

On-demand and On-the-edge: Ride-hailing and delivery workers in San Francisco

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INQUIRY WITH IMPACT

Thank you to our funders:

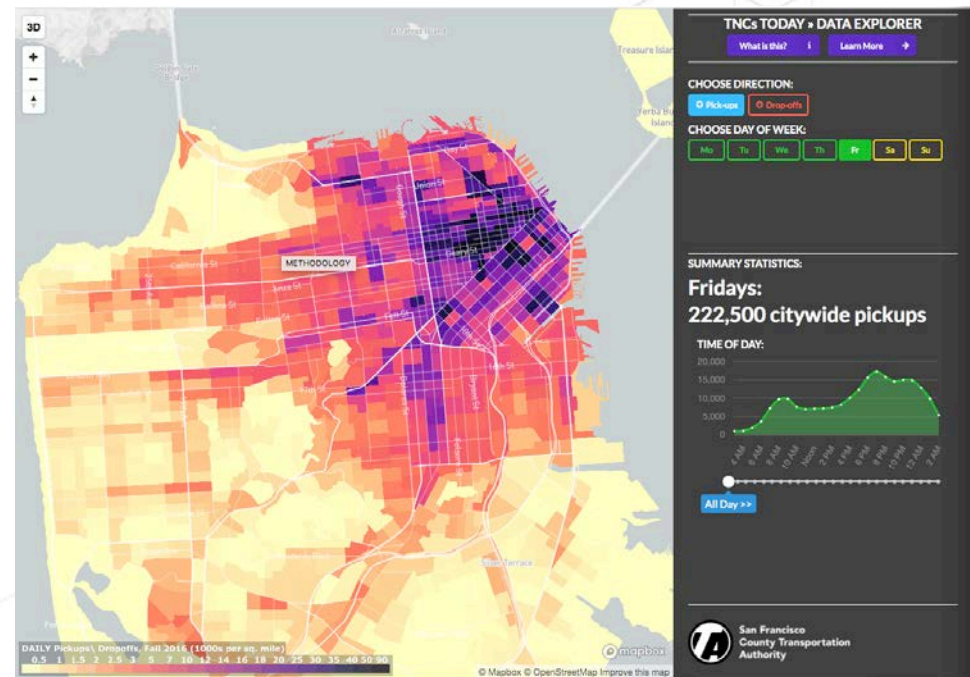
San Francisco Foundation,
ReWork the Bay, Ford Foundation,
Annie E. Casey Foundation,
Chavez Family Foundation, SF LAFCo.

METHODOLOGY

- **Key goal: Representative sample of on-demand work being done in the city, not of all on-demand workers.**
 - **Representative samples of on-demand *workers* show many people working for short periods of time, or part-time.**
 - **Understanding who is doing the actual *work* being done in the city, we believe is a better basis for understanding labor practices and developing labor market policy.**

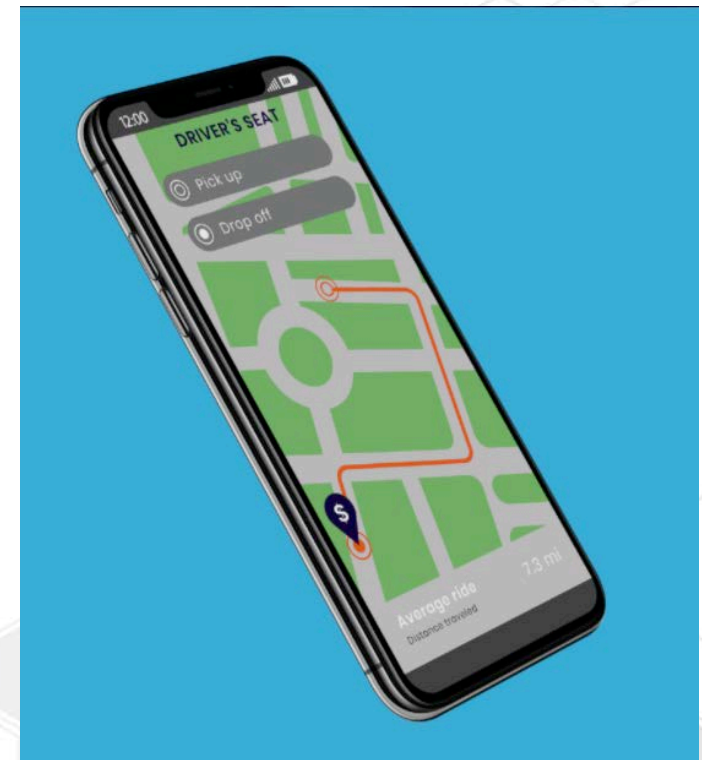
METHODOLOGY

- Survey respondents were recruited through 6 different apps, with recruitment structured to get a representative sample
 - For ride-hailing, survey recruitment varied by time of day, day of the week, and location to match known pick-up location patterns from SF County Transportation Authority data
 - For delivery, survey recruitment was conducted during peak lunch and dinner meal times, spread across 11 different SF neighborhoods
 - Downtown
 - Marina
 - Richmond
 - Sunset
 - Mission Terrace/Excelsior
 - North Beach/Chinatown/Financial district
 - Glen Park/ Bernal Heights
 - Parkside
 - Noe Valley
 - Mission
 - Castro



METHODOLOGY

- We also pilot tested Driver's Seat Cooperative technology for collection and analysis of driver generated geo-located trip and earnings data
- Additional in-depth interviews with 15 workers
- Data-gathered from 2/7/2020 – 3/16/2020
- Shelter-in-place order required halting data gathering about 60% through original plan
- 643 completed surveys from six apps:
 - Uber (189), Lyft (218), DoorDash (85), GrubHub (110), Instacart (24), Shipt (17)
- Supplemental online COVID-Impact survey conducted 4/6/2020-4/21/2020, with recruitment through organized networks and closed Facebook groups
 - 219 completed surveys, from total of 11 different apps (Amazon Flex, Caviar, DoorDash, Grubhub, Instacart, Lyft, Postmates, Saucey, Shipt, Uber & UberEats)



Diverse Workforce

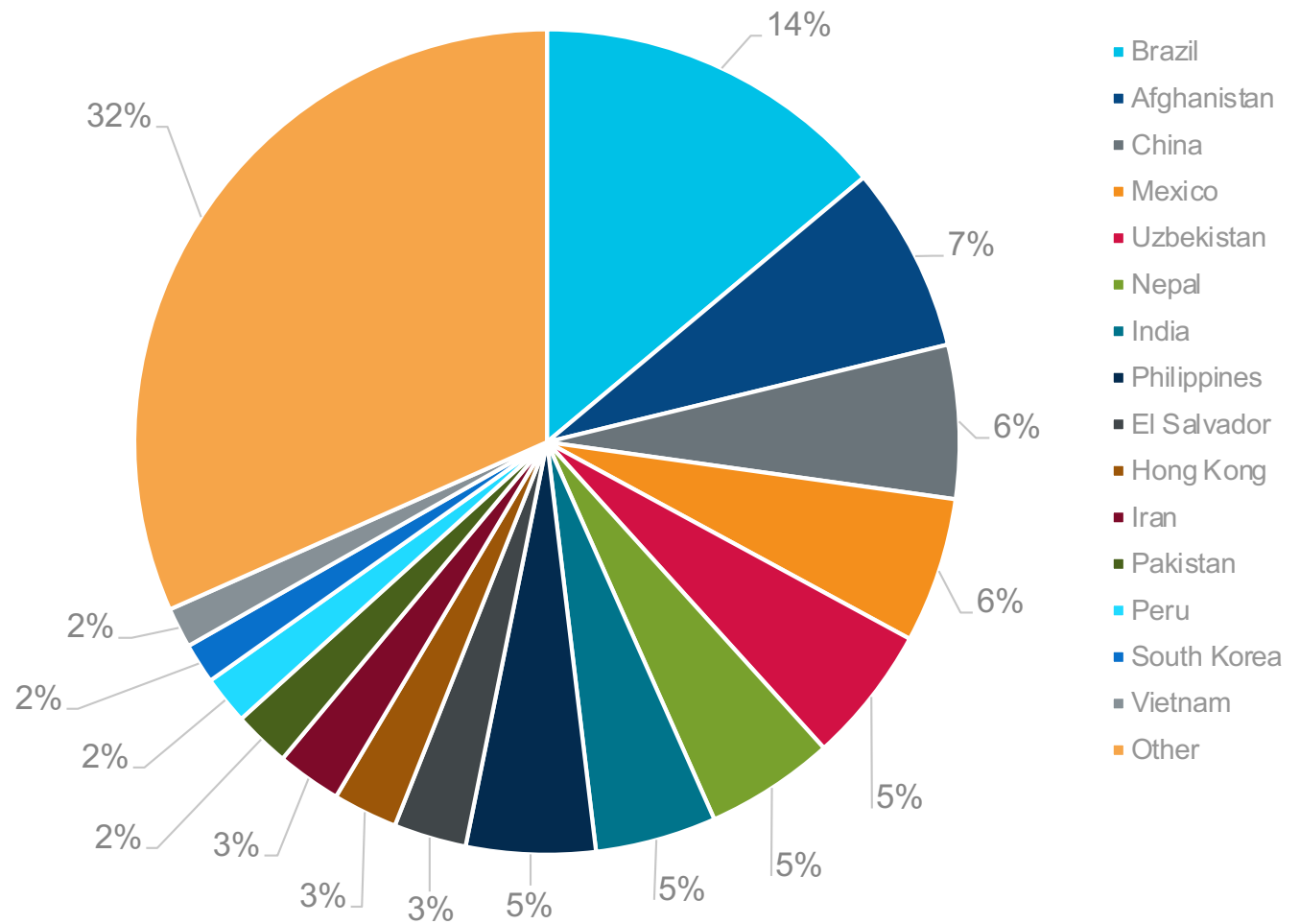
- Predominantly male (86%)
- Diverse race/ethnicities:
 - 29% Asian, 23% Hispanic, 22% White, 12% Black, 13% multi-racial or other
- Majority (56%) foreign-born
- Median age is 40 in ride-hailing and 31 in delivery work
- 28% of ride-hailing and 62% of delivery workers in survey live in SF



