

MANITOBA PUBLIC INSURANCE

VEHICLES FOR HIRE

2018 INTERIM APPLICATION

Information Requests

January 4, 2018

INFORMATION REQUESTS FILING

Public Utilities Board

Consumers' Association of Canada (Manitoba)

PUB (MPI)

PUB (MPI) 1

Volume and Chapter:	VFH.2.2	Page No.:	6
Topic:	Principles for the Rating Model		
Sub Topic:			
Issue:	Rating Across Jurisdictions		

Preamble to IR (If Any):

The Corporation states: "Based on MPI's analysis of TNC by-laws and insurance rates in Canada, no industry standard has developed on insurance rating models within or across jurisdictions that currently permit operation of TNCs. Further, coverage and pricing varies by insurance company within and across jurisdictions."

Question:

- a) Please advise as to which Canadian jurisdictions the Corporation analyzed for information on rating models and pricing.
- b) Please provide descriptions of the rating models and pricing used in those Canadian jurisdictions and discuss the relative merits of those approaches as contrasted with the Corporation's proposed approach.
- c) Did the Corporation review data from jurisdictions outside Canada?
 - i. If so, please provide descriptions of the rating models and pricing used in those jurisdictions and discuss the relative merits of those approaches as contrasted with the Corporation's proposed approach.
 - ii. If not, please explain why the Corporation limited its review to Canadian jurisdictions.

Rationale for Question:

To better understand the principles applied by the Corporation in selecting the rating model.

RESPONSE:

- a) Rating models and pricing in Ontario, Alberta and Quebec were reviewed. These jurisdictions are currently the only ones in Canada to permit the operation of Transportation Network Company (TNC).
- b) MPI developed and evaluated several rating models within the context of the compulsory nature of Basic, and MPI's intent to avoid cross-subsidization between vehicles for hire and the rest of Basic. Rating models used in other Canadian jurisdictions were not considered suitable within Manitoba's public insurance environment given the compulsory nature of Basic. Figures 1 and 2 present the results of the scan.

Figure 1: Transportation Network Company (TNC) – Jurisdictional Insurance Comparison/Availability

ONTARIO						
Line No.	Insurance Provider	Intact	Aviva	Northbridge Insurance	Pembridge Insurance	
1	TNC Companies	Uber	All Rideshare	Ride co, InstaRyde, Facedrive, ecoRides	All Rideshare	
2	Policy Type	Blanket	Individual (Endorsement)	Blanket endorsement for Lyft drivers	Blanket	Individual (Endorsement)
3	Coverage Period	From login to passenger delivery	From login to passenger delivery	From login to passenger delivery	From login to passenger delivery	N/A
4	Contact for Claim	Uber	Aviva	Lyft	Northbridge Insurance	N/A
5	Policy	- Uber Policy	- NPCF 6TN Endorsement	- Lyft Policy	- Northbridge Policy	-
6	Details	<ul style="list-style-type: none"> Automatically applies to all Uber drivers regardless of personal auto policy/provider When not available to pick up rides, personal auto policy is in effect 	<ul style="list-style-type: none"> Maximum of 20 hours per week Contracted with a transportation network company 6 years minimum licensed (G2 or higher) driving experience in Canada or U.S. Carries 8 people max. (7 passengers + driver) No commercial use, such as delivery of goods, including food or courier services Not registered as a taxi or limousine 	<ul style="list-style-type: none"> Enhanced coverage on personal policy will extend to Lyft policy No maximum on ridesharing hours 6 years minimum licensed (G2 or higher) driving experience in Canada or U.S. Carries 8 people max. (7 passengers + driver) No commercial use, such as delivery of goods, including food or courier services Not registered as a taxi or limousine 	<ul style="list-style-type: none"> Automatic coverage but personal policy must allow for rideshare usage. N/A 	
7						
8						
9						
10						
11						
12	Coverage	<ul style="list-style-type: none"> Up to \$2M TPL Standard AB \$1,000 deductible for Comp/Collision paid by driver Family protection 	<ul style="list-style-type: none"> Up to \$2M TPL Standard AB \$1,000 deductible for Comp/Collision paid by driver 	<ul style="list-style-type: none"> Up to \$2M TPL Standard AB \$1,000 deductible for Comp/Collision paid by driver 	<ul style="list-style-type: none"> Up to \$2M TPL Standard AB \$1,000 deductible for Comp/Collision paid by driver \$1,500 Loss of use (post acceptance) No depreciation on new vehicle (post acceptance) 	<ul style="list-style-type: none"> N/A
13						
14						
15						
16						

Figure 2: Transportation Network Company (TNC) – Jurisdictional Insurance Comparison/Availability

Line No.	Insurance Provider	ALBERTA			QUEBEC
		Intact	Northbridge Insurance	Pembridge Insurance	Intact
1	TNC Companies	Uber	TappCar	All Rideshare	Uber
2	Policy Type	Blanket	Blanket	Individual (Endorsement)	Blanket
3	Coverage Period	From login to passenger delivery	From login to passenger delivery	N/A	From login to passenger delivery
4	Contact for Claim	Uber	Northbridge Insurance	N/A	Uber
5	Policy	Intact Uber Policy	Northbridge Tapp Policy		Intact Uber Policy
6	Details	<ul style="list-style-type: none"> Automatically applies to all Uber drivers regardless of personal auto policy/provider 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Automatically applies to all Uber drivers regardless of personal auto policy/provider
7		<ul style="list-style-type: none"> When not available to pick up rides, personal auto policy is in effect 			<ul style="list-style-type: none"> When not available to pick up rides, personal auto policy is in effect
8	Coverage	<ul style="list-style-type: none"> Up to \$2M TPL 	<ul style="list-style-type: none"> Up to \$2M TPL 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Up to \$2M TPL
9		<ul style="list-style-type: none"> Standard AB 	<ul style="list-style-type: none"> \$1,500 deductible All perils Loss of Use 		<ul style="list-style-type: none"> Standard AB
10		<ul style="list-style-type: none"> \$1,000 deductible for Comp/Collision paid by driver 	<ul style="list-style-type: none"> Family Protection 		<ul style="list-style-type: none"> \$1,000 deductible for Comp/Collision paid by driver
11		<ul style="list-style-type: none"> Family protection 	<ul style="list-style-type: none"> Limited Waiver of Depreciation 		<ul style="list-style-type: none"> Family protection

MPI also contacted other jurisdictions to obtain the insurance cost of rideshares.

Figure 3 is the jurisdictional scan/comparison

Figure 3: Rideshare Cost Comparison

Line No.	Jurisdiction	Base Rate*	TNC Endorsement	TNC Total (Base Rate plus Endorsement)
1	<u>British Columbia</u>			
2	Vancouver	\$2,530	Not established	Not Available
3	<u>Alberta</u>			
4	Calgary	\$3,251	\$500-\$800/year	\$3,751-\$4,051/year
5	Edmonton	\$3,410	\$500-\$800/year	\$3,910-\$4,210/year
6	<u>Saskatchewan</u>			
7	(Regina & Saskatoon)	\$1,200	Not established	Not Available
8	<u>Ontario</u>			
9	Toronto	\$6,593	\$1,000-\$1,600/year	\$7,593-\$8,193
10	<u>Québec</u>			
11	(Montréal and Québec City)	\$2,267	\$190/year	\$2,457
12	<u>Manitoba</u>			
13	Winnipeg	\$1,442	Not Applicable	Passenger VFH
14				Time Bands Selected
15				1- \$1,514
16				2 - \$1,586
17				3 - \$1,658
18				4 - \$1,730
19	<i>*Base rate based on</i>			
20	<i>1) 21-year-old male, claims and conviction free</i>			
21	<i>2) 2017 rates based on 2010 Dodge Grand Caravan SE, \$500 All Perils deductible, \$2m third-party liability</i>			
22	<i>See 2018 GRA, Volume I BMK Benchmarking, page 26</i>			

- c) The Corporation performed an initial scan of rating models used in the United States and the rating models are similar to those used in other Canadian jurisdictions. None are designed to accommodate a compulsory Basic automobile insurance model.

PUB (MPI) 2

Volume and Chapter:	VFH.2.2	Page No.:	6
Topic:	Principles for the Rating Model		
Sub Topic:			
Issue:	Rating Across Jurisdictions		

Preamble to IR (If Any):

The Corporation states: "MPI developed and evaluated several rating models within the context of the compulsory nature of Basic, and MPI's intent to limit cross-subsidization between vehicles for hire and the rest of Basic."

Question:

- a) Have the rating model and rate-setting framework selected by the Corporation been used in any other jurisdictions reviewed by it?
- b) If yes, please provide the rationale for the selection of that jurisdiction's rating model and rate-setting framework.
- c) If no, please advise why the Corporation has not chosen to follow a rating model and rate-setting framework previously developed in another jurisdiction.

Rationale for Question:

To better understand the justification for the rating model selected by the Corporation.

RESPONSE:

- a) No.
- b) Not applicable.

- c) Currently in Canada, only Alberta, Ontario and Quebec allow ridesharing (vehicle for hire) for compensation. Insurance for ridesharing vehicles in these jurisdictions is provided by either individual endorsement or a blanket policy with the particular Transportation Network Company. In all three jurisdictions, automobile insurance is sold privately and, subject to limited accident benefits¹ (injury), third party liability coverage and tort action. First party physical damage coverage is optional in all three jurisdictions.

The legislative scheme in Manitoba requires residents who wish to operate a motor vehicle in Manitoba to register that vehicle and purchase universal compulsory automobile insurance (Basic Insurance) which is primary to any other insurance that may apply. Basic Insurance provides Personal Injury Plan Protection benefits as well as third party liability and all perils physical damage coverage.

Alternative insurance models used in other jurisdictions would, if adopted in Manitoba, result in coverage outside of the Basic Insurance. A consequence of which would be that the premiums charged for vehicle for hire insurance would be outside the jurisdiction of the Public Utilities Board. The Corporation submits that it would not be in the public interest to intentionally design compulsory insurance coverage for passenger vehicle operations that is outside of the Basic model and outside of regulatory oversight.

The universal compulsory nature of the program does not contemplate, nor does the legislation permit, that Basic compulsory insurance coverage may become secondary, based on temporary (or part time) change in vehicle use from a passenger vehicle to a vehicle for hire. Across the Basic compulsory program, the rates charged for the vehicle are based upon the type of vehicle, its use, and its location (territory). Basic coverage remains constant in all cases, and the only change is in the rate charged, reflecting the use, type and territory of the vehicle. Vehicle for Hire is a new use and it is appropriate that Basic rates are to be set for that type/use.

¹ With exception of Quebec, which has pure no-fault injury coverage

Use of an umbrella policy with a Transportation Network Company (TNC) or individual endorsement are not applicable nor appropriate as compulsory coverage under the Basic program. Providing Basic insurance to TNC's through an umbrella policy also creates the risk that individual operators would not incur their true incremental cost of insurance, as they will under MPI's proposed model that accounts for vehicle type and driver safety. In addition, the use of an umbrella policy would not be fair and equitable to existing vehicles for hire, such as taxis and limos.

In summary, a vehicle is required to have Basic Insurance. The requirement to hold the coverage and the obligation of the Basic coverage to respond as primary in the event of a loss does not change based upon the use, type, or territory of the vehicle.

PUB (MPI) 3

Volume and Chapter:	VFH.2.2	Page No.:	6
Topic:	Rating Model		
Sub Topic:			
Issue:	Rating Models Evaluated		

Preamble to IR (If Any):

MPI developed and evaluated several rating models within the context of the compulsory nature of Basic against three success criteria.

Question:

Please provide a table listing each of the rating models that were evaluated, including the one proposed, and indicate the relative merits of the models reviewed against the model proposed on the three criteria:

- a) Is the rating model fair and equitable?
- b) Is the rating model actuarially based?
- c) Is the rating model flexible enough to accommodate different regulatory frameworks throughout the Province as a result of Bill 30?

Rationale for Question:

To evaluate the merits of the proposed rating model against alternatives.

RESPONSE:

In light of the introduction of Bill 30 and developments within the vehicle-for-hire industry in other jurisdictions in Canada, MPI initially examined nine insurance solution models/options (outlined in CAC (MPI) 5). These options were presented and evaluated at a conceptual level using nine criteria. From these nine options, the top

three models were selected for further evaluation and rated based on the three criteria.

The Time Band Model can be applied equitably across all vehicles for hire (Taxis, Limos, Passenger, Accessible) and it provides the greatest flexibility for Vehicle for Hire (VFH) operators. This model is actuarially based in that the rates are/will be reflective of the loss experience by VFH group, and the model prevents cross subsidization between the VFH groups and/or the overall private passenger vehicle pool. The Time Band Model aligns well with the principles of universal compulsory auto insurance and will be able to evolve over time.

The Blended Rate Model would not be seen as fair and equitable, nor actuarially based, as it

- i. makes no accommodation to apply Driver Safety Rating (DSR) discounts/surcharges to any sub-category of vehicles for hire,
- ii. used taxi premiums as a part of the premium calculations for the TNC vehicle for hire, and
- iii. used one blanket base rate for vehicles for hire (no differentiation for typical rate groups). The Blended Rate Model would not allow flexibility to accommodate different regulatory frameworks throughout the Province.

The DSR Driver Premium Model would leverage certain aspects of the current DSR system, but since surcharges would be based on driver premium there may be uncertainty around the alignment to actuarial principles of universal compulsory insurance. This model is complex and costly to implement, has challenges from claims administration, significant regulatory amendments, would introduce lack of symmetry with other vehicle types and insurance uses, and would be difficult from a customer communication perspective.

PUB (MPI) 4

Volume and Chapter:	VFH.2.2	Page No.:	7
Topic:	Principles for the Rating Model		
Sub Topic:			
Issue:	Consistency of Rating Model		

Preamble to IR (If Any):

The Corporation states: "The proposed rate model is fair and equitable in that it applies consistently to taxis, TNCs, and other vehicles for hire. All vehicles for hire operators will have the flexibility to select up to four time bands depending on when and how frequently they intend to offer vehicle for hire services."

Question:

- a) Are there any statistics available on the relative risk of ride-sharing services such as Uber as compared to that of taxicabs? If so, please produce.
- b) Are there any statistics available on (1) the times of day and (2) the number of hours per day that drivers for ride-sharing services such as Uber typically operate? If so, please produce.
- c) Did the Corporation incorporate any statistics gathered in (a) or (b) in preparing its proposal? If so, please elaborate on how those statistics were incorporated into the proposal. If not, please advise as to why not.

Rationale for Question:

To provide additional context for the VFH application.

RESPONSE:

- a) MPI is not aware of any statistics comparing the relative risk of ride-sharing services compared to taxicabs, other than the rating differentials identified from other jurisdictional models.
- b) MPI is aware of a study completed by the National Bureau of Economic Research entitled "*The Value of Flexible Work: Evidence from Uber Drivers*" where Uber drivers' work schedules were analyzed to determine the value of flexibility in drivers' schedules. The study is available at: <http://www.nber.org/papers/w23296>

The Corporation was also able to obtain the informal statistic via Lyft and Uber that 'most' ride-sharing services operators provide the service on average 8 to 10 hours per week.

- c) The study did not influence the development of the time band model and the Corporation did not formally incorporate statistics gathered in the study in preparing its proposal. However, the results of the study do support the time band model in that drivers benefit from flexibility when operating as a vehicle for hire.

PUB (MPI) 5

Volume and Chapter:	VFH.3.5	Page No.:	22
Topic:	Rate-Setting Framework		
Sub Topic:			
Issue:	How Rates Will Be Set in Future GRAs		

Preamble to IR (If Any):

The Corporation states: "MPI will use the currently approved PUB ratemaking methodology to adjust the required rates for each of the vehicles for hire uses...MPI will then perform a separate relativity calculation within each of these vehicles for hire to determine the relative rates by Level...By setting rates based on the overall vehicles for hire experience in each VFH use (rather than for each level separately) there will be more credible data for which to modify rates."

Question:

- a) By what year does the Corporation expect to have sufficient experience on each of the VFH classes (i.e., Passenger, Taxicab, Limousine, Accessible) in order to set rates based on experience?
- b) When VFH rates are set based on experience, will this analysis of experience include all classification dimensions associated with VFH rating?

Rationale for Question:

To establish PUB expectations for actuarially set VFH rates.

RESPONSE:

- a) The proposed rates for Taxicab, Limousine, and Accessible Vehicles for Hire (VFH) classes are based on the existing rates for these classes with an adjustment to account for the introduction of time bands, Driver Safety Rating (DSR), and competition from Passenger VFH. MPI believes the rates for these classes, on an overall basis, are reasonably close to the eventual experienced based rates under the new VFH model. However, as experience data becomes available (i.e. in the 2020 GRA), MPI proposes to follow the approved Basic ratemaking methodology for adjusting vehicle group relativities. This process ensures that at least 10% of the weight will be given to experience in the rate relativity calculation in each GRA.

For Passenger VFH, MPI recognizes that there is no historical claims experience for this rating classification. It is also uncertain how many vehicle units will exist in this rating category. MPI proposes to follow the approved Basic ratemaking methodology for adjusting vehicle group relativities, which would give at least 10% weight to the Passenger VFH experience in each rate application. However, if experienced based rates are observed to be significantly different from the initial rates, MPI *may* come forward with a special rating adjustment that falls outside the approved ratemaking methodology.

In regards to the relative rates between time bands within each of the VFH classes, MPI also proposes to adjust these relativities based on experience. A proposed methodology will be brought forward in the 2019 GRA; however, there will be no actual claims experience available for ratemaking until the 2020 GRA.

