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# The Uber Files: A kill switch, intense lobbying and driver exploitation. Leaked documents reveal ‘cutthroat’ tactics that built ride-hailing empire

Private notes detail Uber’s meeting with Toronto Mayor John Tory’s senior staff. Uber acknowledges past “mistakes” and says company has changed.



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In December 2014, a general manager for Uber took to the country’s “podium of record,” the Canadian Club of Toronto, to sell attendees on an innovation changing the face of urban transportation.

The company was on a mission to bring “efficient, elegant, and most importantly, safe” transit to cities the world over. With its ever-expanding reach came a promise: to create “one million jobs for Uber drivers” around the globe.

“That number absolutely blows me away,” Ian Black told the crowd.

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As one of Uber’s first international markets, Canada was an early pit stop on an audacious drive for global prominence — one that would reshape cities, bedevil regulators and normalize the gig economy.

The lofty ambitions described in Toronto that winter's day were part of an internal playbook that was designed to win over influencers around the world and is now revealed in a trove of never-before-seen documents obtained by the Guardian newspaper and shared with the International Consortium of Investigative Journalists and the Toronto Star.

The leak of more than 124,000 emails, texts, memos and PowerPoint slides from 2013 to 2017 details the company's behind-the-scenes efforts to barge into cities in defiance of local regulations, stymie government investigations into its operations, and rewrite labour standards.

As it did so, it curried favour from some of the world's most powerful figures. When authorities suspended Uber X operations in Marseille, France, the company sought the help of a rising political star: Emmanuel Macron, then the French economy minister.

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"I will look into this personally," Macron texted Uber's chief European lobbyist. That evening, the local authorities said they would relax the Uber ban.

Following a 2016 private meeting with an Uber co-founder, then U.S. vice-president Joe Biden made a last-minute change in his speech to the World Economic Forum so he could tout the startup's global impact.

Across Canada, Uber has employed at least 103 lobbyists to try to influence decision making at municipal, provincial and federal governments, according to a Toronto Star analysis of lobbyist records.

In Toronto alone, records show, Uber lobbyists have contacted city officials and council members more than 4,700 times since 2013. Most of those communications — 70 per cent — happened in 2015 and 2016, when there were matters before council that could impact the ride-hailing company.

While dazzling lawmakers, some senior Uber executives saw their own company as an “empire” built by “cutthroats,” adopting the mantra, as two Uber figures put it, that it was better to ask for forgiveness than permission, the documents show.

“Sometimes we have problems because, well, we’re just f---ing illegal,” Nairi Hourdajian, then head of Uber’s global communications, commiserated to a colleague amid government efforts to shut down Uber in Thailand and India.

The documents detail controversial practices Uber used to foil regulators.

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In Montreal and at least four other jurisdictions, the company used “kill switches” to block tax inspectors and other authorities from accessing its computer servers during office raids.

Central to Uber’s business was making drivers independent contractors, a category of worker with no labour protections. The leaked documents show how Uber sought to neutralize ensuing criticism. One set of handwritten brainstorming notes emphasizes the platform’s role as a job creator for “disadvantaged ethnic communities” and the “regular Joe.”

Even as Uber crafted its progressive image, its most senior leadership was aware that drivers' earnings had sometimes fallen below minimum wage, the leaked documents show.

Jill Hazelbaker, a spokesperson for Uber, acknowledged “mistakes” and “missteps” that culminated five years ago in “one of the most infamous reckonings in the history of corporate America.”

She said Uber completely changed how it operates in 2017 after facing high-profile lawsuits and government investigations that led to the ouster of co-founder and then CEO Travis Kalanick and other senior executives.

“When we say Uber is a different company today, we mean it literally: 90 per cent of current Uber employees joined after Dara (Khosrowshahi) became CEO” in 2017, Hazelbaker said in a written statement. “We have not and will not make excuses for past behaviour that is clearly not in line with our present values.”

A spokesperson for Kalanick strenuously denied that the former CEO ever engaged in any criminal activities or wrongdoing.

In a statement to the Star, Uber Canada spokesperson Keerthana Rang said the company communicates with public officials “in accordance with local lobbying registration requirements.”

