Quality of the Gig

An Analysis of App-Based Platform Drivers' Working Conditions in the Greater Chicago Area

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January 30, 2023

ILLINOIS LABOR & EMPLOYMENT RELATIONS
PROJECT FOR MIDDLE CLASS RENEWAL

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Executive Summary

The growth of drivers working for app-based platforms who are treated as "independent contractors" is characterized by the companies having no federal responsibility to pay minimum wage, protect workers against sexual harassment, or offer workers paid leave or health care benefits. Excluded from the National Labor Relations Act, independent contractors like gig workers also lack the ability to form unions or access workers' compensation.

Scholars have begun to analyze and raise questions about employment relations in the gig economy. This study contributes to this discussion by broadening the scope of research to analyze workers' job quality on several measures, including their earnings, benefits, expenses, health and safety outcomes, experiences with harassment and discrimination, and employment status preferences.

Results from a November 2021 through March 2022 survey of 502 drivers reveal the working conditions of app-based drivers in the Chicago metro area.

Most drivers devote substantial time working for the app-based platform companies.

- The average driver has 3 years of experience driving for app-based platforms.
- Drivers work an average of 34 hours per week for app-based transportation and delivery platforms—and 53 percent report working 35 hours or more.
- Among drivers who transport passengers, 61 percent of their time is "engaged time" spent with passengers or driving to pick up passengers while 39 percent of their time is spent waiting for ride requests or performing routine car preparation.

Drivers depend on their earnings in the gig economy but earn relatively low incomes.

- 86 percent depend on their app-based earnings to pay for basic expenses, such as food, housing, and utilities.
- Drivers average just $30,700 in annual income after expenses and deductions.
- Four-in-ten drivers (41 percent) earn less than $15 per hour.
- 40 percent are uninsured (13 percent), rely on Medicaid or other public health plans (18 percent), or have taxpayer-subsidized insurance (8 percent).
- Drivers are more likely to be men (79 percent), white (66 percent), and generally must be at least 25 years old—which are different demographic characteristics than those traditionally associated with low-wage work.

Drivers experience high annual vehicle expenses from performing app-based work.

- 59 percent purchased their vehicles for the primary purpose of app-based driving.
- Drivers average $6,095 in total operating costs over 12 months, including vehicle maintenance and repairs, fuel, cleaning and sanitation, and other expenses.
- 64 percent of drivers have been ticketed, costing an average of $355 over the past 12 months.

Drivers face significant health and safety risks from performing app-based work.

- 75 percent have avoided taking bathroom breaks while driving in the past year.
- 79 percent report feeling unsafe at least once a month while driving.
- 53 percent experienced customer harassment for upholding local public health guidelines during the COVID-19 pandemic, such as mask mandates.
- 40 percent have experienced sexual harassment, including 62 percent of women and 34 percent of men.
- 40 percent have suffered an injury or illness while driving, despite lacking access to the workers' compensation.

Drivers are divided over their employment status, but not over their rights as workers.

- 54 percent say drivers should become employees of the companies versus 46 percent who say drivers should be independent contractors.
- 91 percent say drivers of app-based platforms should have the right to unionize.

App-based platform drivers face several on-the-job issues that comprise their employment quality, which require policymakers to carefully consider the ramifications of workers' current treatment as independent contractors. At the local level, the proposed Chicago Rideshare Living Wage and Safety Ordinance is one approach to improving job quality for app-based platform drivers by implementing changes that would raise driver pay and improve driver safety. Statewide and nationally, legislators and policymakers could consider classifying workers as employees such that workers may have collective bargaining rights under the National Labor Relations Act and the recently-passed Workers' Rights Amendment in Illinois, have access to basic labor standards including minimum wages and workers' compensation, and receive greater protections against sexual harassment. As employment status determinations are being made, legislators could also improve working conditions by paying workers for all their time on the job, including time refilling gas, cleaning, and waiting for passengers to request rides, by providing sexual harassment training to all drivers, and by removing driver rating systems to reduce discrimination. Implementing these and other meaningful changes can improve the work-lives of app-based platform drivers.

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Introduction

Platform-based gig work reflects one of the most significant transformations in the way that workers earn income, and is part of the expansion of independent contractors and other contingent workers (Cunningham-Parmeter, 2016). Gig work—which is a contested term—typically refers to work performed outside of a traditional employment relationship that is organized around a "gig," or short-term project or task (Caza et al., 2021). New digital and mobile technologies have allowed for a growth in work mediated by platforms, with driving services accounting for the largest proportion of platform-based work (Abraham et al. 2018). While gig workers have autonomy to determine when and how much work to take on, and have some control over how work is completed, they also bear the burden of obtaining their own health coverage, lack minimum wage protections, and do not have access to other benefits such as unemployment, overtime pay, or family leave (Caza, Moss, and Vough, 2018; Petriglieri, Ashford, and Wrzesniewski, 2019).

There is a growing body of research on the pay of Uber and Lyft drivers in the United States. Rideshare drivers are not compensated through a traditional hourly wage. Uber and Lyft consider their drivers to be "independent contractors" and compensate them with a base amount per fare plus additional amounts calculated as a function of time, miles driven, and certain "surge bonuses" for rides in high-demand areas. Economic researchers have generally concluded that Uber and Lyft drivers earn low net wages between $9.73 per hour and $20.83 per hour—including just $12.72 in the City of Chicago (Manzo, Petrucci, and Bruno, 2022; Parrott and Reich, 2020; Mishel, 2018; Henao and Marshall, 2019; Hyman et al., 2020).[1] Additionally, a national survey of 288 gig workers conducted in May 2020 found that 14 percent of gig workers earned less than the federal minimum wage, 64 percent earn less than $15 per hour, and 62 percent lost earnings due to "technical difficulties clocking in or out" (Zipperer et al., 2022).

There are also economic studies evaluating the effect that industry-led initiatives would have on Uber and Lyft drivers. California's Proposition 22 codified the independent contractor status of workers but provided drivers an income based on "engaged time," or time spent driving to a fare or with a passenger in the vehicle. Prior to passage of Proposition 22 in November 2020, economists found that the law would only guarantee $5.64 per hour to Uber and Lyft drivers in the state after accounting for vehicle operating expenses, the value of unpaid time spent waiting between fares, and payroll taxes (Jacobs and Reich, 2019). Similar analyses revealed that Proposition 22-style laws would only guarantee a minimum pay of $4.82 per hour in Massachusetts and $7.86 per hour in Illinois (Jacobs and Reich, 2021; Manzo, Petrucci, and Bruno, 2022). The Massachusetts' Supreme Judicial Court removed the Proposition 22-style ballot question in 2022 due to its vague and potentially misleading language (Kohli, 2022).

[1] Uber and Lyft, however, have promoted potential earnings of up to $35 per hour (Henao and Marshall, 2019).

Low wages coupled with the income instability of unpredictable work means that gig workers may be particularly stressed about their finances (Fleming, 2017). In May 2020, 30 percent of gig workers relied on Supplemental Nutrition Assistance Program (SNAP) food stamps and another 31 percent did not pay the full amount of their utility bills (Zipperer et al., 2022). To manage financial precarity, gig workers extend their workdays and weeks to make up periods of lost pay or work during "surge" hours (Prassl, 2018). Another logistical and financial challenge may arise from the difficulty of maintaining detailed records of job-related expenses and other information necessary to file taxes (Malin and Chandler, 2017). Platform-based gig workers may also face challenges with navigating evolving technologies that are necessary for them to conduct their work (Qadri, 2021). Furthermore, platform-based gig work can pose a number of health concerns: workers may feel pressured to violate traffic laws or continue driving despite tiredness or fatigue, leading to on-the-job injuries that, because of their independent contractor status, may not be covered by workers' compensation (Christie and Ward, 2019). App-based drivers are excluded from protections against discrimination or sexual harassment, despite experiencing these problems at disproportionately higher rates (Anderson et al. 2021).

This report by researchers at the Project for Middle Class Renewal (PMCR) at the University of Illinois at Urbana-Champaign and the Illinois Economic Policy Institute (ILEPI) investigates the working conditions of app-based drivers in the Chicago metropolitan area from a survey of more than 500 drivers. This report comes at a time when a Chicago Rideshare Living Wage and Safety Ordinance has been proposed that would raise driver pay, include an annual inflationary adjustment for per-mile and per-minute driver pay, cap rideshare companies' commission rates at 20 percent, and require passenger verification (Simmons, 2022). It also comes while the Biden Administration is proposing a new rule that would combat employee misclassification, restoring the "economic reality test" and making it more difficult for companies to claim their workers are independent contractors under the Fair Labor Standards Act (WHD, 2022). After a brief description of the methodology of the survey and the demographics of respondents, survey results are presented for drivers' employment, hours, incomes, health insurance, and driving expenses. The health and safety outcomes of app-based drivers are subsequently detailed before drivers' attitudes towards flexibility, their employment situation, and collective bargaining are shown. Options to improve the working conditions of app-based drivers in Chicago and in Illinois that follow from the survey responses are considered before a concluding section recaps key findings.

Survey Design and Descriptive Characteristics

Between November 9, 2021 and March 18, 2022, the Project for Middle Class Renewal (PMCR) at the University of Illinois at Urbana-Champaign commissioned a survey of workers who drive for at least one app-based rideshare or delivery platform in and around the Chicago

metropolitan area. The survey was conducted online using Qualtrics, an "experience management" company (Qualtrics, 2022). A total of 502 individuals working for one or more app-based driving service in and around the Chicago metro area completed the survey.[2] The standard margin of error for the survey results is ±4.4 percent.[3]

Nearly all survey respondents lived in the Chicago metropolitan area. Fully 84 percent of app-based drivers (420 respondents) lived within the City of Chicago, including 27 percent on the northside, 22 percent on the westside, 18 percent in the Loop or center part of the city, and 17 percent on the southside (Figure 1). Another 14 percent resided in the Chicago suburbs, including 7 percent in Cook County and 7 percent in the collar counties in Illinois. A handful of respondents (2 percent) were located in another part of Illinois or were from another state.

Figure 1: Place of Residence of App-Based Drivers In the Chicago Area, Sample

Place of Residence of the App-Based Driver Workforce in Chicago and Illinois	App-Based Driver Sample (Nov. 2021 – Mar. 2022	
	N =	*Pct.*
City of Chicago: Center or the Loop	89	17.7%
City of Chicago: North Side	138	27.5%
City of Chicago: West Side	109	21.7%
City of Chicago: South Side	84	16.7%
Cook County Suburbs	36	7.2%
Collar Suburbs in Illinois	34	6.8%
Out-of-State (e.g., Wisconsin, Indiana, etc.)	5	1.0%
Outside of the Suburbs but in Illinois	7	1.4%
Total Sample	502	100.0%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

The average app-based driver working in the Chicago metro area is 38 years old (Figure 2). The median driver is 36 years old. Most rideshare and app-based delivery services have minimum age requirements for their drivers. In Chicago, Uber drivers must be at least 25 years old and have at least one year of driving experience or have three years of licensed driving experience if they are under 25 years old (Uber, 2022). Lyft drivers must be at least 25 years

[2] 89 percent of survey respondents who perform app-based passenger transportation work for at least one platform. Many of these drivers perform app-based delivery services as well. Only 11 percent of survey respondents *only* perform app-based delivery services. Only respondents with IP addresses that had geotargeted latitudes and longitudes in and around the Chicago metropolitan statistical area (MSA) were included in the survey.