- b) Yes. Please see part (a)

PUB (MPI) 6

Volume and Chapter:	VFH.2.2, VFH.2.4	Page No.:	7, 10
Topic:	Claims Experience		
Sub Topic:			
Issue:	Claims by Time Period		

Preamble to IR (If Any):

The Corporation states:

"The declared time bands uses will be priced for risks based on current claims data."

"The insurance policies will be based on time bands permitting vehicles for hire operation."

Question:

- a) Please provide, for the last five years, any available Basic claims experience (frequency, severity, and total claims) and the corresponding Basic earned exposures broken down by the four time bands set out in the application.
- b) Please provide the relativities for the claims costs and claims counts between the four time bands, with commentary on the how these relativities relate to the proposed VFH time band rating relationships.

Rationale for Question:

To provide additional context for the VFH application.

RESPONSE:

a)

Figure 1: Pleasure Passenger – Claims Incurred

Line No.	Time Band	2012	2013	2014	2015	2016	Total
1	A	33%	35%	30%	32%	31%	32%
2	B	8%	8%	13%	9%	10%	10%
3	C	31%	32%	29%	32%	29%	31%
4	D	29%	25%	28%	26%	29%	27%

Figure 2: Pleasure Passenger – Claims Count

Line No.	Time Band	2012	2013	2014	2015	2016	Total
1	A	35%	35%	35%	35%	35%	35%
2	B	8%	8%	7%	8%	8%	8%
3	C	33%	34%	34%	33%	33%	33%
4	D	24%	24%	24%	25%	24%	24%

Figure 3: All-Purpose Passenger – Claims Incurred

Line No.	Time Band	2012	2013	2014	2015	2016	Total
1	A	28%	27%	26%	27%	26%	27%
2	B	9%	10%	12%	13%	13%	11%
3	C	37%	41%	38%	35%	38%	38%
4	D	26%	22%	24%	25%	23%	24%

Figure 4: All-Purpose Passenger – Claims Count

Line No.	Time Band	2012	2013	2014	2015	2016	Total
1	A	30%	29%	30%	30%	31%	30%
2	B	11%	10%	11%	11%	12%	11%
3	C	37%	38%	37%	36%	36%	37%
4	D	22%	23%	23%	23%	21%	22%

Figure 5: Pleasure Light Truck – Claims Incurred

Line

No.	Time Band	2012	2013	2014	2015	2016	Total
1	A	24%	28%	32%	28%	26%	28%
2	B	15%	12%	18%	12%	14%	14%
3	C	27%	31%	25%	32%	29%	29%
4	D	34%	29%	25%	28%	32%	29%

Figure 6: Pleasure Light Truck – Claims Count

Line

No.	Time Band	2012	2013	2014	2015	2016	Total
1	A	32%	33%	31%	31%	32%	32%
2	B	11%	12%	12%	12%	12%	12%
3	C	30%	30%	31%	29%	30%	30%
4	D	27%	26%	26%	28%	26%	26%

Figure 7: All-Purpose Light Truck – Claims Incurred

Line

No.	Time Band	2012	2013	2014	2015	2016	Total
1	A	26%	25%	29%	23%	25%	26%
2	B	20%	20%	18%	13%	15%	17%
3	C	32%	34%	30%	32%	33%	32%
4	D	22%	21%	23%	32%	27%	25%

Figure 8: All-Purpose Light Truck – Claims Count

Line

No.	Time Band	2012	2013	2014	2015	2016	Total
1	A	31%	31%	31%	31%	31%	31%
2	B	12%	12%	11%	12%	12%	12%
3	C	36%	35%	36%	35%	36%	35%
4	D	22%	22%	22%	23%	22%	22%

Earned exposure by time band is not available as MPI does not currently insure vehicles by time band.

b)

Figure 9: Percentage of Taxi/Livery Claims Incurred and Claims Counts by Time Band – 2007 to 2017 loss years

Line No.	Selected Time Bands	Level	Claims Incurred *	Claims Counts *	Selected Relativity
1	A	1	25%	30%	25%
2	B	1	31%	15%	25%
3	C	1	25%	32%	25%
4	D	1	19%	23%	25%
5	Level 1 Straight Average		25%	25%	25%
6	A, B	2	56%	45%	50%
7	A, C	2	50%	62%	50%
8	A, D	2	44%	53%	50%
9	B, C	2	56%	47%	50%
10	B, D	2	50%	38%	50%
11	C, D	2	44%	55%	50%
12	Level 2 Straight Average		50%	50%	50%
13	A, B, C	3	81%	77%	75%
14	A, B, D	3	75%	68%	75%
15	A, C, D	3	69%	85%	75%
16	B, C, D	3	75%	70%	75%
17	Level 3 Straight Average		75%	75%	75%
18	A, B, C, D	4	100%	100%	100%
19	Level 4 Straight Average		100%	100%	100%
20	* For the period 2007 to 2017 – vehicle insurance use = taxi/livery				

The insured times of each time band were designed to accommodate the hours of operation that vehicles for hire drivers might prefer, such as weekends, or evenings, while balancing the increased level of exposure from operation between the four time bands.

The time bands were selected such that each additional time band equates to approximately 25% additional claims exposure. However, for rating purposes only the number of time bands selected is relevant, rather than the specific time bands selected. The relative rate by Level will eventually move to the appropriate amount based on actual claims experience.

PUB (MPI) 7

Volume and Chapter:	VFH.2.4	Page No.:	10
Topic:	Vehicle for Hire Rating Model		
Sub Topic:			
Issue:	Time Bands		

Preamble to IR (If Any):

The proposed VFH rating model is based on the number of levels purchased rather than the specific time bands being purchased.

Question:

Please elaborate on the Corporation's rationale for not varying the cost of coverage with the expected exposure to risk by time band.

Rationale for Question:

To provide additional context for the VFH application.

RESPONSE:

Since MPI does not have any experience data on drivers for the Transportation Network Companies (TNC), our loss analysis was based solely on the taxi industry experience. The time bands were established in such a way that each is similar in exposure based on the taxi experience. With further review, the time bands were intentionally adjusted to increasingly level the exposure from one time band to the next.

In deciding how to implement the time bands MPI considered three key factors:

- Ease of understanding
- Flexibility (the customers' ability to switch selected time bands)
- Cost of implementation

If each time band had a different rate or cost it would be more difficult for Manitobans to understand the model. Having a different rate for each individual time band would create 15 different possible combinations a customer would have to assess in making their buying decision. It could also potentially lead to misunderstanding about why one time band is more or less costly than another time band. Therefore, by having the same cost of coverage for each individual time band, MPI has made it easier for customers to understand the model and make buying decisions.

If the rate or cost for each time band was different it would hinder the customers' ability to switch selected time bands. Any time a customer wanted to consider changing time bands they would need to speak to a broker to determine the pro rata premium for each time band, calculate the differential to determine what the change in premium would be, and then consider this additional factor in making their decision. By having all time bands equally priced, a customer can make a decision to switch bands without having to first contact a broker to determine the cost differential for the balance of the insurance period and can take the cost factor out of their decision making process.

Varying the rate for coverage under each time band would also have a significant impact on MPI's cost to implement. There are fifteen different potential combinations in considering the purchase of between one and four time bands. If the rates are different for each time band this means developing and implementing fifteen individual rate tables rather than only four. There would be costs related to having almost four times the number of rate tables developed and implemented.

As data accumulates for the various VFH insurance usages, MPI will monitor the trends. If any of the time bands deviate too far from the ~25% of overall claims incurred MPI will determine the action necessary. For example, if there is consistent

deviation across all insurance usages, MPI may have to adjust the time bands. If the deviation is only for one insurance usage, MPI will have to determine the cause of the deviation and may have to consider varying the cost of coverage with the expected exposure to risk by time band for that specific insurance usage.

PUB (MPI) 8

Volume and Chapter:	VFH.2.4	Page No.:	10
Topic:	VFH Rating Model		
Sub Topic:			
Issue:	Time Bands		

Preamble to IR (If Any):

The proposed VFH rating model uses four time bands for VFH commercial operation which include some overlap between time bands. The Corporation states "The designed overlap in time between the Overnight and Weekends time bands also provides further flexibility for customers who may not want to select more than one time band."

Question:

- a) Please discuss the consequences of having overlapping time bands with respect to the collection of experience by time band for the development of actuarially sound rates in the future.
- b) By way of example, please describe how a claim occurring between 6:00 and 7:00pm on a Friday evening would be assigned by time band for a VFH operator who signed up for time bands C and D.

RESPONSE:

- a) Since rates are determined based on the number of time bands purchased, not the specific time bands, there is no consequence of having overlapping time bands for actuarially sound rates.
- b) The claims experience would fall under the rating of Level 2, since the customer purchased two time bands.

PUB (MPI) 9

Volume and Chapter:		Page No.:	
Topic:	Alternative VFH Rating Approaches		
Sub Topic:			
Issue:	Saskatchewan Auto Fund		

Preamble to IR (If Any):

It has been reported that Saskatchewan is developing the necessary legislation to Transportation Network Companies to operate in that province. A spokesperson for SGI was reported in Thompson's World Insurance News as saying "the insurer has looked at insurance approaches in other jurisdictions and found that basing insurance rates on kilometres driven made the most sense to SGI".

Question:

- Has the Corporation had any communication with SGI with respect to VFH rating models and pricing? If so, please provide a summary of the substance of the communication with SGI.
- Please provide the Corporation's assessment of the relative merits of the declared intent of SGI vs. the Corporation's proposed approach to VFH rating models.

Rationale for Question:

To provide additional context for the VFH application.

RESPONSE:

- MPI did verbally share information with Saskatchewan Government Insurance (SGI) representatives with respect to MPI's proposed vehicle for hire insurance premium models. At the time of the communication, both organizations were

beyond the 'conceptual' stages of developing their respective Vehicles for Hire (VFH) rating models, therefore, it was purely an information sharing communication versus a collaboration on developing a VFH insurance premium model.

b) Based on a high level assessment of this publicly available information, MPI identified the following concerns with SGI's kilometer based model:

- A monthly charge per driver per kilometer is not necessarily actuarially sound for individual driver risks.
- VFH drivers may not face the true incremental cost of insurance.
- This model, if applied in the context of Manitoba's legislative framework, would not be fair or equitable to existing vehicles for hire (taxis and limos), and could result in cross subsidization between Basic and the VFH pool.

MPI has determined that the model proposed in this interim application is appropriate for Manitoba.

PUB (MPI) 10

Volume and Chapter:	VFH.3.1	Page No.:	14
Topic:	Summary of Jurisdictional Review of VFH Premiums		
Sub Topic:			
Issue:	Jurisdictional Comparison		

Preamble to IR (If Any):

Figure 2 on Page 14 of the VFH application shows Base Rates and TNC Endorsement premiums for four major Canadian cities for Passenger Vehicles for Hire.

In a tort or partial no fault jurisdiction, the dominant TNC insurance coverage issue relates to ensuring the VFH operator has sufficient Passenger Hazard Bodily Injury Third Party Liability coverage to protect the interests of VFH passengers.

Question:

- Please provide a table comparing the supplemental insurance coverage being provided by the TNC Endorsement for each of the four Canadian cities shown vs. what supplemental insurance coverage is being provided in Manitoba.
- Please provide the source documentation for the cited Base Rates and TNC Endorsement premiums.
- Please discuss the relevance of VFH market pricing practices in Alberta (tort) and Ontario (partial no fault) in the development of Manitoba (pure no fault) VFH pricing.
- Please describe the particular circumstances under which Basic Third Party Liability Bodily Injury claims are triggered today, and the extent to which this exposure is expected to change with the introduction of Vehicles for Hire.

Rationale for Question:

To provide additional context for the VFH application.

RESPONSE:

- a) Please see PUB (MPI) 1 for a summary of the insurance coverage currently provided by insurers in Canada where Transportation Network Company's (TNC) are permitted. MPI's model does not provide an endorsement to Vehicles for Hire (VFH) drivers. Therefore, there is no supplemental insurance coverage offered by MPI.
- b) Please see 2018 GRA Volume I Benchmarking BMK.4.3.1, page 26 for the source of the Base Rate. The Base Rate is based on:
1. 21-year-old male, claims and conviction free
 2. 2017 rates based on 2010 Dodge Grand Caravan SE, \$500 All Perils deductible, \$2m third-party liability

To determine the approximate TNC endorsement rates, insurance companies and brokers in the various jurisdictions were contacted to obtain quotes.

- c) Please see PUB (MPI) 2. Due to differences in compulsory motor vehicle insurance coverage between jurisdictions and that rates charged for compulsory insurance in Manitoba must reflect the vehicle use, a direct comparison of rates charged for blanket policies to TNC and individual endorsements is not applicable.

However, as noted in the 2018 Vehicles for Hire Interim Application, Figure 2, page 14, individual TNC endorsements were approximately 8% to 25% higher than the all-purpose rate from the applicable jurisdiction. This supported judgmentally establishing a Passenger Vehicle for Hire rate for 24/7 use (all 4 time bands) at 20%. Please also see PUB (MPI) 1, Figure 3.

- d) The Personal Injury Protection Plan (PIPP) provides comprehensive no-fault motor vehicle accident bodily injury coverage to Manitoba residents and non-residents deemed Manitoba residents (those injured in Manitoba registered vehicles while the vehicle is being operated in Manitoba). Please also see CAC (MPI) 8 for further discussion.

Basic third party liability bodily injury claims made against Manitoba policy holders can occur if the Manitoban is operating their vehicle outside of Manitoba in a tort jurisdiction and is at-fault for the motor vehicle accident that results in injuries to others.

The introduction of VFH is not expected to alter the extent to which Manitobans operate their vehicles outside of Manitoba today and as a result, is not expected to impact the extent to which third party liability bodily injury claims are made against Manitoba policy holders.

PUB (MPI) 11

Volume and Chapter:	VFH.2	Page No.:	4
Topic:			
Sub Topic:			
Issue:	Claims Experience		

Preamble to IR (If Any):

The Corporation states: "Where possible, pricing of policies has been based on known experience, and the price of future policies will incorporate claims experience to ensure that customers are paying appropriate premiums. Vehicles for hire insurance policies will also be tracked in a separate pool, ensuring there is no impact on the rest of Basic's customers."

Question:

- a) Please elaborate on what information will be gathered to capture claims experience for VFH insurance policies.
- b) Please describe the steps to be taken to ensure there is no impact on other Basic customers.

Rationale for Question:

To provide additional context for the VFH application.

RESPONSE:

- a) MPI will collect the same information on Vehicle for Hire (VFH) policy claims as it does for all other policies. The claims experience for VFH classes will be tracked separately, through the use of an additional field in the Enterprise Data Warehouse. These separately tracked claims will form the 'VFH pool' that will be

used to set actuarially sound rates for VFH policies. Once a customer is a VFH policy holder, all claims under that policy will fall into the VFH pool, and be isolated from the rest of Basic's customers. For example, a collision occurring outside the VFH time bands will still be tracked within the VFH pool.

- b) Apart from establishing a separate pool, as outlined above, MPI will continue to employ its processes to ensure that claimants are correctly insured at the time of a claim, for example, ensuring that VFH drivers are correctly insured under a VFH policy, and under the appropriate sub category (passenger, taxi, limo, accessible). These processes are similar to those already in place for detecting and ensuring intact coverage for the date/time of loss, and adherence to all conditions (such as vehicle use for purposes not intended under the policy).

Please see CAC (MPI) 1-10 for details on the cost of implement Information Technology (IT) changes for VFH policies.

PUB (MPI) 12

Volume and Chapter:	VFH.3.2	Page No.:	15
Topic:	Taxicab Vehicles for Hire		
Sub Topic:			
Issue:	Driver Safety Rating Discounts		

Preamble to IR (If Any):

The Corporation states: "Taxis will now be able to receive Driver Safety Rating (DSR) vehicle premium discounts, if registered as an individual customer. The deductible for Taxis will decrease from \$600 to \$500."

Question:

Please indicate to what extent DSR revenues may change if current taxi drivers register as individuals. To illustrate this, please indicate what the impact would be if the take up of the change is 25% of the current taxi drivers and 50% of the current taxi drivers.

Rationale for Question:

To assess impact on Basic DSR revenues.

RESPONSE:

Per the 2018 rate model, Figure 1 below shows, by territory, the number of taxis and the total premiums for taxis based on the 2018 PUB approved rates.

Figure 1: Taxis - Count and Premiums

Line No.	Territory	Number of Taxis			2018 PUB Approved Rate	Total Premiums
		Individual	Corporate	Total		
1	1	417	34	451	10,358	4,671,458
2	2	61	92	153	5,405	826,965
3	3	51	0	51	5,958	303,858
4	4	18	7	25	6,328	158,200

Based on the Drive Safety Rating (DSR) level of the registered owner for taxis registered to 'Individuals', the weighted average DSR discount, by territory, can be determined per Figure 2 below.

Figure 2: Weighted Average DSR Discount for Taxis Registered to Individuals

Line No.	DSR level	DSR Discount	Count of Taxis Registered to Individuals by Territory				
			1	2	3	4	Total
1	15	33%	69	8	11	1	89
2	14	30%	10	0	1	0	11
3	13	29%	19	12	2	0	33
4	12	28%	17	2	2	3	24
5	11	27%	13	2	2	1	18
6	10	26%	22	0	2	4	28
7	9	25%	19	1	1	1	22
8	8	25%	24	4	0	0	28
9	7	25%	19	2	1	0	22
10	6	20%	13	3	9	1	26
11	5	15%	9	4	3	3	19
12	4	15%	23	2	0	0	25
13	3	10%	17	0	0	0	17
14	2	10%	22	2	4	0	28
15	1	5%	15	6	4	0	25
16	<=0	0%	106	13	9	4	132
17	Average Discount		17.46%	17.98%	18.59%	18.78%	17.67%

Given the above information, number of taxis by territory and a weighted average discount, and assuming that all taxis will purchase Taxi VFH Level 4, the impact on 2018 taxi vehicle premiums, by allowing taxis to be eligible for DSR vehicle premium discounts, is shown in the following two tables.

