

13. Re: Taxi-Cabs - Licence Fee, Number of Licences and Carrying of Chattels  
 (Item 12, Report No. 69, September 17, 1973)  
 (Item 12, Report No. 73, October 1, 1973)  
 (Delegations, Item (e), Agenda, October 1, 1973)  
 (Delegations, Item (i), Agenda, October 9, 1973)

Council, at its meeting of October 1, 1973, tabled Item 12 of the Manager's Report No. 73 relating to the matter of additional taxi licences being made available pending receipt of a report on the ramifications and technicalities involved in increasing the fee for taxi licences from \$40.00 per year to \$500.00 per year.

The Municipal Solicitor advises that Section 440 of the Municipal Act empowers Council by by-law to require the owner or operator of a business to hold a valid and subsisting licence for the carrying-on of the business; to fix and impose licence fees; and to provide for the collection of licence fees, etc.

Section 450 of the Municipal Act empowers Council by by-law to classify businesses and one method of classification authorized by the section is the number of machines, appliances or things used in the carrying-on of the business. In the case of a taxi business, the Burnaby Cab and Commercial Vehicle By-law fixes the licence fee at \$40.00 per annum for each taxi used in the business.

Section 452 of the Municipal Act provides that Council may not impose in respect of "any one period, any one operation, or any one premises", a licence fee greater than \$1,500.00. The Burnaby By-law presently fixes an annual licence fee. Formerly it provided for a semi-annual licence fee.

Council may, therefore, increase the annual fee per taxi-cab for a taxi business from \$40.00 to \$500.00 providing that the licence fee does not exceed the maximum established by Section 452 of the Municipal Act. In that section, the Solicitor places emphasis on the words "any one operation". It would appear on the surface that the three taxi companies referred to in the Manager's Report to Council of October 1, 1973 are companies incorporated under the provisions of the Companies Act and that the business of each is one operation. Closer investigation, however, may determine that each is a multiple operation under a single corporate designation. In other words, each taxi operator may be carrying-on a separate operation under the corporate banner.

The Solicitor also advises that in fixing a licence fee, Council must be careful not to prohibit, by imposing an exorbitant fee, the carrying-on of any business.

The following is the report dated October 16, 1973 from the Municipal Treasurer with respect to licensing of taxi-cabs in the Municipality:

"The following lists the numbers of taxis licenced, the annual fees payable and the ratio of cabs to population in adjoining municipalities:

	No. of Cabs (Licenced)	Annual Licence Fees	Ratio of Cabs to Population
BURNABY - Actual	64	\$ 40	1 - 2,000
- Available	2		
VANCOUVER	363	80	1 - 1,600
NEW WESTMINSTER	31	40	1 - 1,350 - No maximum
New licences issued by resolution of Council on the basis of demonstrated need.			
COQUITLAM	24	30	1 - 1,800 - Guideline only
New licences issued by resolution of Council on the basis of demonstrated need and granting of a P.U.C. licence.			
RICHMOND	38	30	1 - 1,675
New licences issued on basis of demonstrated need. Council amends by-law to show specific number of taxi cabs.			

Continued ...

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CITY OF NORTH VANCOUVER	53	50	No maximum - no control Population 34,000
WEST VANCOUVER	55	40 Average	No maximum - no control Population 38,500
DISTRICT OF NORTH VANCOUVER	29	1-2 persons 40 3-5 " 80 6-10 " 120 11-20 " 200	
		Plus \$40 for every 10 persons to a maximum of \$2,000 annually	No maximum - no control Population 63,500

There are three taxi companies operating on the North Shore and some of them are licenced in two or more of the municipalities. In other words, there are a maximum of 55 taxis operating on the North Shore.

In Burnaby, the resale value of a licenced taxi cab is between \$15,000 and \$20,000. In Vancouver, it ranges to \$30,000. Traditionally, these high prices have been attributed to the restriction on the number of licences issued. Paradoxically, on the North Shore, a buyer of an existing licenced taxi cab must pay between \$9,000 and \$15,000 even though the number of licences issued is not controlled in any of the three municipalities.

