



CITY OF VANCOUVER

A9

ADMINISTRATIVE REPORT

Report Date: June 23, 2008
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VanRIMS NO.: 08-2000-20
Meeting Date: July 8, 2008

TO: City Council

FROM: Chief License Inspector in consultation with the Director of Legal Services

SUBJECT: Vehicles for Hire By-Law Amendments: Taxicab Rates and Fares

RECOMMENDATION

- A. THAT Council approve amendments to Section 25 of the Vehicles for Hire By-Law, generally as indicated in Appendix A, which set the taxi cab tariff fares as equivalent to the rates established from time to time by the Passenger Transportation Board and modernize the language of the other provisions.
- B. THAT Council instruct the Director of Legal Services to prepare a by-law amending the Vehicles for Hire By-law generally in accordance with Appendix A.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS approval of A and B.

COUNCIL POLICY

Council regulates taxi companies in Vancouver through the Vehicles for Hire By-Law, No. 6066 which governs the rates that taxi companies can charge when picking up fares in the City.

On May 20, 1993, Council approved advising the Motor Carrier Commission that it supported a uniform schedule of rates for taxi companies in the Lower Mainland.

On March 15, 2005, Council approved an 8.77 percent rate increase in taxicab fares applied to all metered rates including distance rate, flag rate and wait time rate. This rate increase was approved by the Passenger Transportation Board (previously known as the Motor Carrier Commission) in March 2005.

On June 27, 2006, Council endorsed a 5.77 percent rate increase in taxicab fares, approved by the Provincial Passenger Transportation Board in May 2006.

PURPOSE

The purpose of this report is to seek Council's endorsement to set the City's taxi cab tariff fares equivalent to the aggregate of each tariff, rate, charge, surcharge and fee established from time to time by the Provincial Passenger Transportation Board and to update and modernize the language of Section 25 of the Vehicles for Hire By-law concerning taxicab rates and fares.

BACKGROUND

The taxi industry in Vancouver is regulated by Council, through Vehicles for Hire By-Law No. 6066, and by the Provincial Passenger Transportation Board (PTB). However, the PTB has the superior role in the regulation of the taxi industry in the Lower Mainland. Any action by Council on taxi fares is subject to approval by the PTB, while taxicab rate increases approved by the PTB must be reflected in the City's Vehicles for Hire By-Law. Although the PTB has superior authority for taxicab tariffs, in the past, the City has regularly amended its taxi rates and fares in the Vehicles for Hire By-Law to reflect fare increases set by the Province. This has become a labour intensive process requiring a considerable amount of staff time due to the recent fluctuations in fuel costs.

Furthermore, as is the case with many City By-laws, the current wording used in Section 25 of the Vehicles for Hire By-Law (Taxicab fares) has remained the same for many years and has become outdated. The proposed change to the method of reflecting the PTB's taxi fare amendments in the Vehicles for Hire By-Law provides an opportunity for staff to look at modernizing this particular section of the By-law.

DISCUSSION

The Passenger Transportation Board uses the Taxi Cost Index or TCI to determine the level of future taxi fare increases. The taxi cost index was developed in consultation with the taxi industry as well as other stakeholders, including representatives from persons with disabilities and seniors' organizations, municipalities, public transit and other related agencies. It streamlines the fare review process for taxi companies and the Passenger Transportation Board. The TCI has the following four components as weighted percentages: wages (30%); fuel (15%), insurance (8%) and the consumer price index (47%). These components are based on information provided by industry representatives from British Columbia and the Lower Mainland. Various statistical sources, including average weekly wage statistics and weekly pump prices for fuel, are used for each component to determine annual differences in cost.

The Passenger Transportation Board believes that using the TCI to amend taxi tariffs balances the Board's mandate to foster an economically sound and safe transportation industry with the objective of promoting reasonable and just charges for passenger transportation services.

Taxi fare increases approved by the Passenger Transportation Board normally apply to all metered rates ie. distance rate, flag rate and wait time rate with the PTB retaining the right to approve minor adjustments to actual TCI rates to accommodate meter-setting requirements.

The City has again received notice from the PTB that taxi fares are under review. In the past, staff would normally recommend that Council endorse any rate changes approved by the PTB so that the Vehicles for Hire By-law would reflect these same amounts. In the interest of saving staff time and City resources, staff are now seeking Council's endorsement to set the City's taxi cab rate equivalent to the aggregate of each tariff, rate, charge, surcharge and fee established from time to time by the Provincial Passenger Transportation Board. This would achieve the same result and eliminate the need for staff to amend the By-law each time the PTB revises taxi fares to reflect annual inflationary increases or fuel surcharges. Such an approach is also used by other municipalities, including the City of Richmond and the City of North Vancouver.

Staff also recommend that Council endorse certain amendments to Section 25 of the Vehicles for Hire By-Law concerning taxicab rates and fares which modernize outdated language. Other than the amended provision which serves to match the City's taxicab rates to increases approved from time to time by the PTB, all other proposed changes do not change the intent of the current provisions and language.

