



Passenger
TRANSPORTATION BOARD

ANNUAL
REPORT
2017/18



December 20, 2019

Honourable Claire Trevena
Minister of Transportation & Infrastructure
Parliament Buildings
Victoria, British Columbia
V8V 1X4

Dear Minister Trevena:

I am pleased to present the thirteenth Annual Report from the Passenger Transportation Board. The Report was prepared using the guidelines in the Memorandum of Understanding between the Passenger Transportation Board and the Ministry of Transportation and Infrastructure. The Report covers the period from April 1, 2017 to March 31, 2018.

Yours sincerely,



Catharine Read
Chair
Passenger Transportation Board

Contents

Message from the Chair	2
Overview	3
Key Milestones of 2017/18	5
Applications and Performance Measures	9
Post Decisions	11
Appeals	12
PT Board Members, Staff & Budget	13
Appendices	16





MESSAGE FROM THE CHAIR

I am pleased to present the thirteenth Annual Report of the Passenger Transportation (PT) Board for the year ended on March 31, 2018. I was appointed Chair of the PT Board on October 1, 2017.

The PT Board is an independent tribunal established under the *Passenger Transportation Act*. PT Board functions include: (a) making decisions on applications for taxis, limousines, small shuttle vans, and inter-city buses; and (b) hearing appeals on administrative penalties imposed by the Registrar of Passenger Transportation. The majority of the PT Board's work involves making decisions on applications.



Overview

The Passenger Transportation (PT) Board is an independent tribunal established under the *Passenger Transportation Act*. The Board has two functions:

- (a) making decisions on applications for taxis, limousines, small vans, perimeter seating buses and inter-city buses; and
- (b) hearing appeals on administrative penalties imposed by the Registrar of Passenger Transportation.

Of these two functions, most of the PT Board's work involves making decisions on applications.

Appendix 1 outlines the PT Board's regulatory framework.

As an administrative tribunal, the PT Board must ensure that its decisions are fair, consistent and transparent. To achieve this, the Board develops policies and procedures to guide its application and decision-making processes. The Board maintains a comprehensive website to provide information to the applicants, licensees and the general public. Information on the website includes: *Rules of Practice and Procedure and Operational Policies*; application guides and reference sheets; rate information; and the *Weekly Bulletin*, where application summaries and final decisions are published.

The PT Board has a three year Strategic Plan to guide its policy development, operational projects and governance work. All members and staff contribute to the plan and strive to accomplish the yearly performance measures.

In carrying out its responsibilities, the PT Board continually seeks innovative ways to respond to change, increase efficiency, and streamline its processes. At Board meetings, members regularly discuss policies and emerging issues in the commercial passenger transportation industry. The Board often seeks stakeholder perspectives on new initiatives and

PT BOARD MISSION

The mission of the Passenger Transportation Board is to make decisions pertaining to the commercial passenger transportation industry in a way that

- enables people throughout the province to access diverse, stable and competitive commercial passenger transportation, and
- promotes consistency and fairness in application decisions and enforcement measures.

The PT Board will make its decisions in a timely, fair, consistent and open fashion, and will provide responsive and accurate information to applicants, licensees, submitters, agents, government representatives and members of the public.



policies. Stakeholders include industry associations, licensees, local governments and First Nation councils, persons with disabilities, seniors and the travelling public.

The skills, expertise and knowledge of members and staff are keys to the PT Board's success. Members are appointed by the Lieutenant Governor in Council (Cabinet), after a merit based process. Board staff are part of the public service of British Columbia and hired through a competition process.

PT Board members come from diverse backgrounds in business, commerce and government. Members are commonly active in their communities, serving on various agencies or boards. Members and staff are committed to fostering a culture of professionalism, administrative fairness and good governance. All stay informed about emerging passenger transportation trends and policies. Members and staff undergo performance evaluations regularly and attend workshops, conferences or other professional development activities.

PT BOARD VALUES

- INTEGRITY
 - ethical, professional and honest conduct
- FAIRNESS
 - just treatment and impartial decision-making
- RESPECT
 - treat all persons with courtesy and dignity
- ACCOUNTABILITY
 - transparency in processes, policies and conduct
- RESPONSIVENESS
 - timely, effective actions and communications



Key Milestones of 2017/18

WHEELCHAIR ACCESSIBLE TRANSPORTATION BY TAXI AND INTER-CITY BUS IN BRITISH COLUMBIA: UPDATE 2017

In January 2012, the PT Board published a report, *Wheelchair Accessible Transportation by Taxi and Inter-city Bus in British Columbia*. In developing this report, the Board's goals were to:

1. improve the Board's understanding of the transportation needs of people with mobility challenges;
2. improve the Board's understanding of vehicles, services and strategies for meeting those needs; and
3. assess marketplace opportunities, as well as the challenges.

