

Benefits for Gig Workers

Opinion Poll: New York City Independent Drivers' Views on
Worker Benefits

December 5, 2018



Table of Contents

| | |
|--------------------------------------|----|
| Introduction..... | 3 |
| Key Findings..... | 4 |
| Economic Pain Points..... | 5 |
| Preferred Benefits | 7 |
| Desire for Representation | 8 |
| Support for Legislative Change | 8 |
| The Drivers..... | 9 |
| Conclusion..... | 9 |
| Appendix..... | 10 |
| Survey Methodology | 10 |
| Benefits Studied | 10 |
| Toplines | 11 |
| About IDG Benefits Fund..... | 25 |

Introduction

Technology and business innovation are having a profound impact on the nature of work, driving changes for consumers, workers and companies that could not have been envisioned two decades ago. Uber, Thumbtack, Postmates, Handy, and Lyft, among others, have fundamentally changed how services are delivered, how work is procured, and how workers are compensated.

While the “gig economy” may increase work flexibility, many workers find themselves without benefits and protections. As the gig economy matures, thought leaders, labor organizers, and policymakers are thinking through the creation of a new social safety net designed to address this issue.

New York City has been a major center for the gig economy and its workers since the 1980s, and local leaders are grappling with potential solutions for independent drivers. It is a fertile area to gather meaningful insights.¹

Founded in 2017, IDG Benefits Fund, a sister organization to the Independent Drivers Guild, has a mission to ensure New York City’s 70,000 independent black car drivers have access to benefits that provide health and economic security. IDG Benefits Fund, with the support of Omidyar Network, commissioned Greenberg Quinlan Rosner to execute a survey of 697 independent drivers in the New York Metropolitan Area and two focus groups of independent drivers in New York City to understand their pain points and study what social protections are most feasible at their respective costs.

What follows is the research findings about the economic issues in these people’s lives, their hopes for the future, and the benefits they say would be important to them.

¹ See Appendix for research methodology

Key Findings

Drivers struggle financially

- An 85% majority struggle “to make their monthly payments like rent, utilities, car payments and other bills,” including 58% who “struggle a lot.” This holds true regardless of age, education, race, immigration status and the types of dispatches drivers receive—even luxury and SUV drivers struggle financially.
- If unable to drive due to illness or car trouble, 70% would run out money within a month.
- Fully 83% describe declining hourly wages a major problem in their lives.
- Nearly a third of this population (32%) is not covered by health insurance—dramatically higher than the state uninsured rate of 5%.
- A 73% majority of drivers have saved \$1,000 or less for retirement and nearly half (49%) have no retirement savings. These numbers do not improve among those approaching retirement age (ages 50-64).

Drivers describe a need for a safety net

The benefits these drivers prefer focus on improving their financial lives. Drivers also indicate, however, significant interest in almost every benefit tested. When asked to select their top three benefits from a list of nine these were the most favored:

- 66% chose “disability insurance to cover you if you get hurt or are unable to work,” as one of the three most helpful benefits.
- “Free legal services, including help with traffic tickets, Taxi and Limousine Commission, immigration lawyers, family law or disputes with a landlord,” ranked second with 51%.
- Another 37% picked \$50,000 in life insurance and 32% preferred “\$50 a month in a retirement savings account.”

Drivers support legislative solutions to their economic struggles

- An 87% majority supports a bill increasing surcharges on app-based rides to create a benefits package, including healthcare, vision and disability for drivers (69% strongly support this measure). The state of New York and New York City are considering such proposals.

Drivers seek a voice on these issues

- Ninety-five percent of drivers want to belong to a worker or driver organization to demand better wages and improve working conditions.