Figure 3: Impact of DSR Vehicle Premium Discounts for Taxis – 25% of 'Corporate' Changing to 'Individual'

Line No.	Territory	Number of Taxis		Average Discount			Total Premiums	Total Discount
		Individual	Corporate	Individual	Corporate	Total		
1	1	417	34	17.46%	17.67%	16.48%	4,671,458	769,826
2	2	61	92	17.98%	17.67%	9.83%	826,965	81,258
3	3	51	0	18.59%	17.67%	18.59%	303,858	56,482
4	4	18	7	18.78%	17.67%	14.76%	158,200	23,345
5	Total	547	133				5,960,481	930,911

Figure 4: Impact of DSR Vehicle Premium Discounts for Taxis – 50% of 'Corporate' Changing to 'Individual'

Line No.	Territory	Number of Taxis		Average Discount			Total Premiums	Total Discount
		Individual	Corporate	Individual	Corporate	Total		
1	1	417	34	17.46%	17.67%	16.81%	4,671,458	785,382
2	2	61	92	17.98%	17.67%	12.48%	826,965	103,224
3	3	51	0	18.59%	17.67%	18.59%	303,858	56,482
4	4	18	7	18.78%	17.67%	15.99%	158,200	25,302
5	Total	547	133				5,960,481	970,390

MPI believes it is unlikely that a significant number of existing corporate taxi customers will change vehicle ownership from corporate entities to individuals to qualify for DSR vehicle premium discounts as doing so would have other business implications for these corporate entities.

As noted in *Vehicles for Hire VFH.3.2*, the availability of DSR vehicle premium discounts for Taxicab Vehicle for Hire is expected to offset reduced loss exposure. Further, "MPI is optimistic that using DSR will encourage safer driving and potentially reduce loss exposure going forward." MPI will adjust the rates for Taxicab Vehicle for Hire accordingly to reflect actual loss experience as they occur.

PUB (MPI) 13

Volume and Chapter:	VFH.3.2	Page No.:	16, Figure 4
Topic:	Ratemaking Assumptions		
Sub Topic:			
Issue:	Taxicab VFH Base Rate Determination		

Preamble to IR (If Any):**Question:**

- Please explain why MPI used the four newest model years in its calculation of the All-Purpose average Base Rate.
- Please provide the supporting calculations behind the All-Purpose average base rate.
- Please indicate to what extent using the four newest model years is representative of the type of vehicles used as taxicabs in Manitoba.
- Please provide an alternative calculation based on the All-Purpose average base rate for the newest four model years of Toyota Prius, which is predominantly used for taxicabs in Winnipeg.

Rationale for Question:

To provide additional context for the Taxicab base rate.

RESPONSE:

- The most recent four model years was used to establish a conservative estimate in the calculation of the blended rate.
- Per the 2018 Rate Model, there are 53,951 All Purpose Passenger Vehicles in territory 1 with model years 2014 to 2017. Using the 2018 approved rates, the

total undiscounted premiums for these group of vehicles is \$101,533,657, resulting in an average rate of \$1,882.

- c) The majority of vehicles registered in Manitoba with the insurance use of taxi/livery are eight model years old (2010) or newer.
- d) Per the 2018 Rate Model, there are 115 Toyota Prius insured as All Purpose Passenger Vehicles in territory 1 with model years 2014 to 2017. Using the 2018 approved rates, the total undiscounted premiums for these group of vehicles is \$217,630, resulting in an average rate of \$1,892. The average rate of \$1,892 is only marginally different from the average base rate of \$1,882 presented in (b) above. As a result, the selected percentage reduction by Vehicle for Hire (VFH) level as presented in 2018 Interim Application VFH.3.2 Figure 5 is unchanged.

PUB (MPI) 14

Volume and Chapter:	VFH.4.2	Page No.:	25-26
Topic:	Rating Model Enforceability		
Sub Topic:			
Issue:	Claims Administration		

Preamble to IR (If Any):

The Corporation states: "The time band information will also be available to MPI's claims administration staff for instances whereby a vehicle for hire automobile experiences a claim. The vehicle insurance information as well as the time of day of the incident, witness/passenger statements as well as data available via Manitoba municipalities will be utilized by MPI claims administration staff in order to confirm valid insurance coverage on the vehicle."

Question:

What "data available via Manitoba municipalities" will the Corporation expect to access in order to confirm valid insurance coverage?

Rationale for Question:

To better understand the expected claims handling process.

RESPONSE:

The Corporation intends to pursue formal information sharing agreements with municipalities that will be participating in the vehicle for hire marketplace. As part of those information sharing agreements, the Corporation will seek confirmation with the respective municipality that the vehicle for hire driver was a valid employee associated a Transportation Network Company (TNC) service provider at the time of an accident.

MPI anticipates doing so only if required in the event of a claims coverage confirmation circumstance.

CAC (MPI)

CAC (MPI) 1

Volume and Chapter:	The Local Vehicles for Hire Act	Page No.:	1 and 2
Topic:	By-laws regulating the vehicle for hire industry		
Sub Topic:	Clarifying consumer protection and safety matters		
Issue:	See Preamble		

Preamble to IR (If Any):

- On November 10, 2017 The Local Vehicles for Hire Act (the VFH Act) received Royal Assent. This Act may be referred to as chapter L195 of the Continuing Consolidation of the Statutes of Manitoba.
- Sub-section 3(2) extends by-law making authority to Municipalities. In 3(2) (c) it states "establishing requirements for persons who carry on or are engaged in the vehicle-for-hire business or any aspect of it, including the character and fitness of an applicant or licence holder;". In 3(2) (h) it states "specifying standards and other requirements for the vehicle-for-hire industry or any aspect of it, which may include standards and requirements for vehicles used as vehicles for hire and equipment used in the vehicle-for-hire business;". In 3(2) (i) it states "respecting fees, rates, fares, tolls, tariffs or other charges that passengers may be charged;". In 3(2) (j) it states "respecting the type and amount of insurance that must be obtained and held by an applicant or licence holder;". In 3(2) (m) (iii) it states "and making recommendations to the council about the matters relating to the vehicle-for-hire industry, including matters about public safety, service quality and consumer protection for passengers, and matters affecting those who work in the industry;".
- Per Sub-section 7(2) MPI may require the registrar to collect information: "The Manitoba Public Insurance Corporation may request the registrar to collect from a municipality that has made a vehicle-for-hire by-law any information on its behalf that the corporation considers reasonably necessary for the purpose of administering and enforcing The Manitoba Public Insurance Corporation Act (the MPIC Act). The registrar must comply with the corporation's request."

Question:

- a) Please file a copy of the City of Winnipeg by-law that regulates the vehicle for hire industry in Winnipeg, if available. If it is not available please file a copy when it becomes available
- b) Has the Corporation made any requests to the Registrar that the Corporation considered reasonably necessary for the purpose of administering and enforcing the MPIC Act. If yes, please file a copy of the request.
- c) Has the Corporation made any submissions to the City of Winnipeg "as input" to the by-law regulating the vehicle for hire industry in Winnipeg in terms of public safety, service quality and consumer protection (i.e. loss prevention). If yes, please file a copy and if not please elaborate.

Rationale for Question:

To better understand how the vehicles for hire industry will be regulated and how these regulations feed into loss prevention, liability exposure (physical damage and personal injury) and protect the public interest from an insurance rate setting perspective.

RESPONSE:

- a) Please see [Attachment A](#). The [City of Winnipeg Vehicle for Hire By-law](#) was passed by Council on December 13, 2017.
- b) To date, MPI has not made any requests to the Registrar for information for the purposes of administering or enforcing the MPIC Act, as provided for in subsection 7(2) of *The Local Vehicles for Hire Act*.
- c) MPI did not make any submissions to the City of Winnipeg for the purposes of drafting the City's Vehicle for Hire by-law.

THE CITY OF WINNIPEG

BY-LAW NO. 129/2017, AS AMENDED

A By-law of THE CITY OF WINNIPEG to provide for the regulation of vehicles for hire in the city of Winnipeg.

WHEREAS Bill 30 of the 2nd Session of the 41st Legislature of the Province of Manitoba, *The Local Vehicles for Hire Act*, C.C.S.M. c. L195, has been enacted and will come into force on February 28, 2018;

AND WHEREAS *The Local Vehicles for Hire Act* dissolves the Taxicab Board and requires that the City of Winnipeg must make by-laws for the purpose of regulating the vehicle for hire industry, including vehicles for and vehicle for hire businesses;

AND WHEREAS *The City of Winnipeg Charter* grants the City authority to licence businesses and the activities of businesses;

NOW THEREFORE THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

PART 1
INTRODUCTORY PROVISIONS

Short title

1 This By-law may be cited as the “Vehicles for Hire By-law”.

Categories of regulated dispatchers, vehicles and drivers

2(1) This By-law regulates:

- (a) dispatchers of vehicles for hire;
- (b) vehicles for hire; and
- (c) drivers of vehicles for hire.

2(2) Vehicles for hire are divided into the following categories:

- (a) taxis, consisting of standard taxis and accessible taxis; and
- (b) Personal Transportation Provider (PTP) vehicles, consisting of standard PTP vehicles, accessible PTP vehicles, and limousines.

Definitions

3(1) In this By-law

“**accessible**” in respect of a vehicle, means a vehicle

- (a) constructed and equipped to permit the loading, transportation and off-loading of individuals who use a wheelchair, or similar device which can accommodate a seated individual, and who cannot self-transfer; and
- (b) driven by an individual who is physically capable of providing, and trained to provide in compliance with the requirements of this By-law, transportation services to individuals who use a wheelchair , or similar device which can accommodate a seated individual, and who cannot self-transfer;

“accessible PTP vehicle” means a vehicle for hire that is accessible and that is dispatched by a licenced PTP dispatcher;

“accessible taxi” means a vehicle for hire in respect of which an accessible taxi licence has been issued under this By-law;

“accessible taxi driver’s licence” means licence issued under this By-law which authorizes an individual to operate and to provide, or offer to provide, transportation services by way of an accessible taxi;

“accessible taxi licence” means a licence issued in respect of an accessible taxi;

“charges” in relation to a relevant criminal offence or a major driving offence means the initiation of law enforcement proceedings

- (a) in the case of an enactment of the Parliament of Canada, by way of an information laid by a peace officer before, and received by, a justice; or
- (b) in the case of an offence under an enactment of Manitoba, a proceeding under *The Provincial Offences Act*, C.C.S.M. c. P160 by information or ticket;

“Charter” means *The City of Winnipeg Charter*, S.M. 2002, c. 39;

"child abuse registry check" means a report about a person’s listing in the child abuse registry established and maintained under *The Child and Family Services Act*, C.C.S.M. c. C80;

“City” means The City of Winnipeg continued under section 8 of the Charter;

“city” means the geographical area within the jurisdictional boundaries of the City of Winnipeg;

“Council” means the council of the City;

“criminal record check” means a report about a person obtained from a law enforcement agency stating whether or not the person has been convicted under an enactment of the Parliament of Canada of an offence in respect of which a record of the

person's fingerprints is maintained under the *Identification of Criminals Act*, R.S.C., 1985, c. I-1, or has any outstanding charges for such offences awaiting court disposition, and includes a Vulnerable Sector Search;

“designated employee” means the City employee whom the Chief Administrative Officer has designated as responsible for exercising the authority given to the designated employee by this By-law, and may be the Chief Administrative Officer;

“digital payment” means payment through a dispatcher’s digital platform;

“digital platform” includes an on-line enabled application and a website but does not include communication by telephone, e-mail or SMS text messages;

“disabled person” means an individual with a physical, mental, intellectual or sensory disability, or a combination of these;

“dispatch” means the act of receiving a request for a transportation service or sending a vehicle for hire to a location for the purpose of providing or offering to provide a transportation service to a passenger and includes:

- (a) receiving requests for transportation services from passengers by any medium, except street hails;
- (b) directing a person driving a vehicle for hire to attend at the passenger’s location;
- (c) operating any part of a platform that receives requests for transportation services from passengers and connects such requests to a person driving a vehicle for hire; and
- (d) any other action that results in a vehicle for hire being sent to a passenger’s location for the purpose of providing the passenger with transportation services, regardless of whether transportation services are actually provided to the passenger;

“dispatcher” means a person who dispatches one or more vehicles for hire and who holds a dispatcher licence issued under this By-law;

“dispatcher licence” means a taxi dispatcher licence and a PTP dispatcher licence issued under this By-law;

“enforcement officer” means

- (a) The designated employee;
- (b) every person designated under subsection 176(1) of the Charter as an enforcement officer for the purposes of this By-law; and

- (c) every person appointed under subsection 176(2) of the Charter as a special constable who, by the terms of the appointment, is authorized to enforce this By-law;

“fare” means compensation for the provision of a transportation service;

“fare schedule” means a schedule of maximum fares that are permitted to be charged to passengers of taxis which has been approved by Council or pursuant to a formula established by Council;

“GPS” means any global positioning system;

“limousine” means a vehicle determined by the designated employee to qualify as a luxury or specialized vehicle that provides transportation services;

“major driving offence” means an offence set out in subsection 125(6) of *The Drivers and Vehicles Act*, C.C.S.M. c. D104;

“Manitoba Public Insurance” means the Manitoba Public Insurance Corporation continued by *The Manitoba Public Insurance Corporation Act*, C.C.S.M. c. P215;

“non-digital platform” means a platform that is not a digital platform;

“owner”, in respect of a vehicle, means the person who is registered with Manitoba Public Insurance as a registered owner of the vehicle and includes a lessee of a vehicle who is so registered;

“PTP” means personal transportation provider;

“PTP dispatcher” means a person who dispatches a PTP vehicle;

“PTP driver” means an individual providing or offering to provide transportation services in a PTP vehicle, and includes a standard PTP driver, an accessible PTP driver and a limousine driver;

“PTP vehicle” means a vehicle for hire that is not a taxi, and includes a limousine;

“passenger” includes a prospective passenger;

“person” includes an individual, a partnership, and a corporation (including a cooperative);

“personal information” has the same meaning as in *The Freedom of Information and Protection of Privacy Act*, C.C.S.M. c. F175;

“platform” means any means of communication by which transportation services are offered to the public and includes an on-line enabled application, a website, e-mail, SMS text message, telephone, or any other system or mode of communication offered, used or operated that is used to pre-arrange a transportation service;

“pre-arranged” in respect of a transportation service, means a transportation service that is arranged, booked, scheduled or requested by the passenger in advance of the vehicle for hire arriving at the passenger’s location;

“Provincial driver’s licence” means a driver’s licence issued under *The Drivers and Vehicles Act*, C.C.S.M. c. D104 that is applicable to the vehicle for hire being driven by the individual;

“Provincial registration” means a vehicle registration under *The Drivers and Vehicles Act*, C.C.S.M. c. D104;

“relevant criminal offence” means an offence under an enactment of the Parliament of Canada involving

- (a) an offence involving actual or threatened violence;
- (b) an offence involving weapons, including the illegal possession of weapons;
- (c) an offence involving sexual assault, sexual exploitation, sexual interference, procuring, or invitation to sexual touching;
- (d) an offence involving trafficking of controlled drugs or substances;
- (e) an offence involving fraud, false pretences, bribery, extortion or theft over \$5000;
or
- (f) an offence related to the unlawful operation of a motor vehicle;

“standard taxi” means a taxi that is not an accessible taxi;

“street hail” means the offer of, solicitation of, or acceptance of an offer to provide, a transportation service, or the provision of a transportation service, that is not pre-arranged;

“taxi” means a vehicle for hire in respect of which a standard taxi licence or an accessible taxi licence has been issued;

“taxi dispatcher” means a person who holds a taxi dispatcher licence;

“taxi dispatcher licence” means a taxi dispatcher licence issued under this By-law which authorizes the licence holder to dispatch taxis;

“taxi driver” means an individual to whom a taxi driver licence has been issued under this By-law;

“taxi driver’s licence” means a standard taxi driver’s licence and an accessible taxi driver’s licence issued under this By-law;

“transportation service” means the provision, or the offer to provide, transportation of a passenger for compensation in which

- (a) the passenger controls the route or the destination; and
- (b) the vehicle is hired for a single uninterrupted engagement, which may include multiple stops;

but does not include

- (c) the transportation of a passenger in exchange for a receipted donation to a non-share capital corporation so long as the transportation is provided whether or not the donation is provided or offered;
- (d) transportation of a passenger provided or offered as part of package of goods or services for which there is a fee or charge so long as the transportation of a passenger is shown by the owner or driver of the vehicle to be merely ancillary to the provision of the goods or services;
- (e) transportation in vehicles regulated by the Motor Transport Board;
- (f) a shuttle service in which transportation is provided based on a pre-determined schedule or route;
- (g) transportation of students by vehicles owned or operated by or on behalf of a school division established under *The Public Schools Act*, C.C.S.M. c. P250, or a private school as defined in *The Education Administration Act*, C.C.S.M. c. E10;
- (h) the provision of transportation by vehicles owned or operated by or on behalf of the City to provide transportation to residents of the city, including Winnipeg Transit vehicles; or
- (i) the transportation of a patient by ambulance;

“valid” in the context of a licence issued under this By-law means a licence that has not been revoked, cancelled or expired and is not suspended;

“vehicle for hire” means any vehicle in which transportation services are provided and includes, but is not limited to, the following:

- (a) a taxi;
- (b) an accessible taxi;
- (c) a PTP vehicle;
- (d) an accessible PTP vehicle; and
- (e) a limousine;

“Vehicle for Hire Appeal Board” means the Vehicle for Hire Appeal Board created by this By-law.

