demand wheelchair accessible taxi service.

**Feedback from the Limousine Industry**

City staff contacted each of the limousine companies to discuss whether there is any interest in providing this service. For the most part, the limousine industry did not believe that this would be a viable option, recognizing the differences in the type of service provided by a limousine compared with an on-demand taxi service. Further, concern was cited as to the level of demand for wheelchair accessible vehicles and the significant cost for retrofitting the vehicles.

**Assessment**

Some of the challenges that would be faced in operating an on-demand taxi service through the limousine industry include:

- Different type of service and clientele being served by limousines compared with taxis;
- Limousines are non-metered and charge a flat fare, compared with metered taxi;
- No 24/7 dispatch service;
- Currently not regulated by the City of Kingston or the Taxi Commission; and
- Reduced ability to maximize vehicle usage as there would be no standard on-demand taxi service. Taxi companies regularly use wheelchair accessible taxis for non-wheelchair trips when there is no demand for wheelchair service.
**Summary – Who Should Deliver the Service?**

The following table summarizes the three options against a number of criteria.

<table>
<thead>
<tr>
<th></th>
<th>Kingston Access Services</th>
<th>Taxicab Industry</th>
<th>Limousine Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inclusiveness of Service</strong></td>
<td>Do not provide on-demand service</td>
<td>Fully integrated and inclusive. Same service delivery model for accessible and non-accessible customers</td>
<td>Do not provide on-demand service</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Do not provide wheelchair accessible limousine service</td>
</tr>
<tr>
<td><strong>Dispatch Services</strong></td>
<td>Not currently available 24/7</td>
<td>Already in place</td>
<td>Not currently available 24/7</td>
</tr>
<tr>
<td><strong>Alignment with Existing Services</strong></td>
<td>Not currently providing on-demand service.</td>
<td>Fully aligned as taxis provide on-demand taxi service</td>
<td>Not metered</td>
</tr>
<tr>
<td><strong>Training</strong></td>
<td>Accessible training already in place</td>
<td>Accessible training would need to be developed</td>
<td>Accessible training would need to be developed</td>
</tr>
<tr>
<td><strong>24/7 Service – Service Provision</strong></td>
<td>Not available – restricted hours of operations</td>
<td>Offer 24/7 service</td>
<td>Offer 24/7 service</td>
</tr>
<tr>
<td><strong>Driver Cost</strong></td>
<td>Higher labour costs</td>
<td>More flexible options for driver compensation and at a lower driver compensation rate</td>
<td></td>
</tr>
<tr>
<td><strong>Maximize Revenue Potential and Vehicle Usage</strong></td>
<td>Limited ability to deploy vehicles for other services</td>
<td>Can also provide standard service in downtimes</td>
<td></td>
</tr>
<tr>
<td><strong>Potential for Service Disruption</strong></td>
<td>Work stoppage a risk</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Enforcement</strong></td>
<td>A contract for service would have to be prepared and negotiated</td>
<td>Enforcement through Taxi By-law</td>
<td>Not currently regulated</td>
</tr>
</tbody>
</table>
Based on the analysis undertaken, the most appropriate option for the provision of on-demand wheelchair accessible service is through the taxi industry. There are several options that can be considered to introduce wheelchair accessible on-demand taxi service. However, in order to determine how best to provide this service through the taxi industry, it is important to understand how the industry operates in the City of Kingston.

As discussed earlier in the report, the Kingston taxi industry is made up of many small business operators, the vast majority of whom own and operate a single taxi. For example, the City has approximately 204 plates with 107 different owners. These taxi plate holders can work with any of the three brokerages and can change brokerages with relative ease. Standard taxi plates are issued from a waiting list by the Taxi Commission using a ratio to population. Once issued, these new operators can set up business with any of the three brokerage firms. Both the taxi vehicle owners and hired drivers are independent contractors. There is competition among them for available business. This must be taken into consideration in developing a sustainable wheelchair accessible on-demand taxi service as there is a cost to providing this service and this cost/risk should ultimately be shared across the industry.

Taxi plates in the City of Kingston are non-transferable which significantly reduces the plate value. In other jurisdictions where the plate value is high (e.g. Windsor, Oakville, London), there is a higher demand for taxi plates and a greater willingness to accept accessible plates, even recognizing the higher operating costs. There are three taxi brokerage firms in the City of Kingston which provide dispatch services throughout the City.
Recommendations—Who Should Deliver the Service?

