

TAXI WITH NO ROOF LIGHT

**WHITE PAPER ON THE
DAMAGE DONE BY UBER AND
THE NEED TO INTERVENE**



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INTRODUCTION

The corona crisis has highlighted painfully the downside of the ease of arranging a cheap taxi ride by way of a handy app. After all, if it rains and you decide not to use your bike, a dirt-cheap taxi can pick you up in a matter of minutes or even seconds. However, someone always has to foot the bill for the convenience of the passenger catching a cheap ride. In this case it is the Uber driver, and the situation has deteriorated since mid-March this year. Uber drivers currently have little or no work, and cannot rely on any support. They have lost their income, and do not know how they are going to cope and to support their families in the coming months. They cannot rely on Uber for anything. It is uncertain whether the taxi market will pick up again, and by now three-quarters of the drivers have informed the FNV that they are considering stopping their work with Uber. They simply do not earn enough and have no safety net.

Uber is an employer that presents itself as a notice board, but the Uber app is not an innocent, neutral technical tool. The app makes use of an algorithm that was developed to direct drivers in such a manner that the platform makes a maximum profit. The app gives drivers access to the system, issues work instructions, and distributes the bookings through an algorithm that is not transparent. Uber can also deny drivers access to the app if they - in Uber's opinion - do not stick to the rules. The app and Uber itself behave like any other employer: namely, by giving assignments, by distributing work, and by assessing, hiring, and dismissing people.

The only thing the app does not arrange is decent pay, even while Uber's 'turnover' is considerably high. Uber does not pay a wage but only a 'rate', and lures drivers with the prospect of working whenever they want against a high rate. However, since the pool of drivers has expanded, Uber drivers earn increasingly less, and never know in advance how much a ride will yield. Working whenever you want actually means that you work mainly at peak times. And as there is far less work than had been promised, the rate can be reduced even further. Many drivers fall into serious financial difficulties, and have no recourse to a safety net such as unemployment benefits [WW-uitkering].

Uber is not concerned with offering freedom. Its aim is to evade tax and employer obligations, and, as a result, to keep wages and therefore costs low. Drivers are left to fend for themselves. It is unfair competition at the expense of taxi drivers making a fair living, and this also affects our society. In particular in times of crisis, the consequences of the Uber model have become clearly visible. In a fair labour market, companies - for better and for worse - assume responsibility for the people through whom they earn money. Through our tax system, they are then also able to contribute to collective provisions such as health care and emergency packages during a crisis such as the current one. The choice not to contribute is a deliberate one. Like other taxi companies, Uber in principle is in a position to employ people, pay a decent wage, and pay tax and social insurance contributions so that everybody will be insured. In this way, passengers would pay a fair price for their taxi ride and the driver could rely on a steady income. The ease of using an app is fine, but cheap transport at the expense of the driver is definitely not.



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WHAT IS UBER'S OBJECTIVE?

Enticing words about connecting and a better world for everybody are published on Uber's website, but the company's actions clearly show that it is all about making as much money as possible. To start with, Uber charges a 25% service fee on the fare price; no other taxi platform charges that much. But most importantly, Uber aims to obtain the largest share – perhaps even become a monopoly – in the on-demand taxi market [*besteltaximarkt*] and, since 2012, also in the Netherlands. Uber is a company designed for and by investors, who invest billions into it in venture capital. Their sole objective is to become the greatest and to start making a profit once the competition has been erased. With this in mind, they continue to provide Uber with funds, even if it is all spent on prestigious office buildings, court cases and settlements, and political lobbying activities to have inconvenient legislation adapted.

Uber's strategy of attracting clients and beating the competition is: be easy, cheap, and fast by means of a simple app through which rides can be booked and paid. That is, cheap by undercutting competitors' rates, and fast by having so many Uber drivers cruise an area that a taxi can reach clients within a matter of minutes.

When launched in Amsterdam, Uber Taxi actively recruited drivers from Taxi Central Amsterdam [*Taxicentrale Amsterdam, abbreviated to TCA*], and other drivers affiliated with Amsterdam's approved taxi organisations [*Toegelaten Taxi Organisaties, abbreviated to TTOs*]. Former drivers stated that initially they were paid well to be online for Uber and not available for other taxi jobs. The fact that they undertook barely any rides for Uber was no problem whatsoever, and was taken into account as a start-up loss.

In 2014, UberPOP was launched: private individuals without a driver's card [*taxipas*] provided taxi rides in their own cars and at prices much lower than those charged by the TTOs. This met with fierce resistance, but Uber completely ignored legal injunctions and simply paid every penalty imposed. At the end of 2015, the Dutch Human Environment and Transport Inspectorate [*Inspectie Leefomgeving en Transport, abbreviated to ILT*] put an end to UberPOP.

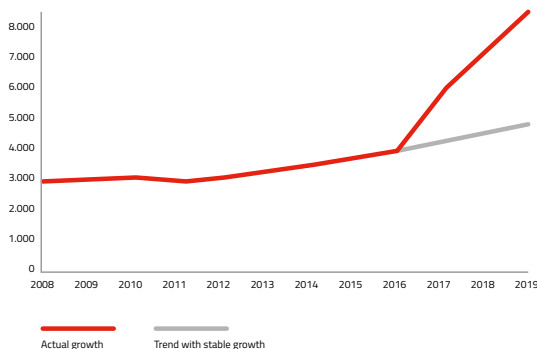


Diagram: Development in number of independent contractors [*leenmanszaken*] from 2009 to 2019, with a considerable increase in 2016

Uber kept looking for ways to lower the threshold for self-employed drivers [*ZZP-chauffeurs*] and thus the increase was high. On 1 January 2016 (reportedly partly as a result of a solid Uber lobby) the Dutch Taxi Act [*Taxiwet*] was amended: the competence requirement [*vakbekwaamheidseis*] with the associated entrepreneurial exams [*ondernemersexamens*] was abolished, and the taxi meter was no longer obligatory for on-demand transport. For many years, there had been about 3,000 self-employed drivers but in the meantime their number has almost . Uber is well on the way to dominating the taxi world: in Amsterdam, an estimated two-thirds of the rides are now provided through Uber.

WHY IS UBER'S WORKING METHOD HARMFUL?

HARMFUL FOR UBER DRIVERS

They have little money left

The Uber drivers we have spoken to stated that they do not earn enough to make a decent living. We have gathered data from over 100 Uber drivers (based on weekly and monthly statements, and on interviews) and compared these with the collective labour agreement for the taxi sector (Taxi CLA), which shows that they are at least € 272 short a month.

	Wage Taxi CLA (street taxi driver)*	Profit Uber driver	Difference Taxi CLA
Gross per hour	€ 13.36	€ 11.04	-€ 2.32
Gross per month	€ 2,226	€ 1,954	-€ 272

* We base this on a driver with two years of experience covered by the collective labour agreement, while Uber drivers in the reference material have 0 to 6 years of experience.

However, this gives a distorted picture, because Uber drivers have significantly fewer rights than drivers in employment: they do not accrue pension, do not earn money when they are sick, and are not insured against occupational disability [*arbeidsongeschiktheid*]. The table below has been adjusted on these rights. Consequently, our analysis shows that if we compare apples with apples, Uber drivers with a social safety net and rights similar to those of employees covered by the Taxi CLA will be far worse off and earn even less than the Dutch statutory minimum wage (SML) [*wettelijk minimumloon*].

	Wage Taxi CLA (street taxi driver)*	Profit Uber driver with similar rights**	Difference with Taxi CLA	SML including holiday entitlement + holiday allowance
Gross per hour	€ 13.36	€ 9.04	-€ 4.32	€ 11.19
Gross per month	€ 2,226	€ 1,553	-€ 673	€ 1,980

* We base this on a driver with two years of experience covered by the collective labour agreement, while Uber drivers in the reference material have 0 to 6 years of experience.

