

Jan 31, 2015 | [Vote](#) 0

Uncertain road ahead for Waterloo Region's taxi industry



Cameras in cabs

Mathew McCarthy, Record staff

Pete Neufeld, president of the Waterloo Region Taxi Alliance, hopes newly installed cameras in local cabs will help assuage public safety concerns after several local drivers faced sexual assault charges.

1/2

[Waterloo Region Record](#)

By [Paige Desmond](#)

WATERLOO REGION — Driving a taxi in Waterloo Region just isn't what it used to be, with technological advances, a string of sexual assault charges, changing driver demographics and increased regulation all putting on the pressure.

"All the companies have tried extremely hard to put out a better product," said Pete Neufeld, president of the Waterloo Region Taxi Alliance. "When we get a black eye like we did in the last couple years, we need to remedy that. We need to give the public some reassurance again.

"That's the evolution of the industry."

Snapshot

The Region of Waterloo is charged with regulating the local taxi industry. It issues licences and takes them away, sets taxi fees and penalizes drivers for violations.

A group of politicians called the licensing and hearings committee considers penalties and regulatory matters.

Taking a taxi isn't cheap. The cost of a five-kilometre cab ride here was fourth-highest out of 19 Ontario municipalities at \$14, according to the most recent regional report in 2011.

The region issues licences based on a population ratio of one for every 1,650 people.

Right now there are 336 licence owners here and an additional 659 drivers. Many owners drive, but all contract others to drive their taxis.

Drivers take home about 40 per cent of what they make, according to Neufeld, and the rest goes to the licence owner.

On a busy night like New Year's Eve, a driver could gross about \$500. But the real money may be in the licence itself.

The region charges \$785 for an ownership licence and awards them in a lottery, with each of the five local companies in a rotation for first dibs each year.

Right now a cabbie could sell his ownership for about \$300,000. They're valued because so few are available.

Licence owners can sell the rights as they like and the taxi companies, or brokerages, can as well.

Angelo Apfelbaum, manager of licensing and enforcement, said it isn't up to the region to get involved.

"As to who controls the sale of the licences, the prospective owners pay a fee to the brokerages to operate," he said.

Taxi companies are free to recruit someone to take that licence. Owners can also sell their licence to someone else.

Neufeld bought his licence 25 years ago for about \$65,000. He drives and has three other drivers working for him.

It's what most licence owners bank on for their retirement, which makes the stakes high.

If there is more competition or fewer people taking taxis, the value of those licences could drop.

According to provincial transportation data, the number of people using taxis declined between 1996 and 2011. About 2,600 trips here were made daily by cab, just one quarter of a per cent of all daily trips by local residents within the region.

Coun. Sean Strickland said the region can't control how the taxi industry values the licences.

"Look at the system itself. It's essentially a monopoly," he said. "We sell a licence for (\$785) and then the taxi brokerage services create their own marketplace for the value of that licence ... As far as I'm concerned the licence that we sell is worth (\$785.)"

Uber

Smartphone ride-booking app Uber is testing local waters for interest and putting fear into cabbies.

Some officials argue Uber violates the region's taxi and limousine bylaw, while taxi drivers worry it could threaten the value of their licences.

Uber held meetings earlier this month with potential drivers and also regional officials.

Coun. Geoff Lorentz chaired the region's licensing and hearings committee until late last year. He thinks the province will need to decide how municipalities handle Uber.

"I think a lot of people are still trying to get their head around how does this work," he said.

Uber offers taxi and limousine service as well as a service called UberX. It allows anyone to offer rides-for-hire in their personal vehicle and allows people to book, track and pay for a ride with their smartphone.

Politicians and licensing officials have heard from residents who want Uber.

Licensing officials aren't rolling out the welcome mat, but Apfelbaum said staff are preparing a report on Uber for politicians.

And though officials have cited some safety concerns about the app, others say the market should be opened up.

Strickland spoke with Uber officials and said the region needs to find a way to work with the company. He plans to use Uber during the next few weeks in some of the 200 other cities where it's operating, as part of his business travels.

"My sense is if we can address some of the questions around regulations, insurance and ensure personal safety, then I think the possibilities for Uber are quite good," he said.

The taxi industry, however, is not so open.

"We're not afraid of competition, but at least follow the rules we have to follow," Neufeld said.

Uber says it has its own internal screening system for drivers, while local cabbies are subject to vehicle inspections, criminal background checks and other rules.

But that hasn't kept some local drivers from getting into trouble.

Sex charges

Jafar Zamel, a 48-year-old former Waterloo Taxi driver, was found not guilty Monday of sexual assault, but guilty of committing an indecent act after being accused of sexually assaulting an intoxicated 23-year-old female passenger in his cab in May 2013.

The woman said he showed her his penis, urged her to expose herself, pulled down the top of her dress and ripped off her underwear.

The indecent act conviction related to Zamel's admission he masturbated in the cab when the woman was in the back seat. A sentencing hearing is scheduled for April.

Zamel is one of six drivers to be before the courts in the past two years on sex charges.

A second driver was convicted and sentenced to 90 days in jail in December.

Two drivers were acquitted and one had charges dismissed when he agreed to a peace bond. The sixth driver is before the courts.

The problems prompted the installation of surveillance cameras in local taxis, mandatory sexual assault awareness training for drivers and a working group with Waterloo Regional Police to share information.

At least one of the drivers charged was still driving as his case went through the courts. Two others were charged without the region's knowledge.

"If my industry was under attack, I would certainly be trying to wear a halo over my head when driving a cab," Lorentz said.

He said the region has done a sufficient job regulating the industry.

"It's not like they're out trying to wait for someone to attack," he said. "It just doesn't work that way and they've done a great service to this community for many, many, many, many years and I'm not about to throw them under the bus or the taxi."

Neufeld hopes the installation of taxi surveillance cameras will reassure the public.

It isn't always drivers behaving badly.

Demographics

"We have some very bad people in this city, stupid people that still continue to be racist and they call these poor (guys) names," Neufeld said.

Neufeld said he's seen a cultural shift in driver demographics in the past 10 years with more new Canadians behind the wheel.

Drivers have been near tears or refused to drive nights because of issues with often intoxicated passengers.

Neufeld himself had his fair share of ugly passengers. He's been spit on, vomited on and called all kinds of names while driving.

The demographic change also caused some culture clash, Neufeld said.

"One of the hardest things is people bring a way of living from their home country and how people are treated where they come from and they assume that's the same way here and unfortunately it's not," he said. "Most of them are catching on, some of them not so much."

The regional licensing office received two complaints in 2014 and issued 40 orders for minor issues that didn't impact safety, such as visible vehicle damage. Two drivers were fined under the Smoke Free Ontario Act for smoking in their cabs.

Neufeld said he gets between 20 and 40 complaints per month.

The future

In the next 12 months, the region expects to implement a new taxi bylaw, councillors are expected to receive a staff report on Uber and cabbies will have to pass a test on sexual assault awareness training developed by the Waterloo Region Sexual Assault Support Centre.

The new bylaw is expected to be more strict with drivers facing criminal charges. In the current bylaw, drivers must only report convictions to licensing officials within six days.

The only certainty is that the local industry has already changed. What exactly will happen to the local taxi system isn't known

"You can make a living at it," said Neufeld. "It's not what it used to be."

pdesmond@therecord.com , Twitter: @DesmondRecord