

STAFF REPORT ACTION REQUIRED

Accessible Taxi Service – HST Information for Drivers

Date:	October 28, 2015
То:	TTC Board
From:	Chief Executive Officer

Summary

At the May 27, 2015 Board Meeting, the Board approved a motion for staff to report back on the ability to require TTC contracted wheel-chair accessible drivers to:

- a) provide an HST number; and
- b) provide proof of remittance of taxes.

In follow-up to this direction, the contractors have provided a list of HST numbers for every driver that provides services under their accessible taxi service contract. However, proof of remittance of taxes was declined by the drivers as this is not a contractual requirement. The TTC does not have the ability to unilaterally amend the contract for this purpose.

Recommendations

1. It is recommended that the Board receive this report in response to the request from the May 27, 2015 Board Meeting.

Financial Summary

There are no financial implications resulting from the adoption of this report.

Accessibility/Equity Matters

This report has no impact on accessibility or equity issues.

Decision History

On January 28, 2014 the Board approved the award of four (4) contracts for accessible taxi service to commence on July 6, 2014. In early July 2014, the contractors advised that the iTaxiWorkers Association was pressuring drivers not to provide the contracted services as the drivers were not happy with the new driver rate being offered by the contractors in the amount of \$2.50/km, a \$0.36 reduction from the previous rate (approximately 13%, equivalent to the HST amount). The TTC terms in the contract were clear that contractors were to pay the drivers a <u>minimum</u> of \$2.50/km of the total per km rate bid by the contractors.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_ meetings/2014/January_28/Reports/Decisions/4a_PA_Accessible_Taxi_Service_Contract .pdf

On July 4, 2014 two (2) contractors advised that a large contingency of their drivers gave notice that they would not report for work on Sunday, July 6, 2014. Staff diverted more customer pick-ups to the two contracted sedan taxi contractors and TTC buses to minimize the impact to customers. One contractor was able to provide service, however the others had very little service available due to drivers' refusal to work.

At the July 23, 2014 Board Meeting, the Board received a letter from the Accessible Transportation Association of Ontario (an industry association comprised of the 4 accessible contractors) requesting staff to meet with the appropriate stakeholders in order to find a solution to the current job action. The Board requested staff to review and report back at the August 19, 2014 Board meeting.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_ meetings/2014/July_23/Reports/C-5_S_Bastas_Wheel_-_Trans_Accessible_Taxi_Contract.pdf

At the August 19, 2014 Board Meeting, staff provided a report that recommended that the Board direct staff to meet with City Licensing and Standards staff in an effort to resolve any taxi licensing issues which may be impacting the ability of the contractors to meet the terms of the contracts. After a lengthy discussion, the Board moved and adopted a motion that the contracts be amended to add HST to the minimum driver rate.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_ meetings/2014/August_19/Supplementary_Reports/Decisions/Staff_Response_to_ATAO_ _Letter.pdf

At the May 27, 2015 Board meeting the Board approved the New Business item requesting staff report back on the ability to require TTC contracted wheel-chair accessible drivers to:

- a) provide an HST number; and
- b) provide proof of remittance of taxes.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2015/May_27/Reports/Decisions/New_Business_Item_Wheel_Chair_Accessible_Drivers_Tax_Remitta.pdf

Comments

Staff contacted the four accessible taxi service contractors (Royal Taxi, Checker Taxi, Co-op, and Scarborough City Taxi) to request the above noted information. In response to item a), all four of the contractors provided a list of the HST numbers for every driver that provided services under their accessible taxi service contract.

With respect to item b), the four contractors advised that the information relating to proof of remittance of taxes is not currently available. The contractors further advised that the current contract does not require them to provide the TTC with proof of remittance of taxes.

Although the proof of remittance of taxes is not a contractual requirement, at the request of the Board, staff approached the contractors to request the information from the drivers, however the drivers declined to provide the information.

TTC staff has confirmed there is no requirement for the contractors to provide proof of remittance of taxes and the TTC cannot unilaterally amend the contract. The change process in the current contract(s) requires that if the TTC wishes to make a proposed change to the contract, it shall notify the Contractor and the Contractor shall provide proposed pricing for the requested change with supporting documentation. If the Contractor's proposal is acceptable, a Contract Amendent is issued. In other words, a change to the contract requires the agreement of both the TTC and the Contractor.

Contact

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