

**Cab Gab**  
by **Abe Mittleman**

### **Living Wage?**

**It's fairly common knowledge within our industry that Thursday thru Saturday is generally busier than Sunday thru Wednesday. However the TLC chose to do a one day study to see if we were suffering financially from the outrageous rise in the gasoline price that is now over \$4.15 a gallon. They picked a busy day Thursday May 8 to do this study according to an article published in the June 3, New York Post.**

**So, what were the conclusions of this "ONE" day survey? Well, after 450,000 trips that were recorded thru the GPS system that is now at their disposal they calculated that the average taxi driver makes \$138 a day, net earnings after expenses, in a non-hybrid vehicle and \$166 a day, net earnings after expenses, in hybrid vehicles. It should be pointed out that only 10% of the taxis are hybrid. This means that 90% of the taxi drivers are making the lesser amount. It should also be**

**pointed out that this was a one day survey done on a busier day. Also, none of this took into consideration the taxes the drivers will pay on their earnings.**

**The TLC would argue that starting in October by mandate all taxi vehicles will start to be replaced with hybrid vehicles. The number of taxi drivers that will benefit from this changeover will gradually increase until the turnover is complete in 2012. However there is an ongoing debate as to the availability of the number of hybrid vehicles that will be available for this changeover. Even if the changeover is possible all drivers will not benefit till the changeover is complete.**

**So what exactly is a living wage? What do they think we need earn in order to make a reasonable living. I found this on the internet:**

**Living wage: A theoretical wage level that allows the earner to afford adequate shelter, food and the other necessities of life. The living wage should be substantial enough to ensure that no more than 30% of it needs to**

**be spent on housing. The goal of the living wage is to allow employees to earn enough income for a satisfactory standard of living. This also includes health insurance.**

**There is an internet site: <http://www.livingwage.geog.psu.edu/> that will calculate a living wage according to where you live . Based on an 8 hour work day, 5 days a week 52 weeks a year the after tax income for two adults and one child in the City of New York is \$35,866. This figure was last updated in July of 2007. We know how much costs have risen since then. We all know that the figures quoted by the TLC is for a 12 hour day, 6 day week. Since 8 is  $\frac{2}{3}$  of 12, if we take  $\frac{2}{3}$  of \$138 (before taxes) we will have \$92. a day. Then if we deduct just 10% for taxes we have under \$83. a day. This calculates to \$21,580 based on an 8 hour five day week. This is well below what is considered a living wage!**