

To: Safety and Facilities Services Committee

From: Adam Grant, Commissioner,
Safety and Facilities Services Department

Report Number: SF-25-26

Date of Report: April 9, 2025

Date of Meeting: April 14, 2025

Subject: Motor Vehicle Collision Fee

Ward: All Wards

File: 03-05

1.0 Purpose

The purpose of this report is to respond to the following direction of City Council on February 24, 2025:

“Whereas municipalities may incur significant costs when responding to motor vehicle collisions on municipal roads; and,

Whereas it is prudent to review and assess practices in other jurisdictions regarding the charging of fees for such responses;

Therefore be it resolved that based on Item SF-25-06 dated February 5, 2025, staff be directed to investigate and report back on whether other municipalities are charging fees when responding to motor vehicle collisions on municipal roads.”

2.0 Recommendation

That the Safety and Facilities Services Committee recommend to City Council:

That based on Report SF-25-26 dated April 9, 2025, concerning fees when responding to motor vehicle collisions, the Safety and Facilities Committee select and appropriate option under Section 4.5 with respect to the implementation of such fees in the next update to Fees and Charges By-law 109-2024, as amended.

3.0 Input From Other Sources

1. Legislative Services
2. Finance Services
3. Ministry of Transportation of Ontario (MTO)
4. Municipalities: Pickering, Ajax, Whitby, Uxbridge, Scugog, Clarington, Brock, Toronto, Markham, Whitchurch-Stouffville, East Gwillimbury, Georgina, Newmarket, Aurora, Richmond Hill, King Township, Burlington, and, Oakville

4.0 Analysis

4.1 Background

The City of Oshawa currently does not charge for emergency fire response to a motor vehicle collision (“M.V.C.”) on municipal roads. However, when Oshawa Fire Services responds to an M.V.C. on a 400-series highway, the City recovers the associated costs. In contrast, most municipalities across Ontario have implemented a cost-recovery fee for at-fault drivers or non-residents involved in M.V.C.s, to support cost recovery and reduce reliance on municipal tax funding.

Responding to M.V.C.’s demands significant resources from Oshawa’s emergency services, including fire department personnel, equipment, and operational expenses. These costs are typically borne by local taxpayers through municipal budgets. Charging a fee for M.V.C. emergency response activities would help offset these expenses.

4.2 Eligible Fees

4.2.1 Truck Fees

The Ministry of Transportation Ontario (“M.T.O.”) permits fire departments to charge for services rendered during highway collisions, on a per-truck and per-hour basis, setting an annual rate that serves as a guide or baseline for many municipalities. The majority of cities in Ontario incorporate these M.T.O. rates into their fees by-law, using them as a reference point for establishing charges for emergency services. For example, as of January 1, 2025, the M.T.O. rate for these fees is \$570.50 per-truck, per-hour. By adopting a fee structure aligned with the M.T.O. rate, consistent with other emergency services offered by Oshawa Fire Services, Oshawa can ensure its costs for emergency services are recovered without overburdening its tax base.

4.2.2 Materials and Services Cost Recovery

It is also recommended that the City implement a fee to allow cost recovery for materials, supplies, services or equipment that is not normally supplied by Fire Services but is deemed necessary during an emergency response to an M.V.C. This can range from absorbent materials, medical supplies, and hazardous spill containment and mitigation agents. These fees would be recouped on a cost-recovery basis only. It is recommended that staff include the allowable fees for truck use as well as cost recovery for materials and services in the next update to Fees and Charges By-law 109-2024, as amended for implementation in 2026.

4.3 Impact to Taxpayers

Non-residents involved in M.V.C.s within Oshawa benefit from Oshawa's emergency response capabilities but do not contribute to the local taxes that fund these services. This results in Oshawa residents subsidizing services for non-residents. Conversely, when police determine the at-fault party or identify the individual responsible for causing the collision, the associated emergency response costs are still absorbed by local taxpayers, costs that should be borne by the negligent driver. Implementing a fee would shift the cost burden onto those directly utilizing the service. Many other municipalities already follow this practice, billing non-residents or at-fault drivers for emergency responses to accidents, and Oshawa can adopt a similar model.

It is important to note that many auto insurance policies cover emergency response fees for M.V.C.s. This means that in many cases, non-residents or at-fault drivers would not have to pay the fee directly out of pocket to the municipality. This reduces the financial hardship on the driver while still ensuring cost recovery for the City of Oshawa.

4.4 Alignment with Other Cities

Within Durham Region and across Ontario, it is standard practice for municipalities to charge fees for M.V.C. emergency responses, particularly for non-residents. Oshawa's current limited use of such fee makes it an outlier. By implementing this fee in 2026, Oshawa would align with these common regional practices and ensuring consistency. Every municipality benchmarked for this Report as identified in Section 3.0 charges the M.T.O. rate for M.V.C. for non-residents.

4.5 Motor Vehicle Collision Fee Options

To ensure equitable cost recovery for emergency fire services provided during M.V.C.s. on municipal roads, two options are outlined below for Council's consideration. Any fees to be implemented will be included in the Fees and Charges By-law update for 2026.

4.5.1 Option 1- Implement a Motor Vehicle Collision Fee for all At-Fault Drivers on Municipal Roads

This option allows the City to maximize cost recovery by charging all at-fault drivers involved in motor vehicle collisions. It simplifies administration by simply determining who's at-fault based on the collision report from police on the scene and then billing accordingly, regardless of the individual's place of residence. This Option also supports a user-pay approach, ensuring those who are at-fault cover the costs of the services rendered.

Should Option 1 be selected, the following motion should be passed:

"That the Safety and Facilities Services Committee recommend to City Council:

That based on SF-25-26 dated April 9, 2025, motor vehicle collision fees for truck fees as well as cost recovery for supplies and materials be implemented for all at-fault drivers on municipal roads starting in 2026.

4.5.2 Option 2- Implement a Motor Vehicle Collision Fee for At-Fault Non-Resident Drivers Only

Charging only at-fault, non-resident drivers aligns with common municipal practices across Ontario and ensures that Oshawa taxpayers are not subsidizing emergency responses for individuals who do not contribute to the local tax base. This approach promotes fairness by focusing cost recovery on those who are both responsible for the collision and not otherwise supporting the City's emergency services through taxation.

Should Option 2 be selected, the following motion should be passed:

"That the Safety and Facilities Services Committee recommend to City Council:

That based on SF-25-26 dated April 9, 2025, motor vehicle collision fees for truck fees as well as cost recovery for supplies and materials be implemented for at-fault, non-resident drivers on municipal roads starting in 2026."

5.0 Financial Implications

There are no financial implications related to this Report. Any fees collected are intended to be on a cost-recovery basis.

6.0 Relationship to the Oshawa Strategic Plan

This report responds to the Oshawa Strategic Plan Priority Area "Lead: Governance and Service Excellence" with the goal to provide transparent, efficient, and responsible fiscal stewardship and use of resources.



Stephen Barkwell, Fire Chief,
Fire Services



Adam Grant, Commissioner,
Safety and Facilities Services Department