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NYTWA Victory - Taxi & Limousine Commission to Vote on First-Ever Minimum Pay Standard for Uber Drivers

Statement: "It's the first real attempt anywhere to stop app driver pay cuts, which is an Uber and Lyft business practice at the heart of poverty wages."

(New York, NY) Today, the Taxi and Limousine Commission is voting on a minimum pay standard for NYC's app-dispatched drivers. The pay standard is the result of organizing that NYTWA began in 2015 when we first protested against Uber cutting driver pay rates. It is an important step toward solving the crisis hurting drivers in every sector. NYTWA is the only union that has united drivers across all sectors -- Uber, yellow taxi, green cab, black car, and livery -- and that continues to fight for a raise for all drivers.

In another victory for NYTWA members, the TLC is also voting to lower the credit card processing fee drivers pay medallion owners from $11 to $7, saving yellow and green drivers about $1,000 per year, and on raising driver compensation for trips when operating wheelchair accessible vehicles.

NYTWA Executive Director Bhairavi Desai released the following statement:
Today’s vote on a minimum pay standard for app drivers is the result of a campaign that NYTWA began in 2016 when Uber cut rates overnight on drivers and simultaneously saturated the streets with vehicles, leaving each driver with fewer fares and less income per fare. It was the beginning of the race to the bottom that has caused poverty across this workforce. NYTWA mobilized hundreds of Uber drivers to protest against those pay cuts, and we have continued to organize to raise standards for Uber drivers, as well as drivers in every other sector.

This first-time regulation to form a floor for app driver earnings and give a modest first raise is a long time in the making. **It’s the first real attempt anywhere to stop app driver pay cuts, which is an Uber and Lyft business practice at the heart of poverty wages.**

Just as it did with the vehicle cap, New York City is once again passing landmark regulation to protect workers in the unruly gig economy.

**Ultimately, the TLC needs to regulate Uber and Lyft passenger rates, guarantee that app drivers get 80 percent of those rates, and regulate the yellow/green meter to charge the same minimum rates, so drivers across the industry can earn a raise.**

NYTWA has worked tirelessly to expose Uber's Upfront Pricing scheme of charging passengers more while cutting driver pay. App drivers shouldn't be cheated out of earning more when app companies charge more to passengers. And yellow, green, livery and black car drivers - all devastated by poverty and debt - shouldn't be left behind.

We commend the TLC for regulating companies that together have more lobbyists than Amazon, Walmart, and Microsoft combined. The TLC held hearings and commissioned a ground-breaking report, securing its legal authority by leading with moral clarity.

We will continue the fight to make sure the landmark pay standard is a stepping stone for all drivers across the
Background:

Uber has continuously cut driver pay since it began operating in New York City. Between 2013 and 2016 Uber cut passenger rates by which drivers were paid by nearly 42 percent while increasing its commission by 150 percent. Then, in 2017 Uber introduced upfront pricing. Upfront pricing is the practice of separating driver pay from passenger fares, cutting drivers out of increasing fare revenue.

To date, NYTWA has provided 1,000 Uber trip records to the Taxi and Limousine Commission to provide evidence low driver pay and high company profits on fares. NYTWA proposals include putting an end to upfront pricing by calling on the TLC to regulate passenger rates similar to what customers are already being charged by Uber, requiring drivers get 80% of those fares, and also applying those rates to the yellow and green taxi meter, so drivers across all sectors can earn more and rise out of poverty together.

NYTWA submitted leasing receipts and contracts from app drivers to the TLC, showing that their expenses were much higher than the $267 per week and total $20,000 per year that the TLC initially estimated when creating its pay proposal.

NYTWA members have held more than 25 actions in the past year to fight for an end to the crisis of poverty hurting drivers in every sector. NYTWA won a groundbreaking cap on for-hire-vehicles through our organizing, and now our mobilizations have led to this vote on app driver pay. We are continuing to organize to win a raise for drivers in all sectors.

The TLC can study the real rates Uber, Lyft, etc. are charging and how much of the fare is actually going to the driver, and how the amount passengers pay Uber or Lyft compares to how much they pay on the taxi meter. Meanwhile, the TLC and City Council must join drivers to call on the governor and state legislators to exempt yellow cabs from congestion pricing, a fee that will make survival - let alone a raise - impossible for drivers.

Want to dig even deeper? Here is a detailed summary of what the TLC is voting on.

App driver minimum pay standard:
TLC discusses driver expenses in the context of the most common vehicle, a new Toyota Camry, and references an average weekly expense of $400, significantly higher than the $267 number previously used.

App Driver Pay Formula:

- Same basic formula for computing driver pay remains in place:
  - Mileage pay/utilization rate + time pay/utilization rate + Shared Ride Bonus = Total Driver Pay per trip.
- Industry wide utilization rate remains 58%
- Pay per mile increased to $0.631 per mile/ utilization rate
  - Simple per mile rate: $1.09/mile
- Pay per minute remains $0.287 per minute/utilization rate
  - Simple per minute rate: $0.495
- Shared Ride Bonus:
  - Amount TBD: Rules state that TLC will study driver income and expenses and then promulgate an effective bonus rate by publishing it on the TLC's website.
- Out of Town Rates:
  - Effectively double-"meter" rates for miles driven outside the City Limits:
    - $0.631 per mile/utilization rate ($1.26/mile)
    - $0.574 per minute/utilization rate ($1.15/minute)
    - An assigned utilization rate of 50% for miles beyond the City Limits

Enforcement:

- In addition to responding to driver complaints, TLC will audit trip records on a regular basis.
- Will require HVFHV's to submit data on a regular basis to assist in audits and future policymaking.

Transparency:

- Requires bases to hold on to records for three years.

TAXI/SHL (yellow and greencab) Sector:

- Credit card processing fee reduced from $11 to $7 / shift
Increase in Accessible Dispatch fee payments:
  ○ TLC may increase amount via website updates
  ○ May also increase terms of TIF payments via website:
    ■ TLC intends to make all WAVs eligible for the TIF hack-up payment and in-service payments.

- Eliminate cap on payments for SHL Accessible grant program
- Requires restitution when driver paid for vehicle repairs and the garage is later reimbursed
- Creates e-hailing at airports
- Extends protection from retaliation to SHL sector
- Requires taximeters to show total added amount
- Requires pro-rated leases when cars are unavailable through no fault of driver. Allows lessors to lease for less than 12 hours at pro-rated lease rates

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Founded in 1998, the New York Taxi Workers Alliance (NYTWA) is the 19,000-member strong union of NYC taxicab drivers, representing yellow cab drivers, green car, and black car drivers, including drivers for Uber and Lyft. We fight for justice, rights, respect and dignity for the over 50,000 licensed men and women who often labor 12 hour shifts with little pay and few protections in the city's mobile sweatshop. Our members come from every community, garage, and neighborhood. To find out more visit NYTWA.org, follow us on twitter.com/nytwa or like us on facebook.com/nytwa.