

The driver experience

Profile and earnings of drivers on Uber in Vancouver between July 2020 and June 2021

Contents

Disclaimer: The analysis in this report was commissioned by Uber and prepared by Accenture.

The content is provided for general information purposes and is not intended to be used in place of consultation with professional advisors.

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Driving on the Uber app in Vancouver

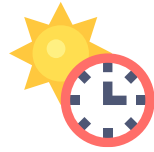


Flexibility of driving on the Uber app



1 in 2

drivers in Vancouver work less than 15 hours per week on the Uber app.



92%

of drivers in Vancouver spend at least 10% of their hours on the Uber app outside of weekday daytime hours.



77%

of drivers in Vancouver vary their hours on the Uber app by more than 10% week to week.



Earning on the Uber app



\$24.48 per hour

Average net earnings for drivers on the Uber app in Vancouver is \$24.48 per hour.¹ In July 2021, the average gross earnings was \$34.61 per hour.²



+\$0.68 per hour

Drivers on the Uber app can increase their hourly earnings by \$0.68 by working 10pmt more on weekend overnight instead of weekday daytimes.



+\$2.23 per hour

Drivers on Uber can increase their net earnings by \$2.23 per hour from lower fuels costs of using an electric vehicle to drive on the Uber app.³

¹ Average net earnings are for the period July 2020 to June 2021 (inclusive).

² Gross earnings refers to a drivers earnings after subtracting fees paid to Uber and GST, and before costs.

³ Cost savings based upon the marginal cost of electric vehicle operation and maintenance, assumes the vehicle was purchased primarily for personal use.

Executive summary

Uber launched in Vancouver in January 2020. A few months later, the COVID-19 pandemic induced a recession and period of rising unemployment.

Uber was first made available in Canada in 2012 in the city of Toronto. UberX was subsequently made available in Toronto two years later, in 2014. By January 2020, ridesharing apps were made available for use in Vancouver, British Columbia.

Ridesharing apps are subject to various regulations in the jurisdictions in which they are available. For example, in British Columbia drivers are required to obtain a class 4 driver's licence and complete a commercial vehicle inspection on a yearly basis.

Uber's introduction to Vancouver came at a critical time. In March 2020, Canadians were exposed to the impact of the COVID-19 pandemic and induced recession, including rising unemployment. During this time, Uber became an important source of earnings for residents of Vancouver irrespective of their education and employment history.¹

This study combines administrative and survey data from Uber to understand the experience of Canadian drivers on the Uber app. This data is also used to estimate how much drivers in Vancouver earn on the Uber app and identify decisions drivers can make to influence how much they earn.²

Vancouver residents benefit from the opportunities for flexible work and earnings facilitated by the Uber app.

Drivers on the Uber app control their own hours of work. More than three in four drivers in Vancouver vary their hours by at least 10% week to week.

Beyond the number of hours worked, drivers can also choose their schedules in real-time to balance other responsibilities. In Vancouver, one-third of drivers vary their work schedule on a weekly basis.

Drivers on Uber can work during times that they would otherwise not be able to in most jobs. One in two drivers spend the majority of their time on the app outside of weekday daytimes.

These flexible earning opportunities have attracted drivers with varying demographics and circumstances. Drivers on Uber have a similar age distribution to the broader Canadian labour force. In Vancouver, females are less likely to be driving on the Uber app as they account for only 14% of drivers with a commercial licence.

Many of the work and earning opportunities made available through the Uber app are for a supplemental source of earnings. In Vancouver, nearly half of all drivers spend less than 15 hours per week on the Uber app.

Drivers on the Uber app earn \$24.38 per hour in Vancouver after costs.

The average net earnings for drivers on the Uber app in Vancouver is \$24.38 per hour. This is 60% above the minimum wage in British Columbia. The average driver on Uber also earns 18-35% more relative to other occupations in Vancouver, such as taxi drivers and couriers.

Before costs, drivers in Vancouver earn an average of \$29.95 per hour, including tips and promotional earnings. This excludes the time before a driver accepts their first request of the day, and after their last request of the day.


Similar to other businesses in 2020, Uber's first year in Vancouver was impacted by COVID-19. This had flow-on implications for driver earnings. As Vancouver began to recover from the pandemic, earnings for drivers on the Uber app increased. In June 2021, drivers earned an average of \$34.61 per hour, before costs.

Drivers can make choices while driving on the Uber app to optimize their earnings. For example, drivers who work more on weekends earn more than the average.

Drivers also incur costs while driving on the Uber app. These costs may include items such as fuel and electricity, maintenance and depreciation due to mileage. The average cost for drivers in Vancouver is

estimated to be \$5.57 per hour. This can vary based on a driver's choice, for example when they choose to work or how many rides they accept per hour.

This study primarily considers the earnings and costs of drivers based on their experiences on the Uber app in Vancouver. Therefore, it does not account for additional earnings or costs that could be incurred by drivers while engaged in other app-based work.

 1 Accenture (2021) *Platforms Work: Research with workers using the Uber app during the first year of the COVID-19 pandemic*.

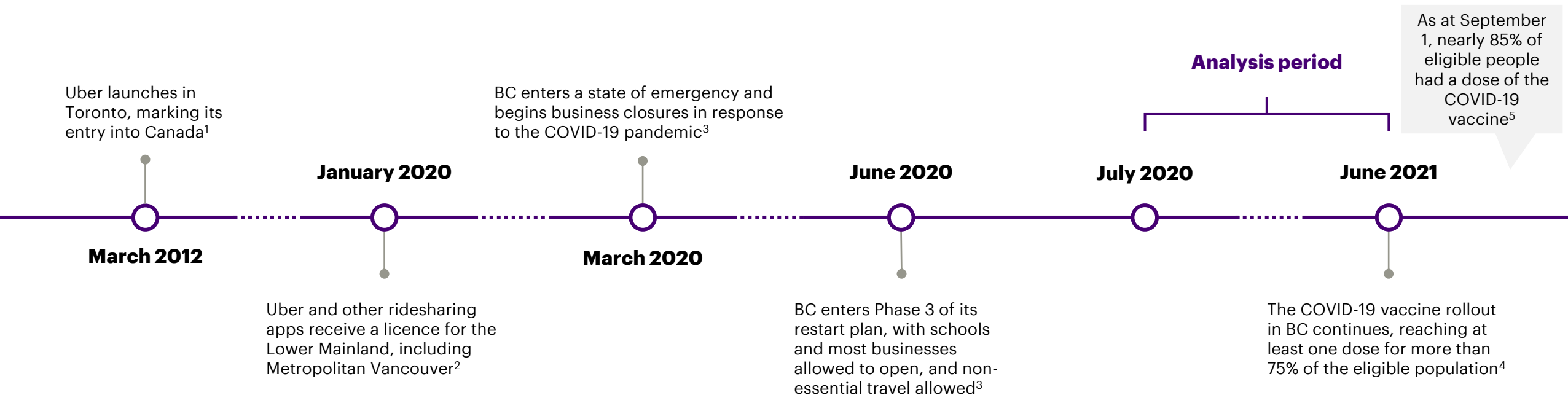
2 The methodology adopted is similar to prior studies such as [Flexibility and fairness: What matters to workers in the new economy](#) and [Making delivery work for everyone](#).

01



Vancouver residents benefit from the opportunities for flexible work and earnings facilitated by the Uber app

Uber has been available in Vancouver since January 2020



Uber has been available in Canada for close to a decade. The platform launched in Toronto in 2012, marking its third country of operation.

By January 2020, Uber and other ridesharing platforms were made available to Vancouver

residents. Residents were able to sign up as drivers on the Uber app by acquiring a commercial driver's licence (class 4 driver's licence), conducting a commercial vehicle inspection and adhering to other measures.

After Uber launched in Vancouver, drivers rapidly signed up to the platform. This slowed during the onset of the COVID-19 pandemic, but rebounded after British Columbia began reopening with Phase 3 of its restart plan in June 2020.⁶

¹ Toronto CityNews
² CBC
³ CTV News

⁴ COVID-19 Tracker Canada (eligible population being aged 12+)
⁵ Government of British Columbia

⁶ Uber administrative data

Drivers use the flexibility of Uber to vary their working hours each week

Drivers on Uber control their own hours of work. Almost four in five drivers in Vancouver vary their hours by at least 10% on the Uber app week to week.

Drivers can choose the number of hours they work each week. This allows them to make a schedule that is best suited to their circumstances.