The PT Board added a five year review to its accessibility report to acknowledge accomplishments of the past five years, identify areas for improvement and update information in the original report. *Wheelchair Accessible Transportation by Taxi and Inter-city Bus in British Columbia: Update 2017* highlights the following accomplishments:

- A 51% increase in the approved supply of wheelchair accessible taxis in the Province;
- Improved driver training among taxi companies in Metro Vancouver; and

- Availability of taxi soft meters with "talking meter" capability.

Areas identified for improvement include:

- Development of a provincial driver training framework;
- Finding innovative ways to meet the challenges of operating wheelchair accessible taxis in rural or smaller communities;
- Expanding accessibility in the design of apps and app functions; and
- Coordinated dispatch of wheelchair accessible taxis in urban communities with multiple taxi companies.

Update 2017 expands statistics about accessible taxis operating in British Columbia.



Decision on Application 256-17 (Greyhound Canada Transportation ULC)

On September 13, 2017, the PT Board published application 256-17 from Greyhound Canada Transportation ULC (“Greyhound”). At the time of the application, Greyhound was the main commercial inter-city bus service provider in British Columbia, and had been for some time. The application was very broad in scope, spanning much of mainland British Columbia.

Greyhound applied to:

- Eliminate :
 - service on six routes in the North Central region of B.C.;
 - three routes in southwestern B.C. – the Fraser Canyon area, Hope to Kaledan Junction (via Highways 3 & 3A), and along Highway 97 from Monte Lake to Vernon;
 - 14 route points on remaining routes; and
- Set a minimum service requirement floor of four trips weekly (2 times in each direction) on the 10 remaining routes.

The PT Board required the applicant to provide notice of the application on its website and to notify mayors and councils of affected municipalities, First Nation councils and chairs and directors of regional districts.

Public response to the application resulted in:

- 220 individually-written emails and letters from across the province;
- more than 1,700 people submitted form letter emails about proposed route eliminations on Highway 16; and
- 1,000 petition signatures and comments about Greyhound’s proposal to eliminate route points, notably Lytton, on Route E3, Cache Creek and Hope via the Fraser Canyon.

The PT Board Chair appointed a three person panel, including herself, to decide the application. After reviewing the comments received and Greyhound’s response, the panel convened and conducted public meetings in Prince George, Smithers, Terrace and Fort St. John. These communities and others in the North Central Region faced the greatest impact of any region in the



province if Greyhound's application were approved. The public meetings opened with Greyhound making a presentation, followed by speakers from the community, which included local government officials, First Nations representatives, advocacy organizations and some individuals. In Prince George, the panel held an in-camera session with Greyhound to discuss confidential proprietary business matters.

The PT Board made its decision based on its mandate as stated in section 28 (1) (a), (b) and (c) of the *Passenger Transportation Act*, which requires the Board to consider public need, applicant fitness and the economic conditions of the passenger transportation industry in the province when assessing applications.

After reviewing evidence and information received from the applicant, people and organizations who made written comments and speakers at the public meetings, the PT Board made 13 general findings of fact related to Greyhound's fitness, the importance of Greyhound service to people across BC, public demand for Greyhound, and Greyhound's financial information and business strategy. These findings are listed in full in Appendix 2.

The PT Board approved the route eliminations and service reductions. Greyhound was required to provide service, albeit at reduced levels, in the North Central Region and the three routes in southwestern BC until May 31, 2018.

Greyhound was required to provide notice before implementing service reductions on remaining routes. Decisions on specific routes are listed in full in Appendix 2.

PRESENTATION TO THE SELECT STANDING COMMITTEE ON CROWN CORPORATIONS

On January 10, 2018, Catharine Read, PT Board Chair, spoke to the Select Standing Committee on Crown Corporations, a legislative committee that was appointed to examine, inquire into and make recommendations on ride-sharing in British Columbia. The Chair provided an overview of the Board's mandate and licensing as required by the *Passenger Transportation Act*, highlighted regulation in rural communities and the importance of accessible transportation, and identified key challenges to introducing a new regulatory structure.