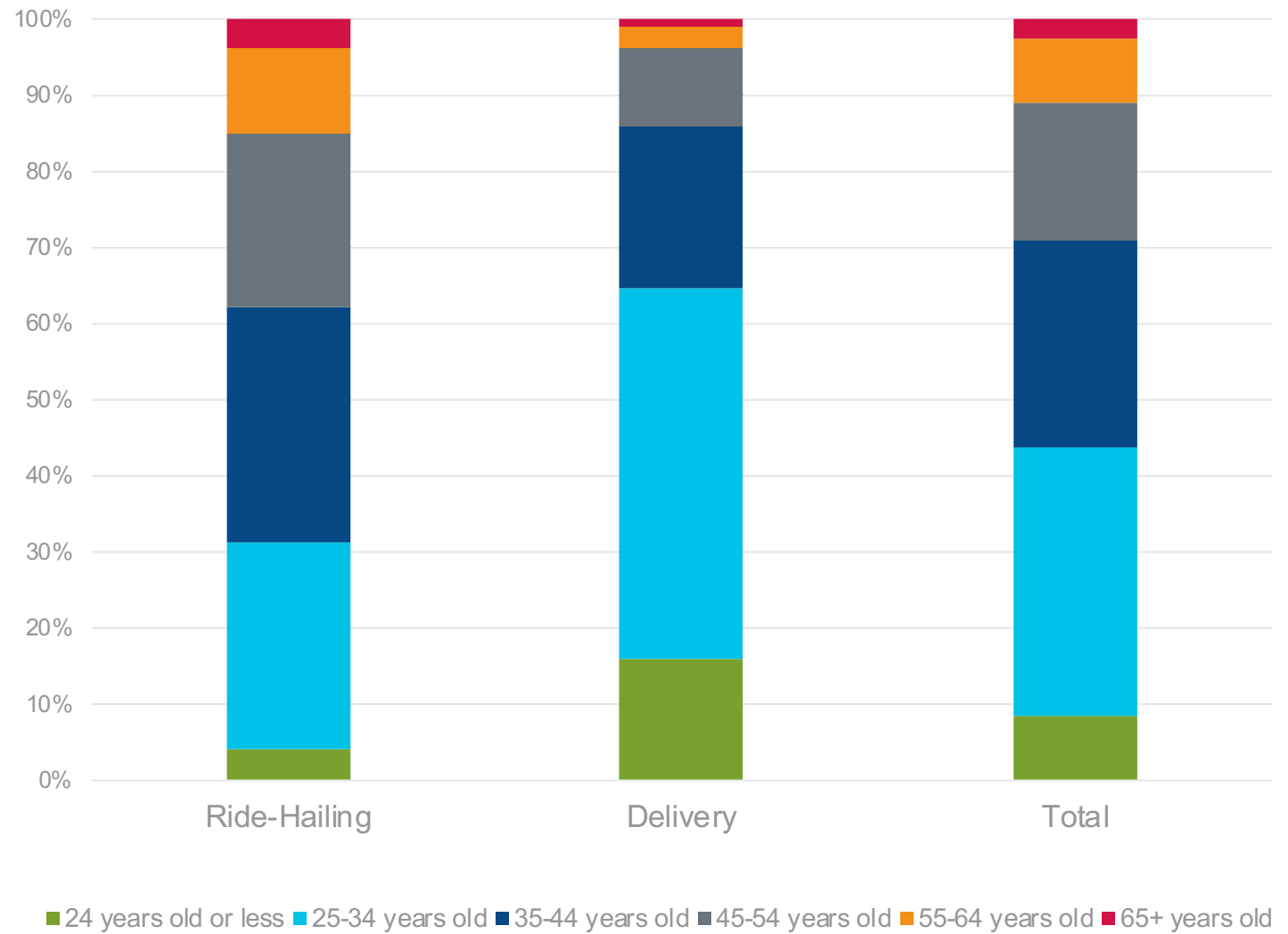
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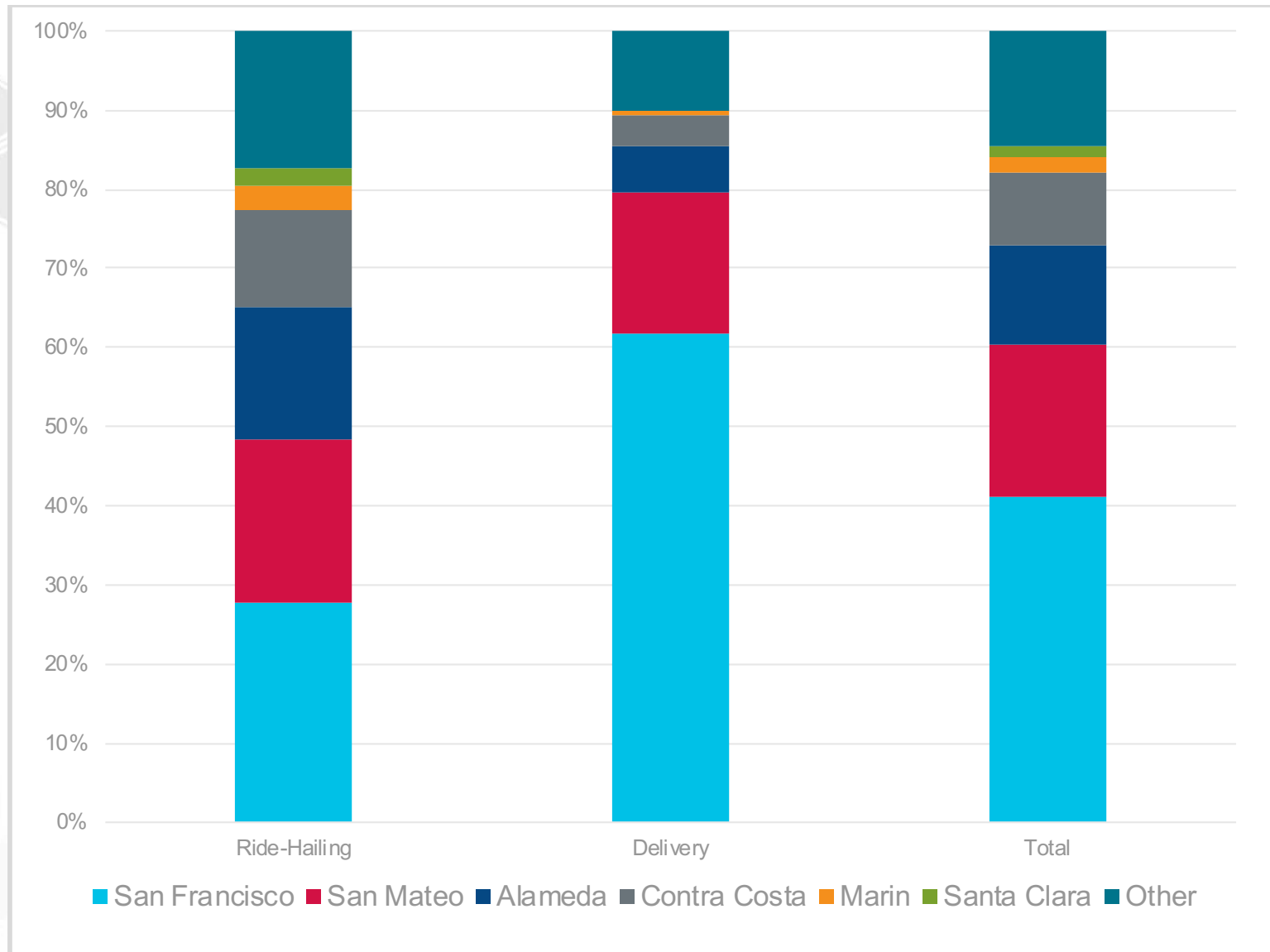
**What is your
country of
origin (for
foreign-
born)?**