[3] The authors wish to thank participants at the 74th Annual Labor and Employment Relations Association (LERA) Conference on June 3, 2022 for helpful comments on an earlier version of this report.

old and have one year of driving experience (Lyft, 2022). As a result, the youngest app-based driver in the sample was 23 years old. The oldest was 76 years old (Figure 2).

Figure 2: Age Demographics of App-Based Drivers In the Chicago Area, Sample

Age Demographics of the App-Based Driver Workforce in Chicago and Illinois	App-Based Driver Sample (Nov. 2021 – Mar. 2022
	Years Old
Average Age	38.1
Lowest Age	23
Median Age	36
Highest Age	76

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Figure 3 displays the racial and ethnic background of app-based drivers. Based on the sample, 66 percent of app-based rideshare and delivery drivers in the Chicago metro area are white, 17 percent are Black, and 10 percent are Hispanic. By contrast, the comparable Chicago metro area workforce is 56 percent white, 14 percent Black, and 21 percent Hispanic—according to *American Community Survey* data from the U.S. Census Bureau (Ruggles et al., 2021). This means that white workers are overrepresented, Black workers are slightly overrepresented, and Hispanic workers are significantly underrepresented in the app-based driving sector. Asian drivers (5 percent) are a little underrepresented in the app-based driving workforce.

Figure 3: Race and Ethnicity of App-Based Drivers and the Local Workforce

Racial or Ethnic Background of the App-Based Driver Workforce in Chicago and Illinois	App-Based Driver Sample (Nov. 2021 – Mar. 2022		All Workers in the Chicago Area (2017 – 2019 ACS)
	N =	*Pct.*	*Pct*
White (non-Hispanic)	332	66.1%	55.6%
Black or African American (non-Hispanic)	85	16.9%	13.7%
Hispanic or Latinx	48	9.6%	21.0%
Asian or Pacific Islander (non-Hispanic)	23	4.6%	8.0%
All Other Racial or Ethnic Backgrounds	14	2.8%	1.7%
Total Sample	502	100.0%	100.0%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502. Authors' analysis of 2017-2019 *American Community Survey* (5-Year Estimates) by the U.S. Census Bureau (Ruggles et al., 2021). Note: "All Workers in the Chicago Area" are limited to those between the ages of 23 years old and 76 years old to compare with the sample of app-based drivers.

App-based drivers in the sample are disproportionately likely to be men (Figure 4). Men comprise 78 percent of all app-based drivers, compared to 53 percent of all workers in the Chicago metro area. Women account for 21 percent of drivers but are 47 percent of the entire

workforce in the Chicago metro area. The remaining app-based delivery drivers say they are transgender men, transgender women, or a "non-binary, non-conforming, or other" gender identification.[4] This gender breakdown aligns with previous research (Gridwise, 2020). While Uber reported that 60 percent of its employees worldwide were male in 2020, the data did *not* include drivers (Burgueño Salas, 2021). A July 2020 demographic survey of more than 750 rideshare drivers in the United States found that 77 percent of drivers were male (Gridwise, 2020).

Figure 4: Gender Identification of App-Based Drivers and the Local Workforce

Gender Identification of the App-Based Driver Workforce in Chicago and Illinois	App-Based Driver Sample (Nov. 2021 – Mar. 2022		All Workers in the Chicago Area (2017 – 2019 ACS)
	N =	*Pct.*	*Pct*
Man	394	78.5%	52.6%
Woman	106	21.1%	47.4%
Another Gender Identification*	2	0.4%	--
Total Sample	502	100.0%	100.0%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502. Authors' analysis of 2017-2019 *American Community Survey* (5-Year Estimates) by the U.S. Census Bureau (Ruggles et al., 2021). Note: "All Workers in the Chicago Area" are limited to those between the ages of 23 years old and 76 years old to compare with the sample of app-based drivers. *Respondents could select transgender woman, transgender man, or "non-binary, non-conforming, or other." These gender identifications are not available in surveys by the U.S. Census Bureau.

Figure 5: Educational Attainment of App-Based Drivers and the Local Workforce

Educational Attainment of the App-Based Driver Workforce in Chicago and Illinois	App-Based Driver Sample (Nov. 2021 – Mar. 2022		All Workers in the Chicago Area (2017 – 2019 ACS)
	N =	*Pct.*	*Pct*
Less than a High School Degree	33	6.6%	7.6%
High School Diploma or Equivalent	240	47.9%	38.3%
Associate Degree	129	25.7%	7.6%
Bachelor's Degree or Higher	99	19.8%	46.5%
Total Sample	502	100.0%	100.0%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502. Authors' analysis of 2017-2019 *American Community Survey* (5-Year Estimates) by the U.S. Census Bureau (Ruggles et al., 2021). Note: "All Workers in the Chicago Area" are limited to those between the ages of 23 years old and 76 years old to compare with the sample of app-based drivers.

App-based drivers generally have lower levels of educational attainment than the overall workforce (Figure 5). Fully 54 percent either have high school diplomas (or their equivalents)

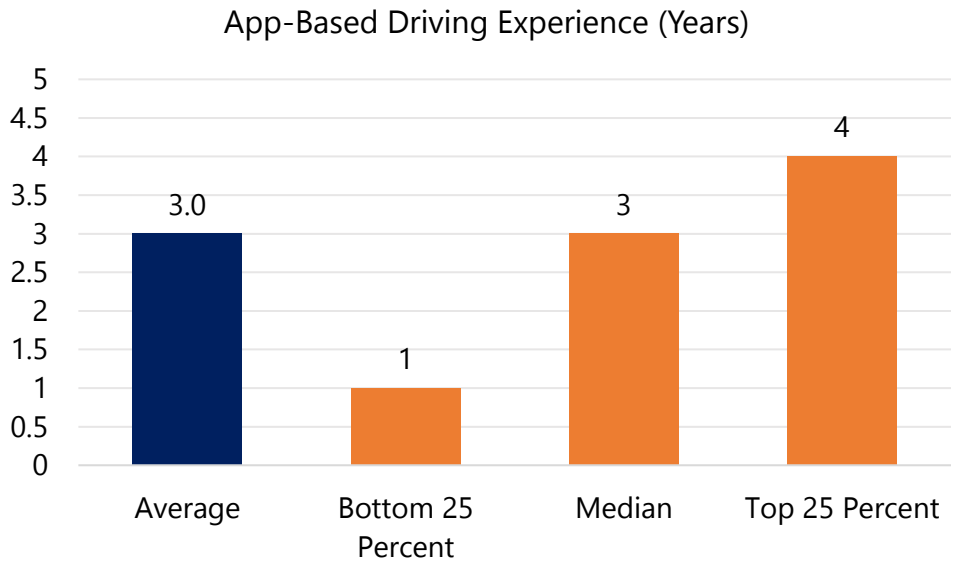
[4] Local comparisons are not available because these gender identifications are not included in Census Bureau survey data.

or do not have high school degrees. The other 46 percent have college degrees, including 26 percent with associate degrees and 20 percent with bachelor's or advanced degrees. The inverse is true in the broader Chicago area workforce, where 46 percent of workers have high school diplomas or do not have high school degrees and 54 percent have college degrees, including 8 percent with associate degrees and 46 percent with bachelor's, master's, professional, or doctoral degrees.

Employment and Hours

Drivers were asked how many years they have driven for at least one app-based platform.[5] The average app-based driver performing work in the Chicago metro area has three years of experience (Figure 6). The median is also three years. The newest quartile of drivers has been working for one year or fewer while the most experienced quartile has been working for four years or more. This means that the middle 50 percent of workers only have between one and four years of experience.

Figure 6: Experience Driving for At Least One App-Based Platform, Sample



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Research suggests that app-based drivers may maintain other full-time careers or part-time jobs and work in the "gig economy" to supplement their incomes, but that corporations like Uber and Lyft benefit substantially from workers who drive full-time (Hall and Krueger, 2017).

[5] Respondents were asked to say "0" years if they worked fewer than six months and "1" year if they worked six or more months but less than a full year.

For example, in Seattle, those driving for more than 32 hours per week accounted for 55 percent of all trips and a majority of drivers rely on their work for Uber and Lyft as their sole source of income (Parrott and Reich, 2020). Among workers for whom "gig economy" jobs provide their primary source of income, 80 percent say that an unexpected expense of $1,000 would be difficult to pay (Ivey, 2018).

Results from the survey of app-based drivers performing work in the Chicago metro area reveal that 58 percent view their driving as supplemental to other employment or income sources (Figure 7). More specifically, 45 percent of drivers have full-time jobs and do app-based driving on the side, 11 percent have one or more part-time jobs and do app-based driving on the side, and 2 percent are retired and do app-based driving for extra income—and these responses total 58 percent. By contrast, 23 percent are driving full-time for app-based platforms, 15 percent do it part-time but it is their only job, and 2 percent say app-based driving is their main source of income but that they do other work on the side. Together, these responses amount to 39 percent of drivers who view app-based driving as their primary employment activity (Figure 7).

