

The Ride-Hail Business Model Harms Workers' Health

Labor conditions in the ride-hail business model are an urgent and emergent public health and racial equity issue for the ride-hail driver workforce — the majority of whom are Black, Indigenous, and people of color (BIPOC).¹ In 2019, Human Impact Partners and Gig Workers Rising conducted research in Northern California that showed how drivers navigate **unpredictability, a lack of control, and long, isolated driving hours — which are all associated with physical and mental illnesses.** And by misclassifying drivers as contract workers instead of employees, ride-hail businesses **deny drivers minimum labor standards** and workplace protections. Key findings from the research, which included focus groups, expert interviews, and review of scientific literature, are summarized below.

Since this research was completed in 2019, little progress has been made to protect ride-hail drivers' workplace wellbeing across the United States. **Ride-hail companies have a responsibility to safeguard driver health by providing predictable, living wages; access to standard employee benefits; and a voice on the job by way of collective action and bargaining.**



Drivers face constant unpredictability and financial instability, which is bad for health

Ride-hail drivers can never be certain about their work hours and earnings. Drivers do not earn the entirety of a ride fair. Uber and Lyft always take a share of ride earnings and maintain control over what proportion they take, which constantly shifts and can be as high as 50%.²⁻⁵ These shifts reflect a quest to reach profitability. Fares are determined by an algorithm and depend on numerous factors including the time of day, amount of traffic, distance of the ride, and number of drivers on the road. Drivers may also earn cash incentives, but the company controls when the bonuses are offered and to whom, with little transparency to the drivers.⁶



On top of that, the **ride-hail driver debt burden is high.** In our focus group, drivers reported taking on debt in order to work for a ride-hail company, which is supported by other research conducted in Los Angeles and Washington, D.C.^{8,9} Drivers are responsible for an unlimited data phone plan and vehicle maintenance, including repairs and cleaning, gas, vehicle registration, and more. Research also found that 1 in 3 drivers bought or leased their vehicle to be able to drive for a ride-hail company, and then had to continue driving in order to make loan payments.⁸ Leasing a company-sponsored vehicle out of pocket can start at around \$200 a week and cost over \$400 a week.¹⁰⁻¹²

"I'll leave this job in debt... That's how much of a nightmare this job has become for me."

— Steve, Ride-Hail Driver in California

A national survey of 2,625 drivers found that **the majority of drivers earn less than \$10 per hour** after the cost of gas, insurance, and car depreciation are taken into account.⁷ Although ride-hail companies often describe driving for their companies as a “side hustle,” the same survey found that half the drivers worked for a ride-hail company as their only job.⁷ Many drivers rely on ride-hail work as a crucial source of income, but that income is anything but reliable.⁸

Income is a key predictor of health. We need economic security and stability to thrive, manage stress, prevent disease, and meet our basic needs. Jobs that don’t offer livable wages force families to choose between paying rent, buying healthy foods, and seeking health care.¹³ Higher income is associated with a longer lifespan, better birth outcomes, and protection against chronic diseases like diabetes, kidney disease, liver disease, heart disease, hypertension, and stroke.¹⁴⁻¹⁸

By failing to provide a predictable, adequate, and living wage, the ride-hail model harms driver health and wellbeing.

The ride-hail model strips drivers of control, which takes a psychological toll

Drivers described a lack of control over determining their schedule. In order to make anything resembling a decent wage within the companies’ algorithmically set pricing, drivers are forced to work at specific times in specific locations. Drivers are also hesitant to reject rides that don’t fit their schedule or geographic range due to a constant threat of having their account permanently shut down, which can happen without warning. **Drivers also described constant changes to their contract with no ability to negotiate.** Companies periodically release contract updates that require drivers to “agree” before gaining access to the app. The ability to drive and earn income is dependent on immediate agreement.

“In this transaction, you are the person who has the least control over anything because when you get a ride [request], you don’t know where [the passenger] is going... You might end up—pretty frequently—driving 10 miles [to pick up], [and] taking a person half a block. And that’s it, you got your four dollars for the 20 minutes that you just worked.”