Age Category



County of Residence





Difficult Economic Circumstances

- 46% support others with their earnings, including 33% supporting children
- 21% have no health insurance, and another 30% use public or public-access health insurance (e.g. Medi-cal, Covered CA)
- 45% couldn't handle a \$400 emergency payment without borrowing
- 15% receive some form of public support (e.g. food stamps, housing assistance)

Not a gig for most

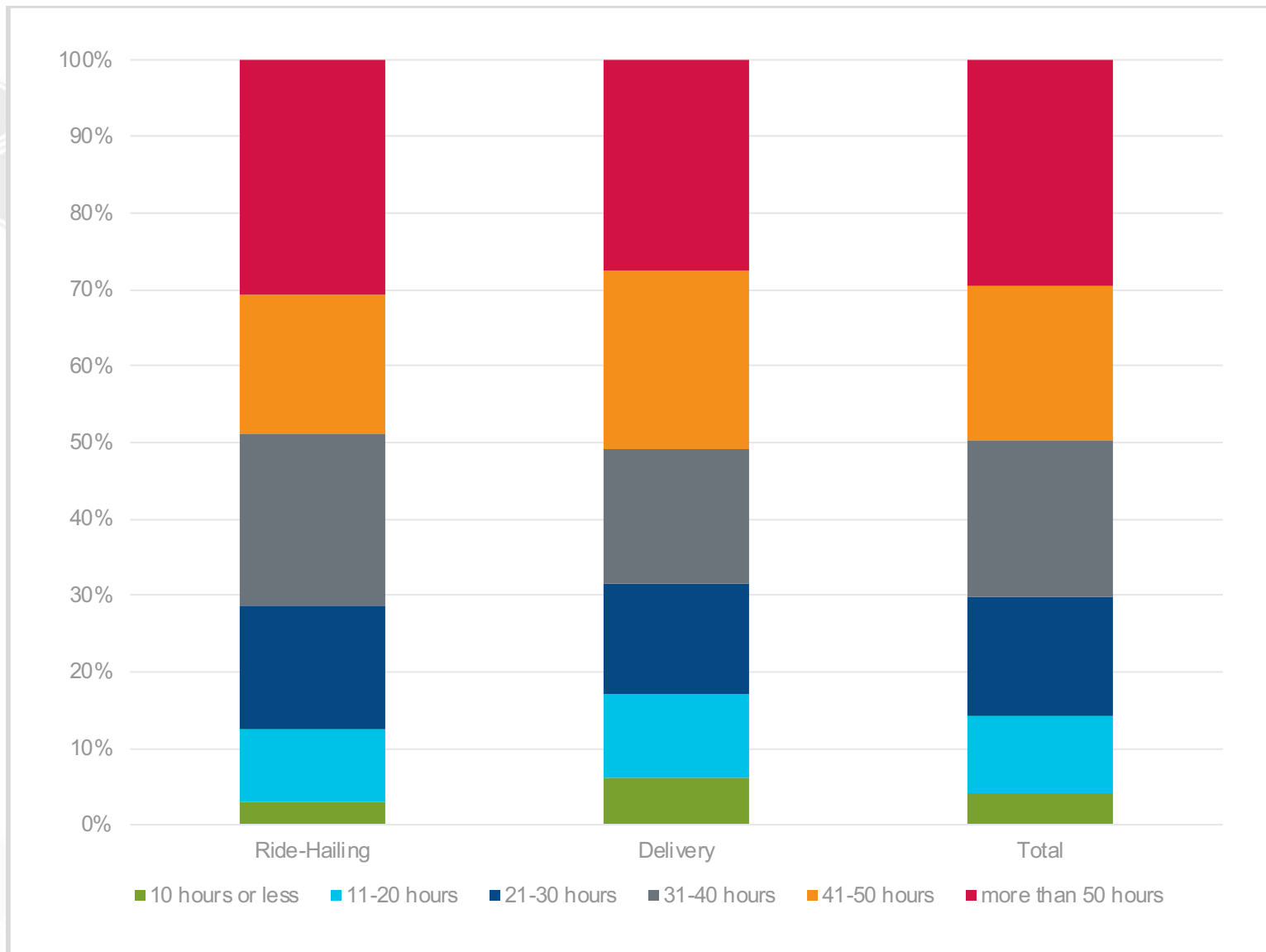
- The majority of survey respondents work full-time for platform companies
 - 71% work more than 30 hours a week, including 50% who work more than 40 hours, and 30% who work more than 50 hours
- The majority of survey respondents depend on platform work as their primary source of income
 - 53% said it was their entire income last month, another 10% said it was 75% or more of their income
- People value the flexible schedule, but also rate fair pay and predictable pay high as important job qualities they want