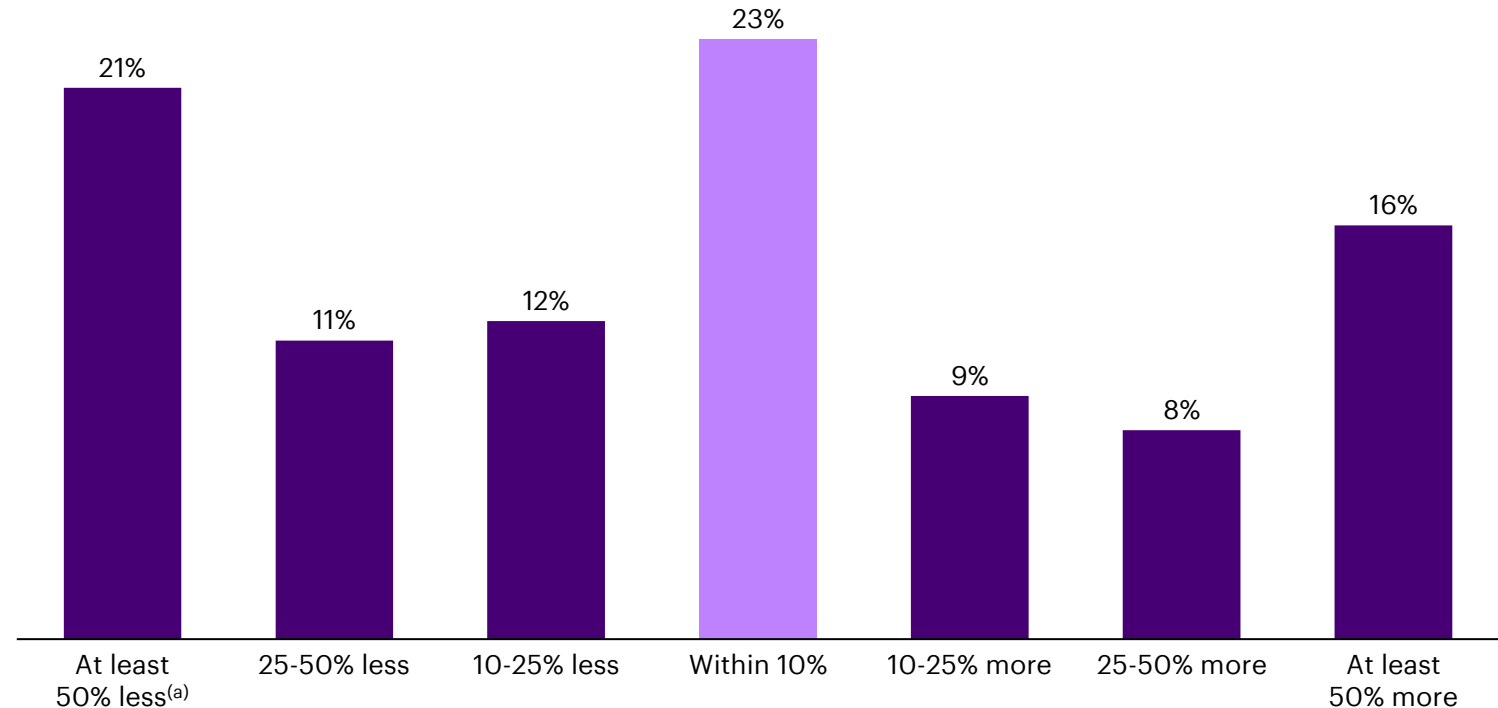
In any given week, 23% of drivers on the Uber app drive relatively consistent hours week on week. These drivers tend to drive within 10% of the amount of time they drove during the previous week.

In comparison, nearly four in five (77%) drivers vary their hours by at least 10% week on week. More than a third (37%) of drivers vary their hours by more than 50% week to week – one in five drive 50% less while one in six drive 50% or more.

In a recent survey, 81% of Canadian drivers engaged on the Uber app reported experiencing greater flexibility on Uber relative to their previous roles.

Exhibit 1: Distribution of change in online hours from week to week

Percent of driver-weeks with following week observed, July 2020 – June 2021



Note: Analysis conducted on statistically relevant sample. See appendix for details on sample size.

(a) Following weeks observed include where a driver does not drive on the Uber app.

Source: Uber administrative data; Accenture analysis.

Uber offers drivers the opportunity to vary when they work to balance other commitments

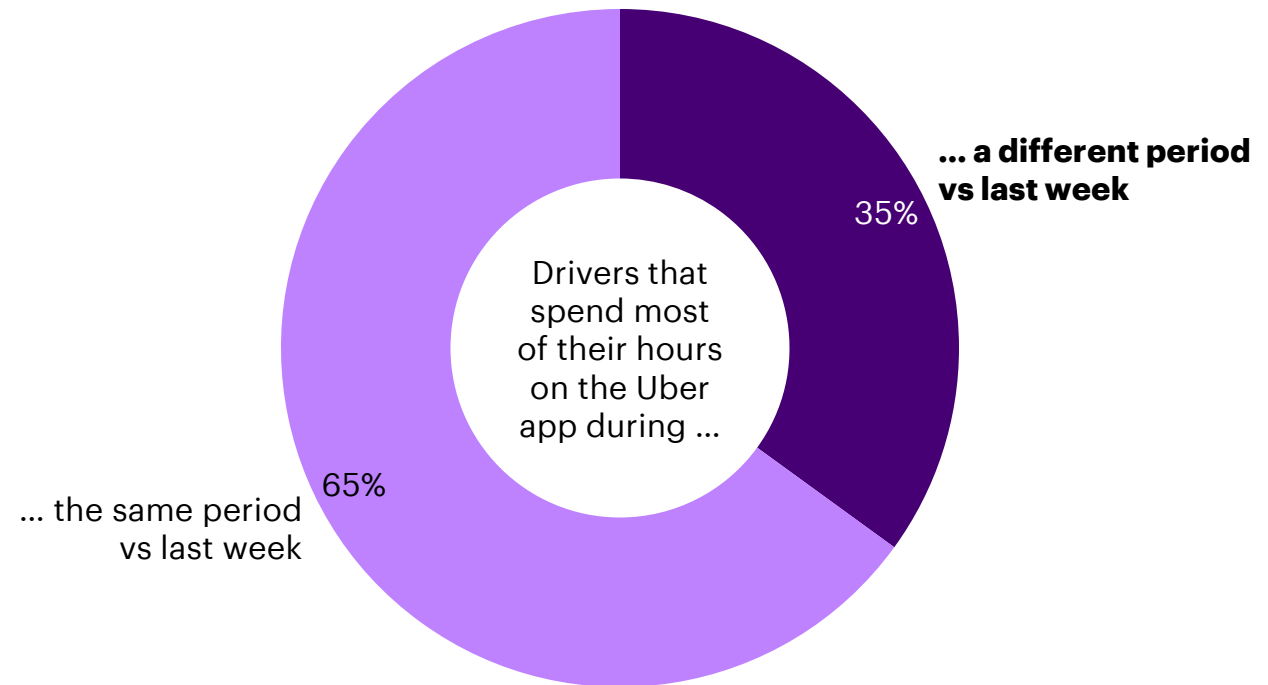
Drivers on Uber can choose their own schedules to balance other responsibilities. In Vancouver, one-third of drivers vary their work schedule on a weekly basis.

The flexibility offered by Uber means drivers can select the time of day and week they want to drive. Drivers can change this in real-time by choosing when to start and stop driving. This is particularly important for drivers with commitments outside of their time driving on the Uber app. Nationally, 88% of drivers reported finding it easier to balance their family and work responsibilities while working on apps such as Uber.

To explore the flexibility Uber offers to drivers, this study analysed when a driver spends most of their time driving each week they are on the Uber app. This analysis found that 35% of drivers varied when they drove most on the Uber app week to week.

Exhibit 2: Change in time periods worked between driver weeks^(a)

Percent of driver-weeks with following week observed, July 2020 – June 2021



Note: Analysis conducted on statistically relevant sample. See appendix for details on sample size.

(a) Based on the time period in which the driver worked the most hours that week. For example, where a driver spends 40% of time on the Uber app working during the weekday day period, 20% during weekend overnight, 20% during weekend day and 20% during weekend overnight, they spent most of their time working during the weekday day period.

Source: Uber administrative data; Accenture analysis.

