Passenger Transportation Board
MOVING FORWARD, TOGETHER

Taxi applications for licensee-specific metered rates

Context

The Board's structure for metered taxi rates includes five regional rate bands and standardized rates in specific originating areas. The Board recognizes that circumstances may exist that could warrant the need for unique rates different than those outlined in a licensee's applicable rates rule. In these cases, licensees continue to have the opportunity to submit an application to the Board requesting unique, licensee-specific metered rates.

Rates set out in rates rules have been calculated using all trip data, business information, and other evidence available to the Board. Extensive efforts were made by the Board to gather accurate cost data directly from licensees and integrate this into their development of rate rules. Data categories considered by the Board included:

- Operational costs by region, including but not limited to:
    - Driver wages
    - Fuel
    - Insurance
    - Vehicle maintenance

- Licensee-reported revenues and expenses
- Trip volumes
- Trip distances
- Current and historical taxi fares

The Board continues to monitor relevant and available data on an ongoing basis, and the rate rules will be adjusted when needed. As the above data has been considered, licensees wishing to charge unique rates should demonstrate compelling reasons why their situation is unique and their data is different than that of other licensees in their region and, therefore, should be considered separately.

Applicability

This policy applies to all applications requesting approval for metered taxi rates that are inconsistent with the rates set in the rates rules applicable to the licensee.

Policy

Evidence

When making an application for taxi licensee-specific metered rates that are different than those established in the applicable rate rule, the onus is on the applicant to provide compelling, written evidence in support of their request. The applicant is also responsible for clearly detailing the unique circumstances that distinguish their situation from that of other taxi licensees in their region in a written submission.

It is not sufficient for the applicant to point to business inefficiencies as a rationale for higher rates. If this is the situation, applicants should provide evidence of efforts taken to resolve business issues that may prevent sustainable operations within the applicable rate rule.

The applicant is expected to provide specific evidence that not only speaks to the data categories already considered by the Board when establishing the rate rule, but also any unique and relevant evidence the applicant is referring to in support of their application. Existing licensees should provide a minimum of three years of income statements showing income/revenue and expenses/costs for their business to support the application. If income statements are not available, applicants should submit a cost data form.

It is not sufficient for the applicant to simply argue that they do not like the rates – they must provide compelling evidence. Sector-wide changes to operational costs, including wages and fuel, are already accounted for in the taxi cost index and would not be considered new or compelling evidence to support an application for unique rates.

Applicants should demonstrate that their proposed taxi licensee-specific metered rates are both just and uniform.

Considerations

When determining an application for licensee-specific metered rates, the Board may also consider the following factors or questions:

1. Has the applicant provided objective and verifiable evidence to support the requested rate(s)? Is this evidence relevant to the calculation of unique rates?
2. Is the evidence or information provided by the applicant new and was not available at the time the rate rules were set?
3. Has the applicant established special circumstances in support of their application that are different than other licensees in their region, such as operational costs that are unique to only the applicant's business?
4. Has the applicant taken steps to mitigate their unique circumstances or address any business issues that would prevent them from operating within the established regional rate band?

5. Could the requested unique rate, if approved, negatively impact the sustainability of the taxi sector in the applicant's area or region?

6. Would the granting of the applicant's proposed licensee-specific metered rates benefit the public?

Legislation

35 (1) Subject to subsection (3) and section 32, a licensee whose licence includes a passenger directed vehicle authorization or transportation network services authorization must apply to the registrar if the licensee wishes

(a) to change the rates that apply to a service that is or may be offered by the licensee under that licence, or

(b) to change any rules, practices or tariffs applicable to those rates.

(2) If the registrar receives an application under subsection (1), the registrar must forward that application to the board.

(3) After receiving an application under subsection (1), the board must publish notice of the application in a manner that, in the opinion of the board, is reasonably sufficient to bring to the attention of the public the fact and nature of the application.

(4) Section 27 applies to an application under subsection (1).

(5) If the board approves, in whole or in part, an application forwarded to it under subsection (2), the board must notify the registrar and the applicant of the approval and of the changes that the board has accepted in relation to rates and any related rules, practices or tariffs.

(6) If the board refuses to approve an application forwarded to it under subsection (1), the board must notify the registrar and the applicant of that refusal.

Related topics:

- Rule 3 - Rate bands
- Rule 4 - Standardized rates
- Passenger transportation region policy
- Taxi cost index