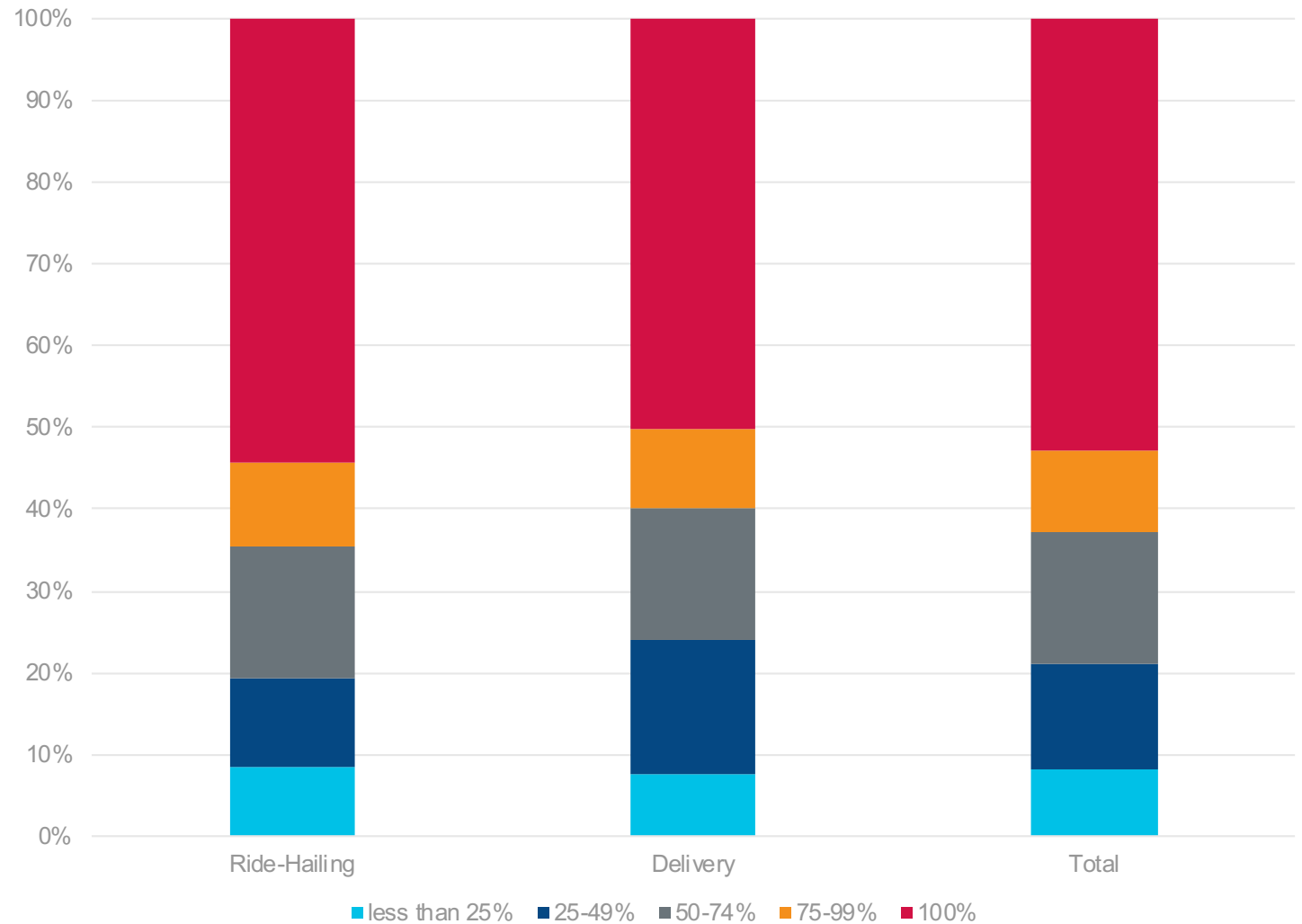
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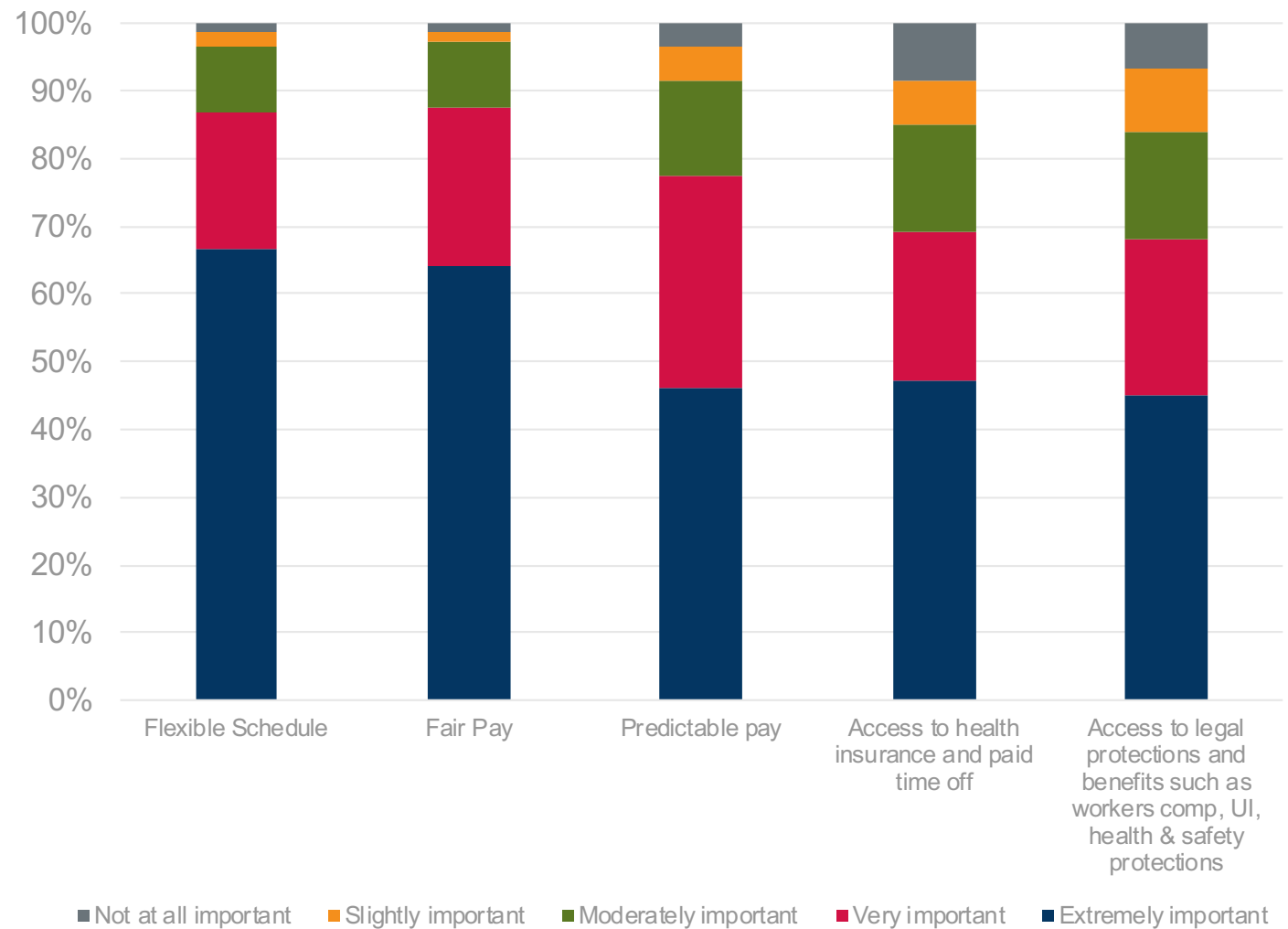
How many
hours per
week do you
work on
average for
all of these
apps?



What percentage of last month's total income was from platform work?



How would you rate the following job qualities in terms of their importance to you?

