



Passenger  
Transportation Board

DRIVING FORWARD, TOGETHER

# STRATEGIC PLAN 2023 – 2026





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# MESSAGE FROM THE CHAIR

This Strategic Plan for the Passenger Transportation Board (Board) covers the three-year period from April 1, 2023, to March 31, 2026.

This plan outlines our mandate, how we do our work, our organization and values, and our goals, objectives, and strategies. The Plan lays out the Board's approach to its expanded role and mandate with the passage of the Passenger Transportation Amendment Act, 2018.

Through the publication of this plan, we hope to indicate where industry, government, other interested parties, and the public can expect change. We hope to give a sense of what the Board is trying to achieve in B.C.'s passenger transportation industry, especially the balance the Board hopes to achieve between the various sectors.

The Board will be providing opportunities to collaborate with us on major decisions for the industry, so we encourage industry, government, other interested parties, and the public to take advantage of such opportunities.

# TERRITORIAL ACKNOWLEDGEMENT

The Passenger Transportation Board acknowledges the territories of the many diverse Indigenous Peoples in the geographic areas we serve. With gratitude and respect, we acknowledge that the Board's office is located on the unceded territories of the **ləkʷəŋən**-speaking peoples (Songhees and Esquimalt First Nations), who are the traditional keepers of this land and whose historical relationships with this land continue today.



# OVERVIEW

## OF PASSENGER TRANSPORTATION BOARD

The Board is an independent administrative tribunal established under the Passenger Transportation Act (Act) to regulate and oversee the commercial passenger transportation industry in British Columbia, including taxis, limousines, shuttle vans, inter-city buses, and ride-hailing.

The Board was established in 2004, when the Act was brought into force.



### BOARD ORGANIZATION AND STRUCTURE

The Board and its Chair are appointed by the Lieutenant Governor in Council and are accountable to the Minister of Transportation and Infrastructure. However, as an independent tribunal, the Board operates independently of government.

The Board must have a minimum of three members. Currently the Board has seven part-time members, including the Chair. Members are appointed to the Board by the Lieutenant Governor in Council after a merit-based process.

Board members come from diverse backgrounds in business, law, academia, or government and are commonly active in their communities, serving on various agencies or boards.

The Board is supported by 16 full-time staff. Board staff are B.C. public servants and hired through a merit-based competition process. The Board office is located in Victoria. Board members and staff are committed to the key values summarized in this strategic plan. The skills, expertise, and knowledge of members and staff are critical to the Board's success.

## ROLE AND MANDATE OF THE BOARD

Since it was created, the Board has had a mandate under the Act to:

- Make decisions on applications for the licensing of commercial passenger directed vehicles (PDVs), such as taxis, limousines, and shuttle vans, as well as inter-city buses in B.C.
- Make decisions on appeals regarding administrative penalties imposed by the Registrar of Passenger Transportation (Registrar).

Following the Select Standing Committee on Crown Corporations' review of the potential impact of permitting the entry of Transportation Network Services (TNS), also known as ride-hailing, into British Columbia's passenger transportation industry, amendments to the Act and Passenger Transportation Regulation were brought forward. These amendments came into force in September 2019 and had far-reaching effects on the work of the Board. Specifically, they expanded the Board's role and significantly changed its mandate because of several factors:

- Introduction of Transportation Network Services, also known as ride-hailing.
- Clarification of the Board's jurisdiction as:
  - Independent decision-maker with exclusive jurisdiction over key aspects of the passenger transportation industry.
  - Economic regulator expected to equitably balance sectors of the passenger transportation industry in the public interest.

- Integrator of broader policy goals into the passenger transportation framework.

- Direction that the Board collect, analyze, and provide data to support objective, evidence-based decision-making.

With the introduction of ride-hailing in B.C., the Board now has regulatory authority over the licensing and operation of ride-hailing as well as PDVs and inter-city buses. The interaction between ride-hailing services and PDV services (such as taxis) raises important regulatory issues that the Board is required to review, assess, and address to support a healthy and competitive passenger transportation industry.

