

ITEM 5  
MANAGER'S REPORT NO. 25  
COUNCIL MEETING April 7/75

Re: Auction Rooms. Burnaby Shops Closing Bylaw  
(Delegation, Ross Auctioneers & Appraisers Ltd., Mar. 17/75)  
(Item 20, Report No. 19, March 17, 1975)

At the March 17, 1975 meeting of Council, Mr. Ron Smallwood, on behalf of Ross Auctioneers & Appraisers Ltd., requested an exemption of auction rooms from provisions of the Shops Closing Bylaw. At that meeting, Council received the above-noted report which recommended that Mr. Smallwood's request be denied. Council referred the matter back to staff for additional information which is provided with the report of the Chief Licence Inspector which follows.

RECOMMENDATIONS:

1. THAT the Burnaby Shops Closing Bylaw, 1958, be amended to exempt from closing at 6:00 p.m. on Mondays, Tuesdays, Wednesdays and Saturdays, and 9:00 p.m. on Thursdays and Fridays, those businesses where the only business carried on is that of offering merchandise for sale by auction; and
2. THAT the term "sale by auction" be defined and included in the amendment to the bylaw.

\* \* \* \* \*

TO: MUNICIPAL MANAGER March 27, 1975  
FROM: CHIEF LICENCE INSPECTOR  
RE: AUCTION ROOMS - SHOPS CLOSING BY-LAW

On March 17, 1975, Council dealt with a request from Ross Auctioneers & Appraisers Ltd., to exempt retail auction rooms from provisions of the Shops Closing By-Law. Council considered a staff report and deferred a decision until additional information on the following points is available:

- (a) The basis on which auction sales in the City of Vancouver are allowed to operate taking into consideration that City's Shops Closing By-Law.
- (b) The possibility of defining auction sales in such a manner that the provisions of the Burnaby Shops Closing By-Law would not be contravened.

Vancouver's Shops Closing By-Law defines a shop:

"shop" means any premises where any retail trade or business is carried on, and includes any building or portion of a building, booth, stall, or place where goods are exposed or offered for sale by retail, or where the business of a barber, or hairdresser, or the business of a shoeshine stand is carried on, but does not mean premises where a barber or hairdresser is attending a customer in the customer's residence, or where the only trade or business carried on is that of selling medicines, drugs and medical appliances, tobacco and related products, newspapers, magazines, fresh or frozen foods, cut flowers, florists' products, soft drinks, dairy products, bakery products, or any one or more of them, or that of automobile dealers, automobile service stations and garages or that of an hotel, inn, public house, restaurant, or refreshment house.

A official of Vancouver City advises that auction rooms are not considered to be a shop as defined in their by-law, therefore the by-law is not applicable.

The Municipal Solicitor advises that we are empowered to define sale by auction and the operation of auction rooms and amend the by-law to exempt those businesses that operate accordingly.

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We have reviewed the methods of conducting auction sales and find they are as follows:

1. A single auction sale, to dispose of merchandise on behalf of one client, usually at the client's premises.
2. Regular weekly auction sales, conducted as an extension of retail businesses located in commercial premises, were in the regular course of doing business the merchandise is offered for sale over the counter on a daily basis, usually involving used merchandise.
3. Auction rooms, operating from commercial premises, in which there are no facilities for over the counter sales on a daily basis. The merchandise is sold by auction only and involves new, used or freight damaged goods and may include disposal of stock from a bankruptcy or liquidation of a business.

Example number one does not constitute a shop, therefore the by-law is not applicable.

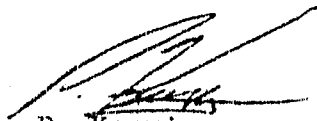
With respect to example two, the operators of retail stores are complying with the current closing hours. Exemption of auction sales conducted as an extension of retail stores would enable some operators to declare themselves to be selling by auction and remain open for business after the regular closing hours. It is not in the public interest to enable retail stores located in C4 zones to avoid the regular closing hours.

With respect to example three, operators of auction rooms usually engage in sale by auction only, with pre-sale viewing provided for the convenience of the customers.

The applicant requesting the exemption advises that the competitive atmosphere necessary to conduct a successful auction requires a substantial number of customers at each sale. Further, it is impossible to attract customers in sufficient numbers except in the evenings, and only then if the sale is permitted to proceed to its conclusion, either by all the merchandise being sold or that the customers have no interest in the articles being offered. To cease auctioning at a pre-determined time destroys the basic concept of an auction, therefore extended hours of business are vital to their operation.

RECOMMENDATIONS:

1. That the Burnaby Shops Closing By-Law, 1958, be amended to exempt from closing at 6:00 p.m. on Mondays, Tuesdays, Wednesdays and Saturdays and 9:00 p.m. on Thursdays, and Fridays, those businesses, where the only business carried on is that of offering merchandise for sale by auction, and;
2. That the term "sale by auction" be defined and included in the amendment to the by-law.



P. Kenzie  
Chief Licence Inspector

PK:jf

cc: Municipal Treasurer  
Municipal Solicitor