



ANNUAL REPORT

2005/06



Honourable Kevin Falcon
Minister of Transportation
Province of British Columbia
Rm. 306
Parliament Buildings
Victoria, British Columbia
V8V 1X4

Dear Minister Falcon:

I am pleased to present the first Annual Report from the Passenger Transportation Board. The Report was prepared using the guidelines set out in the Administrative Justice Office's "model" Memorandum of Understanding" (MOU) between tribunal chairs and ministers. It is my hope that you and I will be signing an MOU in the very near future.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Dennis J. Day", is placed over a light gray rectangular background.

Dennis J. Day
Chair
Passenger Transportation Board

Message from the Chair

The Passenger Transportation Board was established on June 28, 2004. The focus of the first year of operation was on converting nearly 500 motor carrier licences into passenger transportation licences and developing new policies and procedures in accordance with the Act. During 2005/06 the Board was able to turn its attention to a more "normal" activity level, as only 8 of its decisions dealt with the conversion process. Accordingly, 2005/06 will serve as the baseline year with respect to performance measures and targets.

The Board is comprised of 5 part-time members, including myself, and four full time staff. We are a lean organization and our ability to accomplish our work lies in the dedication of Board members and staff. In the 2005/06 fiscal year, the Board met 7 times. With the exception of one meeting, attendance was 100%. At the one meeting, 1 Board member was absent.

Board meetings focus on policy development and procedural matters. Often new policy guidelines are approved at Board meetings. This year, the Board approved its Rules of Practice and Procedure and approved a temporary fuel surcharge for taxis. Also, much work was done on policies and procedures relating to appeals of a decision of the Registrar to impose an administrative penalty on a licensee.

Both the Registrar of Passenger Transportation/Passenger Transportation Branch and the Passenger Transportation Board share responsibility for the implementation of the *Passenger Transportation Act*. The Board is involved with licensing matters pertaining to taxis, limousines and inter-city buses. The Branch accepts applications, issues licences, and manages compliance and enforcement initiatives. The Branch also issues licences to many operators, such as large tour buses. These applications are not forwarded to the Board.

It is important, therefore, that the Board and the Branch work cooperatively in the processing of applications and the development of policies that have a "cross-over" effect. As well, both the Board and the Branch must respect each other's independent jurisdictions.

I am pleased that there is excellent cooperation at all levels of the organizations. A good example of this cooperation is the Limousine Forum held in December 2005. This forum was organized by the Registrar of Passenger Transportation and the BC Livery Association. The Board was invited to participate and, in fact, the Board and Branch developed a joint response to questions provided before the forum as well as to questions that arose at the forum. I was invited to provide some opening remarks at this forum. At a meeting that the Registrar hosted with industry to introduce the Administrative Penalty Framework, the Director & Secretary to the Board presented an overview of the Board's appeals process.

The Board is mindful of processing times for applications. The Board recognizes that applicants want decisions as soon as possible. However, sometimes to ensure that the Board has all the information it requires, a panel member may ask further questions of the applicant or ask the Registrar to conduct an investigation. While these things may add to processing timelines, they should help to ensure that the Board understands the application. Less than 5% of applications are set down for public hearings. Yet, these are the most challenging in terms of complexity and timelines. The Board holds pre-hearing conferences for each hearing. These have proved useful in identifying procedural issues and establishing document and witness list exchanges prior to the hearings.

Although the Board strives to set the hearing date within 8 weeks of the time it sets an application down for public hearings, often times the Board is faced with adjournment requests and other procedural matters. Also, it is at times a challenge to complete the hearing within the allotted time period.

2005/06 was a busy and productive year for the Board. We anticipate that in 2006/07 we will continue to develop and refine our policies and procedures, look for opportunities to streamline processes, further our communication materials and issue decisions that are comprehensible and meet the requirements of administrative fairness and the Board's legislative mandate.

I would like to end by acknowledging the efforts and dedication of my colleagues on the Board as well as the dedication and hard work of our staff.