6. That on-demand wheelchair accessible taxi service be provided through the taxi industry as this provides an inclusive service, is most cost effective and the infrastructure is in place to provide 24/7 service. This approach meets all guiding principles.

7. That a pilot study whereby one plate to each of the three brokerage firms be issued. The reasoning is as follows:

Footnote: The reasoning is as follows:

- Consideration of a number of key criteria such as availability of dispatch service, 24/7 service currently in place, ability to maximize vehicle usage and revenues, no potential for service disruption, overall cost of service and ability to enforce the standards found in the taxicab industry to be more suitable than other options considered including the limousine industry or Kingston Access Service.

- 3 wheelchair accessible plates is equivalent to approximately 1.5% of the total taxi vehicle fleet. While it is beyond the scope of this study to determine the appropriate number of wheelchair accessible plates to issue, by taking a phased approach and issuing only three during the initial phase, this will provide the City with an opportunity to assess the demand for additional vehicles.

- By issuing one accessible plate to each company, the concern with respect to unfair competition is eliminated as all brokerage companies will be operating under the same cost/revenue generating structure.

- By issuing to brokerages as opposed to independent operators from the waiting list, there is greater ability for the City/Commission to regulate the service.

- From a customer perspective, there is the same choice of service as that provided to taxi customers using non-accessible service.

- As will be discussed in the funding section of the report, this approach provides greater ability to facilitate a subsidy solution that will not cost the City any money and can be readily implemented.
Financial Assistance to Accessible Taxi Service Provider

As was discussed previously, it is a well recognized fact that the cost of service to supply wheelchair accessible taxicab service is higher than standard taxi service. With this in mind, this section of the report will address the following question from the City’s terms of reference:

5. What, if any, portion of a user fee for riders with disabilities, should be provided by the City of Kingston to the accessible taxi operator?

In terms of the key guiding principles outlined earlier in the report, the approach is to ensure that:

- Accessible and non-accessible customers are charged the same rate for similar service provided;
- Any decision with respect to on-demand accessible taxi service will be based on a long term sustainable solution for all participants in the industry;
- Every effort is made to avoid or minimize taxpayer subsidy.

Feedback from Members of Council

Feedback from members of Council that participated in the process emphasized the importance of addressing the needs of the community for on-demand accessible taxi service but, at the same time, recognized that the City must consider their role carefully in funding such programs. The general direction was to make recommendations that would support a sustainable and quality service while at the same time minimizing direct subsidy.
Practices in Other Municipalities

In order to determine whether there is a need to provide a financial incentive to the industry, it is important to understand how the industry operates because this directly impacts the ability to create a financially sustainable environment upon which an inclusive standard and accessible on-demand taxi service can operate. Based on research undertaken, the key determinants of the need for financial incentives appear to be:

- Whether the industry operates as many small businesses (individuals that have a small number of plates and operate independently) or larger fleet operations (companies that have control over a large number of plates); small businesses tend to have more difficulty providing the service without a subsidy. Because of the competitive nature of the environment, individuals operating with a small number of plates have less capability to offer more costly wheelchair accessible vehicles than larger fleet operations which can offset higher costs through the rest of the fleet.
  
  Comment: The taxi industry in Kingston is largely operating as small businesses whereby 204 taxis are controlled by approximately 107 individuals/companies.

- Whether the number of plates is controlled by the municipality and can be bought and sold thereby creating an inherent market value. In municipalities where a high inherent value exists (some in excess of $100,000), there is greater demand for plates regardless of whether they are accessible or standard plates. In the vast majority of municipalities, accessible vehicles can also be used to provide standard taxi service when there is no demand for accessible service.
  
  Comment: Because plates are owned by the Kingston Taxi Commission and are non-transferable, there is no inherent market value on the plates.

- Whether there is a guaranteed demand or contract service available to provide a reasonable revenue stream upon which to provide the service. The greater the extent of contracts, the less need for financial incentives.
  
  Comment: There appears to be opportunities in the City of Kingston to provide services to other agencies (e.g. Ongwanada which is a non-profit, accredited organization offering a wide range of individualized services and community supports to approximately 600 people with developmental disabilities and their families in Kingston and Eastern Ontario) and KAS.

