



New York Taxi Workers Alliance

Union of NYC Taxi Drivers!

National TWA, AFL-CIO, Intl. Transport Workers' Federation

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Honorable Chairman Ydanis Rodriguez
City Council of City of New York
250 Broadway, Suite 1763
New York, NY 10007

SUPPORT: Int. 0847 (Rodriguez): Environmental Impact Study on Growth of FHV's
SUPPORT: Int. 0842 (Levine): Temporarily Limiting Issuance of New FHV Vehicle Licenses

Dear Honorable Chairman Rodriguez:

Greetings. We submit to you and to the honorable members of the City Council Transportation Committee, our comments on the proposed legislation, Int. 0847 and Int. 0842.

We are in strong support of a limited moratorium on the issuance of new vehicle permit licenses for FHV's – which, unlike medallion yellow taxis and street-hail-liveries are not capped. A study on the environmental impact must also include how the explosion in the number of FHV's – over 60% compared to just four years ago - has affected the drivers who now face unprecedented competition for the same number of fares, all the while working in gridlock that grows worse every month.

The New York Taxi Workers Alliance has over 18,000-registered members, working in the yellow taxi, green cab and FHV sectors. Many of our members used to drive a yellow cab and now work for Uber and Lyft. The one common concern, grievance, condition which unifies all sectors of drivers is the oversaturation of vehicles on the streets and the attack on full-time work which is at the heart of the App-based business model. To be the fastest and cheapest, these companies rely on drivers flooding the streets with vehicles. To do that, they need part-timers for whom this is supplemental income. In fact, according to Uber, 51% of Uber drivers across the country are part-timers. The part-time work comes at the expense of tens of thousands of full-time drivers for whom this is their bread-and-butter, their only source of income and the primary source of income for most drivers' families. We do not want our full-time work, the only one thing remaining of advantage for taxi workers, into gig work where workers' labor is piecemealed, incomes decimated, and futures left insecure and dismal.

In the yellow taxicab industry, over 3,000 medallions are owned and operated by individual drivers. Their monthly expenses average as much as \$5,000. It is heart-breaking when you see the wear and tear on owner-drivers during these days. As this industry transitions to gig work, for many of the families, if they lose the medallion, they will also lose their homes. Many are driving alone, cannot find a second shift driver, desperately working longer hours with greater stress and fatigue. It's hard to imagine that this is happening to a workforce whose labor brings in over \$100 million every year to the city and state, and is about to embark on a historic 50% wheel-chair accessible fleet, paying for costlier vehicles and maintenance. Unlike FHV trips which are pre-paid, yellow and green cab metered fares are costlier to the driver when traffic increases and drivers often lose fares who walk out mid-way.

We know that Uber nationwide has 250 lobbyists and 29 lobbying firms nationwide: one-third more than Walmart, the world's biggest corporation. ("This is How Uber Takes Over a City," by Karen Weise, Bloomberg Business, June 23, 2015.)¹ We ask you to uplift the lives of 100,000 men and women, working people, who drive for a living, and their families, and not be swayed by a multi-billion dollar company that will spin and lobby with no greater purpose than their profit margins.

As to Uber's claims that they are "job creators," we urge you to heed the words of UN Women's Executive Director Phumzile Mlambo-Ngcuka who rescinded an agreement with Uber where Uber claimed it would create "1 million jobs for women" when UN Women learned that the "jobs" were a road to poverty to empowerment:

I want to assure you that, not only are we listening, we are aligned. And I also want to assure you that UN Women will not accept an offer to collaborate in job creation with Uber. - **Phumzile Mlambo-*Ngcuka***, Executive Director, UN Women (3/20/15)

In fact, for all the talk Uber's 250 lobbyists do, the \$50-billion evaluated company only has 3,000 actual employees around the world – compared that to \$19 billion Costco which employs 174,000 employees receiving wages and protections under the Fair Labor Standards Act and all labor laws; the very same laws which Uber spends millions of dollars in court to make sure never protect a taxi worker.