MEETING WITH HARA & ASSOCIATES

On November 9, 2017, the PT Board met with Hara & Associates, consultants retained by Government, to consult with and help prepare the taxi industry for a made-in-B.C. solution to ride-sharing. Pursuant to the terms of reference for Hara & Associates, the meeting with the Board was to discuss the complex regulatory environment for B.C.'s taxi industry and identify overlapping or duplicative requirements. A follow-up meeting with Board staff was held on Nov. 10, 2017.



Other Board Activities

Appendix 3 lists operational, communication and governance matters that the Board undertook in 2017/18.



Applications and Performance Measures

APPLICATIONS

In 2017/18, the PT Board received 147 applications. This is a decrease from the previous year. 137 applications were decided on their merits, two were returned to the Registrar and nine were withdrawn. No applications remained undecided.

Table 1: Number of Applications by Type in 2017/18

New	25
Amendments	19
Rates	1
Additional Vehicles	24
Transfers	11
TOPs	67
SA Determination	1
Total	147

PERFORMANCE MEASURES

The PT Board has set two performance targets: “low” and “high”. These targets take into account regulatory requirements such as the requirement to publish applications and receive and consider submissions. The low target represents the

most efficient processing times.

The high target takes into account factors that may extend the process such as extension requests from applicants to provide information, supplemental submissions or the need for the Board to address preliminary matters. Targets are listed in Table 3 below.

Table 2: PT Board Performance Targets by Process Type

Process and Track	Low Target # days	High Target # days
Application Files		
File Review	89 or less	90 - 156
PT Board Investigation	113 or less	114 - 192
Oral Hearing	178 or less	179 - 293
Urgent Public Need	37 or less	38 - 75
Temporary Operating Permits (TOPs)	15 or less	16 - 30



Table 3: PT Board Performance against Targets 2017/18

Type of Processing	# PT Board Decisions	Average # of days to a decision ¹	% within low target	% within high target	% over high target
File Review	49	40	100	0	0
PT Board Investigation (BI)	27	80	70	26	4
Oral Hearing	1	173	100	0	0
Urgent Public Need UPN ²	3	12	100	0	0
Temporary Operating Permits (TOP)	67	3	97	2	0

The PT Board seeks to process at least 75% of all applications within the low target timeframe and achieved this in four out of five categories.

Reporting Constraints – PT Board database reports are based on the date an application is received. Statistics compiled for this Report will include applications received between April 1, 2017 and March 31, 2018 and closed at the time the database report is accessed to compile the statistics for this report.

Reporting Timelines – These are the total number of days that an application was in process with the PT Board. This includes times when the application is inactive pending publication or receipt of further information. Most applications have a 10 day publication period. If submissions are received, applicants have seven days to reply. With public hearings, the reported timelines include adjournments and continuations.

¹ These timelines are from when an application is received at the PT Board office until a decision is issued, and may include periods when processing times are not in the PT Board’s control. For example, an applicant asked for an extension to reply to submissions.

² A “UPN” is an application that the PT Board determines should be processed on the basis of “urgent public need”. These applications are not published and submissions are not solicited. Most “UPN’s” are processed on the basis of a file review.



Post Decision Matters

Two decisions were amended to correct a clerical or technical error. The database does not report amendment timelines. The PT Board received three requests to have its decisions reconsidered and determined that two requests did not meet the grounds

for reconsideration set out in the *Passenger Transportation Act*. One decision was reconsidered. The original decision of the Board was confirmed. No decisions were judicially reviewed.

Table 4: Licence Amendments, Reconsiderations & Judicial Reviews

	Totals	Average Days to Decision
Licence Decisions Amended	2	N/A
Reconsiderations	3	
• Reconsiderations Proceeded & Decided	1	53
• Reconsiderations Not Proceeded – Grounds not established	2	32
• Decisions Judicially Reviewed	0	N/A



Appeals

The PT Board hears appeals from licensees who have received an administrative penalty from the Registrar of Passenger Transportation. The Board received one appeal in 2017/18. The Board confirmed the penalty imposed by the Registrar.