- The presence of a Taxi Scrip program increases the demand for taxi service and provides a basis for developing a viable business plan. In essence, the municipality is subsidizing the customer but this increases the demand for taxi service, however, it creates less demand for paratransit service as described previously.
  
  Comment: The City of Kingston does not currently have a taxi scrip program.
When the taxi service is operated through a fleet structure and there is a base upon which to fund the additional cost of accessible service, a sustainable and inclusive service can be achieved. However, where there is not a sufficient base and where no subsidy has been provided, the ability to ensure an inclusive service may be jeopardized. Generally, municipalities that operate as large fleets rather than small businesses, appear to have an increased ability to provide accessible service with no subsidy. This is because the fleet managers are able to offset losses in accessible service with the provision of standard taxi service. In effect, the industry subsidizes itself by utilizing the profits in one industry (standard taxi) to offset the losses in the other part of the industry (accessible).

This has been successful in the City of Burlington whereby all plates are held by three companies. To meet on-demand accessibility needs, the municipality negotiated with the fleet operators to receive additional standard plates with the condition that they operate an accessible on-demand service. The two larger Burlington companies each operate two accessible vehicles (fleet size of 16 and 34 standard plates) and the smaller company (with only 4 standard plates) holds one accessible plate. While the two larger companies are operating a reliable on-demand service and are achieving the City’s service delivery goals, the third smaller company has struggled and frequently has not made available the accessible vehicle for service as it is too costly and they have not been able to attract sufficient demand for service.

To some extent, the City of Burlington’s Taxi Scrip program has assisted in increasing demand for accessible service and the successful companies have actively secured outside contracts (Board of Education, homes for the aged) to develop a base demand for service. In order to deliver the service, the company operates the accessible service differently than standard service in that the drivers of accessible service are paid an hourly rate to ensure that they have a comparable income as standard taxi drivers that are paid on a commission basis. As discussed earlier, this is an additional cost to the company but is required to ensure consistency and quality service.

In the City of Kingston, where the industry is comprised of many small businesses and there is no fleet structure upon which to spread the cost of accessible service, without some form of incentive for individual plate holders operating wheelchair accessible taxis, this approach would likely be difficult to implement on a sustainable basis.
Some municipalities, where there is a significant market value on taxi plates, have had a reasonable degree of success in delivering accessible service as individual’s on the priority list are willing to accept the plates in recognition of the plate’s inherent value (albeit less that a standard plate). This is the case in the City of Brampton which offers no subsidy to the industry but has been able to issue all 10 of their accessible plates from a separate priority list. The City of London has struggled to release all their accessible plates as a result of the high operating costs, however, with some market value; the accessible plates were eventually issued. It is too soon to assess the sustainability of this situation as many of these plates were released in the Spring/Summer 2009.

Concerns have been raised in some municipalities, where there is a high plate value, regarding the effectiveness of service delivery. Priority should be given to wheelchair accessible passengers, however, because of the extra time it takes to service wheelchair accessible customers, they are not always given priority.

The City of Sudbury which has not offered any form of financial subsidy except waiving the licensing fees has not been successful, to date, in achieving accessible service delivery goals. While 8 accessible plates have been made available, only 4 have been issued.

As stated in a staff report prepared in the City of Ottawa, initiatives related to on-demand accessible taxicab service have generally been unsuccessful without some form of incentive such as user subsidies and subsidies related to cover the cost of operating the service. In Ottawa, initiatives included the waiving of annual license fees (this incentive has since been eliminated), the ability to offer accessible taxicab service through service agreements to increase the viability of operating an accessible vehicle, the longer age of vehicle and the ability to transfer the plate after 5 years (to create a market value for the plates). The City indicated that the presence of service agreements, which are largely provided through their paratransit operation, creates a stable source of additional revenues to accessible taxicab service providers and maximizes their use as accessible transportation providers.