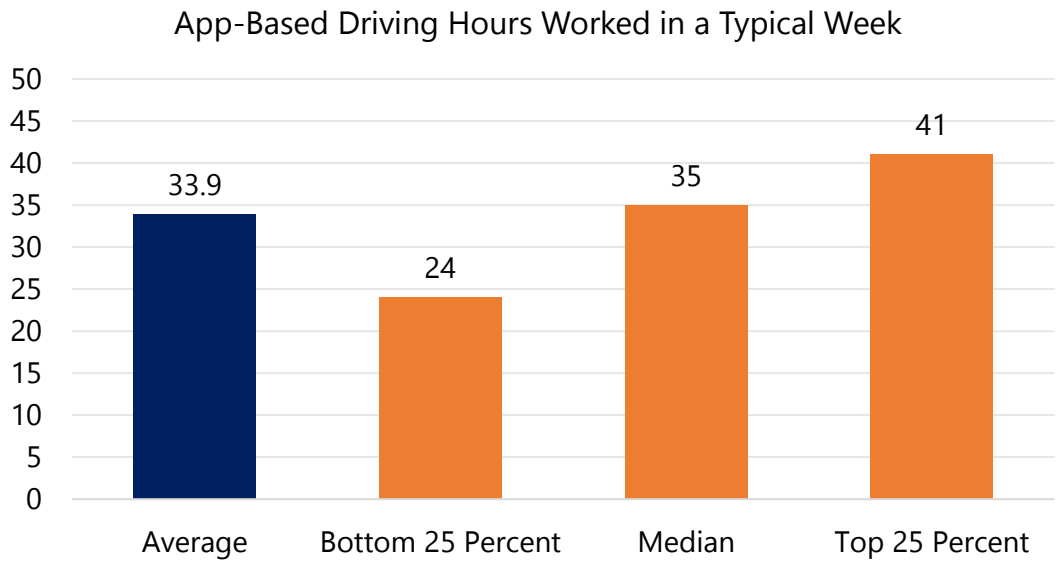
Figure 7: Best Description of App-Based Drivers' Employment Situation, Sample

"Which of the Following Best Describes Your Employment Situation?"	N =	Pct.
App-Based Driving as Supplemental Job Total	292	58.2%
Supplemental: Other Full-Time Job, Does App-Based Driving on the Side	*227*	*45.2%*
Supplemental: One or More Other Part-Time Jobs, App-Based Driving on the Side	*56*	*11.2%*
Supplemental: Retired and Does App-Based Driving for Extra Income	*9*	*1.8%*
App-Based Driving as Primary Job Total	197	39.2%
Primary: Does App-Based Driving Full-Time	*115*	*22.9%*
Primary: Does App-Based Driving Part-Time and Is Only Job	*73*	*14.5%*
Primary: App-Based Driving Is Main Source of Income, Other Work on the Side	*9*	*1.8%*
Something Else	13	2.6%
Total Sample	502	100.0%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Survey respondents were asked, "In a typical week, how many hours do you work for app-based transportation and delivery platforms?" (Figure 8). On average, drivers report working 34 hours per week. Most drivers (i.e., the middle 50 percent) work between 24 and 41 hours in a typical week. The median workweek is 35 hours. This indicates that, even if it is not their primary source of employment, drivers are still putting in significant hours in the "gig economy."

Figure 8: Typical Hours Worked Per Week for App-Based Driving Platforms, Sample



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

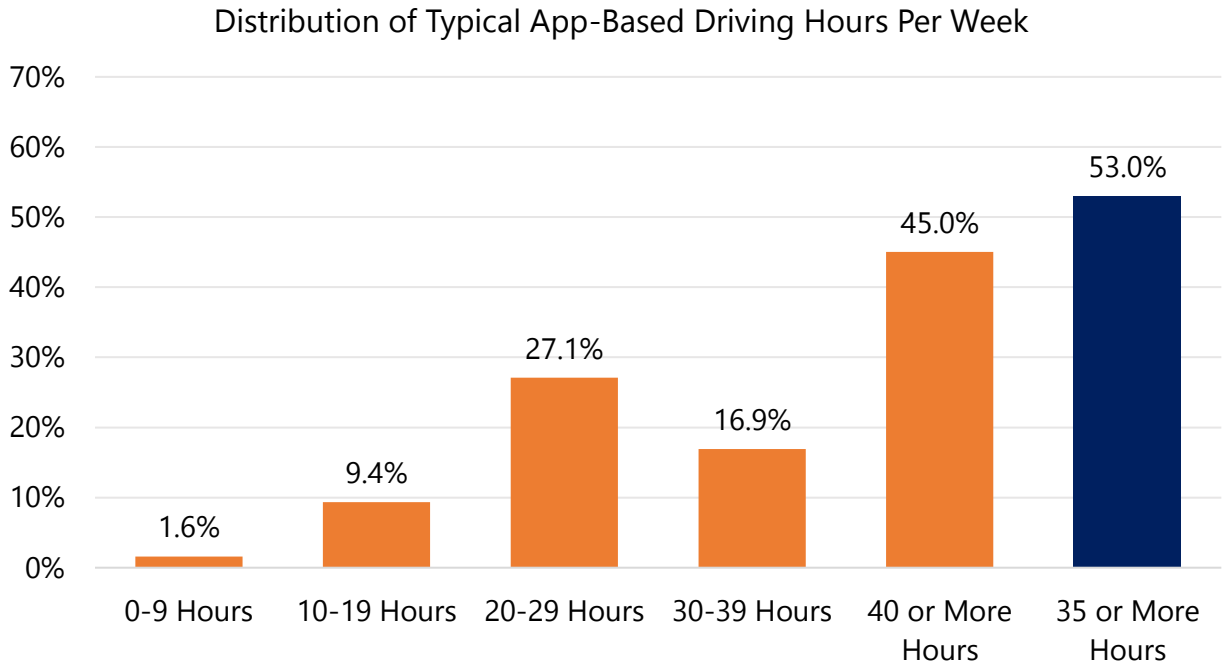
In fact, very few app-based drivers are working just a handful of hours to make a couple extra bucks (Figure 9). Only one-in-ten drivers (11 percent) works 19 or fewer hours in a typical week and three-in-ten (27 percent) work between 20 and 29 hours per week. By contrast, six-in-ten work 30 or more hours per week, including 17 percent putting in between 30 and 39 hours and 45 percent working 40 hours or more. Over half of all drivers (53 percent) work 35 hours for app-based rideshare and delivery services in a typical week.

App-based platforms like Uber and Lyft often categorize drivers' time in three distinct "phases." Phase one, or P1, is time spent waiting for passengers to request rides. Phase two, or P2, is time spent picking up passengers or returning after dropping off passengers from long trips. The final phase, or P3, is the time that is spent driving with passengers in their vehicles. California's Proposition 22 and similar legislative initiatives establish minimum levels of pay based on drivers' "engaged time," which only includes P2 and P3 when they are driving to pick up passengers and when they are transporting passengers in their vehicles (Jacobs and Reich, 2019; Gerstein, 2021). As a result, Proposition 22 and similar legislative proposals only guarantee (after expenses) minimum wages of $5.64 per hour to Uber and Lyft drivers in California, $4.82 per hour in Massachusetts, and $7.86 per hour in Illinois (Jacobs and Reich, 2019; Jacobs and Reich, 2021; Manzo, Petrucci, and Bruno, 2022).

App-based drivers performing work in the Chicago metro area were asked to select from a range (0 percent to 100 percent) to indicate the percentage of their total hours spent on these activities. Respondents were reminded that the total should equal 100 percent, although they were not required to provide an exact calculation. Results are limited to 449 survey

respondents who work for at least one app-based passenger transportation service (89 percent of all drivers). The other 53 respondents (11 percent of all drivers) only performed app-based delivery services and did not have any fare-paying passengers.

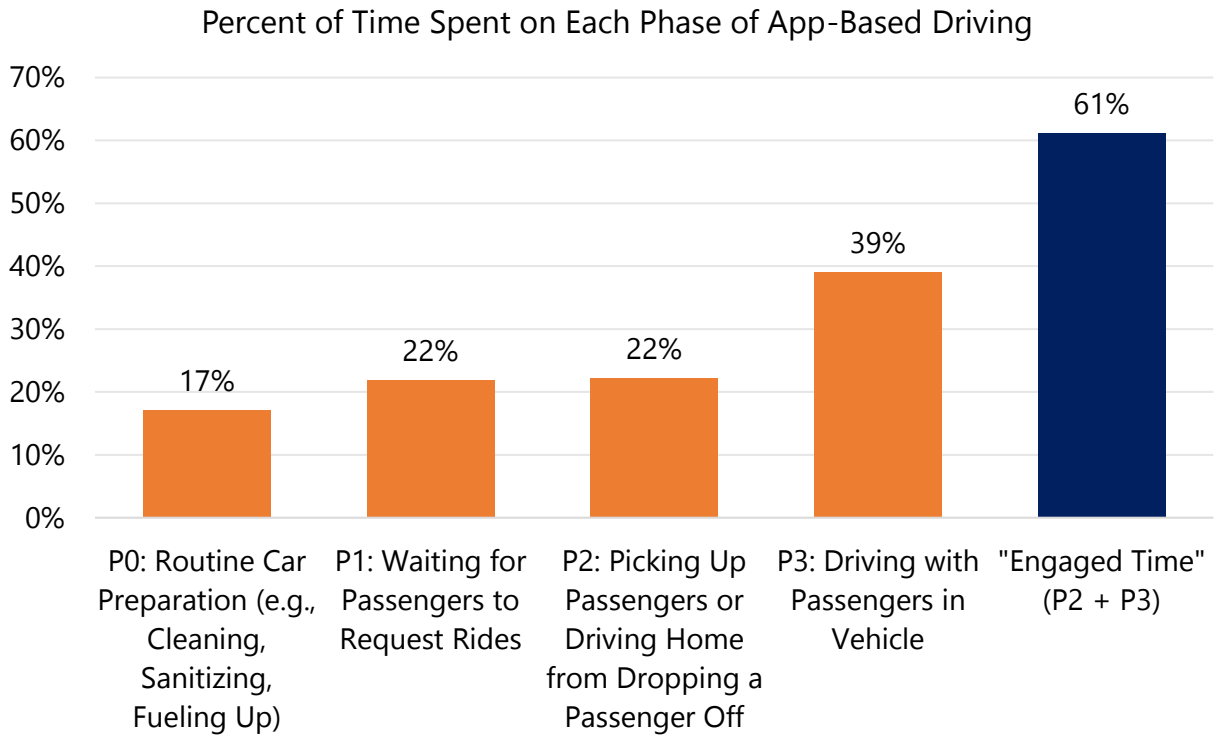
Figure 9: Distribution of Typical Workweek for App-Based Drivers, Sample



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

On average, "engaged time" accounts for 61 percent of app-based rideshare drivers' hours in the Chicago metro area (Figure 10). Drivers said they spend 39 percent of their time transporting passengers and 22 percent of their time driving to pick up passengers or returning home. Another 22 percent of their work time is spent waiting for ride hails. Drivers also said that they spend 17 percent of their time on routine vehicle maintenance like cleaning, sanitizing, and fueling up. Note that a 2019 report commissioned by Uber and Lyft found that approximately 65 percent of Uber and Lyft drivers' miles driven in Chicago fall under "engaged time" (Fehr & Peers, 2019). Although the 61 percent "engaged time" estimate from the November 2021 through March 2022 survey of actual drivers is similar, there is an important difference between the two approaches. While the Uber and Lyft commissioned report focused on *vehicle miles traveled*, this survey focuses on *hours worked*. That is because routine vehicle preparation activities like cleaning and fueling up are not captured in vehicle miles traveled (i.e., the car does not move) but do take up drivers' time, constraining them from accepting other rides and earning additional income.

Figure 10: Percent of Hours on App-Based Platform Driving Activities (or "Phases"), Sample



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). The sample size for this question is 449 respondents (*N*= 449). Results were limited to respondents performing work for at least one app-based passenger transportation service. Those who only deliver food, groceries, goods, and pets were omitted from the analysis.