** With similar rights: minus insurance costs relating to sickness or occupational disability, and pension accrual.

Uber drivers appear to earn more than in other segments of the gig economy (meal delivery, domestic work, hotel and catering) but they also have much higher operational costs:

Average monthly costs*	
Administration	€ 67
Car lease or depreciation	€ 580
Maintenance	€ 106
Taxi insurance	€ 255
Phone subscription	€ 52
Car cleaning	€ 49
Fuel	€ 400
Total	€ 1,510

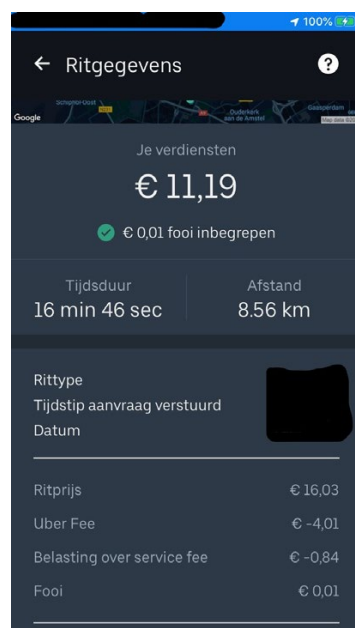
* Some cost items may differ for individual drivers: for example, a car lease that includes taxi insurance.

Furthermore, drivers also have high start-up costs and a variety of annual costs that are not specified above. In total, the average Uber driver has about € 18,850 in costs per year. The costs incurred may differ considerably per driver, based on factors such as the type of car, fuel, car financing, and number of hours worked.

Uber claims a much higher hourly turnover (€ 24) than shown by all data presented by the FNV. This is because Uber includes uncertain elements such as tips and bonuses (x amount extra for an x number of rides) or incentives (surge pricing with a multiplier of the fare price in an area with a higher demand for than the supply of drivers). Furthermore, Uber interprets the concept of working hours differently.



In addition to Uber setting low rates, the company charges a high service fee for itself. The app automatically deducts a 25% service fee from the fare price, to which 21% VAT has to be added. Consequently, over 30% is deducted. Example: The fare price for an eight-kilometre ride is € 16.03. After a deduction of € 4.01 and € 0.84, the driver has € 11.18 left. And roughly 50% of this amount is spent on costs that must be borne by the driver (fuel, damage, and so on).



Ride details

Your earnings

€ 11.19

€ 0.01 tip included

Total duration

16 min. 46 sec.

Distance

8.56 km

Fare type

Time request sent

Date

Fare fee € 16.03

Uber fee € - 4.01

Tax on service fee € - 0.84

Tip € 0.01

They are only paid for the distance driven relating to a ride

The app does not start calculating the distance until the driver departs with the client on board; the time spent driving to the caller's pick-up location [*aanrijdtijd*] is not included in payment. Because 'Ubering' is so cheap, clients often also 'call an Uber' for short rides, in which case the driver's costs may work out to be higher than the money earned. Furthermore, waiting time - if the client is late or the car is stationary in a traffic jam or even at a traffic light - is not included. For TTO drivers who use a meter, the fare price is made up of a combination of distance and time.

They have long working days and weeks

Many drivers we talked to have unhealthily long working days, often working six or seven days a week. Our investigation arrived at an average of over 50 hours a week.¹ Drivers feel forced to do so because otherwise they simply do not earn enough money. They feel forced because the app rewards availability; because they constantly receive push messages and therefore keep a close eye on their app and do not take breaks; because they need to accept rides to maintain a good rating; and because they are lured into taking on rides with extra rewards.

'Just when you're about to head home, suddenly rides come in thick and fast. Of course you can say no, but it's hard to decline if you already earn next to nothing. It's as if they make you addicted: you know it's not good for you, but still you keep going on.'

They feel manipulated

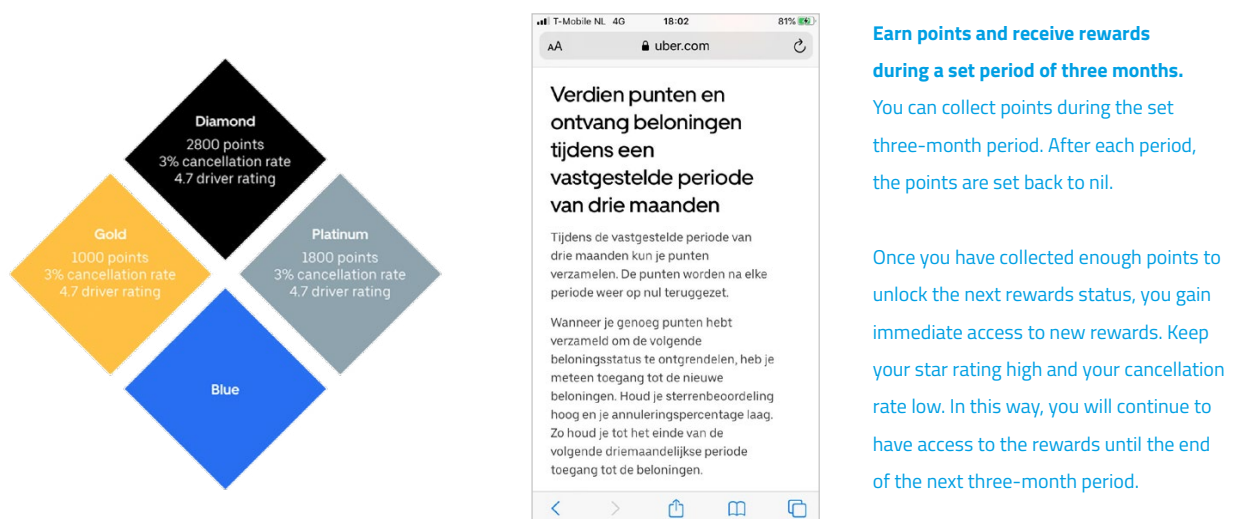
Many drivers start with Uber as a side job while they study, or as a way to get out of the social benefit system. (For some time, the Dutch Employee Insurance Agency [*Uitvoeringsinstituut Werknemersverenigingen*, abbreviated to *UWV*] encouraged this as a stepping stone to work, and supported them in obtaining a taxi driver's diploma to be able to get a driver's card). They are lured with promises of good earnings, and Uber helps them to arrange everything such as a taxi permit, a lease car, insurance, and even their bookkeeping. Of course, initially they are offered plenty of rides, but this gradually decreases. Drivers start driving increasingly more to cover the cost of the large investments made.

¹ In the Social Charter concluded between Uber and the municipality of Amsterdam, Uber states that '... drivers who went online were online for fewer than 30 hours a week 59% of the time, and fewer than 50 hours a week 90% of the time'. We hold on to our own numbers because online time is not representative of the actual working time, and because they are based on surveys with over 300 responses and on many interviews with drivers. The vast majority indicate they are working over 50 hours a week.

Uber provides no insight into how the app's algorithm works, but drivers have stated that their behaviour has an impact on the number of rides they are offered. It is clear that the algorithm aims mainly at getting as many drivers as possible online at once and distributing them. The more drivers available, the lower the rates will be. The app's mechanism operates like a gambling game: drivers are sucked into it by way of messages about bonuses and incentives, but in practice they hardly ever receive these.

Uber uses a points system (UberPro) that has several levels (Gold, Platinum, Diamond), applies different categories (UberX, UberBlack, UberVan), and frequently makes up new flavours (UberComfort, UberMedics, HourlyDropoff), all meant to subdivide drivers, make them compete with each other, and play them off against each other. A higher status yields slightly extra income but keeps drivers sharp by constantly instilling the idea that they need to perform better in order to achieve or maintain a certain status.

Many drivers feel that the surplus of drivers and the low entry threshold to becoming an Uber driver is a conscious strategy pursued by the company. It is intended to keep prices low for clients and to have constant access to a pool of new drivers, as the seasoned ones are becoming increasingly critical.



