

TO: CITY MANAGER  
FROM: DIRECTOR FINANCE  
SUBJECT: TAXI RATE INCREASE  
PURPOSE: To inform Council of the taxicab rate increase request submitted to the Motor Carrier Commission by Bonny's Taxi Ltd.

1992 OCTOBER 28  
File: V17-4

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RECOMMENDATION:

1. THAT a copy of this report be sent to the Motor Carrier Commission, #200 - 703 Broughton Street, Victoria, B.C., V8W 1E2; and to Bonny's Taxi Ltd., 5525 Imperial Street, Burnaby, B.C. V5J 1E8.

SUMMARY

Bonny's Taxi Ltd. has made application to the Motor Carrier Commission for a rate increase that will result in a 3.8% increase in the cost of the average taxi trip of 5.6 km. This increase is necessary to meet the provincial requirement for uniform taxi rates at the Vancouver International Airport.

REPORT

Appearing under correspondence on this Council agenda is a letter from Mr. George Laphorne, Manager of Bonny's Taxi Ltd., to the Provincial Motor Carrier Commission (M.C.C.), requesting a rate increase to be effective 1992 November 23.

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

To be consistent with other communities in the region, and to allow Burnaby based taxicabs to carry trips to and from other communities, our Burnaby Cab and Commercial Vehicle Bylaw states that taxicab rates used in Burnaby will be those approved by the M.C.C. The M.C.C. ensures rates are consistent throughout the region.

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Under the agreement taxicab firms enter into with the Vancouver International Airport Authority, taxi companies must charge the current City of Vancouver taxicab rate to pick up passengers at the airport. This ensures a consistent and uniform rate for the travelling public. This requirement is mandated by the M.C.C. Taxicabs not charging the City of Vancouver rate cannot pick up fares at the airport.

REVIEW OF TAXICAB RATES

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

	<u>Flag Rate</u> \$	<u>Per km Rate</u> \$	<u>Waiting per hour</u> \$	<u>Cost per 5.6 km trip</u> \$	<u>% Increase</u>
Current rates	2.10	1.21	20.10	8.87	
Submitted rates	2.10	1.27	20.90	9.21	3.8%

The current taxi rates were established on 1991 October 01 when a 4.7% increase was approved by the Motor Carrier Commission. The present submission by Bonny's Taxi Ltd. represents a 3.8% increase for the average taxi fare, based on a 5.6 km trip.

Identical increase requests have been submitted by most taxicab companies operating in surrounding municipalities. The City of Vancouver's Standing Committee on City Services and Budgets approved the 3.8% increase for Vancouver based taxicabs on 1992 September 17 after receiving an application for a rate increase of 4.6%. Vancouver City Council has not yet approved this increase.

Mr. George Laphorne, Manager, Bonny's Taxi Ltd., states that the increase is necessary if Bonny's is to continue airport service, which constitutes a significant portion of its business.

STAFF'S POSITION

Although the proposed increase is slightly more than the current rate of inflation, staff feel that it is reasonable and necessary to ensure that Bonny's can maintain its ability to service the airport.



Rick Earle  
 DIRECTOR FINANCE