General prohibitions

4(1) A person must not provide, or offer to provide, transportation services except in compliance with this By-law.

4(2) The owner of a vehicle must not allow it to be used, or to be offered to be used, to provide transportation services except in compliance with this by-law.

4(3) A person must not dispatch a vehicle except in compliance with this By-law.

Failing to pay fare prohibited

5 A person who fails to pay a fare validly charged under this By-law commits an offence.

PART 2 DISPATCHERS

DIVISION 1 - ALL DISPATCHERS

Dispatching without licence prohibited

6 A person who is not a licenced dispatcher under this By-law must not dispatch, or offer to dispatch, a vehicle for hire.

Dispatching unregistered or unlicenced drivers or vehicles prohibited

7 A person must not dispatch a vehicle for hire unless both the vehicle being dispatched and the driver of the vehicle are

- (a) in compliance with the requirements set out in this By-law,
- (b) registered with the dispatcher; and

- (c) in the case of a taxi being dispatched, licenced under this By-law.

Qualifications for dispatch licence

8(1) In order to be issued a dispatcher licence, an applicant must

- (a) pay the applicable application fee or licence fee to the City;
- (b) provide evidence satisfactory to the designated employee that the applicant holds policies of insurance consistent with the requirements set out in this By-law;
- (c) demonstrate to the satisfaction of the designated employee that the applicant has data security measures and policies in place to protect the personal information collected by the dispatcher related to drivers and passengers;
- (d) demonstrate to the satisfaction of the designated employee that the dispatcher has in place a process by which it will accept, record, review and respond to complaints concerning drivers and vehicles registered with the dispatcher;
- (e) demonstrate to the satisfaction of the designated employee that the dispatcher has in place a process by which it will facilitate the retrieval by passengers of their property left in vehicles for hire registered with the dispatcher;
- (f) provide to the designated employee the number of vehicles for hire registered with the dispatcher in each of the following categories:
 - (i) taxis;
 - (ii) accessible taxis;
 - (iii) PTP vehicles;
 - (iv) accessible PTP vehicles; and
 - (v) limousines; and
- (g) provide other information or documentation reasonably required by the designated employee.

8(2) In addition to the requirements in subsection (1), an applicant that is a corporation must provide to the designated employee the following:

- (a) a copy of its incorporating documents;
- (b) a Certificate of Status issued by the Companies Office;

- (c) a list of the members of its board of directors;
- (d) an address for service in the Province of Manitoba for service of all documents and notices related to this By-law; and
- (e) other documents reasonably required by the designated employee.

8(3) In addition to the requirements in subsection (1), an applicant that is a partnership must provide to the designated employee

- (a) the names and addresses of each member of the partnership;
- (b) the business name under which it operates and proof of the registration of its business name;
- (c) an address for service in the Province of Manitoba for service of all documents and notices related to this By-law; and
- (d) other documents reasonably required by the designated employee.

Renewal of dispatcher licence

9 In order to be issued a renewal of a dispatcher licence, the licence holder

- (a) must pay the applicable renewal fee;
- (b) must provide information concerning any factual changes to information provided at the time of its application or most recent renewal and, where required by the designated employee, evidence that changes have not taken place; and
- (c) must not owe any outstanding fines or fees with respect to this By-law (including per-trip fees) or any City parking by-law.

Data security measures and policies

10(1) A licenced dispatcher must comply with data security measures and policies for personal information about passengers and drivers proposed by the licenced dispatcher and approved as satisfactory by the designated employee.

10(2) A licenced dispatcher may propose changes to its data security measures and policies at any time but these changes do not apply until and unless they are approved by the designated employee.

10(3) The designated employee may order that a licenced dispatcher make changes to its data security measures and policies and, when doing so, must provide a reasonable time for compliance with the order. The licenced dispatcher must comply with such an order.

10(4) This section does not apply to a dispatcher who is operating under a provisional licence issued under clause 73(2)(g) (*Powers of designated employee*).

Passenger property retrieval policy

11(1) A licenced dispatcher must comply with a process proposed by the dispatcher and approved as satisfactory by the designated employee by which passengers can retrieve their property left in vehicles for hire registered with the dispatcher.

11(2) A licenced dispatcher may propose changes to its passenger property retrieval policy at any time but these changes do not apply until and unless they are approved by the designated employee.

11(3) The designated employee may order that a licenced dispatcher make changes to its passenger property retrieval policy and, when doing so, must provide a reasonable time for compliance with the order. The licenced dispatcher must comply with such an order.

Complaints Process

12(1) A dispatcher must comply with a process proposed by the dispatcher and approved as satisfactory by the designated employee for accepting, recording, reviewing and responding to complaints.

12(2) As part of its complaints process, a dispatcher must maintain records required by the designated employee concerning

- (a) every complaint received;
- (b) evidence provided in respect of or in response to a complaint; and
- (c) the response of the dispatcher to the complaint;

and must make these records available to the designated employee within 48 hours upon request.

12(3) A licenced dispatcher may propose changes to its complaints process at any time but these changes do not apply until and unless they are approved by the designated employee.

12(4) The designated employee may order that a licenced dispatcher make changes to its complaints process and, when doing so, must provide a reasonable time for compliance with the order. The licenced dispatcher must comply with such an order.

12(5) This section does not apply to a dispatcher who is operating under a provisional licence issued under clause 73(2)(g).

Dispatcher insurance mandatory

13(1) It is a condition of being issued and maintaining a licence that a dispatcher must obtain and maintain policies of commercial general liability insurance and non-owned automobile

insurance in an amount and with provisions determined by the designated employee to be sufficient to adequately protect the City, drivers, vehicle for hire owners, and the general public.

13(2) The insurance required by subsection (1) must contain an endorsement to provide the City no less than 30 days' prior written notice from the insurer of any cancellation.

13(3) Failure to comply with this section invalidates the dispatcher's licence without the need for any action on the part of the designated employee. Once the dispatcher's licence has been invalidated, the dispatcher must not engage in dispatching until the dispatcher has applied for and been issued a new licence.

13(4) A dispatcher must provide proof of compliance with this section to the designated employee within two business days after being given a written order to do so.

Dispatcher records

14(1) Dispatchers must create and maintain records of the following information, separated by taxis and PTP vehicles, by taxi drivers and PTP drivers, and, in the case of taxis and limousines, separated by whether they have been dispatched or street hailed, in a format required by the designated employee:

- (a) the total number of transportation services provided by the dispatcher on a monthly basis;
- (b) the total number of transportation services provided by accessible vehicles for hire on a monthly basis;
- (c) the total number of vehicles for hire providing a transportation service through the dispatcher over the course of a month;
- (d) the total number of accessible vehicles for hire providing a transportation service through the dispatcher over the course of a month;
- (e) the driver and vehicle involved in providing each transportation service, including:
 - (i) the type of vehicle by by-law category;
 - (ii) the name of the driver;
 - (iii) the Provincial licence plate number of the vehicle;
 - (iv) the date, time and duration of the transportation service;
 - (v) the pick-up and drop off locations;

- (vi) the elapsed time between a request for an transportation service (other than a transportation service scheduled in advance) and the initiation of the transportation service;
- (f) a daily list of registered vehicles and registered drivers containing information reasonably required by the designated employee; and
- (g) other information and records reasonably required by the designated employee.

14(2) The information required by subsection (1) and all records related to registered drivers and registered vehicles must be kept by the dispatcher for at least three years after the date they were created.

14(3) The dispatcher must provide the information required by this section to the designated employee within two business days after a written request by the designated employee.

14(4) If a dispatcher's licence is suspended, invalidated or cancelled, the information required by this section must be provided to the designated employee immediately.

14(5) The dispatcher must make the information required by this section available for inspection by the designated employee or an enforcement officer upon demand.

14(6) This section does not apply to a dispatcher while operating under a provisional licence issued under clause 73(2)(g).

Obligation to report to designated employee

15 A dispatcher must report the following information to the designated employee within 24 hours:

- (a) the fact that a driver has been registered or ceases to be registered with the dispatcher;
- (b) information concerning convictions and charges reported to the dispatcher by the driver under subsection 46(2) (*Rules for all vehicle for hire drivers*) of this By-law.

Public information

16 A dispatcher who uses a digital platform to dispatch must make available the following information to the public through the digital platform:

- (a) the insurance coverage maintained by the dispatcher and its drivers;
- (b) the transportation services offered by the dispatcher and its drivers;
- (c) the screening process for its drivers and its vehicles;

- (d) the process by which it will accept, review and respond to complaints concerning drivers and vehicles registered with the dispatcher; and
- (e) the process by which passengers can retrieve their property left in vehicles for hire registered with the dispatcher.

Notification of estimated time of arrival

17 At the time a request for a transportation service is made, a dispatcher must provide an estimated time of arrival of the vehicle for hire that is being or will be dispatched in response to the request.

Obligation to dispatch in order of request

18 A dispatcher must dispatch taxis in the order in which a request for transportation service is made.

Dispatching accessible vehicles for hire

19(1) Despite section 18 (*Obligation to dispatch in order of request*), if a dispatcher has one or more registered accessible vehicles for hire available for dispatch that are not actively engaged in providing transportation services to passengers, the dispatcher must immediately dispatch an accessible vehicle for hire to respond to a request for service from a passenger identifying as requiring an accessible vehicle for hire.

19(2) For greater clarity, a dispatcher must not dispatch an accessible vehicle for hire to any other request for service so long as a request from a passenger identifying as requiring an accessible vehicle for hire is outstanding.

19(3) A dispatcher must not hold out that it has available an accessible vehicle for hire unless the vehicle for hire meets the definition of an accessible vehicle for hire set out in this By-law.

Dispatchers may enter into contracts to provide transportation services

20(1) The following provisions of this By-law do not apply to the dispatchers, vehicles and drivers if they can show that they are engaged in providing transportation services pursuant to a contract which the dispatcher has entered into with an employer, restaurant, bar, entertainment venue, service provider, government or any other person to provide transportation services for multiple individuals:

- (a) section 18 (*Obligation to dispatch in order of request*);
- (b) section 19 (*Dispatching accessible vehicles for hire*);
- (c) section 22 (*Only taxi dispatchers may dispatch by non-digital platform*);
- (d) if the contract involves provision of PTP vehicles, section 25 (*Information to be provided to passengers*);

- (e) if the contract involves payment to the dispatcher rather than the vehicle for hire driver, section 57 (*Negotiated taxi fares*).

20(2) In order for subsection (1) to apply, the dispatcher must make the contract available to the designated employee within 24 hours upon request.

DIVISION 2 – TAXI DISPATCHERS

Only taxi dispatchers may dispatch taxis

21 A person who is not a taxi dispatcher must not dispatch a taxi.

Only taxi dispatchers may dispatch by non-digital platform

22 Subject to section 30 (*PTP dispatchers may use non-digital platform to dispatch limousines*),

- (a) a person who is not a taxi dispatcher must not dispatch or offer to dispatch a vehicle for hire by a non-digital platform; and
- (b) a dispatcher must not dispatch by non-digital platform except to a taxi driver driving a taxi, both of which are registered with the dispatcher.

Camera records in taxis

23 A taxi dispatcher is responsible for ensuring that any and all recordings made by the in-vehicle camera required by subclause 38(1)(g)(ii) (*Qualifications for taxi licence*) are preserved for a period of time determined by the designated employee after the date of recording, and are turned over to an enforcement officer or a police officer immediately upon request.

24/7 service

24 A taxi dispatcher who has registered more than 50 taxis must ensure that at least one taxi is available for dispatch on a 24 hour basis, seven days a week, 365 days a year.

Information to be provided to passengers

25 A taxi dispatcher must ensure that the following information is provided to passengers by having it prominently displayed in every taxi registered to the dispatcher in a way that is visible to all passengers:

- (a) the dispatcher's name and contact information;
- (b) the taxi driver's licence of the driver of the taxi, which must include a photograph of the driver;
- (c) a current fare schedule;
- (d) the process by which a complaint can be made;
- (e) the process by which property left behind by a passenger can be retrieved;

- (f) information required by the designated employee concerning the operation of the camera located in the taxi.

Refusal of service or not dropping passenger at preferred destination to be reported

26 Within 24 hours of receiving a report from a taxi driver registered with the dispatcher that he or she has refused to accept a request for service or has refused to drop off a passenger at his or her preferred destination under section 58 (*Obligation to accept passengers and drop off at preferred destination*), a taxi dispatcher must notify the designated employee in writing, providing the following information:

- (a) the date, time and location of the refusal;
- (b) the taxi driver's licence number;
- (c) the taxi's licence number;
- (d) a complete description of the circumstances and the reasons for refusing the request for service;
- (e) any other information reasonably requested by the designated employee.

Driver disqualification to be reported

27 A taxi dispatcher who becomes aware of facts that would make a driver registered with that dispatcher ineligible to be licenced under this By-law or which would result in the driver's licence being cancelled must immediately report those facts to the designated employee.

DIVISION 3 - PTP DISPATCHERS**Only PTP dispatchers may dispatch PTPs**

28 A person who is not a licenced PTP dispatcher must not dispatch a PTP vehicle.

PTP dispatcher may only dispatch insured vehicles

29 A PTP dispatcher must not dispatch a PTP vehicle on days or at times when it is not insured to operate as a vehicle for hire.

PTP dispatchers may use non-digital platform to dispatch limousines

30 Despite section 22 (*Only taxi dispatchers may dispatch by non-digital platform*), a PTP dispatcher may use a non-digital platform to dispatch a limousine.

PTP dispatcher must provide ID cards to drivers

31 A PTP dispatcher must issue to every driver registered with the dispatcher an identification card in written or electronic form providing the following information:

- (a) the first name of the driver and a recent photograph of the driver;
- (b) the driver's identifying number maintained by the dispatcher;

- (c) the name and contact information of the dispatcher.

Information to be provided to passengers

32(1) A PTP dispatcher must provide the following information to a prospective passenger at the time the request for service is made:

- (a) the dispatcher's name;
- (b) the type of vehicle that will be dispatched in response to the request for service;
- (c) an estimate of the total cost of the transportation service.

32(2) When a PTP vehicle other than a limousine is dispatched, a PTP dispatcher must provide the following information through the digital platform used to dispatch the vehicle to the person requesting the service:

- (a) the first name and photograph of the driver that will provide the transportation service;
- (b) a description of the make, model, and estimated time of arrival of the vehicle that will provide the transportation service.

32(3) A PTP dispatcher must provide the following through the platform used to dispatch its registered PTP vehicles:

- (a) information that its drivers can only provide transportation services through the dispatcher's digital platform and cannot accept street hails;
- (b) information that its drivers cannot accept payment for transportation services and that payment may only be made through the dispatcher's digital platform;
- (c) information concerning the process of filing a complaint concerning the driver, the vehicle or the dispatcher;
- (d) a process allowing the passenger to accept or refuse the transportation service prior to it being initiated;
- (e) a secure payment mechanism through an digital platform;
- (f) a printed or electronic receipt to the passenger after providing the transportation service that includes information confirming
 - (i) the total amount paid;
 - (ii) the date and time the passenger was picked up; and

- (iii) the first name of the driver.

Criteria for driver registration with PTP dispatcher

33(1) A PTP dispatcher must not register an individual as a driver unless the individual provides the following:

- (a) a birth certificate or other documentation proving that he or she is at least 18 years of age;
- (b) evidence that he or she holds a valid Provincial driver's licence applicable to the use of the vehicle being driven;
- (c) a criminal record check issued no more than 90 days before the application for registration was made;
- (d) the applicant's driver's abstract issued by Manitoba Public Insurance.

33(2) A dispatcher must not register an individual as a PTP driver if he or she has been convicted within the past 10 years of a relevant criminal offence unless a record suspension (pardon) has been issued in respect of that offence.

33(3) A PTP dispatcher must not register an individual as a PTP driver if he or she is listed on the child abuse registry.

33(4) A PTP dispatcher must not register an individual as a PTP driver if he or she has been convicted of a major driving offence within the past 10 years.

33(5) If an individual who applies to be registered as a PTP driver has been charged with a relevant criminal offence or a major driving offence but not yet acquitted or convicted, the PTP dispatcher must notify the designated employee and must not register the individual until and unless the designated employee approves the registration.

33(6) After being notified of an applicant for registration with a PTP dispatcher who has been charged with a relevant criminal offence or a major driving offence but not yet acquitted or convicted, the designated employee must not approve the registration if he or she determines that the nature of the charges are such that approving the registration would result in a significant risk of harm to the public.

33(7) A PTP dispatcher must not register an individual as a PTP driver unless the individual provides a document satisfactory to the designated employee indicating that the individual has provided consent

- (a) for his or her personal information to be submitted to the designated employee; and

- (b) for the designated employee to have access to his or her personal information maintained by Manitoba Public Insurance, the Winnipeg Police Service and the body responsible for maintaining the Child Abuse Registry;

for the purposes of administering and enforcing this By-law.

