

# Essential but Unprotected: App-based Food Couriers in New York City

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Los Deliveristas Unidos memorialize, honor and remember those who lost their lives on the job.

Los Deliveristas/ Workers Justice Project stands with every delivery worker and the many families that have paid the ultimate price for a loved one's hard work. Los Deliveristas Unidos will fight in their name to make our streets and workplaces safer and more secure for every delivery worker in NYC.

### **Year 2021**

Noe Amador Licon, 32-years-old, Grubhub & Relay worker killed in Queens, NY on September 10, 2021

Jose Garcia Gomez, 30-years-old, delivery worker killed Manhattan on September 10, 2021

Tarek Aziz, app delivery worker killed in East New York, Brooklyn on August 27, 2021.

Federico Zaput Palax, 27-year-old, restaurant delivery worker killed in Kensington, Brooklyn on July 22, 2021.

Borkot Ullah, 24-year-old, app-based delivery worker killed on Jul 8, 2021 in East Village, Manhattan.

Xing Long Lin, 37-year-old, restaurant delivery worker killed in Astoria, Queens on April 29, 2021.

Luis Alvaro Hernandez, 24-years-old, Delivery worker killed in Flatbush, Brooklyn on April 24, 2021

Francisco Villalva Vitinio, 29 Years old, DoorDash Worker killed on March 29, 2021 in East Harlem, Manhattan.

Juan Lucirgo Cruz, 29-years-old, delivery worker killed in Mott Haven section of The Bronx on Jan 7, 2021.

### **Year 2020**

Victorio Hilario Guzmán, 37-year-old, app-based, DoorDash, delivery worker killed in The Bronx on Sept. 23, 2020.

Mariano Canales Rosales, 27-years-old, delivery worker killed in Queens, NY on September 23, 2020

Michael Basurto Larino, 22-years old, delivery worker killed in The Bronx on November 5th, 2020.

Ernesto Isidoro Guzman, 42-year-old, delivery worker killed in East Harlem Manhattan on November 1, 2020.

Juan Tiu-Caxaj, 22-year-old delivery worker killed in East New York on Nov. 7, 2020. Reference: News Article

Alfredo Cabrera Liconia, 35-year-old, delivery worker killed in Astoria, Queens on November 13, 2020. Reference: News Article

Adrian Coyotl Santos, 33-year-old, delivery worker killed in Williamsburg, Brooklyn on December 23, 2020.

# EXECUTIVE SUMMARY

This report contains the findings from a participatory action research project that examined the working and living conditions of delivery workers engaged by digital platforms (also known as apps) to deliver restaurant food orders to consumers in New York City. The research was conducted under a partnership between the worker center Workers' Justice Project and The Worker Institute of Cornell University's ILR School, and involved both primary and secondary research, including a survey of 500 app-based couriers doing deliveries in NYC, focus groups of workers, and individual interviews.

The goal of this report is to raise awareness among stakeholders about the challenges that the tens of thousands of app-based delivery workers confront in NYC, to inform policy and advocacy efforts that would improve labor standards and workplace safety in this industry. Highlights of the study findings follow.





## Pay Issues

- The top concern expressed by the study participants was low pay received from app-based work. Estimated delivery workers' revenues net of expenses are at \$2,345 per month, including tips. Given that most couriers work six days or more per week, and more than six hours on any day of the week, the hourly net pay, with tips included, is around \$12.21. **Excluding tips, which represent on average 44 percent of couriers' earnings and a highly unstable form of income, the average net pay of app-based delivery workers amounts to \$7.87, and the median net pay amounts to \$7.94.**
- In order to achieve these pay levels, which are well below legal minimums in New York, delivery workers have to labor for long hours and for multiple apps, since each individual app does not generate enough work to support a living wage. **About two thirds of survey respondents reported that they regularly work at least six days per week, and 85 percent said this was their main and only job.**
- The survey results also revealed that the already precarious work conditions of food couriers only worsened during the pandemic, including issues of under-payment or non-payment of base pay and tips. Around forty-two percent of workers who participated in the WJP-Cornell study reported experiencing non-payment or underpayment of tips, late payments, or non-payment of entire week's earnings.
- **Couriers complain that the app's algorithmic management affects not only their pay but also their ability to get work.** The apps' performance evaluation systems rely largely on workers' acceptance of orders and consumer ratings. If workers reject too many orders or if they receive low ratings from consumers, they face lower ranking with the apps, fewer or less favorable time slots to connect with the apps, and even deactivation of their accounts.



## Workplace health and safety issues

For delivery workers, the workplace comprises the city streets, the restaurants where they pick up food, customers' front doors, and building lobbies and elevators. Although delivery workers are considered essential workers, they lack basic safeguards and sanitary conditions at work.

The most basic need that remains unmet for delivery workers is access to bathrooms in restaurants or in public spaces. Eighty-three percent of our survey participants reported that they have been denied use of a bathroom at restaurants. About the use of public bathrooms elsewhere, 30 percent of respondents said they never had access, and 53 percent said they had access only sometimes.

App-delivery workers are exposed to risk of severe injuries, which can prevent them from working for several weeks, without health insurance or financial cushion. **Forty-nine percent of survey respondents reported having been in an accident or crash while doing a delivery. Of these workers, 75 percent said they paid for the medical care with their own personal funds.**

The most serious danger that delivery workers confront is to become victims of violent assault when using their when their most important work tool: e-bike or mopeds. electric bikes are stolen. This widespread issue also worsened during the pandemic. **Fifty four percent of the WJP-Cornell survey participants reported having experienced bike theft, and about 30 percent of these said that they were physically assaulted during the robbery.**

App delivery workers are predominantly people of color and immigrants, which generates unique vulnerabilities such as experience of discrimination and mistreatment, as well as barriers to access justice when facing pay issues or seeking justice.

## Delivering in an Unregulated Industry

Because app-based delivery workers in the U.S. are classified as independent contractors, and not as employees, they lack all the basic labor and employment protections that regular employees enjoy. The protections that are currently offered to independent contractors in New York do not address the most pressing issues that app-based workers are facing. In the absence of basic protections such as a guaranteed minimum pay per hour and workplace safety standards, delivery workers' unique vulnerabilities as independent contractors, immigrants, and people of color, will persist despite the essential nature of the service they provide to New York City.



# ACKNOWLEDGEMENTS

This report was funded by the Workers' Justice Project, with additional support from Cornell University's ILR School. The views, opinions, findings, and conclusions and recommendations expressed in this report are those of the authors, solely. We are deeply grateful to the workers and leaders who participated in this project through surveys, focus groups, and interviews. We are also thankful to Hildalyn Colon-Hernandez, Director of Policy and Strategic Partnerships at the Workers' Justice Project, for her support and insights on the policy development process for advancing initiatives aimed at improving the working conditions of app-based delivery workers; and to Diomedes Tsitouras for legal advice in the evaluation and development of policy proposals.

The report would not have been possible without the assistance from the Worker Institute Undergraduate Research Fellows programs and the students from that program, Rocio Chanez and Stella Linardi. Special thanks go to CUNY Law School Professor Jason Parkin and his students Iris Gonzalez, Daniela Peña, Ignacia Lolas Ojeda, and Miguel Morales, who contributed with the research on the legal framework and protections offered to independent contractors in New York City.

We are grateful to Cornell ILR Professor Ileen DeVault, and to James Parrott and Lina Moe of The New School Center for New York City Affairs, for their invaluable feedback on our final draft. We are thankful to Diomedes Tsitouras for legal advice in the evaluation and development of policy proposals. Special thanks to Sammy Escalante, from Los Deliveristas Unidos, who provided the photos included in this report.

# INTRODUCTION

This report examines the working conditions of delivery workers engaged by digital platforms such as UberEATS and Doordash to deliver food from restaurants and fast-food outlets to consumers in New York City. The goals of this research are to raise awareness among stakeholders about the pressing issues that app-based delivery workers face in the largely unregulated platform economy, and to help inform policy and organizational solutions to such issues.

The experience of app-based couriers in New York City illustrates the challenges that workers, advocates, and government officials confront for achieving labor protections in the digital platform economy. Like all workers in the gig-economy, platform workers fall in gray areas or outright gaps of existing legal frameworks, such that their employment status and relationship with the platforms remain unregulated.

Platform companies have anchored their business model on the premise that the workers they engage are independent contractors, thereby shifting the costs of operations and safety net protections to the workers and ultimately to the broader society. Failure to regulate these applications is leaving workers across the platform economy without basic protections, including occupational safety and health protections that have become critical in the face of the pandemic, particularly for location-based platform workers such as the NYC couriers.

Unlike online platform workers, who do not share a common national jurisdiction, locally based platform workers such as rideshare and delivery workers are subject to a common regulatory framework. In the case of location-based platforms, the state or local level jurisdiction determines the

appropriate scale for regulation. In New York and Seattle, municipal regulations provided for basic standards and protections for rideshare workers. With the support of the worker center Workers' Justice Project (WJP), couriers in New York City have taken this same approach and are pursuing local level policies that would address their most pressing issues.

The couriers formed Los Deliveristas Unidos (Delivery Workers United)-WJP, and after two successful marches to City Hall (October 2020 and April 2021), they achieved the introduction of a set of bills by progressive City Council members this past May. The package of bills aim to provide access to bathrooms in restaurants, trip distance limits, protection from unfair banking fees, reimbursement for insulated bags, and most importantly, establishing a minimum pay.