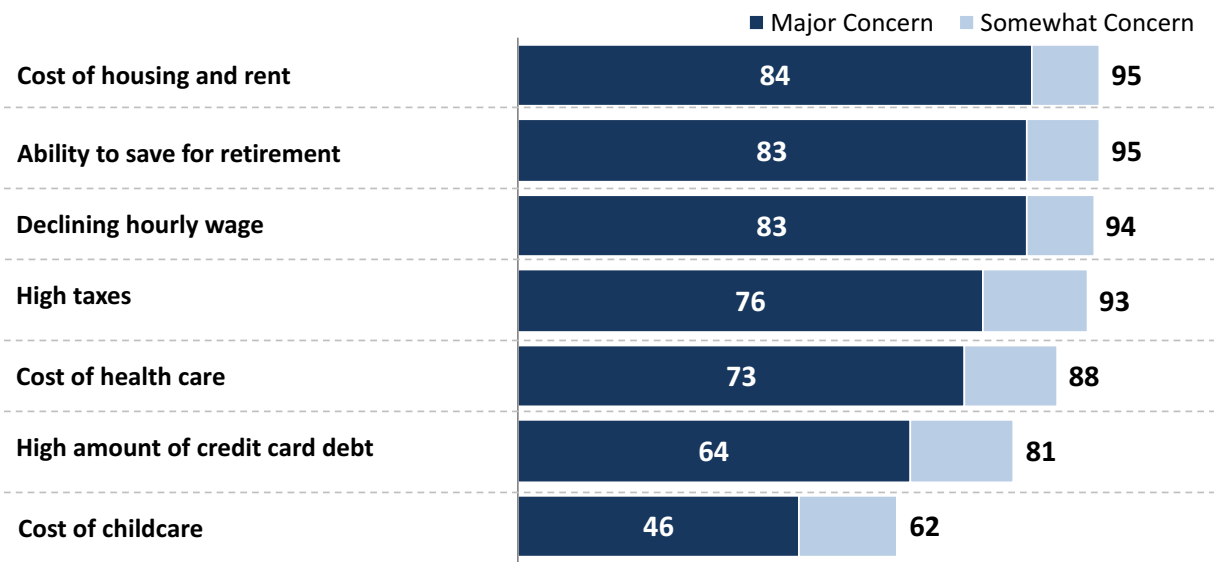
Economic Pain Points

Drivers feel financially unstable and express anxiety stemming from a sense that any mishap—work-related, financial, or medical—will lead to economic ruin.

Eighty-five percent of drivers reported struggling to pay their bills on a monthly basis. This includes standard dispatch drivers (85%) and SUV and luxury drivers (83%). Among those who rely on driving for over half their income—70% of all drivers—this number climbs to 88%, with 61% struggling a lot. Specific pain points begin with housing costs, but nearly as many drivers struggle with the ability to save for retirement and declining hourly wage.

Figure 1: Major Concerns in the Lives of NYC Independent Drivers

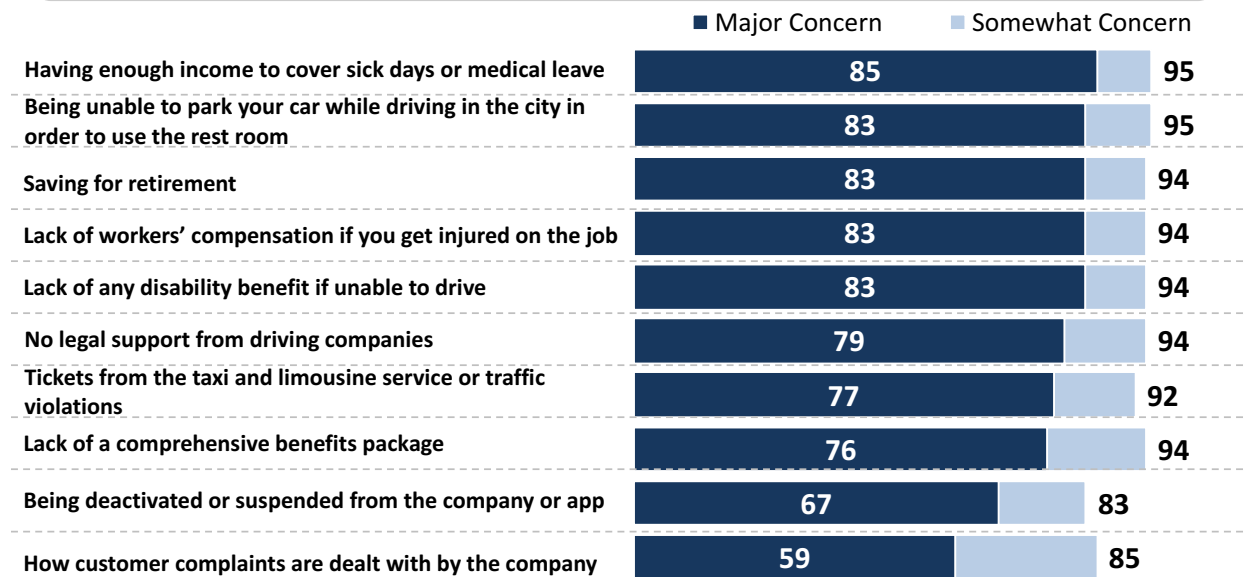
Please indicate whether each of the following issues is a major concern in your life, somewhat of a concern, not much of a concern, or not a concern at all.