To ensure fairness and equity and to support choice for customers, the City of Mississauga requires that all brokers operate 2 accessible on-demand taxis and no subsidy is provided. This levels the playing field in terms of providing brokers with the opportunity to pass any additional costs across the entire industry (i.e. if a decision is made to increase broker fees to cover the costs, the same costs would exist at each firm). A similar approach strategy in the last section of the report was recommended whereby wheelchair accessible plates would be issued to the three taxi brokerages in the City of Kingston.
A detailed analysis was undertaken by the Region of York to review various cost mitigation and operational strategies aimed at improving the effectiveness and efficiency of the Mobility Plus specialized transit service. One such outcome was the development of a new service delivery model for accessible transit which involved issuing a tender for the provision of accessible services through “performance-based contracts” utilizing accessible mini-van and sedan transportation services through taxi companies, in addition to the contracted accessible bus service. The Region’s approach was to revisit the entire service delivery for all accessible service; both pre-booked transit and on-demand taxi service.

In summary, there is no single consistent approach employed by municipalities to support the provision of on-demand wheelchair accessible taxi service. Municipalities make every effort to avoid direct subsidy to the taxi industry for on-demand service, seeking out other alternatives. Much of the decision process is based on the type of industry that is currently in place which has a significant impact on the demand for accessible taxi plates in the industry; where there is a market value; there is no requirement for subsidies.

The taxi industry operates on a private enterprise basis. In most municipalities surveyed, as in the case of Kingston, drivers operate as individuals and many taxi cab owners own only a small number of vehicles, so there is less scope than in other transportation modes such as public transit for more financially rewarding service to cross subsidize uneconomic work as a public service. Most municipalities surveyed have an intrinsic value associated with owning a plate, therefore, drivers will accept owning a wheelchair accessible taxi plate, however, service issues have been identified because of the extra costs for boarding and unloading and greater distances to travel to pick up passengers (deadhead time).

Some municipalities offer taxi scrip programs as part of their accessible transit operation offsetting the funds used to supply a bus. These programs improve the viability of a marginal operation and assist in its sustainability.
Options to Consider

While not widely employed by municipalities, there are a number of options that may be considered to address the additional costs attributed to operating a wheelchair accessible taxi service, to ensure economic sustainability and viability of the industry and a customer oriented service to the community. As discussed earlier, with the existing structure of small businesses and with no/limited inherent market value, it is anticipated that the City of Kingston will face significant challenges in attempting to implement on-demand accessible taxi service without some mechanism to either guarantee contracts or to address the additional cost of service.

The taxi industry, while agreeable to provide this public service believes that to be sustainable, some strategy is required to be able to operate this service at a break even basis (at a minimum). Otherwise, the City may end up in the same position as it was in the past where service is provided for a period of time but as losses accumulate, service providers cannot afford to continue to operate.

Essentially the options considered have been grouped into three categories depending on who would provide the funding to offset some/all of the estimated additional cost of providing accessible service:

- **Direct Municipal Subsidy – Funded Through General Tax Base;**
- **Recover From The Taxi Industry;**
- **Recover From All Taxi Customers.**
**Assessment**

**Direct Municipal Subsidy – Funded Through General Tax Base**

The least common approach used by municipalities is to directly subsidize the taxi service provider from the general tax base. In fact, in the 16 Ontario municipalities surveyed, no municipality opted for this approach.

A few municipalities including the Region of York and the City of Sudbury have either waived the fees or provided reduced licensing fees for accessible service providers. While waiving licensing fees is one option, given the level of the projected shortfall estimated at $23,000 per vehicle, this will not overcome the problem. For example, the annual licensing fees are:

- Owner’s Licence $245;
- Driver’s Licence $130.

Waiving driver licensing fees would also pose a challenge as most drivers would work in both the accessible and standard service, making the assessment of the fee exemption eligibility difficult and potentially costly to the Commission which uses the licence revenues to offset administrative and enforcement costs. This option would not meet the goal of financial sustainability.

Another option is for the City to provide a grant for the differential between the capital cost of a standard and a wheelchair accessible vehicle. It is estimated that initially three vehicles would be required for a total upside cost to the City of $81,000. This option would not minimize taxpayer subsidy and would be required for additional vehicles added to the fleet or for replacement vehicles.