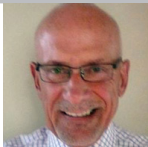
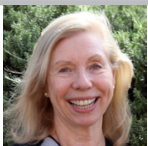



PT Board Members, Staff & Budget

PT Board members are appointed by Cabinet and work part-time. *The Passenger Transportation Act* says that there must be at least three members, with one member designated as Chair. Appointment processes and terms are governed by the *Administrative Tribunals Act*. Members

make decisions on licence and rate applications and appeals of administrative penalties imposed by the Registrar of Passenger Transportation.

The PT Board had nine meetings in 2017/18, of which 2 were teleconferences.

Table 5: PT Board Members

Member	Appointed by	Initial Appointment Effective	Term Expiry Date
 Catharine Read, Chair	Cabinet	October 1, 2017	October 1, 2020
 William (Bill) Bell	Cabinet	February 1, 2008	December 31, 2018
 Brenda Brown	Cabinet	December 31, 2008	December 31, 2017
 Roger Leclerc	Cabinet	November 8, 2012	December 31, 2018
 Spencer Mikituk	Cabinet	March 29, 2012	May 14, 2019
 Mary Sjostrom	Cabinet	December 31, 2015	December 31, 2017



Pursuant to section 7 of the Administrative Tribunal Act, the Chair extended the appointments of Mary Sjostrom and Brenda

Brown to continue on as PT Board members to complete proceedings they had before them at the end of their terms.

Board Staff

The PT Board is supported by a staff of four full-time employees who work out of the office in Victoria. Staff handle the administrative functions of the Board, undertake policy initiatives and respond to inquiries from applicants, submitters and the public. Board Staff in 2017/18 were:

Jan Broocke	Director to the PT Board
Michael McGee	Manager, Policy, Programs and Communications
Kathy Mitten	Finance, Appeals and Operations Coordinator
Jane Morris	Administrative and Research Coordinator



Budget

Table 6: PT Board Budget 2017/18

Budget Category	Allocation	Expenditure
Salaries	263,000	269,686
Benefits	64,000	65,638
Member Per Diems and Travel	140,000	167,521
Staff Travel	8,000	6,748
Professional Services – Operational	2,000	0
Information Services – Operating	9,000	6,446
Office and Business Expenses	5,000	11,294
Stat. Advertising and Publications	1,000	0
Other Expenditures	1,000	0
Recoveries ° Within Government	(1000)	0
Recoveries – External, Misc.	(1000)	0
Total	491,000	527,331

The budget overage was attributable in part due to the additional resources required to process, consider and decide application 256-17 from Greyhound Canada Transportation ULC to eliminate 9 routes and reduce service levels on many other routes on mainland British Columbia.



Appendix 1

REGULATORY FRAMEWORK

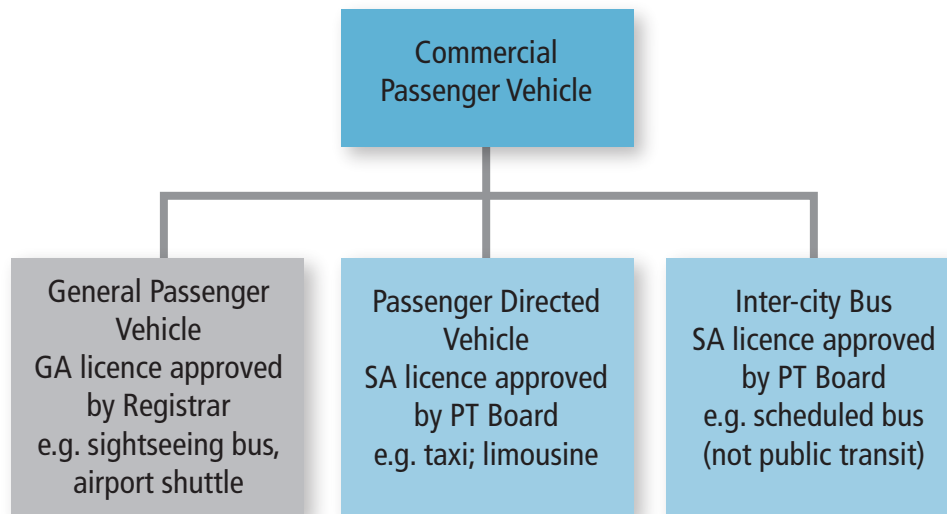
The PT Board is an administrative tribunal created under the Passenger Transportation Act (PTA). Administration of the PTA is a joint responsibility of the PT Board and the Registrar/PT Branch of the Ministry of Transportation and Infrastructure.