Dennis J. Day
Chair

Mission, Value and Goals of the Passenger Transportation Board

The Passenger Transportation Board, an independent tribunal established pursuant to the *Passenger Transportation Act*, (a) makes decisions on applications for taxis, limousines and small vans and inter-city buses and (b) hears appeals regarding administrative penalties imposed by the Registrar of Passenger Transportation.

Mission

This mission of the Passenger Transportation Board is to make decisions pertaining to the commercial passenger transportation industry in a way that

- enables people throughout the province to access diverse, stable and competitive commercial passenger transportation, and
- promotes consistency and fairness in application decisions and enforcement measures.

The Board will make its decisions in a timely, fair, consistent and open fashion, and will provide responsive and accurate information to applicants, submitters, agents, members of the public, government representatives and persons who appear before the Board.

Values

Integrity – ethical, professional and honest conduct by members and staff of the Board

Fairness – impartial decision making in accordance with the principles of administrative justice and the Board's legislative mandate; just treatment of applicants and submitters and others who participate in Board processes.

Respect - treat all persons who contact the board, as well as colleagues, with courtesy, fairness and dignity.

Accountability –enhance or streamline board processes and policies to foster the public's confidence and understanding in Board decisions

Responsiveness – to ensure that board processes and policies enhance the public's confidence and understanding of board decisions.

Goals

1. Make decisions, within the mandate of the Act, that contribute to a commercial transportation system that serves the public, is run by capable operators and maintains the overall economic health of the industry.
2. Keep rules and processes relevant, simple and clear.

3. Enhance communication about, and satisfaction with, Board processes.
4. Make timely decisions on matters affecting applicants, submitters, appellants and other stakeholders.

Overview of Regulatory Framework

In June 2004, the Motor Carrier Act was repealed and the *Passenger Transportation Act* (PTA) took effect.

The PTA:

- Streamlines regulation for large tour and charter buses
- Reduces regulation for inter-city buses
- Continues regulation of taxis and limousines
- Introduces an administrative penalty scheme for compliance

Administration

Administration of the *Passenger Transportation Act* is a joint responsibility of the Passenger Transportation Board, a quasi-judicial body, and the Registrar of Passenger Transportation (who leads the Passenger Transportation Branch of the Ministry of Transportation)

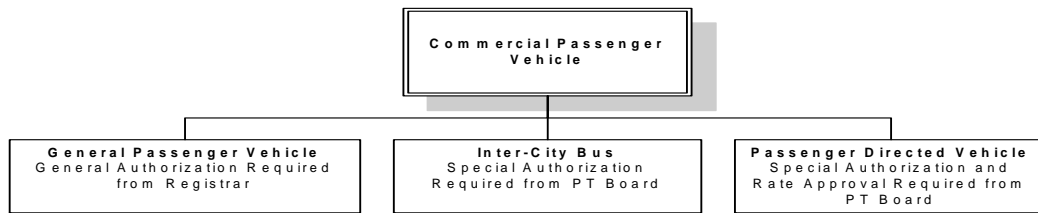
Registrar and Passenger Transportation Branch, Ministry of Transportation

- Accept all licence applications and issue all passenger transportation licences
- In cooperation with partner agencies (police and Ministry of Transportation's commercial vehicle inspectors), undertake compliance actions against both licensed carriers and unlicensed operators
- Manage an administrative penalty scheme for licensees who are not in compliance with their terms and conditions of licence

Passenger Transportation Board

- Approves applications for specific types of licences such as taxis, limousines and scheduled buses as well as transfers and licence amendments applications
- Hears appeals of administrative penalties imposed by the Registrar

Types of Commercial Passenger Vehicles and Authorization Required



Definitions of Vehicles Requiring a Special Authorization

Inter-City Buses (ICBs) operate

- ♦ On set time schedule between prescribed municipalities (other than GVRD or CRD)
- ♦ For individual fares
- ♦ Over a regular route
- ♦ Between fixed terminating points, picking up and dropping off passengers at intermediate points, as necessary

A common example is a (non-public) scheduled bus service among 2 or more cities.

