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## *Continuity and Discontinuity in Canadian Cab History*

*Donald F. Davis*

Taxicabs have been virtually ignored by Canadian historians.<sup>1</sup> This neglect is surprising, considering how large this service looms in academic life. Not only do cab drivers regularly whisk professors off to conferences, but their spirits also haunt university corridors as a bogeyman. Has there been a graduate student or untenured professor in recent years who has not been warned, or feared, that a PhD in the humanities or social sciences qualifies him — or her — only to drive a hack? Cab drivers are a classic instance of “the other,” a stereotype against whom intellectuals have long defined their own identities and aspirations. PhDs do not want to “push cab.” Yet what does the job actually entail?

In this special issue, Kimberly Berry, who herself drove a cab full-time for more than three years in Halifax, has written a comforting, yet cautionary tale for fretful scholars. Her study of women taxi drivers and of the social construction of gender in this “manly” trade in Halifax offers us a unique overview of the history of one city’s cab industry over the entire postwar era. Earlier surveys of the postwar scene in Vancouver by Emmett Sinnott and Paul Tennant, and in Canada by Benoît-Mario Papiilon, written almost two decades ago, dealt almost exclusively with the regulatory process; they gave the driver short shrift.<sup>2</sup> While there have been a handful of sociological studies of cab-driving in the United States, and the occasional newspaper column in both countries, Berry’s essay essentially initiates academic research on Canadian cab driving.<sup>3</sup> Her conclusions, based on the written record and interviews of twenty-five Halifax drivers, will profoundly influence our view of cab driving — as occupation and lifestyle.

Berry cites Philip Stenning’s research to prove that cab-driving is an extremely dangerous occupation.<sup>4</sup> Picking up strangers at night has never been risk-free. As early as 1946, at least one Canadian driver had put a wire screen into his cab to protect himself from possible assault.<sup>5</sup> Inevitably, taxi drivers have prided themselves on their physical courage. This emphasis, Berry notes, have helped to create a masculine work-culture, as has the fact that drivers have “worked for themselves, choosing their own hours of work and ... conditions of employment.” The need for mechanical skills and the assumption, since its invention, that the automobile was a “masculine” machine have also tended to gender taxi-driving as a “male” occupation. Has this industry, as a result, been hostile to women workers? Not since the 1960s, replies Berry. Indeed, her conclusion that “women drivers constitute a powerful presence in the taxi community” is, like the rest of the essay, remarkably upbeat. Even her discussion of homicide contributes to her theme of camaraderie — of drivers helping each other in the face of common danger — and to the observation that, “Women drivers have found more connection than conflict with their colleagues.” Indeed, those women who are willing to be “just one of the boys” may well find in taxi drivers a more supportive community than academia tends to offer.

Berry’s conclusions are largely positive, and they raise the obvious question as to whether they apply to other cities, other times. As she herself notes, it is only during the last three

decades or so that women have found a permanent place in the cab industry. As recently as August 1958, Moore’s Taxi Limited — then Winnipeg’s largest fleet — laid off all six of its female drivers, as it alleged that they could not handle heavy baggage and wheelchair customers. A drivers’ union, then trying to organize Moore’s, more convincingly complained to the Manitoba Labour Board that the women had been fired because they had signed union cards.<sup>6</sup> Berry also describes a much better occupation than I found in the Great Depression — which is not surprising — as well as the “*dur métier*” that Germain Archambault and Luc de Fougères experienced in Montreal during the 1960s. In their memoirs, both argued that liberty, the freedom to choose one’s hours, came at too high a price — “*le poids inhumain des longues heures de travail*.” In Montreal in the early 1960s, drivers bought their cab from brokers on the installment plan, and were never able to make enough money to pay the car off before they needed another one. Consequently, it was, de Fougères wrote, “*une vie péniblement laborieuse qui n’a d’autre horizon, le plus souvent, qu’un douloureux échec*.”<sup>7</sup>

Nor does Berry’s Halifax sound much like contemporary Houston, where according to author-driver Ted Streuli, “The job was dangerous, the hours long, the wages low, and the social status somewhere just below shoeshine boy.” One driver in fact admonished him, “Never tell anyone you once drove a cab. You’ll never get another job.”<sup>8</sup> The fate of the cab-driver clearly has varied, and Berry’s essay should stimulate us to study other cities, other times, and other ownership and regulatory regimes to determine which, if any, provided a career that was not — in the eyes of would-be academics — the dreaded “other.”