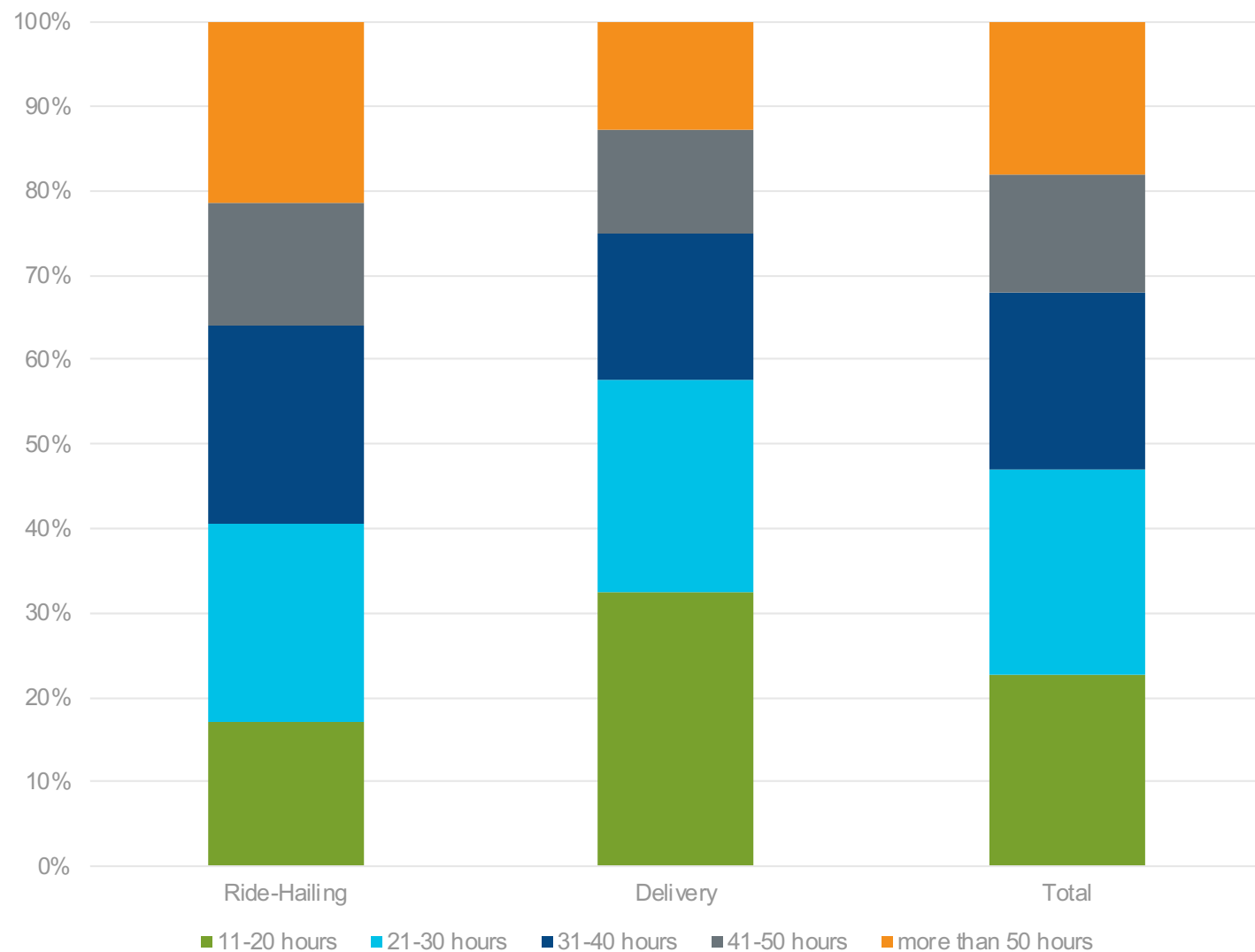




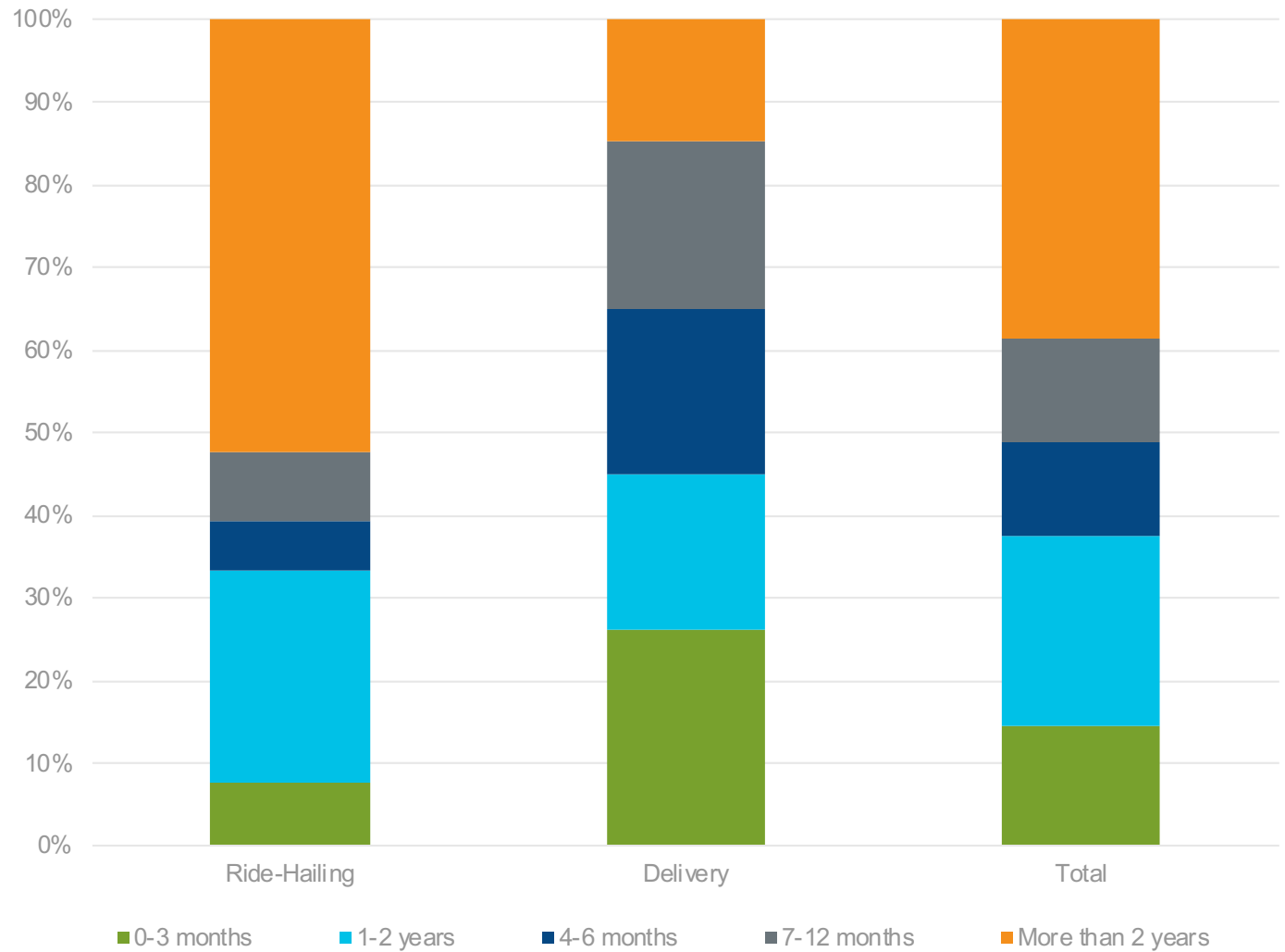
Ride-hailing drivers more established than delivery

- Of the survey respondents, ride-hailing drivers work more hours a week (38 hours) than delivery workers (32 hours)
- Ride-hailing drivers have been working for their primary app for longer than delivery drivers
 - 52% of ride-hailing drivers have been more than 2 years for their primary app, compared to 15% of delivery workers

**How many
hours per
week do you
work on
average for
your current
app?**



**How long
have you
worked for
your current
app?**



Low Earnings

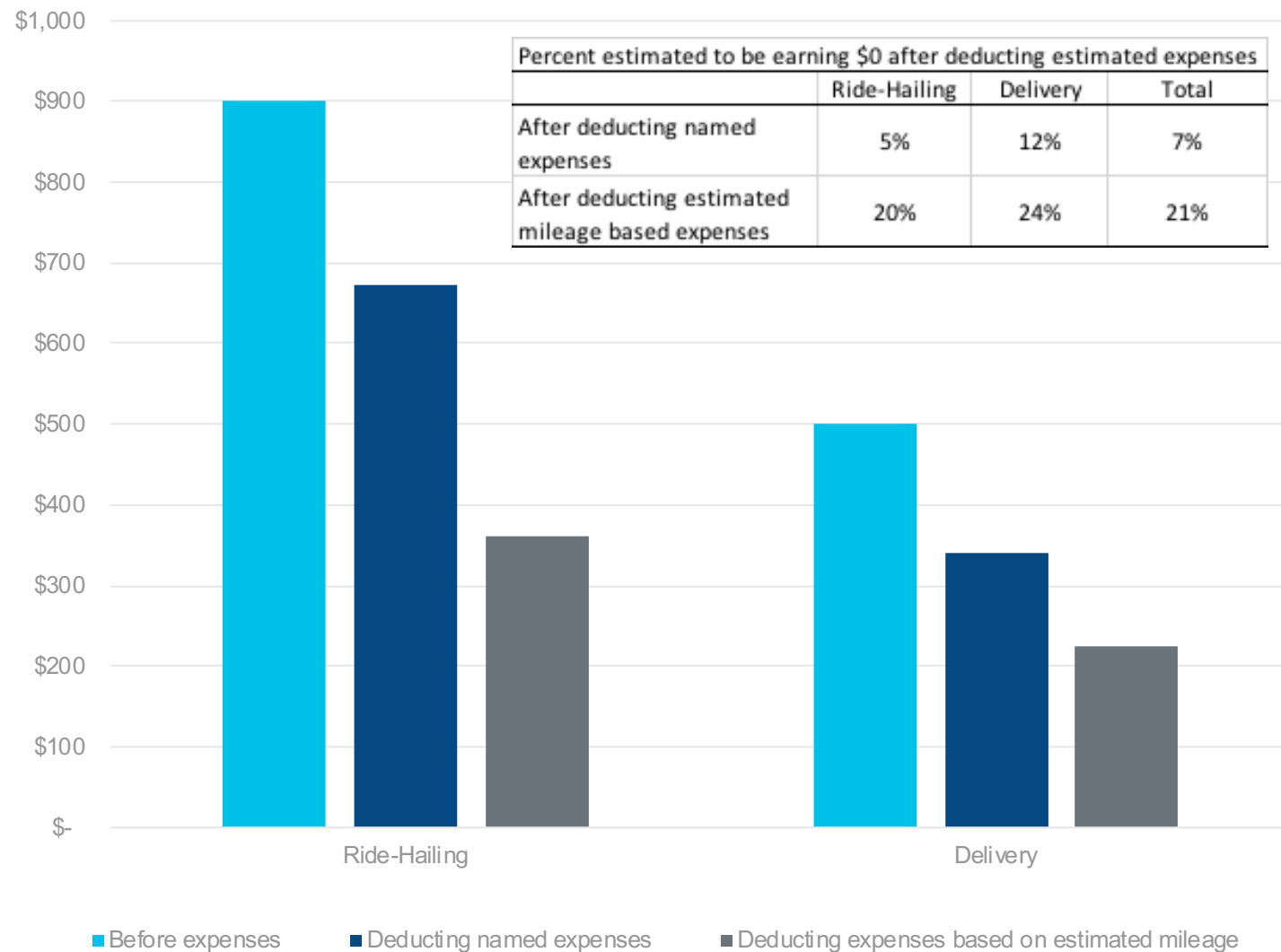
- Before expenses, median earnings is \$900/week for ride-hailing workers and \$500 for delivery workers who responded to the survey
- Depending on how expenses are calculated, this can drop to as low as \$360/week for ride-hailing workers and \$224/week for delivery workers
- We estimate as much as 20% might be earning nothing when all expenses are accounted for
- Delivery workers are particularly dependent on tips, which account for 30% of their estimated earnings
- Workers also have significant amount of unpaid time, waiting for orders or driving to a pick-up location
- Workers also experience unpredictable earnings, often for reasons beyond their control, in part because some portion of their pay is due to incentives or bonuses



