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## Today's Local Business

### Taxicab turf war heats up

#### Board calls for review of city's supply, demand for service

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It will be at least four months before the Taxicab Board decides whether to issue any new taxi licences in Winnipeg, but rather than wait, one company is applying for additional temporary licences to meet the demand -- for the summer.

Last month, Spring Taxi applied for 50 regular and 50 premium licences because it says it is unable to respond to all the calls it receives and has to turn business away.

But the province's Taxicab Board recently announced that before it rules on that application -- and another by newly-formed Winnipeg Taxi Co-Op which is seeking 150 new licences -- it will commission a review of the supply and demand for taxi services in the city.

Tejpal Atwal, owner of Spring Taxi, which dispatches for 28 standard cabs, said he didn't think it was a bad idea for the board to review the industry, but that the delay will mean more lost business for his firm.

So he is applying for 20 to 25 temporary taxi licences to go into service this summer, something the board has never done. Jerry Kozubal, the board secretary, said temporary licences have only ever been allocated for special events like the Pan Am Games as well as occasional additional limousine services.

If Spring's beefed-up summer fleet is approved, it might go some way to disproving the long-held contention in the Winnipeg taxi business that demand for service is much higher in winter and declines significantly in summer.

Kozubal said the Taxicab Board regularly makes about 70 seasonal licences available for winter months and the busy holiday season. But even those licences are seldom fully taken up. Typically, only about half of the temporary licences are spoken for.

Kozubal said the industry review, something not done since 1988, was deemed to be warranted because of the magnitude of the applications before the board. The applications for 250 new licences represent more than 60 per cent of the current fleet.

He said the board needs to determine the extent of demand.

Terri Proulx, a community and worker ownership program official at SEED Winnipeg, the organization coordinating the formation of the Winnipeg Taxi Co-Op, said it is prudent that the board takes its time to make a decision.

Proulx said the Winnipeg Taxi Co-Op has 110 drivers. She said the co-op concept has been advanced because taxi drivers -- the ones who are not owners of the licence -- have a hard time making a living. They earn about 50 per cent of their total fares, are expected to pay for gas and maintenance of the cars, and are not allowed to deduct those expenses for income tax purposes.

"Their economic situation is really quite miserable," she said. "There is an oligopoly in the taxi business right now which is never a good thing."

Of the 410 standard taxi licences active in the city, Unicity controls 223 and Duffy's 152.

They both opposed the Spring application, claiming that rather than too much business, what is more typical for Winnipeg cabs is long waits between trips.

But several industry observers say that their opposition is nothing less than turf protection.

Kozubal said those differing views provide further indication of the board's need to conduct an independent review.

The deadline for response to the board's request for review proposals is June 13, with work to commence July 2. The board has said it will not consider proposals exceeding \$50,000.

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