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**Running on Fumes:  
Boston Taxi Drivers Struggle to Make a Living**

A Publication of Community Labor United

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# Community Labor United

Community Labor United (CLU) is a coalition of community and labor organizations that run joint campaigns to counteract the growing gap between rich and poor, while highlighting the connections between jobs and community issues. Our mission is to protect and promote the interests of working class communities in the Greater Boston region. CLU unites many of the strongest community organizations and unions in our region to drive forward policies that promote quality jobs, secure healthcare, affordable housing, job access, and environmental justice for the area's low and moderate-income people. Through collaborative research, leadership development and organizing, CLU unites our organizations and communities around a common vision and plan of action.



CLU carries out two types of research: campaign research that helps to frame and support our campaigns, and policy research on other issues of concern to working class communities in our region. In 2006, we published *The Hourglass Challenge: Creating a More Equitable Economy for Greater Boston*, which examines a range of policy and organizing opportunities for stemming this region's rapidly growing economic and racial inequality.

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# Running on Fumes: Boston Taxi Driver Struggle to Make a Living

In March 2008, the newly-formed Boston Taxi Driver's Association (BTDA) submitted a taxi meter rate increase request to Boston Police Department Commissioner Ed Davis. The Police Department, which regulates the taxi industry through its Hackney Carriage Rule and Regulations, has scheduled a rate hearing for this week, June 24-26, 2008. Boston taxi meter rates have not increased since 2002. In that period, the City's cost of living has increased by 22%, and gas prices have increased by 170% from \$1.49 to \$4.00 per gallon, with gas prices continuing to rise weekly<sup>1</sup>.

Drivers maintain that Boston's taxi meter rates have fallen far behind rates in other cities. They claim that surging gasoline prices, coupled Boston's high living costs, have pushed their wages down to well below minimum wage. This has forced drivers to dramatically increase their driving time to an average of more than 80 hours a week. Others counter that the meter rate increase the BTDA has requested will make Boston taxi rates the highest in the country<sup>2</sup>.

Community Labor United (CLU) has been investigating all of these claims, and has found that:

- Rising taxi driver costs and the resulting downward pressure on earnings are at least as bad as the drivers claim. Preliminary results from a survey of driver costs and earnings show that drivers are earning between \$3.44 and \$5.63 an hour (gross, including tips), with their operating expenses outstripping earnings by about two to one. Even drivers who own their own taxis and medallions have to bring in a minimum of \$2.84 in receipts to earn \$1.00, and the ratio is worse for driver who lease medallions or drive shifts.
- In addition, a survey of taxi fares across 12 Greater Boston cities and towns shows that Boston rates are, indeed, lower than most others in the region. Further, Boston's current fares put it 16th among 26 major U.S. cities when adjusted for relative cost of living. Boston's cost of living is 39% higher than the U.S. average. Boston taxi fares are 13th among 26 major U.S. cities if costs are not adjusted.
- The taxi meter rate increase proposed by the BTDA would move Boston's fare to 5th among major cities for an 'average' 5 mile trip, a benchmark set by industry analysts, or 7th for a 'short' 2.8 mile trip that better reflects the typical Boston taxi fare. Only for a very atypical 12-mile 'long' trip would Boston's proposed rate be the highest in the country. A number of these other cities are also currently considering proposed taxi meter fare increases, which will change the ranking.



## Boston Taxi Drivers

Approximately 3800 people try to earn a living in Boston by working as taxi drivers. Many of Boston's taxi drivers are immigrants from every continent who are trying to support their families as they make a life in this country. Taxi drivers fall into three different categories, depending on whether they own or lease the taxi and medallion that are mandatory to do this work. The City issues the taxi 'medallion,' essentially a license for a vehicle to operate as a taxi. The three taxi driver categories are:

1. 600 Single Owner/Operators (who own their own taxi and medallion)
2. 700 Lease Medallion drivers (who pay a weekly medallion lease fee but drive taxis that they own)
3. 2500 fleet cab Shift Drivers (who rent both the taxi and the medallion, usually from a large cab company that owns many medallions)

Despite the differences in their employment, these drivers share many common concerns. First, none of them can be classified as an employee of a taxi company: they are all either self-employed or independent contractors. In 1974, the City of Boston ended a ban on the leasing and rental of taxi medallions, which led to a dramatic reorganization of the industry here. Drivers went from being employees of the large taxi companies for which they drove, to being independent contractors who were now responsible for paying lease payments, fuel, repairs and maintenance, insurance and other driving costs. As independent contractors, they no longer had access to employee benefits such as workers' compensation, paid sick or vacation time, health insurance or retirement<sup>3</sup>.