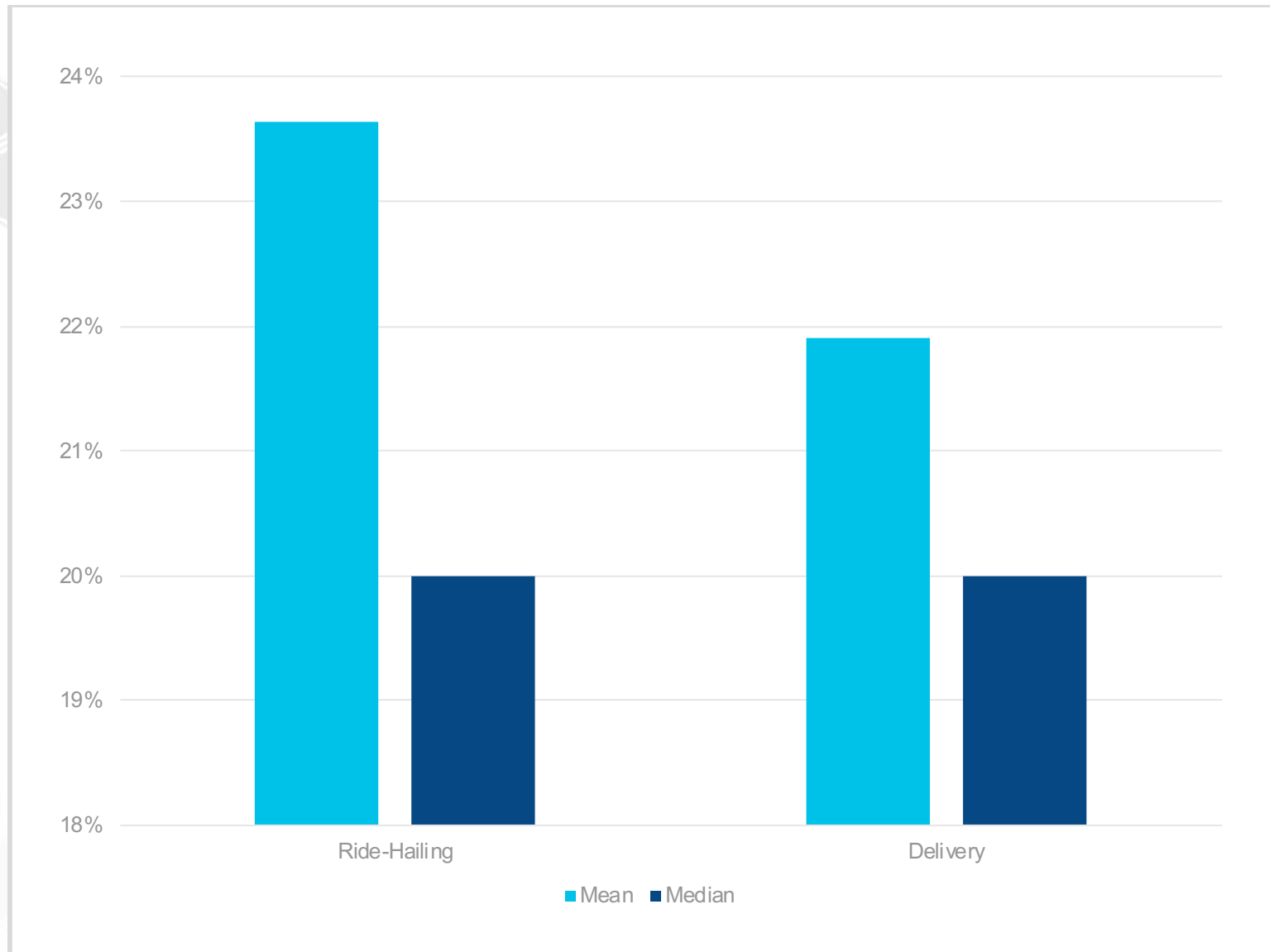
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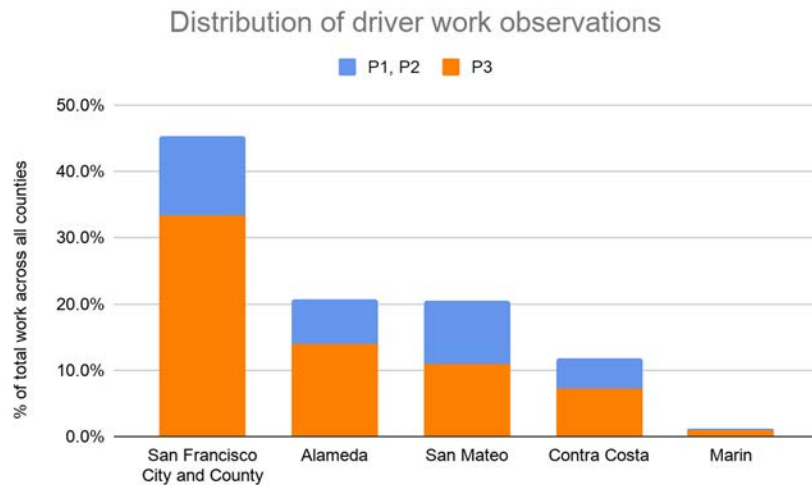
Median weekly earnings, before/after expenses (using two different methods for calculating expenses)



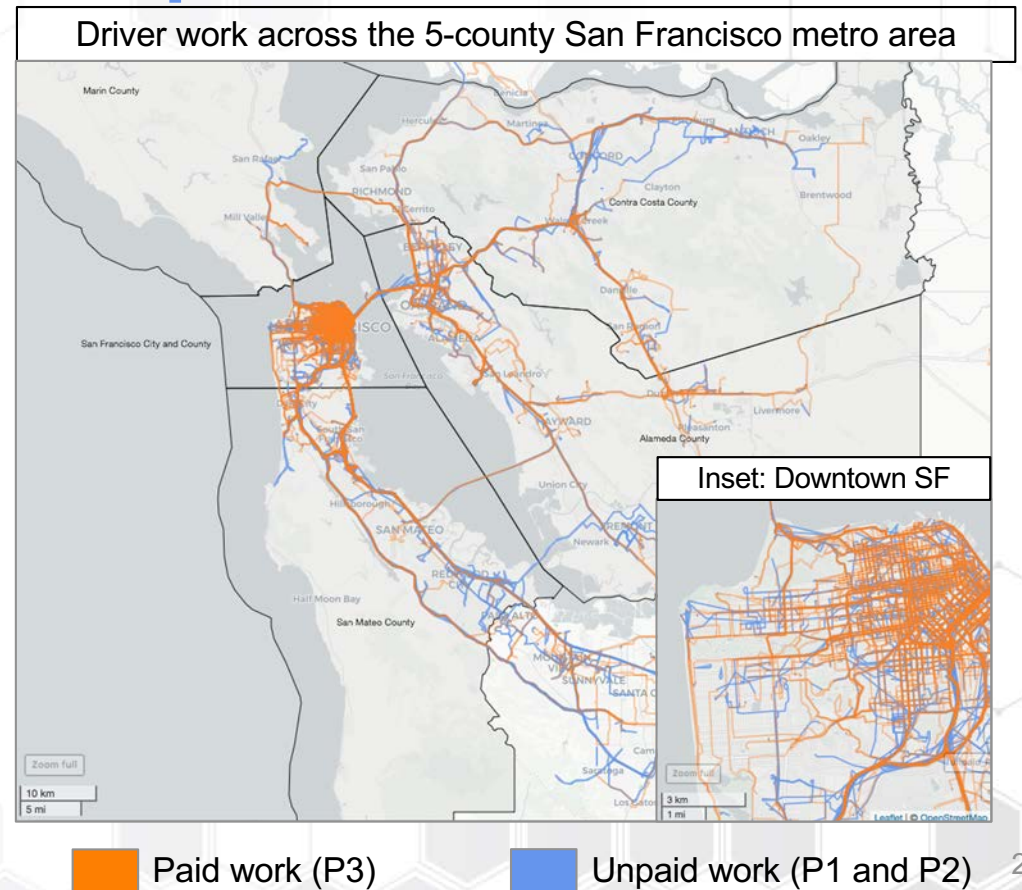
What percent of your time working is unpaid time (e.g. waiting for orders, driving to pick-up location)?