They are not given appropriate information; no communication is possible

If drivers enquire about the non-transparent fare prices or the awarding of rides, they are not provided insight into the figures. All communication takes place through the app's chat function, and conversations are deleted as a standard, which means there is no reporting to draw on. If a driver is blocked, this usually happens without any warning or explanation, and they can no longer contact Uber. Only after visiting the head office - several times - may a blocked driver get an explanation, although complaining clients are always shown to be in the right. In the meantime, a driver cannot work and does not earn any money, while at the same time still having ongoing costs. Only if there is a shortage will a committee suddenly appear in order to assess complaints and lift blockages.

A client's rating is non-discussable. The problem in this respect is that low fare prices attract clients who readily complain about the route or the fare price, or who even behave rudely. It frequently happens that passengers damage the car or soil the interior. Only occasionally, and after considerable effort, is this damage recoverable from Uber, and even then only partly.

During the corona crisis, Uber did not communicate for a long period. Drivers only received messages that they had to comply with the measures imposed by the government, and several weeks later were given a flimsy plastic sheet 'to avoid becoming infected'. However, on its website Uber boasted about granting 10,000 free rides to health workers.

They have no employee protection

Drivers in employment are entitled to benefits in the event of sickness, occupational disability, and unemployment,

and they also accrue a pension. On paper, Uber drivers are self-employed professionals without personnel [*zelfstandigen zonder personeel, abbreviated to ZZP'ers*] and should therefore insure themselves for such provisions, or build up a buffer. Given the low rates, this is hardly possible if at all.

	UberX (bogus commissioning)	Paid employment with Taxi CLA
Employment protection	No	Yes
Co-determination on company level	No	Yes
Sick pay	No	Yes
Insured against occupational disability	No	Yes
Pension accrual	No	Yes
Unemployment benefits (regular)	Social security (€ 1,500 couples / € 1,050 singles) WITH partner's income and means test	Unemployment benefits (75%-70% of the last wages) WITHOUT partner's income and means test
Special coronavirus related measures	TOZO ² (supplement to social security level, without partner's income and means test)	NOW ³ (employer receives 90% in wage costs, worker remains employed)

HARMFUL FOR OTHER DRIVERS AND TAXI COMPANIES, AND FOR THE TAXI SECTOR

Competitors are ruined by low rates


Self-employed TTO drivers are unable to compete with the low Uber prices, and, owing to the enormous surplus of drivers, everyone's turnover has declined considerably. Many feel forced to supplement their income by working through a platform as well. Uber has given other platforms in the on-demand taxi market a very rough time: for example, Abel, a ride-sharing taxi company, was forced to stop after two years owing to over-capacity in the taxi market.

Fare prices on 3 May 2020	Regular taxi	UberX min. price	UberX max. price
	www.watkosteentaxi.nl	www.uber.com/nl/nl/price-estimate	
Schiphol arrivals - Dam Square (in Amsterdam)	€ 66	€ 33	€ 44
Arena Boulevard - Amsterdam CS	€ 51	€ 23	€ 31
Sloterdijk (station) - Lelylaan (station)	€ 21	€ 9	€ 13
Hoofddorp (Marktplaats) - Haarlem (Grote Markt)	€ 39	€ 19	€ 26
Amsterdam CS - Dam Square	€ 10	€ 6	€ 9
Amsterdam CS - Leidseplein	€ 16	€ 9	€ 13
Rotterdam CS - Utrecht CS	€ 158	€ 73	€ 98
Average	€ 52	€ 25	€ 33
Difference with TTO meter price		-52%	-35%

2 The Temporary bridging measure for self-employed professionals [*Tijdelijke overbruggingsregeling zelfstandig ondernemers, abbreviated to TOZO*] offers support for self-employed professionals who are experiencing financial difficulties due to the corona crisis: € 1,500 (couples) or € 1,050 (single persons) per month based on welfare level [*bijstandsniveau*]. For this income support there is no viability test, no capital test and the shared costs norm [*kostendelersnorm*] does not apply.

3 Under the Temporary Emergency Bridging Measure for Sustained Employment [*tijdelijke Noodmaatregel Overbrugging voor Werkgelegenheid, abbreviated to NOW*] companies can claim a maximum of 90% of wages, depending on how much turnover they lose. Employees are to be paid in full (100%).


For the same reason, the largest international competitors, Grab (by now merged with Uber) and Lyft, never entered the Dutch market. A race to the bottom started with ViaVan, owing to rate reductions to fare prices that can barely be profitable. SnelEenTaxi drivers, who get to see the same ride in their app, start underbidding each other in a reverse auction with a time clock. And Bolt, an Estonian transportation platform company founded and headquartered in Tallinn, Estonia, which has just entered the Dutch market, is already following the same trend as Uber: recruiting many drivers with the promise of a high turnover but without it being clear how that is possible.


Bolt Netherlands
 Gesponsord ·

Bij Bolt dragen chauffeurs minder af en daarom verdienen ze meer.

Registreer als chauffeur en betaal slechts 15%. Zo verdien je meer op elke rit.

Verdien tot €1100 per week met rijden



Bolt

BOLT.EU
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Registreren

Bolt Netherlands

Bolt drivers pay a lower service fee and therefore earn more money.

Register as a driver and pay just 15 percent. In this way you earn more per ride.

Earn up to € 1,100 a week by driving

Taxi drivers are getting a bad reputation

Because of the lower start-up criteria as well as the illegal constructions and lease constructions (sometimes a combination of both) with which Uber drivers look for solutions regarding the unsustainable ratio between income and costs, relatively many drivers actually do not belong in taxis. Some do not have a taxi diploma, are not insured, or were removed by a TTO because of their behaviour. Add to this the pressure to take on many rides and arrive quickly at the client's pick-up location, and the risk of unsafe road user's behaviour and misconduct towards clients will be higher. This has a negative impact on the reputation of all taxi drivers. The media frequently report on negative incidents involving a 'taxi without a roof light'. Officially, Uber cannot be named but everybody within the sector knows exactly who was involved again.


Amsterdams Dagblad
 25 augustus 2019 ·

Een taxi zonder daklicht heeft vannacht een fietser aangereiden op de kruising van de Willem de Zwijgerlaan en de Jan van Galenstraat in Amsterdam-West.



AMSTERDAMS DAGBLAD.NL
Taxi schept fietser op Amsterdamse kruising - Amsterdamsdagblad.nl

Taxi hits cyclist at Amsterdam intersection

Last night, a cyclist was hit by a taxi without a roof light at the Willem de Zwijgerlaan and Jan van Galenstraat intersection in Amsterdam-West.

Fietser gewond na aanrijding met taxi in Amstelveen

25 december 2019, 07:45 uur · Door Redactie

AMSTELVEEN - Op de Noorddammerlaan in Amstelveen is vannacht een fietser gewond geraakt na een aanrijding met een taxi zonder daklicht.



Cyclist injured after being hit by a taxi in Amstelveen

Last night, a cyclist was injured after being hit by a taxi without a roof light at Noorddammerlaan in Amstelveen.

Uber drivers snatch pick-up clients *[opstapklanten]*

Uber drivers are only allowed to carry out pre-ordered transport services. The pick-up market (clients at taxi ranks or ride hailing) is reserved for TTO drivers with a meter in their cars. However, Uber drivers frequently pick up clients in the streets, and completely ignore the prohibition because the large cities have limited enforcement capacity. Moreover, the limited number of inspectors - usually fewer than ten per city - also focus mainly on taxi ranks with TTO drivers because that is where taxis are easily found. In addition, TTO drivers also have to meet the code of conduct towards clients, and are sanctioned by the TTO. They therefore feel they are punished more quickly and more often than the Uber drivers who are responsible for the situation that requires enforcement.