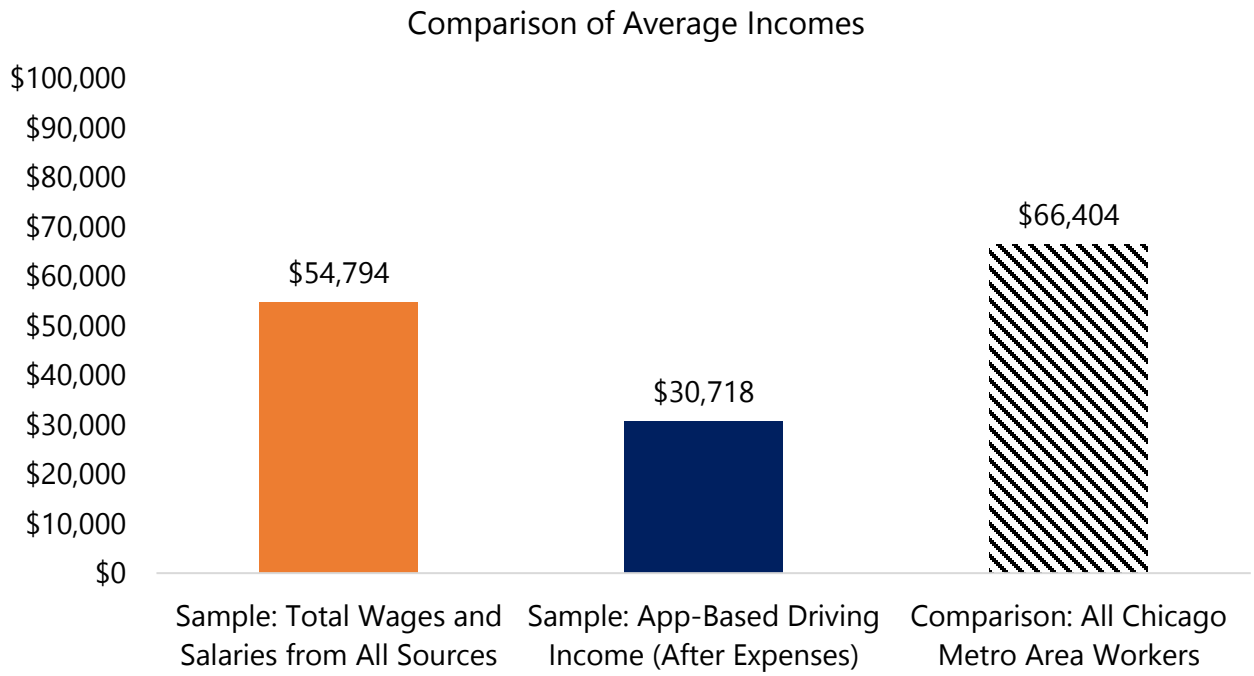
Income and Health Insurance

Drivers were asked about their annual income from all jobs as well as their annual income specifically from app-based platform work (Figure 11).[6] The results show that app-based drivers tend to be lower-paid than the rest of the Chicago metro area workforce. The average respondent earns about $54,800 in annual wage and salary income. However, they only earn an average of $30,700 in net income from doing app-based platform work after expenses and deductions. By contrast, their counterparts in the overall Chicago metro area earn an average income of $66,400 per year. The sample of app-based drivers thus earns 17 percent less

[6] The two questions were "In the past 12 months, how much did you earn in income from wages and salaries (from all jobs)?" and "In the past 12 months, how much did you earn in income from doing app-based platform or 'gig economy' work after expenses or deductions? (Note: If 'gig economy' work is your only source of income, this number should match the previous question)."

annually than their peers, and their incomes in the app-based sector are 54 percent below the average in the local labor market.

Figure 11: Average Incomes of App-Based Drivers and the Local Workforce



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). The sample size for this question is 486 respondents (*N*= 486). Results were limited to respondents with positive earnings in both categories—the total wages and salaries from all sources and the income from app-based driving after expenses—and were omitted if income was reported as $0 to either or both questions. Authors' analysis of 2017-2019 *American Community Survey* (5-Year Estimates) by the U.S. Census Bureau (Ruggles et al., 2021). Note: "All Workers in the Chicago Area" are limited to those between the ages of 23 years old and 76 years old with positive earnings to compare with the sample of app-based drivers.

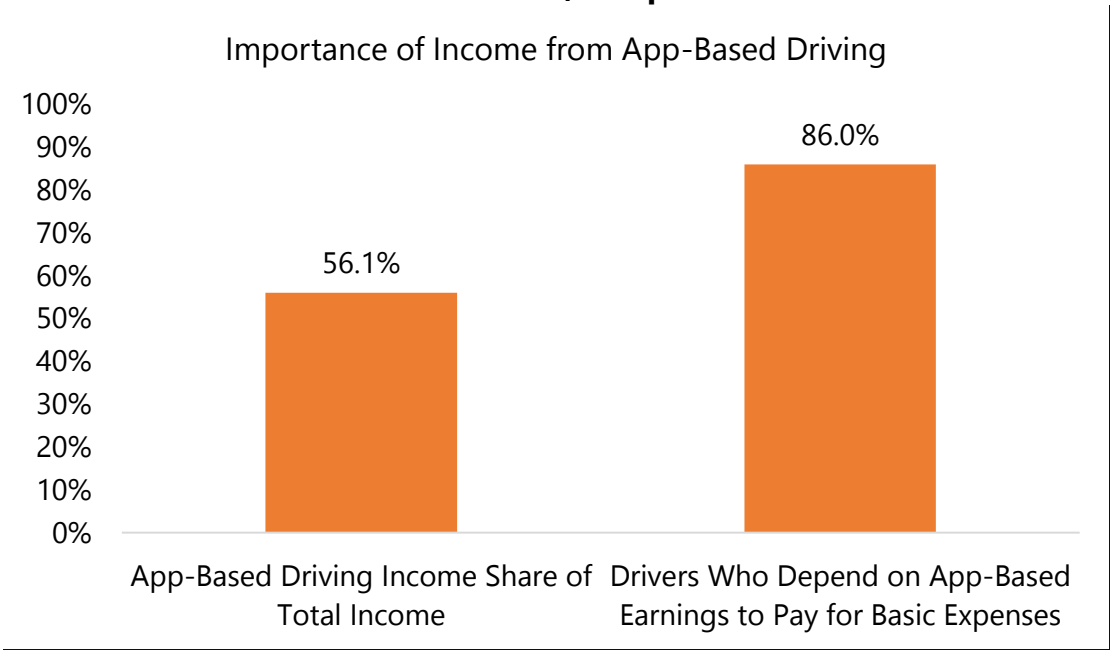
App-based earnings are crucial to the personal finances of those performing rideshare and delivery services (Figure 12). The net income they earn from app-based driving accounts for 56 percent of their total income. Moreover, 86 percent of respondents say that they depend on their app-based earnings "to pay for basic expenses, such as food, housing, and utilities."

Rates of hourly pay can be imputed from these survey results (Figure 13). The average driver earns $30,718 after expenses and deductions and works just under 34 hours per week—or 1,765 hours over the 52 weeks during the year. Dividing average net annual income by total hours per year translates into an average hourly wage of $17.42 per hour. The median worker earning $30,000 from driving over 35 hours per week earns $16.48 per hour.

These estimates are slightly above other recent estimates of Uber and Lyft drivers in Chicago, which find that the average driver only earns $12.72 per hour in W-2 equivalent wages after expenses (Manzo, Petrucci, and Bruno, 2022). This difference could be explained by the

inclusion of food, grocery, and pet delivery services in the current survey or by drivers not factoring in certain costs, such as vehicle depreciation or the employer portion of Social Security and Medicare taxes from their treatment as independent contractors, when asked about their income after expenses and deductions. The previous study only explored app-based passenger transportation drivers and did take these costs into account to provide an hourly rate of pay equivalent to workers classified as traditional employees (Manzo, Petrucci, and Bruno, 2022).

Figure 12: Importance of Income that Comes from Driving for App-Based Platforms, Sample



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). The sample size for this question is 486 respondents (*N*= 486). Results were limited to respondents with positive earnings in both categories—the total wages and salaries from all sources and the income from app-based driving after expenses—and were omitted if income was reported as $0 to either or both questions.

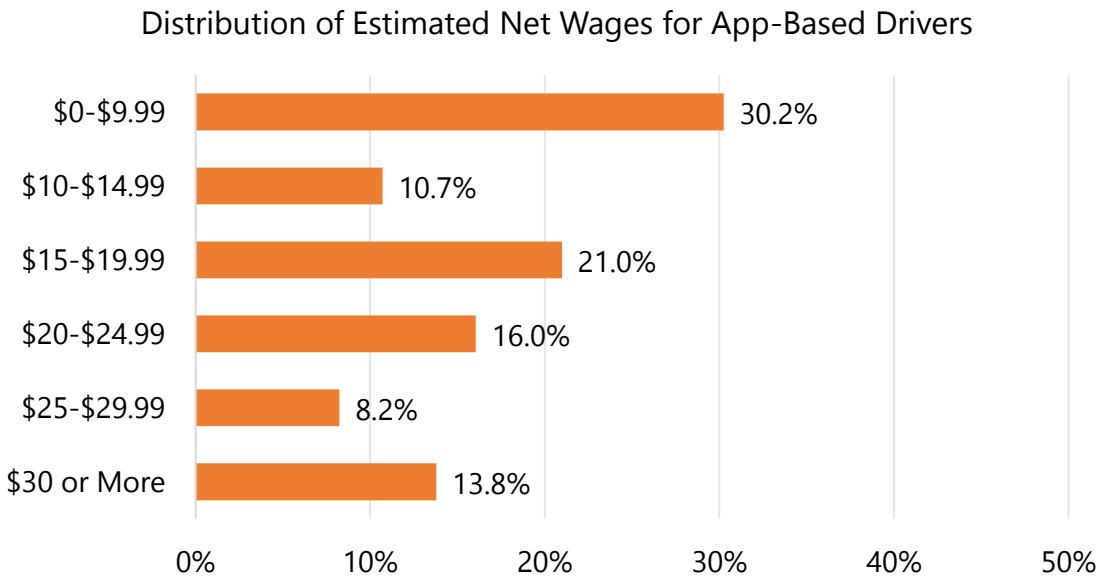
Figure 13: Estimated Hourly Wage After Expenses for App-Based Drivers, Sample

Hourly Wage of the App-Based Driver Workforce	Income from App-Based Driving	Hours of App-Based Driving	Hours Over 52 Weeks Per Year	Imputed Hourly Wage After Expenses
Average	$30,718	33.9	1,765	$17.42
Median	$30,000	35.0	1,820	$16.48

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). The sample size for this question is 486 respondents (*N*= 486). Results were limited to respondents with positive earnings in both categories—the total wages and salaries from all sources and the income from app-based driving after expenses—and were omitted if income was reported as $0 to either or both questions.