Drivers on Uber typically work outside of weekday daytimes

Drivers on Uber can work during times that they would otherwise not be able to in most jobs. One in two drivers spend the majority of their time on the app outside of weekday daytime hours.¹

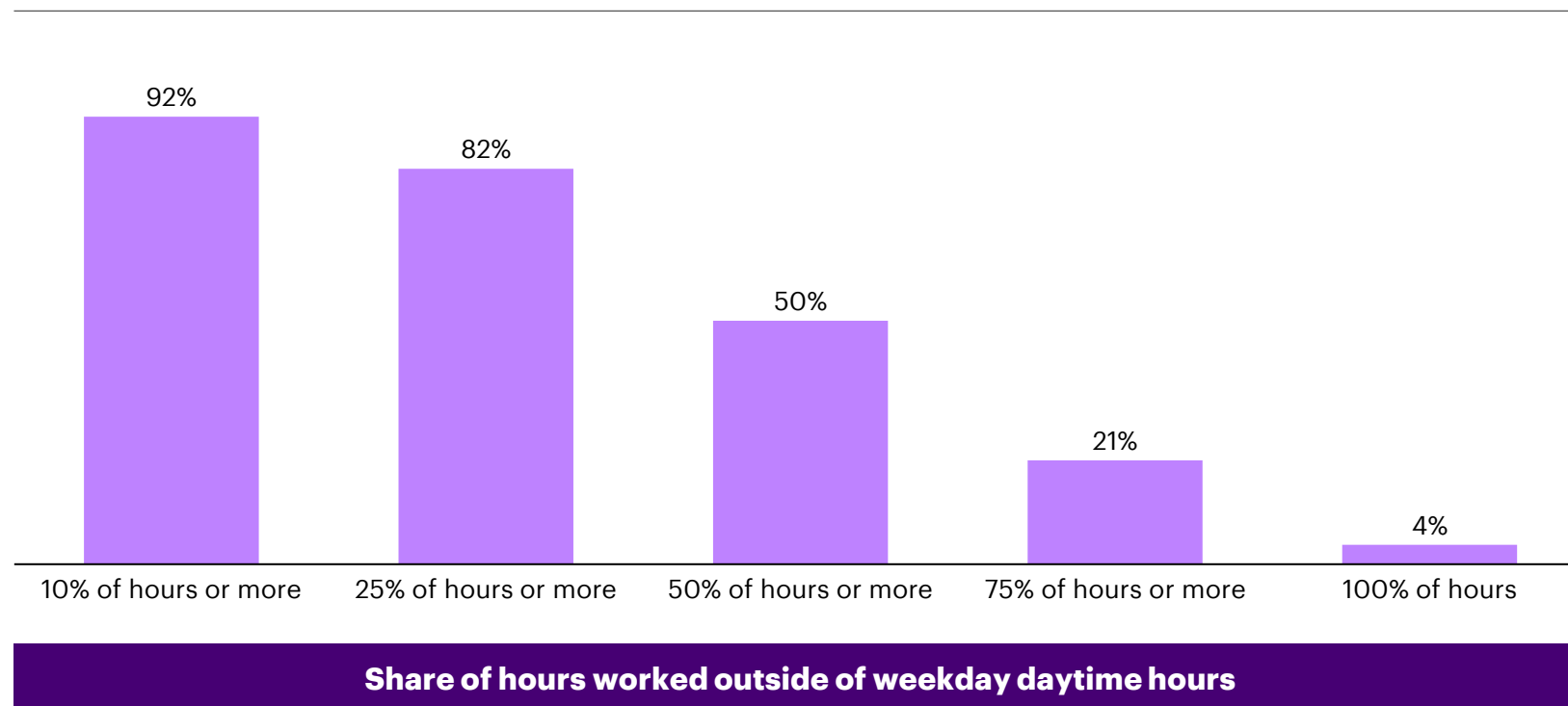
Drivers use the Uber app to earn an income when and where they choose. They use this flexibility offered by Uber to work during times that suit them.

For most drivers, this means working outside of weekday daytime hours.¹ Nine in ten drivers spend at least 10% of their driving time outside of weekday daytime hours.

Meanwhile, there are some drivers who spend the majority of their time working during weekday daytimes. One in two drivers spend at least 50% of their time on the Uber working outside of weekday daytimes. A small minority of drivers (4%) work *only* outside of weekday daytimes.

Exhibit 3: Drivers working during non-weekday daytime hours

Percent of drivers, July 2020 – June 2021



Note: Analysis conducted on statistically relevant sample. See appendix for details on sample size.
Source: Uber administrative data; Accenture analysis.

¹ Weekday daytime hours include 6am to 8pm on Monday to Friday. See appendix for more details.

People with different demographics and responsibilities are earning from driving on the Uber app

Drivers who earn on the Uber app have varying demographics and responsibilities. Drivers are typically young or middle-aged, and male.

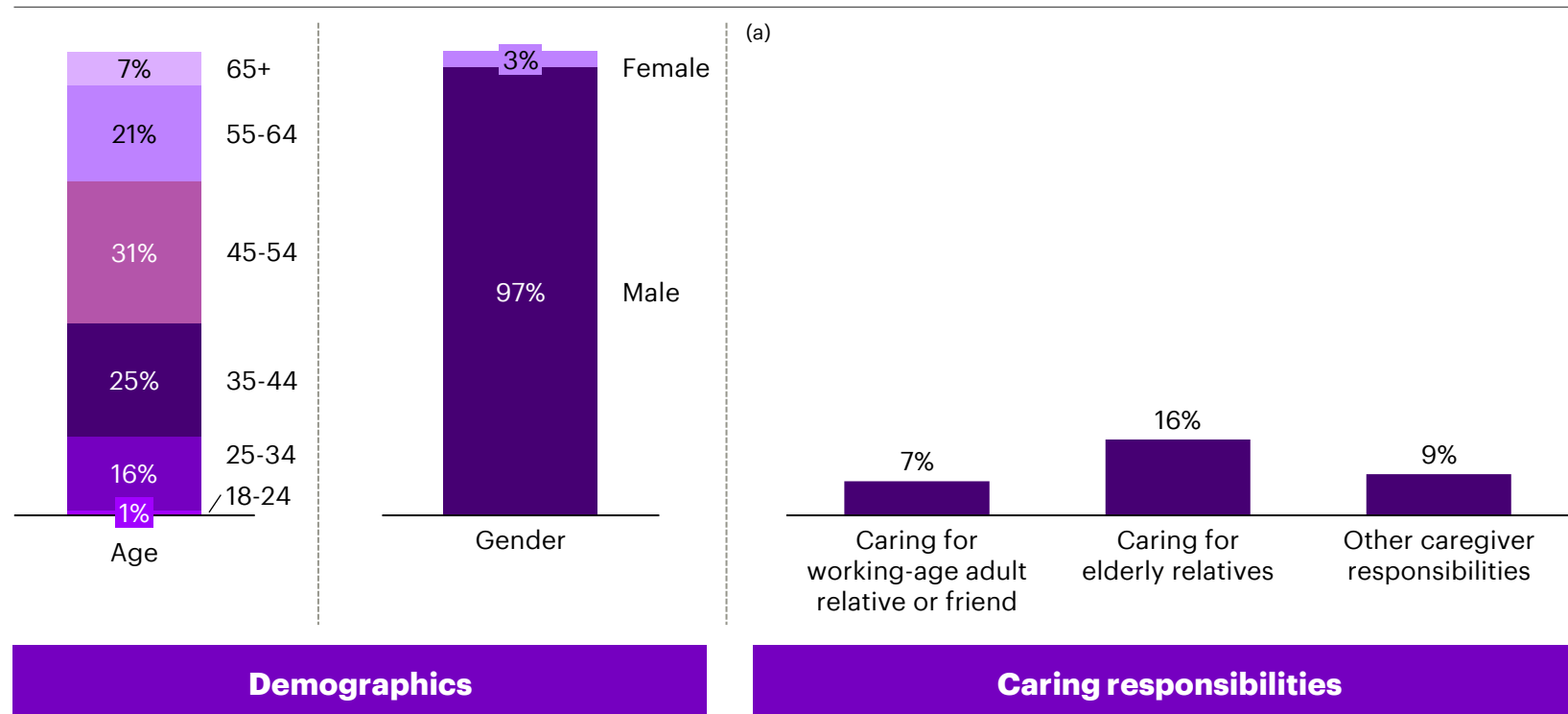
Drivers have a similar age distribution to the broader Canadian labour force, except for reduced representation in the 18-24 age band.¹

The driver population is less representative of broader demographics in terms of gender. Males comprise 97% of surveyed drivers on Uber, but only 53% of the general labour force in Canada.¹ A prior national US study of driver gender also found overrepresentation of men on Uber. However, the authors noted that taxi drivers and chauffeurs are also predominantly male – in the US, to a greater extent than on Uber.² In Vancouver, females are less likely to be driving on the Uber app as they account for only 14% of drivers with a commercial licence.³

Drivers balance their work with other responsibilities including caring. The flexibility of Uber makes it attractive to caregivers. According to a survey, one in six drivers (16%) provided care to an elderly relative, and nearly one in ten (9%) had other caregiving responsibilities.

Exhibit 4: Driver characteristics in Canada

Percent of drivers responding, 2021



Note: Analysis conducted on statistically relevant sample. See appendix for details on sample size.
 (a) Survey question: Besides children, do you have any other caregiver responsibilities? Please select all that apply.
 Source: PublicFirst survey for Uber (in field March 2021).

¹ Statistics Canada Labour Force Survey [Public Use Microdata](#).
² Cook et al. (2020) *The Gender Earnings Gap in the Gig Economy: Evidence from over a Million Rideshare Drivers*.
³ ICBC (2017) *Active Driver Licences by Gender and Vehicle Class*.