Berry focuses on one of the basic *discontinuities* in taxi history: the entry of women into its driving ranks, while Norman Beattie, another former cab driver, emphasizes *continuity* in his history of the cab trade in Winnipeg between 1871 and 1910.<sup>9</sup> Beattie’s study of horse cabs is a first for the North American literature. In it he concludes that

“... There is a strong thread of continuity connecting the London hackney coaches of the 17th century, the Winnipeg horse cabs of the 19th century, and the taxicab industry of the present day, despite radical changes in technology and in society.”<sup>10</sup>

Regulatory concerns and solutions have remained fairly constant over the centuries. For example, Winnipeg almost immediately tried to regulate where cabs could stand and the fares they could charge. The city government also worried about the character of the individuals and vehicles entering the trade, and attempted to establish standards for both. It was, for example, telling cab drivers how to dress and enjoining them not “to stand in groups of three or more, nor make unnecessary noise, nor annoy householders, nor get drunk, nor act in an insolent or abusive manner.” These regulations proved impossible to enforce rigorously, then as now, because it has been inherently difficult to regulate an industry composed of small opera-

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tors, whose place of business kept moving through the streets, its transactions often being made in the dead of night with complete strangers. Beattie reveals that the horse cabs produced many "modern" social problems, including an assist to organized vice.

However, of all the continuities in the trade, he emphasizes most its "small returns." Profits were especially meagre in the horse cab era, when the physical limitations of horsepower and a small customer base restricted cabs to five or six trips a day. Beattie states, it would have been more lucrative for a cab proprietor to rent out his cabs to his drivers, rather than to hire these men as employees. But Winnipeg had "thanks to the constant lure of opportunities further west" no "large pool of unemployed people desperate for work," and thus no drivers willing to pay "exorbitant rental fees." Consequently, "cab owners had to earn their money from the part of the trade that ... offered the lowest margins, namely, driving people from point A to point B."

Winnipeg's horse cab operators, therefore, were unable to accumulate sufficient capital to finance the transition to motor cabs in 1910, and they were supplanted by new money. This is a discontinuity in Winnipeg's cab history, but one that seems to have been avoided in Halifax and "other locales," for as Beattie tells us, "By the end of World War I taxi services were being offered by various Halifax livery stables." Once again, as with the drivers, we find significant local variation that requires further exploration.

Even so, "small returns" is definitely the dominant theme and continuity of Canadian taxi history. Indeed, Beattie argues that there is so little money to be made in providing service to passengers that the principal investment in the industry "goes to providing services to a captive market of cab owners and drivers — cab rental, dispatch services and license plate leasing." He could have added insurance, gasoline, and advertising. It seems at times that the passengers are merely an excuse for the real business of the taxicab industry: the sale of services to exploited drivers and to self-exploiting owner-drivers.

Yet there have been easier ways to get rich than to sell services to the cab industry. Even the Diamond Taxicab Association Limited, Canada's most powerful taxicab outfit for decades may not have provided an easy path to wealth. Diamond was the Canadian pioneer in making its money from "serving" captive taxi owners and brokers. A loathed monopoly, Diamond controlled most of the cabstands and half of the cabs in Montreal. If there was any profit to be found in the taxicab industry, Diamond and Taxis Limited would have scooped it up. Yet consider its audited financial statement for 1940, as well as that of its parent firm, Taxis Limited.

The latter had that year gross revenues of less than \$75,000, while adding more than \$74,000 to its accumulated deficit of \$257,000. Meanwhile, Diamond itself had a net operating loss of \$435 on gross revenues of \$132,000, which meant that its accumulated operating deficit of \$189,000 continued to climb.<sup>11</sup>

Even the gross revenues of this operation are unimpressive, never mind its failure to make a profit in a year when most urban transit companies did. Taxis are simply not a very profitable business. Norman Beattie intimates that the root of the problem is regulatory — specifically, in the regulations imposing a uniform, standard fare. An industry with a low turnover (like taxis) should be allowed, he says, "to charge a high price for the product or service offered, especially at times when it is in heavy demand." Perhaps. Yet a study done in 1980 for the US Department of Transportation concluded that:

