

# TAXI SERVICE IN ITALY

*A constitutional resistance trough and for the union between labor and money!*

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## Introduction

In July, Italian taxi drivers stopped the attempt act deregulating the taxi sector for the third time in sixteen years. The press reported **Draghi Government had met the Uber managers** on the previous May; differently neither the presidency nor the competent ministry had ever met the taxi drivers unions. After that, the Italian taxi drivers were not so confident about a reform of the sector promoted by the Government. Thanks to **a very strong unified opposition of all Italian taxi drivers and their unions**, it was possible to reject this attempt. However, we cannot attribute this victory to the workers' opposition alone. Indeed, without the existence of an **efficient taxi service in Italy**, it would have not been possible to reject a deregulation every single time, which would have benefited only the large financial capitals interested to monopolize the taxi industry. **Then, today, my mission is to describe you the italian taxi model.** And the first and most important thing I want to analyze is related to the main feature that gives strength to our model: **the union between labor and money**. The big financial interests want to remove this union by taking over the money factor. It is a general european process which began and became institutionalized in 1992 when the free movement of capital was made a dogma trough the **Maastricht Treaty**. Thanks to this, labor is disconnected from capital, affecting all types of small businesses: commerce, crafts, tourism, transport. The great purpose of the multinational companies is in fact to leave to the workers of taxi industry only the labor part, perhaps without guarantees and protections; and taking from them the most remunerative part: the capital. We must oppose all this!

The first way in which we must do that, is **by not allowing unequal rules between subjects who do the same job**: taxi drivers, subject to public service obligations in order to protect consumers. Multinational companies, on the other hand, are free from these obligations, and therefore with a strong competitive advantage. Unfortunately, in many countries, that's been allowed!



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## THE CONSTITUTIONAL BASE

- Art. 43 Cost.: *"For the purposes of general utility, the law may originally **reserve** or transfer, by expropriation and trough compensation, to the State, to public bodies or **to communities of workers** or users certain undertakings or categories of undertakings, which relate to **essential public services** or energy sources or to monopoly situations and are of a principale general interest."*
- Art. 45, 1, para., Cost.: *"The Republic recognizes the social function of mutual **cooperation** and without the purpose of private speculation. The law promotes and encourages the increase with the most suitable means and ensures, with the appropriate controls, its character and purpose."*
- Art. 45, 2, para., Cost.: *"The law provides for the protection and development of **crafts**."*

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## LEGAL AND ECONOMIC BASES: WEIGHTS AND BALANCES

### WEIGHTS

- Mandatory performance of taxi service
- Administered rate
- Public place of parking
- Administrative constraints: workshift, working hours, specific obligations and rules of conduct, requirements and conditions for the issuance of the license.
- Territorial constraint

### BALANCES

- Quota: guarantee for user safety; ensuring the economic sustainability of the worker



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## COMPARISON IN EUROPE

City	Taxi density per 10,000 inhab.	Fixed amount on departure (€)	Initial rate (€/km)	Initial time rate (€/h)
Madrid	49,7	2,4	1,1	20,5
Milan	36,0	3,3	1,1	26,3
Rome	27,4	3,0	1,1	27,0
Paris	26,3	2,6	1,1	32,1
London	26,1	3,1	1,8	29,8
Barcelona	23,7	2,1	1,1	21,3
Berlin	21,6	3,9	2,0	30,0
Brussels	10,9	2,4	1,8	30,0

Source: Kpmg elaborations: data on fares refer to journeys carried out on weekdays in the daytime.

	Num. private cars/ 1000 inhabitants		Air Traffic (thousands)		Train Traffic (thousands)
Italy	646	United Kingdom	300500	Germany	2880558
Germany	580	Spain	275200	United Kingdom	1783232
Spain	536	Germany	248100	France	1246804
United Kingdom	526	France	201300	Italy	866588
France	510	Italy	192200	Spain	596143

Uritaxi Research Department elaboration on A.R.T. source 2022 (2019 data) and Eurostat 2021 (2018 data)



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## DEMOSCOPIC SURVEYS: SATISFACTION INDEX

### NATIONAL BASE\*

- 81,3% SATISFACTION
- 84,9% SATISFIED WAITING TIME
- 83,4% SATISFIED SAFETY
- 78% APPRECIATE TECHNOLOGY OFFER (PHONE, MESSAGING, APP)
- 72.3% CONSIDER ITALIAN TAXI BETTER THAN FOREIGN TAXI OR EQUAL

\*(Survey 04/22 Lab21.01)

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## A COMPARISON BETWEEN TAXI-COOPERATIVE MODEL AND MULTINATIONAL COMPANIES MODEL

<b>TAXI-COOPERATIVE</b>	<b>MULTINATIONAL COMPANIES (PLATFORMS)</b>
Mandatory performance	Freedom to provide
Administered rate	Free rate
Hours of work administered	Operation according to market demand
Recognizability of the car	Unrecognizability of the car
Territorial constraint	Territorial freedom



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## CONCLUSIONS

When we talk about the Italian taxi service we must keep in mind that it's an administered service with public service obligations and not a free market industry. These obligations are intended to protect users in order to guarantee a universal service.

On the "customer" side, if the international comparisons show there is no particular anomaly between the italian taxi service and the other European models, surveys are in trend (since 2011) and testify a high appreciation of the service.

On the "worker" side, **the hyper-distribution of the offer among many craftsmen, without the possibility of cumulation of licenses**, guarantees the maximum distribution of income. This could have undermined the possibility of creating economies of scale to ensure the technological development of the sector. This is why the sector and the legislator have encouraged cooperation, which over the years has allowed the service to be always up to date.

**Considering this, it is really bizarre that, with constant frequency since 2006, among the many inefficient industries in Italy, both managed by public and private entities, the public regulator has always tried to dismantle the taxi service under the influence of an ideological rage and obvious partisan interests (multinational companies), instead of protecting it and evaluating its simple aspects for improvement.**

