# Inclusion of Airport Commercial Curb Fee in Taxi Fares

## ISSUE

The Saskatoon Airport Authority charges a commercial curb fee to taxis accessing John G. Diefenbaker International Airport. Taxi fares are regulated in Bylaw No. 9651, Vehicles for Hire Bylaw, 2019, and all charges incurred by the taxi passenger must be included in this bylaw; however, the Saskatoon Airport Authority Commercial Curb Fee is not currently included and therefore not permitted to be added to a metered taxi fare, resulting in taxi drivers incurring the cost of the fee. Should Bylaw No. 9651, Vehicles for Hire Bylaw, 2019, be amended to allow for the addition of the Saskatoon Airport Authority Commercial Curb Fee to a metered taxi fare?

## RECOMMENDATION

That the Standing Policy Committee on Transportation recommend to City Council that the City Solicitor be requested to prepare an amendment to Bylaw No. 9651, Vehicles for Hire Bylaw, 2019, to permit the Saskatoon Airport Authority Commercial Curb Fee to be added to the taxi fare, as outlined in this report.

# BACKGROUND

The Standing Policy Committee on Transportation, at its meeting on November 7, 2022, received a report from Administration regarding potential temporary mechanisms to address fluctuations in fuel cost. Research found limited examples of temporary increases and confirmed that Saskatoon's current fares were comparable to recent permanent fare increases, adopted by most municipalities, to address this issue. Administration further advised of a proposal, from the Saskatoon Airport Authority and taxi brokerages, for consideration of bylaw amendments to allow for the addition of the Saskatoon Airport Authority Commercial Curb Fee (Commercial Curb Fee) to the taxi fare, and further reporting would be prepared for Committee as an additional means to address high operating costs for taxis.

# **DISCUSSION/ANALYSIS**

Bylaw No. 9651, Vehicle for Hire Bylaw, 2019 (Vehicle for Hire Bylaw), permits two types of taxi fare and rate structures. The first is a metered taxi fare, which is determined by using a taximeter to measure distance and time to calculate a fare in line with the bylaw's fare schedule. Only charges included in the bylaw's fare schedule may be added to a metered taxi fare. The second type is a flat rate, which is established through a contract between a taxi brokerage and another business or entity. Rather than determining a fare using a taximeter to measure actual distance and time, the fare is a fixed amount.

In 2019, Saskatoon Airport Authority introduced a dedicated commercial curb for taxis to assist in transportation of passengers on airport grounds. The Commercial Curb Fee was established to assist in funding development, maintenance and enforcement of this curb.

The fee is set by Saskatoon Airport Authority through a contract with taxi brokerages and is currently \$2 per-trip, either to or from the airport. This is a common practice for many airports in Canada and internationally.

In 2019, Saskatoon Airport Authority and taxi brokerages also entered into a flat rate contract to allow for a flat rate fare for taxi trips to and from John G. Diefenbaker International Airport. The contract divided Saskatoon into several zones and determined the flat rate fare based on proximity to the airport. The Commercial Curb Fee of \$2 per-trip is accounted for within the flat rate fare, though not within the metered taxi fare.

Administration is recommending the Vehicle for Hire Bylaw be amended to have the Commercial Curb Fee added to the taxi fare. This amendment will ensure taxi drivers are no longer responsible for incurring the additional charge on metered taxi fares, either to or from John G. Diefenbaker International Airport, and instead will be paid by passengers through an additional fee to the taxi fare. This approach will help reduce the operating cost of providing airport-related taxi service and is consistent with how other additional costs, such as debit card transaction fees, are currently addressed. The proposed amendment also helps ensure consistent treatment of the Commercial Curb Fee between both metered taxi fare and flat rate fare options. The Commercial Curb Fee amount will continue to be set through a contract between the Saskatoon Airport Authority and taxi brokerages and will not be reflected in the Vehicle for Hire Bylaw.

The Saskatoon Airport Authority, taxi brokerages and the United Steelworkers Union have been engaged throughout the review process and have advised of their support for the proposal to amend the Vehicles for Hire Bylaw to add the Commercial Curb Fee to the fare of metered taxi trips.

#### Municipal Scan

Administration conducted a municipal scan and found it was common practice for airport-related fees to be added to the taxi fare. Fees are charged by airports in Calgary, Kelowna, Regina and Winnipeg. Bylaws in those municipalities permit the fees to be added to the taxi fare. The fee amount is not established in bylaw and is set through a contract between the airport and taxi brokerages. Airports in Edmonton and Victoria do not charge an airport fee related to taxis.

### **OTHER IMPLICATIONS**

There are no financial, privacy, legal, social or environmental impacts identified.

### **NEXT STEPS**

If City Council resolves to adopt amendments to the Vehicles for Hire Bylaw, Administration will collaborate with Saskatoon Airport Authority and taxi brokerages and communicate fare schedule changes to Saskatoon residents and travelers to Saskatoon.

#### **REPORT APPROVAL**

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SP/2023/CS/Transportation/Inclusion of Airport Commercial Curb Fee in Taxi Fares/cm