33(8) If the designated employee requires that PTP drivers must undergo training before being dispatched, a PTP dispatcher must not register an individual as a PTP driver unless he or she has undergone the required training.

Termination of PTP drivers' registration

34(1) A PTP dispatcher must terminate a PTP driver's registration if

- (a) within 90 days after the driver's registration, the driver has failed to provide a child abuse registry check to the PTP dispatcher unless the driver has initiated the application but not received a response; or
- (b) the child abuse registry check shows that the driver is registered on the child abuse registry.

34(2) At the conclusion of each 12 month period after an individual has been registered as a PTP driver, a PTP dispatcher must require that a registered driver provide a criminal record check, child abuse registry check and a driver's abstract from MPI which have been issued no more than 90 days prior to the end of the 12 month period. If the driver fails to do so, the dispatcher must terminate that driver's registration.

34(3) A PTP dispatcher must terminate a PTP driver's registration if, after being registered, the driver fails to meet the requirements for registration set out in section 33 (*Criteria for driver registration with PTP dispatcher*) or fails to hold a valid Provincial licence applicable to use of the vehicle being driven.

34(4) A PTP dispatcher must terminate or suspend a PTP driver's registration if required to do so by the designated employee.

Accessible PTP driver training

35(1) A PTP dispatcher must not register an individual as an accessible PTP driver unless the individual provides proof that he or she has completed any training program required by the designated employee for accessible PTP drivers.

35(2) A PTP dispatcher must terminate the registration of an individual as an accessible PTP driver if the person fails to complete training programs required by the designated employee within time periods or prior to deadlines established by the designated employee.

Criteria for vehicle registration with PTP dispatcher

36(1) A dispatcher must not register a PTP vehicle unless

- (a) the owner of the vehicle provides evidence that the vehicle is insured with Manitoba Public Insurance as a PTP for the period or periods of time during which it will operate as a PTP and in an amount per occurrence which is determined by the designated employee to be sufficient to adequately protect the City, its drivers, its owners and members of the public; and
- (b) has been inspected and has been issued inspection certificates applicable to that vehicle under *The Drivers and Vehicles Act*, C.C.S.M. c. D104, within 30 days prior to the application for registration.

36(2) A dispatcher must terminate a PTP's registration if the owner of the vehicle fails to provide on an annual basis

- (a) evidence that it meets the insurance requirements set out in subsection (1); and
- (b) evidence that it has been inspected has been issued inspection certificates applicable to that vehicle under *The Drivers and Vehicles Act*, C.C.S.M. c. D104.

36(3) A dispatcher must terminate or suspend a vehicle's registration if required to do so by the designated employee.

PART 3 TAXI LICENCES

Services exclusive to taxis

37 The owner of a vehicle for hire must not permit the driver of the vehicle to offer or provide transportation services

- (a) by means of a street hail;
- (a) by means of dispatch through a non-digital platform; or
- (b) in exchange for compensation provided by any method other than digital payment;

unless the vehicle is a licenced taxi driven by a licenced taxi driver and both are registered with a licenced taxi dispatcher.

Qualifications for taxi licence

38(1) In order to qualify for a taxi licence, a vehicle must

- (a) have been issued a valid Provincial registration;
- (b) be insured with Manitoba Public Insurance as a vehicle for hire in an amount per occurrence which is determined by the designated employee to be sufficient to adequately protect the City, its drivers, its owners and members of the public;
- (c) have been inspected and been issued inspection certificates applicable to that vehicle under *The Drivers and Vehicles Act*, C.C.S.M. c. D104, within 30 days prior to the application for registration;
- (d) be in good working order, meeting all road safety requirements;
- (e) allow for access and exits by passengers that are controlled by the passenger;
- (f) be registered with a licenced dispatcher; and
- (g) be equipped with the following equipment approved by the designated employee:
 - (i) a driver safety shield;
 - (ii) an operating in-vehicle camera;
 - (iii) a global positioning system;
 - (iv) a strobe light affixed to the roof of the vehicle that can provide warning of an emergency situation;
 - (v) a certified meter which measures time, distance or both;
 - (vi) a light on the exterior of the vehicle that turns off when the meter is operating.

38(2) In order for an accessible taxi licence to be issued in respect of it, a vehicle need not meet the requirements set out in subclauses (g)(i) and (iv). However, it must meet the other requirements of subsection (1) and, in addition, must to the satisfaction of the designated employee be constructed and equipped to permit the loading, transportation and off-loading of individuals who use a wheelchair, or similar device which can accommodate a seated individual, and who cannot self-transfer.

38(3) The designated employee may require that a vehicle and any required equipment be examined and certified as operating appropriately before a licence is issued in respect of the vehicle.

38(4) In order for a taxi licence to be issued in respect of a vehicle, the owner of the vehicle must complete forms and provide information reasonably required by the designated employee.

Ownership of licence

39(1) The designated employee may only issue a taxi licence in the name of the person who is registered with Manitoba Public Insurance as the owner of the vehicle in respect of which the taxi licence is being issued.

39(2) Before the designated employee may issue or renew a taxi licence, the owner of the vehicle must

- (a) pay the applicable fee;
- (b) Provide documentation and information reasonably required by the designated employee to determine whether the vehicle's meets the vehicle requirements of a taxi set out in this By-law;
- (c) If required by the designated employee, submit the vehicle to an inspection; and
- (d) Provide an address for service in the Province of Manitoba for service of all documents and notices related to this By-law.

39(3) If the owner of the taxi is a corporation, a licence must not be issued or renewed in its name if it is not active as determined by the Companies Office.

Transitional - current taxicab business licences valid as taxi licences

40(1) Notwithstanding section 38 (*Qualifications for taxi licence*), upon payment of the applicable fee, the designated employee must issue a taxi licence under this By-law to the holder of a standard taxicab licence, except a seasonal licence, that was issued under *The Taxicab Act*, RSM 1987, c. T10, and that was valid immediately prior to the date that Act was repealed. The licence must be issued in respect of the vehicle identified by the Taxicab Board as associated with that business licence.

40(2) Notwithstanding section 38 (*Qualifications for taxi licence*), upon payment of the applicable fee, the designated employee must issue an accessible taxi licence under this By-law effective March 1, 2018 to each of the following:

- (a) A person who holds an accessible taxicab licence, except a seasonal licence, that was issued under *The Taxicab Act*, RSM 1987, c. T10, and that was valid immediately prior to the date that Act was repealed;
- (b) A person who holds a handicab van licence that was issued under *The Taxicab Act*, RSM 1987, c. T10, and that was valid immediately prior to the date that Act was repealed, so long as the handicab van in respect of which the licence was issued has a meter installed prior to the licence under this By-law being issued.

The licence must be issued in respect of the vehicle identified by the Taxicab Board as associated with that business licence.

40(3) If a licence issued by the Taxicab Board under *The Taxicab Act* RSM 1987, c. T10, is not eligible for renewal under this section because the licence is suspended on February 28, 2018, the designated employee must hold a hearing by March 31, 2018 and, using the criteria set out in that Act and *The Taxicab Regulation* MR 209/91, determine whether the licence should continue to be suspended or should be cancelled. Subsections 74(2) to (6) (*Licence suspensions and cancellations*) apply to the hearing.

40(4) Once a taxi licence has been issued under this By-law pursuant to subsection (1), that vehicle and licence holder are fully subject to the provisions of this By-law.

40(5) If the holder of a business licence that was issued under *The Taxicab Act*, RSM 1987, c. T10, is not eligible to have a licence issued under this section, that business licence is hereby cancelled.

Renewal

41 In order to be issued a renewal of a taxi licence, the licence holder

- (a) Must meet the requirements for an applicant for an initial licence set out in section 38 (*Qualifications for taxi licence*);
- (b) must provide information concerning any factual changes to information provided at the time of its application or most recent renewal; and
- (c) Must not owe any outstanding fines or fees with respect to this By-law or any City parking by-law.

Taxi licences limited in number

42(1) The designated employee must ensure that the total number of valid taxi licences at any point in time is no more than the maximum number established by Council or determined according to a formula established by Council.

42(2) When the number of taxi licences determined in accordance with subsection (1) increases or a licence is cancelled, the designated employee shall issue licences to new eligible applicants from a priority list as determined by lottery from a list of eligible applicants maintained by the designated employee.

42(3) If the number of taxi licences determined in accordance with subsection (1) decreases, the designated employee need not cancel existing licences in order to meet the new total but must not issue new licences until the total falls to the level determined in accordance with subsection (1).

Existing transferable taxicab licences transferable

43(1) If the holder of a

- (a) standard taxicab licence,
- (b) accessible taxicab licence; or
- (c) handicab van licence;

that was permitted to be transferred under *The Taxicab Act*, RSM 1987, c. T10, from one vehicle owner to another has been issued a licence under this By-law pursuant to section 40 (*Transitional*), the licences issued under this By-law may continue to be transferred, on condition that the person to whom the licence is being transferred is registered with Manitoba Public Insurance as the owner of the vehicle in respect of which the licence is being transferred and the vehicle and owner are otherwise eligible to be issued a taxi licence.

43(2) Subject to subsection (1), if the holder of a taxi licence that is permitted to be transferred under subsection (1) is an individual and the owner dies, the taxi licence for that vehicle may be transferred by the executor or administrator of the owner's estate within one year of the owner's death. If it is not transferred within that time, the licence is cancelled.

43(3) Taxi licences may be transferred from one vehicle to another vehicle on condition that the vehicle to which the licence is transferred is eligible for a taxi licence.

43(4) A transfer of a taxi licence is not effective until it has been approved by the designated employee and any applicable fees have been paid.

Convertibility of licences

44(1) The owner of a standard taxi licence may convert the licence to an accessible taxi licence so long as the vehicle in respect of which the accessible taxi licence is sought meets the requirements for an accessible taxi licence.

44(2) The owner of an accessible taxi licence may not convert the licence to a standard taxi licence.

Operating requirements and inspections of taxis

45(1) The owner of a taxi must ensure that it meets all applicable requirements set out in subsection 38(1) (*Qualifications for taxi licence*) at all times while it is offering or providing transportation services.

45(2) The owner of a taxi must ensure that notices of a size and containing language approved by the designated employee are prominently displayed on or within the taxi in a way that is visible to all passengers concerning the operation of a camera in the taxi.

45(3) The owner of a taxi must ensure that it complies with all signage and markings requirements required by the designated employee.

45(4) The owner of a taxi must ensure that it undergoes annual inspections and occasional inspections ordered by an enforcement officer in order to determine compliance with subsection (1).

PART 4 DRIVERS

DIVISION 1 - ALL DRIVERS

Rules for all vehicle for hire drivers

46(1) Subject to section 51 (*Transition*), an individual must not operate a vehicle for hire unless he or she

- (a) Is registered with a licenced dispatcher;
- (b) Maintains a valid Provincial driver's licence applicable to the use of the vehicle being driven;
- (c) Has not been convicted within the previous 10 years of a relevant criminal offence unless a record suspension (pardon) has been issued in respect of that offence;
- (d) Has not been convicted within the previous 10 years of a major driving offence; and
- (e) Is not registered on the child abuse registry.

46(2) The driver of a vehicle for hire must immediately report to the dispatcher with which he or she is registered any of the following:

- (a) His or her conviction for any relevant criminal offence or a major driving offence;
- (b) Charges laid against him or her of any relevant criminal offence or for a major driving offence;
- (c) His or her registration on the child abuse registry;
- (d) The suspension of his or her Provincial driver's licence.

DIVISION 2 - TAXI DRIVERS

Prohibition on unlicensed taxi drivers

47 An individual must not drive a taxi unless he or she holds a valid taxi driver's licence under this By-law.

Services exclusive to taxi drivers and taxi vehicles

48 Subject to section 65 (*Rules for limousine drivers*), unless an individual is a licensed taxi driver registered with a licensed taxi dispatcher and is driving a licensed taxi registered with that dispatcher, he or she must not provide or offer to provide transportation services

- (a) through a street hail;
- (b) through a dispatch by a non-digital platform; or
- (c) in exchange for payment by any method other than digital payment.

Requirements for obtaining taxi driver's licence

49(1) In order to be eligible to be issued a taxi driver's licence, an individual must

- (a) pay the applicable licence and application fee or fees;
- (b) be at least 18 years of age;
- (c) meet the requirements set out in section 46 (*Rules for all vehicle for hire drivers*);
- (d) not be charged with a relevant criminal offence or a major driving offence if the designated employee determines that the nature of the charges are such that issuing a taxi driver's licence would result in a significant risk of harm to the public;
- (e) demonstrate a level of verbal English language proficiency determined by the designated employee to be adequate for the purposes of providing transportation services in a taxi;
- (f) provide a document satisfactory to the designated employee indicating that the individual has provided consent
 - (i) for his or her personal information being submitted to the designated employee; and
 - (ii) for the designated employee to have access to his or her personal information maintained by Manitoba Public Insurance, the Winnipeg Police Service and the body responsible for maintaining the Child Abuse Registry for the purposes of administering and enforcing this By-law;

- (g) complete training required by the designated employee;
- (h) demonstrate to a level required by the designated employee the skills and knowledge reasonably considered by the designated employee to be necessary in order to provide the services exclusive to taxi drivers; and
- (i) provide all documentation reasonably required by the designated employee to determine the individual's eligibility for a taxi driver's licence.

49(2) In order to be eligible to be issued an accessible taxi driver's licence, an individual must meet the requirements set out in subsection (1) and must, in addition, as determined by the designated employee either

- (a) complete within a period of time prior to the application, as determined by the designated employee, any training required by the designated employee with respect to transportation service for individuals who use a wheelchair , or similar device which can accommodate a seated individual, and who cannot self-transfer; or
- (b) demonstrate to a level required by the designated employee the skills and knowledge reasonably considered by the designated employee to be necessary in order to provide transportation services to individuals who use a wheelchair , or similar device which can accommodate a seated individual, and who cannot self-transfer.

Requirements for renewing taxi driver's licence

50 In order to be eligible to have his or her licence renewed, a taxi driver

- (a) must meet the requirements for an applicant for a taxi driver's licence set out in section 49 (*Requirements for obtaining taxi driver's licence*);
- (b) must provide information to the designated employee concerning any factual changes to information provided at the time of its application or most recent renewal;
- (c) must provide to the designated employee a criminal record check and a child abuse registry check issued no more than 90 days before the application for registration was made; and
- (d) must not owe any outstanding fines or fees with respect to this By-law or any City parking by-law.

Transition - current taxi driver's licences

50(1) Subject to subsection (3) and suspensions or cancellations of a driver's licence under section 74 (*Enforcement authority*), all standard taxicab driver's licences issued by the Taxicab

Board under *The Taxicab Act*, RSM 1987, c. T10, which were valid on February 28, 2018 are valid until the date of their expiry and are then eligible for renewal as a standard taxi driver's licence under section 50.

50(2) Subject to subsection (3) and suspensions or cancellations of a driver's licence under section 74 (*Enforcement authority*), all valid accessible taxicab driver's licences issued by the Taxicab Board under *The Taxicab Act*, RSM 1987, c. T10, which were valid on February 28, 2018 are valid until the date of their expiry and are then eligible for renewal as accessible taxi driver's licences under section 50 (*Requirements for renewing taxi driver's licence*).

50(3) For purposes of clarification, it is not necessary for a taxi driver or accessible taxi driver who had a valid licence on February 28, 2018 to provide a criminal record check or child abuse registry check until he or she applies for the renewal of the licence under section 50 (*Requirements for renewing taxi driver's licence*).

50(4) Subsection (1) and (2) do not apply if taxi driver

- (a) has been convicted within the previous 10 years of a relevant criminal offence and a record suspension (pardon) has not been issued in respect of that offence;
- (b) has been convicted within the previous 10 years of a major driving offence; or
- (c) is registered on the child abuse registry.

In this situation, subject to an appeal under this By-law, the taxi driver's licence is immediately cancelled.

50(5) Subject to subsection (3), if a taxicab driver's licence issued by the Taxicab Board under *The Taxicab Act* RSM 1987, c. T10, is not eligible for renewal under this section because the licence is suspended on February 28, 2018, the designated employee must hold a hearing by March 31, 2018 and, using the criteria established by *The Taxicab Regulation* MR 209/91, determine whether the licence should continue to be suspended or should be cancelled. Subsections 74(2) to (6) (*Licence suspensions and cancellations*) apply to the hearing.

Driver's licence must be visible

51 At all times while providing transportation services, a taxi driver must ensure that a valid licence card or other object that has been issued by the designated employee as proof that he or she is a taxi driver is prominently displayed and clearly visible to passengers within the taxi.

Reporting requirements for taxi drivers

52 A taxi driver must immediately report to the designated employee

- (a) his or her conviction of a relevant criminal offence or a major driving offence;
- (a) charges laid against him or her of a relevant criminal offence or a major driving offence;

- (b) his or her registration on the child abuse registry;
- (c) the suspension of his or her Provincial driver's licence; and
- (d) any change in his or her medical condition that could affect his or her ability to drive and to maintain a Provincial driver's licence.

Taxi may accommodate street hails

53(1) A taxi driver may accept a request for service by any means, including a street hail, or through a non-digital platform.

53(2) If a taxi driver accepts a street hail, the driver must immediately record the transportation service and, within 24 hours, inform the licenced dispatcher with whom he or she is registered of

- (a) the street hail;
- (b) the times and locations of the pick-up and drop off.

Taxi may accept any mode of payment

54 A taxi driver may accept compensation for providing a transportation service in any form, including through non-digital payment.