Drivers also experience many pain points more specific to their job. In addition to worries about income, their lack of security and vulnerability rank high among their concerns. “We can’t afford any mishaps in our lives. Anything more than \$200, we are dead,” said one focus group participant. A 70% majority say they could survive no longer than a month if they had to stop driving due to sickness, injury or if their car broke down. Even their ability to use a restroom is difficult in New York streets where hourly parking rates exceed hourly wages.

Figure 2: Major Driving Concerns in the Lives of NYC Independent Drivers

Please indicate whether each of the following issues is a major concern, somewhat of a concern, not much of a concern, or not a concern at all as a driver.

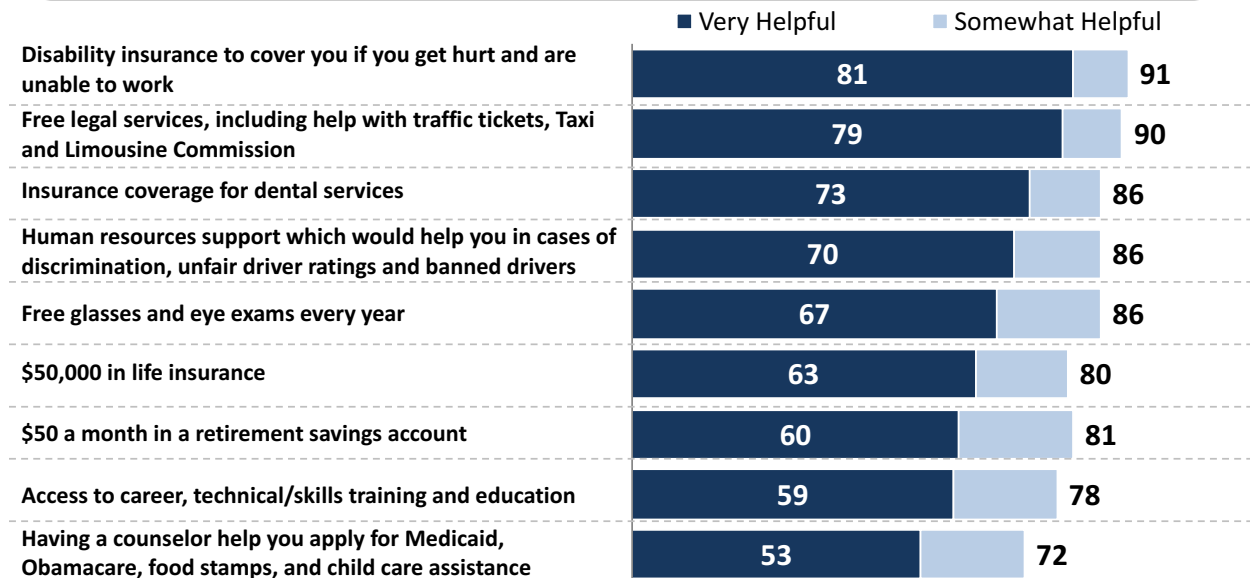


Preferred Benefits

Drivers prefer benefits that deliver financial assistance and security. Eighty-one percent describe disability insurance as something that would be very helpful to them and 66% pick this benefit as one of the three most important. However, every benefit tested here finds significant interest among these drivers.

Figure 3: Drivers' Preferred Benefits

Please read the following benefits below and rate each of these benefits as something that would be very helpful to you, somewhat helpful to you, not very helpful to you, or not at all helpful to you.