It is a fact that anyone of good moral character possessing adequate funds may secure a taxi licence and set up in business in any of the three municipalities. However, the experience since 1970 when the municipalities abandoned the restriction on the number of licences to be issued, has been that all licensees have operated through one or other of the three cab companies.

Most of the taxi cabs bearing the names of the cab companies in Burnaby are owned by individual operators. An individual selling his cab, sells his rights to dispatch service in the company under whose name he operates. We are given to understand that in Vancouver particularly, some of the companies own buildings and repair facilities as well as dispatching equipment and a buyer of a cab receives shares in the company as part of the consideration.

This matter was last considered by Council in 1970 and the rationale for maintaining the status quo is worth reading. Copies of the material concerned are attached.

The chief danger (and not borne out on the North Shore) of issuing cab licences unrestrictedly is that one or more of the larger cab companies may decide to operate in Burnaby, without establishing dispatching facilities in Burnaby. This would be to the detriment of the Burnaby companies. Of course, whether or not the Vancouver company would be allowed to operate in Burnaby would depend on approval or otherwise of the Motor Carriers Branch of the Provincial Government. (P.U.C.).

In the matter of a licence fee, \$500 is out of line with the fees chargeable in adjoining communities. The \$80 chargeable in Vancouver is maximum. Nor does it seem reasonable to charge a fee of \$500 because of the high resale value of taxi cab licences. There are other businesses in the community that have resale values in excess of the value of the assets of the company. The excess is generally attributable to goodwill involving the name and clientele of the company. These factors have no bearing on the licence fees payable by the companies concerned.

Currently, there is no record of complaint from the public of inadequacy of service by the taxi companies due to lack of available cabs. The ratio of one cab per 2,000 population seems to adequately serve the Municipality. This point is reviewed annually by Municipal staff. "

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As for the question of parcel delivery, the Solicitor advises that the Motor Carrier Act and the Regulations passed pursuant thereto only apply if vehicles operate across Municipal boundaries and such vehicles must be licenced under the statute. The Solicitor also advises that the Council has the authority to authorize or prohibit taxi operators to carry parcels solely within Burnaby. The problem comes when a parcel is being taken out of the Municipality or being brought into it. For these parcels a local by-law would not apply as the Motor Carrier Act would take precedence. It seems logical that any by-law that may be considered to control the problem of taxis carrying parcels should be patterned after the decision made by the Motor Carrier Commission or it will be virtually impossible to enforce or administer. We do not know when the Commission will make a decision on the application which the cab companies have before it, but we think that it may be within the next month.

Attached for the information of Council is a copy of Item 29, Report 72, November 6, 1972, which was introduced when the question of taxis carrying parcels was last raised. We have reviewed this subject again and do not feel that taxis should be prohibited from carrying parcels but there may be merit in limiting the weight of the parcel. We are not prepared to make a specific recommendation in this respect until a decision is made by the Motor Carrier Commission on the application presently before it.

We do not feel that the wording of the Vancouver By-law is considered to be such that is easy to administer or enforce. The Vancouver By-law permits the transportation of personal items, portable by nature, at any time and restricts others to being transported from 7:00 p.m. to 7:00 a.m. The question is, therefore, what is a "personal item, portable by nature"? We do not recommend the adoption of the Vancouver wording.

RECOMMENDATIONS:

THAT the existing ratio of one taxi-cab per 2,000 population be maintained; and

THAT the taxi licence fee be increased from \$40.00 to \$80.00 per vehicle effective January 1, 1974 and the By-law amended accordingly; and

THAT two additional licences be authorized to take effect immediately; and

THAT the By-law not be altered with respect to the authority to carry chattels; and

THAT a copy of this report be provided to the Automotive Transport Association of B.C., Mr. Arnold F.C. Hean, Q.C., and the Motor Carrier Commission.