Many app-based rideshare and delivery drivers earn less than $15 per hour, which was the minimum wage in the City of Chicago at the time of the survey (BACP, 2022) (Figure 14). More than four-in-ten drivers (41 percent) earned less than $15 per hour, including 30 percent who earned less than $10 per hour. This corroborates a recent national survey which found that 64 percent of gig workers earn less than $15 per hour and 29 percent earn less than their state minimum wage (Zipperer et al., 2022). Conversely, although corporations like Uber and Lyft say that drivers *can* earn over $30 per hour, only a small percentage actually *do* achieve this level of compensation (Henao and Marshall, 2019; ICIW, 2023). In Chicago and in Illinois, just 14 percent of drivers earn at least $30 per hour. The typical driver earns much less.

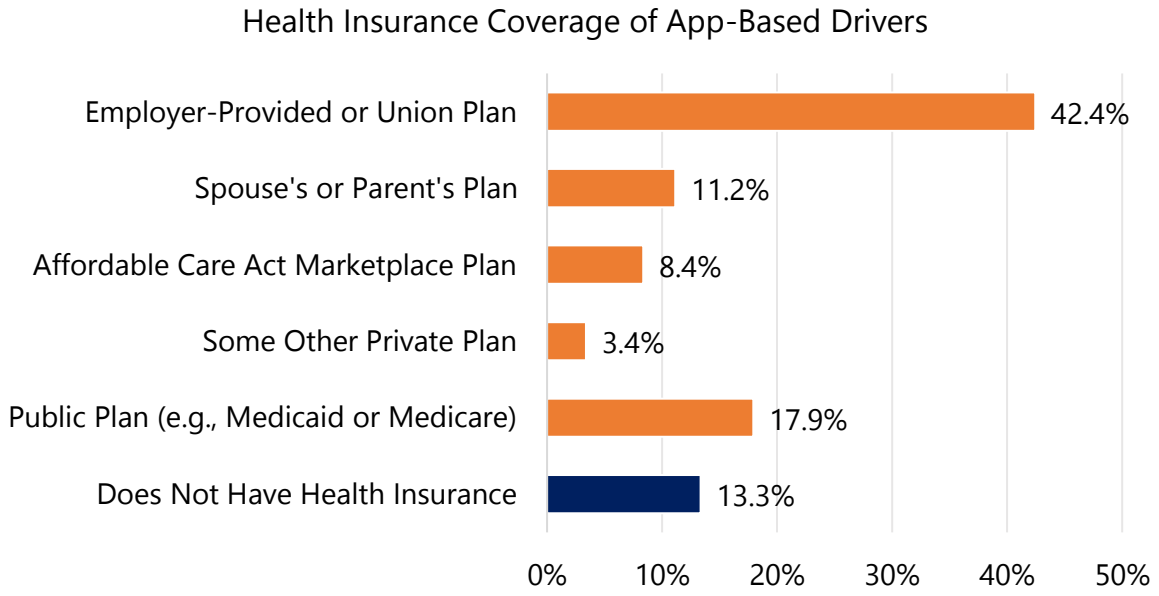
Figure 14: Distribution of Imputed Wages After Expenses for App-Based Drivers



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). The sample size for this question is 486 respondents (*N*= 486). Results were limited to respondents with positive earnings in both categories—the total wages and salaries from all sources and the income from app-based driving after expenses—and were omitted if income was reported as $0 to either or both questions.

When respondents were asked if they have health insurance coverage, 42 percent say they are covered by employer-provided or union plans and 11 percent are on their spouses' or parents' plans (Figure 15). Another 8 percent are covered by Affordable Care Act marketplace plans and 18 percent rely on public plans like Medicaid and Medicare. While 87 percent of app-based drivers have some form of health insurance coverage, 13 percent remain uninsured. In this low-paid workforce, a total of 40 percent of app-based drivers are either uninsured or are covered by taxpayer-funded plans like Medicaid or by taxpayer-subsidized plans under the Affordable Care Act (Figure 15).

Figure 15: Health Insurance Coverage of App-Based Drivers, By Type, Sample



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Figure 16: Health Insurance Metrics of App-Based Drivers vs. the Local Workforce

Health Insurance Coverage of the App-Based Driver Workforce in Chicago and Illinois	App-Based Driver Sample (Nov. 2021 – Mar. 2022		All Workers in the Chicago Area (2017 – 2019 ACS)
	N =	*Pct.*	*Pct*
Employer-Provided or Union Coverage	213	42.4%	74.9%
Other Private Coverage (Including the ACA)	132	22.9%	8.1%
Public Coverage	90	17.9%	12.5%
Not Coverage (Uninsured)	67	13.3%	8.9%
Total Sample	502	100.0%	100.0%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). Authors' analysis of 2017-2019 *American Community Survey* (5-Year Estimates) by the U.S. Census Bureau (Ruggles et al., 2021). Note: "All Workers in the Chicago Area" are limited to those between the ages of 23 years old and 76 years old to provide compare with the sample of app-based drivers.

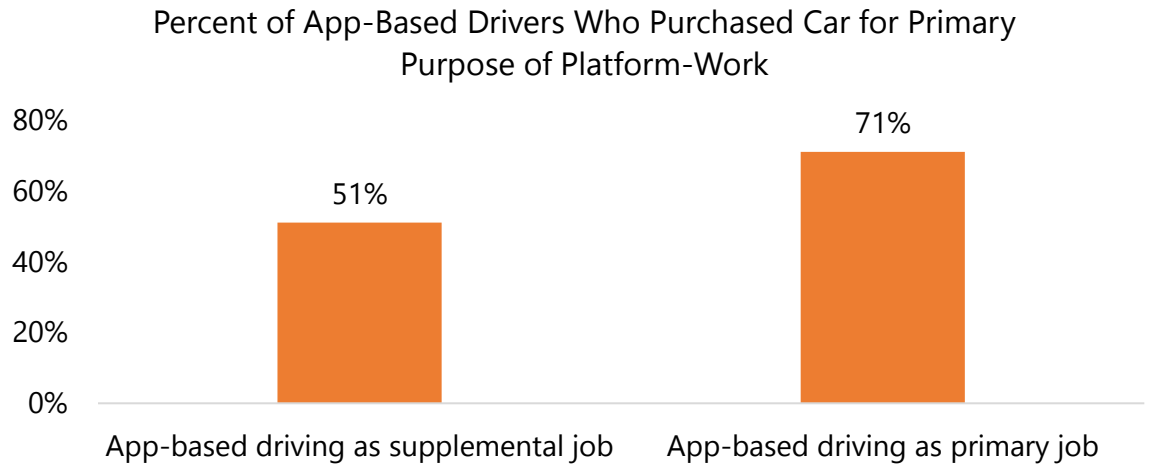
To put this in context, app-based drivers not only tend to earn relatively low pay, but they are also less likely to have health insurance and more likely to rely on government assistance for their health care coverage (Figure 16). While 18 percent of app-based drivers are on public health insurance plans and 13 percent are uninsured, comparable rates among Chicago area workers are just 13 percent with public coverage and 9 percent without insurance.

On-the-Job Driving Expenses

Under their current treatment as independent contractors, app-based drivers are responsible for the costs of owning and operating their vehicles. Fully 59 percent of drivers in this study purchased their car with the primary purpose of driving for app-based transportation and delivery platforms. Those who identified platform-based work as their primary job were more likely to purchase a car primarily for work than those working platform-based work as a supplemental job (Figure 17).

Estimating app-based driver expenses has been fraught in the research on app-based drivers. The American Automobile Association's (AAA) driving costs reports have been used to estimate app-based driver expenses. These assessments measure the true cost of operating (fuel and maintenance) and owning (insurance, license, registration, taxes, depreciation) a car. Hall and Krueger did provide estimates for Uber drivers using AAA's model (Hall and Krueger, 2018). However, they estimated expenses based on someone who drives a maximum of 20,000 miles per year, far under the miles driven by the average rideshare driver (Berg and Johnson, 2019).

Figure 17: Percent of App-Based Drivers Who Purchased Car for Primary Purpose of Platform-Work by Job Status



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022).

Using Chicago-based data, app-based drivers drive about 24 miles per hour (Manzo, Petrucci, and Bruno, 2022).[7] Chicago drivers who fall into the bottom 25 percent of weekly hours in this sample still drive well over 20,000 miles per year. Workers who drive 35 hours per week, or 1,820 hours per year, can total as many as 43,680 miles per year. Thus, Figure 18 provides

[7] The 24 miles per hour statistic refers to miles per hour while passengers are in the car. Drivers may driver slower or faster without passengers present.

estimates for yearly expenses for 20,000 miles per year as well as 40,000 miles per year to provide a more accurate picture of the actual costs that drivers are likely to incur (Figure 18).

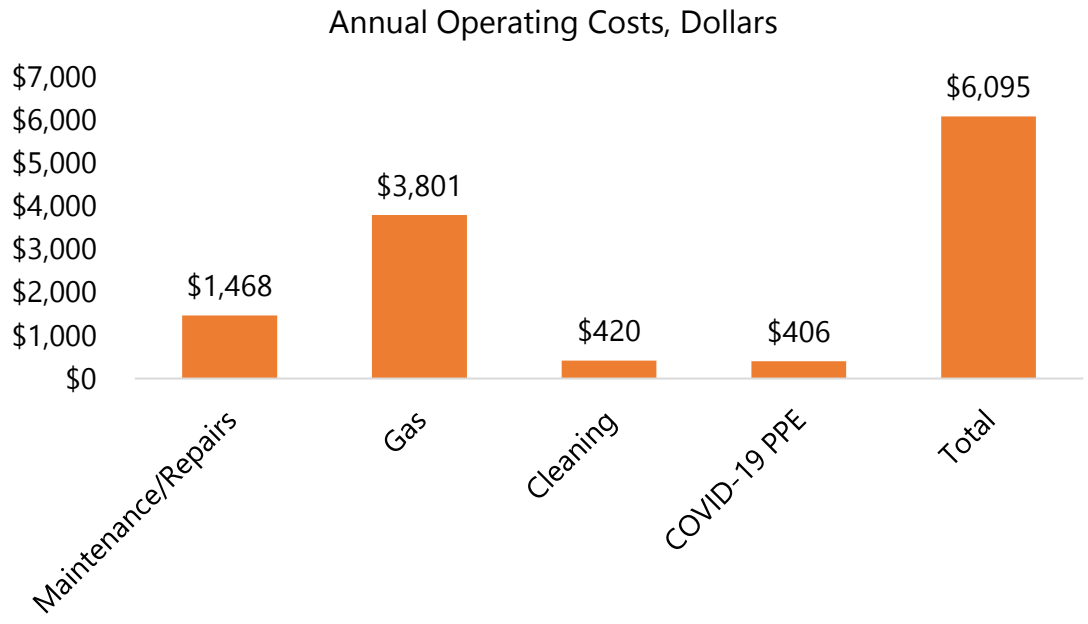
Figure 18: Estimated Yearly Expenses by Selected Vehicle Type by Miles Driven

Car Type	20,000 Miles Per Year	40,000 Miles Per Year
Small Sedan	$8,249	$11,616
Medium Sedan	$10,538	$14,443
Compact SUV	$9,695	$13,565
Medium SUV	$11,381	$15,829

Source(s): Authors' analysis of the American Automobile Association's (AAA) *Driving Costs Report* (AAA, 2021).