Passenger service rules for taxi drivers

55 Taxi drivers must

- (a) take the most economical route to the passenger's destination unless otherwise directed by the passenger; and
- (b) provide reasonable assistance to any passenger as requested or required in the circumstances.

Negotiated taxi fares

56(1) Subject to section 20 (*Dispatchers may enter into contracts to provide transportation services*) and this section, a taxi driver must not charge fares other than in accordance with the fare schedule.

56(2) A taxi driver may, before the transportation service is initiated, agree with a passenger on a fare for the transportation service. However, an agreed fare must not be higher than would be charged under the fare schedule.

56(3) In order to ensure that an agreed fare is not higher than the fare schedule, the driver must ensure that the taxi meter is operating while the transportation service is being provided. If the agreed fare is higher than the fare shown on the meter at the termination of the trip, driver must charge the fare shown on the meter.

Obligation to accept passengers and drop off at preferred destination

57(1) Subject to section 59 (*Mandatory pre-payment authorized*), a taxi driver must not refuse a request for service or refuse to drop a passenger at the passenger's preferred destination unless, based on the circumstances, the taxi driver reasonably believes that there is a danger to his or her personal safety or of serious damage to property in accepting the request for service or dropping off the passenger at the passenger's preferred destination.

57(2) The fact that a prospective passenger is accompanied by a service animal is not sufficient to support a reasonable belief that there is a danger to the driver's personal safety or of serious damage to property. In this subsection, a service animal means an animal that has been trained to provide assistance to a person with a disability that relates to that person's disability.

57(3) If a taxi driver refuses a request for service or refuses to drop off a passenger at the passenger's preferred destination, he or she must immediately provide verbal notice of the refusal or failure to the dispatcher with whom the driver is registered.

Mandatory pre-payment authorized

58(1) Despite section 58 (*Obligation to accept passengers and drop off at preferred destination*), a taxi driver may refuse to provide a transportation service unless a passenger pre-pays the fare if

- (a) the transportation service is being provided during hours of the day and days of the week designated by the designated employee as being those during which pre-payment may be required by taxi drivers; or
- (b) the driver believes on reasonable grounds on the basis of past behavior that the passenger is unable or unwilling to pay the fare;

and the pre-payment required by the driver is no more than that authorized in a zone structure established by the designated employee.

58(2) If the fare as determined in accordance with the taxi meter is less than the amount of the pre-payment, the taxi driver must refund the difference to the passenger. If the fare as determined in accordance with the taxi meter is more than the amount of the pre-payment, the passenger must pay the difference.

Obligation to return passenger property

59 A taxi driver must comply with the approved passenger property retrieval policy for the dispatcher with whom he or she is registered and which has dispatched the passenger whose property has been left behind.

Accessible taxi drivers must prioritize passengers using mobility aid

60(1) Subject to section 58 (*Obligation to accept passengers and drop off at preferred destination*), an accessible taxi driver must not refuse service to individuals who use a

wheelchair , or similar device which can accommodate a seated individual, and who cannot self-transfer.

60(2) Unless actively engaged in providing a transportation service to another passenger, an accessible taxi driver must respond to a request for service from a passenger who use a wheelchair , or similar device which can accommodate a seated individual, and who cannot self-transfer.

DIVISION 3 - PTP DRIVERS

PTP driver must be registered with PTP dispatcher

61 A PTP driver must not offer transportation services unless

- (a) he or she is registered with a PTP dispatcher;
- (b) is driving a PTP vehicle registered with that dispatcher; and
- (c) has been dispatched by that dispatcher.

Obligation to return passenger property

62 A PTP driver must comply with the policy of the dispatcher with which he or she is registered in respect of property left behind by the passenger.

Accessible PTP vehicles

63 A PTP driver must not hold out that the vehicle he or she is driving is accessible unless

- (a) the vehicle meets the definition of accessible vehicle set out in this By-law; and
- (b) the driver has undergone the training, or demonstrated to a level required by the designated employee the skills referred to in clause (1)(c) and knowledge reasonably considered by the designated employee to be necessary to provide services to individuals who use a wheelchair , or similar device which can accommodate a seated individual, and who cannot self-transfer.

DIVISION 4 – LIMOUSINE DRIVERS

Rules for limousine drivers

64 Notwithstanding clause 48(a) (*Services exclusive to taxis*), the driver of a limousine

- (a) may accept street hails at the international airport in Winnipeg so long as
 - (i) zone fares for limousines hailed at the airport have been approved by the designated employee and are posted and visible to passengers of the limousine before they agree to pay for the transportation service; and

- (ii) the driver charges a fare no greater than is consistent with the zone fares approved by the designated employee; and
- (b) may accept payment by any means, including non-digital payments

PART 5 ADMINISTRATION AND ENFORCEMENT

DIVISION 1 – APPEAL BODY

Orders and decisions appealable

65(1) Upon payment of the applicable fee, an order or decision of the designated employee or an enforcement officer that is subject to an appeal under the Charter may be appealed to the Vehicle for Hire Appeal Board within 14 days after the appellant has received or is deemed to have received the order or decision.

65(2) An appeal must be in writing and must be served on the designated employee electronically, personally or by mail.

65(3) The designated employee and enforcement officers must comply with the requirements of the Charter in providing information about an appeal whenever an appealable order or decision is made.

Vehicle for Hire Appeal Board created

66(1) The Vehicle for Hire Appeal Board is hereby created, which consists of five individuals appointed by Council. The members of the Board need not be members of Council.

66(2) Council shall appoint a Chair and a Vice-Chair of the Appeal for Hire Appeal Board from among the members of the Board.

66(3) The Chair of the Appeal for Hire Appeal Board is authorized to call meetings of the Board and to set dates for appeal hearings.

66(4) The Vehicle for Hire Appeal Board must sit in panels of three members selected by the Chair of the Vehicle for Hire Appeal Board to hear an appeal. If the Chair or Vice-Chair is not sitting on a panel, the Chair shall appoint a member to chair the appeal hearing.

66(5) All appeals are public.

66(6) A majority of a panel is required to determine the outcome of an appeal.

66(7) The Vehicles for Hire Appeal Board may develop procedures for hearing appeals and rules for conducting its affairs that are consistent with this By-law.

Appeals

67(1) When hearing an appeal, a panel of the Vehicle for Hire Appeal Board

- (a) must treat the both appellant and the person whose decision or order is being appealed fairly;
- (b) must allow both the appellant and the person whose decision or order is being appealed an opportunity to present their cases and to respond to the other party's case; and
- (c) is not bound by the rules of evidence or any other law applicable to judicial proceedings and may determine the admissibility, relevance and weight of evidence.

67(2) Subject to subsection (3), the Vehicles for Hire Appeal Board must use the same criteria and standards for deciding an appeal as this By-law requires the decision-maker to use when making the decision being appealed.

67(3) When hearing an appeal concerning

- (a) the refusal of the designated employee to issue or renew, or to cancel, a taxi driver's licence;
- (b) an individual's disqualification from being registered as a PTP driver; or
- (c) the suspension or termination of the individual's registration as a PTP driver;

due to the fact that

- (d) he or she has been convicted within the previous 10 years of a relevant criminal offence and a record suspension (pardon) has not been issued in respect of that offence;
- (e) has been convicted within the previous 10 years of a major driving offence; or
- (f) is registered on the child abuse registry;

the Vehicle for Hire Appeal Board must consider whether the nature of the criminal offence, the major driving offence or the actions that resulted in the registration on the child abuse registry justify denying the individual the taxi driver's licence or the registration, as the case may be. If, on appeal, the Vehicles for Hire Appeal Board decides to authorize the issuance of a licence or a registration, it may impose conditions on the licence or registration.

67(4) A decision by the Vehicle for Hire Appeal Board concerning an appeal is final and no appeal may be taken in respect of the decision.

Renumeration for non-councillor members of the Appeal Board

68 Members of the Vehicles for Hire Appeal Board who are not members of Council shall be paid the following remuneration by the City for time spent in attendance at appeal hearings or meetings of the Board:

- (a) Chair and Vice Chair:
 - (i) \$190.00 for appeals or meetings of four hours or less;
 - (ii) \$336.00 for appeals or meetings of more than four hours in length;
- (b) other members:
 - (i) \$109.00 for appeals or meetings of four hours or less;
 - (ii) \$192.00 for appeals or meetings of more than four hours in length.

DIVISION 2 - LICENCES**Licence expiry**

69(1) Subject to subsection (2), unless renewed prior to the date of its expiry, a licence issued under this By-law or under *The Taxicab Act*, RSM 1987, c. T10, terminates on its expiry date.

69(2) A taxi licence issued under this By-law does not terminate until 30 days after its expiry date but the licence holder is subject to a late payment fee if the licence is not renewed prior to its expiry date.

Licence holders must comply with licence conditions and restrictions

70(1) The holder of a licence must comply with all terms, restrictions or conditions imposed on the licence by the designated employee.

70(2) If a licence issued under this By-law is suspended, the holder of a licence must not engage in the activities authorized by the licence during the period of its suspension.

70(3) Without restricting the general nature of subsection (2), a person must not

- (a) dispatch, or offer to dispatch, a taxi if his or her taxi dispatcher's licence is suspended;
- (b) dispatch, or offer to dispatch, a PTP if his or her PTP dispatcher's licence is suspended;
- (c) offer or provide transportation services in, or dispatch, a taxi if the taxi licence in respect of that vehicle is suspended;

- (d) as the owner of a taxi, allow it to be used to provide transportation services or to be dispatched if the licence in respect of that taxi is suspended; or
- (e) offer or provide transportation services in a taxi if his or her taxi driver's licence is suspended.

DIVISION 3 – POWERS OF ENFORCEMENT AND ADMINISTRATION

General power of designated employee and enforcement officers

71 The designated employee and enforcement officers to whom these powers have been delegated by the designated employee may conduct inspections and take steps to administer and enforce this By-law or remedy a contravention of this By-law and to provide services or do work in accordance with the Charter and, for these purposes, have the powers of a "designated employee" under the Charter.

Powers of designated employee

72(1) In order to administer and enforce this By-law, the designated employee is granted the powers and authorities reasonably required to administer and enforce this By-law.

72(2) Without restricting the general nature of subsection (1) or the authority given to the designated employee in other provisions of this By-law, the designated employee is granted authority to

- (a) appoint enforcement officers;
- (b) issue licences referred to in the By-law, including licence cards or other evidence that a licence has been issued;
- (c) create application forms and other forms for the purpose of administering the By-law;
- (d) conduct, and to authorize enforcement officers to conduct, inspections and audits without notice of all dispatchers, vehicles and drivers that are regulated by this By-law;
- (e) receive, consider and – where he or she considers it appropriate - investigate complaints or allegations that a contravention of this By-law has taken place;
- (f) suspend or cancel licences issued under this By-law as provided in section 75 (*Suspensions and cancellations*) and section 76 (*Immediate suspensions*);
- (g) grant a provisional licence, which must expire no later than May 31, 2018, to a dispatcher who, despite making good faith and reasonable efforts to do so, requires additional time after the date this By-law comes into effect to meet the

requirements of clause 8(1)(c) (*Qualifications for dispatcher – data security*), clause 8(1)(d) (*Qualifications for dispatcher – complaints procedure*) or section 14 (*Dispatcher records*); and

- (h) impose, as a condition of the provisional licence referred to in clause (g), the requirement that the dispatcher take interim measures to meet the intent of clauses 8(1)(c) or (d) or section 14 until full compliance can be achieved.

72(3) Without restricting the general nature of subsection (1) or the authority given to the designated employee in other provisions of this By-law, the designated employee is also granted authority

- (a) upon payment of fees which are pro-rated to reflect shorter terms, to issue licences for a period of less than one year so that annual licences are renewable at various points throughout the year;
- (a) to establish insurance requirements for dispatchers;
- (b) to establish mandatory or optional mechanisms for regulated persons to meet reporting requirements;
- (c) to prescribe or create mandatory signs and notices;
- (d) to require that taxis be marked or signed in specified ways and to approve or reject signage and markings proposed for taxis;
- (e) to approve the equipment required to be installed in a vehicle in order to be issued a taxi licence under clause 38(1)(g);
- (f) to establish the duration of time a recording from a camera in a taxi must be preserved before it can be destroyed;
- (g) to establish appropriate levels of skills and knowledge necessary to be licenced as a taxi driver, and tests to determine whether an applicant or licence holder has the required level of those skills and that knowledge;
- (h) to determine the type and quantity of training required of taxi drivers and applicants for a taxi driver licence;
- (i) to determine whether an applicant for a taxi driver's licence or taxi driver's licence holder must undergo training or may instead demonstrate the skills and knowledge necessary to be licenced as a taxi driver;
- (j) to determine the level of English language proficiency necessary for taxi drivers;

- (k) to determine whether training should be required of PTP vehicle drivers and, if so, to determine the quality and quantity of such training;
- (l) to impose requirements for adequate protection of personal information by dispatchers, drivers and vehicle owners;
- (m) to determine standards and qualifications for vehicles to be considered limousines for the purposes of this By-law;
- (n) subject to section 77 (*Suspending or terminating PTP driver or vehicle registration*), to require that a dispatcher cancel the registration of a driver and to prohibit all dispatchers from registering that individual;
- (o) to manage transitional issues associated with the implementation of this By-law, including, without restricting the general nature of this authority, determining when a provision of this By-law is in force prior to the coming into force of this By-law pursuant to section 85 (*Transitional matters*); and
- (p) to establish and to conduct a lottery process referred to in subsection 42 (*Taxi licences limited in number*) and to issue new licences using that process.

72(4) Actions taken by the designated employee under subsection (3) are effective only when they have been set out in a written document which is:

- (a) dated and signed by the designated employee;
- (b) filed with the Office of the City Clerk;
- (c) posted on the City's website.

72(5) Actions taken by the designated employee under subsection (3) continue in effect until a termination date specified in the written document or until they are revoked or replaced by another written document that meets the requirements of subsection (4).

Enforcement authority

73(1) Subject to section 75, if the designated employee determines that a contravention of this By-law, other relevant legislation or conditions imposed on a licence has occurred, or the licence holder has acted in a manner contrary to the public interest, he or she may do one or more of the following:

- (a) reprimand the licence holder;
- (b) order that the licence holder take specific actions or measures, including undergoing training or obtaining supervised practical experience;
- (c) impose conditions on the licence;

- (d) suspend the licence for a period of less than one year in accordance with section 74 (*Licence suspensions and cancellations*);
- (e) cancel the licence in accordance with section 75 (*Licence suspensions and cancellations*);
- (f) require the licence holder to pay all or part of the costs of the hearing and any investigation carried out in respect of the contravention.

73(2) If a Designated Officer imposes conditions on a licence under clause (1)(c), the conditions:

- (a) must be related to the criteria for issuing the license or administering or enforcing this By-law;
- (b) may take into account the previous relevant conduct of the applicant.

73(3) In addition to, or as an alternative to, any enforcement carried out under subsection (1), and without any need for a hearing, the designated employee or an enforcement officer may initiate by-law enforcement proceedings under *The Municipal By-law Enforcement Act*, C.C.S.M. c. M245 or *The Provincial Offences Act*, C.C.S.M. c. P160, as the case may be.

Licence suspensions and cancellations

74(1) The designated employee may cancel or suspend a licence issued under this By-law if

- (a) the licence holder has failed to comply with this By-law, other relevant legislation, conditions imposed on the licence or an order issued by an enforcement officer;
- (b) allowing the licence holder to continue to hold the licence poses a danger to drivers, passengers or the general public;
- (c) the licence holder has provided false information on a material matter when applying for the licence or when engaged in mandatory reporting;
- (d) information on which the decision to issue the licence was based was incorrect and the licence would not have been issued had the correct information been known;
- (e) the licence holder does not meet the requirements for holding a licence;
- (f) the past conduct of the licence holder creates a reasonable belief that the licence holder will not in the future act in compliance with this By-law, other relevant legislation or conditions placed on the licence;

- (g) If the person holds a taxi driver's licence under this By-law, the person has been charged with a major driving offence or a relevant criminal offence since the licence was issued or last renewed; or
- (h) The licence holder has acted in a manner contrary to the public interest.

74(2) The designated employee must cancel a taxi driver's licence issued under this By-law if the licence holder

- (a) has been convicted of a relevant criminal offence within the past 10 years;
- (b) has been convicted of a major driving offence within the past 10 years; or
- (c) Is registered on the child abuse registry.

74(3) Before suspending or cancelling a licence under subsections (1) or (2), the designated employee must hold a hearing into the matter at which the licence holder is given an opportunity to respond to the allegations and provide reasons why the licence should not be suspended or cancelled.

74(4) At least 7 days before the hearing referred to in subsection (3), the designated employee must, in compliance with *The City of Winnipeg Charter*, give a notice to the licence holder

- (a) specifying the date, time and place of the hearing;
- (b) setting out the fact that the hearing could result in the suspension or cancellation of the person's licence,
- (c) Identifying in general terms the alleged actions or inactions and circumstances which, if found to be factual, would justify the suspension or cancellation; and
- (d) indicating that the licence holder has a right to attend the hearing, be represented by legal counsel or an agent, challenge the truth of the allegations being made, and make arguments as to why the licence should not be suspended or cancelled.

74(5) If the licence holder fails to attend the hearing on the time and date set out in the notice, the designated employee may nonetheless hold the hearing in the absence of the licence holder if he or she is satisfied that the licence holder was properly served with the notice required by subsection (3).

74(6) If a designated employee decides to cancel a licence under this section, he or she must identify a date before which, or a time frame within which, the holder is not permitted to reapply for that licence.

