

Schedule "A.1"
to By-law 2016-145 of the City of Greater Sudbury

Estimation of Change in Cost of Operating a Taxicab

The change in the cost of operating a taxicab shall be estimated using the Taxi Cost Index method. It may be calculated using Worksheet A of this Schedule. The following steps shall be followed;

1. **Get Recent Cost Data:** Obtain the most recent available number for each Proxy Time Series listed in Worksheet B and enter on the same line in Column E.

Where a designated proxy series has been discontinued by Statistics Canada, the Licence Issuer may designate a new proxy series, giving first preference to related monthly series available from Statistics Canada. In this case, the Licence Issuer must also replace the Base Value for June 2014 in Column C of the Worksheet with an appropriate value for the newly selected proxy.

2. **Calculate % Cost Increase of Each Item:** Calculate the value for each cell in Column G using number from the other columns and the formula $(G = (E/D - 1) \times 100)$.
3. **Calculate Current Index Components:** Calculate the value for each cell in Column H using numbers from the other columns and the formula $(H = E/D \times B)$.
4. **Calculate Current Cost Index:** Total the values in Column H and enter them on line J of Worksheet B.
5. **Calculate % change in Cost of Operating a Taxicab since June 2014:** Calculate cell K in Worksheet B using the formula.

The result of Step 5 should be reported and considered in review of adjustment to taximeter rates.

Explanatory Note: The Cost Index method is intended to be approximate, not exact. It estimates changes in cost by measuring changes in cost of commodities and services that taxis share with other sectors of the economy. These changes are measured using publically available statistics, such as components of the Consumer Price Index maintained by Statistics Canada. The Cost Index method is used because it uses data developed at arm's length from the industry, and avoids potentially lengthy and costly enquiries into the operating costs of individual taxicab owners and brokers. The index does not capture any unusual cost increases resulting from new requirements of operators by the City of Greater Sudbury. As of June 2014, these series are available through the Statistics Canada Internet web site. The information in column B identifies the series within the Statistics Canada CANSIM database.

Worksheet A: Calculation of Taxi Cost Index

A	B		C		D	E	G
Cost item	% share of costs Jun-14	Time Series	Table	CPI Description	Base value Jun-14	Current value	% change in cost item since Jun- 14 =(E / D - 1) * 100
Fuel	16.1	v41691136	326-0020	Gasoline	204.5		-100.0
Repairs & maintenance	8.6	v41691137	326-0020	Automotive Parts	129.8		-100.0
Employed Driver returns	24.9	v1591431	281-0029	Hourly Wage, Transportation	25.29		-100.0
Professional fees	0.3	vv1591431	281-0029	and	25.29		-100.0
Owner Driver returns	27.5	vv1591431	281-0029	Warehousing Auto	25.29		-100.0
Insurance	14.1	v41691141	326-0020	Insurance	176.7		-100.0
Depreciation	2.6	v41691132	326-0020	Vehicles	94.5		-100.0
Return on investment	0.9	v41691132	326-0020	Vehicles	94.5		-100.0
Dispatch fees	4.7	v41690973	326-0020	All Items	126.9		-100.0
Miscellaneous	0.3	v41690973	326-0020	All Items	126.9		-100.0
Total	100.0						

Worksheet B: Calculation of % Cost Increase Since June 2014

I - Base value Jun-14	100.0
J - Current value of index	0.0

K -% change in Taxi Costs since June 2014* - ((J/I-1)x100)) **-100.0**

* [(Current value of index / Base value June 2014 - 1) * 100]

Source: Statistics Canada, Consumer Price Index, Tables 236-0020 and 281-0029