The Boston Taxi Drivers Association (BTDA), an affiliate of the United Steelworkers Union of America, was established in October 2007 as a vehicle through which drivers could advocate for more favorable regulations and working conditions. BTDA currently represents 1200 licensed drivers across all three categories. Because taxi drivers are classified as independent contractors and not employees, they don't have the right to unionize and collectively bargain; so the BTDA will function as an independent association - with legal representation - that is a chartered, associate member of the United Steelworkers. Similar taxi drivers alliances are in place in Denver, New York City, Las Vegas, Los Angeles, Philadelphia and Montreal<sup>4</sup>.



## Taxi Driver Hours Increase and Earnings Decrease

In a Fall 2007 survey of 1500 drivers, the BTDA found that drivers work an average of 72 hours each week—six 12-hour shifts. U.S. Bureau of Labor Statistics data showed that taxi and limousine drivers in this area earned an average of \$28,020 annually, or \$7.18 per hour for a 75 hour week, 52 weeks a year<sup>5</sup>.

Preliminary data from CLU's June 2008 survey found drivers reporting even higher weekly hours worked and lower hourly wages.

### 2008 Driver Costs & Earnings Survey

Category of Driver	Average Hours Driving per Week Reported	Average Pre-Tax Earnings <i>(minus direct costs—lease, gas etc. Including tips)</i>
Single Owner Operators	94 hours/week	\$5.63/hour
Medallion Lessees	75 hours/week	\$5.12/hour
Shift Drivers	85 hours/week	\$3.44 /hour

### DRIVER QUOTE:

*"Drivers are forced to work longer and longer hours in order to make a week's pay. This has resulted in several accidents and fatalities and disabilities to both drivers and passengers. This is a public safety issue that needs to be addressed."*

Driver: Arthur Rose

## Taxi Operating Costs

The three different types of taxi drivers have slightly different operating costs.

- All drivers pay for gas and tolls, only a portion of which they can pass on directly to passengers.
- The single owner/operators are responsible for all costs, including vehicle and medallion purchase, all insurance and a mandatory radio association fee.
- Medallion lessees drive cars they own, but they lease the medallion from medallion owners. They also pay radio association fees and all maintenance costs, but not insurance.
- Single/owner operators and medallion lessees generally purchase 1-2 year old taxis and drive them for a maximum of 6 years<sup>6</sup>.

- Shift drivers pay a flat fee of \$77 per 12 hour shift to lease a car and medallion, so they do not pay radio association fees or comprehensive auto insurance, although they are liable for damages if they do not purchase a collision damages waiver for an additional \$5 per shift. They are not responsible for vehicle maintenance, although some do pay to wash and vacuum the taxis they drive.
- Medallion lessees and shift drivers also have money deducted from their pay for credit card fees (10%) and for fees associated with senior citizen, airline and company vouchers (8%).

## Taxi Driver Operating Costs

	Single Owner Operators	Medallion Lessees	Shift Drivers
Gas	x	x	x
Tolls ( <i>only partially offset by fare</i> )	x	x	x
Car payment/purchase	x	x	x
Medallion purchase (\$380,000)	x		
Medallion lease		x	
Car & Medallion shift lease			x
Radio Association fee	x	x	
Vehicle Maintenance Costs	x	x	Wash & vacuum only
Auto Insurance -Comprehensive	x		
-Collision Damage	x	x	x
Coupon & voucher fees ( <i>senior citizen &amp; company vouchers; credit card fees</i> )		x	x

Overall, CLU's preliminary survey results found that regardless of status, drivers must earn more than \$10 an hour to cover operating costs, before they take home their first dollar in wages. Although mileage rates vary by the type, age and condition of the taxi, drivers almost universally reported that they use about 1 gallon of gas for every hour they drive. Most drivers drive two to six-year-old (Ford) Crown Victoria sedans, which average only 9-10 miles per gallon. As gasoline prices continue to rise, we can expect drivers' earnings to continue to decline.