Passenger Directed Vehicles (PDVs)

- ♦ Accommodate a driver and not more than 11 passengers
- ♦ Operate to and from locations determined by or on behalf of the passengers

Common examples of PDVs include taxis, limousines, small charter or shuttle vans.

Approvals of Applications by Board

The Board may approve ICB and PDV applications if it considers:

1. There is a public need for the service;
2. The applicant is fit and proper and capable of providing the service; and
3. The application promotes sound economic conditions in the transportation business.

If the Board is considering a transfer application, it only considers whether the applicant is a fit and proper person and capable of providing the service.

If an application is approved, the PT Board may set terms and conditions of licensing.

Examples of terms and conditions include:

- ♦ Passenger pick-up and drop off locations for taxis and limos
- ♦ Maximum fleet size for taxis and limousines
- ♦ Minimum route frequencies for inter-city buses

The PT Board also approves or sets rates for taxis and limousines.

Members and Staff of the Passenger Transportation Board

Board Members

The Board is appointed by the Lieutenant Governor in Council (Cabinet). There must be at least 3 Board members. Appointment processes and terms are governed by the *Administrative Tribunals Act*. The composition of the Board between April 1, 2005 and March 31, 2006 is as follows:

Member	Initial Appointment	Term	Per Diem
➤ Dennis Day, Chair	June 28, 2004	3 years	\$525
➤ Kabel Atwall	June 28, 2004	2 years	\$350
➤ Ranjiet Bhimji	June 28, 2004	2 years	\$350
➤ Donna Hains	June 28, 2004	2 years	\$350
➤ David McLean	June 28, 2004	2 years	\$350

The Board meets every 6-8 weeks.

Board Staff

The Board is supported by a staff of 4 full-time employees who work out of the Board office in Victoria. Staff handles the administrative functions and responds to applicant inquiries.

Staff is as follows:

Jan Broocke	Director and Secretary
Michael McGee	Manager, Policy and Communications
David Watling	Appeals and Operations Coordinator
Kathy Mitten	Research and Administrative Coordinator

Board Contact Information

Mailing Address:	PO Box 9850 STN PROV GOVT Victoria, British Columbia, V8W 9T5		
Street Address:	202-940 Blanshard Street Victoria, British Columbia		
Phone:	250-953-3777	Facsimile:	250-953-3788
Email:	ptboard@gov.bc.ca	Web:	www.ptboard.bc.ca

Passenger Transportation Board Budget

2005 / 2006		
Budget Category	Allocation	Expenditure
Salaries	230,000	221,854
Benefits	55,000	53,245
Board Per Diems and Travel	129,000	110,669
Staff travel	15,000	12,255
CITS	0	177
Contracts	26,000	10,502
Information systems	0	17,361
Office and business expenses	18,000	15,146
Statutory advertising	1,000	0
Operating equipment	2,000	0
Amortization	3,000	999
Building occupancy	33,000	29,712
Total	511,000	471,920

Highlights of Activities in 2005/06

Projects Completed

- **Completion of Expedited Process** - The *Passenger Transportation Act* included a transition section that required all motor carrier licensees to apply by February 28, 2005 to have their motor carrier licenses converted to a passenger transportation licence.

Under the expedited process, applicants only had to meet the test of applicant fitness. Expedited applications were not published nor were submissions received or considered.

Four hundred ninety-seven (497) licences were converted as a result of this process. The bulk of the conversions occurred in 2004/05; however, 8 expedited decisions were made in 2005/06. The Board also implemented a time limited streamlined application process for motor carrier licensees who missed the application deadline for the expedited process.

- **Rules of Practice and Procedure (June 2005)** – The Board published its *Rules of Practice and Procedure*, which govern procedural matters relating to application processing, oral hearings and reconsideration.