... The demand for taxi service appears to be very elastic or sensitive to fare changes, more so than the demand for many other modes of public transportation. The elasticity of demand for taxi service has been calculated at 1.0. This means that a 1% increase in taxi fares will result in a short term 1% decrease in ridership.<sup>12</sup>

Certainly, any substantial increase in taxi fares causes business travellers to drive themselves to the airport, whose parking charges may be no higher than a two-way cab fare, and to rent a drive-yourself car when they get to their destination. Or they may opt for a limousine service. It is difficult to agree that the taxicab industry would benefit from higher fares. For example, Indianapolis voted for de-regulation of its taxi industry in 1994 after the local media reported that "the cost of renting a 35-foot limousine, complete with TV and VCR, to or from the Indianapolis Airport is about half the price of a taxicab on the same route."<sup>13</sup>

Indianapolis may have been an extreme case, but its cab industry was far from unusual in pricing itself out of the mass market. Taxicabs often have luxury pricing, but they should not be considered as luxury vehicles — not when they are so heavily used by the poor, by the elderly, by the disabled, and by ill-paid women workers on the night shift. This industry seems to have, because of its high fares, a tendency towards stagnation at a low level of demand.<sup>14</sup> Norman Beattie describes a horse cab industry that "experienced little or no real growth" after 1882, and ascribes that stasis to competition from other modes of transportation, notably from the street railway.

Similarly, the stagnation since the Second World War has been blamed on competition from the private automobile and u-drives. In 1971, in explaining why Winnipeg needed far fewer cabs per capita than it had twenty-five years earlier, the Taxicab Board pointed the finger not only at this automotive competition, but also to the superior efficiency of radio-dispatched cabs; increased competition from public transit for the patronage of the handicapped; hotel courtesy cars; an increased number of shopping centres within walking distance of their customers; and home delivery by the liquor commission and breweries. It was the *Winnipeg Tribune*, rather than the regulators, which thought that the \$17,500 asked for taxi licenses might also be weakening demand by artificially driving up the industry's costs and fares. When a taxi operator has to pay

\$120,000 for an operating license (in Ottawa in 1998), it is not surprising that the industry is bedevilled by an uncompetitive cost-and-fare structure.<sup>15</sup>

It was the regulators' decision to limit entry into the taxi industry that made it possible to capitalize the licenses. While Edmonton opted to freeze the number of cab licenses as recently as February 1995, the decision to restrict entry into the cab business was normally made in other large cities in the 1925-1950 period. My essay looks at the cab trade in this era in an effort to understand the origins not only of license limitation, but also of the regulations imposing uniform fares, minimum wages and maximum hours for drivers, liability insurance, and the use of taximeters. Collectively, these regulations "raised the cost of owning a taxicab, thereby driving out marginal operators, while reducing competition sufficiently to permit both increased fares and wages."

Since I have never driven a cab, my own interest in taxi was originated in the discovery that the bulk of Hamilton's motor cabs in the early 1930s operated like jitneys — that is, as hailed-ride, route vehicles.<sup>16</sup> Inasmuch as I have long believed that jitneys and shared-ride cabs are a necessary part of any long-term plan to wean urban Canadians from their over-dependency on private automobiles, I went into this research predisposed to vindicate the "cut-rate cabs" of the 1930s and 1940s. I emerged from it convinced instead of the need for government regulation, as I came to appreciate that the chaos of the times had less to do with the Great Depression, or an influx of military veterans into the postwar industry, than to "a revolution in the industry's capital-cost structure" that brought destructive competition to its stake-holders, chaos to the streets, and moral dissonance to the community. The essay, consequently, is not a defence of the taxi warriors. Instead, it looks in some detail at the *process of*, and the *agents responsible for*, regulatory reform in Winnipeg and Vancouver.

My essay gives little comfort to those who have been arguing — rather vociferously since the early 1970s — that the industry should be de-regulated inasmuch as the conditions of the Great Depression are unlikely to recur in the present welfare state. It is not the Great Depression that forced governments to tighten their regulations, but rather the absence of any significant, market barriers to entry into this industry. Its natural ecological state is, therefore, permanent crisis and flux.<sup>17</sup>

Even so, it was obviously a mistake to allow taxi licenses to be sold on the "gray market" rather than to revert to the city (or other issuer) when an operator died or quit the industry. Moreover, there should have been more flexibility permitted in fares. It is extraordinary that most, perhaps all, jurisdictions do not allow cab companies to offer loyalty discounts or to charge less for trips in areas or at times when they are short of business. While variable fares would make the taxi industry more difficult to supervise, the fear of creating deadly competition for mass public transit is undoubtedly the main barrier to them, and to shared-riding in the big cities.

