Passenger Transportation Board
MOVING FORWARD, TOGETHER

Updated Materials for Public Need and Sound Economic Conditions

July 26, 2023

The Passenger Transportation Board has updated policies and guidelines on Public Need and Sound Economic Conditions criteria. These materials include a Public Need policy, Sound Economic Conditions policy, and guidelines called Demonstrating Public Need and Sound Economic Conditions.

Section 28 (1) of the *Passenger Transportation Act* (Act) sets out the criteria the Board must consider on an application. The first criteria (Fit, Proper and Capable) are a threshold test. The Board must first consider that an applicant is a fit and proper person and capable of providing a service before it can continue on to other criteria. If the applicant passes the threshold test, the Board will then consider whether there is a Public Need for the service and whether the application, if granted, would promote Sound Economic Conditions in the passenger transportation industry in B.C. The Public Need and Sound Economic Conditions criteria are also part of section 28(1) of the Act.

Major changes are described as follows. These new documents replace the information formerly contained in Reference Sheet #20.

Public Need

The Board considers whether there is demand for the proposed service. Secondly, the Board considers Public Need in terms of the ways passenger transportation benefits the public, including (but not limited to) the following factors: accessibility, affordability, safety, and service quality. To find out more about these factors, please review the Board's new Public Need policy.

Sound Economic Conditions

The Board considers Sound Economic Conditions in terms of the overall passenger transportation business, rather than the interests of individual applicants, submitters, or businesses, including (but not limited to) the following factors: competition, innovation, sustainability, and variety. To find out more about these factors, please review the Board's new Sound Economic Conditions policy.

New Guidance for Applicants on Demonstrating Public Need and Sound Economic Conditions

It is important to ensure an application for a new or amended licence has the information the Board needs for its decision. This new guidance will help applicants create the best application they can for their proposed services. While the Board will make the ultimate decision on whether to approve an application, applicants should provide the best possible indicators and justification for their service.

Similarly, the new policies and guidance will help those submitting to the Board regarding an application.