### Taxi Operating Costs, Weekly and Hourly June 2008

	Total Weekly Operating Costs*	Total Operating Costs per hour driving	Gas Costs Alone
Owner/Operator	\$978	\$10.40 / hour	\$333/week
Medallion Lessee	\$881	\$11.75 / hour	\$271/week
Shift Driver	\$895	\$10.53 / hour	\$313/week

\* **Total Operating Costs Include:** gas, vehicle maintenance, auto insurance (compulsory and/or collision) , radio association fee, medallion loan or lease; car loan or lease, deductions for coupons/ vouchers. Applicable costs vary for the three categories of drivers as broken out above. **Total Operating Costs DO NOT Include:** tolls, health or life insurance, clothing, shoes or car garaging costs.

#### DRIVER QUOTE:

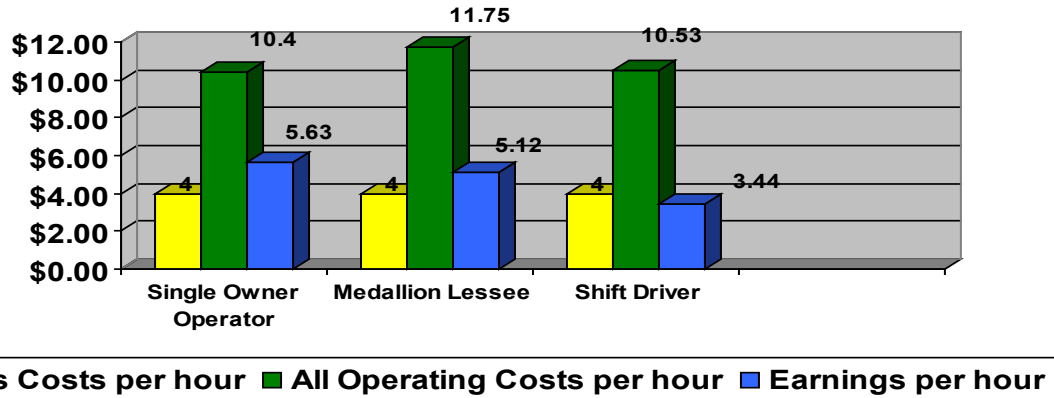
*"This is the most difficult time because of the cost of gasoline. This forces us to work longer hours, sometimes 16 hours a day and we have no time to see our families."*

Driver: Habib Mohamed

	Total Operating Costs per hour driving	Average Pre-Tax Earnings (minus direct costs— lease, gas etc. Including tips.)
Owner/Operator	\$10.40 / hour	\$5.63/hour
Medallion Lessee	\$11.75 / hour	\$5.12/hour
Shift Driver	\$10.53 / hour	\$3.44 /hour

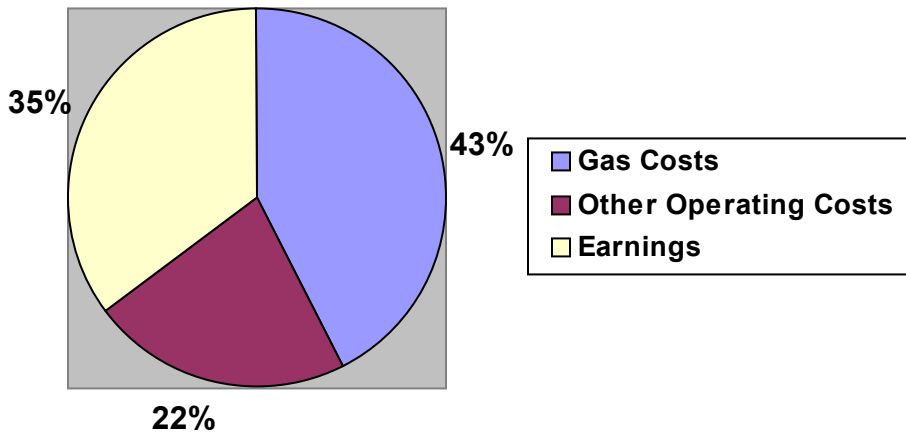
The average Boston taxi driver who doesn't own a medallion must make \$10 an hour just to break even: \$7 to lease a cab and medallion and \$3 for gas, driver Bernie Allen said. "Most of the drivers are shift drivers, and we're trapped in the business," said Allen, who works six 12-hour shifts a week. "You're working so many hours just to pay your bills."