Another option is to provide an interest free loan to the industry to cover the additional capital costs of a wheelchair accessible taxicab to be paid back over the useful life of the vehicle. This would be equivalent to approximately $27,000 per vehicle. This option would assist in upfront costs but would not address the other ongoing operating costs such as increased maintenance, insurance, driver wage and fuel expense. The advantage to this approach is that it reduces the cost to taxpayers as only the loss of interest will be funded from the tax base.
One of the challenges associated with providing an interest free loan, is to develop strategies to mitigate the potential losses to the City, should default occur, and the availability of upfront money to fund this program ($90,000 for 3 vehicles). Further, funding would continue to be required as vehicles reach the end of their useful life and as the City determines that additional accessible service is required, unless this is restricted to the first round of accessible plates only. Since ongoing operating costs are not addressed in this option, the goal of long term sustainability may not be achieved.

The Region of York, with vehicles already owned when a decision was made to contract accessible services, opted to lease these vehicles back to the service providers. This approach posed a number of problems and has since been discontinued. For example, the contractors found they were spending a significant and unanticipated amount of money on repairing these vehicles. This, combined with the high cost of the lease and lower than anticipated revenues created serious financial difficulty for the contractor. As such, the Region suspended the lease fees on all Region-owned mini-vans on the basis the contractor purchase new vehicles by a specified date.

**Recover From Taxi Industry**

No examples were identified in Ontario where the proposed subsidy was funded from the taxi industry. In the City of Edmonton, the first 35 wheelchair accessible licences issued a couple of years ago were provided a subsidy of $7,000 per vehicle to help offset the capital cost of the vehicle. This is being paid back over a 10 year period by the taxi industry in the form of an additional annual licence fee of $25 from all vehicle owners. The next 10 accessible licences to be issued sometime in the near future will not receive this subsidy.

Some of the challenges with this approach, particularly in a mid size municipality such as the City of Kingston, is having sufficient base upon which to fund the cost of the program. Any consideration of structuring a program funded in this manner should realistically not extend beyond the useful life of the vehicle (estimated to be four years). If the City was to pay for the cost of retrofitting the vehicles, with an agreement from the Commission to increase the taxi owner plates over a four year period, which would be used to repay the City, this would be equivalent to an annual increase of approximately $54 per year (22% increase). This option does not address additional operating costs as it would be too cost prohibitive to fund the entire annual losses. From a fairness and equity perspective, this approach places the burden on the service providers which, it can be argued, is not an appropriate funding source.
Recover From Customers Using the Service

This option spreads some or all additional costs across the customer base through a small surcharge which would be incorporated into the drop rate. Based on the analysis of call volumes and estimated annual costs, in order to eliminate the additional costs this would increase the drop rate by approximately $0.05 cents a trip. The taxi industry indicated that an average trip costs approximately $7 which is equivalent to an increase of only 0.7%. It is anticipated that this would have limited/no impact on the demand for service or affordability from a customer perspective. It is estimated that this would generate approximately $90,000 annually which would help the service providers achieve break even status for the wheelchair accessible taxi service. This could be left in place until such time as the industry is able to develop strategies to increase demand for service through contracts or other mechanisms, thereby reducing the annual losses.

A comparison of the fares across a number of communities was undertaken to get an appreciation of the existing cost to customers. As shown below, with the exception of Windsor, the fares in Kingston are the lowest in the survey of 15 Ontario municipalities.

![Fare Comparison – 5 km ride](image)

This approach is similar to that undertaken in some municipalities where a gas surcharge was implemented to help offset the cost to the taxi industry (e.g. Toronto). This is also similar to public transit systems which offer more expensive low floor and accessible service through a consistent fare structure collected from all customers of standard and accessible transit. This option meets all the guiding principles established to provide wheelchair accessible taxi service in the City of Kingston.
Summary – Financial Assistance to Accessible Taxi Service Provider

In recognition of the additional cost of service, the desire to avoid direct municipal subsidy and the desire to secure a steady funding source to the wheelchair accessible service providers while operating in a fair and equitable manner, it is recommended that a small surcharge be instituted for all taxicab fares. It is recommended that the Taxi Commission be requested to increase the drop rate by $0.05 per trip for all taxi fares (accessible and standard) which would be available to the wheelchair accessible taxi service providers to offset all estimated additional costs. This would be equivalent to a 0.7% increase for a customer on an average taxi fare, and even less for longer trips.