The research presented in this report was conducted under a partnership between Workers' Justice Project and the Worker Institute at Cornell ILR School. Based on results from a worker survey, focus groups and interviews, as well as secondary sources, this report provides a deep look into the issues that app-based couriers are facing. The first two sections of the report provide overviews of the industry and the existing legal framework for platform work. Then the report lays out the findings of the quantitative and qualitative research on the characteristics of the workforce and the problems. Finally, the report outlines recommendations for policymakers and other stakeholders' consideration. The methods used for this study are described in the section below.

# DATA AND METHODS

This study used a participatory action research approach, which involved a collaboration between the New York-based worker center Workers' Justice Project and The Worker Institute of Cornell University's ILR School. The research involved quantitative and qualitative methods of data collection, including a worker survey, semi-structured worker interviews, and focus groups.

The worker survey was delivered by organizers to a sample of 500 app-based delivery workers from December 2020 through April 2021. The approach for building this sample involved a combination of convenience, purposive, and snowball sampling methods. Even though this is a non-random sample, it is very close to being representative of the relevant population, as the organizers recruited participants in dozens of public sites where delivery workers congregate across New York City. The criteria for including participants in the sample was that the individuals were doing deliveries for digital platforms from restaurants to consumers, and their age was 18 or older. The survey was delivered in person and via text. The questionnaire was uploaded to Qualtrics and provided in English, Spanish, and Simplified Chinese.

Pay estimates were calculated using data obtained through the worker survey. These data included gross pay and tips from workers' weekly summaries on their apps, monthly expenses, and hours connected to the apps. The hourly pay estimates were calculated assuming 160 hours of work per month, given that about two thirds of survey respondents work six or more days per week, and that two thirds of them are connected and available to work for more than six hours per day. More details on the calculation of the estimates are provided in the sections reporting on pay issues. Additional research and data are needed to improve the pay estimates, as the ones presented in this report are based on survey results from a non-probability sample. More robust estimates can be built using company-provided information, which researchers did not seek to access because of the limited timeframe for this study.

In order to deepen the understanding of the quantitative data obtained through the survey, researchers conducted four focus group sessions in the month of May 2021, as well as four semi-structured interviews of workers over the course of three months. Each focus group session included 11 to 12 app-based food couriers. Analysis of qualitative data involved synthesizing and extracting themes from the results of the focus groups and interviews. Focus group sessions and interviews were recorded and transcribed.



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## The App-based Food Delivery Industry

The app-based delivery industry is situated within the labor platforms sector of the global digital platform economy. In addition to the labor platforms, the digital platform economy includes the big technology companies (known as “big tech”), which include Google, Amazon, Facebook, and Microsoft in the U.S., and Baidu, Alibaba, Tencent, and Xiaomi in China. Big tech’s business model relies on the value added and income generated by monetizing user generated data and network effects (largely through advertising). The revenue model of the labor platforms on the other hand, relies on generating revenue by connecting end consumers with providers of goods or services, and by implementing algorithmic management of labor.<sup>1</sup>

Labor platforms include two main types of applications: platforms engaging workers to perform work online (e.g., Amazon Turks), and platforms engaging workers to perform location-based work (e.g., Uber, Doordash). Location-based platforms match workers with consumers on an on-demand basis in service sectors such as transportation, food/goods delivery, house chores, and personal care. The app-based delivery industry involves location-based platforms such as Doordash, UberEATS, and Instacart. The work performed for these platforms is on location and on demand.

Although delivery platforms mainly specialize in delivering specific types of goods, such as ready-to-consume food (from restaurants or fast-food outlets), and groceries (from supermarkets, as in the case of Instacart), they are also expanding their services to deliver health and personal care products from pharmacies, and goods from department stores, such as Petco. This report focuses on platforms that specialize in delivery of ready-to-consume food from restaurants or fast-food outlets, and it does not examine trends and labor conditions of platforms such as Instacart, which specializes in delivery of supermarket goods.

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<sup>1</sup> Drahokoupil, J. and Vandaele, K. (2021). *Modern Guide to Labour in the Platform Economy*. Forthcoming in Edward Elgar Publishing.

<sup>2</sup> Yeo, L. (2021). *Which company is winning the restaurant food delivery war?* Bloomberg Second Measure. <https://secondmeasure.com/datapoints/food-delivery-services-grubhub-uber-eats-doordash-postmates/>

<sup>3</sup> Curry, D. (2021). *Food Delivery App Revenue and Usage Statistics (2021)*. *BusinessofApps.com*.<sup>4,4,4</sup>

## The NYC App-based Food Delivery Industry

New York is one of the top markets for app-based food delivery in the U.S. This industry includes around a dozen apps, including dominant companies such as Doordash, UberEATS, and Grubhub, as well as their smaller competitors such as Relay, Chowbus, and Panda. The industry has been concentrating rapidly over the past few years through acquisitions of smaller apps by the dominant companies. As of June 2021, the top three platforms in the industry were Doordash with 35 percent of the NYC market, Grubhub also with 35 percent, and UberEATS with about 30 percent.<sup>2</sup>

Over the past five years, revenues of the food-delivery apps have grown by more than 200 percent, but they were especially propelled by the economic lockdown during the pandemic. According to investment analysts the apps’ revenues are likely to stabilize at current levels or even grow in the next few years.<sup>3</sup>

The food-delivery apps generate revenues by charging delivery fees to consumers and restaurants, and save on costs by engaging delivery workers as independent contractors.<sup>4</sup> Delivery workers are typically paid by trip, and even apps such as Relay, which pays a fixed hourly rate, classifies workers as independent contractors. Thus, the apps’ business model relies on two main pillars: increasing their revenues by expanding their networks of restaurants and consumers; and saving on safety net costs such as workers’ compensation, unemployment insurance, and social security taxes.

Because they are classified as independent contractors, delivery workers are not covered by fundamental labor protections such as the minimum wage, overtime, workers compensation, social security, health & safety laws, or the right to form a union. The app companies by excluding this largely immigrant workforce from protection are engaging in a long history of minorities’ racial exclusion from New Deal labor law protections.<sup>5</sup> When the New

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<sup>3</sup> Updated: May 17, 2021. *Food Delivery App Revenue and Usage Statistics (2021) - Business of Apps* ; and Yeo, L. (2021), *Ibid*.

<sup>4</sup> Relay contract, as of January 2021.

<sup>5</sup> Quadagno, J. S. 1994. *The color of welfare: How racism undermined the war on poverty*. Oxford University Press.



Deal was passed Southern Democrats agreed to pass labor protection only if traditional Black industries were excluded including farm labor, domestic work, and other independent contractor work.<sup>6</sup> Reflecting on the exclusion of these predominantly black professions from the Social Security Act, Charles Hamilton Houston, the NAACP leader at the time, described the law, “as a sieve with the holes just big enough for the majority of Negroes to fall through.” Providing protections to New York City’s immigrant app delivery workers is not only about economic fairness but is also a civil rights issue.

It is not just the workers but also small restaurants who are suffering from the lack of delivery app regulations. While the apps provided much needed business for struggling restaurants during COVID-19 many small restaurants felt like the apps are taking advantage of them. The large fees the apps take from the restaurants recently prompted the City Council to take action to set limits on these rates. These high fees disproportionately impact small often immigrant run restaurants as the major fast food chains have negotiated lower rates from the apps.<sup>7</sup>

By taking a percentage from both restaurants and delivery workers the apps are taking two bites from the same immigrant community apple. The industry is currently a proverbial wild west leaving both delivery workers and restaurants in need of regulations to set limits on the exploitation they experience from these apps.

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<sup>6</sup> Perea, J. F. (2011). *The Echoes of Slavery: Recognizing the Racist Origins of the Agricultural and Domestic Worker Exclusion from the National Labor Relations Act*. 72 OHIO ST. L.J. 195. <https://lawecommons.luc.edu/cgi/viewcontent.cgi?article=1150&context=facpubs>

<sup>7</sup> <https://www.bloomberg.com/news/articles/2019-04-24/mcdonald-s-in-talks-to-lower-fees-paid-to-uber-eats-for-delivery>

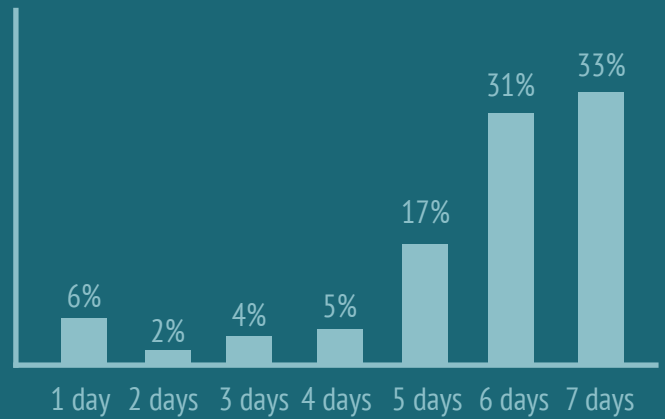




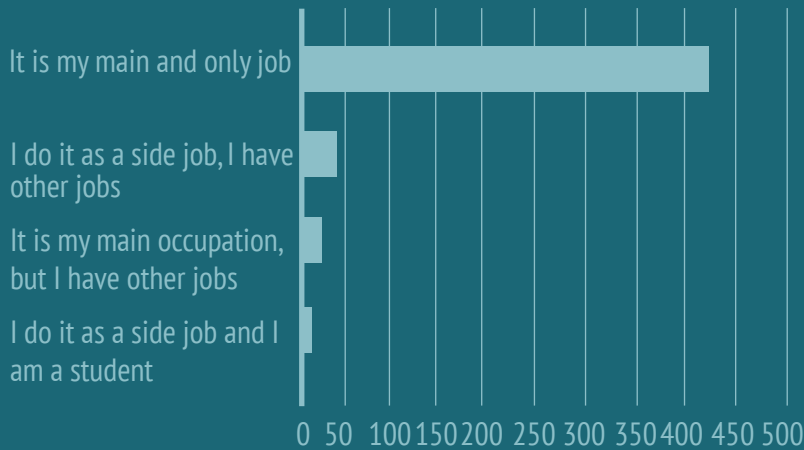
## The App-based Delivery Workforce

There are no robust estimates of the number of food couriers in NYC, but based on NYC Department of Transportation's estimates and the addition of 30,000 new workers to UberEATS' fleet at the height of the pandemic, **the approximate number is at 65,000.**<sup>8</sup> App based delivery work in New York City is most of these workers' full time and main occupation. The vast majority (81%) work 5 or more days and most (64%) work 6 or 7 days a week. Most couriers reported this is their main and only job. There are a small, but not insignificant, number of delivery workers who work one to two days a week either because they are students, or this is how they make extra income. The most reported other jobs were other kinds of restaurant work (including doing delivery directly for a restaurant), construction, and being a student.