Shared-riding should be encouraged, even if it does weaken demand for mass public transit. There is a limit to how much Canadians should spend, and the taxicab industry suffer, to keep alive (that is, barely breathing) an industry that carried only ten percent of the country's commuters in 1996. Almost as many travelled to work as the passenger of a private automobile. Moreover, it appears — although solid numbers are frustratingly difficult to get hold of — that taxis have long carried as many urban travellers as does mass transit. It might be possible, one day, to lure these commuters and the seventy-three percent who drove to work in their motor vehicle into a public automobile — a shared-ride cab or a jitney — but they are unlikely ever to improve their basic attitude towards mass public transit and its over-sized, anonymous vehicles. Eventually, public policy will have to be based on the realization that it takes an automobile — a taxi, for instance — to beat an automobile.<sup>18</sup>

This special issue is designed to awaken readers to the importance of the taxi industry and of the forces that shaped it. The essays also provide the first overview of the Canadian cab industry from the 1870s to the 1990s. Inevitably, they raise as many questions as they answer. It is, for instance, unlikely that all the world was, or is, Winnipeg or Halifax; and other cities have to be studied in equal depth. We need to know more about the processes by which some cities ended up with taxi co-ops, others with corporate fleets, and still others with owner-drivers. We also need to learn whether these patterns made any significant difference either to the providers or the users of taxi services.

Moreover, we need to address issues of race, class and ethnicity with the same thoroughness as Berry has looked at gender. Walter E. Williams in *The State Against Blacks* argued that the regulation of trades like cab-driving and cosmetology discriminated against African-Americans and other minorities by artificially closing down opportunities for petty capitalism. Inasmuch as immigrants have traditionally used cab-ownership as a social ladder, any regulatory regime that entrenches the privileges of the existing owners inherently favours one ethnic or racial group — the one who arrived at the right time — over others. This discontinuity — in opportunity — is the gravest one of all. In cities where cab licenses cost as much as a house, the most recent immigrants have far less hope than their predecessors had to escape being the "captive market of owners and drivers" susceptible to exploitation by brokers, finance companies, and license-holders.<sup>19</sup>

Finally, what might young PhDs conclude from these essays? First, that the emphasis here on small financial returns and long working days should not deter them, for such has already been their own fate as young scholars. Second, that it is a dangerous occupation, especially compared to those in which Carpal Tunnel Syndrome is the primary health risk. Third, that the life of cab operators is very much like that of the students: that the freedom to control their own time is an illusory freedom, hedged in by regulations and the need to make ends meet. Fourth, that

the Houston cabby was much too pessimistic. It is indeed possible to “get another job” after being a taxicab driver — to wit, as a taxi historian. Canada needs more taxi historians, indeed more people researching the development of every type of public transit. Why is that? So that we may in the past find the source of the alternative future that we will eventually need, as the private automobile — its congestion and pollution unsustainable in a crowded, warming planet — is turned in for a model change.