74(7) A decision concerning the suspension or cancellation of a licence must be sent to the licence holder in accordance with the Charter and is subject to appeal to the Vehicle for Hire Appeal Board.

Immediate suspensions

75(1) In addition to the authority to suspend a licence under section 75 (*Licence suspensions and cancellations*), if the designated employee or an enforcement officer forms the reasonable belief that a licence holder or taxi is in contravention of this By-law and

- (a) the contravention poses an immediate danger to a vehicle for hire driver, a passenger or the public;
- (b) the contravention involves the failure of a dispatcher, vehicle owner or driver to provide information or records to the designated employee;
- (c) the contravention involves mandatory equipment malfunctioning; or
- (d) the contravention is a failure to submit a vehicle for an inspection or to comply with another order of an enforcement officer;

he or she may order that the licence holder remedy the contravention immediately and may suspend the licence holder's licence immediately until such time as the designated employee or enforcement officer is satisfied that it has been remedied.

75(2) The fact that a contravention has been corrected and an immediate suspension has been withdrawn under subsection (1) does not preclude enforcement action under section 74 (*Enforcement authority*) or section 78 (*Penalties for offences*).

Suspending or terminating PTP driver or vehicle registration

76(1) The designated employee may require that a dispatcher terminate or suspend the registration of a driver or a PTP vehicle, or prohibit all dispatchers from registering that driver or vehicle, or both.

76(2) The designated employee may only act under subsection (1) if the designated employee concludes on reasonable grounds that

- (a) the driver or vehicle did not at the time of registration or does not currently qualify to be a PTP driver or vehicle under section 33 (*Criteria for driver registration with PTP dispatcher*); or
- (b) the driver has been charged or convicted of a major driving offence or relevant criminal offence since being registered.

76(3) Before acting under subsection (1), the designated employee must hold a hearing and subsections 74(2) to (6) apply, with necessary changes, to that hearing.

DIVISION 4 – PENALTIES

Penalties for offences

77(1) Subject to the Municipal By-law Enforcement Act (MBEA) Enabling By-law, a person who contravenes a provision of this By-law that is referred to in Schedule A of the Municipal By-law Enforcement Act (MBEA) Enabling By-law must pay the penalty for that contravention set out in that Schedule.

77(2) Notwithstanding subsection (1), a person who contravenes a provision of this By-law referred to in Schedule “A” of the Municipal By-law Enforcement Act (MBEA) Enabling By-law may pay a reduced consent payment in the amount set out in the applicable column of Schedule “A” within 14 days after the date the ticket or Information alleging the contravention was issued, and thereafter will not be prosecuted for the contravention.

DIVISION 5 - ADDRESS FOR SERVICE

Address for Service

78(1) The holder of a licence issued under this By-law may be served at the address provided to the designated employee in the person’s application or most recent renewal, unless the licence holder has provided a more recent address since that time, in which case the designated employee or enforcement officers may use that address for service of documents.

78(2) Where service of documents, notice or orders is required on a person who does not hold a licence issued under this By-law, the following shall be used:

- (a) if the person owns a vehicle in respect of which the document, notice or order is being served or sent, the address maintained by Manitoba Public Insurance in respect of that vehicle;
- (b) in all other situations, the last known address for the person.

PART 6 MISCELLANEOUS

DIVISION 1 - CONSEQUENTIAL AMENDMENTS

Taxicab Licence Fee By-law repealed

79 The Taxicab Licence Fee By-law No. 6123/93 is repealed.

SPC on IRPW given responsibility for vehicles for hire policy

80 The City Organization By-law No. 7100/97 is amended by adding the following subclause after subclause 13(a)(xii):

- (xiii) *vehicles for hire.*

MBEA Enabling By-law amended

81 The Municipal By-law Enforcement Act (MBEA) Enabling By-law No. 59/2016 is amended by adding the table set out in Schedule A to this By-law to Schedule A of the Municipal By-law Enforcement Act (MBEA) Enabling By-law immediately following the table setting out provisions in the Vacant Buildings By-law.

Winnipeg Parking By-law amended

82 Subsection 11(3) of the Winnipeg Parking By-law No. 86/2016 is replaced with the following:

11(3) No vehicle other than a taxi licenced under the Vehicles for Hire By-law may be stopped or parked in a space designated by a traffic control device for taxi or taxicab parking.

DIVISION 2 - COMING INTO FORCE**Coming into force**

83 Subject to section 85, this By-law comes into force on February 28, 2018.

Transitional

84 Despite section 84 (*Coming into force*) and pursuant to subsection 11(1) of *The Local Vehicles for Hire Act*, provisions of this By-law are hereby made effective prior to the coming into force of this By-law to the extent that it is necessary for them to be effective earlier in order for the By-law as a whole to be effective and operational on that date.

DONE AND PASSED this 13th day of December, 2017.

THIS IS SCHEDULE A TO
THE VEHICLES FOR HIRE BY-LAW NO. /2017

Vehicle for Hire By-law, By-Law No. /2017		Administrative Penalty	
Provision	Contravention	Administrative Penalty (\$)	Discounted Amount (\$)
s.4(1)	Provide transportation services without a license	500	250
s.4(2)	Allow provision of transportation services without a license	1000	500
s.4(3)	Dispatch a vehicle without a license	1000	500
s.5	Failure to pay a fare	500	250
s.6	Dispatch or offer to dispatch vehicle for hire without a valid dispatcher license	1000	N/A
s.7	Dispatch an unlicensed or unregistered vehicle for hire or driver	1000	N/A
s.10(1)	Failure to establish or maintain approved data security measures	1000	N/A
s.10(2)	Make changes to data security measures without approval	1000	N/A
s.10(3)	Failure to comply with an order to make changes to data security measures	1000	500
s.11(1)	Failure to establish or maintain an approved property retrieval process	1000	N/A
s.11(2)	Make changes to property retrieval process without approval	500	250
s.11(3)	Failure to comply with an order to make changes to a property retrieval process	1000	500
s.12(1)	Failure to establish or maintain an approved complaints response process	1000	500
s.12(2)	Failure to maintain complaints response process records	1000	500
s.12(2)	Failure to make records available within required time	1000	500
s.12(3)	Make changes to a complaints response process without approval	500	250
s.12(4)	Failure to comply with an order to make changes to a complaints response process	1000	500
s.13(1)	Failure to maintain dispatch insurance	1000	N/A
s.13(4)	Failure to provide proof of insurance within required time	500	250
s.14(1)	Failure to maintain required vehicle records	1000	500
s.14(1)(e)	Failure to maintain required driver records	1000	500
s.14(2)	Failure to retain required records for required period	1000	500
s.14(3)	Failure to provide records within approved time	500	250

s.14(4)	Failure to provide required records on license suspension, invalidation or termination	1000	N/A
s.14(5)	Failure to make required records available for inspection	500	250
s.15(a)	Failure to report change in driver registration with dispatcher	500	250
s.15(b)	Failure to report information regarding convictions and charges	1000	N/A
s.16	Failure to provide required public information through a digital platform	1000	500
s.17	Failure to provide estimated time of arrival of requested vehicle	500	500
s.18	Failure to dispatch taxis in order of request	500	250
s.19(1)	Failure to immediately dispatch an accessible taxi for hire to passenger identifying a need for such a vehicle	500	N/A
s.19(3)	Offering to dispatch accessible taxis without accessible taxis available for service	1000	N/A
s.21	Unauthorized dispatch of a taxi	1000	500
s.22(a)	Dispatch or offer to dispatch a taxi by a non-digital platform	1000	500
s.22(b)	Dispatch of unregistered taxi or taxi driver	1000	500
s.23	Failure to preserve camera records for required time period	1000	N/A
s.23	Failure to turn over camera records on request	1000	N/A
s.24	Failure to provide 24/7 service	1000	N/A
s.25	Failure to ensure required information is correctly displayed in taxi registered to the dispatcher	1000	500
s.26	Failure by dispatcher to report refusal of service within 24 hours of receipt of report.	1000	500
s.26	Failure to report all required information regarding a refusal of service	1000	500
s.27	Failure to report change in eligibility of drivers registered with dispatcher	1000	500
s.28	Dispatch of PTP or limousine without authorization	1000	500
s.29	Dispatch of an uninsured vehicle	1000	500
s.30	Use of a non-digital platform to dispatch a PTP other than a limousine	1000	N/A
s.31	Failure to issue identification card to PTP driver registered with the dispatcher	500	250
s.32(1)	Failure to provide required information to prospective passenger at time of request for service	500	250
s.32(2)(a)	Failure to provide driver information to person requesting PTP service	500	250
s.32(2)(b)	Failure to provide vehicle information to person requesting PTP service	500	250

s.32(2)(c)	Failure to provide estimate of total cost of PTP service/	500	250
s.32(3)(a)	Failure to identify service limitations through digital platform	1000	500
s.32(3)(b)	Failure to identify that payment may only be made through the digital platform	500	250
s.32(3)(c)	Failure to outline the complaints process on the digital platform	500	250
s.32(3)(d)	Failure to provide a process for a prospective passenger to accept or refuse the transportation service	1000	500
s.32(3)(d)	Failure to maintain records of acceptance and refusal of service	1000	500
s.32(3)(e)	Failure to provide a secure payment mechanism through the digital platform	1000	N/A
s.32(3)(f)	Failure to provide a receipt following the provision of service	1000	500
s.32(3)(f)	Failure to provide required information on the receipt	500	250
s.33(1)	Registration of PTP driver without required documentation	1000	N/A
s.33(2)	Registration of an ineligible driver (convictions)	1000	N/A
s.33(3)	Registration of an ineligible driver (child abuse registry)	1000	N/A
s.33(4)	Registration of an ineligible driver (major driving offence)	1000	N/A
s.33(5)	Failure to notify designated employee of charges against a prospective driver	500	N/A
s.33(5)	Registration of potentially ineligible driver without approval	1000	N/A
s.33(7)	Registration of driver without required consent regarding personal information release	1000	N/A
s.33(8)	Registration of a PTP driver without required training	500	250
s.34(1)	Failure to require updated driver eligibility documentation	1000	500
s.34(1)	Failure to terminate PTP driver registration if information not provided by driver	1000	500
s.34(2)	Failure to terminate an ineligible driver PTP registration.	1000	500
s.34(3)	Failure to comply with order to terminate PTP driver registration	1000	500
s.35(1)	Registration of accessible PTP driver without proof of required training	500	250
s.35(2)	Failure to terminate existing registration of accessible PTP driver without proof of required training	500	250
s.36(1)	Registration of an ineligible vehicle (PTP)	1000	500
s.36(2)	Failure to terminate PTP vehicle registration where required eligibility documentation is not provided	1000	500

s.36(3)	Failure to comply with order to terminate PTP vehicle registration	1000	N/A
s.37(a)	Provision or offer of transportation by means of a street hail without a licence and registration.	500	250
s.37(b)	Provision or offer of transportation by means of dispatch through a non-digital platform without a valid taxi licence	500	250
s.37(c)	Provision or offer of transportation in exchange for compensation by non-digital methods without a valid taxi licence	500	250
s.43(3)	Transfer of a taxi licence to an ineligible vehicle	1000	N/A
s.45(1)	Failure to ensure taxi meets qualifications for licensing while in operation	1000	500
s.45(2)	Failure to post required camera signage in taxi	1000	500
s.45(3)	Failure to comply with signage and marking requirements	1000	500
s.45(4)	Failure to have taxi inspected annually	1000	N/A
s.45(4)	Failure to submit vehicle for inspection as required	1000	500
s.46(1)(a)	Operating a vehicle for hire without registering with a licenced dispatcher	500	250
s.46(1)(b)	Operation of a vehicle for hire without valid driver's licence	1000	N/A
s.46(1)(c)	Operation of a vehicle for hire while ineligible (conviction)	1000	N/A
s.46(1)(d)	Operation of a vehicle for hire while ineligible (driving offences)	1000	N/A
s.46(2)	Failure of driver to notify dispatcher as required.	1000	500
s.47	Operation of a taxi without valid taxi driver licence	500	250
s.52	Failure to display taxi driver licence as required	250	125
s.53(a)	Failure to notify designated employee (convictions)	1000	N/A
s.53(b)	Failure to notify designated employee (charges)	1000	N/A
s.53(c)	Failure to notify designated employee (child abuse registry)	1000	N/A
s.53(d)	Failure to notify designated employee (licence suspension)	1000	N/A
s.53(e)	Failure to notify designated employee (medical condition)	1000	N/A
s.54(2)	Failure to provide dispatcher with information regarding street hails in required timeframe	250	125
s.56(a)	Failure to take most economical route	500	N/A
s.56(b)	Failure to provide reasonable assistance to a passenger	500	250
s.57(1)	Charge a fare not in accordance with the fare schedule	1000	500
s.57(2)	Negotiating a fare in excess of what would be charged under the fare schedule	1000	500
s.57(3)	Failure to operate the meter during service where a negotiated fare is in place.	1000	500

s.58(1)	Refusal to provide taxi service without reasonable grounds	1000	N/A
s.58(3)	Failure to notify dispatcher of notice of refusal of service	1000	500
s.59(2)	Failure to refund difference between fare as shown on meter and pre-payment	1000	500
s.60	Failure to comply with dispatcher's property retrieval policy	1000	500
s.61(1)	Refusal of service to eligible passenger by accessible taxi driver	1000	N/A
s.61(2)	Failure to respond to request for accessible taxi service	500	250
s.62(a)	Offering PTP services without registering with a PTP dispatcher	1000	500
s.62(b)	Offering PTP services in an unregistered vehicle	1000	500
s.62(c)	Offering PTP services without being dispatched by a licenced dispatcher	1000	500
s.64(a)	Holding out of ineligible vehicle as accessible	1000	500
s.64(b)	Holding out of ineligible driver as accessible PTP driver	500	250
s.65(a)(ii)	Charging a fare greater than the approved zone fare (limo)	1000	500
s.70(1)	Failure to comply with terms, restrictions or conditions of licence	1000	500
s.70(2)	Operation under licence during a period of suspension	1000	N/A

CAC (MPI) 2

Volume and Chapter:	2018 Interim Application	Page No.:	3 and 14
Topic:	Vehicles for Hire rate setting		
Sub Topic:	Industry experience to date		
Issue:	Jurisdictional scan		

Preamble to IR (If Any):

To date the Corporation has minimal claims experience (page 14) with respect to setting rates for the vehicles for hire industry in Manitoba. Because of the VFH Act becoming law on February 1, 2018 MPI is required to provide compulsory insurance for vehicles for hire. Vehicle for hire insurance is provided by the private property and casualty (PC) insurance industry in other provinces (eg. Ontario and Alberta, etc.).

Question:

Please advise whether MPI has performed a jurisdictional scan to determine and assess how the private PC companies rate the vehicle for hire exposures both from a physical damage and injury perspective. If yes, please file a copy of the jurisdictional scan. If not, please explain why MPI has not performed the jurisdictional scan to inform the rate setting process relative to other jurisdictions?

Rationale for Question:

To better understand how other jurisdictions determine vehicles for hire risk exposures and the corresponding rate setting process.

RESPONSE:

MPI performed a jurisdictional scan to identify existing Transportation Network Company (TNC) insurance coverages in Canada. Please see *PUB (MPI) 1* for a summary of the insurance models used in Ontario, Alberta, and Quebec and approximate insurance costs. This included identifying insurance providers in each jurisdiction and the type of coverages provided.

CAC (MPI) 3

Volume and Chapter:	2018 Interim Application	Page No.:	4
Topic:	Fees		
Sub Topic:			
Issue:	MPI proposes no changes to fees		

Preamble to IR (If Any):

On page 4 it states:

"Further, MPI proposes:

- Other than as specified above, no change to service fees for changing coverage*
- No change to Miscellaneous permits and certificates*
- No change to driver license premiums*
- No change to fleet rebates and surcharges"*

Question:

- Please explain in detail why there would be no changes to the fees as described in the Preamble.
- Please advise whether MPI is considering changes to the fees in a) in their 2019 GRA?

Rationale for Question:

To clarify the reasons and rationale for not proposing changes to the fees listed in the Preamble.

RESPONSE:

- a) There are no proposed changes to the service fees other than “Waiving of service fees for change of insurance for vehicles for hire” to avoid creating barriers and to allow flexibility for those Manitobans participating in providing vehicles for hire services. Hence, MPI will waive the fee for Manitobans to change insurance use to vehicle for hire and/or change the time bands selected, but will maintain all other service fees to ensure vehicles for hire are treated consistently in relation to all other service fees.
- b) Pursuant to directive 11.6 of PUB Order No. 130/17, a Service Fee Review and associated recommendations for service fees changes will be finalized and submitted with the 2019 General Rate Application (GRA).

CAC (MPI) 4

Volume and Chapter:	2018 Interim Application	Page No.:	4 and 10
Topic:	Time Bands		
Sub Topic:			
Issue:			

Preamble to IR (If Any):

To accommodate the Vehicles for Hire industry MPI proposes a number of time bands.

On page 4 it states:

"The proposed insurance framework will offer increased flexibility of insurance coverage to existing taxi/livery service vehicles, as well as new vehicles for hire customer. Time bands for coverage of vehicles for hire operation will allow operators to select desired times of coverage, tailoring their insurance costs to meet their operating needs."

On page 10 it states:

"The insurance policies will be based on time bands permitting vehicles for hire operation. Each of the 4 sub-categories (passenger, taxi, etc.) will have the same 4 time bands available to them. Customers can self-select any combination of 4 time bands and premiums will be based on the number of time bands selected. Customers will have the option to purchase 1, 2, 3, or all 4 time bands. At 4 time bands, a vehicle for hire has the flexibility to operate 24 hours a day, seven days a week."

