

**THE CORPORATION OF THE TOWN OF GEORGINA**

**REPORT NO. LS-2022-0014**

**FOR THE CONSIDERATION OF  
COUNCIL**

August 10, 2022

**SUBJECT: REQUEST FOR TAXICAB TARIFF (METER RATE) ADJUSTMENT**

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**1. RECOMMENDATION:**

- 1. That Council receive Report No. LS-2022-0014 prepared by the Clerks Division, Legislative Services Department, dated August 10, 2022 regarding Request for Taxicab Tariff Adjustment;**
- 2. That Council approve the proposed increase in the Taxicab Metered Tariff fee to \$3.50 for the first 135 metres or part thereof and \$0.27 for each additional 135 metres or part thereof; and,**
- 3. That Council approve the proposed By-law to amend Taxicab Tariff, included as Attachment 4 to Report No. LS-2022-0014, to recognize the proposed increase in the Taxicab Metered Tariff fee.**

**2. PURPOSE:**

The purpose of this report is to present Council with the request received from the Taxi Brokers (GQ Taxi and Georgina Cabs Inc.) operating within the Town for an increase in the taxicab tariff fees and to provide Council with staff recommendations and analysis pertaining to the request received.

**3. BACKGROUND:**

In March 2022, the Town was contacted by GQ Taxi and Georgina Cabs, who are licensed taxi brokers within the Town, requesting an increase in the taxicabs tariff fees to adjust for inflation and increased operational costs.

GQ Taxi requested a temporary meter increase to compensate during unstable times of higher oil prices due to situations in Russia and Ukraine driving higher inflation.

Georgina Cabs requested the following changes to the meter rate:

- For the first 100 metres or part thereof \$4.50
- For each additional 100 metres or part thereof \$0.275
- Waiting time per hour \$50.00

Correspondence received from both taxi brokers in regards to their request for an increase in taxi tariff fees have been attached as Attachment '1' to this report. In addition to the request for an increase in taxi tariff fees, the brokers, in their submissions, have also raised concerns related to vehicle age expiration years, allowing for deliveries of alcoholic beverages from licensed establishments, implementation of regulation for ride-hailing services etc. However, through this report, it is proposed that Council consider the request from the taxi brokers only in relation to the taxi fare increase until staff can conduct a fulsome review and consultation on regulation in relation to taxicab licensing. Staff intend to conduct a fulsome review of the taxi licensing by-law in the near future.

#### **4. ANALYSIS:**

##### **4.1 Municipal Taxi Regulations:**

Section 156 of the *Municipal Act, 2001, SO 2001, c.25*, provides that “a local municipality, in a by-law under section 151 (*Licensing Powers*) with respect to the owners and drivers of taxicabs, may,

(a) establish the rates or fares to be charged for the conveyance of property or passengers either wholly within the municipality or from any point in the municipality to any point outside the municipality;

(b) provide for the collection of the rates or fares charged for the conveyance; and  
(c) limit the number of taxicabs or any class of them. 2006, c. 32, Sched. A, s. 82.”

The Town currently regulates taxi fares and sets regulations relating to taxi brokers, owners and drivers of taxicabs and limousines operating within the Town in accordance with Schedule 13 of Licensing By-law 2002-0169(LI-3). A copy of Schedule 13 of Licensing By-law 2002-0169(LI-3) is included as Attachment '2'. This model of regulated taxi fares is in place to support consumer protection while also providing for a stable service model for taxi owners.

In 2011, taking into consideration the inclusion of Harmonized Sales Tax in taxi fares, Council directed staff to amend Appendix 'C' to Bylaw No. 2002-0169(LI-3), which sets the taxicab Metered Tariff fees, and increased the regulated taxi drop rate from \$2.50 for the first 140 metres or part thereof to \$3.00 for the first 135 metres or part thereof. The resultant taxicab fares continued to be in place in subsequent years and remain in place in 2022, eleven years later. A copy of By-law No. 2011-0020(LI-3) to amend Appendix 'C' to By-law No. 2002-0169 (LI-3) is included as attachment '3'.

##### **4.2 Existing Taxicab Tariff Fees:**

The last amendment of Appendix 'C' to the By-Law No. 2002-0169 (LI-3) was implemented on February 28, 2011.

The fare for a taxicab trip generally consists of three calculations, the initial rate for beginning the trip, known as the "drop rate", a charge for the distance of the trip and a charge for any waiting time while under engagement.

Currently, Schedule 13, Appendix C, Taxicab Tariff contains the following rates:

Drop Rate	For the first 135 metres, or part thereof	\$3.00
Distance Charge	For each additional 135 metres, or part thereof	\$0.25
Waiting Charge	For each hour thereof	\$25.00

**Note: All fees include taxes where applicable**

#### 4.3 Municipal Comparison:

Upon receipt of this request, Staff conducted a comparison with other municipalities within York Region. We were unable to conduct a comparison with the Township of King, Town of Whitchurch-Stouffville, Town of Newmarket, City of Vaughan and City of Markham, as these municipalities more recently have either stopped licensing this type of business or have stopped setting taxicab tariffs.