Like many other administrative bodies, the Board makes decisions about individual applications. In making these decisions, however, the Board must look at the system overall, rather than merely considering the application alone.

Section 28(1) of the Act requires the Board to consider fitness, capability, public need, and sound economic conditions. These last two criteria require the Board to:

- Understand the state of the industry to assess demand for new services, and
- Estimate the impact of a proposed service on the industry.

Therefore, the Board is mandated to conduct reviews and make decisions about the industry more broadly, outside of specific applications. There are many sector-wide matters that the Board may determine, including fleet sizes, operating areas, and rates. The Board refers to these as "systemic decisions".



The Board is not just deciding whether to grant a new licence, it is deciding whether to allow in competitors who might—if not properly regulated—undercut the viability of a sector on which the public relies. These decisions could not only affect the stability of the passenger transportation industry itself, but also related matters like working conditions for drivers, accessibility, congestion, environmental sustainability, and public transportation.

## **OBJECTIVE, EVIDENCE-BASED DECISIONS**

Because of the Board's expanded mandate, there are greater expectations about the rigour and transparency of Board processes. As recognized in the Select Standing Committee on Crown Corporations' February 2018 report, Transportation Network Companies in British Columbia, the Board must be "appropriately resourced and modernized to collect, analyze, and provide data to support evidence-based decision making." Enhancing the Board's capacity to gather relevant data and objective evidence to support future decisions about the regulation of the passenger transportation industry is a key area of focus for the Board.

All independent tribunals must make evidence-based decisions. In the past, the Board made decisions primarily based on the evidence and information provided by applicants and submitters on a case-by-case basis. This made determinations of public need and sound economic conditions challenging because the Board lacked a perspective on the broader economics at work and potential impacts on

the sector, region, industry, or public. Although these decisions were justified by the evidence before the Board, they carried a potential for unforeseen and unintended consequences.

In the 2018 Select Standing Committee report, recommendation #23 reads: "Require the Passenger Transportation Board to collect, analyze, and provide data to support evidence-based decision-making." In this, the Legislative Assembly identified the need for the Board to base its decision-making not only on the evidence provided by applicants and submitters, but also based on the collection and analysis of objective data.<sup>1</sup>

The Board has been tasked with making well-reasoned objective, evidence-based decisions. However, the Board cannot make these kinds of evidence-based decisions without reliable evidence.

Data and evidence are not the same thing. For instance, the Trip Database<sup>2</sup> contains trip data on approximately 90 million trips and covers over 50 data elements. However, the Trip Database data cannot be entered into evidence unless appropriate systems-level analysis is undertaken, applying appropriate statistical and economic expertise to its interpretation—this essentially turns the data into evidence. Then, the evidence must be introduced into the Board's decision-making process in an administratively fair manner. Other sources of data for the Board may include data on TNS drivers' earnings, licence data, and data provided from governments (e.g., Statistics Canada and BC Stats).

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1 The Select Standing Committee emphasized the importance of relying on objective data in achieving effective regulation of the passenger transportation industry, as noted in recommendations: 10, 13, and 23.

2 Also known as the Data Warehouse

To properly oversee the passenger transportation industry in B.C., the Board needs to create dynamic economic models to support decision-making. Dynamic economic modelling is a recognized and effective tool to develop a snapshot of economic factors and provide valuable information to decision-makers to formulate solutions and address issues. This is a common approach for government organizations charged with economic oversight. To achieve its expanded mandate, the Board must collect data and also analyze the data, developing an expert foundation to contextualize evidence presented in its proceedings.

By objectively modelling public need and sound economic conditions factors, the Board will better ensure a vibrant and sustainable passenger transportation industry. This is of critical importance to monitoring the effects of TNS' introduction and actively manage its risks to a healthy, sustainable passenger transportation industry.