The cost of owning and operating a car, however, only makes up a portion of the expenses incurred by drivers (Figure 19). Drivers reported that they spent an annual amount of $1,468 for vehicle maintenance and repairs and $3,801 for gas. Drivers also paid an average of $420 over the course of 12 months on non-COVID-19 related cleaning materials. Additionally, drivers incurred COVID-19 related cleaning costs during the survey period. Unlike some traditional employees, drivers who risked their safety and continued to work did so without hazard pay. Despite app-based platform companies claiming they provided adequate personal protective equipment, 94 percent of workers said they spent an average of $406 "specific on COVID-19 precautions" (Bidar, 2021). In fact, Lyft opened an online store to sell protective gear in 2020 rather than provide drivers with safety materials free of charge.

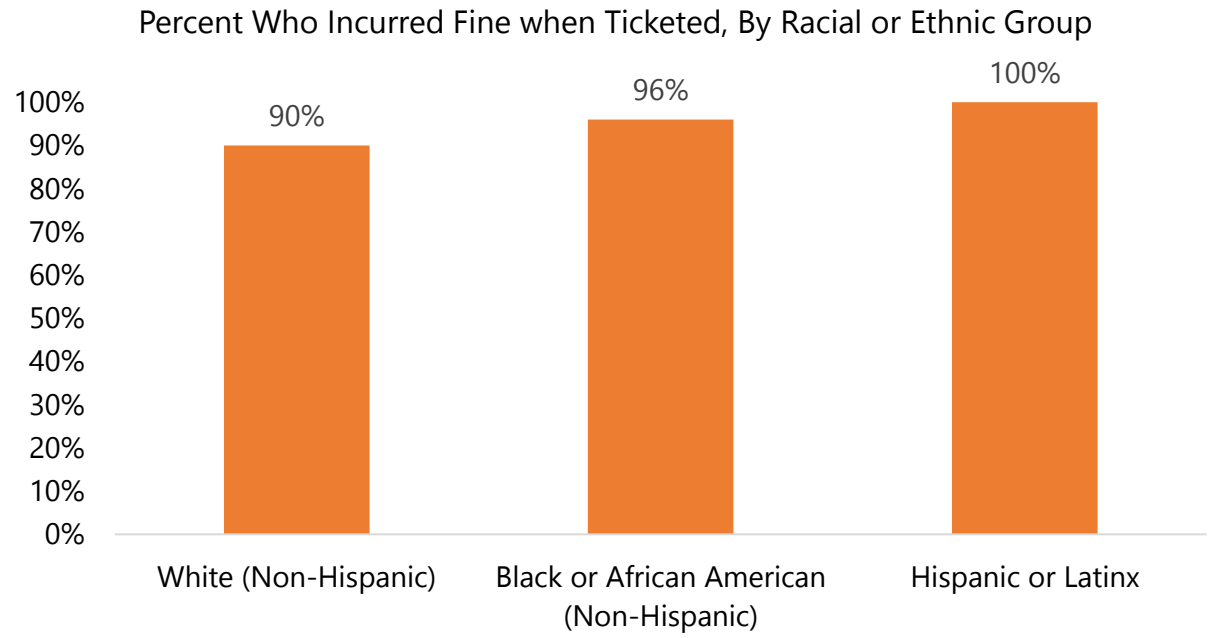
Figure 19: Annual Operating Costs by Type, Dollars



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022).

Beyond the expected costs of being professional app-based drivers, workers may incur the unexpected but routine cost of traffic tickets (Figure 20). App-based drivers are incentivized to pick up as many passengers as possible and to pick up and drop off passengers as quickly as possible for positive reviews, so drivers can experience pressure to violate traffic regulations (Christie and Ward, 2019). It is therefore not surprising that 64 percent of drivers have incurred ticket costs, averaging about $339 over the past 12 months. For those who did receive a ticket, there were racial and ethnic disparities regarding fines: 100 percent of Hispanic drivers who were ticketed incurred a fine, compared with 96 percent of Black drivers and 90 percent of white drivers. This is reflective of research in Illinois that shows that Black and Hispanic drivers are more likely to be stopped than their white counterparts, and more likely to incur traffic penalties (Hopkins and Sanchez, 2022).

Figure 20: Percent of Drivers Ticketed who Incurred Costs, By Racial or Ethnic Group



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). Note: Participants who did not incur a cost were excluded, leaving a total of 269 respondents. *N*= 269.

Health, Safety, and Harassment

App-based drivers are subject to significant health and safety risks that result from frequent travel. For example, one study found that "over 37 percent of drivers report muscle or joint pain," especially located in their back and neck (Caban-Martinez et al., 2020). About 69 percent of drivers in the Chicago metro area report they experience pain at least a few times a month because of their app-based driving (Figure 21). Moreover, 40 percent of drivers also

report having suffered injuries and illnesses (Figure 22). As drivers are not eligible for paid medical leave or workers' compensation, this leaves them especially vulnerable at work.

Figure 21: Frequency of Experiencing Job-Related Pain, Sample

"How Often Do You Experience Pain as a Result of Driving for an App-Based Platform?"	N =	Pct.
One or More Per Day	34	6.8%
About Once a Week	52	10.4%
A Few Times a Week	67	13.3%
About Once a Month	84	16.7%
A Few Times a Month	107	21.3%
I Never Experience Pain as a Result of Driving for an App-Based Platform	158	31.5%
Total Sample	502	100.0%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Figure 22 Injury or Illness as a Result of App-Based Driving, Sample

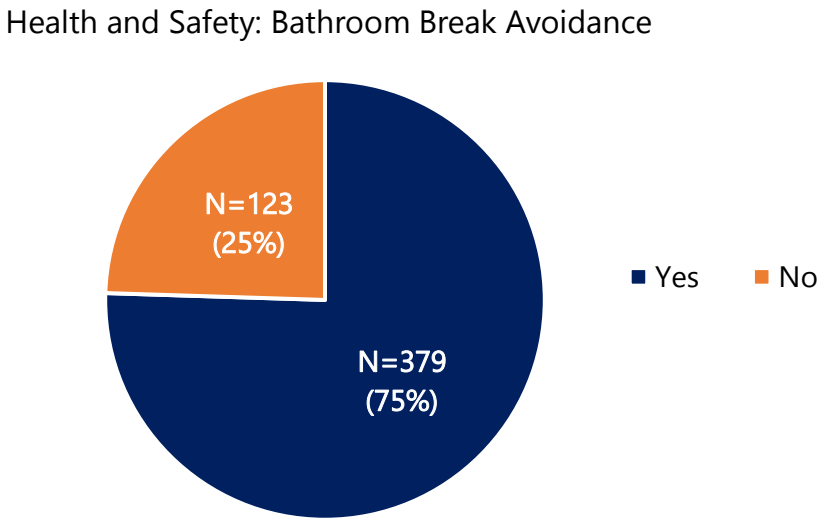
"Have You Ever Been Injured or Suffered an Illness as a Result of Your Work Driving for an App-Based Platform?"	N =	Pct.
I Have Been Injured Due to a Crash or Accident	64	12.7%
I Have Been Injured Due to a Passenger	56	11.2%
I Have Suffered a Non-COVID-19-Related Illness	27	5.4%
I Know or Believe that I Contracted COVID-19	28	5.6%
I Have Been Injured for Some Other Reason	49	9.8%
I Have Never Been Injured or Suffered an Illness	302	60.2%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502. Participants could select multiple injuries or illnesses.

In addition to illness and injuries, 75 percent of drivers said they avoid taking bathroom breaks while working for app-based platforms (Figure 23). Other research has shown that, in order to avoid bathroom breaks, taxi drivers may limit the amount of liquids they drink while on the job (Facey, 2003). This is especially concerning as dehydration can negatively impact driving performance and increase driving errors (Watson et al., 2015).

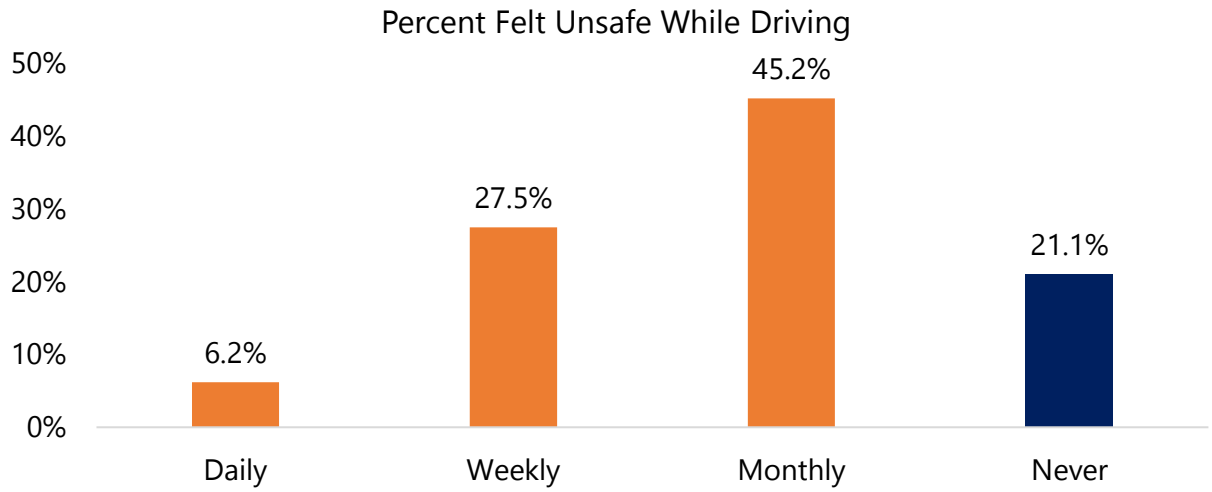
The fact that app-based drivers work in their cars without intervention from employers or support from colleagues can also make them vulnerable to safety risks from customers (Almoqbel and Wohn, 2019). Chicago area drivers in this sample report high rates of feeling unsafe. Nearly half (45 percent) of drivers report that they feel unsafe between one and a few times per month, and 6 percent report that they feel unsafe daily (Figure 24). While feeling unsafe was common among all drivers (79 percent), a greater proportion of women (87 percent) and people of color (86 percent) report that they feel unsafe at least once a month (Figure 25).

Figure 23: Sample Response to "In the Past 12 Months, Have You Ever Avoided Taking a Bathroom Break While Working for an App-Based Platform?"