CONCLUSION

Given that the Passenger Transportation Board regularly amends taxi rates and fares in Vancouver and other regions of the province and the Vehicles for Hire By-Law must reflect such changes, staff recommend that Council give consideration to setting the City's taxi cab rate equivalent to the aggregate of each tariff, rate, charge, surcharge and fee established from time to time by the Provincial Passenger Transportation Board. This change will eliminate the need for staff to report to Council each time there is a significant change to the TCI which results in a fare change. Furthermore, additional changes to section 25 of the Vehicles for Hire By-Law (Taxicab fares) which do not change the intent of existing provisions but serve to modernize existing language are also recommended.

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APPENDIX A

A By-law to amend Vehicles for Hire By-law No. 6066 regarding taxicab rates and fares

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. Council repeals section 25 of the Vehicles for Hire By-law, and substitutes:

"Taxicab rates and fares

25. (1) In this section 25, "rate" means the aggregate of each tariff, rate, charge, surcharge, and fee established from time to time by the Passenger Transportation Board under the Passenger Transportation Act of British Columbia, [SBC 2004] Chapter 39, and amendments thereto and replacements thereof.

(2) Except as provided in subsection (17), a person who owns or drives a taxicab must not charge, demand, collect, or receive a fare except at the rate.

(3) A person who owns or drives a taxicab must not refund or remit to a passenger any portion of a fare.

(4) A person who owns a taxicab must not publish or use, or permit to be published or used, any fare other than at the rate referred to in subsection (1), whether such fare is determined by taximeter or by time.

(5) A person who owns a taxicab must not, either directly or indirectly, carry or permit to be carried without charge any passenger, unless the passenger is an officer, agent, or employee of the owner or unless the ride is for a charitable purpose.

(6) All ferry, bridge, and tunnel toll charges applicable to the taxicab and its occupants are payable in addition to the regular fare.

(7) A person operating a taxicab may operate on a time or mileage basis, at the request of a passenger, at the rate with respect to time fares for such vehicle.

(8) A person who owns or drives a taxicab must keep and display therein, in a place that faces the passenger and that the Inspector has designated, a tariff card of the fares for taxicabs consistent with the rates.

(9) A person must not remove, mutilate, deface, or otherwise dispose of such tariff card.

(10) A person must not drive or operate, or engage in the business of operating a taxicab, unless such taxicab is equipped with a taximeter which is of a type approved by the Inspector, and which the Inspector has inspected and sealed under subsection (12).

(11) Each person who owns or drives a taxicab must:

- (a) cause the taxicab to include a taximeter that mechanically or electronically registers the distance and corresponding fare while under hire;
- (b) keep the taximeter in a condition that ensures accuracy and continuous registration during hire;
- (c) install the taximeter so as to operate automatically when the taxicab is in motion as well as when such vehicle is standing under hire;
- (d) not use a taximeter that registers a fare that is more than 2% incorrect; and
- (e) at the request of the Inspector, and in any event once every 6 months, submit the taximeter to the Inspector who is to inspect and test the meter over a measured distance.

(12) If the Inspector is satisfied that the taximeter displays the corrected fare, is accurate subject to subsection (11)(d), and is otherwise in good working order, the Inspector is to seal the meter, in such manner as the Inspector deems advisable.

(13) A person who owns or drives a taxicab must ensure that the taxicab's taximeter is:

- (a) adequately illuminated at all times when in use between dusk and dawn;
- (b) installed and placed at the right side of the driver in such position that the passenger may easily read, from the rear seat, the fare to be paid by the passenger, and so that the face of the meter is in plain view both from within and without the cab, or as designated by the Inspector;
- (c) adjusted in accordance with the rate, including the provisions of subsection (17);
- (d) used only when the seal thereon is intact; and
- (e) kept in good working condition at all times, and not used when defective in any way.

(14) A driver of a taxicab, while carrying passengers or under engagement, must not indicate that the taxicab is not engaged or, when the taxicab is not engaged, indicate that the taxicab is engaged.

(15) A driver of a taxicab must place the meter in the hired mode immediately on the commencement of a trip with a passenger, and at the termination of such trip must place the meter in the vacant mode, and must call the attention of the passenger to the amount of the fare registered on the meter.

(16) Subsections (14) and (15) are not to apply when a taxicab is being operated on a time or distance basis.

(17) If a person who owns or drives a taxicab is required to collect a tax imposed by a government, the person must include such tax in the fare shown on the taximeter, and may demand, collect or receive such tax in addition to any fare.

(18) A person who owns or drives a taxicab must post and keep posted a sign inside the taxicab in proximity to the tariff card referred to in subsection (17) clearly indicating that the fare shown includes the tax referred to in subsection (17).

2. A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law, and is not to affect the balance of this By-law.

3. This By-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this _____ day of _____, 2008

Mayor

City Clerk