## Taxi Driver Average Hourly Costs & Earnings, June 2008



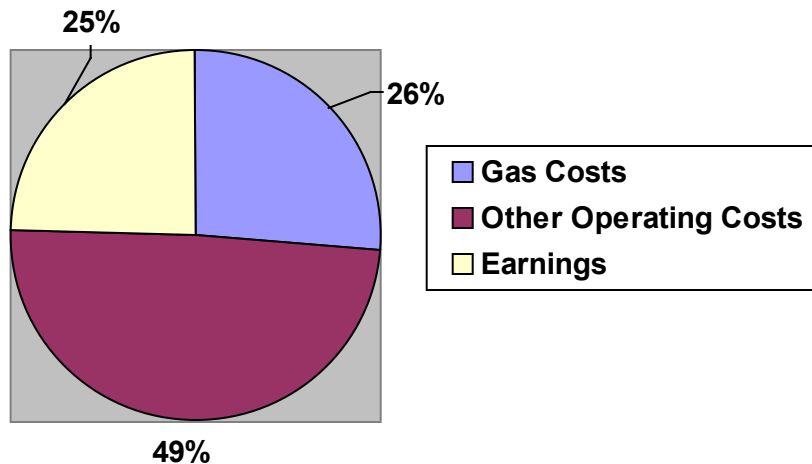
Drivers are currently paying between \$1.84 (single owner/operators) and \$3.06 (shift drivers) an hour in operating expenses for every \$1.00 they earn. So single owner/operators have to bring in at least \$2.84 in receipts for every dollar they earn, while shift drivers must bring in \$4.06 in fares for every dollar they earn. These findings are preliminary, and will be more complete when we have fuller data on how much drivers average in hourly receipts, and what portion of their gross earnings comes from tips.

### Single Owner/Operators: Cost & Earnings Components of Every Taxi Fare Dollar



*Other operating expenses include: car & medallion payments, radio association fee, vehicle maintenance, auto insurance.*

## Shift Driver: Cost and Earnings Components of Every Taxi Fare Dollar



*Other operating expenses include: \$77/12 hour shift for car & medallion lease, collision damage waiver, minor vehicle maintenance.*

### What do Rising Costs & Declining Wages Mean for Boston Taxi Drivers and Their Families?

Boston is a very expensive city to live in, even in good economic times. Boston's cost of living is about the fifth highest in the country, 39% higher than the average U.S. City.<sup>8</sup> As the Boston Foundation's Boston Indicators Project reports:

*"Because of higher housing and utility costs, the higher than average median income enjoyed by residents of Metro Boston does not translate into a higher standard of living."<sup>9</sup>*

On January 1, 2008, the minimum wage for a Massachusetts worker increased to \$8.00 an hour, or \$16,640 a year for a full-time (40 hours a week) worker. As we have seen, Boston's taxi drivers are earning below this minimum, even when tip income is included.

How close do families in Boston with one or even two low-wage workers come to meeting their minimum living costs? In an attempt to answer that question, researchers have developed the notion of a "family self-sufficiency wage": the income a family of a specific size would need to earn in order to pay for basic necessities, with no public supports and no extras. For example, the family self-sufficiency wage covers housing, food, childcare, transportation and health care costs, but does not cover entertainment, life insurance or retirement saving. The Massachusetts Family Economic Self-Sufficiency standard (MASSFESS) was developed by the Crittendon Women's Union, and over ten years has become a widely-used benchmark.<sup>10</sup>

## Monthly Costs: FESS Boston Family 2008

Family Size & Type	2 working adults, 2 children (1 infant, 1 preschooler)	2 working adults, 2 children (1 school age, 1 teenage)
<b>Monthly Costs</b>		
Housing	\$1,304	\$1,304
Child Care	\$1,843	\$486
Food	\$653	\$796
Transportation	\$142	\$142
Health Care	\$379	\$415
Miscellaneous	\$432	\$314
Taxes	\$1,117	\$652
Tax Credits	-\$267	-\$217
<b>TOTAL MONTHLY COSTS</b>	<b>\$5,603</b>	<b>\$3,893</b>
<b>TOTAL ANNUAL COSTS</b>	<b>\$67,234</b>	<b>\$46,713</b>