Re: Taxi Licenses

Burnaby has 53 licensed taxicabs as follows:

Bonny's Taxi Co. (including Owner Drivers)	- 28
Capitol Hill Taxi Ltd.	- 14
Courtesy Cabs Ltd.	- 10
Legion Taxi	- 1
	<u>53</u>

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The Municipal license fee is \$40. per taxicab per year. Licenses are issued in the name of the registered owner of the vehicle. Under the Bylaw, licenses are required to maintain an office.

Taxicab licenses are treated in a manner similar to other Trades Licenses. That is, an applicant once having met all requirements for licensing is automatically eligible for renewal of that license upon payment of the proper fee. Refusal or revocation of that right would require Council decision in each case.

Taxicabs are considered to be a part of the public transportation system. To the extent that a cab may operate outside the boundaries of the municipality licensing them they come under P.U.C. jurisdiction. As a part of the public transportation complex the interests of the public should be paramount in the minds of the licensing authority. Taxicabs should be clean and well kept, mechanically correct, driven by capable and trustworthy chauffeurs, and convenient to the public.

Referring to this latter stipulation, such necessity for convenience requires either a grouping of owner-operators, or a company. Only in this way can advertising of the existence of the cabs, a dispatching centre, and radio control of the fleet become economical. Reputable companies are usually progressive and seek franchises and industrial contracts to assure themselves of regular custom. Acceptance into such a company entitles a newcomer to participate in all the above.

Taxicab licenses have had a value on the market many times in excess of the Municipal license fee. This fact has caused some concern in the minds of various licensing authorities, including Burnaby. A great deal of thought has been given to ways and means to eliminate the practice. Whatever the eventual solution may be it has so far escaped everyone. There is one very obvious method and that is to remove all limits on the number of taxicab licenses. Simple as this may seem it has one important drawback - it would encourage people to get into industry without proper resources and background. The available legitimate revenues would be spread so thinly that clandestine and illegal practices would develop. The mechanical condition of the cars would deteriorate and the public, who pay the tariff, would be the big losers.

No company can afford to get into the taxicab business and set up an organization to become successful if there is any hint that their licenses would not be renewed - assuming of course that they have done nothing to deserve refusal or revocation of their licenses. Indeed, the Municipal Act practically assures renewal except for some cause. In dealing with the cases of owner-operators, those are usually connected with some company and while it might well be possible to cancel a license if the taxicab changes hands and there is a new registered owner the company would quickly move to have all licenses in the company name for self-protection.

So far as can be determined no satisfactory method which recognizes the legitimate interests of the taxicab industry and at the same time the interests of the public, which would eliminate the sale of taxicabs for high prices, has yet been devised. Only a publicly-owned and operated taxicab system could ensure this.

At the present Burnaby has one taxicab for every 2,250 population. The Burnaby Taxi Owners' Association would like to see this ratio maintained. The License Department now has applications on hand for five more taxicab licenses.

The Chief License Inspector recommends a ratio of 1:2000. This would permit 7 new licenses to be issued.

It is recommended that Council set a ratio of taxicab licenses in Burnaby at 1:2000 population.

THE CORPORATION OF THE DISTRICT OF BURNABY

October 23, 1970

HIS WORSHIP, THE MAYOR,  
AND MEMBERS OF THE MUNICIPAL COUNCIL.

Gentlemen:

Re: Taxi Licences

Earlier in the year, the Municipal Manager submitted a report outlining the position of taxi cab operations in the Municipality and pointed out the dangers of allowing uncontrolled licensing of taxicabs as opposed to controlled licensing. It is considered the latter is the only way to ensure a high standard of taxicab service for the public and your Committee would recommend adoption of the recommendation of the Manager as contained in Item #3 of Municipal Manager's Report No. 7, 1970; i.e., that Council set a ratio of taxicab licences in Burnaby at 1:2,000 population.

