## Working Together

Priorities to enhance the quality and security of independent work in the United States

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# A first step toward a new model for independent platform work

This document outlines a set of priorities for industry and government action that we believe will improve the quality of work for the millions of independent workers who get work through platforms like Uber's while preserving the flexibility that we know these workers value. We believe that these independent contractors should be entitled to continued access to these flexible earnings opportunities, new benefits they can elect and protections that fit the work, more information on what they can expect to earn, and regular, meaningful input to platform decisions that directly impact their livelihoods.



We are sharing these ideas in order to gather feedback and encourage dialogue among the wide range of stakeholders committed to enhancing the quality and security of independent platform work, especially the drivers and delivery people who work with Uber. We recognize that there are still important questions to answer. This document is a first step in that journey.



→ Executive summary

Over the last decade, digital marketplaces and platforms like Uber's have created a new type of work that empowers individuals to determine where and when they work, and offers new options for people traditionally marginalized from the labor market. In 2019, approximately 7 million Americans used digital platforms for work. One million of

these workers used the Uber platform to earn income by driving passengers, delivering food, or doing both. Before COVID-19, platform work was growing rapidly.<sup>2</sup> In the current recession, platforms can provide rapid access to a new source of income or a bridge to other employment for the millions of Americans claiming unemployment benefits.<sup>3</sup> In short, the availability and uptake of this app-based work has revealed and served a segment of the labor market comprised of people who are underemployed, unemployed, or simply looking for a change.

While digital apps and platforms have been and continue to be powerful forces for creating economic opportunity, it is clear that more should be done to improve the quality and security of platform work. The current health and economic crisis has brought into sharp focus the need for everyone, regardless of their employment status, to be able to find good quality, rewarding work; be able to work in the way they choose; and have access to adequate social protections and benefits. COVID-19 has revealed the fundamental inequity of our current employment system, in which some workers get benefits and protections, while others don't. Outdated legal frameworks are forcing platforms and workers to make a choice between flexibility or security at precisely the moment when both flexibility and security are needed. We can and must do better.

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## Calls to action and corporate commitments to deliver on the promise of high-quality independent work

What needs to be done	Who needs to act	
	Governments	Uber and industry
We want to contribute to funds that workers can individually direct toward the benefits that matter most to them. We are asking states to require our industry to accrue such funds.		
We want to provide workers with occupational accident insurance that covers medical expenses and disability payments for accidents and injuries that occur while driving or delivering. We are asking states to require our industry to provide such coverage.		
We are asking that all states extend laws to protect independent workers from discrimination, harassment, and prejudice.	<b>②</b>	
We will undertake a national survey of all drivers and delivery people to gather feedback on what we're doing well and how we can improve.		
We will engage with representatives who can speak credibly to the interests of drivers and delivery people; representatives with whom we can have an ongoing conversation and who can hold us accountable.		
We will do our part to realize the nation's participatory democracy by helping every eligible driver or delivery person on our platform to register to vote.		<b>⊘</b>
Where data is available and reliable, we will provide transparency to drivers on what they can expect to earn. By the end of 2020, we commit to making the Earnings Estimator available to more than 40% of active U.S. drivers in more than 30 cities.		
We will continue to provide fast access to earnings and give earners the clarity and capacity to review and dispute inaccuracies.		
We will develop opportunities and make investments to support drivers and delivery people in lifelong learning.		<b>⊘</b>

These new benefits would be provided in addition to Uber's longstanding commitment to accessible work and worker-defined flexibility. We commit to working proactively and in partnership with law-makers in Washington, DC and in state capitols on legislation to deliver certainty for millions of independent contractors who will increasingly rely on independent work to help them face the economic challenges that lie ahead during a recovery from the COVID-19 pandemic. As one of the largest platforms for work in the nation, we hope that our leadership inspires other companies to join us in making these commitments and in defining a new and improved standard of work for this sector of the economy.

Uber's platform can be a bridge to economic recovery if we establish a better standard of work for all who need it. The opportunity is now, and the responsibility is ours. The world has changed, and we must change with it.