This approach offers the advantage of spreading the cost over a large customer base with limited/no impact on customers; it fully offsets the additional capital and operating costs of accessible on-demand taxi service which improves the economic viability and the sustainability of the service and is easy to administer, particularly if the accessible plates are issued to the three taxi brokers. Further, this approach maintains equity across the industry and does not increase the City’s levy requirements. Finally, given that forecasts suggest that there will an increased demand for accessible service as the population ages; this innovative approach avoids an ongoing commitment from the municipality to fund the program.

Recommendations— Financial Assistance to Accessible Taxi Service Provider

8. That the Kingston Area Taxi Commission be requested to increase the drop rate by $0.05 per trip for all taxi fares (accessible and standard) which would be available to the wheelchair accessible taxi service providers (three brokers) to offset all estimated additional costs of operating wheelchair accessible taxis. This would be equivalent to a 0.7% increase for a customer on an average taxi fare, and even less for longer trips.
Accessible Driver Training and Penalties

The terms of reference included two questions that should be addressed with respect to training:

6. What training will the drivers of accessible vehicles receive?
7. What will be the penalties if a driver of an accessible vehicle is found to be operating the vehicle without having received training, or operating the vehicle in an unsafe manner?

A primary goal in establishing on-demand accessible taxi service is to ensure that a quality service is provided that ensures customer safety and consumer protection. Regulators of the taxi industry recognize the role that taxicab drivers play in meeting this goal. Driver training is important to ensure that drivers are sensitive to addressing specific accessible needs. Therefore, the regulator (Commission) plays an important role in regulating driver training and testing and ensuring that appropriate training standards have been established. Ultimately, the City wants professional drivers that are committed to providing safe, reliable and quality service to the public.

In terms of the key guiding principles outlined earlier in the report, the approach is to ensure that:

- **Accessible service and non-accessible service should be available to the public on a similar basis (24/7 on demand service) with similar performance standards;**
- **Customer safety will be a priority and accessible service will be provided by qualified drivers.**

This would suggest that where possible and practical, driver standards and penalties should be consistent for all taxi drivers, regardless of whether they are operating an accessible or standard taxi. Customer safety and quality of service should also be a priority across the industry.
Current Practices in the City of Kingston

Kingston Area Taxi Commission

The Kingston Area Taxi Commission regulates the taxi industry and requires taxi drivers take a written test prior to obtaining a taxi driver’s licence. The Commission provides a manual on the provision of accessible service which forms part of the testing process. There is currently no training program offered by the Commission, rather their focus is on providing the manual and overseeing testing. The companies may also provide driver training, but this is not standardized across the industry nor is it a requirement under the by-law.

In considering any option with respect to wheelchair accessible taxi training requirements, consideration should be given to what is required for taxi drivers of standard service in the City of Kingston as ultimately the addition of a wheelchair accessible service should align and/or complement the existing programs. With no formal driver training program, this may pose a challenge.

Kingston Access Services (KAS)

Kingston Access Services provides an extensive 6-day training program for all drivers of access buses. This program is based on the standards set out through the Ontario Community Transportation Association. The Ontario Community Transportation Association (OCTA) is the association of organizations and individuals committed to improving mobility for all people through the delivery of effective transportation services.

As will be discussed in the practices employed in other jurisdictions providing wheelchair accessible on-demand taxi service, this program is more detailed and lengthy to that used for wheelchair accessible taxi drivers.
Legislation/Regulations

The proposed Accessible Transportation Standard sets out the training requirements to include:

- responsibilities related to the AODA 2005 and this Standard;
- the safe operation of accessibility equipment;
- transportable mobility aid securement systems;
- boarding and de-boarding assistance procedures;
- the handling and storage of transportable mobility aids and assistive devices;
- the function of personal care attendants, service animals and assistive devices and methods for interacting with customers, who are accompanied by personal care attendants, service animals or use assistive devices;
- emergency preparedness and response policy and procedures;
- instruction on acceptable modification to procedures or practices in situations where temporary barriers exist or accessibility equipment fails.

It is proposed in the Standards that on-demand taxi service must comply with these requirements within 3 years of the Standards being approved.

Practices in Other Municipalities

There is a growing recognition across the taxi industry in the importance of driver training. The majority of municipalities surveyed require all new drivers to undertake testing and, in many cases, to complete a driver training program.

