Uber

Uber Technologies, Inc. 1515 Third Street San Francisco, CA 94158

29 September 2021

Meagan Barrera Christen Dobson Business & Human Rights Resource Centre via email

RE: Invitation to respond - Uber in our Weekly Update

Dear Ms. Barrera, Ms. Dobson,

Thank you for your email of 23 September inviting our response regarding claims related to our public policy advocacy on labor issues in the U.S. We appreciate your attention to these matters, and your providing us the opportunity to respond to the concerns raised in the articles you shared via email.

Labor-related ballot initiatives in the U.S.

The article you shared referred to a ballot initiative recently certified by the Attorney General in Massachusetts for consideration by Massachusetts voters in 2022. The Attorney General's summary of the initiative can be found here.

The ballot question under consideration in Massachusetts shares many common features with Proposition 22, on which <u>nearly 10 million voters</u> in California voted yes in November 2020, enacting it with a margin of nearly 3 million votes. A big reason why Prop 22 passed overwhelmingly in one of the most progressive states in America is that California gig workers had clearly said that they wanted the flexibility and benefits promised by Prop 22. Months before voters went to the polls, the Rideshare Guy ran a <u>survey</u> of drivers in California, to ask how they were thinking about voting on Prop 22: over 60% said they were in favor of the proposition, with 24% against and 16% undecided or unsure. This was fairly consistent with the results of a representative <u>survey</u> of drivers and delivery people conducted by Edelman Intelligence over the summer.

Prop 22 passed on November 4. We <u>implemented all of the law's requirements</u> on the Uber platform on December 13. Three months after implementation, we asked an independent research firm to run another <u>survey</u> of drivers and delivery people in California, to understand their lived experience with Prop 22. Their response speaks for itself:

- 4 out of 5 drivers are happy Prop 22 passed (82%), with a majority (51%) saying they are very happy.
- 63% of drivers in California have already experienced changes as a result of Prop 22 and, of these, the overwhelming majority (92%) say the changes have had a positive impact on their life.

• 75% of drivers in California believe that legislation like Prop 22 creates a better future for app-based drivers and recommend passing similar laws in other states.

App-based workers are pleased because Prop 22 mandates that they receive benefits, including:

- Minimum earnings guarantee: The law requires that platform companies like Uber ensure that drivers are receiving at least 120% of the local minimum wage and \$0.30 per mile during the time they spend en route or on a trip or delivery. When a driver makes less than this, we pay them the difference. When a driver earns more, they keep it all. To date, this new law has put tens of millions of dollars in the pockets of California app-based workers.
- <u>Healthcare stipends for eligible workers</u>: Prop 22 requires that platform companies pay out quarterly healthcare stipends pegged to the average cost of a <u>Bronze plan</u> sourced through Covered California. Drivers who average 15 hours per week of engaged time over a quarter get 50% of this stipend, and drivers who average 25 hours per week get 100%. Critics have <u>already said</u> that a very small percentage of drivers are requesting and receiving these stipends this first time around. That makes sense: <u>surveys have</u> shown that drivers and delivery people are actually pretty well insured, with over 80% buying their own coverage or getting healthcare coverage through a job, spouse, or other program. The requirements in Prop 22 were designed to ensure that those folks who rely on their work with platforms, who fund their own health insurance or might otherwise not buy it, don't face financial barriers to getting covered.
- Insurance: Prop 22 requires that platforms provide workers with both motor vehicle insurance and occupational accident insurance protection. Occupational accident insurance, which is common for owner-operators in the long-haul trucking industry, provides similar types of coverage to those provided through Workers Compensation insurance, including reimbursement for medical expenses, disability payments, and death benefits related to injuries incurred while working. Unlike Workers Compensation insurance, which was designed to cover full-time employees, occupational accident insurance was designed to cover independent workers like drivers and delivery people. It is funded on a per mile basis.
- <u>Safety provisions</u>: Prop 22 also introduced a host of safety-related requirements, including
 mandatory safety training for drivers on subjects like collision avoidance and defensive driving
 techniques, and a cap on driver hours in order to prevent sleepy or distracted driving.

Labor rights of delivery workers in New York City

We are aware of the study you shared regarding the experience of app-based delivery workers in New York City and appreciate the efforts of the Worker's Justice Project (WJP) and Los Deliveristas Unidos to lift workers' voices and increase workers' power. Based on our preliminary review of the research findings, we believe that the sampling methods used may have significantly underrepresented segments of delivery people active on Uber's platform in New York, particularly delivery people using non-bike modes, women, and those who deliver alongside other gigs, employment, school, caretaking, and other responsibilities.

As you may be aware, the New York City Council passed a number of related bills on 23 September which seek to address a number of the concerns raised in WJP's research, including those related to earnings, cadence of payments, the provision of insulated bags, and access to restaurant bathroom facilities.

You may wish to review and cover the broader spectrum of perspectives on the benefits of platform work. For example, Accenture recently released some research on the experience of platform workers during the first year of the COVID-19 pandemic, drawing on new, representative worker surveys and Uber administrative data across six countries - Australia, Brazil, Canada, France, the U.S., and the UK. Research has long suggested that platform work could help people meet their financial needs in a crisis, but COVID-19 stress-tested that claim. Accenture's research shows that platform work provided workers with a secondary financial safety net, an ongoing connection to the labor market, and satisfying work that was more than a means to an end. You can read more about the report <u>here</u> and find it <u>here</u>.

Like labor laws, the population of drivers and delivery people who get work through platforms like Uber's varies enormously across states and countries, and we need local solutions that meet local needs. But we do believe that drivers and delivery people should be heard, and that companies like ours, together with labor leaders and policymakers, should work together to find policy solutions that improve the quality of independent work on platforms like Uber while preserving the easy access and work flexibility that drivers and delivery people value most.

We are grateful for your attention to these issues and for the opportunity to share our perspective.

Sincerely,

/s/ Adam Blinick

Adam Blinick

Senior Director, U.S. Policy & Communications Uber Technologies, Inc.

/s/ CR Wooters

CR Wooters Director, U.S. Federal Affairs Uber Technologies, Inc.