

## **Policy Note - Expanding Transportation Options in Ontario**

The purpose of this note is to outline the current challenges with respect to the regulation of ridesharing in Ontario and the benefits to the province that could be unlocked through a provincial regulatory framework.

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### **Context**

- Since 2016, dozens of municipalities across Ontario have developed unique bylaws to regulate ridesharing.
- These bylaws cover topics such as licensing scheme, insurance requirements, driver screening standards, vehicle requirements, and fee / payment schedules.
- Currently, there are several ridesharing companies operational in Ontario, including Lyft, U-Ride, Uber and others.
- Ridesharing provides a vital transportation option in communities across the province, but much of the province is still underserved by ridesharing services.

### **Current Challenges**

The current regulatory structure has significant policy challenges that impacts the province's transportation system and economic growth. Challenges include:

- **Patchwork regulatory framework** - As the province recently demonstrated through its [One Fare](#) announcement, transportation does not stop at municipal boundaries and is increasingly regional. The regulation of ridesharing has become a patchwork regulatory system where a driver can pick up in one municipality but may not be able to pick up in the neighbouring municipality, leading to deadheading.
- **Increasing red tape** - For ridesharing companies that wish to expand in Ontario at the moment, they have to go to individual municipalities and develop bespoke compliance systems. This increases red tape and the cost of doing business in Ontario. It severely limits the ability of ridesharing companies to scale across rural Ontario.
- **Lack of rural transportation options** - Many rural municipalities in Ontario are significantly growing as a result of the Government's investment in housing and infrastructure, yet they lack sufficient transportation options for their residents. Even when options exist, they are often only available at limited times of the day.

## **Municipal Interest in Ontario**

Due to the lack of rural transportation options and the benefits of ridesharing services, over the past months, several municipalities that do not currently have ridesharing services have expressed interest in bringing ridesharing to their communities. These include:

- **Municipality of Brighton** - Northumberland-Peterborough South
- **Township of Russell** - Glengarry-Prescott-Russell
- **City of Pembroke** - Renfrew-Nippising-Pembroke
- **Township of Southgate** - Bruce-Grey-Owen Sound
- **Town of St. Mary's** - Perth-Wellington

Some of these communities, including Brighton, ON have already passed resolutions (see [Appendix A](#) for full resolution) declaring “support for the migration of ride-share regulations and licensing from the municipal level to the provincial level”.

## **Benefits of Provincial Approach**

A provincial approach to the regulation of ridesharing would have considerable benefits to the Ontario economy and the people of Ontario. These benefits include:

- **Supports economic development** - As Ontario continues to attract investments in areas such as EV manufacturing, communities across the province will need additional transportation options. Ridesharing helps people get around growing communities while also providing part-time flexible work opportunities.
- **Connects communities** - The current patchwork regulatory structure does not reflect the reality of regional transportation, which does not stop at municipal borders. Similar to the One Fare approach of the government, a provincial regulatory framework would allow people to use ridesharing to move seamlessly between communities in the province.
- **Helps reduce impaired driving** - Research shows that the presence of ridesharing in a community can help reduce impaired driving, which is why Uber is a proud partner of MADD Canada. In many rural communities, transportation options are often sparse or unavailable late at night, which can lead some to drive impaired. A provincial regulatory framework would allow ridesharing to expand more easily into these communities and provide citizens with a good reason not to drink and drive.
- **Enables innovative approaches to transit** - Uber and the Town of Innisfil co-designed a custom transit solution, named Innisfil Transit. With a touch of a button, residents are offered flat fare rides to popular destinations, such as the train station, the recreation complex, or the Innisfil Employment Area. Since the launch of Innisfil Transit, thousands of residents have taken trips to connect with the commuter rail station, get to work, go out with friends, or visit their doctor.
- **Connectivity to higher order transit** - As Metrolinx builds out the GO RER expansion and the Ontario Northlander resumes services, more Ontarians and visitors to our

province will use these services to connect with communities. Ridesharing would help boost the success of these services by serving as a “first-mile / last-mile” solution in communities across the RER and Northlander corridors.

### **Jurisdictional Scan**

The majority of other provinces in Canada have adapted a provincial model to the regulation of ridesharing. Some examples of provincial models include:

| <b>Province</b>           | <b>Legislation</b>  | <b>Website / More Information</b>   |
|---------------------------|---|---|
| Newfoundland and Labrador | <a href="#">Transportation Network Company Regulations</a>  | <a href="#">Transportation Network Companies (Ride-sharing Service) - Digital Government and Service NL</a> |
| Quebec                    | <a href="#">Bill 17, An Act respecting remunerated passenger transportation by automobile - National Assembly of Québec</a> | <a href="#">Authorized drivers or drivers of a vehicle comparable to a taxi - SAAQ</a>                      |
| Alberta                   | <a href="#">Transportation Network Companies Regulation</a>   | <a href="#">Ride-for-hire services   Alberta.ca</a>   |
| Saskatchewan              | <a href="#">Vehicles for Hire Act</a><br><a href="#">Vehicles for Hire Regulations</a>                                      | <a href="#">Ridesharing services - SGI</a>  |

## **Appendix A: Municipality of Brighton Resolution**

WHEREAS, the Municipality of Brighton faces challenges related to limited access to transportation, and there exists a pressing need for a ride-sharing service to address transportation gaps within our community;

WHEREAS rideshare services are increasingly relied upon by seniors, students, visitors and tourists, and residents looking for safe, affordable, convenient, and reliable ways to travel;

WHEREAS, the standardization and consistency of regulations across municipalities, particularly in Ontario, can improve the efficiency and effectiveness of the regulatory framework;

WHEREAS, transferring the responsibility of ride-share regulations and licensing to the provincial level would contribute to a more streamlined and uniform governance structure, while eliminating associated red tape and unnecessary administrative costs;

THEREFORE, BE IT RESOLVED that the Municipality of Brighton Council hereby expresses its support for the migration of ride-share regulations and licensing from the municipal level to the provincial level;

BE IT FURTHER RESOLVED that the Municipality of Brighton Council formally requests the Government of Ontario to initiate the transfer of responsibilities in the interest of creating a more coherent and standardized regulatory framework for ride-sharing services across the province;

BE IT FURTHER RESOLVED that copies of this motion be distributed to the Honourable Doug Ford, Premier of Ontario; the Honourable Prabmeet Sarkaria, Minister of Transportation; the Honourable Paul Calandra, Minister of Municipal Affairs and Housing; the Honourable David Piccini, Member of Provincial Parliament for Northumberland-Peterborough South; the Association of Municipalities of Ontario (AMO); the Eastern Ontario Wardens Caucus, the County of Northumberland; and all six neighbouring Northumberland lower-tier municipalities, and all Ontario municipalities.