## DEVELOPMENT OF STRATEGIC PLAN

The Board is required under the Act to table an Annual Report with the Minister of Transportation and Infrastructure within five months after the end of each fiscal year.

While the Board is not required to issue a Strategic Plan, the Board has typically done so every three years. This version of the Board's Strategic Plan will set out its mission, vision, and values, as well as the Board's priorities for the next three years (2023-2026).

The focus of the Board's Strategic Plan 2023-2026 is to position the Board to fulfil its expanded role and mandate, support ongoing organizational transformation, strengthen engagement with interested parties, and promote a healthy and vibrant passenger transportation industry in British Columbia.

The Board began its strategic planning in May 2022 with a workshop involving Board members and the Board's senior staff. A main focus of this initial engagement was to review and clarify the Board's key values in light of its expanded role and mandate and its ongoing focus on ensuring that the passenger transportation industry in B.C. addresses public need and promotes sound economic conditions.

# MISSION AND VISION

A second strategic planning workshop in October 2022 resulted in a new mission and vision statement for the Board. The Board also adopted its new key values and a series of associated indicators of these values.

These new statements follow:



## VISION

**Sustainable, accessible, and safe  
passenger transportation services  
for all across British Columbia.**



## MISSION

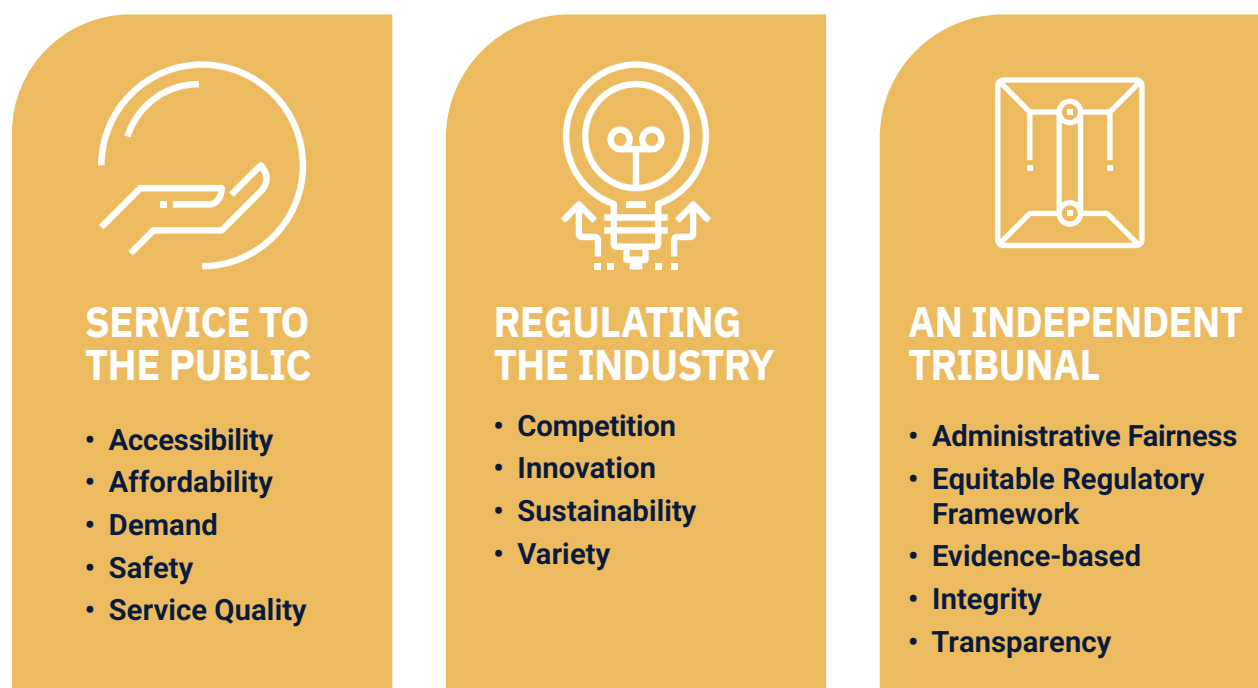
**The Board licenses and regulates  
passenger directed transportation  
and inter-city buses through objective,  
evidence-based decision-making to  
meet public need and promote sound  
economic conditions.**



# KEY VALUES

The Board has adopted key values and related indicators that align with its expanded role and mandate, its ongoing areas of focus as regulator of the passenger transportation industry in B.C., and its responsibilities as an independent administrative tribunal.