A spokesperson for Mayor John Tory said that Toronto “was one of the first cities in North America to regulate ride-sharing,” bringing “order” to what was, at the time, “the Wild West.”

“Mayor Tory and a majority of city council have always approached this issue focused on public safety and consumer protection,” Don Peat said in a statement.

Across Canada, where the company set itself the goal of “warm(ing) up the frozen tundra,” Uber has ultimately secured regulations that mirrored many of its key internal goals.

Jennifer Scott, the president of Gig Workers United and a Toronto-based Uber courier, said the company’s success has come at a social cost.

“Their business model is based on targeting people who are already precarious.”

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Uber began in 2009 based on an outwardly simple concept: it was a technology company — one that happened to digitally connect drivers and passengers.

This conceptualization was crucial to Uber's business model. It underpinned the startup's contention that it was not a taxi company employing drivers — and should not be regulated as one.



Instead, Uber portrayed itself as an innovator and underdog battling the “vested interests” of the taxi industry.

For Uber’s business to succeed, the company needed to focus on “wins that matter” in its top 10 markets — including Toronto, according to one internal policy briefing.

But in 2014, the company hit a road bump: an injunction filed by the city, accusing Uber of operating as an illegal taxi brokerage.

The injunction came just as a new mayor took the reins: John Tory, in whom Uber saw a potential ally.

Since Tory’s election, the ride-hailing app’s lobbyists have logged more meetings in the mayor’s office than all taxi companies, industry groups and taxi worker organizations combined, a Star analysis shows.

Internal emails recount Uber’s impressions of one of the first such meetings with Tory’s office, in early January 2015. Present at the meeting were Tory’s closest generals: chief of staff Chris Eby, principal secretary Vic Gupta, and senior adviser Luke Robertson.

Despite the simmering controversy between Uber and the city’s taxi industry, the mayor’s staff assured the company that Tory was “a fan” of the startup’s service and that his office was “generally onside,” according to an internal email circulated by Uber’s Canadian public policy manager Chris Schafer.

There were caveats to this support. The city saw the lack of regulations around ride-hailing as problematic, and staffers told Uber the mayor would not accept a “Wild West.”

Uber executives “immediately” assured the mayoral staff that the company welcomed regulation, Schafer’s email said.

Internal “model legislation” contained in the Uber Files leak shows that regulation was one of the company’s key goals, and it came with a specific endgame: to entrench in law Uber’s status as a technology firm, rather than a taxi company.

The mayor’s senior adviser pulled the Uber officials aside and assured them that a “way forward” was possible, and that his experience with the city’s taxi regulator would help broker a deal, according to Schafer’s email.

“He knows where they are prepared to give, where we need to give,” Schafer said.

In May 2015, Tory moved to defer a vote to reverse recently enacted city laws that established a single, streamlined cab licence.

The motion occurred days after the mayor's chief of staff met with John Duffy, an external lobbyist for Uber who had previously worked as a top campaign aide for Tory. The meeting prompted a complaint to the city's integrity commissioner about Tory's relationship with Uber, questioning why he moved to defer the taxi vote.

The commissioner's findings, never reported in the media, noted that it was bad for public trust for former campaign staff to later lobby a successfully elected candidate, and advised "acting with caution, and in certain cases, refusing" such advances. (Duffy testified that he "decided to stop lobbying the mayor's office" on behalf of clients in June 2015.)

The investigation concluded there was no impropriety — in part because there was "no evidence that the mayor's motion benefited Uber." It made sense, the investigation said, to await the outcome of the city's pending injunction against Uber before addressing taxi rules.

Not long after the vote was deferred, the courts slapped down that injunction; the city did not appeal.

Toronto passed new taxi regulations in May 2016. The result was a new legal framework for ride-hailing — one that reflected core pieces of Uber’s internal “model legislation” reviewed by the Star and ICIJ.

While both taxis and ride-hailing drivers now needed to be licensed by the city, app companies were not declared a taxi brokerage and were subject to less onerous regulations.