** Note: This list of benefits was pared down from a larger list of benefits explored in the focus groups. In addition to rating overall helpfulness, we also tested value for cost tradeoffs (assigning dollar values to benefits) in focus group discussions and forced prioritization ('select top three') in our survey. All three approaches led to similar overall prioritization. Lower ranked benefits were excluded from the survey. Broad healthcare benefits were excluded from the survey and focus groups given the prohibitively high cost of creating a healthcare program and the availability of portable healthcare under the Affordable Care Act. See Appendix for the full list of benefits studied in the focus groups.*

Desire for Representation

Drivers want representation from an organization that will advocate on their behalf for better working conditions and compensation. Ninety-five percent of drivers want to belong to a worker or driver organization that will demand better wages and improve working conditions.

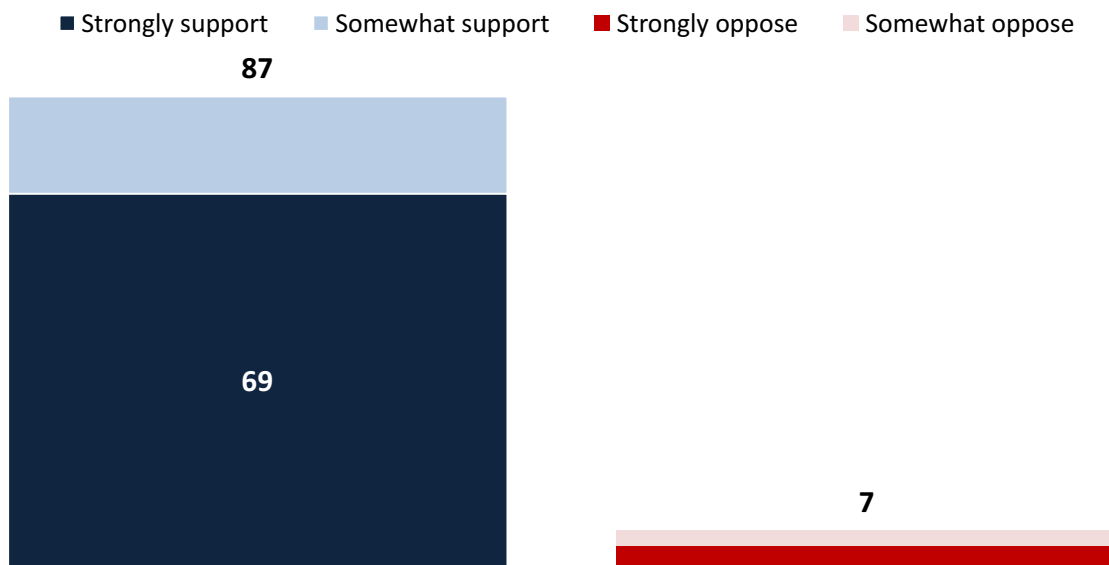
This desire surfaces again in survey results on most helpful benefits, where the second most popular option was one that provided representation and advocacy for their needs: 51% of drivers chose a benefit that offered free legal services, including help with traffic tickets, the Taxi and Limousine Commission, immigration lawyers, family law, or disputes with a landlord.

Support for Legislative Change

Eighty-seven percent of drivers support a bill increasing customer surcharges for rides in taxis and app-based companies, and 69% strongly support it.

Figure 4: Surcharges to Pay for Benefits Packages Popular Among Drivers

Do you support or oppose the increase of surcharges customers pay for rides in taxis and app-based rides to help pay for a benefits package, including health care, vision, and disability insurance, given to drivers?



The Drivers

The drivers in this survey do not fit the stereotype of an app-based driver earning some quick extra cash by picking up a few passengers on evenings or weekends. The vast majority (89%) drive professionally full-time, and their earnings account for more than half of their household income for 70% of participants and all the household income for 49% of them. Sixty-six percent had a total household income of \$50,000 or less and 74% own their own vehicles. The vast majority of respondents were men (95%) and 72% are immigrants, closely in line with overall New York City driver demographics.

Conclusion

Gig economy jobs offer freedom and flexibility, but for many New York City black car drivers this work comes with financial anxiety and uncertainty. Drivers are aware of these problems and support benefits that address their needs and legislative efforts that could provide them.

Appendix

Survey Methodology

This online survey, executed by Greenberg Quinlan Rosner, used lists of known independent drivers to contact potential respondents via e-mail, who were then directed to a link which allowed them to take the survey. Because this sample is a non-probability-based sample, no margin of error can be calculated. If this survey used a random sample, its margin of error would be +/- 3.70.

