



NY AG Paralyzed as Uber's Misconduct and Lawlessness Metastasizes

The wheels seem about to fall off of the Uber car. Board members are resigning, and CEO Travis Kalanick has been forced to take a leave of absence because of the toxic, misogynistic corporate culture at the transportation network company-but the culture, as bad as it is, is certainly no worse than Uber's actual behavior in the marketplace. (<http://fortune.com/2017/06/14/uber-travis-kalanick-leave-of-absence/>)

This is a company that has been caught flouting local ordinances around the world, using a technique called Greyballing that enables the company to avoid municipal regulators. This disregard for the law has even gotten the attention of the Department of Justice. (<https://www.engadget.com/2017/05/04/reuters-doj-investigates-uber-greyballing-scheme/>)

This year a study conducted by Stanford and MIT came out documenting that Uber racially and sexually discriminated against its passengers-and the group Public Citizen issued a report that documented how the company undermines democracy in cities all over the country. (<http://news.stanford.edu/2016/10/31/researchers-stanford-mit-university-washington-find-ride-share-drivers-discriminate-based-race-gender/> <https://www.citizen.org/documents/uber-disrupting-democracy-corporate-power-report.pdf>)

The abuses never seem to stop-and now it is revealed that Uber has actively discriminated against its own drivers-under compensating them by tens of millions of dollars over the past two and a half years right here in New York City. (<https://www.wsj.com/articles/uber-shortchanged-new-york-city-drivers-by-millions-of-dollars-1495558800>)

Every time Uber gets caught doing something wrong, however, he pleads mea culpa and goes into a self-correction mode-firing corporate executives, and pledging to stop the abuses uncovered. The bottom line, though, is that given the company's track record it simply cannot be trusted to remedy the multitude of abuses that have been discovered just this year.

That is why I joined with the Taxi Medallion Owners and Drivers Association in writing to NY State Attorney general Eric Schneiderman, requesting that his office begin its own investigation into the malicious shortchanging of its NYC drivers; and the illegal overcharging of its passengers \$7.4 million a month through fraudulent fees. As we said in our letter:

“We are respectfully requesting confirmation that this office will continue to protect ALL NYC drivers, no matter who they work for, no matter how big their employer is, and will take whatever steps may be necessary to rectify this issue and prevent it from happening in the future.”

We pointed out that the Attorney General has already conducted a very similar investigation concerning a taxi company’s abuse of its drivers. In the recent Yellow Cab SLS Jet Management Corp. (SLS Jet) investigation conducted through a joint enforcement effort by the TLC, Labor Bureau and the NY State Attorney general, SLS Jet “agreed” to pay over 1 million dollars in restitution and additional penalties to taxicab drivers who were illegally charged by the company.

The AG was very proud of his investigation. As he said in his press release:

*“Every worker in New York deserves an honest day's pay for an honest day's work, and taxicab drivers are no exception,” said **Attorney General Schneiderman**. “With most cabbies already struggling to make ends meet, our agreement will put money back in their pockets and prevent this company from cheating drivers out of their hard-earned wages. Working with Commissioner Joshi and the TLC, we will continue to vigorously enforce lease cap rules and **ensure that all taxi companies** follow the law and respect drivers’ rights.”* (Emphasis added; <https://ag.ny.gov/press-release/ag-schneiderman-tlc-recover-over-16-million-restitution-penalties-nyc-taxicab-company>)

But with the Attorney General’s silence on Uber we are reaching an Animal Farm moment: “All animals are equal, but some animals are more equal than others.” The observation is a comment on the hypocrisy of governments that proclaim the absolute equality of their citizens but give power and privileges to a small elite. (<https://www.amazon.com/Animal-farm-Fairy-George-Orwell/dp/0451526341>)

In his press release Schneiderman went on to say that his office will investigate “every credible allegation we see...” Nothing is as credible as a company’s own admission that it has shortchanged its workers. What is not credible, however, is allowing some animals to self-correct, avoiding investigation, public shaming and restitution; while others-smaller in stature-are brought low for wrong doing.

Just recently the city of San Francisco sued Uber for all of its driver information. In its action the city loudly proclaims that; “Once again, Uber believes they are above the law.” If NY State’s chief lawmaker fails to act on this \$68 billion dollar company’s willful shortchanging of its drivers he will, very unfortunately, be proving that Uber’s belief is correct in New York. (<http://www.marketwatch.com/story/san-francisco-sues-uber-to-obtain-information-about-local-drivers-2017-05-11>)

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For more information contact Spokesman Brad Gerstman

516-880-8170