In Vancouver, 46% of drivers spend 15 hours or less per week driving on the Uber app

Many drivers engage lightly with the Uber app while doing other work. Nearly one in two drivers in Vancouver spend 15 hours or less per week driving on the Uber app.¹

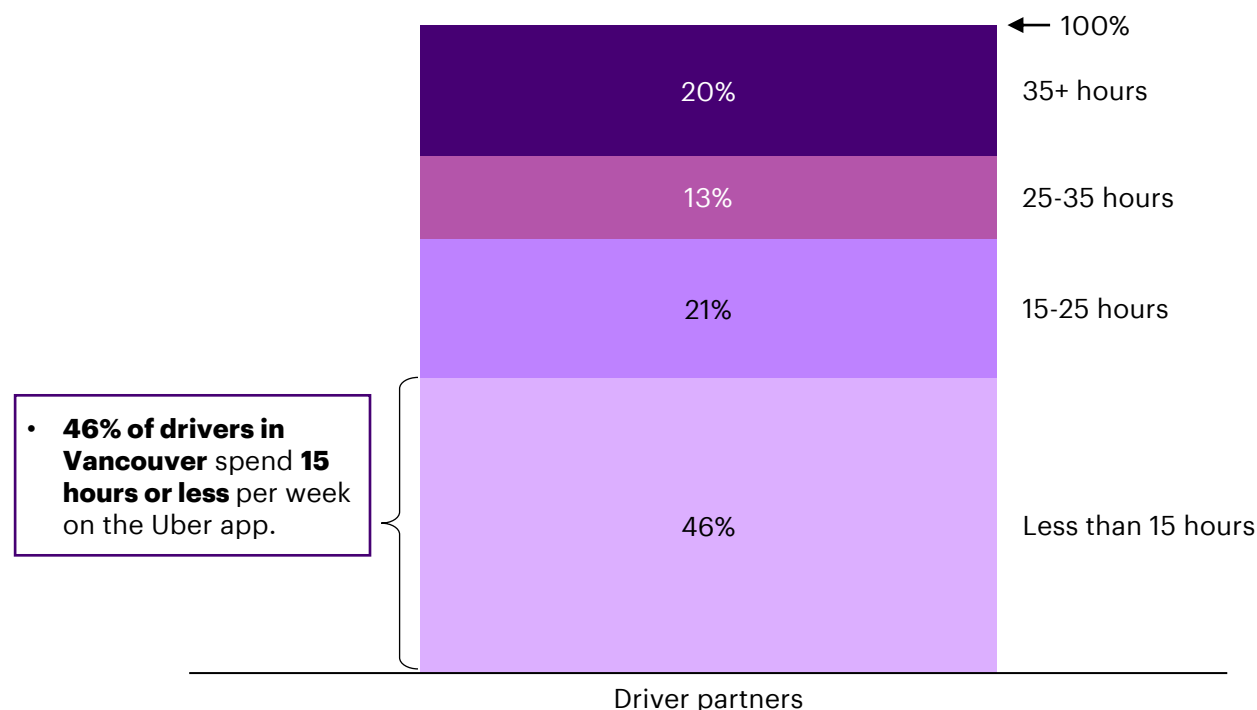
Drivers on the Uber app work a wide range of hours per week. Nearly one in two drivers in Vancouver (46%) spend 15 hours or less per week on the Uber app. For these drivers, earnings from the Uber app are likely to be a supplemental source of earnings.

Considering other major cities in North America, only 24% of New York drivers spend 15 hours or less on the Uber app.² Meanwhile in San Francisco, more than half (53%) the drivers spend 15 hours or less on the Uber app.²

There is a small group of drivers in Vancouver who spend time on the Uber app equivalent to a full-time role. One in five drivers spend more than 35 hours on the Uber app. Another 13% spend 25 to 35 hours on the Uber app per week.

Exhibit 5: Distribution of drivers by average hours on the Uber app per week¹

Percent of drivers, July 2020 – June 2021



Note: Analysis conducted on statistically relevant sample. See appendix for details on sample size.
Source: Uber administrative data; Accenture analysis.

¹ Hours per week splits based on average weekly hours online for each driver between July 2020 and June 2021.
² Hall, Jonathan V. & Krueger, Alan B. (2018) *An analysis of the labor market for Uber's drivers in the United States.*

02



Drivers on the Uber app earn \$24.38 per hour in Vancouver after costs

The average net earnings for drivers on Uber in Vancouver is \$24.38 per session hour

The average net earnings for Vancouver drivers on Uber is \$24.38 per session hour.¹ This is 60% above the minimum wage in British Columbia.

This study estimates net earnings as average earnings minus costs per hour, before any individual-level income tax.¹ To do this, Uber administrative data was examined to estimate average earnings (see page 14 for more detail). This study also estimated the average cost per hour based on a range of assumptions (see page 16 for more detail).

The session time definition used includes all time on the Uber app except for any time driving to and from the first and last rides of the day, respectively. This encompasses both driving time and time the driver is online the Uber app but not enroute or on a trip.

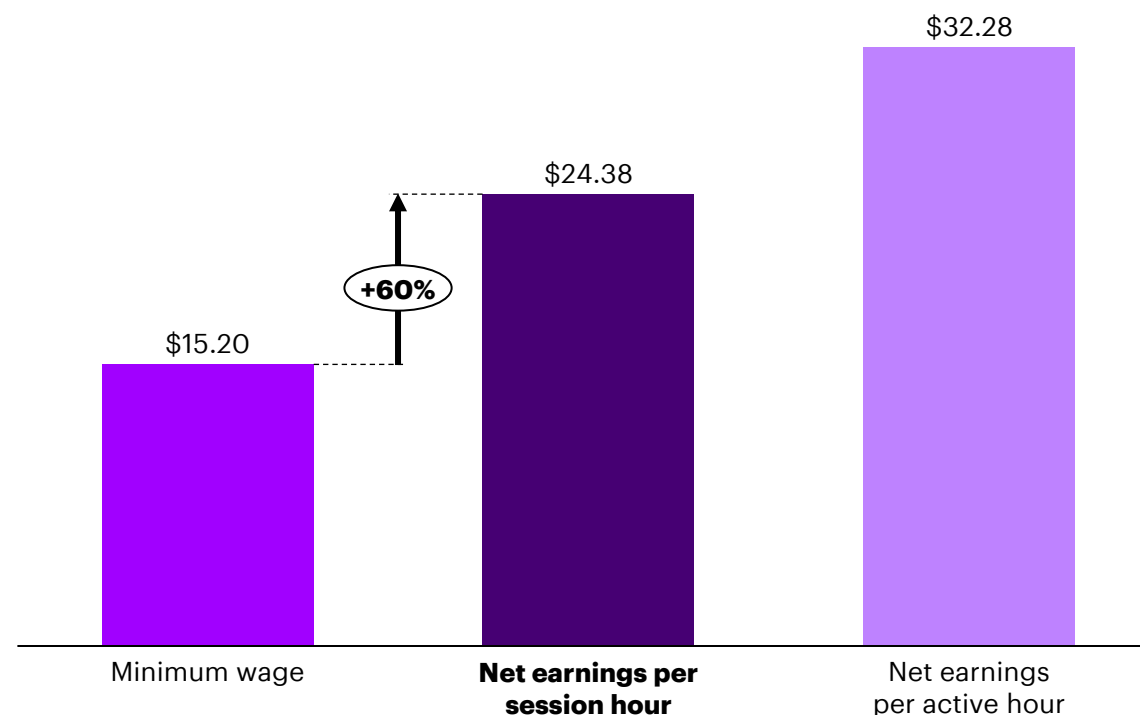
This study also considered active time. This definition includes the time from when a driver accepts a trip on the Uber app to when the trip is completed. It does not capture any time spent waiting before or after a trip.

On average, drivers in Vancouver take home \$24.38 per session hour from driving on the Uber app. This is 60% higher than the minimum wage in British Columbia.² When considering active hours only, the average net earnings for drivers is \$32.28 per active hour.

The estimates in this study assume drivers in Vancouver already own a vehicle which they can drive on the Uber app.

Exhibit 6: Average earnings for drivers on Uber in Vancouver after costs

\$ per hour, July 2020 – June 2021



Note: Analysis conducted on statistically relevant sample. See appendix for details on sample size. Source: [Government of British Columbia](#); Uber administrative data; Accenture analysis.

¹ Earnings are estimated as net of fees paid to Uber and GST.

² [Government of British Columbia](#).

³ Uber administrative data; Accenture analysis.

⁴ See page 16 for more detail on costs of driving on Uber.