There is a mix in terms of how training is provided across the survey. While the majority of the municipalities administer testing and training, some municipalities have moved toward having a recognized educational institution provide the training for both wheelchair accessible and standard taxi service. In fact, a number of municipalities surveyed are in the process of updating their programs and, in some cases, have issued a request for proposal to have an independent firm or educational institution develop and administer new training programs.

While beyond the scope of this engagement to make recommendations for training requirements for the entire taxi industry, it is important to understand the practices employed in other jurisdictions to determine whether there is a need for a baseline driver training program upon which wheelchair accessible training would be added for those providing this service.
Most municipalities surveyed that provide wheelchair accessible service have incorporated accessible training into the program that is taken by all taxi drivers. This maximizes the pool of qualified drivers that would be available to provide service; it provides consistency in training, and does not place additional burden on accessible drivers in terms of cost of training and testing requirements. Further, this approach is aligned with the proposed Accessible Transportation Standards.

The City of Hamilton recently established a three module driver training program and new drivers are required to take all 3 modules over a four day course. The modules include:

1. Service Excellence and Tourism;
2. Operations and By-law;

The training and testing in Hamilton is now provided by Business Skills College. Further, all existing drivers are required to take one module each year and write a test. Training for service provided for persons with special needs is one of the modules that all drivers are required to take. This is very similar to the approach undertaken in the City of Ottawa which requires all drivers to take a three module course, one of which is on accessible training. These courses are provided through Algonquin College and were developed in cooperation with the City of Ottawa Licensing, Transportation and Parking Branch and in consultation with the Ontario Taxi Union and the Ottawa Taxi Owners and Brokers Association.

The City of Mississauga also has an integrated three-day taxi driver training program for all drivers that includes one full day on special needs training. This was developed in conjunction with the paratransit service provider at the Region of Peel (TransHelp) to identify driver training needs for taxi drivers.

The City of Burlington includes accessibility training in their general taxi training program which is provided by the two major taxi companies through a professional trainer and the City is planning to take over responsibility for testing.

The City of Oshawa’s training and testing is provided through Durham College for all drivers, however, accessible training is not provided through this program. Drivers for accessible vehicles are required to have completed an approved program prior to driving an accessible vehicle. This may be through the City of Toronto or the City of Mississauga. In addition, one of the taxi companies that is largely responsible for the provision of accessible service developed an accessible training course which drivers may also take.
The Town of Markham is currently in the process of developing a taxi driver training program that will include all aspects of service delivery including accessible training. To date, a training program has yet to be established, however, the Town is in the process of issuing a request for proposal for the provision of a taxicab driver training program. The proposed program will not exceed two days and will include business management/personal financial planning; cultural awareness; defensive driving; driver and passenger safety; equipment handling and passenger assistance; professional customer service; serving passengers with disabilities/sensitivity training; Taxicab By-law requirements; and vehicle care and maintenance and town specific geography/destinations (shopping, tourist, hotels, etc.)

The City of London, similar to the City of Kingston, does not have an existing driver training program that is offered through the City and has relied on one of the companies to provide taxi driver training. When accessible taxi service was added, a separate priority list was created for those interested in accessible service. A condition, on issuance of the accessible plates, was that all plate holders and the drivers of these vehicles would be required to take an accessible training program. As the existing company in London was not willing to provide accessible training, the City contracted the City of Toronto to provide a two-day accessible training program at a cost of $400 per person. The challenge moving forward is that without a local program, any new entrants into the provision of accessible service must take a course recognized by the City of London.

As reflected above, by far the most common approach to providing accessible driver training is to integrate this requirement into an existing taxi driver training program. However, given that there is no formal taxi driver training requirements in the City of Kingston, there is no program upon which to build. While beyond the scope of this study to determine who will provide accessible training, there is a need to assess who is best positioned to provide this service. Optimally, an integrated and consistent approach to taxi driver training provides the best solution to ensuring that there is a consistent, high quality and safe service provided. Further, by training all taxi drivers there is a large pool of qualified drivers that would be available to provide service; it provides consistency in training and does not place additional burden on accessible drivers in terms of cost of training and testing requirements. This is likely not practical in the current environment where drivers of standard taxis are not required to take a training program.
Course Content

The introduction of wheelchair accessible on-demand taxi service requires training as this involves hand-on experience and understanding of some aspects of service delivery that are not required in the provision of service in a sedan. This would include boarding and de-boarding assistance procedures and the handling and storage of transportable mobility aids and assistive devices and securing passengers.