Respectfully submitted,

W. R. CLARK,  
Alderman

D. MERCIER  
Alderman

JIS/dew



THE CORPORATION OF THE DISTRICT OF BURNABY

MUNICIPAL HALL  
4949 CANADA WAY,  
BURNABY 2, B.C.

TELEPHONE 299-7211

February 5, 1970

File: 1798A

Alderman D. M. Mercier

Alderman W. R. Clark

Gentlemen:

RE: TAXI LICENCES

This is to advise that Council on February 2nd appointed you as a Special Committee to investigate the subject of the attached report and, in conjunction therewith, to confer with the Municipal Manager and other officials of the Corporation involved.

You were also expected to examine the Brief submitted late last year by the Burnaby Taxi Owners' Association.

A copy of that submission will also be found attached.

Yours truly,

John H. Shaw,  
MUNICIPAL CLERK.

EW/mb

Attach,

CC: CHIEF LICENCE INSPECTOR  
MUNICIPAL SOLICITOR  
MUNICIPAL MANAGER

RECEIVED  
FEB 11 1970

LICENCE DEPARTMENT



ITEM 29  
MANAGER'S REPORT NO. 72  
COUNCIL MEETING Nov. 6/72

ITEM 13  
MANAGER'S REPORT NO. 79  
COUNCIL MEETING Oct. 22/73

- ~~X~~ Re: Letter from E. Zimmerman and C.E. Anshelm  
4090 Gravelley Street, Burnaby  
Municipal Licensing and Taxi By-Laws

Appearing on the Agenda for the November 6, 1972 meeting of Council is a letter dated October 19, 1972, from Messrs. E. Zimmerman, Secretary-Treasurer of the International Brotherhood of Teamsters, and C.E. Anshelm, Executive Director of Transport Labour Relations. Their letter is a request to Council for more and stricter enforcement of By-Laws that govern the licensing and transport activities of cartage firms and taxis.

Following are replies from the Chief License Inspector and the Superintendent, Officer in Charge, Burnaby Detachment, R.C.M.P.:

A. Chief Licence Inspector

Reference correspondence dated October 19th, 1972, from Transport Labour Relations and General Truck Drivers and Helpers, local union No. 31.

The information contained in the above noted correspondence appears to deal with three situations. For purpose of clarification they have been separated as follows:

1. Delivery of parcels, mail, messages, etc., by taxi cabs in contravention of their conditions of licence.
2. Delivery and cartage companies operating without P.U.C. licences and without registration as companies.
3. Delivery and cartage companies operating without a local business licence.

Burnaby Cab and Commercial Vehicle By-Law 1951, numbered 3102, provides the authority to licence and regulate the operation of taxi cabs. The operative section, together with the regulatory and defining sections describe use and conditions of operating a taxi cab for the transportation or conveyance of persons only.

While the by-laws provide only for the transportation or conveyance of persons, there exists a long standing practice of taxi cabs being used for the transporting of a vast variety of goods and chattels. The information supplied in the letter of complaint suggests that taxi cabs are operating in direct competition with licensed delivery and express companies. Lacking specific information of such activity by taxi cab operators, I cannot, at this time, agree with the complainants.

The use of taxi cabs for transportation of goods or chattels appears to have developed in two areas. A type of parcel service is supplied to the business community, primarily for the transportation of goods which must be moved on an emergency or special order basis. This ranges from medical supplies and information, television news film, machinery and equipment parts to the airport or bus depot, delivery of forgotten papers or material required for a meeting, through to late floral orders for weddings or funerals. In my opinion, use of this type is very important to the business community and is necessitated by the fact that regular delivery operators are generally not in a position to undertake such direct deliveries on an immediate basis.

Continued...