<sup>&</sup>lt;sup>1</sup> Estimate based on: 160m (Bureau of Labor Statistics, 2020) The employment situation x 30% primary or secondary job (Oyer, 2016) The independent workforce in America: The economics of an increasingly flexible labor market x 15% (McKinsey, 2016) Independent work: Choice, Necessity and the Gig Economy.

<sup>&</sup>lt;sup>2</sup> Spending on platforms was increasing 43% year on year in 2018. (Staffing Industry Analysts, 2019) <u>The Gig Economy and Human Cloud Landscape</u>.

<sup>&</sup>lt;sup>3</sup>(Department of Labor, 2020) <u>COVID-19 Impact: Unemployment Insurance Weekly Claims</u>.



The need for flexibility and the urgency for a new standard of work

Historically, flexibility at work has been placed in tension with security in work: seeking autonomy and control meant forfeiting certainty and confidence. This does not have to be the case. For the past 5 years, we have been speaking about the need for a 'third way'-independent work that is accessible, flexible, and secure.4 But for all the best intentions, we never defined exactly what we meant by this, and a myriad of hurdles have-to date-prevented meaningful progress on this issue in the United States. We want to do better and we want drivers, delivery people, riders, consumers, and policymakers to know that we are doing something about it. For better or worse, Uber is deeply associated with the 'gig economy.' It's only right that we take the lead on improving the treatment of workers across the United States.

This paper focuses exclusively on independent workers who are contracted by transportation network companies and delivery network companies like Uber and Uber Eats in the United States. The nature of independent work across these types of companies is broadly consistent, with similar entry requirements, conditions, and circumstances.

## The promise of real-time, worker-owned flexibility

The ability to choose when and where to work at the push of a button is a luxury that evades most American workers. A June 2020 survey found that 88% of California drivers chose app-based driving because they needed a job where they could choose when and where to work and 86% chose it because they needed a work option with a flexible schedule.<sup>5</sup> Drivers value the independence and freedom associated with being their own boss. In fact, up to 73% of U.S. drivers say that if they were given the choice between a salaried 9-to-5 job

or more independent work like Uber, they would choose independent work. Genuine flexibility gives workers the opportunity to earn income while managing a range of other family or lifestyle commitments and constraints. As a result, drivers and delivery people take full advantage of the flexible nature of their platform work, Including fitting it around the less flexible arrangements afforded by a main job employer.

Independent work through platforms should offer genuine flexibility and allow worker needs to determine schedules. With such flexibility, workers have total control over hours, times, and locations of work. There are no negotiations or minimum hours, only reasonable constraints on maximum hours to promote safety. Workers can work across multiple apps, with no restriction on how they spend their time outside of the Uber app-a 2019 survey by The Rideshare Guy found that nearly 80% of rideshare drivers surveyed work with more than one platform.9 This level of flexibility simply does not exist in most other industries and is less available across the labor market with the growth of lowwage, low-quality work in sectors like healthcare and social assistance, leisure and hospitality, retail and administration, and waste services over the past 3 decades.<sup>10</sup> Traditionally, when companies have talked about 'flexibility,' they've really been referring to flexibility for their business, not for the worker. Most workers still have schedules determined and controlled by employers. Some worker scheduling practices are also restrictive and disrupt quality of life (e.g. on-call retail work, algorithmic scheduling, just-in-time scheduling, and 'clopen' shifts).11

For independent work to be truly independent, workers should have the freedom not only to choose when and where to work, but also to

adapt their work schedules in real time. For the vast majority of workers, changing schedules in response to everyday shocks usually results in penalties and, in some severe cases, dismissal. Researchers discovered that this kind of flexibility has real monetary value: the ability to freely set and adapt schedules to unpredictable shocks is roughly equivalent to \$150 per week of surplus on average. A further study found that younger people, women, and lower-income people tend to benefit the most from flexible work arrangements and that the short-term estimate of lost surplus from decreasing flexibility is significant.

Accessible, independent work expands the possibilities of work and allows individuals to adjust work to fit the needs of life. While this may not be the right choice for everyone—or even for most people—there are many Americans for whom flexibility is incredibly important. Given this, regulatory impact assessments that form part of government decision—making should take care to preserve choice and control of workers in rule design and ensure that new regulations and reforms do not undermine flexibility; for example, in order to implement earnings regulations, platforms may need to restrict the number of workers who can do work on the platform at a given time, or enforce minimum engagement periods.