The Board also has "Policy Guidelines" which it publishes as issues emerged. Eight policy guidelines were published in 2005/06. As well, in 2005/06, the Board published an "Information Sheet" on Application Hearings.

- **Temporary Fuel Surcharge (November 2005)** – After consulting with industry association representatives, the Board implemented a temporary fuel surcharge of 4.5% on metered taxi rates in British Columbia. The surcharge applied to the flag, distance and wait-time rates. Non-metered taxis could apply for the fuel surcharge.

The surcharge was designed to give taxi operators some interim relief from recent fuel price increases without shifting the full cost burden to the passengers.

This surcharge was over and above the Board's regular assessment of taxi rates, i.e. the Taxi Cost Index (TCI). The temporary fuel surcharge of 4.5% would be a factor that the Board considers during its next TCI review – scheduled for Spring, 2006.

The Board plans to end the temporary fuel surcharge by the last half of 2006 after completing the TCI review. The board set thresholds at which the temporary fuel surcharge would be reviewed.

Fuel prices were also a concern of limousine operators; however, a formal proposal was not put forward to the Board by a limousine association.

- **Stakeholder Consultation**

- A. *Passenger Directed Vehicle Advisory Committee (September 2005)* – This advisory committee is comprised of representatives from the taxi and limousine industries, public transit, municipalities, persons with disabilities, the Passenger Transportation Branch and Passenger Transportation Board. The Board and Branch shared information on current activities/projects. Industry representatives raised concerns regarding fuel prices and seating capacities of vehicles.
- B. *Limousine Forum, Vancouver (December 2005)* – This forum was co-chaired by the Passenger Transportation Branch and the BC Livery Association. The Board was represented by the Chair and two Board members. This was designed to be an educational forum where industry could gain a better understanding of the Passenger Transportation Act and the Board and Branch could gain a better understanding of issues facing industry. Industry gave a presentation that provided an overview of the industry and distinguished the limousine industry from the taxi industry. Industry expressed some concerns over varying regulations – provincial and municipal – that apply to the industry; application requirements under the Passenger Transportation Act; Board policies and interpretations of the Act; and the impact of the general passenger vehicle/passenger directed vehicle distinctions on the industry.

Prior to the meeting, the Board and Branch prepared written answers to questions from industry. These were distributed at the meeting. In addition, the Board and Branch provided written follow-up answers to questions raised during the meeting. These are posted on the website of the Registrar of Passenger Transportation Branch.

- **Database implementation (April 2005)** - The Board had a consultant design and install a database that tracks applications and provides various reports, including performance measures. The database will enable staff to monitor the progress of files, assist in the establishment and revisions of performance targets and provide information on performance results and targets.
- **Staffing and Human Resource Development** – Two permanent staff positions - Appeals and Operations Coordinator and Research and Administrative Coordinator - were recruited, competed and filled during the year.

All staff members completed an employee development and performance plan. The Chair completed evaluation on each Board member.

- **Performance Targets** – The Board established preliminary performance targets in December 2005; however, these were modified based on experience and the implementation of the data base. These targets need to be monitored annually to determine whether they are appropriate and whether they need to be changed in light of performance. Year 2004/05 was a transition year, with the emphasis on converting motor carrier licences to passenger transportation licences. Year 2005/06 is, therefore, the Board's baseline year for performance measurement.
- **Web Communications** – The Board continually updates its website to make its decisions, rules and policy public. Three Industry Advisories were posted in 2005/06 as were the Board's Rules of Policies and Procedures and its Policy Guidelines. The Passenger Transportation Board "Bulletin", which contains summaries of applications received, hearing notices and all final decisions of the Board, was published every week except for the last week in December. Rates for taxis operating in the Province were published as part of the Temporary Fuel Surcharge implementation.
- **Appeals Processes and Procedures** – The Board may hear appeals of administrative penalties imposed on a licensee by the Registrar of Passenger Transportation. The Board developed procedures, policies and processes for these appeals. The introduction of this material, in draft form, was coordinated with the Registrar of Passenger Transportation's introduction of its Administrative Penalty Framework. Board staff attended a stakeholder meeting in February, 2006, organized by the Registrar of Passenger Transportation, to introduce the Administrative Penalty Framework. Draft appeal procedures and processes were reviewed at the meeting. After the meeting, the Board finalized its procedures and processes. These were posted on the Board's website in April, 2006.