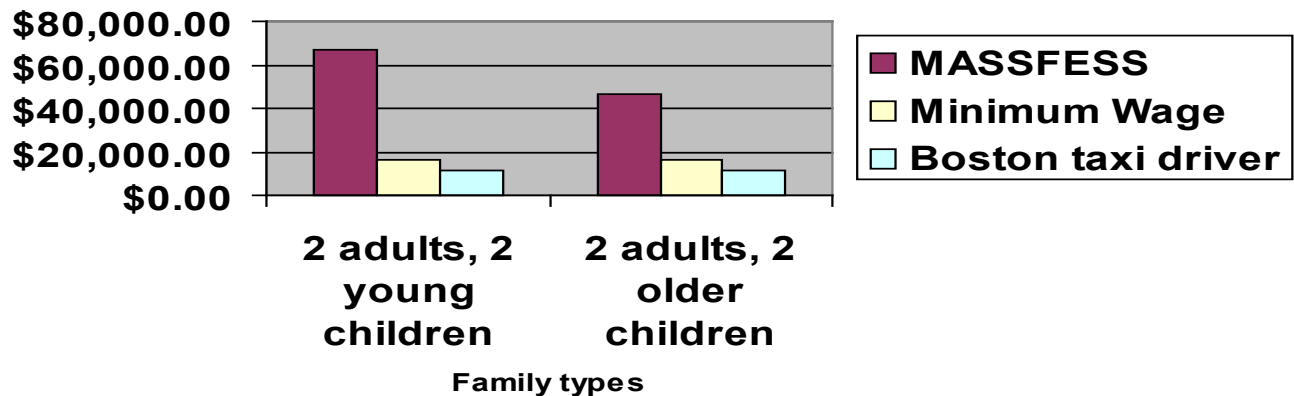
*Although these totals seem high, the accuracy of their component costs is confirmed by other sources.<sup>11</sup>*

You can see from the chart below that for a family of four in Boston, the self-sufficiency wage is about \$62,000 a year for a family with two adults working full-time and two young children requiring paid childcare. For a family with two working adults and older children (1 schoolage and one teenage), the self-sufficiency wage is a bit lower-- \$46,713. Yet, it is still 30% more than a family with two adults both working full-time and earnings the minimum wage can earn. The FESS is above the minimum wage and even above Boston's median annual household income of \$43,000. A Boston taxi driver, even an owner/operator, working over 90 hours a week earns only 64% of what it takes to support a family of four with two older children. Even working all these hours, he earns less than half what it would take to support a family of two younger children with high daycare costs.

## Self-Sufficiency Wage Needed Per Household

Family Size & Type	2 adults, 2 children (1 infant, 1 preschooler)	2 adults, 2 children (1 school age, 1 teenage)	MA Minimum Wage Earner (working 40 hours/week, 50 weeks/year)	Boston Taxi Driver—Single Owner/Operator
Monthly	\$5,603	\$3,893	\$1387	\$938
Annually	\$67,234	\$46,713	\$16,640	\$11,260
Hourly Wage	\$15.92	\$11.06	\$8.00	\$5.63
<i>Taxi Driver working average 94 hours/week</i>				<b>\$29,900 annually for 94 hours/week, 52 weeks /year</b>

## Annual Boston Living Costs vs. Earnings for Working 40 hours/week Year Round





## What do low taxi driver wages mean for the City and other residents?

Boston's high cost of living and rising prices have forced taxi drivers to spend more and more hours away from their families, working more than 90 hours each week. Even with all this effort, they earn less than \$30,000 a year, including tips; and their earnings will continue to decline as gas and other operating costs increase. These low wages and long hours create a great deal of stress for drivers and their families. They also create safety hazards for drivers, riders and the public.

### DRIVER QUOTE:

*"I lost my marriage because I could not support my family. I have to work long hours without being able to provide them."*

Driver: Mikhail Glikberg

Substandard taxi wages also creates additional burdens for taxpayers. Given that these drivers are not covered by employer health insurance or workers compensation insurance, it is likely that they and their families rely on publicly funded health care, and perhaps also rely on subsidized housing, food and/or childcare. The lease-driven structure of Boston's taxi industry forces drivers to act as independent contractors and thereby to assume a disproportionate share of operating costs. This, combined with an outdated fee structure, has permitted the taxi industry to shift health care and other minimal survival costs first onto the drivers and their families, and ultimately onto taxpayers.

