



Postmates Will Deliver Benefits To Gig Workers

Insights

9.18.19

Good news for Postmates delivery drivers...and for gig economy businesses across the country. The company recently announced that it would offer accident insurance benefits to its entire fleet of independent contractor drivers, providing the kind of safety net that many gig workers crave.

Starting October 1, drivers will receive up to \$1 million in free accident coverage for expenses that arise during an active delivery. According to Business Insurance, the insurance offering “also covers temporary and total disability payments, as well as death and survivor benefits stemming from an occupational accident.”

What’s more, Postmates will provide access to a company portal for insurance information, as well as additional health and wellness options. This includes access to discounted prescriptions, connections to physicians, and information on additional insurance plans offering disability and life coverage (available at a reduced cost to drivers). Further, the company will provide a full catalogue of free online and in-person courses allowing drivers to obtain certificates on a wide variety of topics (ranging from cybersecurity and data science to language skills and coding).

Some businesses have been hesitant to offer a full suite of typical workplace benefits to their gig workforce for fear that it could lead to a misclassification finding. That’s because providing benefits has been traditionally limited to the realm of employees, and gig businesses tend to avoid doing the kinds of things that could make them look like employers. But by providing this initial step of benefits, Postmates is hoping not to break that wall but instead make itself even more attractive to a pool of qualified and skilled workers.

“These new benefits are just the beginning,” said Postmates co-founder and CEO, Bastian Lehmann. “But we won’t be satisfied until all Postmates — and all gig workers across the sector — have the protections and opportunities they deserve. We’re going to keep working with our fleet members, other companies, labor unions, and policymakers to make that bigger, bolder deal for gig workers a reality. This journey starts now.”

In an economy where individually sourced and purchased benefits lag behind employer provided benefits, this development may be exactly what gig workers are looking for.

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