## The Vehicles for Hire Amendment Bylaw, 2020 (No. 2)

## ISSUE

This report submits Bylaw No. 9722, The Vehicles for Hire Amendment Bylaw, 2020 (No. 2) (the "Bylaw") for City Council's consideration. The Bylaw implements City Council's decision to increase taxi fares to align with the costs of operating a taxi.

## RECOMMENDATION

That City Council consider Bylaw No. 9722, The Vehicles for Hire Amendment Bylaw, 2020 (No. 2).

## BACKGROUND

At its August 31, 2020 Regular Business Meeting, City Council considered a report of the General Manager, Community Services dated August 10, 2020 and resolved:

That the City Solicitor be requested to prepare bylaw amendments, effective October 5, 2020, to:

1. Retain the taxi meter minimum fare of $\$ 3.75$, decreasing the distance to the first 125 metres;
2. Increase the distance rate to $\$ 0.27$ for each additional 125 metres or portion thereof; and
3. Retain the hourly fare rate of $\$ 40.00$ per hour up to 16 kilometres, and increase the fare to $\$ 2.16$ for each additional kilometre in excess of 16.

## DISCUSSION/ANALYSIS

In anticipation of the Bylaw being passed by City Council, taxi brokerages began preparing to implement the rate increase. The taxi brokerages discovered that the rate increase as structured in their original proposal would create operational challenges and incompatibilities with their existing business practices.

The existing distance rate is $\$ 0.25$, which results in total fares in increments of $\$ 0.25$ and avoids drivers needing to carry nickels and dimes to make change.

The three taxi brokerages are requesting that the fare increase be restructured from their original proposal to only amend the minimum fare distance and distance amount from 130 metres to 117 metres. The distance rate will remain at $\$ 0.25$. This will result in the total fare for a 5 km taxi trip increasing to $\$ 14.25$ from $\$ 13.25$ ( $7.5 \%$ increase); the original proposal would have resulted in a total fare of $\$ 14.28$ ( $7.8 \%$ increase).

| Date Implemented | Drop Rate |  | Distance Rate |  | Total Fare <br> for 5km <br> Trip |
| :--- | :--- | :--- | :--- | :--- | :--- |
|  | Rate | Metres | Rate | Metres | Th |
| August 2016 - <br> Existing | $\$ 3.75$ | 130 | $\$ 0.25$ | 130 | $\$ 13.25$ |
| October 2020 - <br> Original Proposal | $\$ 3.75$ | 125 | $\$ 0.27$ | 125 | $\$ 14.28$ |
| October 2020 - <br> Revised Proposal <br> (Recommended) | $\$ 3.75$ | 117 | $\$ 0.25$ | 117 | $\$ 14.25$ |

In order to remain proportional to the distance rate increase, the hourly rate increase has been reduced in the Bylaw from $\$ 2.16$ to $\$ 2.14$.

Administration recommends that City Council adopt the Bylaw as presented with the changes requested by the taxi brokerages. The changes result in a lower overall fare for passengers at the request of the industry.

In accordance with City Council's instruction, and revised as requested by the taxi brokerages and recommended by Administration, we are pleased to submit Bylaw No. 9722, The Vehicles for Hire Amendment Bylaw, 2020 (No. 2) for City Council's consideration.

## APPENDIX

1. Proposed Bylaw No. 9722, The Vehicles for Hire Amendment Bylaw, 2020 (No. 2).

Report Approval
Written by:
Approved by: Cindy Yelland, City Solicitor
Lynne Lacroix, General Manager, Community Services Department

Admin Report - The Vehicles for Hire Amendment Bylaw, 2020 (No. 2)
File No. 233.0206