The new regime also scrapped the requirement for driver training, both for taxis and ride-hailing drivers. That encapsulated one of the tenets of Uber’s model legislation, which said mandatory training should be “resisted.”

Within months of the new regulations, some taxi companies resurrected training for drivers in the face of safety concerns. But the city did not mandate ride-hailing driver training until 2019 — after Cheryl Hawkes’s 28-year-old son Nicholas Cameron died in an Uber accident.

In response to detailed questions from the Star, both Eby and Gupta said the taxi wars prompted intense lobbying from all stakeholders, and that the city sought a resolution centred on safety and consumer protection.

Tory’s spokesperson said the mayor’s office sought a “consensus” that “recognized ride-sharing was here to stay.”

“Rather than fight the future almost eight years ago, we recognized the need to regulate Uber,” Peat said.

The mayor wants an “industry that is safe and protects riders and all drivers,” Peat added, thanking Hawkes for her advocacy and noting that Tory supported strong penalties for dangerous drivers.

“The mayor has at all times conducted himself with integrity and with a focus on ensuring the best public policy.”

To Hawkes, Toronto treated Uber like “a favourite child.”

“Why have some jurisdictions been able to combat them, and our (city) has just been so weak?”

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On a February day in 2015, an aspiring Uber driver arrived at an eight-story brick building in a blue collar Montreal neighbourhood — seemingly one of hundreds of workers joining the city’s burgeoning gig economy.

In reality, it was an undercover tax agent.



Revenu Québec believed Uber may be making “false” tax declarations and “aiding” drivers to evade personal tax obligations, according to court documents obtained by the CBC/Radio-Canada, one of the ICIJ’s partner media outlets. Since registering with the provincial tax authority in 2014, Uber had claimed tax credits for business expenses — but said it did not have any taxable business activity in Quebec and did not pay any sales tax, according to the agency.

Several months after the undercover visit, Revenu Québec executed a morning raid on Uber’s Montreal headquarters. But as agents searched the office, they hit a snag: the company’s laptops, smartphones and tablets had been remotely switched off and encrypted.

The encryption was the work of engineers 4,700 kilometres away in San Francisco, Uber’s Montreal director Jean-Nicolas Guillemette confirmed to tax agents that afternoon. A judge would later describe the event as having “all the characteristics of an attempt to obstruct justice.”

Company executives have deployed a so-called kill switch to prevent authorities from seizing evidence during raids on Uber offices in at least four other countries, the leaked Uber Files show.

A confidential “dawn raid manual” circulated to staff in the Netherlands in early 2015 warned of what to do if Dutch authorities launched unannounced inspections.

Employees were told to contact the company’s “raid co-ordinator” and escort regulators to “a meeting room that does not contain any files” or computer access. The manual also exhorted staff to “demonstrate willingness to cooperate” and respond truthfully to questions.

Uber’s senior leaders don’t appear to have always followed those directions.

During a July 2015 tax raid in France, an Uber manager texted senior colleagues to confirm office “tools” had been “cut” as regulators swarmed the building.

A top policy expert responded, instructing him to follow the “playbook” outlined by the company’s then lawyer in Europe.

“Try a few laptops, appear confused when you cannot get access, say that IT team is in (San Francisco) and fast asleep,” the text read.

“Oh yeah,” the manager replied. “We’ve used that playbook so many times by now the most difficult part is continuing to act surprised!”

Today, Uber said, it routinely co-operates with law enforcement’s requests for information.

“Uber does not have a ‘kill switch’ designed to thwart regulatory inquiries anywhere in the world and has not since Dara [Khosrowshahi] became CEO in 2017,” spokesperson Hazelbaker said.

“While every company has software in place to remotely protect its corporate devices (for instance, if an employee loses their laptop), such software should never have been used to thwart legitimate regulatory actions.”

Faced with an ultimatum in Montreal to comply with tax laws or be banned, Uber eventually reached a deal with Revenu Québec allowing the company to calculate tax owed on each ride-hailing trip and pay a lump tax sum every quarter, according to a Financial Times report.