Declining earnings have also pushed some drivers to adopt cost-saving measures that pose a hardship for the public. For example, high gas prices have made some drivers more reluctant to respond to calls in outlying areas, or to take fares necessitating tolls.

## Cross-City Fare Comparisons

### Greater Boston Regional Comparison

In addition to a driver cost and earning survey, CLU surveyed taxi fares across 10 other Greater Boston cities and towns: Brookline, Cambridge, Chelsea, Milton, Needham, Newton, Quincy, Randolph, Somerville and Waltham<sup>12</sup>. We found that Boston rates are, indeed, lower than most others in the region. Boston ranks below the median rate for different types of trips: **it ranks 8th of 11 for both a typical short 2.5 mile trip, and a longer 5 mile trip.** (Note: it is impossible to compare rates directly, since they define distances, zones and surcharges differently). A number of these cities and towns are also currently considering meter rate increases or fuel surcharges, which would make Boston's rates even more uncompetitive without a substantial meter rate increase.



## Comparing Regional Taxi Meter Rates\*

City	2.5 mile trip	5 mile trip
1. Chelsea	\$10.65	\$19.65
2. Newton	\$10.50	\$18.00
3. Cambridge	\$9.55	\$17.55
4. Needham	\$9.50	\$17.00
5. Somerville	\$9.10	\$17.10
6. Brookline	\$9.10	\$17.10
7. Randolph	\$9.00	\$16.50
<b>8. Boston</b>	<b>\$8.45</b>	<b>\$14.45</b>
9. Waltham	\$8.25	\$14.50
10. Quincy	\$7.75	\$14.00
11. Milton	\$7.10	\$13.10

\*For a more detailed breakdown of the components of each city's fare, see *Taxi Fare Components by City*<sup>13</sup> chart in endnotes.

## Comparison Across 26 Major U.S. Cities

When compared with other U.S. cities, Boston's current fares put it **13th among 26 major cities**. When you adjust these rates for cost of living, Boston's ranking falls to **16th among 26**<sup>14</sup>. These rankings were determined using the Schaller model, an industry-standard methodology that defined a 'short,' 'average' and 'long' taxi trip as a basis for comparison across cities with very different rate structures<sup>15</sup>.

## TAXI FARES IN MAJOR US CITIES - JUNE 2008

### 2006 SCHALLER REPORT WEIGHTED FOR COST OF LIVING INDEX (ACCRA)

Average US Trip for comparison = 5 miles and 5 minutes wait time

City	Cost of Living Index	Avg. Trip Weighted for Cost of Living	Avg Trip NOT Weighted for Cost of Living***
1. Atlanta, GA*	97.2	\$20.58	\$20.00
2. St. Louis, MO*	99.9	\$20.17	\$20.15
3. Denver, CO*	103.5	\$17.44	\$18.05
4. Orlando, FL	107.8	\$17.12	\$18.46
<b>5. Boston (proposed)</b>	<b>136.8</b>	<b>\$17.11</b>	<b>\$23.40</b>
6. Dallas, TX*	95.2	\$16.33	\$15.55
7. Houston, TX*	92.2	\$15.36	\$14.16
8. Las Vegas, NV	109.8	\$14.98	\$16.45
9. Miami, FL*	118.4	\$14.86	\$17.60
10. Providence, RI	128.6	\$14.27	\$18.35
11. Seattle, WA*	118.6	\$14.17	\$16.80
12. Philadelphia, PA*	119.0	\$13.82	\$16.45
13. Phoenix, AZ	98.2	\$13.09	\$12.85
14. Minneapolis, MN	102.6	\$13.03	\$13.37
15. Detroit, MI	106.0	\$11.93	\$12.65
<b>16. Boston, MA* (current)</b>	<b>136.8</b>	<b>\$11.66</b>	<b>\$15.95</b>
17. San Diego, CA	141.0	\$11.47	\$16.17
18. Los Angeles, CA	153.1	\$10.65	\$16.30
19. Cleveland, OH*	102.7	\$10.50	\$10.78
20. New Orleans, LA	112.9	\$10.45	\$11.80
21. Baltimore, MD*	107.6	\$10.18	\$10.95
22. Honolulu, HI	162.4	\$9.97	\$16.20
23. Chicago, IL*	128.6	\$9.91	\$12.75
24. Washington, DC	137.8	\$8.96	\$12.35
25. San Francisco, CA	177.0	\$7.97	\$14.10
26. New York City, NY*	212.1	\$7.31	\$15.50

\* Denotes cities with fuel surcharges or other add-ons, such as per-passenger fees added to the initial (drop) charge.