Question:

- Please explain in detail how the time bands were determine and if they were determined in consultation with the current taxicab industry.
- Please explain if similar time bands are operational in other jurisdictions.
- Please elaborate as to whether the proposed time bands are a precursor to "Pay as you Drive" insurance coverage for insurance customers other than Vehicles for Hire customers.

Rationale for Question:

To better understand the rationale supporting the proposed time bands.

RESPONSE:

- a) Please see PUB (MPI) 6 for detail on the time bands. Please see CAC (MPI) 11 for a summary of the consultations related to the Vehicle for Hire (VFH) framework.
- b) MPI is not aware of similar time bands being operational in other jurisdictions, but in the Corporation's view, these time bands offer the greatest flexibility to VFH operators while aligning claims risk to the premiums charged.
- c) The proposed time bands are not a precursor to "Pay as you Drive" insurance coverage for other insurance customers.

CAC (MPI) 5

Volume and Chapter:	2018 Interim Application	Page No.:	6
Topic:	Rating Models		
Sub Topic:			
Issue:	See Preamble		

Preamble to IR (If Any):

MPI developed a number of rating models as per page 6:

"MPI developed and evaluated several rating models within the context of the compulsory nature of Basic, and MPI's intent to limit cross-subsidization between vehicles for hire and the rest of Basic."

Question:

Please describe the various rating models that were evaluated and provide the rationale for the selected rating model.

Rationale for Question:

To better understand the various rating models that MPI evaluated that resulted in the selected model.

RESPONSE:

The models that were evaluated were:

1. Time Restricted Model (Time Band)

This model results in the development of multiple Vehicles for Hire (VFH) insurance uses based on the time of day the vehicle is authorized to operate as a VFH. This is MPI's proposed model, where a driver can select up to four time bands. Full details

and rationale for the proposed rating model are provided in the Interim application.

2. Blended Rate

This model uses a flat rate across each territory blending 90% of the territory's All Purpose rate and 10% of the current taxicab territory rate. This model is a similar but limited version of the Time Restricted Model. The blended rate model does not prevent cross subsidization of premiums for vehicles for hire which operate in excess of 10% of the time. Also, the model is not actuarially based because it assumes the same risk as taxis when vehicle for hire drivers are operating on the platform.

3. Driver Safety Rating (DSR) Driver Premium

In this model the Basic insurance rate is determined for the VFH pool but claims and driving infractions are additionally surcharged to the driver via the driver premium. This model is complex and costly to implement, has challenges from claims administration, significant regulatory amendments, would introduce lack of symmetry with other vehicle types and insurance uses, and would be difficult from a customer communication perspective.

4. Hybrid

This model is similar to the Blended Rate model but this model determines a rate for each rate group (rather than flat rated) to reflect the different vehicles that may participate as a VFH. This model creates two new insurance uses to identify and separate full time VFH and part time VFH (using a maximum number of hours per week to define part-time). The rate differential between the two categories could be significant. An arbitrary number of hours (ex. 20hrs) would have to be selected to define part time use, would not be actuarially based or fair and equitable across all vehicles for hire, and would be difficult to enforce without customized data sharing arrangements with individual Transportation Network Company (TNC) platform providers.

5. Surcharge

This model is based on the existing off road vehicle (ORV) extension surcharges applicable for ORV collision coverage where a surcharge percentage is added to the base policy rate. Surcharges are determine based on driving behaviour over 3 years. Surcharges would be based on at-fault claims and driving convictions and insurance coverage only applies to 'named drivers' of the vehicle. This model therefore does not with the current framework for Basic compulsory auto insurance. This model would also be more cumbersome for the customer and for Autopac agents to administer the 'usual' drivers associated with insurance policy particularly for the taxi industry.

6. Operating Hours

This model is similar to the Hybrid Model in that it introduces a restriction on the number of hours operating as a VFH but keeps taxis and TNCs in separate grouping. This model could be priced either via a flat pre-determined rate for the TNC/Other or via premium load added to the base insurance premium (all-purpose rate) based on hours operating as a TNC. This model is not fair and equitable to the taxi industry.

7. DSR Premium

This model would create a new or supplemental DSR Vehicle Premium Discount model specifically for VFH with movement up and down the scale based on current DSR rules. Individual driving experience (claims/driving infractions) would continue to be captured via the driver's licence. This model is complex and costly to implement, has challenges from claims administration, significant regulatory amendments, would introduce lack of symmetry with other vehicle types and insurance uses, and would be difficult from a customer communication perspective.

8. Umbrella Policy

This model would have MPI providing a commercial fleet policy to the TNC which provides coverage for TNC drivers during the period they are operating on the TNC platform. This model is not compatible with the Basic compulsory insurance program which requires rating at the vehicle level for basic coverage (unless specifically excluded by legislation). This model is also not consistent with the basic rate making methodology and would circumvent the regulatory approval process, which is not in the public interest.

9. Vehicles for Hire (VFH) Endorsement

This model provides Basic insurance (All Purpose) to vehicles and require those operating as a VFH to purchase an endorsement allowing “carrying passengers for compensation” as an extension product. This model is not compatible with the Basic compulsory insurance program, which requires rating at the vehicle level for basic coverage (unless specifically excluded by legislation). This model is also not consistent with the basic rate making methodology and would circumvent the regulatory approval process, which is not in the public interest.

MPI selected the Time Restricted (Time Band) model because it did not circumvent the regulatory process and it best satisfied the following success criteria overall:

- a) That the rating model fair and equitable
- b) That the rating model is model actuarially-based
- c) That the rating model is flexible enough to accommodate different regulatory frameworks throughout the province as a result of Bill 30

CAC (MPI) 6

Volume and Chapter:		Page No.:	
Topic:			
Sub Topic:			
Issue:			

Preamble to IR (If Any):

To-date MPI has minimal claims experience (page 14). One of the success criteria is "Is the rating model actuarially based?" as stated on page 7:

"MPI established vehicles for hire Rates for Service in accordance with existing Basic rates to accommodate vehicles for hire insurance use in a way that is consistent and equitable based on prior rates experience. Experience-based rate adjustments will be used to maintain rates that are equitable as experience is gained with vehicles for hire insurance use. A new vehicles for hire insurance use will be created so that claims experience can be tracked separately from the private passenger vehicle pool."

Question:

Please elaborate on the actuarially based soundness of the proposed Vehicles for Hire rates.

Rationale for Question:

To better understand the actuarial principles relied upon in setting the Vehicles for Hire rates.

RESPONSE:

As outlined in *Vehicles for Hire VFH.3 Rate Setting Framework*, the proposed rates for each subcategory of the Vehicle for Hire pool are based on modifications to existing PUB approved, actuarial-based rates from the 2017 and 2018 GRAs.

For the Taxi Vehicles for Hire (VFH), Limousine VFH, and Accessible VFH rating categories, MPI has significant historical experience to support that the overall rates charged for these categories are 'best estimates' of the loss exposure. MPI then made reasonable adjustments to the existing rates, where necessary, to account for changes in exposure caused by the creation of the new VFH insurance uses and time band categories. These adjustments include:

- Assumed reduction in loss exposure for Taxi VFH and Limousine VFH due to a loss in market share
- Assumed variable exposure from the selection of time bands
- Assumed reduction in loss exposure from the introduction of DSR vehicle premium discounts

MPI recognizes that these adjustments require varying levels of judgment; however, MPI believes these adjustments are required to produce best estimate rates using the available information. Going forward, the proposed rates for Taxi, Limousine, and Accessible VFH will all be adjusted based on actual claims experience utilizing the existing PUB approved rate making methodology.

For Passenger Vehicle for Hire, the proposed rates are calculated based on modifications to the existing PUB approved, Major Class 1, All-Purpose Insurance Use rates by rate group. The Major Class 1 rates in the 2017 and 2018 GRA were calculated based on Accepted Actuarial Practice (AAP). MPI judgmentally applied a 'load' to these actuarially-based rates to account for the assumed increase in exposure from varying levels of VFH exposure. MPI believes it is reasonable to assume an increase in exposure over All Purpose use for Passenger VFH because:

- Intuitively a vehicle would be expected to have higher loss exposure if the vehicle is spending more time on the road as a VFH.
- A jurisdictional scan supported the notion that an additional charge of approximately 20% over All Purpose use was determined to be reasonable in other jurisdictions.

Again, MPI believes these adjustments are required to produce best estimate rates based on the available information. Going forward, the proposed rates for Passenger VFH will be adjusted based on actual claims experience utilizing the existing PUB approved rate making methodology.

CAC (MPI) 7

Volume and Chapter:	2018 Interim Application	Page No.:	11
Topic:	Service Fees		
Sub Topic:			
Issue:	See preamble		

Preamble to IR (If Any):

On page 11 it states:

"There will be no charge associated with changing the vehicle for hire operating time bands meaning customers can add or drop time bands as needed. For example:

- Increasing or decreasing the number of time bands*
- Changing the selected time band"*

Question:

Please elaborate if brokers are handling increasing, decreasing and changing time bands without charging a fee.

Rationale for Question:

To better understand the broker fee structure as it relates to changing time bands.

RESPONSE:

Brokers handling increases, decreases and changes to vehicles for hire time bands will not charge customers a transaction fee. MPI will pay the broker a flat fee compensation for each transaction, in accordance with MPI's current contractual obligations.

CAC (MPI) 8

Volume and Chapter:	2018 Interim Application	Page No.:	12
Topic:	Comprehensive no-fault bodily injury coverage		
Sub Topic:			
Issue:	See preamble		

Preamble to IR (If Any):

On page 12 it states:

"Comprehensive no-fault bodily injury coverage will continue to apply to Manitobans injured in motor vehicle accidents including vehicles for hire accidents."

Question:

Please elaborate on how the Personal Injury Protection Plan (PIPP) operates in the context of the vehicles for hire industry. Additionally, please elaborate on the following examples:

- The injured vehicle for hire client is a Manitoba resident.
- The injured vehicle for hire client is an Ontario resident.
- The injured vehicle for hire client is a USA or UK resident.

Rationale for Question:

To better understand the PIPP coverage as it relates to vehicle for hire clients.

RESPONSE:

Personal Injury Protection Plan (PIPP) provides no-fault motor vehicle bodily injury accident insurance per Part 2 of the Manitoba Public Insurance Act (the Act). Section 71 of the Act specifies, subject to limited exceptions, that PIPP applies to any bodily injury that is caused by an automobile.

Automobile accidents and bodily injury resulting from vehicle for hire use, including taxi use today, falls within the scope of PIPP and is not excluded per section 71(2) of the Act.

Manitoba residents are, pursuant to section 74 of the Act, entitled to PIPP for automobile injuries occurring in Canada or the United States. Non-residents of Manitoba are deemed to be Manitoba residents, and entitled to PIPP benefits, if they are injured in Manitoba, while an occupant in a Manitoba registered automobile.

In summary, a vehicle for hire client, regardless of residency, who is injured in Manitoba, while an occupant in a Manitoba registered automobile is entitled to PIPP.

CAC (MPI) 9

Volume and Chapter:	2018 Interim Application	Page No.:	12
Topic:	Basic Deductible decrease		
Sub Topic:			
Issue:	See Preamble		

Preamble to IR (If Any):

MPI is proposing to decrease the deductible from \$600 to \$500 for taxicabs, limousines and livery vehicles. On page 12 it states:

"As a result of this change, taxicabs, limousines and livery vehicles (former 'x-plate' vehicles) will see Basic deductible reduced by \$100. MPI is not proposing to increase vehicles for hire Basic insurance rates due to the decrease in deductible level from \$600 (current deductible level for 'x-plate' vehicles) to \$500 (vehicles for hire deductible level). The policy decision to lower the deductible level is meant to align vehicles for hire with the rest of Basic, and is justified based on an expectation of reduced risk exposure in these classes (see section VFH.3 for further details)."

Question:

- Please provide a quantitative analysis supporting the rationale for not increasing premium rates to cover the additional exposure of reducing the deductible by \$100.
- Please elaborate if MPI is planning on reviewing the deductible levels in its next GRA.

Rationale for Question:

To better understand the rationale for not increasing premium rates to offset the additional deductible decrease exposure of \$100.

RESPONSE:

- a) As described in Vehicles for Hire VFH.3, MPI has assumed that there will be an as yet undetermined reduction in loss exposure for taxis and limousines as a result of competition from Passenger vehicles for hire (VFH) *and* that this reduction in exposure will offset the impact of decreasing the deductible from \$600 to \$500. MPI believes that the assumption of reduced market share / exposure is reasonable and required to produce best estimate rates; however, we cannot produce a quantitative analysis to support this assumption because there is no available data. Rates will be adjusted in future applications to reflect the actual claims experience.
- b) The deductible change for taxis and limousines is intended to create fairness and equity across all types of vehicles for hire. No changes to deductibles for other vehicles are proposed at this time and any future consideration of same would be made as part of an overall evaluation of premium requirements and claims costs in future years.

CAC (MPI) 10

Volume and Chapter:	2018 Interim Application	Page No.:	
Topic:	Financials		
Sub Topic:			
Issue:	Financial impact of changes proposed		

Preamble to IR (If Any):**Question:**

- a) Please elaborate on the overall financial impact to the Statement of Operations as filed in Compliance Filing to Board Order 130/17, page 2 as it relates to the changes proposed in the 2018 Interim Application (Vehicles for Hire), if any.
- b) Please provide a quantitative analysis of the IT costs to upgrade AOL and CARS to handle the Vehicle for Hire proposed changes.

Rationale for Question:

To better understand the financial impact of the vehicle for hire proposed changes to the Statement of Operations.

RESPONSE:

- a) The proposed rates for the Vehicle for Hire classifications are intended to 'break even' (i.e. 0% profit), and therefore, result in no material changes to the Corporation's forecasts. The estimated Information Technology (IT) costs, which are outlined in part (b), were not included in the Statement of Operations as filed in Compliance Filing to Board Order 130/17.

- c) MPI's Board of Directors approved the projected costs for amending the Autopac On-Line (AOL) and Claims Administration & Reporting Systems (CARS) for new Vehicles for Hire (VFH) insurance use are as follows:

Figure 1: Projected Corporate Costs for Amending the AOL and CARS Systems for New Vehicle for Hire

Line No.	Project Phase	Effort Hours	Cost
1	Phase 1: Inception and Planning	609	\$46,350
2	Phase 2: Elaboration	1295	\$76,775
3	Phase 3: Build and Development	3032	\$158,476
4	Phase 4: Testing	3364	\$120,100
5	Phase 5: Implementation and Warranty	570	\$34,300
6	Sub-TOTAL	8,870	\$436,001
7	Contingency at 20%		\$87,200
8	Total		\$523,201

The projected corporate costs for the VFH project will be treated as expenses, and will minimally impact the years 2017/18 and 2018/19, and will be captured in Insertions of Work. The estimated Basic impact for the years 2017/18 and 2018/19 are \$256,000 & \$140,000 respectively."

CAC (MPI) 11

Volume and Chapter:	2018 Interim Application	Page No.:	
Topic:	Engagement		
Sub Topic:			
Issue:	Engagement with stakeholders		

Preamble to IR (If Any):**Question:**

Has MPI conducted any engagement or consultations with stakeholders, and specifically with disability groups, regarding the Vehicle for Hire proposal? If so, please provide the results of the engagement or consultations. If not, please indicate whether MPI is planning stakeholder engagement or consultations regarding Vehicles for Hire prior to the 2019 GRA.

Rationale for Question:

To understand whether MPI has consulted stakeholders, including disability groups, regarding the proposal for Vehicles for Hire.

RESPONSE:

MPI has conducted discussions with the following stakeholders:

- The Winnipeg Community Taxi Coalition
- Uber
- Lyft
- City of Winnipeg
- Manitoba Infrastructure
- Manitoba Crown Services

- Indigenous and Municipal Relations
- Motor Transport Board
- Taxicab Board

At these discussions MPI reviewed a number of topics, including:

- The overall Vehicles for Hire (VFH) rating model
- Relevant legislation related to the basic, compulsory insurance program in Manitoba, including first-party coverage extended to all Manitoba residents and occupants of Manitoba-registered vehicles injured in motor vehicle collisions.
- The rate-making and regulatory framework in Manitoba, including the role of the PUB in approving basic insurance rates
- Creation of a separate insurance use for VFH and sub-categories within that classification to ensure rates charged are actuarially sound and to prevent no cross-subsidization within the pool or by other vehicle classes
- The time bands framework
- Changes to the vehicle registration model and plating requirements for VFH
- Adjustments to DSR eligibility and vehicle premium discounts
- Service fees

MPI had no reason to consult with “disability groups” in regard to the interim application for VFH rates so did not do so. With respect to issues of accessibility to VFH services, consumer safety measures and other eligibility requirements for VFH operations, the *Local Vehicles for Hire Act* confers the power to regulate the VFH industry to Manitoba municipalities. Municipalities may make regulations tailored for persons with disabilities, and consultation with disability groups is meaningful and effective with in this context. For example, MPI understands that the City of Winnipeg has considered such matters in By-law 129/2017, and that the City of Winnipeg conducted consultations with disability groups. MPI’s Accessible VFH sub-category was created to accommodate the municipal by-laws that are tailored to accessible vehicles.

MPI is planning to hold further stakeholder engagement and information sharing sessions with law enforcement representatives and any other stakeholder group which request a briefing regarding insurance rates for VFH prior to March 1, 2018.