— Edan, Ride-Hail Driver in California

Control over your work environment is important for health. Research shows that workers in low control and high stress environments experience higher rates of depression, anxiety, insomnia, exhaustion, headaches, stomach problems, and high blood pressure.¹⁹⁻²²

Hours upon end of driving in isolation causes mental and physical harm

In focus groups, drivers said the **sedentary nature of the job was causing them physical pain** and described the daily conflict of choosing between taking doctor-recommended driving breaks, or driving for hours on end to try and increase earnings. Drivers also shared the **psychological toll of working for an app**, with no human resources, supervisor, or coworkers to speak to. One driver shared the difficulty of being away from basic amenities like restrooms.

“Because you don’t have the time to stop and do what you know you’re supposed to do... So do I be healthy and take care of me? And stop and take a lunch break and eat a healthy meal? Do I take my breaks?... Or do I chase that dollar? A lot of times, one gets pitted against another.”

— Juan, Ride-Hail Driver in California

Peer-reviewed public health research shows there are many harmful effects of long driving hours and of workplace isolation, including chronic pain, cardiovascular disease, and a shorter lifespan.^{21,23-27} Additionally, ride-hail drivers are in a state of chronic stress from the physical demands of their jobs, unpredictability, and a lack of control, which can also lead to a host of physical and mental health issues including anxiety and depression, sleep issues, headaches, and heart disease.²⁸

It comes as no surprise, then, that drivers in focus groups named **stress, fatigue, lack of exercise, headaches, sleep deprivation, and depression** as the top health issues they had experienced as a result of driving for Uber or Lyft.

Ride-hail companies’ legal classification allows them to skirt worker protections

Uber and Lyft maintain that they are technology platforms, not transportation companies, and have both knowingly disregarded and worked to rewrite state and local labor laws across the country in support of their business plans.²⁹⁻³¹ **In doing so, they have rolled back protections for drivers that were previously won for and by workers, specifically workers of color and immigrants.**³¹⁻³²

Much of Uber and Lyft’s efforts center around codifying drivers’ status as independent contractors. Unlike employees, independent contractors are not entitled to unemployment insurance, paid sick time, employer-sponsored health insurance, overtime pay, or minimum wage for all hours worked including wait time.^{33,36}



A landmark example of this is Proposition 22 in California. After the state passed AB5 in 2019, which was a hard-fought piece of workers' right legislation that created strict criteria around independent contractor status, Uber and Lyft claimed it did not apply to them. Uber, Lyft, DoorDash, InstaCart, and Postmates poured over \$200 million into Proposition 22, which passed in 2020 and allowed the companies to maintain driver classification as independent contractors, thereby denying them basic labor protections.³³⁻³⁴

Since then, Uber and Lyft have continued their push to maintain drivers' independent contractor status in other states.³⁵ To this day, Uber and Lyft ride-hail drivers, as well as food-delivery app drivers, lack employee classification — and basic worker protections — across the United States.^{35,36}

The research is clear: the ride-hail model harms drivers' physical and mental health.

App-based driving companies have a responsibility to ensure workplace protections that safeguard health, wellness, and financial stability for drivers — the majority of whom are BIPOC. **Ride-hail companies must provide drivers with predictable, living wages; access to standard employee benefits; and ability to use their voice on the job by way of collective action and bargaining.**

About

The information in this brief is based on 2019 research conducted by Human Impact Partners and Gig Workers Rising in response to concerns about the health impacts of driving for a ride-hail company in California. Some additional literature research was conducted for this updated 2022 summary to understand how ride-hail driver labor conditions have shifted in the years since. The original research methods included:

- Literature review on the social, health impacts of ride-hail driving and related industries
- Three focus groups with 13 people total who drive for Lyft and/or Uber
- In-depth qualitative analysis of focus group themes
- In-depth interviews with three occupational health and economics experts

For more information and the full report, see HumanImpact.org/DrivingAwayHealth.

Photos from Gig Workers Rising.

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