Approved Taxi Organisations

Only drivers of Approved Taxi Organisations [Toegelaten Taxi Organisaties, abbreviated to TTOs] that are recognised by the municipality are allowed to pick up passengers from a taxi rank or in the street. Drivers connected to a TTO have a Taxi permit, and their taxis can be recognised by the following TTO roof lights:

Uber does not contribute to the sector fund

The Dutch Sociaal Fonds Mobiliteit *[abbreviated to SFM and formerly called Sociaal Fonds Taxi]* - the central point of contact for everybody who works in the taxi sector - checks whether taxi companies comply with the collective labour agreement, and provides information about vocational training and health and safety at work. The SFM plays a major, structuring role in the organisation of the taxi sector and in transport safety. Because Uber has designated itself as a notice board and does not pay any contributions, it also does not contribute to the fund.

As a result, little attention is paid to the training or further training of Uber drivers.



HARMFUL FOR DUTCH SOCIETY

Unsafe situation

Uber's system leads to exhausted and rushed drivers who cause increasingly more accidents. In January 2019, the Dutch Traffic Safety Association *[Veilig Verkeer Nederland]* made a public appeal to take Uber taxis off the road.⁴ Within a six-week period, there had been three fatal accidents involving Uber drivers.

Drivers themselves indicate that they feel extremely pressured by the app, which results in reckless road behaviour.⁵ Uber then raised the minimum age of drivers from 18 to 21, and now requires that starting drivers have at least one year of driving experience. However, this applies only to newcomers; young, inexperienced drivers who already

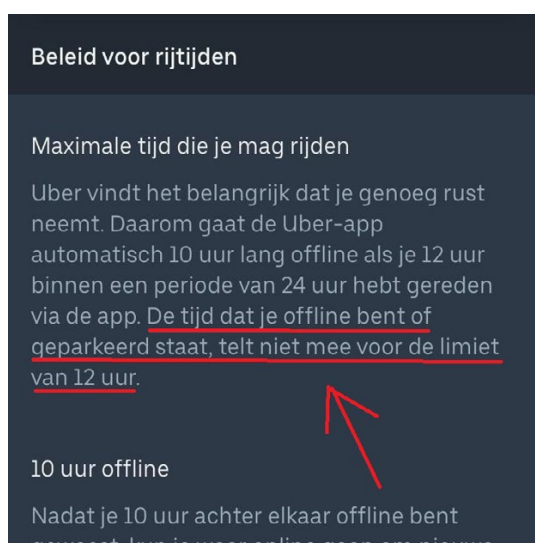
4 www.rtlnieuws.nl/nieuws/nederland/artikel/4579011/vvn-na-reeks-dodelijke-ongelukken-haal-uber-voorlopig-van-de-weg

5 www.ad.nl/binnenland/uberchauffeurs-over-overuren-en-ongelukken-je-wordt-roekeloos-a81f0559/; www.parool.nl/nieuws/uber-spreekt-van-zorgelijke-situatie-na-weer-dodelijk-ongeluk-be9844f6

work for Uber can continue to do so. Uber also introduced restricted online time: drivers can work no longer than 12 consecutive hours, after which the app will close for 10 hours. However, this is a farce because the app includes as working time only the driven hours and not the time drivers stand still while passengers are getting in or out; the time spent fuelling and washing the car; or the time spent in a traffic jam or at a traffic light.

Environmental pollution

The Union of Concerned Scientists (UCS), an American NGO linked to the Massachusetts Institute of Technology (MIT), a private research university in Cambridge, Massachusetts, has conducted research into the impact of Uber and Lyft on the environment. Their ride-hailing trips have been found to cause 69% more pollution than the public transport trips they replace.⁶ Comparable studies involving European cities have produced similar conclusions.⁷ Taxis are greater polluters than public transport (buses on green power, trams on electricity), and they cause more traffic movement (more passengers at once transported in a bus or tram).



Driving time policy

Maximum permissible driving time
Uber considers it important that drivers have sufficient rest. Therefore the Uber app automatically goes offline for 10 hours once a driver has driven 12 hours using the app within a 24-hour period. The time a driver is offline or parked/stationary is not included in the 12-hour time limit.
[...]

Because Uber is so cheap, people more often make use of a taxi, even instead of taking their bike or public transport if it is raining. Moreover, Uber drivers constantly drive around waiting for calls, are not allowed to wait at taxi ranks, and do not want to pay for parking. They also drive around areas where calls can be expected, such as night-life venues. Push messages with surge pricing lure them to a particular area that may be situated farther away.

Making use of provisions to which no money has been contributed

Uber benefits from public goods such as development of the infrastructure and road maintenance, which is partly financed from Dutch vehicle tax [*motorrijtuigenbelasting*] but also from general resources to which the company does not contribute a single penny.

Furthermore, Uber drivers can make use of social safety net provisions that are also financed from collective resources. Drivers who do not earn enough can apply for social security. During the corona crisis, they have applied en masse for the TOGS⁸ (one-off reimbursement of € 4,000) and the TOZO (supplement to social security level). Our social security system that serves as a safety net for sick, unemployed, or incapacitated people is based on employers paying contributions for each worker, which insures employees against short-term or long-term sickness and unemployment. Moreover, employers also have to act as a good employer: namely, continuing payment

⁶ www.ucsusa.org/resources/ride-hailing-climate-risks

⁷ milieudefensie.nl/actueel/taxidienst-uber-probleem-of-oplossing and the study by Transport & Environment, which is referred to in the message.

⁸ The Dutch government awards entrepreneurs in a number of specific sectors who have been affected by the corona measures a one-time, set reimbursement of € 4,000 (tax free). This is called the Reimbursement for Entrepreneurs in Affected Sectors COVID-19 [*Tegemoetkoming Ondernemers Getroffen Sectoren COVID-19, abbreviated to TOGS*].

of wages if there is no work or someone gets sick. With its chosen construction, Uber has shifted these costs and risks to the drivers. How much Uber is costing the tax authorities and the social security system on an annual basis is specified in the table below.

Number of drivers*	Tax and contributions Uber driver on an annual basis	Tax and contributions employed driver covered by Taxi CLA	Loss in taxes and contributions	Loss in pension contributions	Total loss
One full-time driver	€ 1,111	€ 10,826	€ 9,716	€ 4,768	€ 14,484
4000 part-time drivers	€ 2.2 mln.	€ 21.6 mln.	€ 19.4 mln.	€ 9.5 mln.	€ 29 mln.
4000 full-time drivers	€ 4.4 mln.	€ 43.3 mln.	€ 38.7 mln.	€ 19.1 mln.	€ 58 mln.

Loss in tax revenues, social security and pension contributions owing to Uber's sham self-employment arrangement

* It is unclear how many Uber drivers operate in the Netherlands. Uber has stated there are 4,000 part-time drivers, but the drivers who informed us spoke of at least 8,000 drivers. Therefore, we also made a calculation with 4,000 full-time drivers, and as a result the monetary loss for society may work out even higher.

Over the past few years, evasion of employer's costs and risks has increased significantly, to the point that this way of cutting costs appears to be the latest business model. It is a major cause of the strong flexibilisation of the labour market and the weakened position of the working population. In the meantime, a large number of reports on the dangers of this trend and the related consequences for the social welfare state have been published, with warnings against this downward spiral in the labour market and proposals to address matters in a different manner.⁹

The impact has also been observed during the corona crisis, with flex workers quickly being dismissed or not called back in to work anymore, and not able to rely on any provisions. Many self-employed people have lost their income overnight.

In November 2018, the ING bank issued a scenario analysis showing that platforms like Uber not only expand rapidly but that this growth may also accelerate and could double the number of self-employed workers within a few years.¹⁰

To keep social security alive, the contributions for employees will need to rise, creating an even greater difference and encouraging the further breakdown of the social welfare state. Bearing this in mind, platforms like Uber form a serious threat to our social welfare state.