"Initial Charge" includes extra passenger fees, fuel and/or other surcharges (excluding luggage and tolls).

All fares are based on weekday trips at 6 PM with four passengers.

\*\*COLI is Cost of Living Index for Selected U.S. Cities. 100% is US average. Source: ACCRA cost of living index.



## Proposed Boston fares NOT the Country's most expensive

As you can see from the chart above, the taxi meter rate increase proposed by the BTDA would move Boston's fare to 5th among major cities for an 'average' 5 mile trip, a benchmark set by industry analysts, or 7th for a 'short' 2.8 mile trip that better reflects the typical Boston taxi fare. A typical Boston taxi trip is 3.6 miles (for example, from the North End to a Back Bay hotel) while a typical Boston short trip is 1.5 mi, just over half the typical distance Schaller uses. Boston drivers' wait times vary widely by time of day and traffic conditions, but they are also typically much longer than the wait times used in the Schaller comparison.

Only for a very atypical 12-mile 'long' trip would Boston's proposed rate be the highest in the country. It is worth noting that many of the cities against which Boston's proposed rate is measured are now considering their own meter rate increases, which will again change the relative city rates. For example, San Diego's Municipal Taxi Service is considering a proposal to raise rates and to institute a \$1 gas surcharge per trip for city cabs and all airport trips<sup>16</sup>.

### DRIVER QUOTE:

*"The reason why we need a meter-rate increase is that the cost of living has gone up – everything we need to survive has gone up except our wages. Gas has gone up but the meter has not."*

Driver: Domingos Taveres



## **Conclusion: Survey Findings Show that a Taxi Meter Rate Increase & Indexing are Badly Needed**

One Boston Taxi Driver's Association member describes his work as a medallion lessee and shift driver as "urban sharecropping," because like 19th and 20th century tenant farmers, today's taxi drivers are unable to earn enough to support their families much less earn enough to pursue the 'American dream.'" CLU's investigation has confirmed that Boston's taxi industry has established a pattern of shifting an increasing proportion of operating costs onto drivers, forcing them to work more and more hours just to cover their operating costs, even as their wages decline. Many Boston drivers are crushed between rising gas prices, rising living costs and stagnant fares. They have reached a crisis point.

To address their members' rapidly rising costs and sharply declining earnings, the BTDA proposes the following measures:

- A 15 cents meter-rate increase
- Annual meter-rate review
- Create a Mayor's Taskforce for Hackney Reform
- Extending meter-rate zone to a 20-mile radius

Community Labor United's mission is to help identify a range of policy and organizing opportunities for stemming the Greater Boston's region's rapidly growing economic and racial inequality. Boston's taxi drivers have also taken up this challenge. CLU's initial findings from driver cost and earnings surveys, along with our analysis of regional and national urban taxi rates, show an urgent need for public policy measures that will raise driver income without also increasing their costs. We strongly urge the Boston Police Department to implement the measures the BTDA has proposed, including the creation of a Mayor's Taskforce that can be a vehicle for reforming this industry to make it more equitable. We hope that the BPD will, further, move towards indexing taxi rates to the cost of living, as a long-term strategy for disrupting the 'urban sharecropping' dynamic that has created a hopeless situation for so many of Boston's drivers.

# Endnotes

<sup>1</sup> At the time of the las meter increase in May 2002, the Consumer Price (CPI) Index for this region was 188, while the current CPI is 230. Source: U.S. Bureau of Labor Statistics for Boston-Cambridge-Quincy MA NECTA. Gas prices from [www.bostongasprices.com](http://www.bostongasprices.com).

<sup>2</sup> Levenson, Michael. "Taxi Drivers push for fare increase." *Boston Globe*, June 2, 2008.

<sup>3</sup> BTDA letter for Commissioner Ed Davis, 3/19/08.

<sup>4</sup> The Union News, August 15, 2007, <http://theunionnews.blogspot.com/2007/08/steelworkers-organize-boston-taxi.html>. Citing [business.bostonherald.com](http://business.bostonherald.com).