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

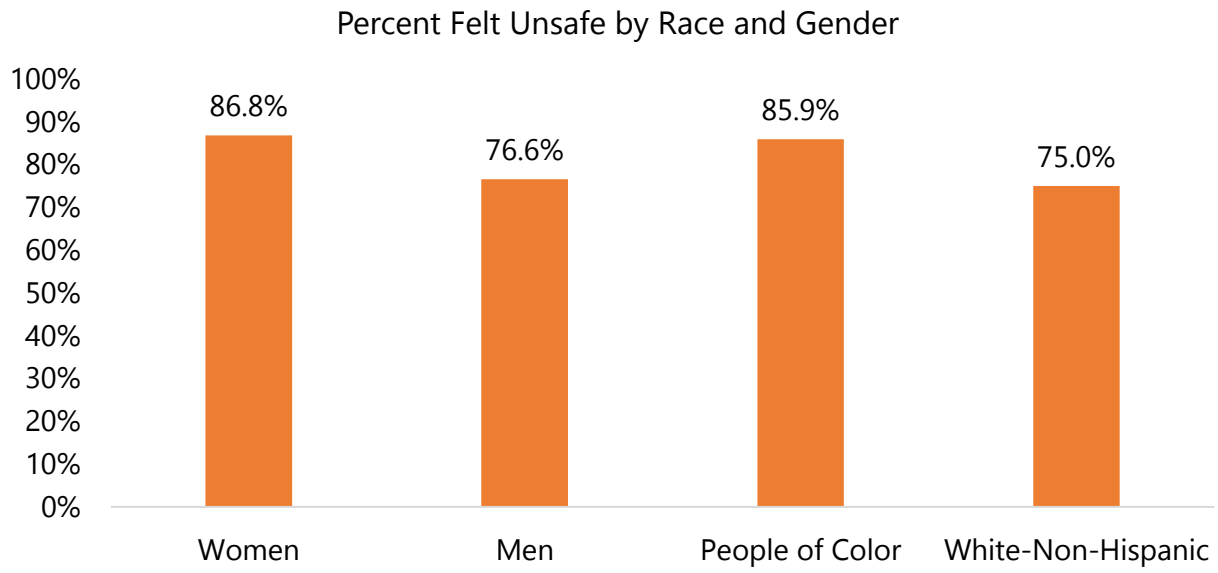
Figure 24: Percent Felt Unsafe While Driving by Day, Week, and Month



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

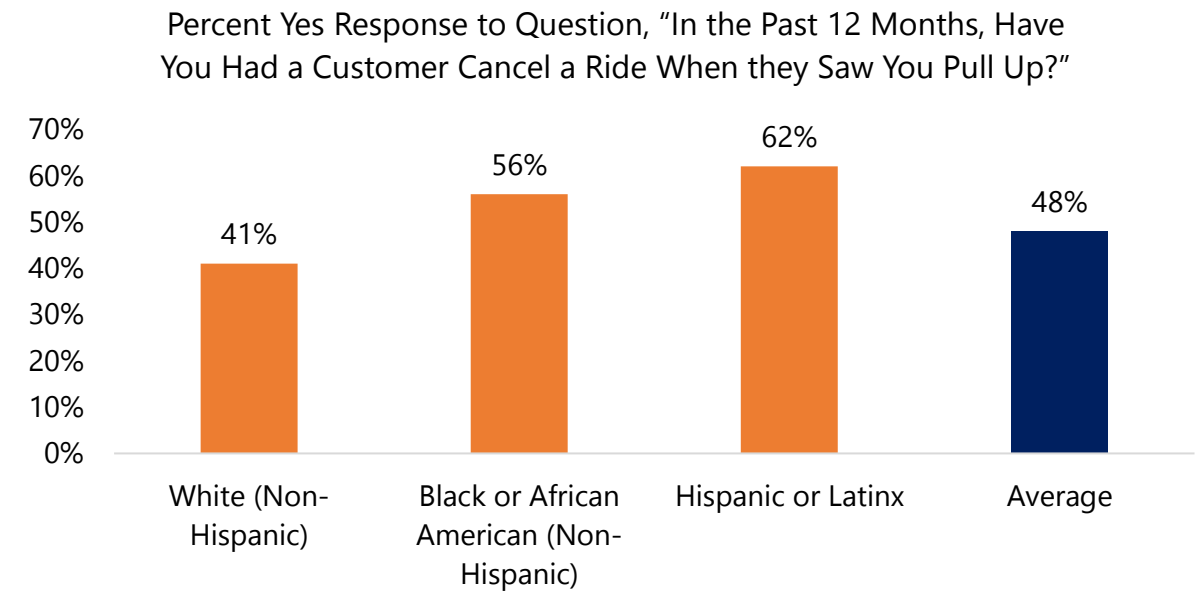
Black and Hispanic drivers were also more likely to report that a customer canceled their ride upon seeing the driver pull up (Figure 26). While 41 percent of white drivers report that a customer has canceled their ride upon seeing them, 56 percent of Black or African American drivers and 62 percent of Hispanic drivers report ride cancellations, which may suggest racial discrimination.

Figure 25: Percent Felt Unsafe At Least Once Per Month, by Race and Gender



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago Qualtrics, 2022). *N*= 502.

Figure 26: Customer Cancellation by Racial or Ethnic Group

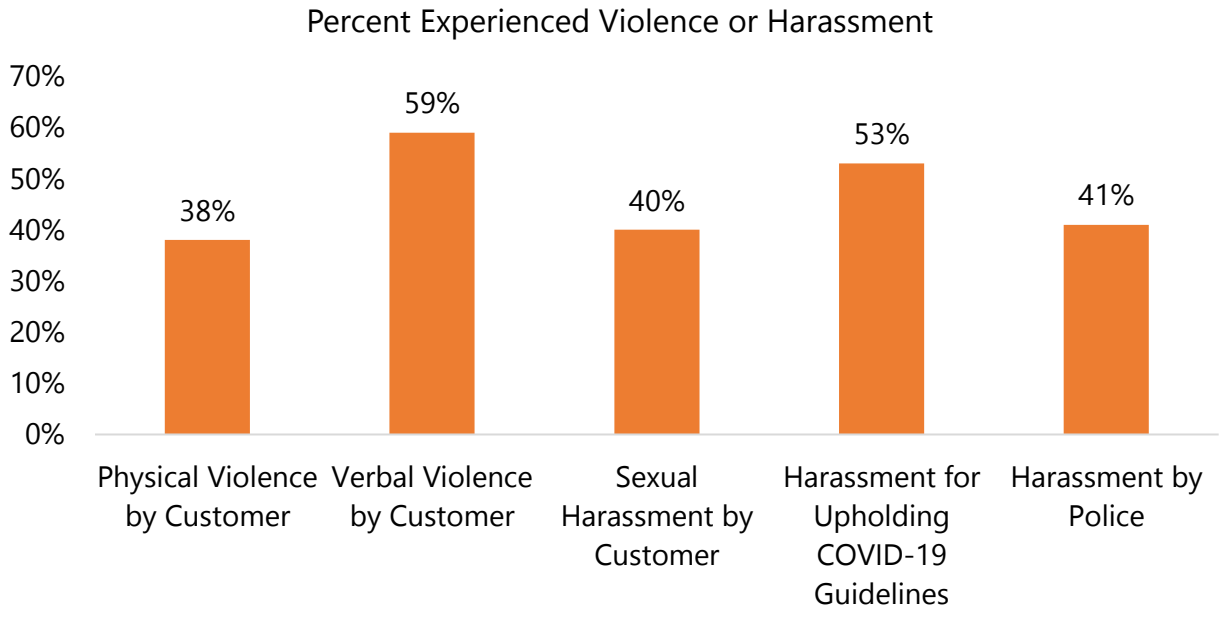


Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago Qualtrics, 2022). *N*= 502.

High shares of drivers in the Chicago metro area also experience violence and harassment while working for app-based platforms (Figure 27). Verbal violence was the most common form of violence or harassment, experienced by 59 percent of drivers. Another 53 percent report that they experienced harassment by customers for upholding the local public health guidelines, such as mask mandates, during the COVID-19 pandemic. Four-in-ten drivers (41

percent) have experienced some form of harassment by the police. Finally, sexual harassment was prevalent, with 40 percent of drivers reporting they have experienced sexual harassment—including 62 percent of women and 34 percent of men.

Figure 27: Percent Experienced Violence or Harassment in the Last 12 Months While Working for App-Based Platform



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Determining rates of sexual harassment in the workplace can be difficult, as those who survive harassment or assault may feel shame, fear retaliation, or experience institutional betrayal, creating barriers to reporting (Smith and Freyd, 2014). Thus, studies examining the number of sexual harassment reports may underestimate the actual prevalence of sexual harassment. Moreover, survey research capturing rates of sexual harassment regardless of whether the harm was reported depends on a consistent understanding of the term by respondents. As independent contractors, app-based drivers receive no training on sexual harassment and lack the organizational infrastructure to prevent or intervene in harassment.

A 2009 study estimated the total prevalence rate of workplace sexual harassment to be 47 percent, including 52 percent for women and 43 percent for men (Rospenda, Richman, and Shannon, 2009). According to another study conducted by Pew Research Center, 19 percent of app-based drivers and other gig platform workers (22 percent of women and 15 percent of men) had experienced at least one unwanted sexual advance while performing the work (Anderson et al. 2021).[8] One study which used data from the 1992 U.S. National Health and

[8] The analysis includes those "driving for a ride-hailing app; shopping for or delivering groceries or household items; performing household tasks like cleaning someone's home or assembling furniture, or running errands like picking up

Social Life Survey found that 41 percent of women and 32 percent of men have reported workplace harassment in their lifetime (Das, 2008).

With high numbers of workers reporting that they have experienced forms of violence and harassment, it is perhaps unsurprising that many drivers took precautionary steps to protect themselves (Figure 28). A total of 89 percent of app-based drivers took at least one step to protect themselves from violence while working for an app-based platform. This includes 57 percent who say they installed cameras on their dashboards, 31 percent who have carried non-lethal weapons such as mace, 25 percent who have taken self-defense classes, and 17 percent who say they have carried lethal weapons even though Uber, Lyft, and other platform companies prohibit their drivers (and passengers) from doing so (Lomibao, 2019). For those who selected "other," some of the steps respondents reported taking to protect themselves included being alert of surroundings and passengers, not working late nights, choosing trips more carefully, only doing food deliveries, and having a wide-angle rear mirror.

Figure 28: Steps Taken for Protection, Sample

"What Steps, if Any, Have You Taken to Protect Yourself Personally from Violence While Working for an App-Based Platform?	N =	Pct.
Carried a Lethal Weapon	86	17.1%
Carried a Non-Lethal Weapon, Such as Mace	157	31.3%
Took a Self-Defense Class	125	24.9%
Installed a Dashcam	286	57.0%
Other	16	3.2%
None	57	11.4%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502. Participants could select multiple steps.

Flexibility, Employment Status, and Unions

One argument that is sometimes made in favor of maintaining app-based drivers' current treatment as independent contractors is that drivers prefer flexibility and would lose it if they became traditional employees of the corporations.[9] However, research has found that the flexibility and autonomy that drivers can exert are constrained by economic necessity, such that drivers may be compelled to work at undesirable times and locations (Malin and

dry cleaning; making deliveries from a restaurant or store for a delivery app; using a personal vehicle to deliver packages to others via a mobile app or website such as Amazon Flex; or doing something else along these lines."