Benefits Studied

The benefits tested in the survey of drivers were derived from a longer list of benefits tested during focus groups. The lower ranked benefits were excluded from the survey. Broad healthcare benefits were excluded from the survey and focus groups given the prohibitively high cost of creating a healthcare program and the availability of portable healthcare under The Affordable Care Act. Here is the full list of benefits tested during focus group sessions.

- Disability insurance to cover you if you get hurt and are unable to work
- \$50 a month in a retirement savings account
- Insurance coverage for dental services
- Free glasses and eye exams every year
- Free legal services, including help with traffic tickets, Taxi and Limousine Commission, immigration lawyers, family law or disputes with a landlord
- \$50,000 in life insurance
- Human resources support which would help you in cases of discrimination, unfair driver ratings and banned drivers
- Having a counselor help you apply for Medicaid, Obamacare, food stamps, and child care assistance
- Having an accountant do your taxes for free and give you advice
- Free help with financial planning
- Access to career, technical/skills training and education
- Telemedicine services where you would have an opportunity to talk to a doctor or medical professional online for free
- Job search assistance

Toplines

Independent Drivers Guild
 Frequency Questionnaire
 September 9-24, 2018
697 New York City Region Drivers

Q.4 In what state do you currently live?

| | Total |
|-----------------|--------------|
| New York..... | 94 |
| New Jersey..... | 6 |
| (ref:STATE) | |

Q.5 From the following companies below, please choose which companies you drive for.
 Please select all that apply.

| | Total |
|--------------|--------------|
| Uber..... | 95 |
| Lyft..... | 64 |
| Juno..... | 46 |
| Via..... | 14 |
| Other..... | 7 |
| (ref:DRIVER) | |

Q.6 How many hours a week do you spend driving professionally?

| | Total |
|----------------------------|--------------|
| Under 30 hours..... | 11 |
| 30 to 50 hours a week..... | 48 |
| Over 50 hours a week..... | 41 |
| Full time..... | 89 |
| (ref:HOURLSD) | |

Q.7 How long have you been driving professionally?

| | Total |
|--------------------------------|--------------|
| Less than a year | 1 |
| 1-2 years | 37 |
| 3-5 years | 34 |
| 6-10 years | 11 |
| More than 10 years..... | 17 |
| 5 years or less..... | 72 |
| More than 5 years | 28 |
| (ref:LNGTHDRG) | |

Q.8 Do you lease or own the vehicle you use when driving professionally?

| | Total |
|---------------|--------------|
| Lease..... | 26 |
| Own | 74 |
| Not sure..... | - |
| (ref:RENT) | |

Q.9 What types of dispatches do you receive?

| | Total |
|--|--------------|
| Standard: UberX/POOL, Lyft/LyftLine, Juno Bliss..... | 77 |
| VAN: Uber XL, Lyft Plus..... | 7 |
| Luxury: UberBLACK, Lyft Lux, Juno Lux..... | 9 |
| SUV: UberSUV, Lyft Lux SUV, Juno SUV | 5 |
| Not sure..... | 2 |
| Non Standard | 21 |
| (ref:DISP) | |

Q.10 Thinking about your career, which of the following statements best describes your career plans for the next 2 to 3 years?

| | Total |
|--|--------------|
| Continue working as a driver. | 28 |
| Stop driving and seek a permanent full-time job..... | 25 |
| Keep driving but seek a permanent part-time job to supplement my income. | 16 |
| Start a business..... | 15 |
| Stop working to pursue a different activity (e.g. volunteer, raise a family, continuing education, etc.) | 4 |
| Retire | 2 |
| Other | 3 |
| Not Sure | 6 |
| Total Continue Driving | 44 |

(ref:CARERGLS)

Q.11 Please indicate whether each of the following issues is a major concern in your life, somewhat of a concern, not much of a concern, or not a concern at all.

| | Major | Some what | Not Much | Not At All | Total Conc erved | Total Conc | Conc -- Not |
|--|--------------|------------------|-----------------|-------------------|-------------------------|-------------------|--------------------|
| 12 Cost of housing and rent..... | 84 | 11 | 3 | 3 | 95 | 5 | 90 |
| 16 Ability to save for retirement | 83 | 11 | 3 | 2 | 95 | 5 | 89 |
| 17 Declining hourly wage..... | 83 | 11 | 3 | 3 | 94 | 6 | 88 |
| 15 High taxes | 76 | 18 | 5 | 2 | 93 | 7 | 87 |
| 11 Cost of health care | 73 | 16 | 6 | 5 | 88 | 12 | 77 |
| 13 High amount of credit card debt | 64 | 17 | 11 | 7 | 81 | 19 | 63 |
| 14 Cost of childcare | 46 | 15 | 11 | 28 | 62 | 38 | 23 |

