

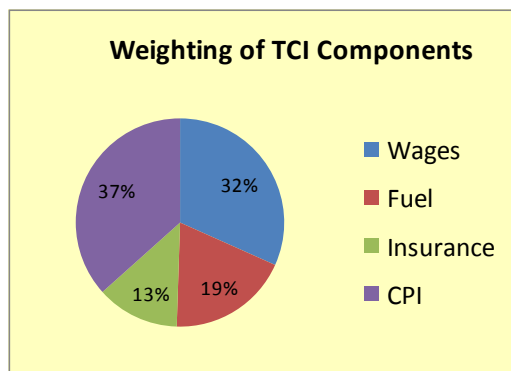
May 6, 2009

# Industry Advisory

## Taxi Cost Index 2009-B

The Board has approved a Taxi Cost Index (TCI) increase for implementation as early as **June 20, 2009**. TCI 2009-B allows taxicab operators to request a permanent rate increase of up to 4.66%.

TCI is a tool that the Board uses to assess rate increases based on objective measures of taxi operating costs. Each component has a separate weighting, as indicated in the chart below.



**Note:** CPI, or the Consumer Price Index for BC is adjusted to 80% of the 37% to encourage business efficiencies and reduce duplication of fuel and other costs.

- For the 2008 period, fuel costs increased 13%, wages increased 4%, the Consumer Price Index (for British Columbia) was up by 2%, and insurance costs across the industry increased by almost 4%.
- Based on the 2008 data, the maximum increase available under TCI 2009-B would be 5.00%. This maximum has been reduced by 0.34% to reflect net rate changes that were previously too small to require a taxi meter change.
- Based on 2007 data, the last TCI increase was 3.16% and implemented January 1, 2009.

The following deadlines apply to requests for a TCI 2009-B rate increase of up to 4.66%:

- **June 5, 2009:** For rate changes to take effect on **June 20, 2009**
- **July 31, 2009:** Final deadline for requesting a TCI 2009-B increase

The following TCI 2009-B documents are available from the PT Board office in Victoria and posted on the Board rate: <http://www.th.gov.bc.ca/ptb/rates.htm>.

- TCI Request Form
- Board Rule for TCI 2009-B
- Board Rule for Taxi Rate Increases That Exceed TCI

The next review of the taxi cost data will take place in Spring 2010 when the data for 2009 is complete and available to the Board. TCI rate changes are considered by the Board each Spring, barring unforeseen circumstances.