## The urgent need for new, high-quality independent work

Uber's CEO recently wrote to the president and congressional leaders to highlight how the COVID-19 global pandemic had underscored a fundamental challenge in existing labor law and the urgent need for reform: each time a company

provides additional benefits to independent workers, the less independent they become in the eyes of the law; and, without legislative clarity, the more uncertainty and risk the company bears that workers will be reclassified as employees. The current binary system of employment classification means that either a worker is an employee who is provided significant social benefits or an independent worker who is provided relatively few. We are effectively using a 19th-century structure to solve a 21st-century challenge.

For independent workers like drivers and delivery people, and for work platforms like Uber, this presents a dilemma: reclassifying workers as employees could enable platform companies to provide more social protections to the smaller number they could employ. However, like all other employers, platform companies would have to take steps to maximize the productivity of those workers that remain, reduce the number of available work opportunities to manage per-employee costs, and pass these costs on to consumers, thereby reducing overall economic activity and work opportunities. In California, reclassification could force rider prices to rise between 25 and 111% and decrease overall trips by 23 to 59%, with the largest impact in sparsely populated areas, thereby reducing the number of working opportunities by approximately 76%.16 Instead of true flexibility, driving or delivering would come to resemble shift-based work that already exists and that many people cannot fit into their lives. Only a quarter of people currently working would be able to secure a role, and these workers would be unable to pick and choose when and where they work and would likely no longer be permitted to work on multiple platforms simultaneously.

This tradeoff is well understood by drivers and

delivery people. In a recent independent survey of app-based drivers and delivery people in California, more than 7 in 10 workers supported measures that would protect their right to be independent contractors and 2 in 3 workers said they would stop driving if their flexibility was compromised.<sup>17</sup>

Like similar forms of independent work before it, including taxi driving, independent platform work is an important enabler for intergenerational mobility.18 We're proud of how Uber has helped improve transportation equity over the last decade to enable more and more people to realize economic opportunities. 19 And we also know that accessible work arrangements are central to improving access to work for those struggling to get a toehold in the labor market.20 That's why we are eager to work with all our stakeholders—drivers, delivery people, policymakers, researchers, and more-to establish a new standard for work, so that it benefits all who choose it and continues to be readily available to as many people as possible when they and our country need it most.

Although we can make progress on our own, our efforts and impacts will be scaled and more effective if we work together with lawmakers, other platforms, and communities. This document will form the basis for engaging policymakers in discussions on the future of independent work. We also encourage experts, NGOs, labor organizations, and other platforms to express their views on our statement of priorities and take part in the conversation.

<sup>&</sup>lt;sup>4</sup> (Uber, 2018) <u>Building a portable benefits system for today's</u> world

<sup>&</sup>lt;sup>5</sup> (Edelman Intelligence, 2020) <u>California App-Based Driver Survey.</u>