### NUMBER OF DAYS A WEEK DRIVERS WORK



## IS THE DELIVERY JOB YOUR MAIN OCCUPATION, OR A SIDE JOB?



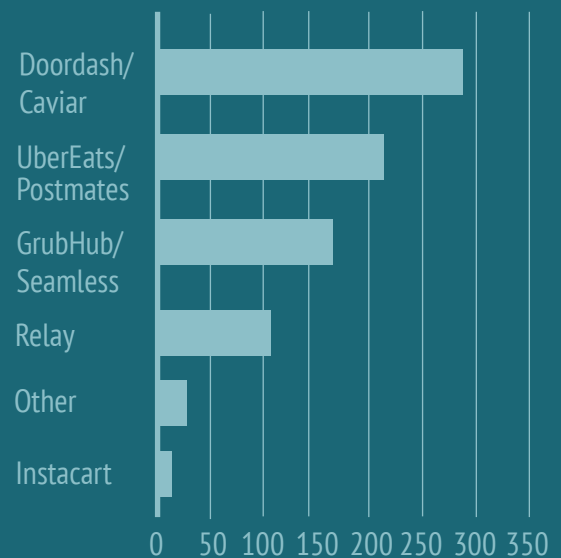
The vast majority of couriers reported working for one of the dominant apps: DoorDash, UberEATS, GrubHub, or Relay. DoorDash was the largest employer in our survey. Some reported working for smaller apps that cater to different immigrant communities in the city and are often in the delivery person’s primary language. Most food couriers work multiple apps as they cannot always get on a given app, and according to their statements in focus groups and interviews, working for one app does not generate enough income to make a living.

While workers report working for multiple apps, most do not simultaneously work for two or more apps. This is often due to company policies that impede working for multiple apps at the same time. For example, UberEats uses a quest system that incentivizes staying on their app the whole day or week. DoorDash and GrubHub use a shift system, in which workers who try to use multiple apps and pause their shift, risk being kicked off the shift. For the apps’ algorithms, getting expelled from a shift counts as a missed shift, which negatively impacts the worker’s ability to sign up for future shifts and can result in their deactivation from the app. Instead, workers report that they must work multiple apps each week to maintain their active status with each of the apps. This practice ensures that workers have other apps for which they can work in case they are deactivated from the app with which they make most of their earnings.

Doordash, GrubHub, and Relay require workers to sign up and schedule shifts in advance to ensure they can work. Workers are given priority in signing

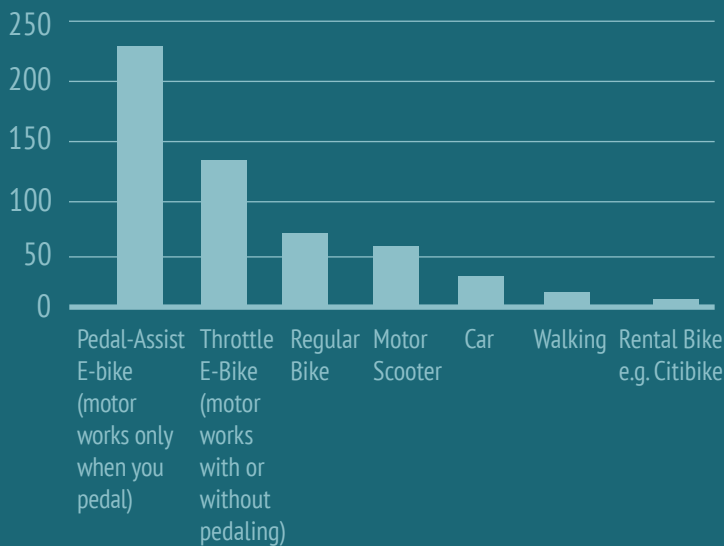
up for shifts depending on how much they have worked in the past 30 days, their order acceptance rate, and their customer review ratings. Some apps, such as GrubHub, require workers to sign up to cover a specific region of the city, called “zones.” For example, if a courier signs up to work Downtown Brooklyn they cannot work in Manhattan. They must request to change regions and are then typically placed on a waiting list to get access to a different zone. This shift and zone system is further evidence that delivery workers do not have control over their own work, and are under the direct control of the apps. The zone system is structurally important to app work, and requires that the City collect data to understand how it works, and to determine which regulations are needed to mitigate the problems it creates for workers.

## COUNT OF WHICH APP/S DO YOU USE THE MOST OF THE TIME TO DO DELIVERY WORK



Before the introduction of food delivery apps most delivery workers worked directly for restaurants. Restaurants had an interest in establishing delivery zones to ensure no customer had to wait too long for their food. The apps have eliminated this concern as any delivery worker can be assigned to any given restaurant. As a result, the distances delivery workers must cover has grown. This has made it imperative that couriers get motor assisted bikes to perform their work. These bikes often cost delivery workers \$1,000-\$2,000 to purchase. As these bikes move faster they increase risks that accidents will result in serious injury. Most couriers reported using some kind of e-bike. The third most common response was a regular bike followed by a gas-powered scooter. Few food couriers in New York City use cars to do deliveries, especially in Manhattan.

### COUNT OF TYPE OF VEHICLE USED FOR DELIVERY



Delivery work happens all over the city. Most couriers reported that they worked in Manhattan below 59th Street (Downtown, Midtown, Chelsea, and Soho) or in the Upper West Side. Outside of Manhattan the most common areas for food delivery work are Brooklyn (Downtown, Park Slope, and Williamsburg) and the Bronx. Those who work in Queens typically work the waterfront from Astoria to Long Island City, and others cover areas in Northern and Eastern Queens. The concentration of delivery work in these neighborhoods also involves the challenges that an influx of motorized e-bikes brings in terms of safety concerns both for delivery workers and the public. This can stress the existing bicycle infrastructure

(lanes, bike parking, etc.) in these neighborhoods. Most delivery work in New York City is being done for major fast food and restaurant chains. When asked to name where most of their orders came from, 77 percent of responses were that most of the orders came from major fast-food chains. The most common chains were McDonalds, Burger King, Chipotle Popeyes, Papa Johns, Domino's, and Shake Shack. Given the large number of people turning to delivery during the pandemic, app delivery workers reported increasingly being given non-restaurant deliveries from groceries, pharmacies, liquor stores, and other establishments. That most orders are from national chains further underscores that app delivery work in New York City is big business.

From which restaurants or fast-food businesses do you receive most of your orders?	Count of Responses	Percent
Fast Food Chains	1342	77%
Restaurants (Non-Fast Food)	324	19%
Grocery, Pharmacy, or Other	79	5%



# ESSENTIAL BUT LARGELY UNPROTECTED WORKERS

Despite being deemed essential during the pandemic, NYC food couriers remain unprotected in the largely unregulated platform economy. Their unique vulnerabilities as workers classified as independent contractors in a low-wage sector of the economy were exacerbated during the pandemic and are likely to persist well beyond reopening and recovery if no policy measures are taken to address them.

Because app-based couriers are classified as independent contractors they lack the protections and rights enjoyed by workers classified as employees. Such rights include wage and hour protections, unemployment insurance, sick leave, collective bargaining, workers' compensation in case of injuries on the job, and workplace health and safety regulations.

However, app-based couriers may gain certain protections if a court rules that they have employee status under a particular statute. This was the case of the New York Court of Appeals' landmark decision of March 2020 on the classification of app-based workers seeking unemployment insurance. In *Matter of Vega*<sup>9</sup>, the court held that Postmates couriers are "employees" under New York's unemployment insurance law.<sup>10</sup> Using the common law "right to control test," the court found that Postmates exercised enough control over its workers to make them employees. It is not yet clear whether the Postmates ruling will be extended to workers for other app-based delivery companies. Employment status is determined on a case-by-case basis, based on the facts of a particular worker's relationship with their company. Although app-based delivery companies share similar business models, their relationships with their workers are not all the same. Without detailed information about those relationships, it is difficult to predict whether those workers will be classified as employees or independent contractors.

As independent contractors, app-based food delivery workers would still possess some workplace rights and protections. As a general matter, independent contractors are specifically protected under anti-discrimination provisions of both the

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<sup>9</sup> *Matter of Vega*, 35 N.Y.3d 131 (2020).