### Notes

1. The handful of titles recur in footnote one of the essays by Beattie and Davis, and in footnote seven in Berry's.
2. Emmett Sinnott and Paul Tennant, “The Origins of Taxicab Limitation in Vancouver City (or ‘Good Try Anyway, Stanley Anderson’),” *B.C. Studies* 49(Spring 1981): 40–53; Benoît-Mario Papillon, *The Taxi Industry and Its Regulation in Canada*, Working Paper No. 30, Economic Council of Canada, March 1982.
3. Also pioneering is Cynthia Boyd: “Just like one of the Boys’: Tactics of women taxi drivers,” in *Undisciplined Women: Tradition and Culture in Canada*, eds., Diane Tye and Pauline Greenhill (Montreal: McGill-Queen's, 1997).
4. Philip Stenning, “Fare Game, Fare Cop: Victimization of, and Policing by Taxi Drivers in Three Canadian Cities,” unpublished report of a preliminary study jointly funded by the Research and Statistics Section, Department of Justice Canada and the University of Toronto, 1996.
5. *Winnipeg Tribune*, April 22, 1946. Two-way radios were also promoted as a way to protect drivers. See *Tribune*, November 17, 1947.
6. *Winnipeg Tribune*, August 27, 29, 1958. This incident and Berry's findings for Halifax suggest that women taxi drivers may have played a disproportionate role in organizing unions in the taxi industry — a possibility worth investigating.
7. Germain Archambault, *Le Taxi: Métier de crève-faim* (Montréal: Les Éditions Parti-Pris, 1964); Luc de Fougères, *Les doléances d'un chauffeur de taxi* (Montréal: Les Éditions du jour, 1962).
8. Ted Streuli, “Taxi Driver,” *Texas Monthly* 26, no. 4(April 1998): 92 ff
9. This special issue owes much to Norman Beattie, who is the pivot point for historical research on Canadian taxis. Kimberly Berry and I both benefited from his unstinting, unselfish help in our own research, and the entire world is beginning to obsess on Canadian taxi history thanks to his pioneering contributions (in association with Terry Smythe, a former taxi regulator) to the Internet. Their website is an important resource for would-be taxi historians. (URL: [www.taxi-l.org](http://www.taxi-l.org))
10. See also Robert E. Samuels, “After Four Centuries of Taxicab Regulations, Is There Anything New Under the Sun?” *Taxicab Innovations: Services and Regulations*, Proceedings of the National Conference on Taxicab Innovations, May 5–6, 1980, Kansas City, Missouri.
11. National Archives of Canada, RG 28, Department of Munitions and Supply, Wartime Industries Control Board, vol. 273, file 196-17-15-1, P.S. Ross and Sons, “Diamond Taxicab Association Limited, Financial Statements, December 31, 1940, December 31, 1941; P. S. Ross and Sons, “Taxis Limited. Financial Statements. December 31, 1940”; “Montreal Area and Diamond Taxicab Association Limited, A Review of Operations, December 30, 1942.” The situation was equally bleak in 1941. It was only in 1942 that Diamond showed a “small operating profit” for “the first time in many years.”
12. Public Technology Inc. and the Secretariat to the Urban Consortium for Technology Initiatives, *Taxicabs as Public Transit*, September 1980, Supported by U.S. Department of Transportation, p. 4. This report calculated a paltry 5 percent profit for the U.S. cab industry in 1975.
13. Robert Hardaway, “Taxi Regulation is Taking Us for a Ride,” *Denver Business Journal*, vol.47, no. 26 (March 8, 1996), p. 35.
14. See “Taxis Clock up Woes for the Urban Planner,” *Business Week*, December 23, 1967; M. W. Frankena, *Urban Transportation Financing, theory and policy in Ontario*, Published for the Ontario Economic Council (Toronto: University of Toronto Press, 1982), 36; “The Long Decline of Public Transportation,” *Fortune Magazine*, October 1959, 260.
15. *Winnipeg Tribune*, March 30, 1971; *Ottawa Citizen*, October 15, 1998, editorial.
16. For Hamilton see Ontario Hydro-Electric Commission Archives, Hamilton Street Railway Papers, Bin 20-2-137, “Report on Taxicab Situation, July 30, 1934.”
17. In any case, de-regulation has not proven all that successful. A 1993 Price Waterhouse study found that 17 of the 21 American cities that deregulated in the 1980s had already reverted to regulating cabs. Erik Spanberg, “Licensed Taxi Cabs Want ‘Gypsy’ Cabs Regulated,” *Business Journal of Charlotte [N.C.]*, vol. 11, no. 6 (May 20, 1996), p.9. See also Roger F. Teal and Mary Berglund, “The Impacts of Taxicab Deregulation in the USA,” *Journal of Transport Economics and Policy* 21(January 1987): 37–56.
18. Statistics Canada, *1996 Census, Mode of Transportation to Work* (published in *The Daily*, March 17, 1998). As well, seven percent walked and one percent bicycled to work. Presumably, those who commuted by taxi are included in the “public transit” category. Papillon concluded that the taxi industry's share of urban travel in 1971 “hover[ed] around the same percentage as mass transit.” Papillon, *Taxi Industry*, 1, 25–27.
19. Walter E. Williams, *The State Against Blacks* (New York and Toronto: McGraw-Hill Book Company, 1982), ch. 6; and Williams, “Government Wages War Against Poor People,” *Human Events* 52, no. 46 (December 6, 1996): pp. 11 ff.