Before costs, drivers in Vancouver earn \$29.95 per session hour on average

Drivers earn an average \$29.95 per session hour. This is comprised of \$26.63 in base earnings and \$3.32 in tips and promotional earnings. Considering only hours spent driving raises earnings to \$38.37 per active hour.

This study examined earnings data between July 2020 to June 2021 across the population of drivers on Uber in Vancouver. The dataset excluded drivers who also earn on Uber Eats. The top and bottom 1% of drivers by earnings per hour was also trimmed from the dataset. Earnings are calculated on an hour-weighted average basis, equal to the total earnings on Uber divided by the number of hours on Uber.¹

Pre-cost earnings is the amount paid to drivers, including promotions and customer tips, after subtracting fees paid to Uber and GST. Drivers are responsible for costs associated with earning these amounts (including fuel, maintenance, and depreciation), as discussed in the following sections.

The average pre-costs earnings for drivers in Vancouver is \$29.95 per session hour. Earnings per session hour represents a

conservative estimate. Drivers can use their time on the app in other ways when they are not actively working on a trip. This includes working on other apps or engaging in leisure activities. Drivers who wait less or use their wait time in other ways may receive much higher effective earnings than average. Ignoring wait time would increase hourly earnings to \$38.37 before costs.

Session time excludes the time before a driver accepts their first request of the day and after their last request of the day. In Vancouver, 90% of drivers spend less than 10% of their online time commuting. This compares to Vancouver residents more broadly spending 10–15% of the workday on their commute.²

Earnings on Uber have varied over time. As Vancouver recovered from the COVID-19 pandemic, earnings increased. In June 2021, drivers earned an average of \$34.61 per session hour – 15.6% higher than over the full year of analysis.³

Exhibit 7: Average pre-cost earnings for drivers on Uber in Vancouver

\$ per hour, July 2020 – June 2021



Note: Pre-cost earnings is net of GST after applying the quick method remittance rate of 3.6% on base earnings. Analysis conducted on statistically relevant sample. See appendix for details on sample size. Source: Uber administrative data; [Canada Revenue Agency](#); Accenture analysis.

¹ See appendix for details on sample size and methodology for estimating earnings.

² Vancouver residents more broadly have an estimated average commute of 27–44 minutes each way – equivalent to 10–15% of their day for a full-time worker ([Vancouver Sun](#)).

³ Uber administrative data; Accenture analysis.



Drivers can make choices while driving on Uber to increase their earnings per hour

Drivers who have more experience and those working at times outside the weekday daytimes earn more relative to others.

Drivers using Uber in Vancouver earn an average \$28.74 per online hour.¹ However, not all drivers earn the same amount. Driver choices and other factors influence their earnings.

To understand the impact of driver behaviour and experience on hourly earnings, this study used regression analysis. This analysis estimates how key choices impact hourly earnings, holding other factors constant.²

For example, this analysis finds that drivers earn \$0.68 more per hour if they spend 10 percentage points more of their time driving weekend overnight hours (as opposed to weekday daytime).³

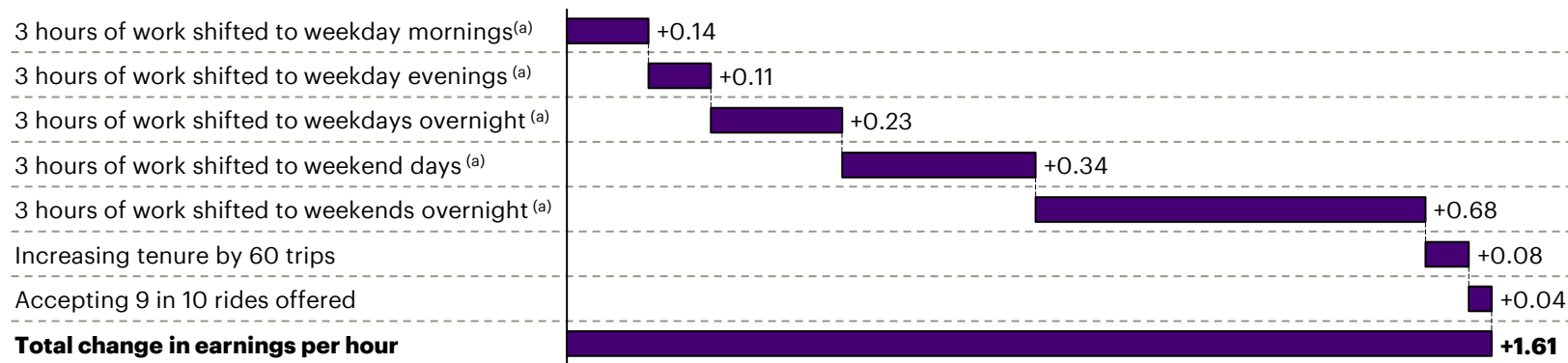
Experience on the platform and acceptance of trips also affect a driver's earnings. On average, a 10% increase in lifetime trips was associated with a \$0.08 per hour increase in earnings. A 10 percentage point increase in acceptance rates, or doing more trips, was associated with an increase of \$0.04 per hour.

Exhibit 8: Example of how Vancouver drivers on Uber can influence their hourly earnings

\$ per online hour, July 2020 – June 2021

Olivia represents a driver in Vancouver on the Uber app. She spends 30 hours per week on the Uber app, all during weekday midday times. She has completed 600 rides on Uber so far, and accepts 4 in 5 rides offered.

If her driving habits and experience changes on the Uber app, her earnings per hour can increase.



After making these choices, Olivia is now spending her time on the Uber app in the following way:

- She still spends 30 hours on the Uber app, of which 15 hours are during weekday daytimes, and 3 hours during all other time periods;
- She has completed 660 trips on Uber so far; and
- Accepts 90% of rides offered to her.

As a result, Olivia has increased her earnings on the Uber app by \$1.61 per hour.

(a) See appendix for detailed definition of working times.
Source: Uber administrative data; Accenture analysis.

¹ Online hour includes all time a driver is online the Uber app.
² See appendix for detailed regression methodology and results.
³ See appendix for detailed definition of working times.

Drivers incur variable and fixed costs while driving on the Uber app

Vancouver drivers on Uber incur a cost of \$5.57 per session hour on average. The largest contributor of this cost is fuel and electricity costs.

While driving on the Uber app, drivers also incur costs. This study estimated costs that are directly attributable to driving on Uber in Vancouver. For example, variable costs such as fuel, maintenance and depreciation due to mileage are included directly. Meanwhile, fixed costs, such as a class 4 driver's licence, are included where it is directly attributable to being a driver on the Uber app in Vancouver.

To estimate costs, this study assumed drivers would have their vehicle even if they did not work on the Uber app. This means that costs such as registration, financing and depreciation due to age are not considered in this study.

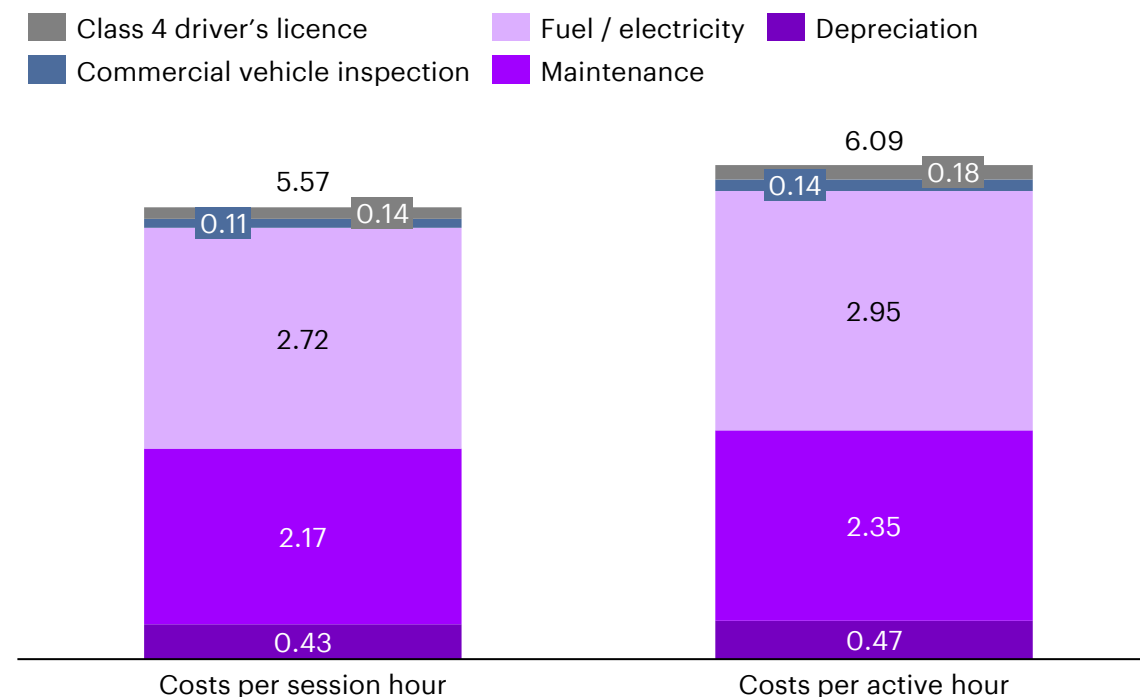
The costs considered in this study include a class 4 driver's licence, commercial vehicle inspection, fuel and electricity, maintenance, and depreciation due to mileage.

