

... *Union Cab: Dream comes true*

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chamber. Now they stood and cheered.

For the drivers, Union Cab represents liberation from a sharecropper relationship with cab companies. All but one of the companies charge drivers more than \$500 a week to drive their own cars. Once upon a time, Portland taxi drivers were employees of the cab companies, and were represented by the Teamsters Union. But the industry changed in the 1980s and '90s, and today, drivers are independent contractors.

According to a January 2012 report by the City, Portland taxi drivers average \$6.22 an hour, working as long as 14 hours a day. [The exception is Radio Cab, an existing driver-owned co-op, where drivers make more money and work fewer hours.]

"It's our dream to spend time with our families, and work 40 hours a week," Union Cab leader Kedir Wako told City Council.

The Union Cab proposal was not without critics, however. Several taxi drivers, including Red Diamond, taxi drivers' elected representative on the City's taxi industry advisory board, said increasing the number of taxi permits will dilute the market, thus reducing what each driver can earn. Diamond said more than 300 drivers signed a petition in support of that position, though only a dozen or so turned up at City Hall for the hearing.



But City regulators had an answer to that. There clearly aren't enough taxis to satisfy existing customer demand, said Kathleen Butler, Regulatory Division manager in the Portland Revenue Bureau. Portland has fewer taxis per thousand residents than comparable cities, and regulators testing taxi availability had to wait 30 to 120 minutes in different parts of the city and different times of the day. Drivers aren't being pinched by an oversupply of cabs, But-

ler said, but rather by illegal competition from town cars and illegally operating cabs. And a separate set of City Council resolutions passed later in the afternoon will enable the City to crack down on that illegal competition.

"There really are potential advantages to a driver-owned cooperative cab company," Adams said, prior to casting the final vote. Commissioners Nick Fish, Amanda Fritz, and Dan Saltzman also voted to approve the permits; Com-

missioner Randy Leonard was absent.

After approving Union Cab, City Council considered and approved reforms overhauling taxi regulation in Portland.

First was an ordinance making it an offense, punishable by fines of up to \$3,500, to give or receive payment for steering fares to a cab driver; the City found that hotel valets and taxi company dispatchers were directing passengers to taxis in exchange for kickbacks,

but that cut into driver income and put pressure on drivers to overcharge passengers. The ordinance also cracks down on town cars and shuttles taking away taxi business by accepting passengers without advance reservations, which they are required to have.

Another ordinance raises taxi permit fees. That will enable the City to add two full-time regulators to what City officials said was an understaffed three-person operation that must juggle taxi oversight with other regulatory responsibilities.

A third ordinance mandates that future taxi permit renewals for all companies will depend on how well those companies satisfy a set of performance standards, including customer service, wheelchair accessibility, and driver conditions.

Union Cab will be self-financed, says Local 7901 President Madelyn Elder: Drivers have saved close to \$300,000 for the company's start-up, which would pay for dispatch, an office, and other requirements. Before permits can be issued, Union Cab will have to purchase a dispatch system, set up an office, and pass a financial audit by City regulators.

Portland's won't be the only union-affiliated taxi co-op: CWA has helped get similar efforts under way in Colorado, Arizona, and Virginia.

"CWA is looking at different ways of organizing," Elder told the Labor Press. "There are a hell of a lot of people working like this, as independent contractors, and they need a union too."

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