

New York moves to cap Uber, app-ride vehicles

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For-hire drivers and their supporters rally in favor of now-passed New York City legislation that puts a cap on app-ride vehicles

New York's city council on Wednesday dealt a blow to Uber and other car-for-hire companies, passing a bill to cap the number of vehicles they



operate and impose minimum pay standards on drivers.

The city of 8.5 million is the biggest app-ride market in the United States, where public transport woes and astronomical parking costs have helped fuel years of untamed growth by the likes of Lyft, Uber and Via.

But that growth has brought New York's iconic yellow cabs to their knees. Since December, six yellow cab drivers have committed suicide. Those deaths have been linked, at least in part, to desperation over plummeting income.

The bill stipulates a 12-month cap on all new for-hire-vehicle licenses, unless they are wheelchair accessible, as well as minimum pay requirements for app drivers—regulated by the Taxi and Limousine Commission (TLC).

It makes New York the first major city in the United States to limit the number of app-based rides and to impose pay rules for drivers.

A recent TLC-commissioned study recommended a guaranteed income of \$17.22 an hour for drivers—\$15—plus a supplement to mitigate against rest time.

New York Mayor Bill de Blasio, a progressive Democrat, vowed to sign the <u>bill</u> into law, proclaiming that it would "stop the influx of cars contributing to the congestion grinding our streets to a halt."

"More than 100,000 workers and their families will see an immediate benefit from this legislation," de Blasio said.

Around 80,000 drivers work for at least one of the big four app-based companies in New York, compared to 13,500 yellow cab <u>drivers</u>, according to the recent TLC-commissioned study.



The increased competition has slashed the value of yellow cab taxi licenses, from more than \$1 million in 2014 to and less than \$200,000 today.

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