Projects Initiated

- ***Application Materials Review*** – The Board and Branch will undertake a joint review of application forms and related materials to provide more detailed information to individuals and companies who apply for a new special authorization or to change an existing special authorization (i.e. relating to passenger directed vehicles or inter-city buses).
- ***MOU with Ministry*** – the Board and the Ministry agreed to develop a Memorandum of Understanding (MOU) between the Minister and Board. The MOU would set out the responsibilities of the Board and the Ministry. It would stress the Board's independence for decision making as well as its accountability to the Minister for performance measures. The MOU would be based on a model agreement developed by the Administrative Justice Office of the Ministry of Attorney General.
- ***Vehicle Capacity Ranges for Taxis and Limousines*** - The Board is considering introducing a policy whereby vehicle passenger carrying capacity is stated in "bands" or ranges rather than as a specific number. This approach would apply to new applicants and existing licensees, thus increasing greater flexibility in vehicle choice and reducing applications for vehicle capacity changes.

Special Authorization Matters

The Board's primary activity is reviewing applications related to special authorizations. A special authorization is required to operate passenger directed vehicles or intercity buses. Applications may be for new licences, to transfer or amend existing licences or to add vehicles to a passenger directed vehicle licence. As well, the Board must approve rates and rules for passenger directed vehicles. The steps in processing applications are listed below.

The board may approve temporary operating permits (TOP) for passenger directed vehicles if there is an urgent and temporary need to increase fleet sizes. The Board may also be asked to make a determination on whether a particular application requires a special authorization.

All final Board decisions on licensing applications are published in the PT Board Bulletin and posted at the Board's website - <http://www.ptboard.bc.ca/>

Steps in the Processing Special Authorization Licence Applications

Steps 2-8 are the responsibility of the Passenger Transportation Board

1. *Applications are submitted* to the Passenger Transportation Branch which forwards completed applications to the Board office.
2. *Board staff draft an application summary*, send it to the applicant for verification, and publish it in the PT Board Bulletin (at the Board web site)
3. *Public Submission/Reply Period* – From the date an application summary is published, any person has up to 15 days to make written submissions on the application to the Board. Persons making submissions must also pay a \$50 submission fee within the same time period. Submissions are forwarded to applicants, who have 10 days to reply. (An exception to this step is if an application is processed on an “urgent public need” basis.)
4. *Board staff completes an overview* of the application file for transmittal to the Board.
5. *Board Chair appoints a Panel* who will consider and decide the application. Board staff forwards the application file to the Panel.
6. *Application Considerations and Decisions* – the Panel reviews the file and determines which process should be followed to make a decision. These processes include:
 - a. Review of file materials only – decision is made on application file materials, including information from the applicant and any submitters
 - b. Review of file materials and Board Investigation into application – the Board follows up with questions to the applicant, submitters or other parties
 - c. Review of file materials and Registrar Investigation – the Board asks the Registrar to undertake an investigation of an application. This usually involves contact with support authors, submitters and follow up questions to the applicant. The applicant is given an opportunity to respond to this report and then it is sent to the panel.
 - d. Oral Hearing – the Board sets the application down for a public hearing. A hearing notice is published and persons have 21 days to give notice that they wish to make submissions at the hearing and to pay the \$50 prescribed fee.
7. *Decision sent to the applicant and Registrar* – the board's decision on an application is sent to both the applicant and Registrar. Decisions following a public hearing are also sent to submitters.
8. *Decision published in the Bulletin* – all final decisions on applications are published in the Board's bulletin.
9. *Licence Issuance by Registrar* - if the Board approves the application and the licensee meets specified safety standards, the Registrar issues the licence.