Driver collected data shows ratio and distribution of **paid** and **unpaid** work*



*Demonstration data collected during study pilot phase





Other work challenges

- Survey respondents faced a number of other work-related challenges:
 - 40% of ride-hailing drivers and 52% of delivery workers said they **work 12 or more straight hours** in app-based work at least several times a month
 - 31% of ride-hailing drivers and 38% of delivery workers say they often or sometimes **sleep in their car**, before, during or after doing app-based work
 - 77% of ride-hailing drivers and 86% of delivery workers say they have often or sometimes had to **use the bathroom but had no nearby access to a facility**
 - 43% of ride-hailing drivers and 24% of delivery workers say they have **felt harassed or made to feel unsafe by a customer**

Apps manage job opportunities

- Many, though not all, respondents felt penalized for declining certain job offers:
 - 49% of delivery workers and 36% of ride-hailing drivers said they were not offered work for a period of time
 - 29% of all survey respondents thought they were offered fewer bonuses or incentives
 - 27% of survey respondents said they were deactivated or threatened with deactivation. Of those actually deactivated, less than half thought the app handled it fairly
- 51% of delivery workers and 36% of ride-hailing drivers thought the amount or types of jobs they were offered was affected by their worker rating



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Bicyclists have challenges too

- 18% of all delivery workers said that a bicycle was their primary mode of delivery, including 9% who use an electric bike
- **People using bikes have expenses that are rarely reimbursed by their app**
 - Only 33% said they had no purchases
 - 33% said they had to purchase protective gear
 - 25% said they had to purchase a rack for carrying larger orders
 - 13% said they had to purchase an insulated box
 - 8% purchased an electric bike for work

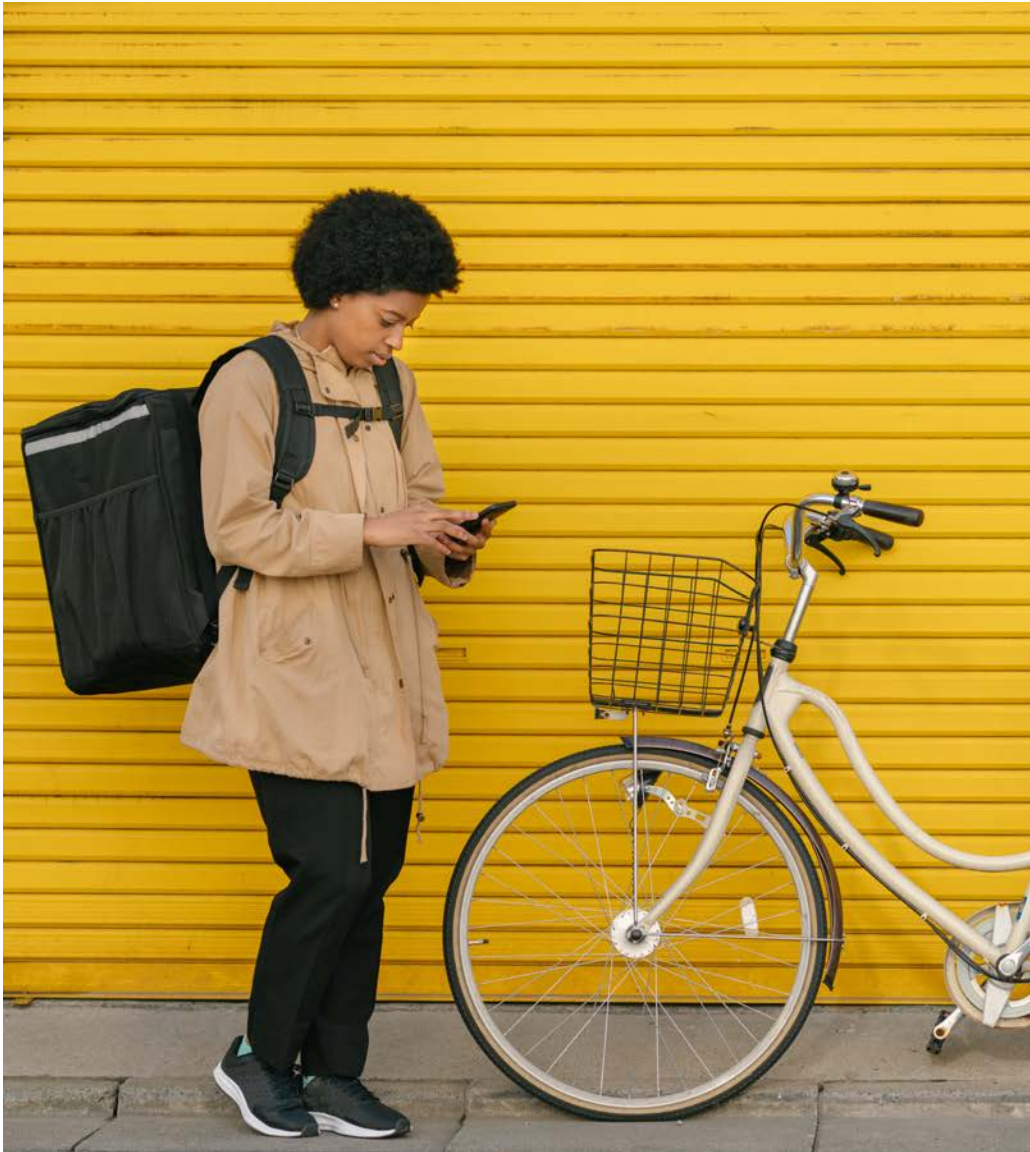
Bike safety is a concern

- 70% of people delivering by bicycle said they had felt unsafe
- Of those who felt unsafe
 - 89% said cars parked in bike lanes are a safety hazard
 - 89% said the poor quality of roads (potholes) are a hazard
 - 57% said they were delivering on roads not meant for bikes in order to deliver more quickly
- 32% said they have felt physically threatened on a bike while delivering



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Potential to expand bike delivery?

- There are some economic reasons why people choose to deliver by bike: 52% said they couldn't afford a vehicle, and 77% cited too high vehicle expenses
- Yet **77% also said they preferred delivering by bike or walking (exercise, less stressful)**
- **83% also said it was quicker** to deliver using a bike in San Francisco
- If provided with a financial incentive to purchase an ebike:
 - **39% percent of delivery workers said they would switch from driving, and 31% said they might**
 - 25% of ride-hailing drivers said they would consider or definitely switch to ebike delivery



