

June 15, 2016

TLCI Rate Reviews for Limousines

Starting early 2017, the PT Board will apply its Taxi and Cost Limousine Index (TLCI) to review both taxi and limousine rates.

The TLCI uses the Consumer Price Index (CPI) for BC to calculate rate increases. Next year's review will be the first time we review limousine rates based on an index.

The CPI-based review of limousine rates provides an objective, fair and administratively simple way to keep rates in line with increases in operating costs over time. It also advances the Board policy goal of maintaining a price difference between taxi and limousine on short and medium-length trips.

The Board applies a TLCI increases to taxi and limousine rates when CPI (BC) exceeds 2%. Increases of less than 2% carry over and accumulate until the threshold is reached.

For limousines, TLCI rate increases will apply to minimum and maximum rates as well as to company-specific rates approved by the Board.

The first TLCI review for limousine rates will be based on CPI (BC) data for the 2016 calendar year. We will undertake the review in the first months of 2017. When a TLCI rate increase is applied to limousine rates, the new rates will be rounded to the nearest dollar. *For example, an increase of 2.2% will raise a minimum rate of \$75.00 to \$76.65 per hour. Based on conventional rounding, the new minimum rate would be \$77.00 per hour.*

An attached backgrounder shows similarities and differences in how the Board applies TLCI increases to taxi and limousine rates.

PT Board Webpages:

- [TLCI](#)
- [Limousine Rates](#) & [Taxi Rates](#)

Backgrounder: Overview of TLCI Rate Reviews

The table below compares the application of TLCI increases to taxi and limousine rates.

	Taxis in BC	Limousines in BC
Latest Rate Review	April 2016: Board implemented TLCI taxi rate increase of up to 2.9%	October 2015: Limousine Rate Changes in BC
Data	Annual Consumer Price Index (CPI) for BC Statistics Canada CANISM Table 326-0021 (BC only, All Items)	
Minimum Threshold for TLCI Increases	2% increase in CPI(BC)¹ CPI(BC) changes that are less than a 2% increase carry over and accumulate until the threshold is met or exceeded	
Review Timing	Annual TLCI reviews are conducted in February or March	
Implementation	Normally, TLCI rate increases are optional for taxis. Licensees must send the Board a Taxi TLCI Request form to receive an increase. When special circumstances warrant a different approach, the Board notifies licensees. In regions or cities with common rates, a 51% threshold applies to these requests.	TLCI rate increases apply to limousine rates in BC. This includes minimum and maximum rates as well as company-specific rates.
Base Rates	The Board applies TLCI rate increases to a base rate that excludes taxes.	
Documentation	Licensees that receive a TLCI rate increase receive a new Statement of Rates or a revised rule from the PT Board.	Licensees receive a revised rule from the PT Board. The rule sets out the approved minimum and maximum rates. For licensees with company-specific rates, the rule requires the licensee to increase previously-approved rates by a set amount.
TLCI Alternatives	Taxi Change of Rates Application	Limousine Change of Rates Application

¹ The 2% threshold is not subject to rounding.