- <sup>6</sup>(Hall and Krueger, 2016) <u>An Analysis of the Labor Market for</u> Uber's Driver-partners in the United States.
- <sup>7</sup> Drivers taking advantage of flexibility with very high week-to-week variations in hours worked. London drivers reported higher levels of life satisfaction than the average worker, especially those drivers who value flexibility. (Berger et al., 2018) <u>Uber Happy? Work and Well-being in the Gig Economy</u>. Australian research suggests that a majority of drivers express a preference for flexible hours of work compared to fixed hours (AlphaBeta, 2019) <u>Flexibility and Fairness: What matters to workers in the new economy</u>.
- 8 (Abraham and Houseman, 2019) <u>The Importance of Informal Work in Supplementing Household Income</u>.
- <sup>9</sup>(The Rideshare Guy, 2019) <u>The Rideshare Guy 2019 Reader Survey.</u>
- <sup>10</sup> (Alpert, Ferry, Hockett, Khaleghi, 2020) <u>The U.S. Private Sector Job Quality Index;</u> (Ross and Bateman, 2019) <u>Meet the low-wage workforce</u>.
- $^{11}$  (Kantor, 2014) Working anything but 9 to 5. Other research has also found that employers in the retail sector frequently change working hours week to week, exacerbating work-life conflicts (Henly and Lambert, 2014) <u>Unpredictable Work Timing in Retail Jobs</u>.
- <sup>12</sup> (Chen et al., 2019) <u>The Value of Flexible Work: Evidence from Uber Drivers.</u>
- <sup>13</sup> (Chen et al., 2020) <u>Suppliers and Demanders of Flexibility:</u> The Demographics of Gig Work.
- <sup>14</sup> (Mas and Pallais, 2016) <u>Valuing Alternative Work Arrangements.</u>
- <sup>15</sup> (Uber, 2020) <u>Dara Khosrowshahi Letter to the President</u>.
- <sup>16</sup> (Uber, 2020) Analysis on Impacts of Driver Reclassification.
- <sup>17</sup> (Edelman Intelligence, 2020) <u>California App-Based Driver Survey</u>.
- <sup>18</sup> (Landier and Thesmar, 2016) <u>Working in the on-demand</u> economy: An analysis of Uber Driver-Partners in France.
- 19 (Jealous, 2015) Hailing a Cab While Black? It's Still a Problem.
- <sup>20</sup> (Uber, 2016) New Data Reveals Uber's Economic Impact in France. Based on the study by Boston Consulting Group analyzing the French national statistics bureau (INSEE), data recovered from Uber, a poll on a sample of 786 Transportation Network Company users across France from October 2016, a quantitative survey of over 300 professional drivers from October 2016 and publicly available documents and reports.



## Priorities to deliver high-quality independent work

- > Access
- > Benefits and protections
- > Earnings and payments
- > Representation
- > Growth

### **Priority: Access**

Platforms should continue to make independent, flexible work opportunities widely accessible to all

Companies like Uber are distinctive in the access to work and income they provide. Unlike with salaried employment, individuals who earn using platforms like Uber's do not need to wait for a job opening or even interview for a role. Anyone who has a license, phone, car, and the ability to pass a background check can register online and soon earn income driving with Uber.21 Low barriers to entry ensure that workers from all backgrounds, regardless of race, ethnicity, gender, sexual orientation, education or other characteristics, have equal access to work. In the last month of 2019, nearly one million Americans used Uber to earn income from driving. These earners included veterans, students, parents returning to work, and people supplementing a primary income.<sup>22</sup>

Low barriers to entry and protection from discrimination also attract diverse groups of workers who would traditionally be locked out of the labor market. Independent work, available at the push of a button, plays a critical role in providing pathways into the labor market for unemployed and under-

employed people.<sup>23</sup> On average, around half of all U.S. drivers who get work through Uber drive fewer than 10 hours a week. As a result of COVID-19, the American unemployment rate has hit all-time highs, impacting the livelihoods of millions.<sup>24</sup> Accessible and flexible work opportunities can provide immediate earning opportunities and act as a bridge to full-time employment, education, or other goals.

Uber creates accessible working opportunities in economically vulnerable regions with higher unemployment rates.<sup>25</sup> Rideshare work has been shown to be quite effective at softening the blow of a layoff or reduction in hours, offsetting 73% of income losses on average.26 In a recent survey, 2 in 3 drivers agreed that driving gave them an opportunity to earn money after losing a job or having their hours cut.27 Uber also creates work opportunities for Americans with criminal records-approximately one-third of the population.<sup>28</sup> Access to work issues apply across independent work—a recent survey found that nearly half of freelancers agree that freelancing gives them the flexibility they need because they are unable to work for a traditional employer due to personal circumstances.29

Access to work should be non-discriminatory, and no personal or demographic characteristics should prevent anyone that can work from joining the platform.<sup>30</sup> We should strive to create and expand as many opportunities for work as possible. We are committed to creating a community that treats everyone equally and with dignity, free of discrimination, harassment, or prejudice. Outside of the background check process, the only demographic factor that Uber considers in onboarding is age, because it is relevant to having a driver's license.