**Figure 1 The Board's Key Value Indicators**



## SERVICE TO THE PUBLIC (PUBLIC NEED)

**Accessibility:** People throughout B.C. have accessible and inclusive passenger transportation options.

**Affordability:** People throughout B.C. have affordable passenger transportation options.

**Demand:** There are people who would support and use the passenger transportation service.

**Safety:** People throughout B.C. have safe and secure passenger transportation services.

**Service Quality:** People throughout B.C. have access to high quality passenger transportation services with adequate supply.

## REGULATING THE INDUSTRY (SOUND ECONOMIC CONDITIONS)

**Competition:** B.C.'s passenger transportation industry encourages healthy competition among a variety of service providers.

**Innovation:** B.C.'s passenger transportation industry is innovative and embraces emerging technology.

**Sustainability:** B.C.'s passenger transportation industry strives to be environmentally and economically sustainable over the long term.

**Variety:** B.C.'s passenger transportation industry supports a variety of passenger transportation options and services.

## INDEPENDENT TRIBUNAL

**Administrative Fairness:** The Board upholds principles of administrative fairness and impartial decision-making as an independent tribunal and in accordance with its legislated mandate.

**Equitable Regulatory Framework:** The Board balances economic opportunities equitably across different sectors and business models.

**Evidence-based:** The Board makes objective, data-driven, and evidence-based decisions.

**Integrity:** The Board acts ethically and accountably.

**Transparency:** The Board communicates clearly what we do and how we do it.



# STRATEGIC PRIORITIES

## **REVIEW AND MODERNIZE BOARD POLICIES AND PROCEDURES**

As the Board continues to grow to fulfil its expanded role and mandate as the economic regulator of the passenger transportation industry in B.C., a key priority is to ensure that the Board's policies and procedures are reviewed and updated to reflect changing conditions, address emerging issues, and align with broader organizational and government priorities.

This is intended to be a comprehensive process and will encompass all existing documents and statements regarding Board policies and procedures and other initiatives undertaken under the Board's regulatory authority.

## **TRANSITION TO DATA-DRIVEN AND OBJECTIVE, EVIDENCE-BASED DECISION-MAKING**

A key recommendation of the Select Standing Committee on Crown Corporations in February 2018 was to require the Board to collect, analyze, and provide data to support evidence-based decision-making. To support this, the Select Standing Committee also made several recommendations regarding data submission, reporting and enforcement, including specific requirements for TNS companies to submit data that would allow the Board to review and assess the impact of TNS.

In addition, there are ongoing efforts by the government, through the Ministry of Transportation and Infrastructure, to improve and optimize the Trip Database. The Trip Database is the central repository for all trip data submitted by passenger transportation operators to the Registrar.

The Board is also continuing to enhance its data collection and analysis capacity. The Board has hired staff with expertise in economic and data analysis. Recent legislative changes to the Passenger Transportation Act in Fall 2022 have clarified the Board's authority to consider relevant records, information, and reports obtained or produced by or for the Board.

Over the next three years, the Board aims to continue to shift towards data-driven and more objective evidence-based decision-making.

## **SPECIAL COMMITTEE REVIEW**

Section 42.1 of the Act required the Legislative Assembly to establish a Special Committee. On May 11, 2023, the Special Committee to Review Passenger Directed Vehicles was appointed, and details can be found here: <https://www.leg.bc.ca/parliamentary-business/committees/42ndparliament-4thsession-pdv>.