Vehicles & Licences Authorizations

The PTA sets out the framework for licensing commercial passenger vehicles. There are two types of licences: general authorization (GA) licences; and special authorization (SA) licences.

The chart below shows the different licensing streams under the PTA.

Figure 1: Commercial Passenger Vehicle Licensing



Special Authorization Licence Approvals

The PT Board makes decisions on applications for Special Authorization licences. There are two types of special authorizations: (a) passenger directed vehicles and (b) inter-city buses. Passenger directed vehicles include taxis, limousines, perimeter seating buses and small shuttle vans. Inter-city buses are private commercial carriers that operate between cities on a schedule and over regular routes.

The PT Board may approve applications for a Special Authorization licence if it considers³:

1. There is a public need for the service;
2. The applicant is fit and proper and capable of providing the service; and
3. The application promotes sound economic conditions in the transportation industry.

If an application is approved, the PT Board sets terms and conditions for a licence. The Registrar of Passenger Transportation then issues a licence when safety requirements are met.

General Authorization Approvals

The Registrar of Passenger Transportation makes decisions on applications for General Authorization licences. Operators whose vehicles do not fall within the definitions of passenger directed vehicles or inter-city buses need a General Authorization licence. These operators have greater operational freedom than Special Authorization operators. There is no public need or other economic regulation test for General Authorization licenses—the focus of licensing is on safety.

Enforcement and Compliance

The Registrar works with Commercial Vehicle and Safety Enforcement (CVSE) staff in the planning and delivery of enforcement and compliance actions for licensed and unlicensed carriers. Peace officers may also issue tickets for violations of the Act. The Registrar may impose administrative penalties on licensees.

The PT Board hears appeals of administrative penalties imposed by the Registrar.

³ For applications to transfer a licence, the PT Board considers applicant fitness only.



Appendix 2

PT BOARD GENERAL FINDINGS AND DECISIONS ON APPLICATION 256-17 (GREYHOUND CANADA TRANSPORTATION ULC)

General Findings

- Greyhound is a fit and proper person and is capable of providing an inter-city bus service in B.C.
 - Greyhound is viewed as an essential service by local governments, many people across the province and many businesses. It provides access to essential services, work and education. It improves the quality of life of the individuals who use it. The bus service enhances public safety, particularly in remote and rural areas, by providing access to safe transportation when individuals have no other transportation options. In winter months, it is important given the harsh Canadian climate and what can be at times, dangerous driving conditions.
 - While many people believe Greyhound is an essential service, on some routes the use of the service is very low.
 - Passenger demand for Greyhound bus services has declined by 46% since 2010, of which 30% was over the past 5 years.
- A review of the company's financial data shows that the cross-subsidization model, which formed the basis for Greyhound's inter-city bus licence in British Columbia, no longer works. On what were once profitable routes, operating losses now occur.
 - Greyhound is a for-profit company that does not receive any subsidies. It has been operating at a significant financial loss in British Columbia, which is unsustainable. The company lost almost \$13 million in the last fiscal year, and \$70 million over the last 6 years. Some routes carry single digit passenger volumes and losses on these routes are not sustainable under Greyhound's business model.
 - Greyhound's financial information provides evidence of substantial financial loss, jeopardizing its survival in B.C.
 - Some of Greyhound's competition is heavily subsidized and not regulated by the Board. Some of its competition is regulated by the Board and has been granted greater operating flexibility by the Board, enabling these companies to respond to changing passenger demand in a way that Greyhound cannot.



- Greyhound has stated that it will stop providing service in B.C. if it cannot make a profit. The Board cannot compel the company to incur losses indefinitely and finds that Greyhound's current financial situation must be reversed for the economic health of the carrier.
- The company's business strategy to reverse its losses is to:
 - eliminate routes that do not have the potential for future profitability, unless government is willing to subsidize these routes (subsidies are beyond the purview of the Board);
 - obtain greater operating flexibility on routes through licence changes that stipulate a minimum route frequency of four trips per week (two in each direction);
 - provide better, faster service to the greatest number of passengers by eliminating stops at route points that have low passenger volumes.
- Greyhound's business strategy is not within the Board's purview.
- Greyhound believes that only by eliminating 1.6 million scheduled miles in the province, it will be able to retain 3.7 million scheduled miles in B.C.

The route and route segment eliminations proposed by Greyhound in this application

are significant service cuts and will cause hardship to those who do use its service.