In Vancouver, the average cost for drivers on Uber is \$5.57 per session hour. The biggest component of this cost is fuel and electricity. This makes up 49% of costs incurred by drivers per session hour. Considering active time only, drivers in Vancouver incur an average cost of \$6.09 per active hour.

These cost estimates do not factor in the effect of working on multiple apps. Drivers that use other ridesharing or delivery apps may have some hours overlap with hours on the Uber app. Where this occurs, fixed costs per hour are likely to be lower than estimated in this study.

Exhibit 9: Average costs for Vancouver drivers on Uber

\$ per hour, July 2020 – June 2021



Note: See page 17 for detailed assumptions on cost estimates.
Source: Uber administrative data; Accenture analysis.

Drivers incur variable and fixed costs while driving on the Uber app (cont.)

Costs incurred by drivers in Vancouver driving on the Uber app represent a combination of several factors.

Drivers in Vancouver face regulatory costs in order to drive on Uber. These costs include a class 4 driver's licence and a commercial vehicle inspection. To estimate these regulatory costs, the annual regulatory costs incurred by a driver on the Uber app in Vancouver were divided by the average hours spent driving on the Uber app in a year.

To estimate fuel costs for fuel-based vehicles, this study assumed a fuel efficiency of 15.31 kilometres per litre and a fuel cost of \$1.40 per litre.¹ To estimate electricity costs for electric vehicles, this study assumed an average battery capacity of 6.03 kilometres per kWh, and an electricity cost of \$0.13 per kWh.

Electric vehicles are becoming more prevalent in British Columbia. Nearly one in ten new vehicles purchased in January to March 2021 was an electric vehicle.² More broadly, 2% of existing vehicles in Vancouver are electric.³ Electric vehicles currently make up 4.2% of vehicles driven on Uber. Driving an electric vehicle on the Uber app could reduce the average cost for

a driver on Uber by \$2.23 per hour. This equates to \$0.08 per kilometre driven on Uber.

To estimate maintenance costs, a cost of \$0.08 per kilometre was assumed (see exhibit 10).

To calculate depreciation costs, this study used estimates from the [Platform Driving in Seattle study](#).⁴ This study used a regression model to estimate depreciation costs of a vehicle. The model estimated this cost in two components: depreciation due to additional kilometres driven and depreciation due to aging of the vehicle. These estimates were based on car models such as Toyota Prius, Toyota Camry, Toyota Corolla and Honda Civic – similar to the vehicles commonly used on the Uber app in Vancouver.⁵ For estimates in this study, only depreciation costs due to additional kilometres driven while on the Uber app were included (see exhibit 10).

Costs such as depreciation due to age, licensing, registration and financing are not included in this study. This study also excluded insurance costs as Uber is legally required to provide this to drivers while they drive on the Uber app.⁶ This cost is paid for directly by Uber to ICBC.

Exhibit 10: Cost assumptions for Vancouver drivers on the Uber app

Costs per hour	Assumptions
Class 4 driver's licence	<ul style="list-style-type: none"> One-off cost of \$15 for the learner's licence exam.^(a) One-off cost of \$40 for the full licence exam.^(a) Cost of \$75 for the licence, renewal every 5 years.^(a) Cost of approximately \$200 for a driver's medical exam to be taken every 5 years.^(a) Cost of \$28 for ICBC to process medical exam results (incurred each time medical exam is taken).^(a)
Vehicle inspection	<ul style="list-style-type: none"> Cost of \$80 for a commercial vehicle inspection incurred on an annual basis.^(b)
Fuel and electricity	<ul style="list-style-type: none"> Fuel efficiency of 15.31 km / L based on the weighted average efficiency of the top 30 vehicles used by drivers on the Uber app in Vancouver that are fuel-powered (this accounts for hybrid vehicles).^(c) Average battery efficiency of 6.03 km / kWh based on the weighted average of the top 30 vehicles used by drivers on the Uber app in Vancouver that are electric vehicles.^(c) Average fuel cost of \$1.40 per litre in Vancouver between July 2020 to June 2021.^(d) Average electricity cost of \$0.13 / kWh in Vancouver during 2020.^(e) For electric vehicles, it is assumed drivers can charge their vehicle at their place of residence. This analysis does not consider the opportunity cost of charging the vehicle during a period where a driver may have been earning on the Uber app.
Maintenance	<ul style="list-style-type: none"> Cost of \$0.08 per kilometre. Assumes a maintenance cost of \$1,500 p.a. for a vehicle that travels 20,000 km per year.^(f)
Depreciation	<ul style="list-style-type: none"> Assumes a cost of \$0.01 per kilometre driven while on the Uber app.^(g) Assumes the driver would have owned the vehicle regardless of driving on the Uber app. Therefore, depreciation due to age is not incremental to driving on the Uber app.
Licence and registration	<ul style="list-style-type: none"> Assumes the driver would have owned the vehicle regardless of driving on the Uber app. Therefore, licence, registration and financing costs are not incremental to driving on the Uber app.
Insurance	<ul style="list-style-type: none"> Insurance costs are not included as Uber is legally required to provide this to drivers while they drive on the Uber app.
Finance (interest only)	

(a) ICBC (2021) [Driver licensing – fees](#); Foodgressing (2021) [Uber and Lyft Vancouver Driver Requirements, Costs and Is it Worth It](#); Commercial Driver HQ (Accessed 2021) [6 Steps To Get Your Class 4 License in BC](#). (b) Uber, [Vehicle inspections](#). (c) Government of Canada (2021) [Fuel consumption ratings](#). (d) Statistics Canada (2021) [Monthly Average retail prices for gasoline and fuel oil, by geography](#); See appendix for more details. (e) EnergyHub (2021) [Electricity Prices in Canada 2021](#). (f) ThinkInsure (2020) [How Much Does Car Maintenance Cost?](#); CAA (Accessed 2021) [Driving Costs Calculator](#); Canada Drives (2019) [How to Calculate your Annual Car Maintenance Budget](#). (g) Hyman et al. (2020) [Platform Driving in Seattle](#). Estimates have been converted from US dollars per mile to Canadian dollars per kilometre. Exchange rate used: CAD/USD = 0.80 (July 2021).

1 Fuel prices in Vancouver as of July 2021 are 16% higher than the average of \$1.40 per litre for the period of analysis. Statistics Canada (2021) [Monthly Average retail prices for gasoline and fuel oil, by geography](#).

2 Statistics Canada (2021) [New motor vehicle registrations: Quarterly data visualization tool](#).

3 Werner Antweiler (2021) [The state of electric vehicle adoption in British Columbia](#).

4 Hyman et al. (2020) [Platform Driving in Seattle](#).

5 See appendix for details on top 30 vehicles used on the Uber app in Vancouver.

6 ICBC (2021) [Insurance and licensing requirements for ride-hailing](#).



While the typical driver on Uber earns more relative to other occupations, this may not always be the case

The typical driver on Uber earns 18-35% more relative to other occupations in Vancouver.

