July 20, 2010

Chair & Members

Economic Development and Planning Committee

City of Hamilton

71 Main Street W, 1st Floor

Hamilton, ON L8P 4YS

Addition/Collection of Harmonized Sales Tax (HST) in Taxi meter from July 01, 2010

This is to bring to your attention that the Harmonized Sales Tax (HST) has been introduced from July 01, 2010. An extra 8% is added to TAXIS fare. Brokers, plate owners and car owners are already charging 13% HST from the Drivers. The Drivers are paying an extra 8% on Gasoline, Taxis Rent and other car expenses. At the end Drivers are paying an additional 8% HST while collecting the same fares, in fact drivers have lost 8% of their income. This is a huge amount for example if someone were paying 476$ GST on 10,000$ now he will be paying 1150$. It has become an intolerable situation that an average shift driver who makes $3000 per month pays at least 2,000 of it in expenses for the taxi. We can provide backup information to prove this point. Lessee’s are facing 8% increases as well for lease rates while taking in the same amount of money as before July 1st.

The Economic Development Committee recommended adjustment of fares in July 2008 and we request an urgent meeting with the Committee to re-examine fare prices in lieu of the HST.

Municipalities such as Toronto and Ottawa have dealt with this issue and We the drivers in Hamilton in order to survive in this business need the municipality to act quickly so we can make a decent income.

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Ejaz Butt
President Ontario Taxi Workers Union

CC: Mayor City of Hamilton
Taxi Reform Committee City of Hamilton
Taxi Advisory Committee
Hamilton Spectator
City Clerk