



<http://www.curbed.com/2016/9/14/12917874/report-uber-lyft-sharing-economy-community>

## Report slams Uber and Lyft's claim to benefit the community

**A new study from the University Transportation Research Center says Uber and Lyft are hurting the communities they propose to support**

By [Patrick Sisson @freqresponse](#) Sep 14, 2016, 2:00p

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[A new report](#) slams transportation network companies (TNC) such as Uber and Lyft and challenges statements suggesting they provide outsize benefits to the communities they serve. Titled "The Expanding Transportation Network Company (TNC) Equity Gap: Adverse Impacts on Passengers with Disabilities, Underserved Communities, the Environment & the On-Demand Workforce," the paper, written by the University Transportation Research Center, claims that Uber and Lyft aren't living up to their rhetoric when it comes to helping underserved communities and people with disabilities.

Dave Sutton, spokesperson for [Who's Driving You?](#), a taxi industry-backed group who has helped raise awareness of the report, notes that, "This paper unequivocally asserts that unchecked proliferation of TNCs, such as Uber and Lyft, has set back efforts to reduce congestion and pollution by decades."

Written by the former Commissioner of the New York City Taxi and Limousine Commission (TLC) Matthew Daus, it raises some key issues surrounding the expansion of these companies, and has been peer-reviewed by Patricia Gatling, former New York State Deputy Secretary for Civil Rights and the longest serving New York City Human Rights Commissioner; Isabelle Ducharme, Chairman of the Board at Keroul, a Quebec-based organization focused on making tourism and culture more accessible for people with disabilities; and Michel Trudel, an urban planner.

A spokesman for Lyft, Adrian Durbin, strongly disputed the report and its credibility, issuing the following statement:

"This report was bought and paid for by the taxi industry. It contains numerous false claims regarding the services that TNCs provide. Fortunately, drivers and passengers from all walks of life understand the real value that Lyft creates, which is why we continue to grow so quickly."

The report's author, Matthew Daus, responded:

"I am proud of the extensive academic research and analysis conducted for this report, and I am happy the public is finally discussing and addressing these important issues. This report was the result of countless volunteer work and hours by myself as well as our expert peer reviewers, which included former public servants in the areas of urban planning, civil rights, labor law, traffic/transportation policy and economics. Furthermore, this report was edited and published by several credible institutions, including the United States Department of Transportation's University Research Center at the City University of New York (CUNY), New York University Law School and Cornell University's School of Industrial Labor Relations."

The report challenges TNCs on a number of fronts, often citing credible and unbiased news sources to back up its main claims, which are summarized in the paper as follows:

"Companies such as Uber and Lyft utilize a business model that purports to provide an easy alternative "for all;" yet, when one pulls back the layers of what is actually occurring, it is apparent that the end result falls far short."

We went through the report, highlighting the group's main claims and well as noting its sources:



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## **Threatening Progress for Passengers with Disabilities**

One of the main issues cited by the report is that TNCs are held to a different standard, and the treatment of disabled passengers is put forth as exhibit A of the problematic results that follow. The report argues that the proliferation of Uber and Lyft, which aren't held to the same standards as taxis, has resulted in more vehicles that can't accommodate disabled riders, which has slowed or halted proposals to make taxicabs more accessible to disabled riders. TNC have previously argued they're not bound by the Americans with Disabilities Act.

The report cites numerous city initiatives to increase paratransit access, such as New York's move to make 50 percent of cabs wheelchair accessible by 2020. That stands as a contrast to Uber and Lyft's business models, which ask contractor to provide their own cars without a fixed standard for access. As per the report:

"Further, in the seven (7) cities that Uber has entered into a pilot program utilizing its uberWAV or uberASSIST – app options to provide drivers who are "knowledgeable of accessibility needs" – only two (2) cities, Chicago and San Diego, claim that vehicles with ramps or hydraulic lifts are available for passengers who require them. Additionally, a closer look at the uberWAV option reveals that Uber itself does not provide wheelchair-accessible vehicles. In fact, it farms out the trips to operators of existing wheelchair-accessible green outer borough taxicabs in New York City, wheelchair-accessible taxicabs in Chicago and paratransit vans in Philadelphia."

## **"Redlining" Low-Income and Minority Communities**

Another side-effect of the growth of TNCs is that low-income communities, underserved rural communities, and those without access to credit cards and smartphones are being left behind by this new transportation revolution. The report claims drivers are "redlining" low-income and minority communities (a claim often applied to cabs).

The data on this point isn't as strong as other sections, pointing to reports such as [this Washington Post piece](#) that raises doubts that there is inherent discrimination taking place within the platform, or that it significantly differs from other existing transportation alternatives in that regard (as [this 538 article](#) suggests).

## **Harming the Environment and Increasing Congestion**

The rise of companies such as Uber and Lyft has also led to more vehicles on the road, which means more pollution, noise, and congestion, according to the study. While it's noteworthy that that the unrestrained growth of these services does create the potential for more congestion and pollution, many of the information cited places Uber and Lyft within the general rise of car pollution on our roadways, and admits that more study needs to be done to discover the exact relationship between TNC companies and adverse effects such as overcrowding and carbon emissions.

## **Lack of Social Corporate Responsibility**

Despite claims of being socially responsible businesses, Uber and Lyft have created elaborate structures to avoid paying taxes and put the traditional industry at a disadvantage, according to the report, citing a [Fortune article](#) about the company's tax-avoidance schemes and depriving governments of much-needed revenue, according to this opinion in [The Guardian](#). The sharing economy as a whole is [paying a lower tax bill](#) than its standard competitors.

The report concludes:

"Not only does Uber's tax structure deprive nations of their fair share of tax revenue, but it allows Uber to charge lower rates than the native private for-hire service providers that operate in and from their local jurisdictions. These local taxicab and forhire vehicle companies pay taxes to local governments benefiting their local economies; however, with the introduction of TNCs to the market and their implementation of the above-described tax schemes, these local companies are rendered at a disadvantage because the cost of compliance with the taxes results in an increase in their fares and granting TNCs an unfair competitive advantage. Without the advantage of a tax structure such as one employed by Uber, local taxpaying competitors are forced out of business, further decreasing the tax revenue to the government and denying important and critical services to the populace that rely on them."

### **Marginalizing the On-Demand Workforce**

These companies also promote a contractor arrangement that has made their workforces both marginalized and underrepresented. Uber utilizes a ["driver-partner"](#) model for the more than 1.1 million drivers it employs around the world, and has been, and is currently involved in a [number of lawsuits](#) seeking to codify that relationship, pushed by both drivers and labor groups.

***Update:** An earlier version of this report suggested that it was funded by [Who's Driving You?](#) That is incorrect, and we have updated the story.*