***App Delivery Workers in NYC deserve a living wage of $28.82 hourly***

***Remarks by***

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In the seminal [report](https://www.ilr.cornell.edu/worker-institute/blog/reports-and-publications/first-its-kind-industry-report-shows-new-york-citys-app-based-delivery-workers-experience-harsh) released by the Worker Institute in September 2021 entitled, “[Essential but Unprotected: App-based Food Couriers in New York City](https://losdeliveristasunidos.org/ldu-report)” researchers examined the working conditions of app-based delivery workers engaged by digital platforms such as UberEATS, Doordash and GrubHub to deliver food from restaurants and fast-food outlets to consumers in New York City. The goal of the research was 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 research involved both primary and secondary research, including a survey of 500 app-based couriers doing deliveries in NYC, focus groups with workers, and individual interviews.

The experience of app-based food couriers in New York City illustrates the challenges that workers and advocates confront in 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.

App 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, costumers and ultimately to the broader society and tax-payers. Failure to regulate these applications is leaving workers across the platform economy without basic protections, including a living wage, 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 fully online platform workers, who share a common national jurisdiction, locally based platform workers such as rideshare and delivery workers are subject to a more local regulatory framework. In the case of location-based platforms, the state or local level jurisdiction can determine the appropriate authority for regulation. In New York and Seattle, municipal regulations provided for basic standards and protections for rideshare workers.

NYC has already acted to regulate minimum standards to protect this essential workforce and the most recent proposal by the *Department of Consumer and Worker Protection (DCWP) is proposing a rule to establish a Deliverista’s Minimum Pay of $23.82 an hour for more than 65,000 app delivery workers in NYC.*

*This is a step in the right direction. However, it is not enough.*

*New York City DCWP should follow the recommendation of advocates who are endorsing a minimum wage increase of at least $28.82, that increases the expense rate by $5, including the expenses of essential safety tools like GPS Trackers and hazard pay as this workforce is exposed to all kinds of extreme weather conditions. A higher wage increase would allow these essential workers a better chance to recover from the impact of the pandemic in their lives.*

# Impacts of COVID-19 pandemic on app delivery workers

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.[[1]](#footnote-1) 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.[[2]](#footnote-2) A PEW report found that immigrants, and Latinos in particular, faced the greatest incidence of unemployment in the U.S.[[3]](#footnote-3) 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.”[[4]](#footnote-4)

While many participants in the Worker Institute study turned to app-based 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.

When the pandemic hit, **app-based food delivery workers were recast as essential workers.** Deliveristas 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.

As NYC and the nation continues to enact policies that aids in the economic recovery from the pandemic, policy makers must enact bold policies that transforms the inequities of the pass. App based workers deserve a wage rate that covers the cost of performing the job as well as give them the opportunity to have dignity in their lives through a fair wage.

For more information on our research, visit our website at https://www.ilr.cornell.edu/worker-institute/about-worker-institute

1. Purkayastha, B. 2020. "Divided we stand- The pandemic in the US. Open Movements" I*SA 47 Open Democracy*. https://www.opendemocracy.net/en/openmovements/divided-we-stand-the- pandemic-in-the-us [↑](#footnote-ref-1)
2. 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/. [↑](#footnote-ref-2)
3. Pew Research Center, July 2021, “For U.S. Latinos, COVID-19 Has Taken a Personal and Financial Toll.” <https://www.pewresearch.org/race-ethnicity/2021/07/15/latinos-have-experienced-widespread-financial-challenges-during-the-pandemic/> [↑](#footnote-ref-3)
4. Correal, A. and Jacobs, A. 2020. "A Tragedy Is Unfolding: Inside New York's Virus Epicenter." *The New York Times*, Apr 9. [↑](#footnote-ref-4)