9 See, among others:

- *In wat voor land willen wij werken?* Final report (in Dutch) by the Netherlands Independent Commission on the Regulation of Work [Commissie Regulering van Werk], 23 January 2020;
- *Het betere werk*, report No. 102 (in Dutch) by the Scientific Council for Government Policy [Wetenschappelijke Raad voor het Regeringsbeleid, abbreviated to WRR], 15 January 2020
- *Sociaal Cultureel Planbureau*, [Sociaal Cultureel Planbureau, abbreviated to SCP], De sociale staat van Nederland 2019, 10 September 2019 (in Dutch)

10 Source: Marieke Blom: 'Platformen kunnen de arbeidsmarkt drastisch veranderen' (ING website, 28 November 2018)

HOW DOES UBER GET AWAY WITH THIS?

MUNICIPALITIES ARE UNABLE TO DRAW UP REGULATIONS FOR THE ON-DEMAND TAXI MARKET

Taxi drivers have advocated for some time curbing the number of drivers per city or area, the way it used to be in the past. In Amsterdam, for example, this could be done by making the tram-line permit [*trambaanvergunning*] obligatory for all drivers and by setting a maximum. Article 82 of the Dutch 2000 Passenger Transport Act [*Wet Personenvervoer, Wp 2000*] stipulates that municipalities are only authorised to introduce supplementary rules for the pick-up market (taxi ranks or ride hailers, in other words the TTOs) within their municipality. As a result, companies/platforms that are active/active only in the on-demand market, such as Uber, to a large extent fall outside the scope of the municipal regulations and enforcement. In cooperation with other trade unions and the Royal Dutch Transport Taxi employers' association [*Koninklijk Nederlands Vervoer Taxi, abbreviated to KNV TAXI*], the FNV has repeatedly urged the government in The Hague to harmonise legislation for the pick-up and on-demand markets, but their pleas have invariably fallen on deaf ears.¹¹

Uber leaves Barcelona

On 1 February 2019, Uber left Barcelona, where UberPOP was banned in 2014 (as in the Netherlands, Belgium, and Germany, for example). Next, the company returned with the professional drivers of UberX. In 2019, Catalonia put a law into force stipulating that taxis are not allowed to pick up passengers until 15 minutes after having been ordered. This means that Uber's Swipe-click-drive system cannot be used for this. The underlying reasons for implementing this change in legislation were protests and strikes by regular taxis, which therefore resulted in Uber leaving Catalonia.

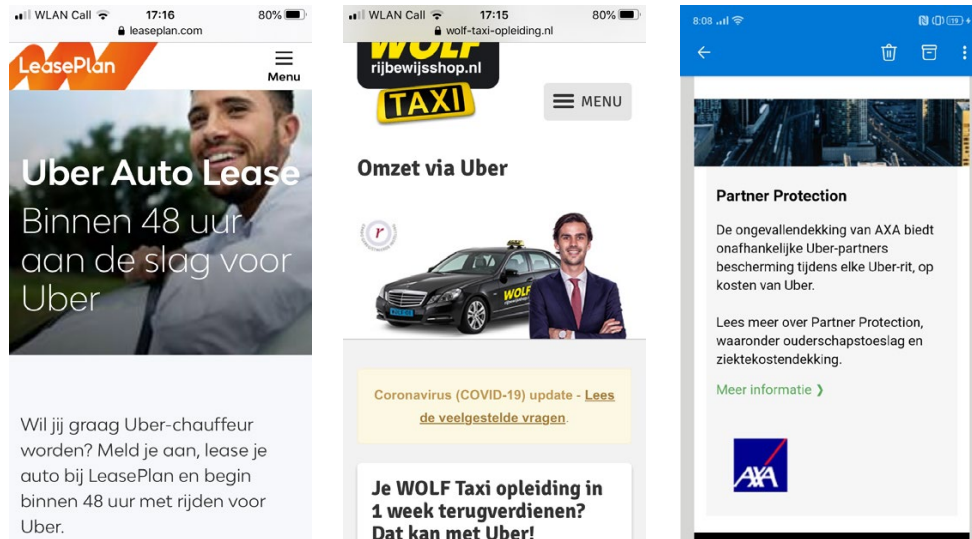
Source: www.nrc.nl/nieuws/2019/01/31/uber-stopt-in-barcelona-door-nieuwe-regels-na-protesten-a3652549

UBER CLAIMS NOT TO BE AN EMPLOYER

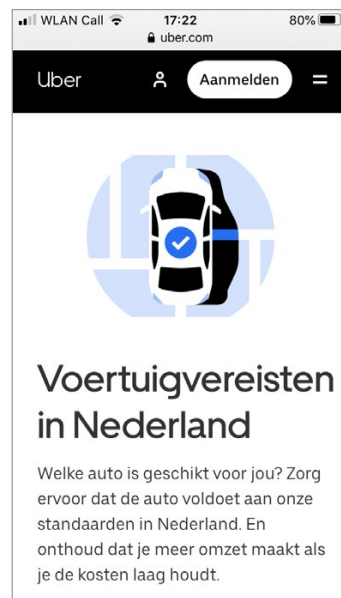
Uber formally presents itself as being no more than a digital notice board or platform that acts as an intermediary between self-employed drivers and clients. In this way, Uber evades the responsibility of being an outright employer, and therefore also the costs and risks normally applicable to employers. On the basis of practice, it can be concluded that working for Uber is in all respects equivalent to having an employment contract. It involves a relationship of authority [*gezagsverhouding*], whereby Uber acts as the employer that determines everything and issues instructions, and the driver's behaviour is that of an employee:

- Prospective drivers who registered through the website must visit one of the Greenlight Hubs to present their papers (driver's card, ID, vehicle registration certificate), complete a questionnaire, watch an instruction video about the app, and complete a test.
- Uber supports starting drivers in any possible way. Trouble installing the app? No driver's card yet? Help needed with the administration? Not registered with the Chamber of Commerce? You have no taxi-car of your own? Nothing whatsoever is a problem. Uber eagerly refers potential drivers to collaborating partners (Wolf Taxi training, Leaseplan, A4U Taxi administration, AXA and INSHUR insurances), most of whom operate in-house and can help them immediately.

¹¹ www.taxipro.nl/straattaxi/2020/04/16/minister-ziet-extra-regels-taxibestelmarkt-niet-zitten/



- The client's payment runs via Uber Payments BV and invoicing via Uber BV. Just like any employee, the driver needs to do nothing at all.
- Uber determines whether the driver's car is suitable. A list of recommended models applies to the standard UberX, and service desk staff decide whether the car meets the criteria. For the UberBlack, UberComfort, and UberVan options, an exhaustive list of accepted models is available. Other cars - however new or good - are rejected by definition. Uber prefers drivers to use cars provided by its collaborative partner Leaseplan. These cars are not fitted with a taxi meter, and are therefore only suitable for the on-demand market of an app platform like Uber, and not for the pick-up market.



Vehicle requirements in the Netherlands

Which car is suitable for you? Make sure the car meets our standards in the Netherlands.

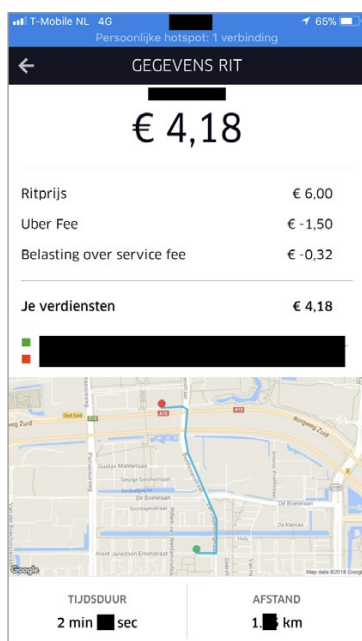
And remember that your turnover will be higher if you keep your costs low.