<sup>10</sup> *Id.* at 137-38.

New York State Human Rights Law and the New York City Human Rights Law, the federal Pandemic Unemployment Assistance (PUA) program, and the New York City Freelance Isn't Free Act.

The NYS Human Rights Law prohibits unlawful discrimination against both employees and non-employees, including anyone who is a contractor, subcontractor, or otherwise providing services pursuant to a contract in the workplace.<sup>11</sup> Under this law, app-based workers may bring claims against the company for workplace discrimination, harassment, and retaliation, and the company may be liable if it or its supervisors “knew or should have known” that the worker was subjected to an unlawful discriminatory practice in the workplace and failed to take immediate and appropriate corrective action.<sup>12</sup> The NYC Human Rights Law provides the same employment discrimination protections to all workers regardless of whether they are classified as independent contractors or employees.<sup>13</sup> Under this law, app-based workers may bring claims against the companies for engaging in unlawful discrimination, harassment, or retaliation, or failing to provide reasonable accommodations where appropriate. In addition, the companies may be liable under the City Human Rights Law if a customer using the app directly engages in unlawful discrimination against the app-based worker if the companies knew or should have known about the discrimination and fails to take action to address it.<sup>14</sup>

PUA is set to expire in September 2021, and most app-delivery workers did not seek assistance from this program, since they continued working throughout the pandemic. The NYC Freelance Isn't Free Act provides independent contractors with basic rights such as having a written contract, timely payments, and protection against retaliation for exercising their rights under this law. Independent contractors retain the right to bring common law breach of contract claims in court, but this Act also gives them the right to file a complaint with the City's Office of Labor Policy Standards.

However, protections currently offered to independent contractors in New York do not address the most pressing issues that app-based workers facing, including low pay, non-payment or underpayment of their base pay and tips, lack of health care or compensation in case of workplace injuries, and lack of access to bathrooms.

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<sup>11</sup> *N.Y. Exec. Law § 296-d.*

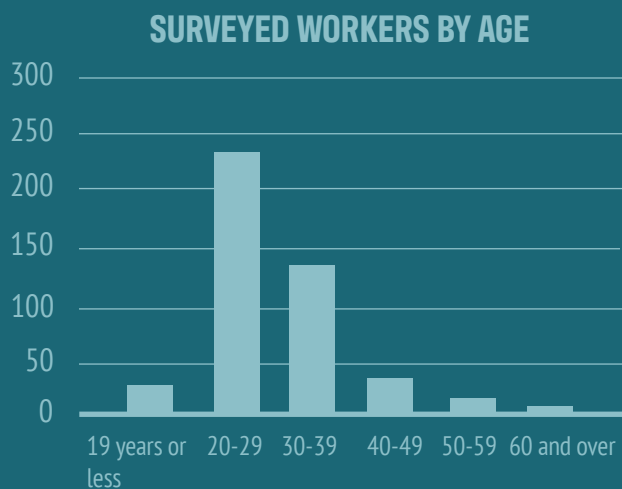
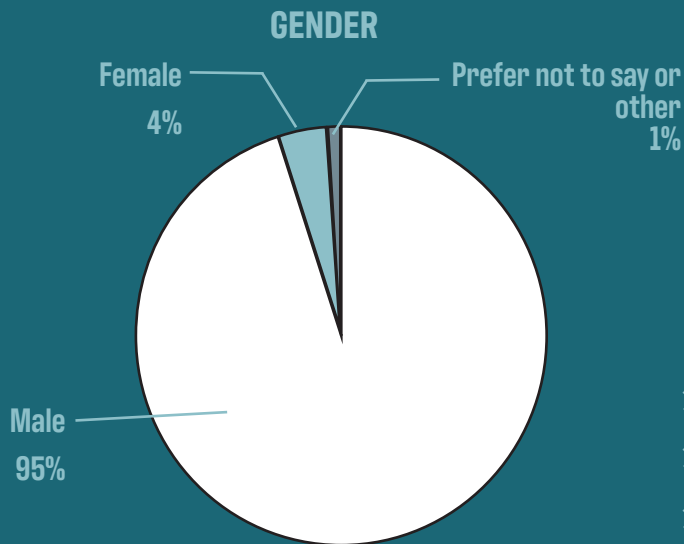
<sup>12</sup> *Id.*

<sup>13</sup> *N.Y.C. Admin. Code § 8-107(23)* (“The protections of this chapter relating to employees apply to interns, freelancers and independent contractors.”).

<sup>14</sup> *Id.*

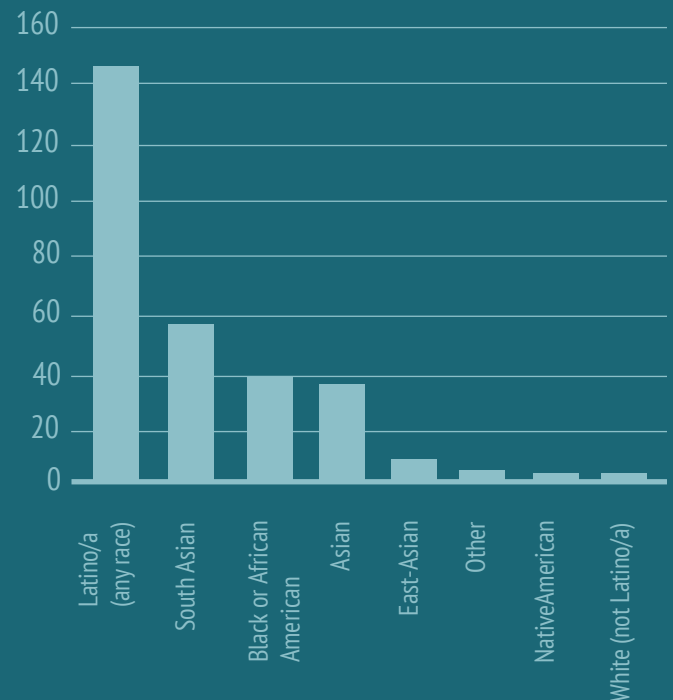
## Profile of NYC Delivery Workers

App based delivery workers are as diverse as New York City itself, coming from all boroughs and its major communities. They are also disproportionately male, young, and from immigrant communities. A vast majority of delivery workers surveyed under this study were male (95%). Fifty-nine percent of respondents reported being under 30 years old. This compares to a median age of 40 for the New York City Work force.<sup>15</sup>



App delivery workers are also disproportionately immigrant New Yorkers. We found the dominant immigrant groups in the industry are Latinos, South Asian, West Africans, and Chinese. The Latinos reported primarily coming from Mexico and Guatemala. Many of these Central American immigrants are indigenous with the largest group being Kiche speakers. Overall drivers reported over 25 different first languages. Bengali workers were the predominant South Asian community. Many of the Chinese workers are Fuzhounese. These findings indicate that delivery workers are not only immigrants but from minority and marginalized groups within their immigrant communities. This generates unique problems as, for example, the cities language access programs tend to be in Spanish or Mandarin not Kiche or Fuzhounese.

## RACE OR ETHNICITY

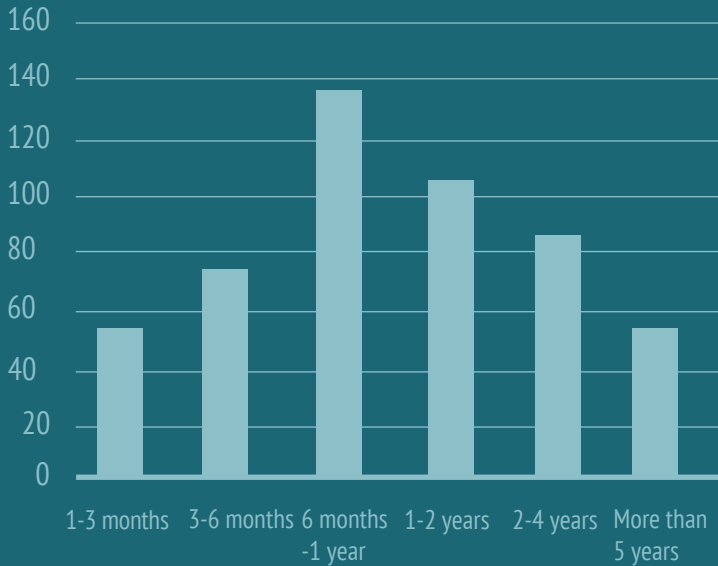


<sup>15</sup> Data on the ages of NYC's Labor Force were based on cumulative 2020 CPS data calculations made by the BLS. The data is unpublished but was obtained through written communication with an economist at the BLS in February 2021.



While delivery workers are younger than the overall workforce, we found many of them are supporting family members. Overall, 40 percent of respondents said they are supporting a child or family member with their income. Of those who said they are supporting children under 18 years old, 37 percent were supporting 2 kids and 28 percent were supporting 3 or more minors.