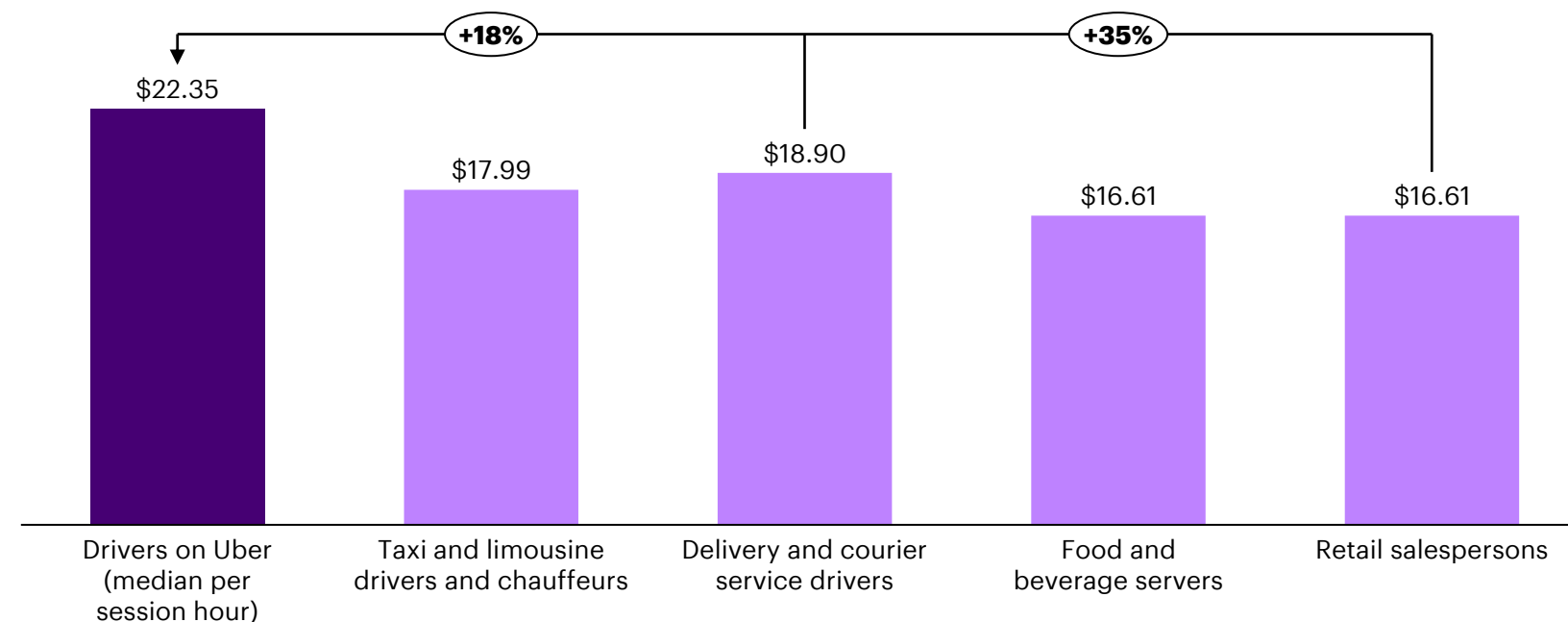
Uber provides access to earnings irrespective of an individual's work experience, education or other characteristics. As such it can be an attractive opportunity to people who may otherwise work, or seek work, in a range of roles across different industries. App-based work offers flexibility, and in some cases higher earnings.

The typical driver on Uber earns more per hour than people in a range of other professions. The typical pay for taxi drivers and chauffeurs is \$17.99 per hour. In comparison, the typical earnings after costs (or the median) for drivers on Uber is \$22.35 per hour. This is 24% more relative to taxi drivers in Lower Mainland Vancouver. Beyond transport, the typical driver's net earnings are 18% to 35% higher than wages for delivery drivers, servers and salespersons in Vancouver.

However, net earnings for drivers on the Uber app vary based on the driver's choices. Depending on these choices, a driver on the Uber app could be earning more or less than the average delivery or taxi driver in Vancouver.

Exhibit 11: Net earnings on Uber versus other occupations in Vancouver

\$ per hour, July 2020 – June 2021



Note: Earnings for other occupations are based on median figures for Lower Mainland-Southwest Region, grown to 2020-21 levels using broad British Columbia wage growth. See appendix for further detail of occupation definitions.
Source: Uber administrative data; Canadian Government [Job Bank](#); Accenture analysis.

03



Appendix

Appendix

A. References

B. Methodological notes on earnings

C. Methodological notes on costs



References

- Accenture (2021) *Making delivery work for everyone*, <https://ubernewsroomapi.10upcdn.com/wp-content/uploads/2021/04/Accenture-Making-delivery-work-for-everyone-1-1.pdf>
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This study used a range of publicly available data in combination with Uber administrative and survey data



Source: Uber administrative data

Use: Analysing how drivers engage with the Uber app, and estimating pre-cost earnings per hour in Vancouver.

Sample: 4,000+ drivers, 90,000+ driver-weeks, and 300,000+ driver-time of week observations in Vancouver.¹

Source: Multiple, including Statistics Canada, industry reports.

Use: Estimating the costs of driving on Uber in Vancouver

Source: Statistics Canada Labour Force Survey Public Use Microdata, Government of Canada Job Bank.

Use: Analysing hourly wages for various occupations in Vancouver, including the British Columbia minimum wage.

Source: PublicFirst survey for Uber (in field March 2021).

Use: Analysing the demographics and other responsibilities of drivers on the Uber app.

Sample: 1,640 drivers in Canada

¹ See page 25 for more detail on Uber administrative data.

Appendix

A. References

B. Methodological notes on earnings

C. Methodological notes on costs



To estimate earnings, this study used a 12-month period from July 2020 to June 2021, and trimmed the top and bottom 1% of drivers by hourly earnings

1 Initial dataset

- The initial data included driver-week observations from the week commencing January 13th 2020 to the week commencing June 28th 2021, excluding drivers who were also active on Uber Eats

2 Data filtering

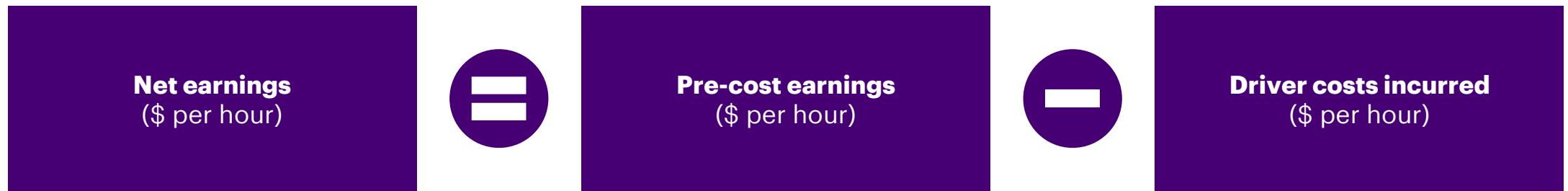
- Filters for each driver-week were applied to avoid including inactive drivers (i.e. those who did not use the platform in a meaningful way) or likely data errors. These filtered for driver-weeks with:
 - At least one trip made
 - At least one mile driven
- **Analysis time period was limited to July 2020 to June 2021 to mitigate the initial impact of COVID-19 on key metrics while retaining a 12-month timeframe**
- **Top and bottom 1% of drivers by average earnings per online hour are trimmed to remove the impact of outliers on all summary statistics**
- The refined dataset included 4,000+ drivers, 90,000+ driver-weeks, and 300,000+ driver-time of week observations

3 Calculation of earnings

- Online earnings per hour are the earnings divided by total online hours (i.e. P123 time)
- Session earnings per hour are the earnings divided by total online hours net of commute time¹
- Active earnings per hour are the earnings divided by total active hours (i.e. P23 time)
- This calculation gives average earnings across hours worked, rather than across drivers

¹ Commute time refers to online hours before a driver's first trip of the day, and after a driver's last trip of the day.
Source: Uber administrative data; Accenture analysis.

Net earnings are estimated as weighted average earnings net of weighted average costs, using a session time measure



Description

- Earnings after business-level taxes and operating costs
- Equivalent to gross income from traditional work

- Weighted average earnings (including tips, excluding GST) for drivers in Vancouver
- **Session time** is used for base estimates

- Estimated weighted average costs based on typical driver characteristics (e.g. hours worked per week, kms driven per hour, car make/model)
- Only includes costs which are incremental to driving on Uber
- Session time is used for base estimates

This study estimates pre-cost earnings with a hour-weighted average

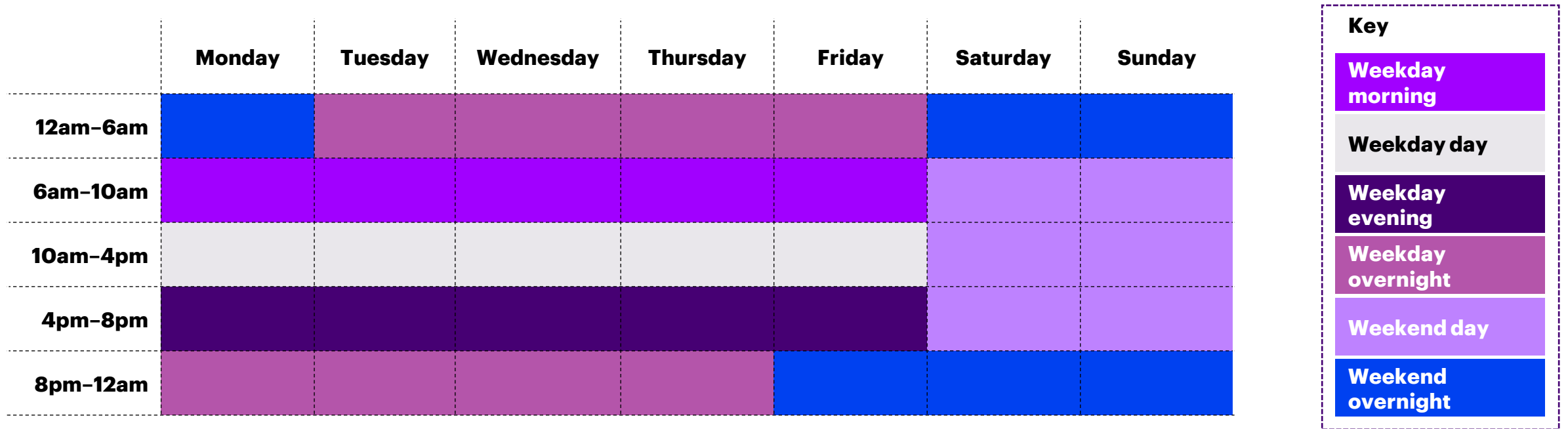
Average earnings per hour
Per-hour based average, rather than per driver

$$\frac{\sum_i^N \left(\text{Base earnings}_i^1 + \text{Promotional earnings}_i + \text{Tips}_i \right)}{\sum_i^N \text{Hours worked (online, session, or active)}_i}$$