The Special Committee is mandated to conduct a review of passenger directed vehicle services and transportation network services administered under the Act, including, without limitation, a review of the following:



- (a) whether the provision of licences under the Act that include passenger directed vehicle authorizations or transportation network services authorizations promotes:
  - (i) an adequate supply of passenger directed vehicles, including accessible passenger directed vehicles, and
  - (ii) passenger and driver safety;
- (b) the effectiveness of the test set out in section 28 and used by the Board to assess applications for licenses;
- (c) whether the Act promotes employment in the passenger directed vehicle services and transportation network services industries;
- (d) impacts on public transportation, traffic congestion and the environment attributable to the administration under this Act of passenger directed vehicle services and transportation network services;
- (e) whether the Act promotes passenger directed vehicle services, including transportation network services, in small, rural, or remote communities.

The Special Committee is required to submit a report to the Legislative Assembly respecting the results of this review within one year of its appointment.

Given the scope of the Special Committee's mandate and its focus on several areas under the Board's purview, the Board will monitor the work of the committee closely and participate as requested.

Once the report is finalized, Board staff will review and assess the potential impact of recommendations and work with partners in government and interested parties to explore opportunities for implementation.

## REVITALIZE ENGAGEMENT WITH INDUSTRY

As the economic regulator of part of the passenger transportation industry in B.C., the Board recognizes the importance of engaging in consistent and high-quality communications with interested parties.

The Board's primary focus is to build positive relationships, support exchanges of information, and share perspectives on issues of concern with interested parties, including the following:

- Passenger transportation companies and businesses
- Industry associations and other representative organizations
- Ministries and agencies across government
- Local governments
- Indigenous partners and communities
- Members of the public

Considering the Board's expanded role and mandate, as well as ongoing transformative change in the passenger transportation industry in B.C., the Board is seeking to engage with interested parties to support and promote a healthy and vibrant passenger transportation industry in the province.

In support of this, the Board is developing an engagement plan to revitalize relationship building and information sharing with interested parties across the passenger transportation industry. Over the next three years, implementing this plan will be a key priority for the Board.

## SYSTEMIC DECISIONS

Originally, the Board's work was application driven. The Board made decisions on the licensing of commercial passenger directed vehicles such as taxis, limousines, shuttle vans, and inter-city buses. The Board was also tasked with determining appeals of administrative penalties imposed by the Registrar of the Passenger Transportation Branch.

Since 2019, the Board's role has expanded, and its mandate has significantly changed. The Board is now tasked with engaging in systemic decision-making to fulfil this expanded role. The term "systemic decisions" refers to system-wide decisions that the Board may make to regulate the passenger transportation industry within the Board's jurisdiction. These systemic decisions can be applicable to the whole market or certain sector types. A "sector type" refers to different classes of licence determined by the Board, such as taxi, limousine, or ride-hailing.

The Board will rely on its authorities to make rate rules (section 7(1)(g) of the Act) or "mass update" terms and conditions of licence (section 31 of the Act) to give effect to these systemic decisions. The Board will make systemic decisions in the public interest, upholding its key values summarized above. Systemic decisions will be based on data and evidence. By continuously monitoring conditions in the industry, the Board can respond to emerging issues and support an equitable regulatory framework.

The Board can make systemic decisions regarding many aspects of the industry. Some major examples of such aspects include rates charged by licensees, fleet sizes, and operating areas. The Board is currently involved in a review of taxi and TNS rates.

## SYSTEMIC DECISIONS ON RATES

The Board's initial systemic decisions will involve changes to the way passenger transportation rates are structured in B.C. Prices are a key method for regulating the industry. The Board will consider enacting rates rules under section 7(1)(g) of the Act that balance the following key values:

- The Board seeks to set rates that will be affordable to as many consumers as possible.
- The Board's rates should maximize service quality and preserve public safety.
- The Board seeks to set rates that will be sustainable for passenger transportation sectors and motivate sufficient supply to meet public need.
- The Board's rates rules should provide the flexibility necessary for the industry to embrace innovation and competition.
- The Board's rules will form part of an equitable regulatory framework in which passenger transportation sectors can thrive and meet demand, considering different business models.