### COUNT OF HOW LONG COURIERS HAVE BEEN WORKING APPS



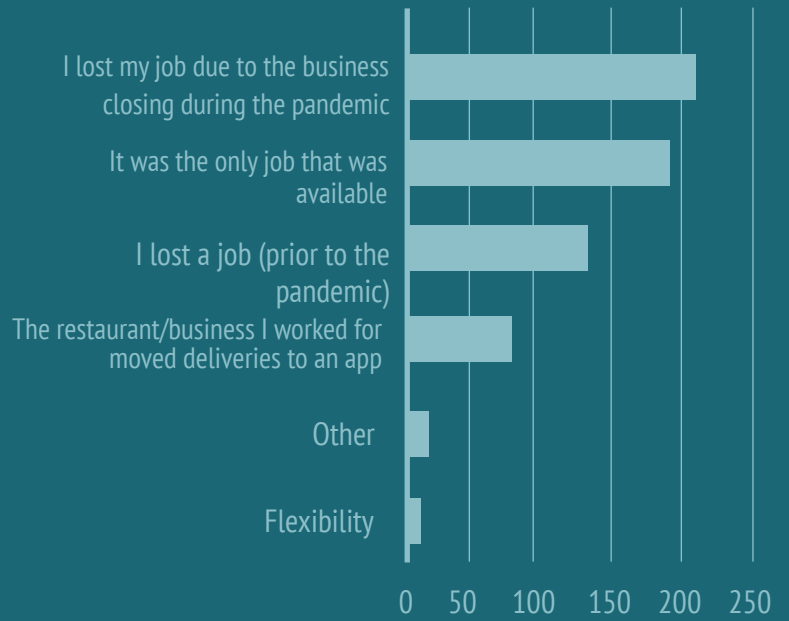
Delivery workers in our survey fall in two groups in terms of tenure on this job: those who turned to the work during the pandemic and those who have been doing the work for years. About half of surveyed workers have worked the apps less than a year, and the other half has been working a year or more. The most common response was they had been working 6 months to a year, which corresponds with the beginning of the COVID-19 lockdown. The pandemic was the most cited reason for working





the apps as it devastated industries with large or predominant immigrant workforces in the city, including restaurants, retail stores, and construction. Additionally, many reported that this was the only job they could find and a way to make extra money. Few workers cited flexibility, a main argument from the companies about why people choose this work, as their primary reason for working the apps. App based delivery work became an important stop gap for New York City's immigrant workers when the COVID-19 pandemic hit.

### COUNT OF WHY STARTED WORKING THE APPS



When asked what their biggest issues were working the apps the number one response by a very wide margin was low pay, followed by crime, traffic accidents, not enough work, and lack of health insurance. Many also mentioned issues with a lack of transparency in how the apps function and evaluate the couriers' work. The rest of this report addresses these concerns.

## How app payment system works

Payment on the apps is often confusing for workers. Of the four major apps in New York City, DoorDash, UberEats, and GrubHub pay workers a portion of the delivery order, while only Relay offers workers an hourly rate. For the apps that pay drivers a portion of the order their earnings are based on the company's base pay rate plus promotions and tips.

The base pay is based on estimated delivery time, distance, and the "desirability" of the order. DoorDash claims their base pay ranges from \$2-\$10+ per delivery.<sup>16</sup> These time and distance estimates may not always be accurate. If DoorDash believes an order should be quick, but there are delays in preparing the food at the restaurant, which the app did not anticipate, the worker is not compensated for the waiting time. The amount the apps pay per mile, minute, and other factors change from day to day. There is no fixed rate.

Promotions are algorithmic management tools that the apps use as incentives to direct delivery workers when and where to work.<sup>17</sup> The incentives primarily take two forms: surge pricing and quests. Surge pricing temporarily boosts pay during bad weather or in certain neighborhoods to encourage drivers to cover an understaffed area. Quests, which can be daily or weekly, are bonuses that are only triggered if the worker achieves a target. For example, UberEats might offer an extra \$75 if the worker can complete 50 deliveries in a week. These quests are used

mainly to ensure that delivery workers use only one app (and do not switch between multiple apps).

Finally, tips are what delivery workers are paid directly by the customers. When a delivery person is offered an order the amount they are told they will be paid is often listed as an "estimate." This is because the apps give customers an hour after their food is delivered to change the amount of tip they originally listed. If a customer is dissatisfied because an order was delayed, he/she may decide to remove the tip.

A key issue for determining app delivery workers' pay is the measurement of working time. Apps tend to calculate workers' pay based on "active time," or the amount of time spent completing an order instead of the amount of time a worker is logged on to the app. For example, if a delivery worker had scheduled a 10 hour shift with an app, but did not receive many orders, he/she may only have made \$70. The worker would report, "I only made \$7/hour today." The app, on the other hand (ignoring the time the worker was actively waiting for an order) would say that the worker was on the clock only for 3.5 hours and therefore made \$20/hour. It would be essential that any City data collection program that may get established, makes this distinction between active time (completing orders) and on-app time (waiting for orders plus completing orders).

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<sup>16</sup> [https://help.doordash.com/consumers/s/article/How-do-Dasher-earnings-work?language=en\\_US](https://help.doordash.com/consumers/s/article/How-do-Dasher-earnings-work?language=en_US)

<sup>17</sup> Mateescu, A. & Nguyen, A. (2019). *Explainer: Algorithmic Management in the Workplace*. Data & Society. <https://datasociety.net/library/explainer-algorithmic-management-in-the-workplace/>



## Pay Issues

App-based delivery workers in New York City reported low pay and numerous issues with getting paid from the apps. The median reported delivery workers' revenues net of expenses was \$2,345 a month, including tips. This comes to \$10.47-\$14.66 an hour depending on the number of hours worked. Given that most couriers work 6 days or more, the hourly net pay, with tips included, is around \$12.21. According to our survey results, 66 percent of delivery workers are connected to the apps and available to do deliveries for more than six hours on any day of the week. Tips are on average 44 percent of couriers' income (according to our survey results). Tips are a highly unstable form of income, and according to an analysis by the New York Times, tips for online and in-person food orders in New York City have drastically declined toward pre-pandemic levels during the reopening of the economy.<sup>18</sup> Excluding tips, the average net pay of app-based delivery workers amounts to \$7.87, and the median net pay amounts to \$7.94.

	Monthly Pay, Net of Expenses (Including Tips)	Hourly Net Pay (40-hour week)
Avg	\$2,380.24	\$12.40
Med	\$2,345.00	\$12.21

	Monthly Pay, Net of Expenses (Including Tips)	Hourly Net Pay (40-hour week)
Avg	\$1,511.33	\$7.87
Med	\$1,524.00	\$7.94

Couriers incur in significant expenses. E-bikes cost them around \$1,000-\$2,200 which many workers buy on payment plans with high interest rates. Additionally, they must purchase unlimited data cell phone plans and cover maintenance costs. All these expenses used to be covered by restaurants when delivery workers were direct restaurant employees. Given that most couriers aim to work in either Manhattan or the wealthier parts of Brooklyn and Queens delivery workers must commute far from their homes. Not wanting to drain the battery on their e-bikes delivery, the workers would rent a spot at garages in the central city (about \$100 a month). Other expenses include safety equipment, battery charging, and safety tools, paying tickets.

<sup>18</sup> Quealy, K. and Rosa, A. *Is New York's Year of Lavish Tipping Coming to an End?* - The New York Times (nytimes.com) Updated June 7, 2021.

	Monthly Expenses						Total Expenses
	Cell	Maintnace	Garage	Bike Payments	Metrocards	Other	

Avg	\$78.65	\$138.84	\$93.03	\$367.59	\$103.25	\$103.25	\$338.99
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Med	\$70.00	\$120.0	\$100.00	\$100.00	\$125.00	\$125.00	\$280.00
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*“Sometimes the pay is too little. We can go down 50 blocks and only receive \$5.”*



**CLEARANCE! Deluxe Insulated Large Delivery Bag - Great For Pizza!**

~~\$22.50~~

**\$7.00**



**R** Si estas interesado en una bolsa por favor entra a [https://docs.google.com/forms/d/e/1FAIpQLSeIRkxCAV32LX6yaJWFOoMtWMq8KmrBOOW3jzZk\\_fCNWOSdw/viewform](https://docs.google.com/forms/d/e/1FAIpQLSeIRkxCAV32LX6yaJWFOoMtWMq8KmrBOOW3jzZk_fCNWOSdw/viewform) y llena el formulario, las bolsas seran entregadas en la direccion que pongas en el formulario y el precio (60\$) sera descontado de tu cuenta.

10:10 a. m.

Relay bags - shipped to your home

Please fill out this form if you'd like a relay bag shipped to your home. Please note that there are a \$60 request fee. We will collect this as a tip credit from your bank and before shipping out the bag. Once received, we will provide you with a tracking number for the bag. At this time, we can only ship up to 400 bags per individual.