Recommendation - Course Content

9. That in accordance with the proposed Accessible Transportation Standards and in keeping with practices employed in other jurisdictions, the training at a minimum should include:

Accessible Transportation Standards

• Responsibilities related to the Accessibility for Ontarians with Disabilities Act (AODA) 2005 and this Standard;
• The safe operation of accessibility equipment;
• Transportable mobility aid securement systems;
• Boarding and de-boarding assistance procedures;
• The handling and storage of transportable mobility aids and assistive devices;
• The function of personal care attendants, service animals and assistive devices and methods for interacting with customers, who are accompanied by personal care attendants, service animals or use assistive devices;
• Emergency preparedness and response policy and procedures;
• Instruction on acceptable modification to procedures or practices in situations where temporary barriers exist or accessibility equipment fails

Additional Training

• Customer service;
• Understanding various forms of disabilities;
• Sensitivity training;
• Communication tips;
• Assistive dogs;
• Priority service to accessible customers.

10. That the Taxi Commission By-law be amended to include a provision that all drivers of accessible taxi vehicles be required to submit proof of completion of an approved wheelchair accessible taxi training program.
Penalties

In keeping with the guiding principles associated with providing a consistent and integrated service to the community, any consideration of penalties for unsafe practices and driving without a licence should be the same; regardless of whether it is for standard or accessible taxi service.

Contained within the Taxi Commission Licensing By-law, there is $103.75 fine for any driver that is found to be driving a taxicab without a valid driver’s licence. Further, the By-law states that the Commission has the power to refuse, suspend or cancel a licence at any time, with cause, for any breach of the By-law, including driving without a licence or driving in an unsafe manner. This provides adequate flexibility to address any unsafe practices on a timely basis.

Recommendations—Penalties

11. That the City maintain the same penalty standards and provisions for standard and wheelchair accessible taxi service. This ensures consistency in the enforcement of services. The existing provisions which allow for fines to be issued to drivers operating without a driver’s licence and for licences to be suspended or revoked as a result of unsafe practices appears to provide sufficient controls and penalties.

12. That additional clauses be included in the Taxi Licensing Commission By-law for wheelchair accessible vehicles. For example, the following clauses are recommended based on practices employed in other jurisdictions:

   Every applicant for an accessible taxi driver’s license shall:
   • Be licensed under this By-law as a taxi driver;
   • Submit proof of successful completion of a training program dealing with transportation of the disabled;
   • Produce to the Licence Issuer his or her taxi driver’s license for endorsement as a licensed accessible taxicab driver by the License Issuer; and
   • Securely fasten all wheelchairs so that they are prevented from moving when in motion.

   No vehicle may be operated as a Wheelchair Accessible Taxicab unless it has approved wheelchair tie downs and complies with all applicable legislation and regulations.
Every licensed Taxicab Driver operating a Wheelchair Accessible Taxicab Vehicle shall, if requested, assist a disabled or elderly person to get into and out of the taxicab and ensure the passenger is properly secured in the vehicle prior to transport. If the Driver is unable to properly assist and/or secure the Passenger, the Driver shall notify their Broker and request a Driver or other appropriate service capable of handling the request. The Driver shall record the request and results on the Trip Sheet. The Driver shall remain with the Passenger until assistance from another Driver or appropriate service has arrived. Should a passenger refuse the assistance of the Driver, then the taxi driver and taxi owner shall not be held liable.

Every licensed Accessible Taxicab Driver shall give priority to the use of the Wheelchair Accessible Taxicab by persons with disabilities, and thereafter permit its use for non-disabled Passengers.

**Summary—Accessible Driver Training and Penalties**

One can convincingly argue that driver behavior is the single most critical element influencing the public’s evaluation of taxi service. Consequently, a focus on driver training and testing is needed to ensure that appropriate standards are established and monitored.

In the best interest of public safety, quality of service and consumer protection, it is recommended that a consistent approach to driver training and testing program be developed and maintained across the City. The presence of rigor in licensing new drivers sends a clear message to drivers that the City is serious about enforcing standards to promote customer service and safety.