

Taxi Cost Index: Supporting fair and sustainable rates

What is TCI?

The [Taxi Cost Index \(TCI\)](#) is an objective, data-driven tool used by the Passenger Transportation Board to identify and implement annual rate adjustments for taxis across British Columbia.

The TCI reflects ongoing changes in the cost of operating a taxi in B.C., including factors such as fuel, insurance, and driver wages. By monitoring these costs over time, the TCI helps to establish taxi rates that are fair for passengers while supporting the economic sustainability of the industry.

Evolution of the TCI

The TCI is a core component of the Board rates policy project initiated in 2022. This project was designed to modernize the rates framework for taxis and TNS (Transportation Network Services), as well as the [Taxi and Limousine Cost Index \(TLCI\)](#).

- Following a comprehensive review of the TLCI, staff recommended transitioning to a new custom TCI model.
- The Board commissioned Hara & Associates to develop a model that accurately reflects real costs and market dynamics in B.C.
- Developed with the direct input of industry representatives, this custom model was finalized in 2024. ([Read the full report here\(1 MB\)](#))

Advantages of the new TCI

The new TCI has three key elements that make it more precise and responsive than previous models:

- Direct link to B.C. taxi operating costs

The index is directly tied to the essential costs required to operate a taxi, such as driver wages, fuel, insurance, and vehicle-related expenses.

- Region-specific profiles

Operating costs vary significantly across the province. The TCI uses a distinct cost profile for each [Passenger Transportation Region](#) so rate adjustments more accurately reflect the relative expenses unique to each area of the province.

- Mandatory annual updates

Unlike the previous voluntary TLCI process, the TCI is a mandatory annual update. The Board monitors and calculates the index on an ongoing basis to ensure rates consistently reflect current inflationary and operational pressures.

When and how the TCI is applied

Starting in January 2026, the Board has transitioned to [Rate Bands and Standardized Rates](#). The application of the TCI depends on the current rate structure of your specific region:

- For regions where [rate bands](#) and [standardized rates](#) have been implemented, the TCI adjustment will automatically be applied to the new rates.
- In regions where rates bands and standardized rates have not yet been implemented, the existing [TLCI rules](#) remain in effect until the new rates structure is implemented.

Annual update timelines

As per the [Rates Rule](#), all rate bands and standardized rates are subject to a mandatory annual update based on TCI.

The annual TCI update is based on data from the previous calendar year finishing on December 31. Due to a typical two-month data release lag from Statistics Canada and BC Stats, licensees and the public can generally expect the announcement of annual taxi rate adjustments in March each year.

Related topics:

- [Rates rules](#)
- [Metered taxi rate structure in B.C.](#)
- [Taxi rates](#)