Following is a comparison table with drop rates and fees for distance travelled for municipalities within York Region which do regulate taxicab tariffs:

Municipality	Drop Rate	Fee per Distance	Wait Time Charge per hour	Charge for 5km Trip	Charge for 10km Trip
Town of East Gwillimbury	\$2.75	\$0.30 per 200 metres, or part thereof	\$20.00	\$9.95	\$17.45
Town of Aurora	\$3.10	\$0.40 per 200 metres, or part thereof	\$20.00	\$12.70	\$22.70
City of Richmond Hill	\$4.25	0.25 per 143 metres or part thereof	\$30.00	\$12.74	\$21.48
Town of Georgina <b>(Current)</b>	\$3.00	\$0.25 per 135 metres or part thereof	\$25.00	\$12.01	\$21.27
Town of Georgina <b>(Proposed)</b>	\$3.50	\$0.27 per 135 metres or part thereof	\$25.00	\$13.23	\$23.23

Following is a comparison table of drop rates and fees for distance travelled for other municipalities outside of York Region:

<b>Municipality</b>	<b>Drop Rate</b>	<b>Fee Per Distance</b>	<b>Wait Time Charge</b>	<b>Charge for 5km Trip</b>	<b>Charge for 10km Trip</b>
City of Toronto	\$4.25	\$0.25 for each 143 metres or part thereof	\$0.25 for each 29 seconds	\$12.74	\$21.48
Bradford West Gwillimbury	\$3.54	\$0.26 for each 200 metres or part thereof	\$20 per hour	\$9.78	\$16.28
City of Barrie	\$3.25	\$0.25 for each 100 metres or part thereof	\$30 per hour	\$15.50	\$28.00
City of Guelph	\$3.20	\$2.60 for each 1000 metres or part thereof	\$34 per hour	\$16.20	\$29.20
City of Kingston	\$4.25	\$0.30 per 135 metres or part thereof	\$0.30 for each 25 seconds	\$13.76	\$23.02
City of Ottawa	\$3.80 for the first 150 metres	\$0.18 for each additional 86 metres	\$0.18 for each 24 seconds	\$13.95	\$24.42

During the analysis staff also obtained references from other surrounding municipalities in Ontario to understand the nature of recent changes to taxi fares resulting from the current high-inflation environment. The study revealed that many municipalities have received similar requests from the Taxi industry, and are in some ways working towards providing possible resolutions to the increased cost of operations.

#### 4.4 Rationale for Recommendations:

Staff have taken into consideration the market comparison with municipalities in Ontario, operational cost and inflation in recommending an increase in the 'Drop Rate' from \$3.00 for the first 135 metres or part thereof to \$3.50 for the first 135 metres or part thereof and an increase in the distance charge from \$0.25 to \$0.27 for each additional 135 metres or part thereof. Staff do not recommend any change in the waiting charges at this time.

Taxicab tariffs are generally derived from the cost of operating a taxicab and as the regulator of taxicabs tariffs, the Town must respond to the changing market to determine appropriate rates that reflect changes in operating costs. However, the cost of fares can also impact the broader community, namely those who rely on taxicabs

as an important mode of transportation. Staff also acknowledge that fare reviews should include a consultation process for taxi owners, drivers and customers. However, taking into consideration the current state of the market and increased operating cost factors, particularly inflation and the sudden and rapid increase in fuel prices over the last few months, immediate action is warranted.

Although the request from the Taxi Brokers is higher than the rate staff are recommending, the impact that the level of increases will have on the residents who would avail themselves of taxi services also needs to be considered. The recommended limited increase would also assist with competitive pricing with ride-share companies.

With previous knowledge of working with the taxi industry, staff are aware the majority of business involves short distance trips and therefore an increase in the initial drop rate should cover the increased operational cost. Adjusting meter rates to reflect changes in cost conditions would help stabilize driver incomes which, in turn, would influence the quality of driver retained by the industry and the resultant quality of service to the passenger.

Staff propose that a new initial drop rate of \$3.50 for the first 135 metres or part thereof and \$0.27 for each additional 135 metres or part thereof be approved as recommended by staff, and that the By-law be amended to reflect these changes. A draft copy of the proposed By-law to amend By-law No. 2002-0169 (LI-3) is included as Attachment 4.

Based on the recommendations, the proposed new meter Tariffs will be as noted below:

(a) By distance:

- For the first 135 metres or part thereof \$3.50
- For each additional 135 metres or part thereof \$0.27

(b) Waiting Time:

- For each hour thereof \$25.00

**5. RELATIONSHIP TO STRATEGIC PLAN:**

This Report addresses the following Town of Georgina corporate strategic goal:

**Promote a high quality of life**

**6. FINANCIAL AND BUDGETARY IMPACT:**

There are no financial or budgetary impacts on the Town stemming from this report.

**7. PUBLIC CONSULTATION AND NOTICE REQUIREMENTS:**

There is no statutory public consultation required with respect to the Licensing By-law. However, staff have provided 2 weeks of public notice in regards to the proposed amendment to the Licensing By-law in advance of the scheduled Council meeting on August 10<sup>th</sup>.

**8. CONCLUSION:**

In consideration of the above, staff have put forth the recommendations contained in Section 1 of this report, requesting Council support for the proposed increase in the taxicab tariff fees.

**APPROVALS**

Prepared By: Mamata Baykar  
Deputy Clerk

Reviewed By: Rachel Dillabough  
Town Clerk

Recommended By: Michael Bigioni  
Director of Legislative Services

Approved By: Ryan Cronsberry  
Chief Administrative Officer

***Attachments:***

*Attachment 1 – Correspondence received from Taxi Brokers*  
*Attachment 2 – Copy of Schedule 13 of the Licensing By-law 2002-0169(LI-3)*  
*Attachment 3 – Copy of a By-law No. 2011-0020(LI-3) to amend Appendix 'C' to By-law No. 2002-0169 (LI-3)*  
*Attachment 4 – Proposed Draft By-law to amend By-law No. 2002-0169 (LI-3)*