<sup>5</sup> <http://www.bls.gov/oes/current>. Data for May 2007 Boston-Cambridge-Quincy-MS metropolitan area.

<sup>6</sup> This study assumes that each single owner/operator or medallion lessee driver will drive the car for 6 years, and uses 6 years or 312 weeks as the amortization period for the car purchase. It also includes no interest on this purchase. Actual reported purchase prices were used. Because taxis must be taken off the road at 6 years old and are usually already 1-2 years old at time of purchase, monthly driver car purchase costs are likely to be higher than reported here.

<sup>7</sup> Union News, reprinted from [business.bostonherald.com](http://business.bostonherald.com), August 15, 2007.

<sup>8</sup> Boston metropolitan area ranked 5th highest on ACCRA's list in 2006. This is up from 8th in 2003. Source: [www.Coli.org](http://www.Coli.org) Council for Community and Economic Research, ACCRA Cost of Living Index is widely accepted. It is reference by the Boston Indicator's project in its analysis of Boston's Cost of Living: [www.bostonindicators.org](http://www.bostonindicators.org), Table 3.4.1

Boston's cost of living is 39% higher than the average US city. This more than makes up for Boston's somewhat higher than average income.

<sup>9</sup> The Boston Indicators Project is an ongoing project of The Boston Foundation which identifies and tracks measures of the region's economic, quality of life and other socio-economic indicators.

<sup>10</sup> This is based on the Massachusetts Family Economic Self-Sufficiency Standard (MASSFESS), developed by what is now Crittendon Women's Union. In the 10 years since its introduction, the MASSFESS has become a widely used benchmark.

<sup>11</sup> The National Low Income Housing Coalition confirms that fair market rent for an average Boston 2-bedroom apartment is \$1353, even higher than the figure used in the MASSFESS. A household would need to work 3.3 full-time, year-round minimum wage jobs to be able to afford this average 2-bedroom apartment in Boston. Source: <http://www.nlihc.org/oor/oor2008/data.cfm?getmsa=on&msa=777&state=MA>

<sup>12</sup> Taxi authorities in each town were interviewed by phone June 19-20, 2008. They were asked to provide information about initial taxi rates and the distance covered; charges for additional miles and fractions thereof; fuel surcharges and any additional charges; wait times; and the date of the more recent change to taxi fares.

<sup>13</sup> **Taxi Fare Components by City**

City	Initial Charge	Initial Distance	Mileage Charge	Mileage Distance	Wait Time	Last Meter Fare Change	Fuel Surcharge
Boston	\$2.25	0.125	\$0.30	0.125	\$0.40	2002	\$0.50/trip
Brookline	1.50	0.125	0.40	0.125	0.40		
Cambridge	1.95	0.125	0.40	0.125	0.47		NA
Chelsea	1.60	0.125	0.45	0.125	0.40		0.50/trip
Milton	1.70	0.25	0.30	0.125	0.40	2003	NA
Newton	2.00	0.333	0.50	0.167	0.50	2001	2.00/trip
Needham	3.00	0.333	0.50	0.167	0.50		NA
Quincy	2.25	0.3	0.25	0.100	0.40	2007	NA
Randolph	4.00	1.0	2.50	1.0	Zone		.50/mile
Somerville	1.50	0.125	0.40	0.125	0.40	2006	NA
Waltham	2.00	0	0.50	0.2	.5/75 sec	2005	NA

<sup>14</sup> CLU's comparison is based on a standard taxi industry analysis done by Schaller Consulting [www.schallerconsult.com](http://www.schallerconsult.com). Schaller manages the wide range of U.S. taxi rates, definitions and units of measurement by defining a standard for typical short, average and long taxi trips and compares rates across cities for these 'typical' trips. Schaller's 'average' trip is based on the New York city average of five miles, with 5 minutes wait time. Schaller's 'short' trip is 2.8 miles with 4.77 minutes of wait time. The 'long' trip is 12 miles with 5 minutes wait time.

<sup>15</sup> This work would have been impossible without the excellent data analysis provided by R.F. Turner, Boston taxi driver and author of *The Driver's Side*.

<sup>16</sup> Penni Crabtree, "A Hard Road for Cabbies," *San Diego Union Tribune*, June 20, 2008.

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