Impact of COVID-19 On App-Based Delivery & Ride-hailing Workers

Survey Results, April 2020

Impact of COVID-19

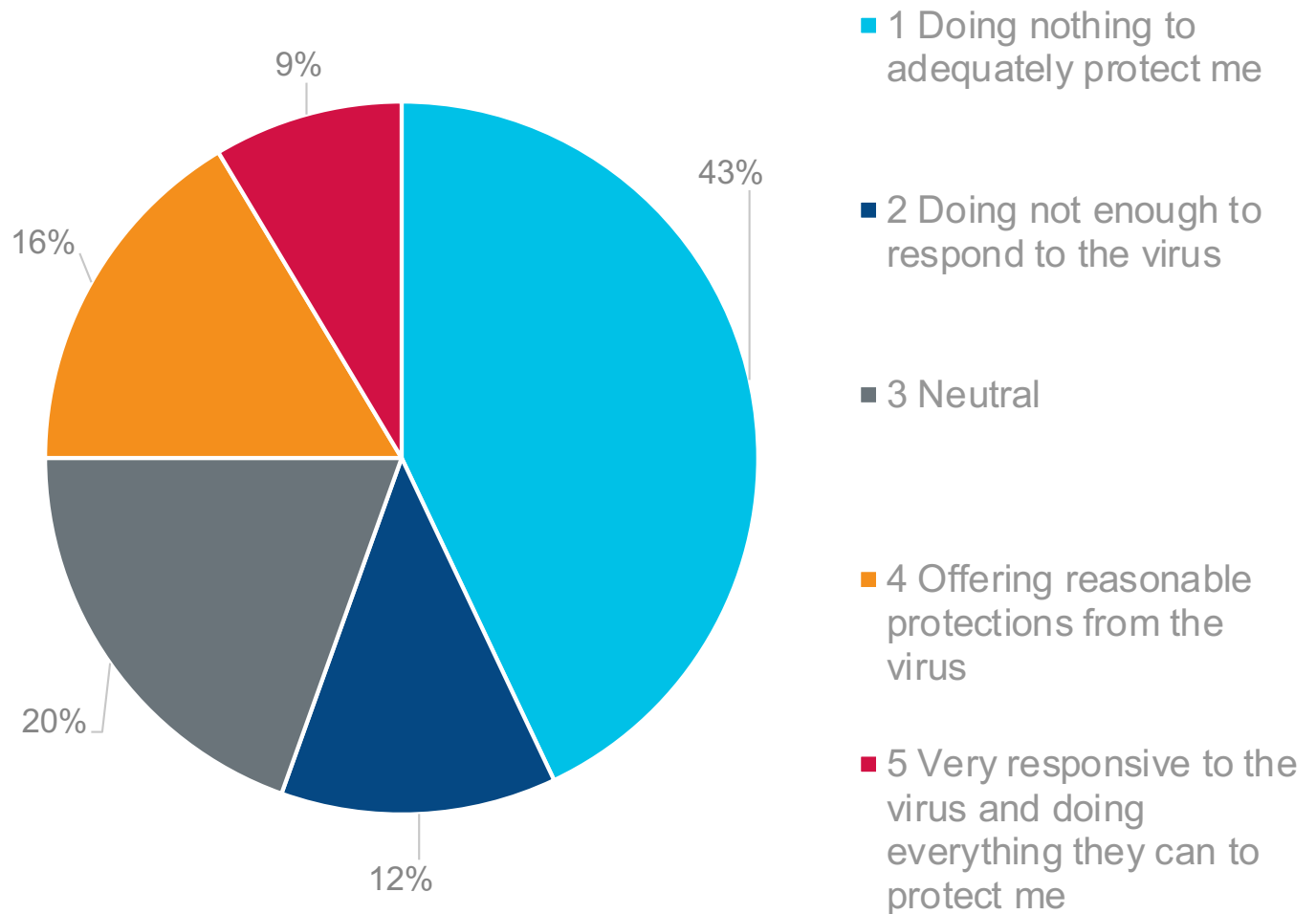
- 41% of those surveyed working on delivery, with nearly half making switch from ride-hailing apps due to coronavirus
- 24% stopped working on the apps when the virus hit
- Workers struggling financially
 - 54% had lost more than \$500/week in earnings
 - 37% had lost 100% of their income
 - Another 19% had lost more than 75% of their income
- Though 15% had seen an increase in jobs being offered, 76% had seen a significant reduction in jobs being offered
- 28% said they were still accepting jobs despite fears of the virus because they needed the income



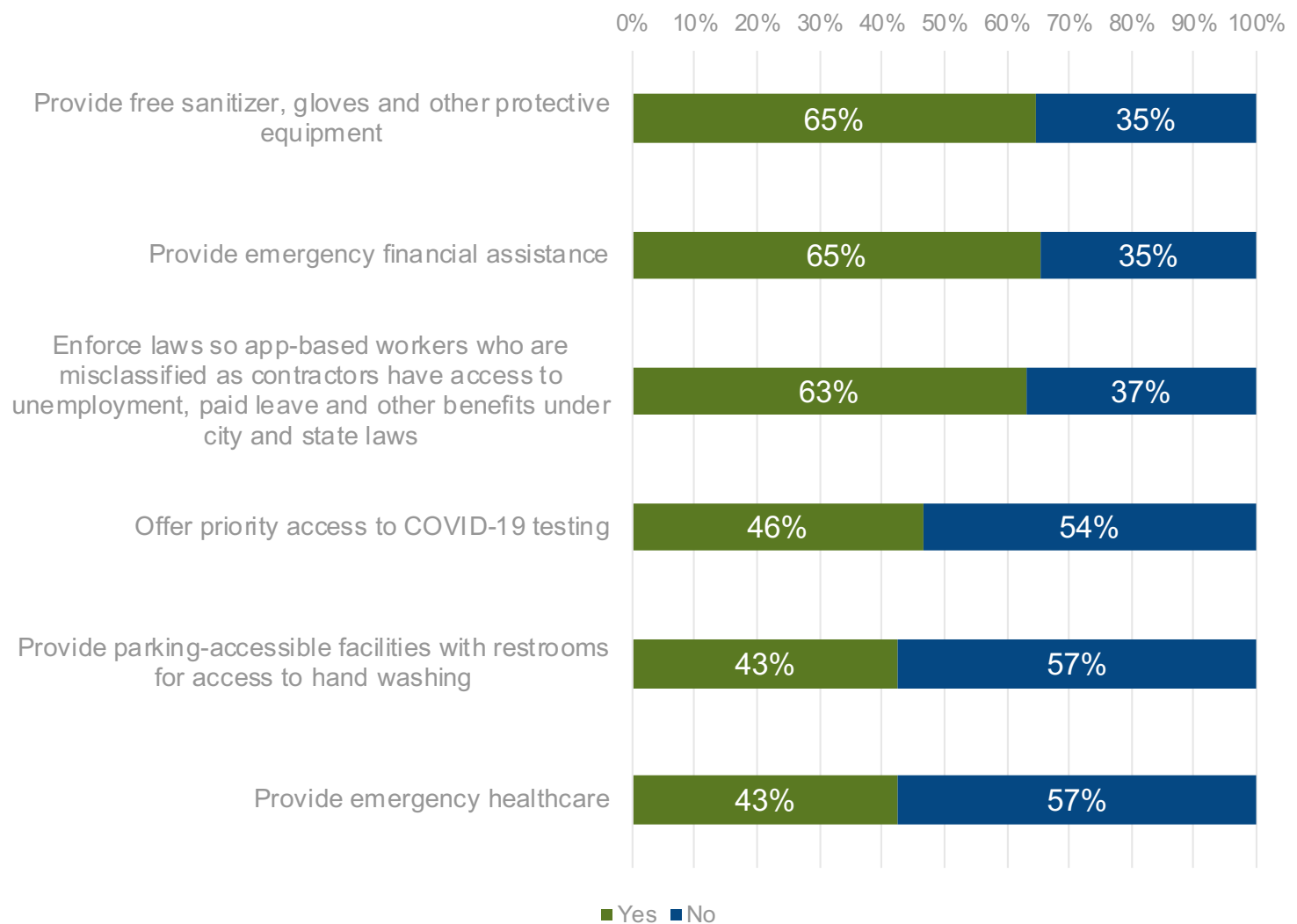
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On a scale of 1-5, what extent do you feel the platforms are doing enough to protect you from exposure to COVID-19?



Which actions should public officials take now in response to COVID-19?



SUMMARY AND POLICY IMPLICATIONS

- On-demand ride-hailing and delivery work in San Francisco is performed predominantly by people for whom it is close to full-time work and their primary source of income
- This is an incredibly diverse workforce, including nearly 80% People of Color and 56% immigrants from dozens of different countries.
- This workforce struggles to make ends meet, and their circumstances have been made significantly worse by the COVID-19 crisis
- When expenses and both unpaid and paid work time are fully accounted for, a substantial portion of this workforce are estimated to make less than the equivalent of San Francisco's minimum wage (currently \$15.59 hour)
- Many also don't receive other benefits they would be entitled to under San Francisco law if the companies were classifying them as employees
- Many are also not currently being adequately supported during the COVID-19 crisis, either by the app-based companies they work for, or by public policies
- These findings underscore the importance of policy makers ensuring that existing city and state employment laws are enforced for this workforce, and finding new ways to address the economic, safety and health, and public health concerns facing this critical workforce



Thank you.

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