- Uber can block/deactivate drivers for a short or a long period, or even permanently.
- Reasons for doing so include complaints by clients and failing to work in accordance with the guidelines, but also because of a very low acceptance rate (not accepting enough rides) or a high cancellation rate (declining already accepted rides). This smacks of reaping the benefits (dismissal on grounds of declining work) but not accepting the burdens (employment protection) of being an employer.
- Uber allocates rides. The company claims that the algorithm simply links the passenger to the closest driver. However, all the drivers we spoke to are convinced - based on experience and even their own experiments - that more factors are involved, such as customer satisfaction (drivers rank as satisfactory with an average of 4.6 in a 1 to 5 star rating), availability in the past at hours suitable to Uber, and how much the driver had already earned that week. Reportedly, during the first three to four months, newcomers are given preferential treatment with more and longer rides to keep them satisfied and get them 'hooked' on the app.

- Uber determines the rates. Rates may differ per city/town and moment in time, but UberX's basic rate is about € 1.20 per kilometre, which is half the TTO meter price per kilometre. Drivers have no influence whatsoever on the rate. They cannot negotiate, and strikes have not yielded any result.¹² Since recently, Uber even works with fixed prices for clients, whereby only distance with the take-off calculation (via the ideal route) counts, and detours due to a delay or accident en route are payable by the driver.
- Uber determines how drivers must operate. In their account, drivers are provided with hundreds of pages of instructions and policies with which they must comply. If they fail to do so, in discussions with the client or Uber they will be put in the wrong and may be blocked. Even while drivers are transporting clients, Uber stays in control: the app indicates the most efficient route. Drivers can use their own knowledge and experience or a different navigation app (cumbersome), but if a client accuses the driver of taking a detour, Uber will base the route on its own app and adapt the fare accordingly.
- Uber assesses drivers based on a points system on top of the clients' rating. Drivers earn points with the number and type of rides, during which time frames they took place, use of the Uber app, and quality assessments over a period of three months. Those who have earned enough points will be allocated a Gold, Platinum, or Diamond status. The higher the status, the more and better rides will be allocated.
- Like a true tax legislator, Uber issues a weekly newsletter with practical information about detours, delays, events, app updates, and so on.

DRIVERS ARE NOT GENUINELY SELF-EMPLOYED ENTREPRENEURS

- Real self-employed workers should to some extent be able to acquire new clients. With Uber, the allocation of rides takes place entirely through the app. Owing to a lack of insight into the algorithm and its influence on the outcome, drivers feel completely at the mercy of the app. They see only the pick-up address in advance, and do not even know the destination and roughly how much the ride will yield. Only if a ride is expected to take longer than 30 minutes will they be notified, but still without the distance and destination being disclosed. In this way, drivers are unable to take entrepreneurial decisions as to whether the ride is profitable enough to accept. Uber claims that withholding the anticipated fare price is meant to 'protect' clients from short trips being declined. Because the time spent driving to the caller's pick-up location is not included in payment, drivers might accept certain rides less eagerly. Uber refuses to provide solutions such as a starting rate higher than the current € 4.18 or charging a call-out fee.



FARE DETAILS

€ 4.18

Fare price € 6.00

Uber fee € - 1.50

Tax on service fee € - 0.32

Your earnings € 4.18

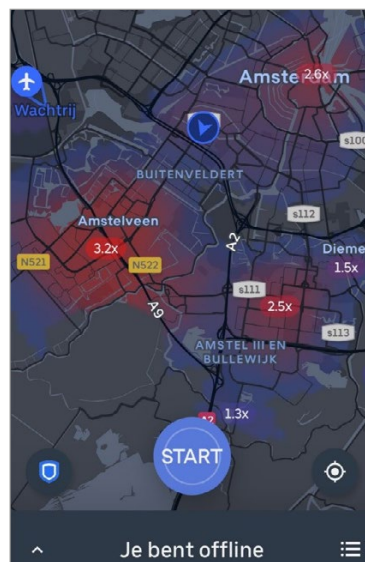
¹² www.taxipro.nl/ondernemen/2019/04/23/chauffeurs-en-uber-komen-er-niet-uit/

www.taxipro.nl/ondernemen/2020/02/21/uberchauffeurs-protesteren-bij-hoofdkantoor-taxidienst/

- Many young drivers have no idea about what they are getting themselves into, have little insight into their finances, and may end up in trouble. Particularly if they - legally or not - drive through a permit holder (a partnership, a general partnership [*vennootschap onder firma*, abbreviated to *VOF*], or a private company [*Besloten Vennootschap*, abbreviated to *BV*]) who looks after their administration while they receive work through the Uber app. Some of the drivers thought they were doing nothing wrong because it happened with the knowledge of Uber. This may result in hefty fines imposed by the tax authorities, the Human Environment and Transport Inspectorate [*Inspectie Leefomgeving en Transport*, abbreviated to *ILT*], or the Central Judicial Collection Agency [*Centraal Justitieel Incassobureau*, abbreviated to *CJIB*].
- A relationship of dependency [*afhankelijkheidsrelatie*] arises if the drivers have obtained their taxi papers and bought or leased a car especially for Uber. They need to earn back their investment or loan. Several drivers stated that over time and as their income drops, they feel more and more trapped in Uber's system. If the car was supplied by Leaseplan, there is even a double relationship of dependency, comparable with that of labour migrants who live in housing arranged through their employer.
- The relationship of dependency is also found in the unequal information position. Many drivers do not realise that by installing the app they have already agreed to a comprehensive service agreement as well as to an 'update' of the app with amended contractual terms. Uber does not even bother informing them.

'You get a message if the terms and conditions have been amended, And you can't go online until you click on agree. You don't have time to read the conditions at your own pace because you have to continue working.'

- True self-employed workers are free to have themselves replaced by someone who meets the same criteria, but Uber does not appreciate this. Nothing has been put in writing, but at the introduction it is made perfectly clear that this is not the intention. Sometimes Uber randomly asks drivers to take a selfie during work in order check whether someone else is driving on their account. If they do not respond quickly enough, they will be kicked offline.
- In theory, Uber drivers are free to turn down an allocated ride, but owing to their low earnings and fierce competition they usually accept as many rides as possible. They do this particularly because turning one down or cancelling may lead to complaints, a warning, and a lower position in the algorithm.
- Furthermore, in theory, drivers can 'work wherever and whenever they want', but Uber uses fare prices, bonuses, and incentives as a steering instrument to lure drivers to desirable areas and time frames. The most notorious ones are dynamic rates, better known as surge pricing. The fare price is multiplied with an indicated multiplier if there are not enough drivers in a particular area, which is given a red spot on the app map. Many drivers think that only a few drivers who rushed there are given a surge price, but most of them miss out even if they were already in the area.



A 'FAIT ACCOMPLI'

With the facts and examples set out above, we have made it abundantly clear that Uber exercises bogus commissioning [*schijnopdrachtgeverschap*]. Uber claims not to be an employer but a commissioning party that pays self-employed contractors a fee to perform tasks, by means of which the company evades legislation.¹³ The Dutch Assessment of Employment Relationships (Deregulation) Act [*Wet deregulerende beoordeling arbeidsrelatie*, abbreviated to *Wet DBA*] leaves making arrangements to the commissioning parties and contractors, which means that the commissioning party makes arrangements with the self-employed entrepreneur about how the job is to be executed and paid. They are jointly responsible for the appropriate qualification of their agreement. The tax authorities check the arrangements and may still levy tax and contributions if it turns out to be an employment relationship.

However, the implementation of the DBA Act has come to a standstill, and the moratorium [*a temporary ban*] has been extended to 1 January 2021. Only in cases of malicious intent will the tax authorities enforce the Act. Malicious intent is involved if a company deliberately upholds bogus commissioning, and Uber appears to be a perfect candidate in this respect. Not only because of the way the company operates but also, for example, given the legal proceedings the FNV has taken against Deliveroo. In the case of Deliveroo, the subdistrict court judge [*kanton-rechter*] ruled that a contract of employment and not a service provision agreement [*overeenkomst van opdracht*, abbreviated to *OVO*] had been entered into. The subdistrict court assessed Deliveroo's arguments - which resemble those of Uber - one by one and swept them off the table.

