

News Item

California's Proposition 22 Reinforces the Need for Fair Working Conditions Worldwide | Oxford Internet Institute

By Sara Spinks November 11, 2020

Last Tuesday, voters in California passed Proposition 22, a measure that allows gig companies to hire drivers and couriers as independent contractors, rather than as employees. A bill passed in the state in 2019, Assembly Bill 5, implied these workers are employees, and therefore owed a minimum wage, healthcare access, paid leave, and other essential benefits under U.S. and California law.

Proposition 22, also known as the "App-Based Drivers as Contractors and Labor Policies Initiative," creates a precarious new class of workers who have neither the control of their work exercised by true independent contractors nor the basic rights and protections guaranteed to employees. Unlike true independent contractors, gig workers typically are unable to control their own work conditions; they must accept wages set by algorithms and worry about deactivation at the hands of the platform. Although Proposition 22 includes several concessions to workers, each provision provides an insufficient, watered down version of the full benefits of employment. For example, rather than receiving a minimum wage of at least US\$12 per hour worked, workers will be guaranteed an average wage for the time they spend actively giving rides, coming to an estimated US\$5.64 per hour worked. Rather than accessing an employer-sponsored healthcare plan, as they would receive as full-time employees, they will receive an additional payment which they can opt to apply toward the cost of a public health plan. And rather than participating in the publicly regulated and worker-friendly workers' compensation program, they receive limited, privatized occupational accident insurance. Our earlier analysis of the provisions of Proposition 22 showed they do not meet the standards for fair platform work set forth by the Fairwork principles for fair platform work.

Source: California's Proposition 22 Reinforces the Need for Fair Working Conditions
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