While non-discrimination is the practice for platforms like Uber's, the current law does not provide independent contractors with legal recourse in the event that their rights are violated, as existing non-discrimination legislation only covers employer-employee relationships.31 We are asking that all states extend laws to protect independent workers from discrimination, harassment, and prejudice. Uber will work with lawmakers to strengthen non-discrimination protections for independent workers to mandate that (1) no company can remove a person from work or deny them work because of their race, color, ancestry, national origin, religion, creed, age, physical or mental disability, sex, gender, sexual orientation, gender identity or expression, medical condition, genetic information, marital status, or military or veteran status; (2) no individual can be denied the ability to work based upon protected characteristics; and (3) government reforms do not unintentionally reduce access to work opportunities.

## Priority: Benefits and protections

## Platforms should be required to provide workers with benefits and protections

Through the 20th century, the traditional American social safety net relied upon employers being required to provide their employees benefits and protections like health insurance, retirement savings contributions, and paid time off. This system made sense when workers spent their entire careers with a single employer, but as our economy transformed, the system of benefits designed for large manufacturing companies failed to keep up.<sup>32</sup> What began as the cornerstone of household financial security has increasingly become some-

thing available to one category of worker but not others. Pervasively, the tying of benefits to the employer has stifled opportunities for occupational mobility for some workers.<sup>33</sup> As more people choose independent work, and as fewer salaried jobs are available, this needs to change.

Benefits and protections should be adapted to fit new models of work, accounting for multiple sources of income and variability in hours worked per day and days per week. Social institutions and the safety net need to be adapted to suit the more fluid and varied careers of contemporary workers.

We want to make sure that choosing independent work does not mean a lack of access to important benefits or essential protections. Social benefits are rewards accrued over time that provide enhancements to workers' quality of life. Social benefits recognize that workers are different and have different needs. The amount and nature of social benefits should be differentiated based on how much work individuals do and how they choose to use their benefits. Social protections, on the other hand, protect against unforeseen—and often materially significant-events by pooling risk through insurance products. Protections like occupational accident insurance act as a safety net for significant risks such as injury at work, medical costs, and death.

We've been talking about portable benefits models for some years now, but central funds are complex to set up and administer, and progress has been slow. Existing examples of portable entitlement schemes have taken years to establish and have had to start somewhere. The retirement savings system we know today through 401ks and IRAs has evolved considerably from the company pensions of yesteryear.

We see a path forward on benefits for independent workers that can be implemented quickly, without undue administrative overheads, while also taking the initial steps toward a portable benefits scheme. This model would reflect the key features of a portable benefits proposal: proportionality (the benefit accrued is proportional to the amount of work completed), aggregation (workers can easily combine benefits funds across platforms to purchase benefits), and autonomy (worker choice and control over how the benefits funds are used). This model capitalizes on the product experience and operational execution of platform companies while delivering on benefits for independent workers as soon as laws are passed to enable platform companies to provide them.

First, we want to contribute to funds that workers can individually direct toward the benefits that matter most to them. We are asking states to require our industry to accrue such funds. Under this proposal, workers would accrue benefits funds based on time spent actively working, with de minimis activity thresholds to begin accruing<sup>34</sup> and no ceiling on how much can be accumulated. Workers would choose which benefits to fund based on their needs, including:

- Paid time off for leisure, sickness, caring for or supporting family
- Health, vision, or dental insurance plans
- Contributions to health savings accounts (HSAs)
- · Disability or life insurance plans
- Insurance deductibles
- Qualified retirement savings
- Cancellation payments.35

Workers would be able to request funds to purchase specific benefits throughout the year. In

addition, platform companies could pay these funds out in twice-yearly benefits payments direct to workers, in the form of cash, accrued during the prior 6 months.

Platforms could compete to offer benefits marketplaces with seamless user experiences and integrated offerings built in-house or through innovative partnerships. Uber could, for example, make it easy for drivers and delivery people to use their benefits funds to access affordable health insurance plans through our existing partnership with Stride Health or contribute to an HSA through our existing partnership with Starship. Platforms would be incentivized to continuously improve these offerings, based on workers' feedback. If, for example, workers wish to contribute directly to these benefits funds, platforms could make it possible for them to match or better the platform's contributions. If workers want to see additional uses for benefits, platforms could either build or partner to provide these.