Dara Khosrowshahi was named Uber's CEO in 2017 after the company faced high-profile lawsuits and government investigations, leading to the ouster of its co-founder Travis Kalanick. AFP/GETTY IMAGES

In a statement, Uber said its “one-of-a-kind” agreement in Quebec has been praised by the province’s tax authorities.

In the rest of Canada, the company said it’s up to individual drivers — as contractors — to remit their own taxes.

“Uber is committed to building a sustainable business in Canada, and in doing so, is compliant and remits all the tax it’s required to pay.”

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Uber's taxation issues were described internally as the company's "Achilles heel." But they were inextricably intertwined with another fraught problem: labour.

Central to both was Uber's designation of drivers as contractors, which lightened the company's payroll tax and labour rights obligations.

Critics called the set up illegal, a kind of "false self-employment" that offered the illusion of flexibility to workers while actually stripping them of protections.

Uber realized that to sell its business, its employment model needed to be seen as "genuinely empowering," according to an internal report prepared for Uber by a global consultancy firm.

"(Members of Parliament) are technically self-employed," reads one set of internal talking points. "Lots of sectors do it without any apparent controversy."

Even as it crafted this narrative, Uber's senior leadership were aware drivers were earning less than minimum wage, internal emails show.

In at least one crucial jurisdiction — the Netherlands, where the company’s international headquarters is based — earnings data from December 2014 showed that, when factoring in all operating costs like insurance and car maintenance, Amsterdam drivers averaged a sub-minimum wage of 7.2 euros an hour.

Despite those low earnings, the company determined it could still slash fares without losing workers — because, Uber staff noted, drivers often didn't calculate costs beyond Uber's cut and gas.

The company lured drivers and passengers to its platform by offering bonuses and other incentives. It then cut back on subsidies, stripping workers of income they had come to rely on.

“Make sure drivers don't end up making more than they need to stick around,” says one internal presentation from January 2015 on how to succeed in new markets.

Uber's spokesperson said workers value the “flexibility” gig work offers, and that drivers' earnings globally are near or at an all-time high.

“Since 2017 ... we have worked hard to improve our relationship with drivers, innovating to make their day-to-day experience with Uber better, listening to their feedback, and advocating globally for more benefits and protections,” Hazelbaker said.

But in Canada, critics say Uber largely sold — and entrenched — its business model.

“They have been playing our policymakers. They have been playing John Tory. And they leave cities in a mess,” said Thorben Wieditz, an organizer with RideFair TO, a coalition advocating for stricter regulation of the gig economy.

In April, Queen's Park passed new gig economy laws, which include gig workers' right to know how algorithms determine their pay. The legislation also guarantees minimum wage for “engaged time” on apps.

These changes are “a crucial first step in providing foundational rights to hundreds of thousands of people in a growing sector of our economy,” said Harry Godfrey, press secretary to the province’s labour minister.

Workers will only be entitled to minimum wage for the minutes spent actively picking up and dropping people off — leaving on average 40.5 per cent of their time uncompensated, City of Toronto data shows. (Uber says drivers can work for other apps during that time.)

The reforms also do not address workers’ employment status, which, to critics, remains the crux of the gig economy’s failings.

Treating workers as employees is “the way to solve the problem,” said delivery courier Scott.

And, said Wieditz, the minimum wage floor established by the province means little in Toronto without a cap on ride-hailing vehicles — a proposition the city has so far resisted.

The more drivers on the platform, the greater the competition for trips, diluting individual earning potential, he said.

Today, some of the world leaders who once warmly embraced the platform economy have changed their tune. In the U.S., President Joe Biden is now promising to “crack down on employee misclassification” that strips them of basic entitlements.

As the shine wears off app companies’ early promises, Wieditz says Uber’s legacy in Toronto and Canada is much different than the elegant vision outlined at the Canadian Club eight years ago.

To Wieditz, one company’s ability to evade minimum standards paves the way for other companies to do the same — an issue he calls the “contagion” problem.

“Uber’s playbook is similar to the playbook of other big platforms,” he said.

*With files from Robert Cribb, Andrew Bailey, Marco Chown Oved and the International Consortium of Investigative Journalists.*



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