French Uber drivers awarded an employment agreement by France's supreme court of appeal

France's supreme court of appeal has ruled there is an employment relationship between Uber and an Uber driver. On 4 March, the Court of Cassation - one of the four courts of last resort in France - ruled in a driver's lawsuit against Uber, in which the agreement between both parties was converted into a contract of employment. According to the Court, the concept that a driver works as a self-employed contractor is not of a realistic nature, because there is a relationship of authority['gezagsrelatie'] between Uber and the driver. Making use of the Uber app means that a driver has no clients of his own, is unable to set his own rates, and cannot decide for himself how he transports his passengers. As further examples of the relationship of authority between both parties, the Court referred to the compulsory route, the unknown destination prior to accepting a ride, and the fact that Uber may deny a driver access to the app after three rides have been declined. Uber provides a transportation service and unilaterally defines the operating terms with which the driver must comply. Based on this, the Court concludes that it involves a contract of employment.

Source: Le Monde 4 maart 2020 via www.lemonde.fr/societe/article/2020/03/04/la-cour-de-cassation-confirme-que-le-lien-unissant-un-chauffeur-et-uber-est-bien-un-contrat-de-travail_6031820_3224.html

In general terms, Uber applies the same working method everywhere, and has already been designated as a potential employer in several countries. A lawsuit against Uber might lead to a suspicion of malicious intent. Although the rules are clear and Uber is evidently an ordinary employer, it will not be easy to take legal proceedings. The issue is that the tax authorities or driver need to prove that an employment contract is involved.

It would be much easier if the burden of proof [*bewijslast*] were to be reversed. Uber would then have to prove that it is not an employer.

¹³ For a list of regulations and their applications, please refer to:

www.belastingdienst.nl/wps/wcm/connect/nl/modelovereenkomsten/modelovereenkomsten

Reversal of the burden of proof: lessons drawn from the United States

In September 2019, the legislator in the State of California provided the required clarity: whatever a worker who performs reward-based work or services is called (self-employed, freelancer, entrepreneur), he/she has the status of employee unless the commissioning party can prove that:

- A The commissioning party does not exert control over how tasks are to be performed;*
- B The tasks performed are not part of a commissioning party's core activities; and*
- C The contract worker generally performs the same tasks in the capacity of independent entrepreneur.*

This ABC test reverses the burden of proof and focuses on the core activities of the commissioning party. A plumber who walks into a taxi company to fix a blocked drain is classified as an ordinary self-employed contractor, but people who are hired as taxi drivers are employees. The Bill provides clarity for commissioning parties and workers, protecting the workers because they will be insured and receive a decent wage just like any other employee.

Source: Trouw september 2019 via www.trouw.nl/economie/in-californie-is-de-uber-chauffeur-voortaan-werknemer-in-plaats-van-freelancer~b4360b4c/?referer=https%3A%2F%2Fwww.google.com%2F

WHAT NEEDS TO BE DONE?

1. THE GOVERNMENT MUST INTERVENE NOW!

Uber is spoiling the taxi market. it calls itself a notice board and not a taxi company, and 'therefore' does not comply with the rules for TTO in the large cities. Uber can undercut prices because it underpays its employees – the drivers – and classifies them as independent contractors, while the company directs them through its app as if it is a regular employer. Nobody can get a solid grasp on Uber, and the company continues to make money at the expense of drivers and society. Therefore, the government – at the national and local levels – must intervene. And do it now!

2. THIS CRISIS SHOULD LEAD TO A HEALTHY TAXI MARKET

A healthy taxi market involves three things:

- 1. A fair income and legal protection** for all taxi drivers: after deduction of costs, Uber drivers barely managed to make ends meet with the money they earned before the corona crisis. Platform drivers are also at the mercy of the arbitrary platform (awarding of rides, price adjustment, blocking) without any protection. Uber behaves like an employer but does not assume the responsibilities involved. This happens at the expense of the drivers.
- 2. Volume policy:** a maximum number of taxis per city/area needs to be determined and enforced. The street-taxi market in the large cities is particularly marked by a surplus of drivers because of platforms like Uber. As a result, insufficient clients and earnings are left per driver, which leads to the current abominations: exploitation of drivers, decreased road safety, and negative environmental impact. All taxis – in both the pick-up and the on-demand markets – must come under the volume policy.
- 3. Level playing field:** every distinction in applicable legislation – be it statutory or local – between taxi companies and platforms must be lifted. This distinction leads to taxi companies being disadvantaged compared with platforms: for example, relating to enforcement, costs, and obligations towards municipalities.

3. NATIONAL LEGISLATION AND ENFORCEMENT ARE REQUIRED!

Legislation and enforcement are required in three areas in order to get a solid grasp on the taxi market and to prevent the exploitation of Uber drivers:

1. Adaptation of taxi legislation in the 2000 Passenger Transport Act

Volume policy must be facilitated per city/area. Furthermore, the difference in powers must be lifted, enabling the large cities to regulate and enforce taxi companies and platforms such as Uber in an effective manner.

2. Enforcement on bogus self-employment (DBA Act)

Companies like Uber are bogus commissioning parties that make extensive use of sham arrangements. The tax authorities already have a tool in place and ample criteria to intervene in the DBA Act. This Act needs to be reactivated, thereby lifting the moratorium on the Act and effectively addressing malicious actors such as platforms that behave like bogus commissioning parties.

3. Reversed burden of proof (platform worker is employee unless ...)

Platform workers occupy such a weak position that it is impossible to stand up for their rights (wage, employment protection). If they are without work for no fault of their own (like now, during the corona crisis) or become long-term incapacitated for work, they cannot rely on appropriate benefits: for example, under the Dutch Unemployment Act [*Werkloosheidswet, abbreviated to WW*] or the Work and Income According to Work Capacity Act [*Wet werk en inkomen naar arbeidsvermogen, abbreviated to WIA*]. To prevent a further eroding of the labour market and the social system, legislation with a reversed burden of proof should be introduced. In principle, a platform worker is an employee unless the platform unequivocally proves that the relationship involves a full-fledged self-employed worker.

APPENDIX 1: IN-DEPTH INTERVIEW WITH AN UBER DRIVER (ANONYMOUS)

THE GOVERNMENT HAS REGULATED THE SECTOR FOR MANY YEARS, AND NOW SOME COWBOY IS GIVEN FREE REIGN

Marco's (real name known to the FNV) career as a taxi driver started as a side job when he was a student. He did not need to think twice before getting started as an independent taxi driver for Uber. 'I love travelling, meeting other people, and driving my car', he said. But like many other taxi drivers, Marco's car has not moved since the start of the corona crisis.

'I'M NOT REALLY MY OWN BOSS'

Of course Marco is thinking about the future, but would prefer to continue working as a taxi driver: in paid employment if needed but preferably as an independent contractor. Marco says, 'It is very liberating to be one's own boss, but working for Uber doesn't quite feel like that. I'm not really my own boss. Somebody is pulling the strings, determines things, but doesn't feel responsible'. He says he has to be available 24/7. 'I'm actually always on the job. If you want to make a living, you'll have to switch on the app in the morning, and can't switch it off until late at night'.

'I DON'T UNDERSTAND WHY NOBODY BLOWS THE WHISTLE ON THEM'

'Look. Uber works for me if things go well but they cash in a large part of my earnings as a taxi driver. As a result, I didn't manage to build up a buffer for when times are not so good, like now, during the corona crisis. I have to work hard for very little money. Unlike Uber, which takes a great deal of money but does very little. I think that's really unfair'.