~~28~~ Re: Letter from E. Zimmerman and C.E. Anshelm (cont'd)

The other area of activity is of a personal nature to individual residents and normally deals with home delivery of such items as drug prescriptions, liquor and food orders, any form of personal or household goods to shut-ins, as well as gasoline to a stranded motorist. Such service is not, and in my opinion could not be supplied by the regular delivery operators. Taxi cabs supply a 24 hour service while delivery services normally limit their operations to the conventional hours of business.

It would appear, based on the known activity of the taxi cab operators and the information supplied by the complainants, that no serious or unfair competition exists. We are informed that this type of service is in contravention of the P.U.C. licence if the taxi cab crosses municipal boundaries.

The City of Vancouver resolved the problem by amending their by-law to provide for the transportation, without a passenger, of items of merchandise and other goods between the hours of 7:00 o'clock at night and 7:00 o'clock in the following morning, and at all other times for the transportation of chattels of a personal character which are usually considered to be of a portable nature. Applicable rate for such use must be the same as the rate charged for transporting passengers.

The Municipal Solicitor advises: "If it is desired that cabs be allowed to transport or convey chattels, the definition of cab would have to be amended, and also, a section added to the by-law permitting the transportation or conveyance of chattels."

On the matter of delivery and cartage companies operating without a licence from the Public Utilities Commission, this is an area over which we have no jurisdiction. It is my understanding the R.C.M.P. will be submitting a report on this aspect. Concerning the lack of company registration, it must be assumed they refer to the Registrar of Companies. Again we have no jurisdiction nor any authority to compel such registration.

The statement that companies are operating without a local business licence is of definite interest. It should be understood that while any commercial vehicle must display an inter-municipal plate, only those companies operating from locations within the municipality are required to obtain a business licence. Section 4/1 (a) of the Municipal Act provides an exemption for non-resident businesses as follows:-

"Owners or operators of carriers other than taxicabs who either pick up passengers or chattels within the municipality for discharging or delivery outside the municipality or discharge or deliver within the municipality passengers or chattels picked up outside the municipality, or both, unless the municipality forms part of a trading area designated for carriers under section 45/4a:"

Any specific information concerning unlicensed local operators would be appreciated and dealt with in a confidential manner.

#### RECOMMENDATIONS

1. As the services provided by taxi cabs appear to be desirable and necessary to the business and residential community, therefore, it is recommended that the by-law be amended as follows:

- i. To permit delivery of goods and chattels at any time without a passenger in the taxi cab.
- ii. Rates for such service to be the same as those applicable for the transportation of passengers.
- iii. The authority to transport goods and chattels shall be applicable within the boundaries of the Municipality only.

2. The authors of the letter of complaint be advised to contact the Public Utilities Commission concerning the operation of vehicles without the necessary licence or for those vehicles operating in possible contravention of their conditions of licence; and

3. The authors of the letter of complaint be invited to cooperate with the Licence Department towards the apprehension of any unlicensed resident operators. "



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MANAGER'S REPORT NO. 79

COUNCIL MEETING Oct. 22/73

ITEM 29

MANAGER'S REPORT NO. 72

COUNCIL MEETING Nov. 6/72

29. Re: Letter from E. Zimmerman and C.E. Anshelm (cont'd)

B. Superintendent, Officer in Charge, Burnaby Detachment,  
R.C.M.P.

" With reference to your Municipal Clerk's letter dated October 25, 1972 and copy of correspondence from the Executive Director Transport Labour Relations regarding taxicabs and light delivery trucks in Burnaby, I can now advise as follows.

" The only discussion between Mr. Kenzie of your Trades Licence Department and our Traffic office regarding enforcement of the Motor Carrier Act has been a very brief one between Sgt. Cathcart and Mr. Kenzie concerning the above correspondence.

Our Traffic members are enforcing the Motor Carrier Act and Regulations, particularly Sections 5 and 56(g), dealing with licensing and operating vehicles contrary to conditions of licence. However, it would be most difficult to prove that a violation, such as delivery of a parcel or letter, contrary to conditions of a licence had taken place as the origin of the parcel or letter would have to be known since no offence is committed unless the delivery originated outside the municipality. The number of hours spent on such an investigation would have to be considered on a priority with other traffic law enforcement duties.