Note: Rate change applications follow similar steps except the submission period is 10 days and these applications cannot be processed on the basis of urgent public need.

Applications Received 2005-06 by Application Type

	New	Transfer	Additional Vehicle	Amendment	Rate Change	TOP	SA Required	Total
Received	57	43	31	50	52	13	6	252

The Board received 11 applications pertaining to inter-city buses and the remainder pertained to passenger directed vehicles. All additional vehicle applications and change of rate applications pertained to passenger directed vehicles. The Board does not regulate bus fares or fleet sizes.

Of these 252 applications received in 2005/06, 180 were decided within this reporting period. Also, within this period the Board published 290 decisions. Most of these decisions would have been made within 2005/06 as it is Board practice to publish a decision a week after the decision is sent to the applicant.

Received Applications by Regional District (excludes TOPs and SA Required)

Regional District	# of Decided Apps	Regional District	# of Decided Apps
Alberni-Clayoquot	6	Kitimat-Stikine	9
Bulkley-Nechako	4	Kootenay-Boundary	2
Capital Regional District	42	Mount Waddington	2
Cariboo Regional District	2	Nanaimo	7
Central Coast	0	North Okanagan	4
Central Kootenay	2	Northern Rockies	7
Central Okanagan	7	Okanagan-Similkameen	11
Columbia Shuswap	0	Peace River	12
Comox-Strathcona	5	Powell River	0
Cowichan Valley	2	Skeena-Queen Charlotte	1
East Kootenay	7	Squamish-Lillooet	10
Fraser Valley	7	Sunshine Coast	2
Fraser-Fort George	3	Thompson-Nicola	13
Greater Vancouver	58	Multi Regional or Extra Provincial	5
		Islands Trust	3

RECONSIDERATIONS

The Board may reconsider a decision if the board is satisfied that (a) information has become available that was not available at the time the decision was made, or (b) there has been an error in procedure.

The Board received 12 reconsideration requests in 2005/06. Of these, the Board determined that 5 should be reconsidered. And of these 5, the Board varied its decision

on 3 applications, rescinded its decision on one application and confirmed its decision on one application. Of the decisions varied, 2 related to rate changes and 1 was to approve in part an application that had been refused.

Board Performance Measures 2005/06

The Board considers 2005/06 as its base year for performance targets and results. 2004/05 was a transition year with the emphasis on converting almost 500 motor carrier licences to passenger transportation licences. The performance targets were assessed by a committee of the Board. The committee will review the targets and performance results and look at ways to continually improve our performance and timelines.

Reporting Constraints: The results of Board database reports are based on the date an application is received. If a report is done for a particular time period (e.g. April 1, 2005 - March 31, 2006), the reports will provide performance results only for applications that were received during this period and closed by the time the database report is compiled (i.e. January 31, 2007). The results reported below do not include one file that was received during the 2005/06 fiscal period but which had not yet been completed when the report was compiled on January 30, 2007.

Reporting Timelines – These are the total number of days that an application was before the Board. It includes the submission period which is a minimum of 15 days for licensing applications (10 days for rate change applications) as well as times that responsibility for a task was not within the Board's control. For example, if the Board asks the applicant for more information, the time that the application is with the applicant is included in the reported times. Also, the "Registrar Investigation" timelines may include times when the Registrar is waiting for information from an applicant, submitter or third party. With public hearings, the reported timelines include adjournments and continuations. Most adjournments are at the request of applicants or submitters.