If this requirement had been in place in 2019, for example, the median driver in Colorado with an average of more than 35 hours per week of total time on the app would have accrued approximately \$1,350 in benefits funds. This funding would have been sufficient to cover 2 weeks of paid time off, or 80 hours at over \$16 per hour. Alternatively, for the minority of drivers who may require healthcare coverage, 36 this funding would have been sufficient to cover the cost of the median subsidized healthcare plan premium purchased by drivers accessing Stride through Uber during 2019. If this requirement had been in place across the United States in 2019, Uber would have paid out over \$655 million in benefits funds.

Second, independent workers and their loved ones

should also be protected against rare and unforeseen work accidents that prevent them from earning a living. We want to provide workers with occupational accident insurance that covers medical expenses and disability payments for accidents and injuries that occur while driving or delivering. We are asking states to require our industry to provide such coverage. Injury protection would cover medical expenses, disability payments based on historical weekly earnings. and a survivors benefit for covered accidents. Companies are best placed to negotiate their respective programs and incentivized to implement measures that improve health and safety to reduce premiums. Currently, Uber makes a similar occupational accident insurance product available for purchase by drivers in over 40 U.S. states but is limited to offering this on an opt-in basis only.37 We already fund such coverage directly in most of our markets outside the U.S., but legal changes are needed in the U.S. to be able to do the same here. If all platform companies are required to fund this coverage, workers can move between apps with confidence and certainty about the protections available to them.

## Priority: Earnings and payments

Platforms should provide independent workers with the information and tools they need to maximize their earnings

Platform work carries significant advantages for some workers: a recent study on rideshare drivers in Seattle found that 92% of drivers using Uber and Lyft earn more than the City's \$16.39 minimum wage after expenses, with the median driver earning \$23.25 per hour after expenses.<sup>38</sup> However,

most platform work is not a high-wage option. Managing expectations and being honest about the nature of platform work is something we could have done better as an industry. Workers should have the ability to understand what they can expect to earn.

For many drivers and delivery people, working with Uber makes it possible to keep bills paid between jobs, when unexpected expenses pile up, or to save for a vacation. A key benefit of Uber is the opportunity to access work and earnings reliably within minutes, instead of the arduous and uncertain process of applying for a job. Independent workers using apps like Uber's have total autonomy and decide when and where to drive and for how long, including on other apps. As a result, with Uber there is no concept of a fixed hourly wage, like with more traditional jobs. Earnings with Uber vary depending on whether workers are active at times and in places when and where demand is highest. For example, those that use the Uber app to earn in peak times of the week, in areas of high demand or in the busiest months of the year, earn more than the average.39

Improved earnings transparency can give workers greater certainty over their potential earnings and help them understand the levers they can pull to increase them. We have developed and are testing a digital tool called the Earnings Estimator that will enable drivers to estimate their potential earnings. This tool, which we are currently piloting in cities across the U.S., uses historical earnings data along with a few simple user inputs to estimate weekly earnings, allowing drivers to make more informed decisions about whether, when, and where to drive. Where data is available and reliable, we will provide transparency to drivers on what they can expect to earn. By the end of 2020, we commit to

making the Earnings Estimator available to more than 40% of active U.S. drivers in more than 30 cities.

Workers should be able to access and use their earnings whenever they need them. Traditional independent work payments are often delayed. Poor payment processes can create significant cash flow challenges for workers, potentially forcing some workers to seek high-interest, predatory debt (e.g. payday lending or credit cards). Each year, 12 million Americans take out payday loans and 70% of people use them for regular, recurring expenses such as rent and utilities. With annual percentage interest rates over 300%, these loans are often unsustainable and trap people in debt. Work at the push of a button supports worker liquidity and serves as a genuine alternative to debt.

Companies like Uber have significantly improved the way workers are paid for their work. This is why we built Instant Pay, a payment system that allows drivers and delivery people across the U.S. to request instantaneous access to earnings up to 5 times per day, any day of the week.<sup>42</sup> And because workers should be able to easily review and dispute any inaccuracies, the Driver app has resources that help workers track earnings in real time, get details about specific trips, and observe earnings trends over longer periods. We will continue to provide fast access to earnings and give earners the clarity and capacity to review and dispute inaccuracies.

