

ITEM 3  
MANAGER'S REPORT NO. 53  
COUNCIL MEETING 91/09/16

TO: MUNICIPAL MANAGER 1991 September 10

FROM: DIRECTOR FINANCE FILE: V17-4-1

SUBJECT: TAXICAB RATE INCREASE

PURPOSE: To inform Council of the taxicab rate increase request submitted to the Motor Carrier Commission by Bonny's Taxi Ltd.

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RECOMMENDATION:

1. THAT a copy of this report be sent to the Motor Carrier Commission and to Bonny's Taxi Ltd.

SUMMARY

Bonny's Taxi Ltd. has made application to the Motor Carrier Commission for a rate increase. If approved, it will result in a 4.7% increase in the cost of the average taxi trip of 5.6 km. Bonny's Taxi Ltd. states that the increase is necessary because of increased operating costs.

We have reviewed their submission and have concluded that the proposed increase is a reasonable reflection of inflation and is consistent with increases requested by most taxicab companies throughout the region.

REPORT

Appearing under correspondence on Council's 1991 September 09 agenda was a letter from Mr. George Laphorne, manager of Bonny's Taxi Ltd., advising that they have made application to the Motor Carrier Commission (M.C.C.) for a rate increase to be effective 1991 October 01.

This report provides information on the process by which taxicab rates are changed, outlines Bonny's justification for a rate increase and presents staff's position on their request.

Process by Which Taxicab Rates are Changed

The Motor Carrier Commission regulates the taxicab fares charged by taxicab operators throughout the G.V.R.D. when providing service across municipal boundaries. To change taxicab rates, the M.C.C. requires taxi companies to make application to the M.C.C., to advertise the proposed rates, and to inform local councils. This process allows for public comment on the new rates, and ensures that local councils are aware of changes in taxicab rates. The correspondence received by Council from Bonny's Taxi Ltd. was submitted as fulfillment of the M.C.C.'s requirements to notify Council.

To be consistent with other communities in the region, and to allow our taxicabs to carry trips to and from other communities, our Burnaby Cab and Commercial Vehicle Bylaw requires that the taxicab rates used in Burnaby be those approved by and registered with the M.C.C.

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Review of Taxicab Rates

The current and proposed taxicab rates as submitted to the Motor Carrier Commission by Bonny's are as follows:

	Flag Rate	Per Km Rate	Waiting Time		Cost per 5.6 km Trip	% Increase
			Per Hour			
Current rates	\$1.90	\$1.18	\$19.20		\$8.38	
Submitted rates	\$2.10	\$1.21	\$20.10		\$8.72	4.7

The current taxicab rates were established on 1990 October 01, when a 7.8% increase was approved by the Motor Carrier Commission. The present submission by Bonny's Taxi Ltd. represents a 4.7% increase for the average taxi fare, based on a 5.6 km trip.

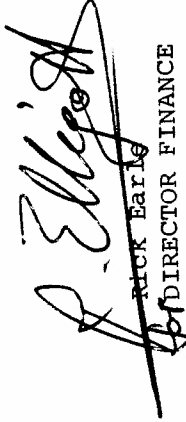
Identical increases have been submitted by most taxicab companies operating in surrounding municipalities. Vancouver City Council approved the increase for Vancouver based taxicabs on 1991 August 01.

Mr. George Laphorne, Bonny's manager, states that the increase is necessary to account for increases in the cost of salaries and benefits, vehicle maintenance and office administration.

Staff's Position

The proposed 4.7% rate increase request by Bonny's to the Motor Carrier Commission reflects inflation in Vancouver for the past year. In addition, the increase is in line with the rates approved for Vancouver based taxicabs by the City of Vancouver on 1991 August 01.

We have concluded that the proposed increase is a reasonable reflection of inflation and is consistent with increases requested by most taxicab companies throughout the region.

  
RICK EARLE  
DIRECTOR FINANCE