June 13, 2017, NEW YORK—An administrative law judge has upheld the New York Department of Labor’s 2016 determination that three former Uber drivers were employees, not independent contractors as the company claimed. The drivers, represented by Brooklyn Legal Services, a program of Legal Services NYC, and the New York Taxi Workers Alliance, were forced to fight for their rights because Uber maintained that they were self-employed, which enabled it to avoid contributing to unemployment benefit funds. The decision marks the first unemployment insurance benefits decision, after a full hearing, regarding Uber drivers in New York State. (Photo: Brooklyn Legal Services Staff Attorney Nicole Salk at a press conference announcing DOL’s original determination last October.)

Press coverage: Politico, New York Daily News, Crain's NY, Quartz, amNY

Based on extensive evidence and a full record, Administrative Law Judge Michelle Burrowes decided that Uber exercised substantial supervision, direction and control over three former Uber drivers who were the claimants in the case. The three drivers found themselves unemployed due to vastly different circumstances, but the level of control exerted over drivers by Uber was identical, and the judge agreed with the previous NYS Department of Labor determination that these drivers were employees.

“The case is far reaching because it applies not just to the three Uber drivers in question but to ‘others similarly situated,’ said Brooklyn Legal Services Staff Attorney Nicole Salk. “There is no difference between these drivers and other drivers for Uber. Now Uber will have to make unemployment contributions to the state for these workers and we believe it owes the state contributions for every Uber driver.”

“The message here is simple: If you’re going to control the workers to maximize your profits off their labor, you owe them their rights and benefits under the law,” said Bhairavi Desai, Executive Director of the New York Taxi Workers Alliance. “As the Administrative Law Judge ruled, Uber is responsible for Unemployment Insurance contributions since January 1, 2014 for not only the three claimants, but all other similarly situated drivers. The Department of Labor must engage in an audit immediately so the rights of all drivers are protected, as are the financial interests of all workers in the state whose benefits are covered by the Unemployment Fund, which Uber failed to pay into for three years.”

The New York Taxi Workers Alliance is calling on the New York State Department of Labor to conduct a comprehensive audit of Uber to determine all workers as employees and therefore eligible for unemployment benefits and protected under wage and hour laws.

Previously: New York Taxi Workers, Uber Drivers Win Employee Status

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