I understand that the Transport Labour Relations group has also communicated with the Public Utilities Commission and the Motor Carrier Branch. If the Transport Labour Relations group has any information on violators as indicated in their letter, we would be pleased to have it passed on; or alternately, they themselves may seek a private prosecution."

RECOMMENDATION:

THAT the recommendations of the Chief License Inspector as noted on the body of this report be adopted; and

THAT Transport Labour Relations be advised that we would be pleased to have its assistance on policing the Motor Carrier Act and the Bylaw; and

THAT a copy of this report be sent to Transport Labour Relations.

ORIGINAL COMMUNICATIONS  
REGULAR COUNCIL MEETING  
NOVEMBER 6, 1972

(c) C. E. Anshelm, Executive Director, Transport Labour Relations,  
4090 Graveley Street, Burnaby 2

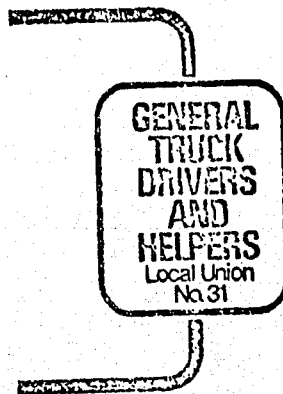
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*XEROX  
MANAGER  
CHIEF LICENSE INSP.  
RCMP - TRAFFIC DIVISION*

TRANSPORT LABOUR RELATIONS  
4090 GRAVELEY STREET  
BURNABY 2, BRITISH COLUMBIA

October 19, 1972



400 East Broadway  
Vancouver 10, B.C.

Municipal Clerk  
Burnaby Municipal Hall  
4949 Canada Way  
Burnaby, B. C.

Dear Sir:

Transport Labour Relations, an employers' organization representing one hundred and twenty companies in the motor transport industry and the General Truck Drivers and Helpers Union, Local 31 of the International Brotherhood of Teamsters, the bargaining agent for six thousand B. C. truck drivers and warehousemen, jointly request that you bring the following matter to the attention of your Council:

In recent years there has been an ever-increasing number of flagrant violations to city licensing and taxi by-laws. Our respective offices are receiving numerous reports, which upon investigation, prove that taxis are in the practise of delivering parcels, mail, messages, etc. in contravention of their licensing as taxis.

Further, there is a rash of unlicensed and unregistered delivery and cartage firms operating mainly out of private homes in the Lower Mainland.

Approximately one year ago Transport Labour Relations checked a list of twenty odd "companies" and found that thirteen held no P.U.C. licenses, were not registered as companies and held no city licenses. Reports received recently indicate that the situation is even worse now than it was at that time.

Continued.....

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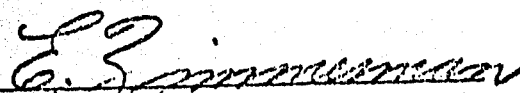
Municipal Clerk, Burnaby, B. C.  
October 19, 1972

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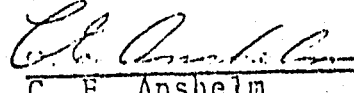
The parties writing this letter feel that the ever-increasing number of violators who are not paying city or provincial fees, are not properly insured and are not providing their employees with reasonable job security and wages, are nothing more than a blight on a highly competitive industry. Allowing such activity to carry on is seriously discriminatory to the legitimate firms who are abiding by the laws, regulations and good business practices and who do provide to their employees good hours, wages and working conditions.

It is apparent to the writers that more and stricter enforcement is needed of existing laws and regulations and to this end, our organizations will extend every co-operation.

Yours very truly

  
E. Zimmerman  
Secretary-Treasurer  
Local No. 31  
International Brotherhood  
of Teamsters

CEA & EZ/nr

  
C. E. Anshelm  
Executive Director  
Transport Labour Relations