

---

## • [Winnipeg Free Press](#)

### **Breaking News**

#### **Established cab firms try to block newcomers**

Updated: May 27, 2008 at 07:08 AM CDT

Two of Winnipeg's established cab companies tried Monday to keep the road to themselves, speaking out against upstart cab firms that are asking the Taxicab Board to consider adding 250 new taxi licences.

The looming showdown in a city that has not seen any new licences issued in 25 years comes amid growing public complaints about a lack of taxis on Winnipeg streets.

On Monday, the provincial regulator held its second day of public hearings for an application for 100 new licences -- including 50 premium licences for Mercedes Benz cars -- by Tejal Atwal, the new owner of Spring Taxi.

Late next month a hearing is also scheduled for an application from Winnipeg Taxi Co-Op, a group of 100 current drivers that is seeking 150 new licences after being fed up with the current model that they say favours licence holders and exploits drivers.

"We are concerned about public convenience," said Atwal, "The city is growing and the number of cabs has not grown."

Atwal said the evidence that more taxis is evidenced by the fact Spring Taxi -- which is about to change its name to Greenline Taxi -- has been turning away close 1,000 potential fares per day because there aren't enough cabs on the street to meet the demand.

But Atwal's application for new licences is being vigorously opposed by Duffy's and Unicity whose licence holders are keen to protect their business turf -- not to mention the goodwill value of their licence which has risen to more than \$200,000 this year.

Atwal is a former Duffy's board member who bought 12 Duffy's licences over the years and sold them for top dollar last February. In the fall of 2007 he bought Spring Taxi which owns 18 licences and also dispatches for 25 other owner/operators.

Recent reports have shown that Hamilton is the only city in Canada with fewer cabs per capita than Winnipeg. Not counting about 10 premium cabs that were converted to standard licences in 1997 and some new handi-transit and accessible taxi licences, there has not been any new licences issued since the late '70s. There are 409 standard taxis in Winnipeg.

It was standing room only at the Taxicab Board hearing room as close to 50 drivers and licence owners from Duffy's and Unicity were in attendance to line up against Atwal's application. Outside the hearing room, Duffy's and Unicity licence holders took exception to some of the claims made by Atwal about demand out-stripping supply.

"They say they have to turn business down, but I wait an hour or more between fares sometimes," said Raj Sandhu a driver for Duffy's.

However, Leonard Kaplan, the general manager of Spring Taxi for the past seven years, backed up Atwal's application.

"You can't tell me that with the casinos, new hotels, the MTS Centre and the increased traffic at the airport that demand has not increased. It's time to increase the supply," Kaplan said.

Navdeep Dhillon, president of Duffy's, said the problem is that there is an increase in demand during the Christmas season and in the cold weather but that demand dies right off in the summer.

"We would put even more cars on in the winter if we could, but the other eight months there is no business," he said.

The Taxicab Board does offer temporary licences during the winter months. The Taxicab Board heard that Spring Taxi did not draw down all the temporary licences it has access to in the winter.

Even some of his opponents say that Atwal is a smart business operator. The 15-year veteran of the industry purchased 12 Duffy's licences over the years eventually helping to bid up the price of the coveted licence to well over \$200,000. He sold them all at top dollar and is now applying to buy 100 new licences from the Taxicab Board at a cost of only \$200 each, not including the cost of the vehicle itself.

Meanwhile, Terri Proulx, manager of the Community and Worker Ownership Program at SEED Winnipeg is helping to coordinate a group of 100 disgruntled drivers in their efforts to start a co-op.

She said even though they are not allowed to deduct operating expenses from their income tax, drivers are required to make repairs and pay for all their gas. They are paid less than 50 per cent of the fares they bring in with the licence holders taking the rest as well as claiming the deduction.

"It is a flawed system," she said. "We believe the co-op model is a much healthier way to operate."

SEED Winnipeg has requested that the Taxicab Board reserve the decision on the Greenline/Spring application until after the Winnipeg Taxi Co-Op hearing scheduled for June 23.

The Taxicab Board reserved its decision Monday.

[martin.cash@freepress.mb.ca](mailto:martin.cash@freepress.mb.ca)

Taxi! Taxi!

Who controls the number of cabs on the road?

The Manitoba Taxicab Board, a quasi-judicial provincial regulatory body issues licences, regulates fares, establishes vehicle standards, trains drivers and investigates complaints.

How much do licences cost?

The Taxicab Board only charges \$200 for newly issued licences. But since there have been so few new licences issued over the past 30 years licences can go for than \$200,000 on the resale market.

How much do licences cost elsewhere?

In Toronto and Vancouver licences can sell for as much as \$300,000 on the resale market. In New York City, for example, the municipal taxi board auctions off a new licence that goes for as much as US\$400,000.

How many licenced taxis are there here?

There are 409 standard taxis, 24 accessible, 64 hand-cabs and 54 limousines.

What does the Taxicab Board consider when determining whether to issue new licences?

Its mandate is to ensure that Winnipeg citizens and visitors to the city receive adequate taxicab service. In doing so they attempt to find the right balance between the number of cars and the demand. The economic viability of the operators is also taken into account.

- **Winnipeg Free Press**
- © 2008 Winnipeg Free Press. All Rights Reserved.

Powered by McClatchy Interactive