(ref:ISSUEBAT)

Q.18 Suppose that you have an emergency expense that costs \$400. Based on your current financial situation, how would you pay for this expense? If you would use more than one method, please select all that apply.

| | Total |
|--|--------------|
| Put it on my credit card and pay it off over time | 42 |
| By borrowing from a friend or family member..... | 24 |
| Put it on my credit card and pay it off in full at the next statement | 22 |
| I wouldn't be able to pay for the expense right now..... | 21 |
| With the money currently in my checking/savings account or with cash..... | 20 |
| Using money from a bank loan or line of credit..... | 8 |
| By selling something | 7 |
| Not sure | 4 |
| Total credit card | 59 |
| (ref:PERSFIN) | |

Q.19 A health plan would include any private insurance plan through your employer or a plan that you purchased yourself, as well as a government program like Medicare or Medicaid. Are you, yourself, now covered by any form of health insurance or health plan, or do you not have health insurance at this time?

| | Total |
|---|--------------|
| Yes, covered by health insurance | 68 |
| No, not covered by health insurance | 26 |
| Not sure | 6 |
| Covered - Not..... | 42 |
| (ref:HCCOV) | |

[474 Respondents]

Q.20 (IF YES) Which of the following is your MAIN source of health care coverage?

| | Total |
|--|--------------|
| A plan through your employer or your spouse's employer | 23 |
| A plan that carries no premium or a premium of \$20 or less a month | 30 |
| A plan that carries a premium of more than \$20 per month | 23 |
| Not sure | 24 |
| (ref:HCCOV2) | |

Q.21 Do you struggle to make your monthly payments like rent, utilities, car payments, and other bills, etc.?

| | Total |
|------------------------------|--------------|
| Struggle a lot..... | 58 |
| Struggle somewhat | 26 |
| Struggle a little | 11 |
| Do not struggle at all | 4 |
| A lot/Somewhat..... | 85 |
| Total Struggle..... | 96 |
| (ref:STRGPAY) | |

Q.22 Please indicate below, if you couldn't drive due to sickness, injury, or if your car broke down, for how long could you pay your bills based on your savings?

| | Total |
|---------------------------|--------------|
| Less than one month | 48 |
| 1 month | 22 |
| 2-3 months..... | 14 |
| 4-6 months..... | 3 |
| 6 months to a year..... | 3 |
| Over a year | 4 |
| Not sure..... | 6 |
| (ref:INJURED) | |

Q.23 Please indicate whether each of the following issues is a major concern, somewhat of a concern, not much of a concern, or not a concern at all as a driver.

| | Major | Some what | Not Much | Not At All | Total Conc | Total Not Conc | Conc -- Not |
|--|-------|--------------|-------------|------------------|---------------|----------------------|-------------------|
| 26 Having enough income to cover sick days or medical leave..... | 85 | 10 | 3 | 2 | 95 | 5 | 90 |
| 32 Being unable to park your car while driving in the city in order to use a restroom..... | 83 | 12 | 3 | 2 | 95 | 5 | 90 |
| 24 Saving for retirement | 83 | 11 | 3 | 2 | 94 | 5 | 89 |
| 25 Lack of workers' compensation if you get injured on the job | 83 | 11 | 3 | 2 | 94 | 5 | 89 |
| 28 Lack of any disability benefit if unable to drive | 83 | 10 | 3 | 3 | 94 | 6 | 88 |
| 29 No legal support from the driving companies | 79 | 15 | 4 | 2 | 94 | 6 | 88 |
| 31 Tickets from the taxi and limousine service or traffic violations | 77 | 14 | 5 | 3 | 92 | 8 | 84 |
| 23 Lack of a comprehensive benefits package | 76 | 17 | 3 | 3 | 94 | 6 | 88 |
| 30 Being deactivated or suspended from the company/app | 67 | 15 | 11 | 6 | 83 | 17 | 66 |
| 27 How customer complaints are dealt with by the company..... (ref:DRVISSBT) | 59 | 26 | 11 | 3 | 85 | 14 | 71 |

