

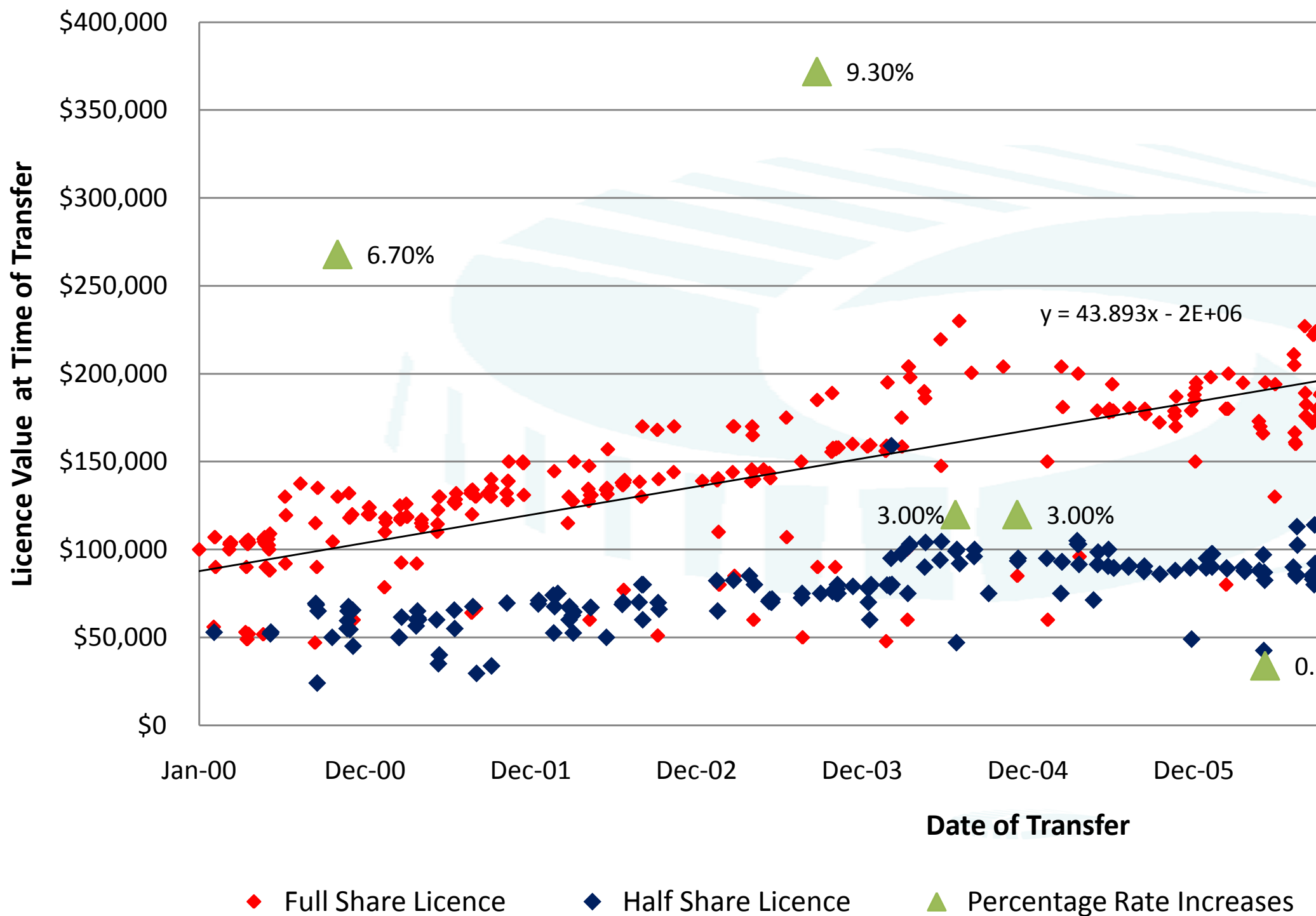


GRAPHICAL ANALYSIS FROM THE FRONTIER CENTRE FOR PUBLIC POLICY

\$44 per Day: An Early Christmas for Winnipeg

Increases in taxi fares have been capitalized into license values at a s

Winnipeg Taxi Licence Sales 2000-09



Data Source

According to analysis by two University of Manitoba professors, increases in cab rates by the Manitoba drivers to earn more than the “modest profit” that the Board should target when setting taxi rates. In holders to capitalize considerable value into the resale value of their licences.

In theory, the Board should be ensuring a balance between the competing desires of the public (who higher revenues). If they were to achieve this balance, the last potential driver should be ambivalent should be no more or less attractive than his or her other opportunities. In this case, we would not e normal start-up costs to enter the taxi industry.

However the current value of taxi licenses suggests that being a taxi driver is much better than the n revenues are higher than operating costs, there is a high demand to enter the industry. With a limited approximately 410 available since the 1940’s), access to them has to be rationed somehow.

The price of a license appears to be creating the equilibrium between would be drivers and the ind