[9] For example, the Illinois Coalition for Independent Work claims that "[w]orkers in the app-based economy rely on flexibility and independence to make extra income on their own terms" and that "drivers are satisfied with flexible hours and their earnings" (ICIW, 2023). A disclaimer on the organization's website states: "[c]oalition major funding from Uber Technologies, Lyft, Postmates, Instacart and DoorDash."

Chandler, 2017). More importantly, recent changes have demonstrated the fallacy of this pre-pandemic claim. Lyft shifted to a "fully flexible" work arrangement for its corporate employees, allowing the choice of where to live and where to work (Davalos, 2022). Uber moved to a hybrid work model allowing its employees to work from home a couple of days a week and from a preferred office location of their choosing the rest of the week (Kolakowski, 2021). If these corporations can give their highest-paid employees (such as data scientists and accountants) flexibility, then they can also give their lower-paid, frontline drivers flexibility—regardless of whether they are considered independent contractors or classified as employees.

Additionally, flexible work schedules do not depend on independent contractor status. According to the Bureau of Labor Statistics, 57 percent of wage and salary employees have flexible schedules in which they can vary the times they begin and stop working (BLS, 2019). Fully 81 percent of workers with flexible schedules can "frequently" (35 percent) or "occasionally" (46 percent) vary their work times. Some employees do so for intermittent periods, others on a more permanent basis. Company employees also choose flexible schedules for the same reasons cited by rideshare drivers (BLS, 2019).

Respondents were asked about their primary reason for working as app-based drivers (Figure 29). Only half of the drivers responded that their main reason for working in the gig economy was due to flexibility or out of preference. Specifically, 25 percent of drivers say they enjoy the work, 12 percent report that they prefer being independent contractors, 12 percent need flexible schedules due to caregiving responsibilities, and 2 percent need flexible schedules due to school enrollment—a total of 50 percent. On the other hand, 37 percent say they need additional income to supplement their earnings, the top reason for working in the gig economy among drivers. Additionally, 9 percent say they would rather have non-gig jobs that pay enough or provide more hours, but they cannot find suitable employment. Another 2 percent report that they are working as app-based drivers because they experienced job discrimination when seeking non-gig employment. These three responses total 47 percent, within the margin of error of the other group of drivers. Effectively, about half of Chicago metro area drivers work in the gig economy due to flexibility or out of preference while the other half perform app-based driving out of necessity (Figure 29).

Flexibility depends on workers' control over where they drive, or the ability to determine locations where they are willing to drive. For example, a passenger may request a ride from O'Hare International Airport to Rock Island, Illinois, over 150 miles west of the city. The driver may earn a large commission from the trip but would also have to drive back home, without passengers, and pay for gas and tolls. If drivers feel that they cannot say no to a request, they have little to no control over where they drive.

Figure 29: Main Reason for Working a "Gig Economy" Job, Sample

"What is Your Main Reason for Working a 'Gig Economy' Job?"	N =	Pct.
Flexibility and/or Preference	251	50.0%
I Enjoy the Work	*123*	*24.5%*
I Prefer Being an Independent Contractor Instead of an Employee	*61*	*12.2%*
I Need Flexible Schedules Because of Caregiving Responsibilities	*58*	*11.6%*
I Need Flexible Schedules Because I Am Enrolled in Classes	*9*	*1.8%*
Out of Necessity	238	47.4%
I Need Additional Income to Supplement Earnings from My Other Job	*186*	*37.1%*
I Can't Find a Non-Gig Job that Pays Enough or Provides Enough Hours	*43*	*8.6%*
I Experienced Job Discrimination When Seeking Non-Gig Employment	*9*	*1.8%*
Another Reason	13	2.6%
Total Sample	502	100.0%

Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Only three-in-ten drivers in the Chicago metro area (30 percent) report that they have complete control over where they drive (Figure 30). Another 46 percent respond that they have "a lot of control" over where they drive but not complete autonomy to determine where they go. On the other hand, 24 percent of drivers say they have "only a little control" or "no control at all" over where they drive in and around the Chicago metro area.

Figure 30: Control App-Based Drivers Have Over Where They Drive, Sample

"How Much Control Do You Have Over Where You Drive for App-Based Platforms?"	N =	Pct.
I Have Complete Control	150	29.9%
I Have a Lot of Control	232	46.2%
I Only Have a Little or Have No Control At All	120	23.9%
Total Sample	502	100.0%

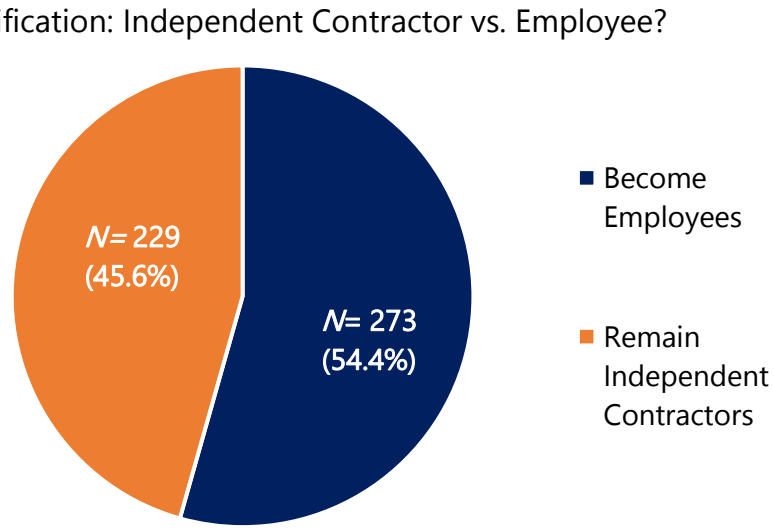
Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

App-based drivers are divided over whether they should be classified as employees of the companies or continue to be treated as independent contractors (Figure 31). Of the 502 respondents, a total of 229 drivers said that they should be independent contractors (46 percent) and 273 drivers said they should become employees of the companies (54 percent). While this means that most drivers would prefer to be classified as employees, this majority does fall within the survey's margin of error.

However, drivers are not split over workers' rights (Figure 32). Nine out of every ten app-based drivers (91 percent) say that they should have the right to unionize. Just 9 percent say they should not have this right. Regardless of whether they are treated as independent

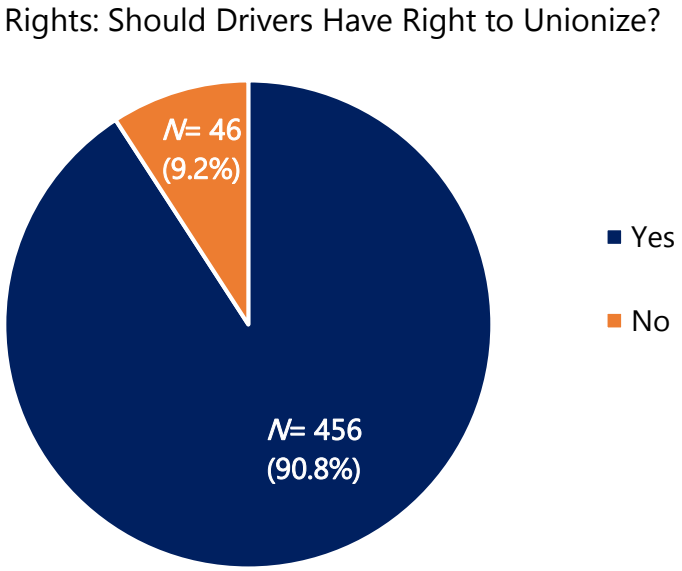
contractors or classified as employees, the survey is clear that there is overwhelming support for the right to unionize among app-based drivers in Chicago and in Illinois.

Figure 31: Sample Response to "Should App-Based Platform Drivers Become Employees of the Companies or Remain Independent Contractors?"



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Figure 32: Sample Response to "Should Drivers of App-Based Platforms Have the Right to Unionize?"



Source(s): Authors' analysis of a November 2021 through March 2022 survey of 502 app-based drivers in and around the Chicago metropolitan area (Qualtrics, 2022). *N*= 502.

Improving App-Based Drivers' Working Conditions

Based on the survey results and related academic and policy research, there are at least seven ways that policymakers in Illinois and across the country can improve the quality of work for app-based drivers.

1. **Make app-based platform drivers regular employees**. Drivers would have the same basic labor protections, such as minimum wage, overtime pay, unemployment insurance, workers' compensation, and paid medical leave. Drivers would also have access to the same legal protections as traditional employees against sexual and racial discrimination, workplace injury, and job insecurity.

2. **Ensure app-based platform drivers have representation as workers**. There is a wide power imbalance between drivers and the platform companies. The legal right to organize into labor unions and negotiate collective bargaining agreements could address that employment inequity. The recently passed Workers' Rights Amendment to the Illinois Constitution may confer the right to organize and bargain collectively for app-based platform drivers.

3. **Require sexual harassment training for all drivers.** With proper training, drivers can identify, respond to, and report incidences. Raising driver knowledge about harassment and discrimination would strengthen their ability to advocate for and promote their safety.

4. **Provide an option to cancel a ride due to safety concerns without it affecting acceptance status**. Drivers vulnerable to passenger abuse should be able to act with discernment in completing rides without risking their employment status.

5. **Provide drivers in Illinois with an I-PASS**. Drivers pay out-of-pocket for tolls and are not directly reimbursed. Uber and Lyft claim that any required tolls are included in passenger fares. However, there is not an independent credible source for determining whether the percentage of the fare paid to the drivers actually covers toll costs.

6. **Pay workers for all of their time, not just "engaged time."** Drivers are at work when they make themselves available to passengers and should be compensated for the time they are waiting to be summoned for a ride.

7. **Remove rating systems to prevent app-based drivers from engaging in unsafe behavior**. Drivers who earn low wages are incentivized to work in ways that may increase their earnings, but also put them in more dangerous working conditions. This would make them similar to taxi drivers, who also do not have star ratings.

Conclusion

This survey of Chicago metro area app-based drivers confirms that many gig economy workers earn low incomes, lack good benefits, and incur substantial job-related expenses that are not reimbursed. Additionally, this survey shows that drivers face a number of health and safety concerns, including various forms of harassment, pain that results from long hours behind the wheel, avoidance of bathroom breaks, and fear for their wellbeing. Drivers also overwhelmingly agree that they should have the right to unionize.

As state policymakers deliberate over the employment designation of app-based drivers, this study provides a granular perspective of how their independent contractor status is impacting the quality of work in one significant sector of the gig economy. In considering the future of work in Illinois and beyond, policymakers are challenged to better define what model of employment will best produce a good middle-class job. The results from this survey affirm that moving to a regular employee status, paying workers for all of their time instead of just their "engaged time," and implementing other meaningful changes can improve the working conditions and work-lives of app-based platform drivers.

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