Q.33 Please indicate which of the following ranges below best describes the amount you have saved for your retirement.

| | Total |
|--|--------------|
| I have saved less than \$1,000..... | 24 |
| I have saved between \$1,000 and \$4,999..... | 9 |
| I have saved between \$5,000 and \$19,999..... | 4 |
| I have saved \$20,000 or more | 5 |
| I have no savings for retirement..... | 49 |
| Prefer not to say | 10 |

(ref:SAVNUMSC)

Q.34 Please read the following benefits below and rate each of these benefits as something that would be very helpful to you, somewhat helpful to you, not very helpful to you, or not at all helpful to you.

| | Very | Some what | Not Very | Not At All | Not Sure | Very/ Some what | Total Not |
|---|------|--------------|-------------|------------------|-------------|-----------------------|--------------|
| 38 Disability insurance to cover you if you get hurt and are unable to work | 81 | 10 | 2 | 2 | 5 | 91 | 4 |
| 36 Free legal services, including help with traffic tickets, Taxi and Limousine Commission, immigration lawyers, family law or disputes with a landlord | 79 | 11 | 4 | 2 | 4 | 90 | 6 |
| 35 Insurance coverage for dental services | 73 | 14 | 5 | 4 | 5 | 86 | 9 |
| 42 Human resources support which would help you in cases of discrimination, unfair driver ratings and banned drivers | 70 | 16 | 5 | 4 | 4 | 86 | 10 |
| 34 Free glasses and eye exams every year | 67 | 18 | 5 | 5 | 5 | 86 | 10 |
| 39 \$50,000 in life insurance..... | 63 | 18 | 5 | 5 | 9 | 80 | 11 |
| 37 \$50 a month in a retirement savings account..... | 60 | 21 | 8 | 4 | 6 | 81 | 12 |
| 41 Access to career, technical/skills training and education | 59 | 20 | 7 | 7 | 7 | 78 | 14 |
| 40 Having a counselor help you apply for. Medicaid, Obamacare, food stamps, and child care assistance | 53 | 19 | 8 | 9 | 11 | 72 | 17 |

(ref:BENEBA)

Q.43 Below are the same benefits in the previous question, but please choose up to THREE benefits that would be the most helpful to you?

| | Total |
|--|--------------|
| Disability insurance to cover you if you get hurt and are unable to work | 66 |
| Free legal services, including help with traffic tickets, Taxi and Limousine Commission, immigration lawyers, family law or disputes with a landlord | 51 |
| \$50,000 in life insurance..... | 37 |
| \$50 a month in a retirement savings account | 32 |
| Insurance coverage for dental services | 25 |
| Access to career, technical/skills training and education..... | 25 |
| Human resources support which would help you in cases of discrimination, unfair driver ratings and banned drivers..... | 24 |
| Free glasses and eye exams every year | 14 |
| Having a counselor help you apply for Medicaid, Obamacare, food stamps, and child care assistance | 12 |

(ref:BENEFC)

Q.44 Have you read, heard, or seen any information about a vote in the New York City Council to increase the surcharges customers pay for rides in taxis and app-based rides, such as Uber, to help pay for a benefits package, including health care, vision, and disability insurance, given to drivers?

| | Total |
|----------------------|--------------|
| Yes | 55 |
| No..... | 45 |
| Yes - No..... | 11 |

(ref:HRDSRBEN)

Q.45 Do you support or oppose the increase of surcharges customers pay for rides in taxis and app-based rides to help pay for a benefits package, including health care, vision, and disability insurance, given to drivers?

| | Total |
|--|--------------|
| Strongly support..... | 69 |
| Somewhat support | 18 |
| Somewhat oppose..... | 3 |
| Strongly oppose | 4 |
| Not sure..... | 6 |
| Total Support | 87 |
| Total Oppose..... | 7 |
| Total Support - Total Oppose..... | 80 |
| (ref:BENTLC) | |

Q.46 Do you want to belong to a worker or driver organization to demand better wages and improve working conditions?

| | Total |
|----------------------------------|--------------|
| Yes, strongly | 74 |
| Yes, somewhat..... | 20 |
| No, somewhat | 4 |
| No, strongly..... | 1 |
| Total Yes..... | 95 |
| Total No | 5 |
| Total Yes - Total No..... | 89 |
| (ref:IDGUNION) | |