# GOALS

The next several years will involve important work to support the Board to fully realize its expanded mandate and pursue its key values for the passenger transportation industry.

## **DEVELOPING ECONOMIC EXPERTISE**

The Board is expected to be a more objective, evidence-based decision-maker. Its decisions must be supported by evidence from applicants and submitters as before. However, as an economic regulator, it must also rely on data it has collected and internal economic expertise.

The Board will ultimately inform its decisions with data licensees have submitted to the Trip Database; however, the Board may collect data from other sources. The Board's economist will compile and analyze data to inform the Board's ongoing monitoring and systemic decision-making.

Economic modelling will be undertaken of public need and sound economic conditions factors to understand the market throughout B.C. and regions. Over the next three years, after the modelling is completed, the Board intends to enact a process to insert an economics report into the application process, where appropriate. The economics report would be in addition to information and evidence provided by applicants and submitters. This would fulfill the Board's obligation to make

more objective, evidence-based decisions on applications, but it would also allow the Board to take a proactive and coordinated approach to the passenger transportation market.

## **ENSURING LICENSEES ARE FIT AND PROPER, CAPABLE OF PROVIDING THEIR SERVICES**

Section 28(1) of the Act provides criteria for the Board to consider regarding applications:

- Whether the applicant is a fit and proper person to provide the service the applicant is proposing to provide under the special



authorization and is capable of providing the service.

- If the Board considers the applicant is a fit and proper person to provide the service and is capable of providing the service, whether there is a public need for the service, and whether the application, if granted, would promote sound economic conditions in the passenger transportation industry in B.C..

The Board has introduced public need and sound economic conditions policies, with guidance to help applicants demonstrate how their services meet these criteria in the Act. Next, the Board will determine how best to interpret “a fit and proper person” and “capable of providing the service” and produce related policies.

This goal will also involve policies and procedures related to the Board’s handling of licence and share transfers, approaches to licensees with a variety of corporate structures, and conducting fitness reviews. This information will be published on the Board’s website.

## **SUPPORTING ENVIRONMENTAL SUSTAINABILITY**

Climate change is a significant priority for the government of British Columbia. The scale of the climate emergency demands urgent action.

The Board is reviewing its policies and procedures to support this priority through

the regulation of the passenger transportation industry. The Board will also monitor the industry’s impacts on greenhouse gas emissions and congestion to inform its policies and systemic decisions. The Board prioritizes the passenger transportation industry’s sustainability both from a financial and environmental perspective.

## **PROMOTING SERVICE IN LOW-DENSITY REGIONS**

The needs and conditions of the passenger transportation industry vary based on the population density in the different regions of B.C. Regions with less population density (including rural and remote locations) can experience difficulties with service quality, adequate supply, and variety of transportation options.

The Board will work with the Registrar to promote the collection of complete data, particularly in low density regions, so that the Board can highlight those areas which have inadequate or no passenger transportation service.

The Board intends to study the challenges facing each low-density region to inform decision-making. The Board will review and revise its policies and approaches to reduce passenger transportation barriers experienced by low-density regions. The Board may also make systemic decisions to address these issues, if necessary.



## PROTECTING PUBLIC SAFETY

The Board has a role to play in promoting public safety, especially regarding the safety of passengers and drivers. The Board will review its policies and procedures, engage with industry and other organizations with a public safety mandate, and ensure its policies and procedures address public safety concerns within the Board's jurisdiction.

This goal includes considering potential changes to the Board's Taxi Camera program and reviewing the Taxi Bill of Rights program.







# Passenger Transportation Board

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