However, it surprises him that nobody blows the whistle on Uber. 'They just do as they please and hide behind an app. In other sectors, it would never have gotten this far. I fear the worst. In a few years, they will have driverless cars and then Uber will take over the entire sector. The government offers them scope to develop while the same government has regulated the taxi sector for many years. Uber gets away with murder and the consequences are heaped on the drivers. Yes, I feel robbed. But Uber has so much power, and you almost can't get around them anymore. A fairer playing field should be introduced for our sector. For years they've hit hard on us, and suddenly some cowboy enters the country, who does not fall under any regulations, such as a maximum service fee. I understand we need to make progress, but it should not become exploitation. The government must intervene'.

The corona crisis has also caused considerable uncertainty for Marco because ongoing bills need to be paid. He is also concerned about when the economy picks up again, and more work starts coming in. 'I noticed that working for Uber had taken its toll. Stress, the paralysing effect, you're simply trapped. Having to switch on that app every day. Working as a taxi driver is not as nice as it used to be, partly because with that app there is no planning at all'.

'WHEN YOU WORK FOR UBER, YOU EXCEED YOUR LIMITS'

The time when Marco was driving for Uber in Amsterdam was particularly hard going. 'The nice thing is that normally you determine your own start and finishing time, but once the app is on, you're bouncing around Amsterdam all day long. You work at Uber's pace and easily exceed certain limits, also as regards safety. You put in long days; ten hours is pretty standard, and you can easily damage your car driving through dense traffic. In fact, you're completely taken over by the app. "Ping" and you head there, and then head somewhere else with the next "ping". That is not really nice'.

APPENDIX 2

SUMMARY

Uber is an employer that violates rules, exploits drivers and, as a result, our welfare state, jeopardises road safety, and harms the environment of inner cities. Uber abuses the rules regarding genuinely self-employed people as well as gaps in taxi legislation.

Uber has operated in the Netherlands since 2012 under the motto: *Try to stop us*. With this slogan, the company makes taxi drivers fully dependent on them, evades tax and social insurance contributions, fails to meet its responsibilities as an employer, increases environmental damage in the large cities, and affects road safety. All of this takes place solely so that Uber can meet its goal of maximised profit. On 1 January 2016 *the Dutch new Taxi Act* came into force, with which the competence requirement [*vakbekwaamheidseis*] with the associated entrepreneurial exams [*ondernemersexamens*] was abolished, and the taxi meter was no longer obligatory for pre-ordered transport. As a result, the number of self-employed taxi drivers almost trebled, while the number of TTO-affiliated drivers remained – practically – the same. This increase is to be blamed on Uber.

For clients, Uber is a great invention: a taxi arrives at your front door within minutes or seconds and takes you wherever you want – even just two streets away – at such a low rate that it is not worth grabbing your bike. Uber is so cheap because it dodges employer obligations and, as a bogus commissioning party, has drivers working for it. After a deduction of costs, which may be as much as 1,500 euros a month, many drivers earn less than the statutory minimum wage.

With this White Paper, we have demonstrated that Uber is an ordinary employer, who employs and dismisses people, issues orders, and directs drivers by means of instructions and an app that operates through a non-transparent algorithm. The allocation of rides is incomprehensible and resembles a lottery, but Uber evidently directs people through its app. Client rating and a – hidden – points system determine who gets which rides. The system of surge pricing adds to the pressure imposed on the drivers, making them available 24/7. *Consequently, Uber is far more than just a notice board. Uber is an employer and a very poor one.*

Furthermore, Uber is an employer that pays its employees far too little, and pays no employee contributions or tax. *It is the drivers who are forced to foot the bill regarding these shoddy business practices:* namely, they are not entitled to unemployment benefits and enjoy no employee protection whatsoever. Uber pays neither employer's nor employee's contributions for them, and shifts all employer's costs and risks to the drivers. If the taxi market stagnates, all drivers will be without work and not insured. They are not insured against sickness, incapacity for work or for unemployment. Because the drivers have no employment contract with Uber, they have to cover their own costs when times are quiet.

Drivers earn less than the statutory minimum wage. Drivers have invested a great deal in a taxi-worthy car, and have high monthly expenses that they are unable to recover because their income is too low, even with extremely long working days. The service fee paid to Uber constitutes a quarter of their earnings, and the minimum taxi fare barely exceeds four euros. Those who seek Uber's assistance encounter a brick wall and are unable to reach the company: for example, it took weeks after the taxi market stagnated due to corona-related measures before Uber finally got back to them, even if it involved standard government-released information. Individual questions remained unanswered.

Uber does not pay any tax. As a result, we as a society lose out, for example, on tax revenues that are used to finance the road network and health care. However, the drivers still have to call on corona-related emergency measures. Our entire society is disadvantaged because Uber does not pay tax.

Uber is also an unfair competitor as regards regular taxi companies owing to how it operates. Uber fails to comply with labour laws, and feels they do not need to comply because they are a platform. An additional problem is that,

in line with the Dutch WP2000 Act, municipalities are only authorised to draw up supplementary rules for the pick-up market: in other words, for taxis that are hailed at taxi ranks or in the streets. Municipalities are not permitted to draw up additional rules for the on-demand market, of which Uber is a part. Furthermore, the municipalities have very few inspectors to check on taxis, and these limit their job mainly to checking at taxi ranks. And because Uber drivers are not allowed to use taxi ranks, TTO-affiliated drivers are checked on most often. *There are evidently considerable gaps in legislation and reinforcement.*

Uber is able to operate inexpensively because the company pays neither social security nor pension contributions. *In this way they are eroding the market.* They work with rates that are not feasible for regular taxi companies that do comply with the rules. Furthermore, these rates are also too low for Uber drivers, who, on top of that, are not insured, do not accrue pension, and end up having to claim social security if they become unemployed. Their situation actually resembles that of the nineteenth-century day labourers who were hired and paid on a daily basis with no protection whatsoever. Failing to pay social security and pension contributions not only allows Uber to operate inexpensively and to compete unfairly with other taxi companies but also *reduces the support base of our social security system, making it more vulnerable.* To keep social security alive, the contributions for other employees will need to rise, creating an even greater difference and encouraging the further breakdown of the social welfare state. Bearing this in mind, companies like Uber form a serious threat to our social welfare state.

As a result of being hired against day rates, drivers need to work very long days but still earn only a small amount of money. *This results in many accidents.* Taxis cause a relatively high number of accidents but - with its exhausted drivers - Uber beats them all. Furthermore, drivers need to drive around to pick up as many clients as possible. They are not allowed to make use of taxi ranks, because Uber refuses to comply with the TTO rules. Driving around results in *more car kilometres and, as a result, higher emissions* (even if electric cars are used, because electricity also needs to be generated), particularly in combination with the increase in the number of taxi rides and reduced use of public transport due to knockdown prices.

RECOMMENDATIONS (SUMMARY)

- 1. The government must intervene now!** Uber spoils the taxi market and lines its pockets at the expense of drivers through a sham self-employment arrangement. No one seems able to get a solid grasp on this situation, and therefore political intervention (both national and local) is required.
- 2. This crisis should lead to a healthy taxi market, in other words:**
 - A fair income and legal protection for all taxi drivers; Uber currently acts only as an employer, but drivers have no rights or income security whatsoever.
 - Volume policy: a maximum number of taxis per city/area.
 - Equal playing field: no more legal distinction between taxi companies and platforms.
- 3. National legislation and enforcement are required!**
 - Adaptation of taxi legislation in the Dutch 2000 Passenger Transport Act in order to facilitate volume policy and an equal playing field between taxi companies and platforms.
 - Enforcement on bogus self-employment (DBA Act). This is already possible, and it is a matter of great urgency to get a solid grasp on the sham self-employment arrangement that Uber applies en masse.
 - Reversed burden of proof (platform worker is employee unless ...) to enable drivers - who currently occupy no position whatsoever - to stand up for their rights and call on social insurance.