Unlimited Numbers of Black Cars Hurts Driver Income in All Sectors

We have been here before. Faced with an unregulated number of taxis cruising the streets during the Great Depression, the New York City Board of Aldermen decided that allowing an unlimited number of cars to operate would allow "undue and needless traffic congestion; long hours and inadequate income for taxicab drivers; excessive competition...[and] flooding of the streets with

¹ <http://www.bloomberg.com/news/features/2015-06-23/this-is-how-uber-takes-over-a-city>

unnecessary taxicabs.”² Several legislative studies and committee reports then led to the Haas Act, which limited the number of for-hire vehicles on the road.³

As an unlimited number of black cars operating with e-hail now cruise the streets, offering on-demand service just as taxis do, the City finds itself, nearly 80 years later, faced with the same problem. While we still have roughly 13,600 taxis (as we did in 1937), we now have an additional 60,000 vehicles in the black car, livery and limousine sectors. Of those vehicles, roughly 18,000 are affiliated with Uber and primarily operating as taxis, picking up 72% of their fares in Manhattan’s Central Business District.

Over the past two years, this oversaturation has left too many drivers cruising for not enough work. While the multi-billion dollar companies that sell their apps to drivers gain from having an unlimited number of cars on the road to bring in fares, their drivers are left competing for an ever-shrinking piece of the pie. All this occurs while drivers’ other expenses for a Towncar or SUV remain the same, and Uber is free to raise the commission whenever it likes. This oversaturation limits the ability of any driver, whether yellow, green, black or Uber to make a full-time living.

All taxi drivers in New York are considered independent contractors with no right to a minimum wage. While the TLC can set fare and lease rates to shape taxi drivers’ income, in the black car industry, the only regulation that can address whether drivers earn anywhere near the minimum wage is a fair apportionment of cars to meet the demand for FHV trips. The current model of unlimited FHV licensing simply ignores driver economics at a cost to drivers in every sector. Any Local Law exploring this issue must study how the unchecked proliferation of FHV’s has economically impacted the 100,000+ New Yorkers who make their living driving taxis and for-hire vehicles.

Such a study must address:

- Changes in the net annual earnings of taxi and FHV drivers.
- Changes in drivers’ net hourly earnings.
- Changes in the amount of hours per week drivers work.
- Changes in the number of shifts per week drivers work.
- Changes in the number of hours drivers work consecutively.
- Number of taxi trips per shift made by medallion taxis and street-hail liveries.
- Number of miles driven per shift by medallion taxis and street-hail liveries.
- The amount of fuel used by taxicabs and street-hail liveries per shift.

If economic studies show reduced taxi and FHV driver income, the City Council must pursue further study, concerning, during the past two years:

² *Rudack v. Valentine*, 163 Misc. 326, 327 (Sup. Ct. N.Y. Co. 1937), *aff’d* 274 N.Y. 615, 10 N.E.2d 577 (1937), quoting N.Y. Code of Ord. Chap. 27-a § 1.

³ *Id.*, at 329.

- The amount of debt taken on by drivers
- Whether drivers or their family members have foregone opportunities for higher education.
- Whether drivers and their families have needed to relocate for cheaper housing as a result of lowered income, including immigrant drivers sending family members back to their home country.
- Whether drivers and their families have become eligible for need-based benefits.

The proposed Local Laws must provide for further study of how the increase in vehicles has affected travel for all vehicles throughout the five boroughs, with special focus on Manhattan's Central Business District.

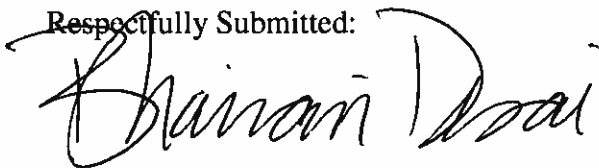
While black cars operating with e-hail flooding Central Business District streets has led to decreased e-hailing times for passengers, we are concerned that, although passengers may be seated in a car more quickly, they are just getting nowhere fast. Uber actually brags in other cities that they are quicker than an Ambulance and cheaper than a bus, ignorant of what it actually means to disrupt vital public services.

Any study concerned with the impact of the increase in for-hire vehicle licenses on City traffic flow must address:

- Any change in the response time and travel times of emergency vehicles within Manhattan's Central Business District.
- Any change in the MTA bus travel time for bus routes within or passing through Manhattan's Central Business District.
- Changes in taxicab travel time.

We ask you to do the right thing and protect the workers and our city, not the interests of big business. If you should have any questions, please do not hesitate to contact us at 718-706-9892. Thank you.

Respectfully Submitted:



Bhairavi Desai, Executive Director
New York Taxi Workers Alliance