### **Priority: Representation**

Platforms should encourage and listen to the voice of independent workers and act on their feedback

We want to further empower drivers and delivery people to provide input on decisions affecting their lives and livelihoods. The diffuse and changing nature of the independent workforce and the extraordinary diversity among independent workers makes it difficult for drivers and delivery people to feel connected to their peers and to advocate for themselves and each other in relation to the platforms they work with and the public safety net.

Giving workers a meaningful voice benefits both workers and platforms. When making decisions, we already take into account the wishes and feedback of drivers and delivery people via regular market research, roundtables, and surveys. However, we realize that, despite these ongoing efforts, workers may not feel heard—we need more formalized spaces for drivers and delivery people to share their experiences, concerns, questions, and expectations. Our goal is to create forums allowing for a transparent and sustained conversation between Uber and all workers who use our platform.

First, we will undertake a national survey of all drivers and delivery people to gather feedback on what we're doing well and how we can improve. We will report the results to workers and the public and hold ourselves to account by following up with concrete changes. Our hope is that such an exercise can capture the diverse perspectives of all the workers on our platform while providing unparalleled transparency into the state of the worker experience.

The survey would be in addition to the many great examples of worker voice we already have around the world. In many places, we have created ways for drivers and delivery people to have a dialogue with us. In 2019, Uber led a consultation of all drivers and delivery people in 22 European coun-



tries. In New York, the Independent Drivers Guild advocates for change on behalf of a proportion of drivers in that city.<sup>43</sup> In the UK, we've piloted Uber Engage, a network of local advisory groups with driver representatives.<sup>44</sup>

Second, we will engage with representatives who can speak credibly to the interests of drivers and delivery people; representatives with whom we can have an ongoing conversation and who can hold us accountable. We will spend the remainder of this year discussing with drivers, delivery people, experts, and existing organizations how to create the right worker representation spaces and forums and what forms accountability can take.

Thirdly, we will do our part to realize the nation's participatory democracy by helping every eligible driver or delivery person on our platform to register to vote. We want to ensure that the voices of workers are part of the discussion about reforms affecting their working lives and many other important policy topics, such as fighting systemic racism, improving access to healthcare, and many others. We know that our platform provides access to earning opportunities to members of minority and underprivileged groups, whose voices are often missing in the public debate. That is why we are supporting workers in these communities to take part in the democratic process and overcome barriers to register to vote.<sup>45</sup>

### **Priority: Growth**

## Platform companies and government should partner to support independent workers in lifelong learning

We want to support drivers and delivery people in realizing their potential and aspirations. For many workers, driving with Uber is more than a way to earn money—it's a launchpad to start a small business, build a career, or help them and their families get ahead. Personal growth and development are important facets of work and can help workers unlock new economic opportunities. Further, professional development is associated with higher job satisfaction and retention.<sup>46</sup>

Typically, independent workers are unable to dedicate the time and/or income to education or skills development. They could benefit from the further development of stackable microcredentials—short-form, self-paced professional learning opportunities that build upon one another—that

would enable them to learn and earn at the same time; mentorship during the skills-development process; and access to new funding models. We ask that policymakers work with us and educational institutions to advance the case for policy and systems change to support tailored education-to-work pathways for independent workers. This could include expanding the independent worker eligibility of financial aid (e.g. Pell Grants) and adult literacy programs, and greater investment in and funding for quality skills training.

We will develop opportunities and make investments to support drivers and delivery people in lifelong learning. We have partnered with Arizona State University to offer eligible drivers and delivery people and their family members free access to online undergraduate degrees and accredited courses in English language learning and entrepreneurship.<sup>47</sup> In New York, we partner with Pursuit to identify, recruit, and train drivers to become software engineers at Uber.<sup>48</sup>

We are committed to working in partnership with leading organizations to support workers to adapt to the changing needs and demands of the economy. We understand that this means developing long-term partnerships with educational institutes, communities, governments, and advocates to identify new opportunities and make the right investments that help deliver ongoing learning and development.

<sup>&</sup>lt;sup>21</sup> Specific eligibility criteria varies by state and local regulations. See <u>here</u> for specific details on eligibility.