What is your complete name? \*

Your email \*

Relay bags – shipped to docs.google.com

10:10 a. m. **Gracias**

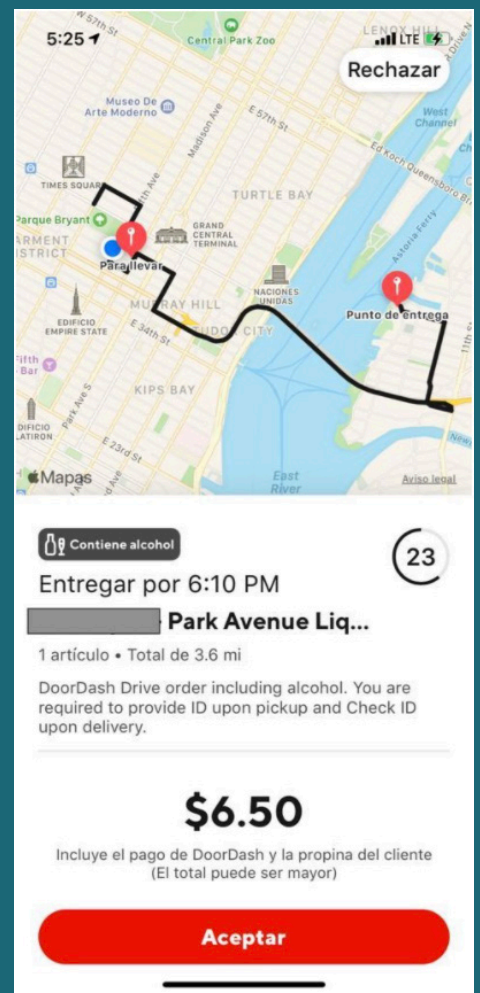
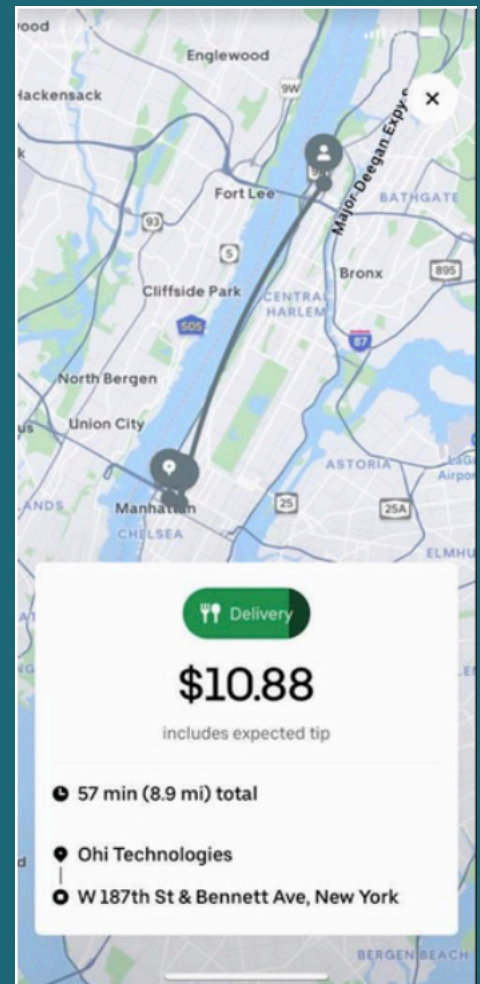
A major concern of app couriers is that they are not getting enough orders to make a living. Since most apps, except for Relay and Chowbus, do not pay a fixed hourly rate, it is vital for delivery workers to receive enough deliveries each day to reach their desired pay targets.<sup>19</sup> Most respondents reported typically making 15 deliveries a day or about 90 a week. The middle quartile ranges were 10-20 a day and 50-125 a week. Most food couriers work within these bounds. We found 71 percent of delivery workers typically wait 15 minutes or more to get their next order. Then given the lack of delivery zones, they report almost half of orders take over a half hour to complete. Given this uncertainty, food couriers explained that they often think in terms of hitting a goal number of deliveries each day. This means some days they hit their goal in 8 hours and other days they must work 12 hours. In the absence of a guaranteed minimum pay per hour, delivery workers struggle to make a living, often waiting hours a day for work.

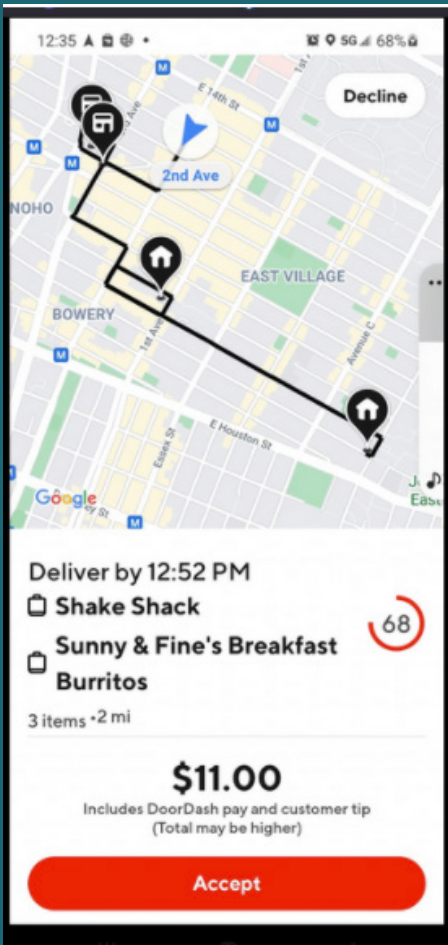
	How many deliveries do you typically make?			
	Median	Average	25th percentile	75th percentile
Day	15	17	10	20
Week	90	96	50	125

How long do you usually have to wait to receive an order from the apps?	Count	Percent
less than 15 minutes	133	29%
15 – 30 minutes	224	49%
30 minutes – 1 hour	82	18%
1 hour – 1 hour and a half	14	3%
More than 1 hour and a half	2	0%

In total, how long does it usually take you to complete a delivery?	Count	Percent
less than 15 minutes	122	20%
15 – 30 minutes	214	35%
30 minutes – 1 hour	248	40%
1 hour – 1 hour and a half	31	5%
More than 1 hour and a half	5	1%

<sup>19</sup> The dominant apps such as GrubHub, UberEATS, and Doordash pay a base rate per trip that can vary depending on a series of factors such as mileage, time, and incentives.





In addition to low pay many delivery workers report payment problems from the apps. Thirty-eight percent of survey respondents reported having payment problems with the apps. The two biggest issues were missing tips and not being paid what was indicated on the app. Many also reported missing payment for a delivery they completed. Of those who attempted to resolve the payment issue, most (72 percent) did not get any resolution. When delivery workers have a pay issue, they report that it is hard to get assistance from the apps to resolve the problem. Many companies do not have an office that the worker can go to, and many workers say they cannot even get someone on the phone. Instead, they are pushed to use an in-app texting system or to send an email. Both often result in automated computer-generated responses that do not help to resolve the issues.

*“They simply did not pay me, they told me I committed fraud. The number I used to call said did not match up with my account. It was just excuse after excuse. Then after 2 months my email/account from the app was deleted. On top of that I had to pay taxes on that money that I never received”*

Have you ever had a problem with the app/s because you were not paid or paid less than you were expecting to receive?	Count of Responses
---	--------------------

No, I never had a problem with the pay	276
The app did not give me my tips	80
They paid me less than what was indicated on the app	60
I was not paid for a delivery I made	47
Paid Late	10
Other	15

If you did something about the pay issue, was it resolved in your favor?	Count of Respondents
--	----------------------

Yes	86
No	218



## Lack of clarity and transparency in payment and evaluation systems

Workers expressed a lot of frustration about the lack of transparency and clarity in how the apps work. It is often very difficult for delivery workers to figure out how much they are supposed to receive as pay from the apps. For example, when UberEATS offers workers a delivery the payment amount is listed as an “estimated payment” because they allow the customer to raise, lower or eliminate the tip later. Workers report they are not given enough information in a clearly presented way to ensure they are being paid what they are owed.

The apps also lack transparency in how they administer discipline and punishment. This issue affects most workers, as 68 percent of surveyed food couriers reported facing discipline or punishment by their apps. Many delivery workers reported going to turn on their app to work for the day only to find they had been deactivated (or fired). Often no explanation is given, and workers spend hours trying to get a hold of someone at the company to explain the situation. There is no formal appeals process. The workers can only send the app a message challenging the situation. Little language assistance is provided by the companies in this process even when they offer the app in multiple languages.

*“[when there is an issue] ... if we keep texting Relay they begin to block us.”*

*“It’s very hard for me to get any explanation from them. First, they don’t pick up your phone. They don’t reply to your emails. They have standard email they send to anyone deactivated... if you ask them [why they deactivated your account], they have a [pre-set] email that they send to you as a reply. [Something like] you did something that’s a breach of contract...”*



The apps lack a due process system, as delivery workers argue that the apps always take the side of the customers and restaurants. Issues with customers was the most common reported reason for facing punishment from the apps. Numerous food couriers reported facing threatening, discriminatory, and even violent treatment from customers who then gave them a low rating or filed a false report with the app that resulted in their immediate termination. Beyond deactivation workers report having their score lowered, their account suspended, and their hours cut. All of this not only puts them at greater risk of deactivation but undermines their standing in the shift sign-up process. Low shift priority means they might get worse shifts and earn less.

As one worker explained, customers will even complain about an order hoping to get free food only to result in their firing: "...you risk getting a deactivation for a customer reporting that they didn't get the food (they call it "fraud"), and unless you're wearing a camera that shows that you left the food, you're out." That workers are beginning to wear body cameras indicates how rampant the problem is. Lacking adequate due processes, delivery workers face arbitrary and pernicious punishment from the apps, undermining their ability to provide for themselves and their families.