Decisions

1. Service Eliminations

Decision 1 – The Board approves the elimination of Route Y (terminating points at the City of Victoria and City of Vancouver), effective immediately.

Decision 2 – The Board approves elimination of route S2 (terminating points at University Endowment Lands and Whistler) and route T (terminating points at the City of Victoria and the City of Nanaimo), subject to a seven- day notice period.

Decision 3 – The Board approves the elimination of Route K (terminating points at Prince George and Fort St James), effective May 31, 2018. This must be preceded by a two-week notice period as outlined in section VII.

Decision 4 – On the routes and route segments proposed for elimination by Greyhound, the Board approves:

- a new Minimum Route Frequency (MRF) of four trips weekly (two trips in each direction), until at least May 31, 2018. Any change in MRF must be preceded by a seven-day notice period as outlined in section VII below; and
- elimination of these routes and route segments, effective June 1, 2018. Any route or route segment elimination



must be preceded by a two-week notice period as outlined in section VII.

This applies to the following routes and route segments:

- I1 Dawson Creek – Fort Nelson
- I2 Fort Nelson – Yukon Border
- J Dawson Creek – Prince George
- L1 Prince Rupert – Prince George
- L2 Prince George – Alberta Border
(at Highway 16)
- B1 (segment) Highway 97 between Highways 1
(near Monte Creek) & 97 (north of Vernon)
- C (segment) Hope -Kaleden Junction
(via Highways 3 & 3A)
- E (segment) Cache Creek – Hope
(Fraser Canyon area via Highway 1)

Decision 5 – The Board approves the elimination of the following route points:

Route	Point	Route	Point
A1	West Louise Lodge	E2(b)	Laidlaw
	Field Junction		Bridal Falls
	Glacier Park East		Agassiz
	Roger’s Pass	N	Agassiz
A(2)(a)	Oyama	P	Agassiz
A(2)(b)	Agassiz	S1	West Vancouver
B1.3	Oyama		Brittania Beach
C	Agassiz (alt)		Pinecrest/Black Tusk
D	Beaverdell		Mount Currie
E1	McLeese Lake		

Any elimination of these route points must be preceded by a two-week notice period as outlined in section VII.



2. Service Reductions

Decision 6 – The Board approves a new MRF of four trips weekly (two trips in each direction) on all remaining routes in British Columbia. Any change from an existing MRF on a route must be accompanied by a seven-day notice period as outlined in section VII.

All added route points or conversions from “flag drop” to route point on any of these routes are approved.

This decision applies to the following routes:

- A Alberta Border – Vancouver
- B1 Kamloops – Kelowna
- B2 Kelowna – Penticton
- C Vancouver – Osoyoos
- D Kelowna – Alberta Border & Highway 3
- E Prince George – Vancouver
- G Alberta Border & Highway 2 – Dawson Creek
- N Alberta Border & Highway 16 – Vancouver
- P Kelowna – Vancouver
- S1 Vancouver – Pemberton/Mt. Currie

The full text of the Board’s decision is available at:

https://www.ptboard.bc.ca/ICB_application_notices/256-17/256-17_greyhound.html



Appendix 3

OPERATIONAL, COMMUNICATION & GOVERNANCE ACTIVITIES UNDERTAKEN IN 2017/18

Activity Type	Activities
Policy	<ul style="list-style-type: none"> Introduced a rule to clarify how taxi, limousine, and other passenger directed vehicle (PDV) operators may use mobile apps and related technologies (e.g. cloud computing) while meeting their requirements under the Passenger Transportation Act, regulations, rules or policies of the PT Board and terms and conditions of licence. Modified dates for the operation of vehicles approved under the PT Board’s “Festive Season Temporary Operating Permit Policy”.
Communications	<ul style="list-style-type: none"> Published 12 Industry Advisory and Updates. Met with the Passenger Directed Vehicle Advisory Committee in June 2017 and November 2017. The Committee is made up of people from: the taxi industry; public transit; the Vancouver International Airport Authority; municipalities; persons with disabilities and seniors’ organizations; the Passenger Transportation Branch; and the PT Board and provides a forum for discussion on Board/ Branch policies and activities, industry trends and other topical matters. Updated decision templates.
Governance	<ul style="list-style-type: none"> Held seven in-person Board meetings and two teleconferences. Attended the Canadian Council of Administrative Tribunals annual conference in Vancouver, BC (2 Board members and the Director). Performance evaluations were completed for four Board members and all staff.



