

Are drivers for Amazon, Lyft or Uber today's version of factory workers?

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About a year ago, 60-year-old Johnny Pollard found himself in need of a job—fast.

His longtime employer, a Grapevine freight trucking company, had gone out of business. Pollard worried about interviewing for jobs because of his age, so instead he decided to try freelancing as a driver for Uber. And now, he is one of the shining stars at the ride-hailing company, grossing \$1,200 to \$1,800 per week giving customers rides all over the Dallas-Fort Worth region.

"Uber saved me from unemployment," the Haltom City resident said on a recent morning after picking up passengers in downtown Fort Worth. "It has given me an opportunity to keep making a little money, and continue contributing to the community."

Freelancing—as opposed to working full-time for a single employer—has become increasingly common in the United States job market, and if current trends continue, soon might become more of a norm than an exception.

Already, more than a third of the United States' workforce (57.3 million people) is working for employers on a freelance basis, an increase of nearly 30 percent from a year earlier, according to a report titled "Freelancing in America: 2017." The fourth annual report by Upwork and Freelancers Union predicts that by 2027 a majority of the U.S. workforce will be engaged in contractual work of some kind.

Companies such as Uber, its growing competitor Lyft, and Amazon are among the industry leaders in hiring freelance workers in the "on-demand economy," sometimes referred to as the "gig economy," or "sharing economy." Amazon Flex, for example, employs hundreds of workers who deliver packages to customers' homes in selected markets, including Dallas-Fort Worth.

And there are many others. HomeAdvisor connects property owners to screened contractors who can do home improvements. Airbnb has turned the hotel industry on its ear by connecting travelers directly with rooms for rent in the cities of their choice.

And in Fort Worth, a company called Booster can fill your tank with gasoline in the company parking lot, while you go about your office routine.

Seismic shift

Some drivers reportedly work for two, three or even four of these on-demand companies simultaneously, juggling their schedules to ensure they earn enough money to make ends meet. In some cases, the jobs are ideal part-time work for college students, or for employees who need to moonlight from their day job to earn additional cash.

And there seems to be no end in sight for more on-demand drivers.

The total amount spent by customers last year on these types of consumer services topped \$57 billion in 2017, according to the media research firm BIA Advisory Services. And the trend only promises to continue upward, with BIA projecting that the entire on-demand industry is still relatively new and is only serving a little more than 7 percent of its potential audience.

But is this seismic shift in the American workplace good for workers?

The trend is mostly positive for those—like Pollard—who place a high value on being your own boss, setting your own hours and hustling enough to earn more money than less-motivated colleagues.

But others who closely follow labor trends say these changes could come at a high price for many Americans.

Got what it takes?

For example, not everyone has Pollard's work ethic. He starts work each day about 4 or 4:15 a.m., when he often is the only Uber driver on the road in Tarrant County. The divorced father of grown children works until about 4:30 or 5 p.m. Monday through Friday, and usually a few hours each Saturday as well, to ensure he makes enough money to pay all his bills.

He spends about \$1,500 a month just on gasoline, and also must make the monthly payment on his 2017 Ford Explorer. He also pays car and health insurance, which he got through the Affordable Care Act.

Pollard acknowledged that not everyone can prosper as a contracted driver, but he said the money is there for anyone willing to put in the hours.

"If you're not making money, you're not doing it right," he said.

Some labor trend watchers say people in those jobs could be hurt by not having a brick-and-mortar workplace. They lack the protection of workers' rights. They often lack health care and other benefits. They could become unemployed without benefits if they are injured.

And they could become socially isolated by the lack of workplace camaraderie typically found in a traditional office environment.

New factory workers?

In a just-released book titled "Microtrends Squared," author Mark Penn and collaborator Meredith Fineman describe working in the shared economy as being "essentially alone on the job."

"Like old factory jobs, these jobs have a routine that starts with an order ticket and they repeat the same tasks, but the factory floor is everywhere. Unlike the old factory jobs, your customers or clients are now your supervisors," Penn and Fineman write in a chapter titled "The New Factory Worker."

"Previously, you met your spouse or some of your best friends around the water cooler or in the lunchroom at the office," they write. "Now you are bowling alone, and need the kind of personality that can chat up a few customers and make connections or feel even more isolated than the old cogs of the industrial age."

Because Uber and Lyft are privately held companies, they aren't obligated to say how many drivers they have, and it's difficult to determine using external sources.

But Uber co-founder Garrett Camp recently acknowledged the size of the company's worldwide fleet by saying it collectively gives "2 million drivers flexible work options." At least half those drivers are believed to be in the U.S., according to The Rideshare Guy industry blog.

Lyft is smaller, but growing quicker, with an estimated 700,000 workers in the U.S. and a goal of expanding worldwide.

An estimated 500,000 drivers work for both Uber and Lyft, so, using very rough math, it's probably safe to say that at least 1.2 million people in the U.S. drive for one or both companies.

Amazon doesn't disclose how many freelancers work for Amazon Flex. The Flex program uses contracted drivers as a complement to the company's arrangements with FedEx, UPS and the Postal Service to get packages the last few miles to their final destination..

Some Amazon Flex workers have filed a lawsuit asking for more pay, saying they don't really make the \$16 to \$25 per hour promised by the company because they have to pay expenses such as gas and car maintenance. Also, they say they function more as Amazon employees than contract workers because of scheduling and training, including detailed instructions such as precisely what streets to take on a delivery route.

Uber and Lyft have had their share of bumps in the road, too. Recently, the Star-Telegram reported that Uber was under fire in Fort Worth for some drivers refusing to pick up prospective riders with service dogs, and both Uber and Lyft have found legal trouble for similar violations of federal law in the past.

But for those watching labor trends closely, these issues are merely short-term challenges to be addressed. The long-term trend toward using more and more freelance drivers to connect consumers with their desired goods, they say, is a permanent shift.

"We are in the 'Fourth Industrial Revolution' - a period of rapid change in work driven by increasing automation," Stephane Kasriel, CEO of Upwork, said in an email accompanying the "Freelancing in America: 2017" report.

Kasriel also is co-chair of the World Economic Forum's Council on the Future of Gender, Education and Work.

"But we have a unique opportunity," she said, "to guide the future of work, and freelancers will play more of a key role than people realize."

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