***"There is a lack of respect for delivery drivers [on the part of] company and clients. The company doesn't take time to take care of us. You can report incidents with clients [only to see] our ratings [go] down despite the report"***

***"... we tell customers that there is a 30-minute wait time, and they respond with 'that's your problem, if you want to cancel the order do so,' which will bring down my rating"***

## COUNT OF DISCIPLINE OR PUNISHMENT BY TYPE



## WHY WERE YOU PUNISHED?



<sup>20</sup> Burke, K., Parascandola, R., and Annese, J. (2021). Food delivery worker fatally shot in NYC playground basketball court - New York Daily News (nydailynews.com)

<sup>21</sup> <https://www.thecity.nyc/work/2020/12/6/22157730/nyc-food-delivery-workers-demand-better-treatment>

## Street Safety Issues

Our research found that app-based delivery workers in New York City faced high incidence of harassment, violence, and discrimination. Over half of survey respondents had their bike stolen while working, and almost one out of three of these workers were physically assaulted during the theft. In March of 2021, a 29-year-old app-based courier was killed in East-Harlem as he tried to fight back against the theft of his electric bike.<sup>20</sup>

Delivery workers have had trouble seeking redress for these crimes, and many do not report the incidents. Around half of survey respondents did not report bike robberies to the police, and the 28 percent respondents who went to the police said that officers did not file a report. Delivery workers often install anti-theft GPS tracking devices on their bikes so they can show the police where their stolen bike is located, but workers report that this has so far not helped to prompt more effective response on the part of the Police.<sup>21</sup> The delivery workers indicate that when they file a report it takes months for the NYPD to investigate the worker's case.

Has your bicycle ever been stolen?	Count	Percent
Yes	278	54%
No	237	46%

If your bike has been stolen, were you physically assaulted or attacked violently?	Count	Percent
Yes	82	30%
No	194	70%

Did you report this incident to the police or the app?	Count of Responses	Percent
I did nothing	130	48%
I reported it to the police	120	44%
I reported it to the app	18	7%
Other	3	1%

If you reported it to the police what was their response?	Count	Percent
They filed a report, but never solved my problem	81	65%
They ignored my situation, and never filed a report	22	18%
They took notes, but didn't file a report	13	10%
The cops helped me, and I got my bike back	2	2%
Other	7	6%

## Harassment and Discrimination Issues

Delivery workers reported many incidents of mistreatment or what they perceived as discriminatory behavior. When asked if they had been mistreated or humiliated while working for the apps, the surveyed delivery workers reported 509 incidents. The most common source of the mistreatment or discrimination was employees of the restaurants or customers receiving the orders. When asked why they believed they experienced this harassment, most workers believed it was discrimination due to their immigration status, or relatedly, their race, ethnicity, or language. Many also reported that the harassment was due to people thinking it is okay to treat delivery workers this way or because of anger over a delayed order (often due to no fault of the delivery person, but to the fault of the restaurant because of delays in completing the order or failures of the apps' systems).

As one respondent explained, his account with the app was deactivated for standing up to a restaurant employee on a delayed order, "They closed [my] account .... due to a discussion with the restaurant because I asked [the restaurant employee] why [the food] wasn't ready, and she wouldn't let me wait inside and she cursed at me. I defended myself." This type of incident was common, but delivery workers reported fear of complaining as they argue the apps always take the side of the customers or restaurant. Delivery workers feel that if they do not just accept the harassment the customer might complain about them, and they will lose their ability to earn a living. Additionally, women workers are exposed to sexual harassment on the part of customers.





During the LAST 12 MONTHS and while working for the apps, have you been mistreated (verbally or physically) or humiliated in front of others by any of the following? (Check all that applies)

	Count
someone who works at a RESTAURANT	207
a CUSTOMER	169
someone who works for the APP COMPANY	49
someone you encounter ON THE STREET	43
the POLICE	34
Other	7

What do you think is the main reason for these experiences? (CHECK all that applies)

	Count
Because you are an immigrant	198
The type of work you do	93
Because the food was delayed	91
Your native language	83
Your race/ethnicity	59
Other	23
Your gender/gender identity	16
Your education level	7
Your religion	6

*“Racist comments are hurtful...people don’t tip or [they] rate [me] badly because I am black...Black people are criminalized as a collective”*

*“As women we are sexualized and these [apps] don’t understand... One time I had a customer ask for their food to be delivered to the 30th floor and as he opens the door, he begins to ask for my [phone] number and make [suggestive] comments.”*

*“A customer threw water in my face, and when I reported it, the app says that when I am in a dangerous situation to leave... If we are injured, [the app] says that they are not responsible if we decide to deliver to the person [directly] and not [just] ‘leave it at the door’... ‘nobody ordered you to go upstairs [to their apartment door],’ they say”*

## Health and Safety Issues

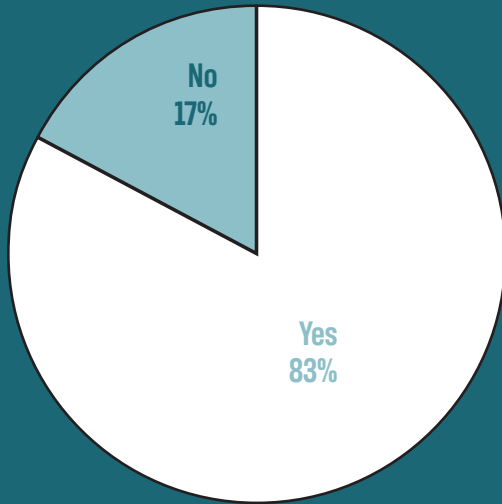
Food delivery in New York City is a dangerous job. Workers spend hours each day weaving through New York City’s infamous traffic dodging cars and pedestrians. Climate change has made incidents of extreme heat and erratic storms a consistent problem. Trucks pour out noxious fumes and kick up dirt and road salt which batters the workers. Many of these health and safety issues, though, are made worse by the platforms’ policies and by the need for greater bike safety infrastructure in the City.

A central problem, which has only gotten worse during the pandemic, is bathroom access. Most food couriers (83 percent) report being denied access to a bathroom at a restaurant where they have gone to pick up an order. Additionally, there are not enough public restrooms easily available for delivery workers. We found 34 percent of food couriers said they never can find public restrooms, 61 percent said sometimes, and only 4 percent said they can always find a public restroom. Lack of bathroom access can lead to serious long term health problems which doctors call “Taxi Driver Syndrome.” The syndrome is associated with higher incidence of genital and urinary organ diseases and cancers due to long-term driving stress.<sup>22</sup> This issue was made worse during the pandemic when restaurants did not want to let the delivery workers inside their establishments and many public restrooms were temporarily closed. Lack of restroom access is a direct result of delivery work moving to the apps. When delivery workers were direct employees of the restaurants, they had legally required bathroom access.

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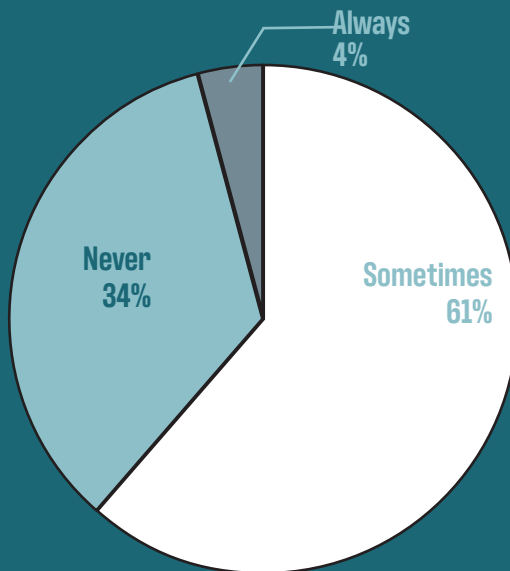
<sup>22</sup> Mass, A., Goldfarb, D.S., and Shah, O. (2014). Taxi Cab Syndrome: A Review of the Extensive Genitourinary Pathology Experienced by Taxi Cab Drivers and What We Can Do to Help. *Reviews in Urology*. 16(3): 99-104.

## HAVE YOU EVER BEEN DENIED THE USE OF A BATHROOM IN A RESTAURANT?



Only 55 delivery workers surveyed under this study reported having been told by the apps to take the City's commercial bicyclist safety course.<sup>23</sup> Businesses in the city are supposed to confirm that delivery workers have taken this course and provide them with the city's bike safety brochure. Only 18 percent of surveyed workers reported receiving the safety equipment, which businesses that use bicycles for commercial purposes are required to provide. Businesses like restaurants or delivery companies that use bicycle workers as employees, are required in New York City to provide reflective vests, helmets, a bell, lights, reflectors on the wheels, good breaks, and a business ID card. Some workers reported receiving COVID-19 training but many indicated this was simply sent to them through email or a message on the app. The most common response was that the worker received no training from the app.

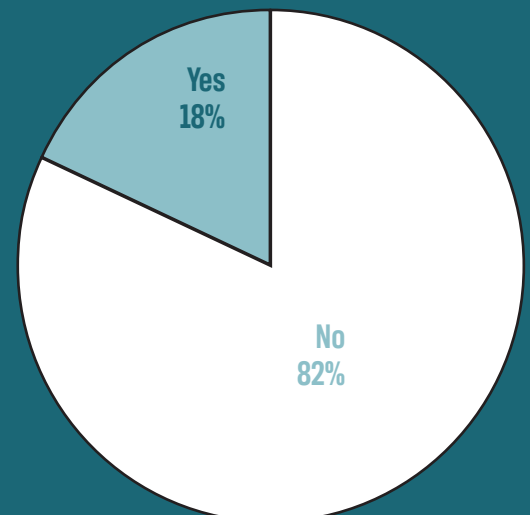
## DO YOU HAVE ACCESS TO QUALITY BATHROOMS ELSEWHERE?