Q.47 These last few questions are for statistical purposes only. What is the last year of schooling that you have completed?

| | Total |
|---|--------------|
| Less than high school | 6 |
| High school graduate, including GED or equivalent | 19 |
| Some college, no degree | 33 |
| Associate's Degree..... | 12 |
| College graduate, 4 year degree | 21 |
| Post-graduate school, graduate degree (e.g., MA, MS, PhD, JD, MD) | 8 |
| (ref:NEWEDUC) | |

Q.48 What is your current marital status?

| | Total |
|----------------------------|--------------|
| Married | 61 |
| Single..... | 21 |
| Separated/divorced..... | 12 |
| Widowed | 1 |
| Living with a partner..... | 5 |
| (ref:MARITAL) | |

Q.49 Do you have any children 18 years of age or younger living at home?

| | Total |
|------------|--------------|
| Yes | 53 |
| No..... | 47 |
| (ref:KIDS) | |

Q.50 Is there anyone over the age of 18 currently living with you? Please select all that apply.

| | Total |
|--|--------------|
| Yes, my significant other or partner | 39 |
| Yes, roommates or friends | 7 |
| Yes, my parents or grandparents | 15 |
| Yes, children or grandchildren over the age of 18..... | 17 |
| No..... | 32 |
| (ref:KIDS18HOME) | |

Q.51 What is your race?

| | Total |
|--|--------------|
| White | 19 |
| African American or Black | 14 |
| Hispanic or Latino | 24 |
| Asian or Pacific Islander..... | 26 |
| American Indian or Native American | 0 |
| Other | 8 |
| Biracial or multiracial | 1 |
| Prefer not to say | 8 |
| (ref:RACE) | |

Q.53 Were you born outside of the United States?

| | Total |
|----------------------|--------------|
| Yes | 72 |
| No..... | 28 |
| Yes - No..... | 43 |
| (ref:IMMIG) | |

Q.54 For statistical purposes only, which of these categories best describes your total household income last year, that is in 2017?

| | Total |
|------------------------------|--------------|
| Less than \$10,000..... | 4 |
| \$10,000 to \$19,999 | 15 |
| \$20,000 to \$29,999 | 21 |
| \$30,000 to \$49,999 | 26 |
| \$50,000 to \$74,999 | 15 |
| \$75,000 to \$99,999 | 6 |
| \$100,000 to \$149,999 | 3 |
| \$150,000 to \$199,999 | 1 |
| \$200,000 or more | 0 |
| Prefer not to say | 9 |
| Under \$50K | 66 |
| \$50K or more | 25 |
| (ref:INCOME2) | |

Q.55 What percentage of your household income comes from driving?

| | Total |
|----------------------------|--------------|
| All | 49 |
| More than 50 percent | 21 |
| 25 to 50 percent | 14 |
| Less than 25 percent | 9 |
| Don't know | 3 |
| Prefer not to say | 4 |
| (ref: PRSINCOM) | |

Q.2 Before you begin, please answer a few questions about yourself to ensure that the survey has a representative sample. What is your gender?

| | Total |
|--------------|--------------|
| Male..... | 95 |
| Female | 5 |
| (ref:GENDER) | |

Q.3 In what year were you born?

| | Total |
|-------------------|--------------|
| 18 - 24..... | 3 |
| 25 - 29..... | 10 |
| 30 - 34..... | 16 |
| 35 - 39..... | 16 |
| 40 - 44..... | 11 |
| 45 - 49..... | 10 |
| 50 - 54..... | 11 |
| 55 - 59..... | 11 |
| 60 - 64..... | 8 |
| 65 and over..... | 4 |
| (No answer) | 0 |
| (ref:AGE) | |

About IDG Benefits Fund

Founded in 2017, IDG Benefits Fund has a mission to ensure New York City's 70,000 independent black car drivers have access to benefits that provide health and economic security. IDG Benefits Fund works with The Black Car Fund of New York, The Independent Drivers Guild, and others to offer drivers a suite of benefits including free vision benefits, free telemedicine benefits, health insurance enrollment assistance, blood pressure, cholesterol, and blood sugar screening, discount prescription drug cards, discount legal services, and deactivation assistance for Uber drivers.