

EPI comment in support of NYC DCWP proposed rule to establish minimum pay protections for grocery delivery workers

Public Comments • By *Nina Mast* • December 5, 2025

Submitted via email to: Rulecomments@dcwp.nyc.gov

Department of Consumer and Worker Protection
42 Broadway
New York, New York 10004

Dear members of the New York City Department of Consumer and Worker Protection:

The Economic Policy Institute (EPI) submits this comment in **support** of the New York City Department of Consumer and Worker Protection (DCWP) proposal to amend rules relating to contracted delivery workers, including to implement Local Law 124 of 2025, which establishes minimum pay protections for grocery delivery workers.

EPI is a nonprofit, nonpartisan think tank working for nearly 40 years to counter rising inequality, low wages and weak benefits for working people, slower economic growth, unacceptable employment conditions, and a widening racial wage gap. We intentionally center low- and middle-income working families in economic policy discussions at the federal, state, and local levels as we fight for a world where every worker has access to a good job with fair pay, affordable health care, retirement security, and a union. EPI has supported past development and implementation of New York City's existing wage standard for app-based workers in close coordination with affiliates of our Economic Analysis and Research Network (EARN), including the NYC-based Immigration Research Initiative.

New York City has long been a national leader in setting wage and workplace protection standards for frontline service-sector workers who are critical to the city's economy but often experience **low pay**, **long hours**, and **unsafe working conditions** while producing large profits for corporations or shareholders. This includes workplace protections for app-based ride-hail drivers in place since 2018, and for food delivery workers in place since 2021, when the Council acted on findings from DCWP and established wage standards for app-based delivery workers who are typically treated as "independent contractors" by platform companies and, thereby, denied coverage under most state or federal labor and employment laws. Such municipal policies have become critical to maintaining a consistent wage floor for essential workers in the expanding "gig economy," since classifying app-based workers as "independent contractors" or applying other non-employee designations remains a **key prong** of platform companies' agenda to exempt themselves from coverage under other existing state and federal labor standards.

The 2021 minimum pay standard represented huge progress for app-based delivery workers, the majority of whom are immigrants and people of color. A **2024 report** by DCWP revealed a 64% increase in driver earnings alongside an 8% increase in deliveries and a 10% increase in consumer spending when compared with the same fiscal quarter a year prior, before DCWP's enforcement of the new wage standard. In the **first quarter of 2025**, consumer spending on app-based delivery grew to an all-time high of \$120.2 million, and workers' total earnings per delivery increased by 21%. In direct contrast to industry claims, these basic workplace protections have benefitted both app-based workers and the platform companies that rely on them.

New York City laws have, however, so far excluded app-based grocery delivery workers, even though these workers face the same struggles that other app-based workers face. Now is the time to take the next step to ensure that all app-based workers are covered by minimum pay and other workplace protections, regardless of their employer.

App-based workers deserve the same protections and benefits as workers in any other industry, including minimum wage rights, unemployment insurance, workers' compensation, health and safety protections, paid leave, nondiscrimination protections, safeguards against misclassification as independent contractors, and the right to unionize and collectively bargain. DCWP's proposed rule takes an important step toward realizing that goal by limiting the scope of app-based workers who are excluded from existing minimum wage standards. Raising the minimum wage for app-based grocery delivery workers will have spillover effects that benefit workers in other low-wage jobs, and higher minimum wages **benefit us all** and make our economy healthier.

Sincerely,

Nina Mast

Policy and Economic Analyst

Economic Policy Institute