Did the apps provide you or required training (in person or through videos) on any of the following? (please check all that apply)	Count
--	-------

No, I didn't receive any training from the apps	270
How to protect yourself from COVID-19 while doing deliveries	102
How to do deliveries	92
NYC safety on the road course	55
They send videos or messages	44
Other	6

## DID YOU RECEIVE PROTECTIVE GEAR LIKE HELMETS, VESTS, OR PPE (MASKS, GLOVES) FROM THE APP



<sup>23</sup> Full details on the city's requirements for workers and business can be found at the DOT <https://www1.nyc.gov/html/dot/html/bicyclists/commercial-cyclists.shtml#businesses>

App-delivery workers are exposed to risk of severe injuries, which can prevent them from working for several weeks, without health insurance, workers compensation or any financial cushion. About half of the surveyed delivery workers reported having been in either an accident or a crash while working. The most common accident is being hit by someone opening a car door, followed by crashing because of an issue with the road, being hit by a car or truck, or being pushed off the road by a car or truck. Many survey respondents also noted their accident was due to someone being parked in the bike lane. Of surveyed workers whose accidents required medical care, 75 percent of responses for how they paid for care indicated they used their own personal funds, as they lacked health insurance.

*“They don’t care for our safety. I had an accident once and instead of asking for my well-being they asked if I had delivered the food. They care for the food, not the [worker]. We could get shot, assaulted, and they wouldn’t care”*

*“If something happens while we travel [the apps] aren’t liable”*



The COVID-19 pandemic had devastating impacts for delivery workers and their immigrant communities. Research confirms that poor and minority populations were the most affected by the virus.<sup>24</sup> A study of the U.S. and other OECD countries found that immigrants and their children were infected with COVID at higher rates, faced higher mortality rates, had worse labor market outcomes, and worked disproportionately in frontline sectors.<sup>25</sup> A PEW report found that immigrants, and Latinos in particular, faced the greatest incidence of unemployment in the U.S.<sup>26</sup> In New York, the problem was three-fold as immigrants were the most likely to lose their jobs, to work in essential industries, and to live in crowded housing. As the New York Times reported, this made immigrant communities, such as Central Queens, the “epicenter of the epicenter.”<sup>27</sup>

While many participants in our study turned to food delivery work because they lost their jobs due to COVID-19, we also found that many needed to do so because they lacked access to government assistance. As immigrants, many participants were either not eligible for or believed they were not eligible for State or Federal assistance. Most respondents in our study reported not getting either a stimulus check, unemployment insurance, or Pandemic Unemployment Assistance (PUA). Only 44 workers reported getting the extra \$600 per week under PUA, and only 11 reported having received the unemployment insurance benefit for independent contractors.

Did you receive help from the government during the pandemic? (Check all that apply)	Count
None of these	313
Government stimulus check (\$ 1,200 in May or \$600 in December)	127
The extra \$ 600 per week of unemployment insurance	44
Unemployment Insurance Benefits for Independent Contractors	11

<sup>24</sup> Purkayastha, B. 2020. “Divided we stand- The pandemic in the US. Open Movements” ISA 47 Open Democracy. <https://www.opendemocracy.net/en/openmovements/divided-we-stand-the-pandemic-in-the-us>

When the pandemic hit, app-based food delivery workers were recast as essential workers. They took on the risks of exposure to the virus, keeping everyone quarantined, safe at home and well fed. Many employers such as Best Buy, Target, and Home Depot gave their employees hazard pay to compensate them for the risk they were taking. Immigrant delivery workers did not receive hazard pay. In fact, food delivery workers reported barely receiving PPE. While most food delivery apps offered PPE, it was often difficult to obtain or delivery workers did not know of its availability. While the main platforms did advertise that they would provide to their delivery fleets some form of support or resources such as PPE, health care plans, and pandemic financial assistance many workers indicated some of these benefits came with a cost which they could not afford due to their low pay. Most workers who participated in this study reported not being aware of the resources offered by the platforms, or indicated that the process for gaining access was too onerous and not worthwhile. Workers noted that some apps made you go to an office to get the PPE, while others would mail the kits and deduct the shipping costs from workers’ paychecks. These issues may explain why nearly all surveyed workers reported having to buy their own safety equipment during the pandemic.

Did you receive extra pay from apps due to the pandemic? (e.g., hazard pay)	Count
No	434
Yes	8

<sup>25</sup> Scarpetta, S., Dumont, J., Liebig, T. 2020. “What is the impact of the COVID-19 pandemic on immigrants and their children?” OECD. <http://www.oecd.org/coronavirus/policy-responses/what-is-the-impact-of-the-covid-19-pandemic-on-immigrants-and-their-children-e7cbb7de/>.

<sup>26</sup> Kochhar 2020. “Hispanic women, immigrants, young adults, those with less education hit hardest by COVID-19 job losses.” Pew Research Center, June, 9. <https://www.pewresearch.org/fact-tank/2020/06/09/hispanic-women-immigrants-young-adults-those-with-less-education-hit-hardest-by-covid-19-job-losses/>

<sup>27</sup> Correal, A. and Jacobs, A. 2020. “A Tragedy Is Unfolding: Inside New York’s Virus Epicenter.” *The New York Times*, Apr 9.





# CONCLUSIONS AND RECOMMENDATIONS

The Findings of this study have important implications for public and private policymaking aimed at improving the working and living conditions of app-based food delivery workers in New York City. Conclusions derived from this study include the following:

- The unique vulnerabilities of NYC food couriers, who are classified as independent contractors in a low-wage sector of the economy, were exacerbated during the pandemic and are likely to persist well beyond reopening and recovery if no policy measures are taken to address them.
- The protections that are currently offered to independent contractors in New York do not address the most pressing issues that app-based workers are facing.
- The top worker concern identified by the study was the low pay received from app-based work. Excluding tips, which represent on average 44 percent of couriers' earnings and a highly unstable form of income, the average net pay of app-based delivery workers amounts to \$7.87, and the median net pay amounts to \$7.94. In the absence of a guaranteed minimum pay per hour, delivery workers struggle to make a living, facing significant costs to work as food couriers and often waiting hours a day for work.
- Study participants reported issues of under-payment or non-payment from app-work, as well as the lack of efficient mechanisms on the apps to help resolve these problems. Most of the issues involve missing tips, and under-payment or non-payment for completed deliveries.
- Surveyed workers expressed significant frustration about the lack of transparency in the apps' payment and evaluation systems. Current systems do not provide workers with ways to contest customers' negative ratings, which affect their pay and ability to work.

- Delivery workers experience a range of workplace health and safety issues, the most serious of which is to become victims of violent assault when their electric bikes are stolen. Additionally, delivery workers are exposed to traffic accidents and injuries on the job, which they sustain without health insurance or compensation. And the most basic need they experience, access to bathrooms, remains unmet.
- App delivery workers are predominantly an immigrant workforce, which generates unique vulnerabilities and problems in terms of communicating with the apps, access to justice when facing pay issues with the apps or in cases of bike theft, and access to government pandemic relief of any type. Additionally, delivery workers experience a range of issues of mistreatment on the part of customers and restaurant personnel, which the workers perceived as forms of discrimination based on race, ethnicity, gender, and nationality.

Based on these conclusions, this report advances the following recommendations for policymakers and stakeholders' consideration:

- Advance policy proposals that will provide basic protections such as a minimum pay, similar to the minimum pay protection established for rideshare workers in New York City and Seattle.
- Establish regulations about distance for the delivery trips to minimize exposure to risks of accidents or crime.
- Provide access to bathrooms at restaurants where workers pick up orders, and explore investment in the building or installation of public bathrooms and access to public spaces near sites where delivery workers congregate across the city.
- Promote policy that would increase transparency and clarity in the apps' payment methods and evaluation systems.
- Explore policy that would increase delivery workers' access to health care and paid sick leave.
- Explore investment in public infrastructure to improve the safety of delivery workers and the public. Encourage traffic safety training at no cost for delivery workers.

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# ABOUT THE ORGANIZATIONS

## **Workers' Justice Project/ Los Deliveristas**

Founded in 2010, the Workers Justice Project (WJP) is a New York City worker center that educates, organizes, and fights for better work conditions and social justice in the workplace. With a base of more than 12,000 members, WJP organizes low-wage, immigrant workers who are fighting to raise workplace standards in the construction, house cleaning and app-based delivery industries. The organization is guided by five fundamental principles: 1. Working Together; 2. Creating Opportunities; 3. Respect; 4. Empowerment; 5. Equality

**WJP** runs several worker-led programs and campaigns to improve the social, economic, and political conditions of workers across the five boroughs. Some of the projects include:

**Zona Segura (Safety Zone)**, our ongoing campaign to improve and enforce health and safety standards for immigrant day laborers and construction workers.

**Los Deliveristas Unidos**, a rapidly growing movement of app-based food delivery workers organizing and advocating for better wages, conditions, safety measures, and other rights. In just six months, our membership has grown and continues to grow, demonstrating the need delivery workers have to be seen, heard, and respected.

**Day Laborer Centers and Worker Cooperative Development Programs**, aims to create equal access to living-wage jobs while also developing career pathways through skills training, certifications, and direct engagement of employers. This initiative recognizes the unique set of challenges women workers face in the informal sector and achieves better work conditions and wages.

**VALOR's**, our anti-wage theft committee brings workers together to build power, directly challenge those responsible for wage theft, and put an end to this illegal practice. As new challenges arise, this committee addresses them by organizing affected workers and coordinating relief efforts that support our communities.

**The Worker Institute at Cornell** engages in research and education on contemporary labor issues, to generate innovative thinking and solutions to problems related to work, economy, and society. The Institute brings together researchers, educators, and students with practitioners in labor, business, and policymaking to confront growing economic and social inequalities, in the interests of working people and their families. A core value of the Worker Institute is that collective representation and workers' rights are vital to a fair economy, robust democracy and just society.