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Independent academic study finds Seattle drivers would benefit from a compensation standard equivalent to the city's minimum wage

BERKELEY, CA--A new study examining pay of over 30,000 licensed Uber and Lyft drivers in Seattle finds that drivers net about \$9.73 per hour, much less than Seattle's \$16.39 minimum wage for employees. A third of all drivers work more than 32 hours per week and provide 55 percent of all trips. Nearly three-fourths rely on driving as their sole source of income.

Click [here](#) to read the full report.

The City of Seattle commissioned the authors—Dr. James Parrott of the Center for New York City Affairs at The New School, and Professor Michael Reich, an economist at the Institute for Research on Labor and Employment at the University of California, Berkeley—to conduct the study in order to inform the City's wage ordinance. The city passed legislation last fall to set a pay standard for Seattle's gig drivers that matched the city's minimum wage plus reasonable expenses.

Dr. James Parrott said, "84 percent of the drivers would receive pay increases with the new standard proposed in our report." The study found that 55 percent of the drivers are people of color. The pay standard would therefore reduce the racial income gap in Seattle.

"The companies would be motivated to better manage the number of drivers on the road," said Michael Reich. "They could then still meet passenger service levels while reducing congestion and pollution."

The study draws from a large-scale survey of Seattle drivers as well as data provided by Uber. Lyft refused to provide any data. The study was conducted before the onset of the covid-19 pandemic. The authors argue that the resultant economic pressure on the drivers makes pay protection even more important.

Parrott and Reich conducted a similar study of New York City gig drivers in 2018. Their recommendation for a pay standard was adopted by the city and has been in effect since February 2019. Indications thus far suggest that the standard has worked as intended.

For further information on the New York and Seattle studies, contact Meera Joshi, former Commissioner of the New York City Taxi and Limousine Commission, 917-771-7185
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The full report is also available from The New School's Center on New York City Affairs:
<http://www.centernyc.org/a-minimum-compensation-standard-for-seattle-tnc-driver>

The Center on Wage and Employment Dynamics (CWED) is a project of the Institute for Research on Labor and Employment (IRLE) at UC Berkeley. IRLE connects world-class research with policy to improve workers' lives, communities, and society.

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