<sup>&</sup>lt;sup>22</sup> (Hall and Krueger, 2016) <u>An Analysis of the Labor Market for Uber's Driver-Partners in the United States;</u> (Berliner and Tal, 2018) <u>What Drives Your Drivers: An In-Depth Look at Lyft and Uber Drivers.</u>

<sup>&</sup>lt;sup>23</sup> (Landier and Thesmar, 2016) Working in the on-demand

#### economy: An analysis of Uber Driver-Partners in France.

- <sup>24</sup> (Bureau of Labor Statistics, 2020) <u>Employment situation summary</u>.
- <sup>25</sup> (Landier and Thesmar, 2016) <u>Working in the on-demand</u> economy: An analysis of Uber Driver-Partners in France.
- <sup>26</sup> (Koustas, 2018) <u>Consumption Insurance and Multiple Jobs:</u> Evidence from Rideshare Drivers.
- <sup>27</sup> (Edelman Intelligence, 2020) <u>California App-Based Driver</u> Survey.
- <sup>28</sup> (The Sentencing Project, 2015) <u>Americans with Criminal</u> Records.
- <sup>29</sup> (Upwork, 2019) Freelancing in America.
- <sup>30</sup> Our community guidelines prohibit workers from being denied work or terminated based upon any protected personal characteristics. Uber's non-discriminatory platform has helped women achieve pay equity conditional on accumulated experience and some dimensions of preference and improve female representation. (Cook et al., 2020) The Gender Earnings Gap in the Gig Economy: Evidence from over a Million Rideshare Drivers; (Uber, 2018) Unpacking the Gender Earnings Gap among Uber driver-partners); (International Finance Corporation, 2018) Driving Toward Equality: Women, Ride-Hailing, and the Sharing Economy; (Hall and Krueger, 2016) An Analysis of the Labor Market for Uber's Driver-partners in the United States.
- <sup>31</sup> U.S. Equal Employment Opportunity Commission notes that the anti-discrimination laws that it enforces don't apply to independent contractors. (U.S. Equal Employment Opportunity Commission, 2020) <u>Coverage</u>.
- <sup>32</sup> (Aspen Institute, 2019) <u>Designing Portable Benefits Resource Guide</u>.
- <sup>33</sup> (Washington Technology Industry Association, 2017) <u>Submission to House Work Committee Working Session on Portable</u>
  Benefits.
- <sup>34</sup> In order to manage the cost associated with establishing accounts for trial users, workers could begin accruing benefits after 100 trips or deliveries or \$500 in earnings, whichever comes first.
- $^{\rm 35}$  Funds in each account could also be drawn down by workers who are deactivated through no fault of their own.
- <sup>36</sup> (The Rideshare Guy, 2020) <u>Here's What Drivers Are Saying About the Coronavirus [Updated May 2020]</u>.
- <sup>37</sup> (Uber, 2020) Optional Injury Protection: Get piece of mind while you drive.
- <sup>38</sup> (Hyman et al., 2020) Platform Driving in Seattle.
- <sup>39</sup> (AlphaBeta, 2019) <u>Flexibility and Fairness: What matters to workers in the new economy</u>.

- <sup>40</sup> (The Pew Charitable Trust, 2016) <u>Payday Loan Facts and the CFPB's Impact.</u>
- <sup>41</sup>80% of payday loans are taken out within two weeks of repayment of a previous payday loan (Consumer Financial Protection Bureau, 2014) <u>CFPB Data Point: Payday Lending</u>. The average borrower is in debt for 5 months of the year (The Pew Charitable Trust, 2016) <u>Payday Loan Facts and the CFPB's Impact</u>.
- <sup>42</sup> Eligibility: Most U.S. drivers and delivery people can use Instant Pay once they complete their first trip. Uber allows a maximum of 5 times per day. (Uber, 2020) Instant Pay.
- <sup>43</sup> Independent Drivers Guild.
- 44 (Uber, 2018) Uber Engage.
- 45 (Uber, 2020) Drive the vote.
- <sup>46</sup> A significant relationship was found between job training satisfaction and overall job satisfaction of customer contact representatives (Schmidt, 2007) <u>The relationship between satisfaction</u> with workplace training and overall job satisfaction.
- <sup>47</sup> (Uber, 2020) <u>Uber and ASU: Driving towards opportunity</u>.
- <sup>48</sup> (Pursuit, 2020) <u>Pursuit + Uber LevelUp</u>.