Performance Targets

Process and Track	Low Target	High Target
Application Files	# days	# days
File Review	89 or less	90 - 156
Board Investigation	113 or less	114 - 192
Registrar	117 or less	118 - 205
Registrar Investigation and Hearing	197 or less	198 - 331
Hearing	178 or less	179 - 293
UPN	37 or less	38 - 75
Temporary Operating Permits	15 or less	16 - 30
Special Authorization Determinations	14 or less	15 - 35

Performance Results*

Application Processing Times in Relation to Performance Targets

	# Board Decisions	Average # of days for Board to make a decision**	% within low target	% within high target	% over high target
Application Files Received in 05/06*					
File Review	168	73	78	21	1
Board Investigation	16	121	56	31	13
Registrar	16	193	12	44	44
Registrar Investigation and Hearing	1	208	0	100	0
Hearing	10	257	30	50	20
UPN	21	7	100	0	0
Temporary Operating Permits	13	4	100	0	0
Special Authorization Determinations	5	28	20	60	20

* These performance results were based on applications received between April 1, 2005 - March 31, 2006 and closed by January 31, 2007.

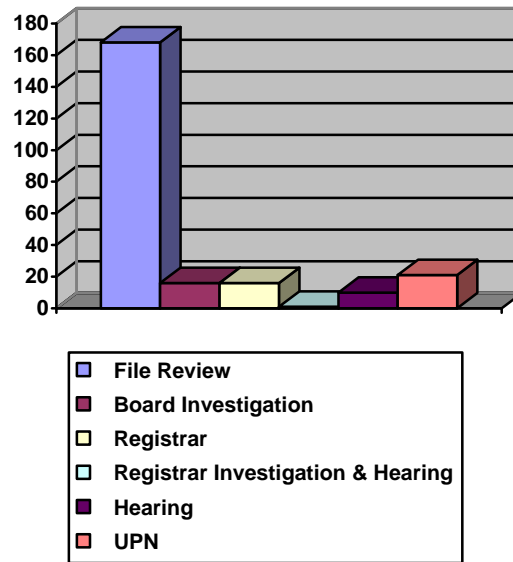
** This timelines are from when an application is received at the Board until a decision letter is sent to an applicant.

Application Processing Times at Various Stages of the Application Process

	# Board Decisions	Average # of days from Board's receipt of application to appointment of Panel**	Average # of days from panel appointed to draft decision	Average # of days from draft decision to final decision sent to applicant
Application Files Received in 05/06*				
File Review	168	46	21	6
Board Investigation	16	69	42	10
Registrar	16	57	121	15
Registrar Investigation and Hearing	1	69	134	5
Hearing	10	75	165	17
UPN	21	4	1	2
Temporary Operating Permits	13	4	2	1
Special Authorization Determinations	5	28	10	4

* Includes steps the public submission/reply period which is a minimum of 15 days for most applications except change of rates which is 10 days.

Number of Board Decisions by Decision Making Process



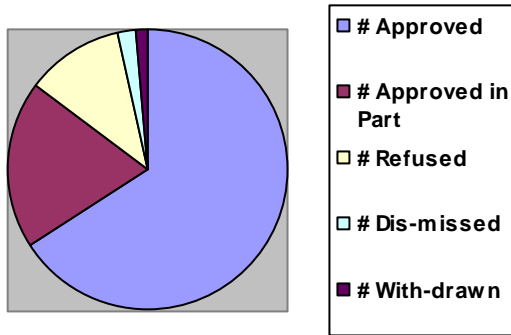
Average Processing Time in Days by Application Type

	New	Transfer	Additional Vehicle	Amendment	Rate Change	TOP	SA Required
Avg.# days to decision	81	64	120	102	83	4	28

Board Decisions by Type of Application and Outcomes

Application Type	# Approved	# Approved in Part	# Refused	# Dismissed	# Withdrawn	# of Decisions
New	28	10	15	3	0	56
Transfer	41	0	0	0	2	
Additional Vehicle	16	9	5	1	0	31
Amendment	30	15	4	1	0	50
Change of Rate	38	11	2	0	1	52
Total	153	45	26	5	3	232

Graph of Board Decisions by Outcomes



APPEALS

The Board has the authority to hear appeals regarding the imposition of administrative penalties on a licensee by the Registrar of Passenger Transportation. No appeals were filed in 2005/06.