Where:

- i is an index of drivers on the Uber app in Vancouver
- N is the total count of drivers on the Uber app in Vancouver

Time-of-week measures use data with driver weeks split into six categories with significantly different characteristics



Regression results – earnings per hour dependent variable

Category	Independent variables	Variable construction	Variable coefficient ² (std. error) ³
Platform-related characteristics	Lifetime trips (tenure), log transformed	<ul style="list-style-type: none"> Number of lifetime trips since joining Uber to the midpoint of a given week Log-transformed 	0.75*** (0.06)
	Acceptance rate	<ul style="list-style-type: none"> Number of trips driven divided by the number of trips offered to the driver 	0.40 (0.55)
	Kilometres driven per hour	<ul style="list-style-type: none"> The number of kilometres driven while on the Uber app, divided by the number of hours spend on the Uber app 	0.26*** (0.02)
Engagement with the platform	Time of day worked¹		
	Share of Weekday morning hours	<ul style="list-style-type: none"> Share of hours worked during Monday to Friday mornings (6am to 10am) 	1.4*** (0.33)
	Share of Weekday evening hours	<ul style="list-style-type: none"> Share of hours worked during Monday to Friday evenings (4pm to 8pm) 	1.1*** (0.24)
	Share of Weekday overnight hours	<ul style="list-style-type: none"> Share of hours worked during Monday to Thursday overnight hours (8pm to 6am) 	2.3*** (0.61)
	Share of Weekend daytime hours	<ul style="list-style-type: none"> Share of hours worked during Saturday and Sunday days (10am to 8pm) 	3.4*** (0.43)
Share of Weekend overnight hours	<ul style="list-style-type: none"> Share of hours worked during Friday to Sunday overnight hours (8pm to 6am) 	6.8*** (0.44)	
Demographics and seasonality	Seasonality Week fixed effects	<ul style="list-style-type: none"> Dummy variable set to 1 if week=<i>t</i>, or 0 otherwise 	NA
	Driver heterogeneity Driver fixed effects	<ul style="list-style-type: none"> Dummy variable set to 1 if driver=<i>i</i>, or 0 otherwise 	NA
Model fit		<ul style="list-style-type: none"> R-squared 	0.64
		<ul style="list-style-type: none"> Within R-squared 	0.19

¹ Monday to Friday 10am to 4pm is excluded as a baseline case.

² Significance levels: 0.001 = ***; 0.01 = **; 0.05 = *; 0.1 = .

³ Standard errors clustered on weeks and drivers.

Other occupation earnings are estimated from published medians, and rebased to the time period of analysis based on growth in average wages

Wage data sourced from the Government of Canada Job Bank¹

- Job Bank was used due to its availability of fine-grained geographic and occupation data
- Job Bank provides low, median, and high estimates based on Labour Force Survey data from Statistics Canada – the median figure is used
- Data used had a reference period of 2018 & 2019 (i.e. average over two years)
- The most appropriate region available in British Columbia (the 'Lower Mainland–Southwest Region') was used as the basis for wages in other occupations
- Other occupations considered were:
 - Taxi and limousine drivers and chauffeurs (NOC 7513)
 - Delivery and courier service drivers (NOC 7514)
 - Food and beverage servers (NOC 6421)
 - Retail salespersons (NOC 6513)

Wage estimates grown by broader growth in average wages in British Columbia²

- To ensure a like-for-like comparison with earnings calculated for drivers on Uber, data needed to be rebased to a 2020/21 level
- The original data used an average over 2018 & 2019
- Average wages in British Columbia by year:
 - 2018: 26.72
 - 2019: 27.63
 - 2020: 29.76
 - 2021: 30.42³
- 2020/21 average is a 1.11x increase relative to 2018/19

¹ [Search page](#) and [open data downloads](#) are both available.

² Statistics Canada Labour Force Survey [microdata](#) and [aggregates](#).

³ 2021 figure calculated by Accenture from British Columbia Labour Force Survey Microdata from January to June 2021.
Source: Government of Canada; Statistics Canada; Accenture analysis.

Appendix

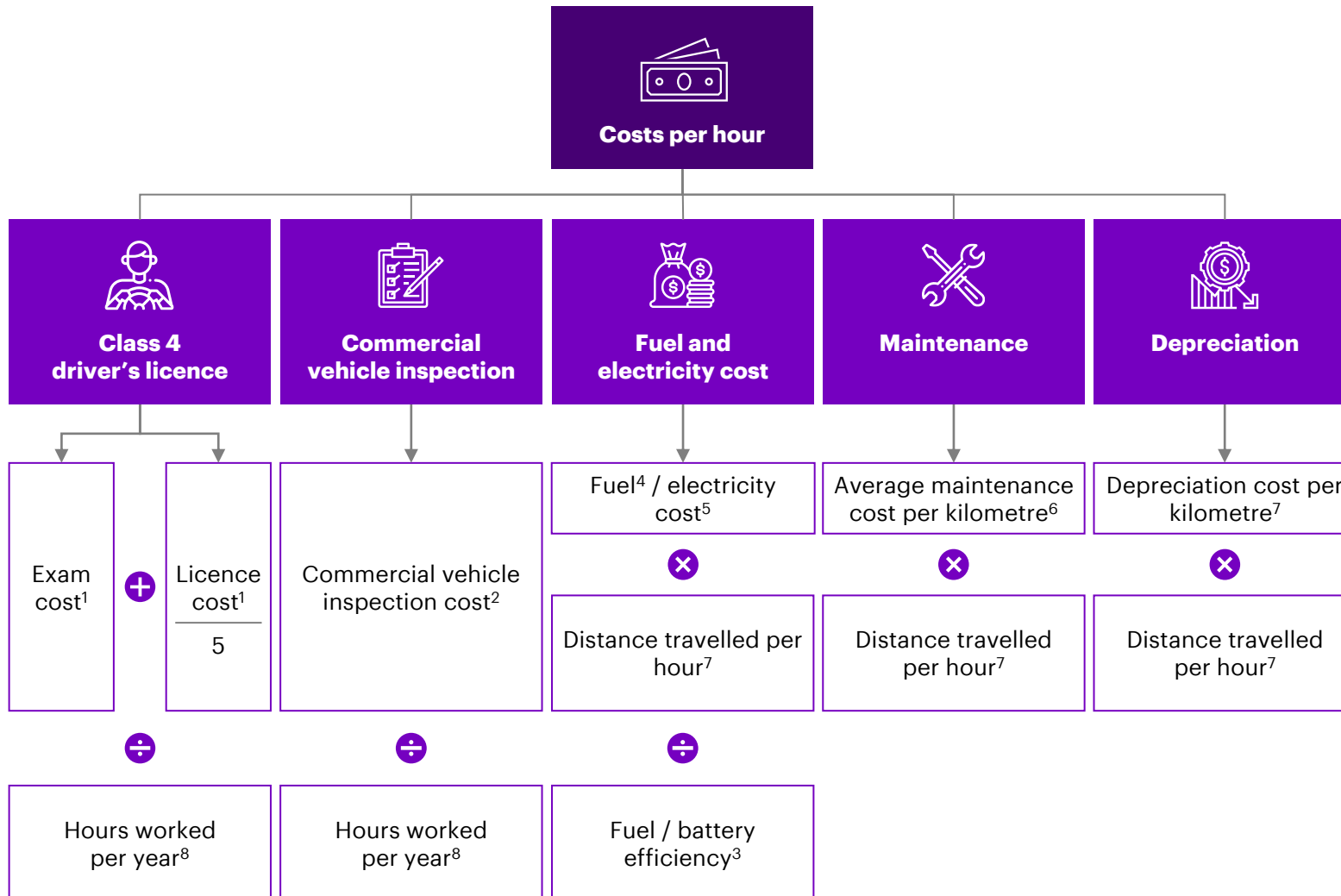
A. References

B. Methodological notes on earnings

C. Methodological notes on costs



This study estimates costs with an hour-weighted average



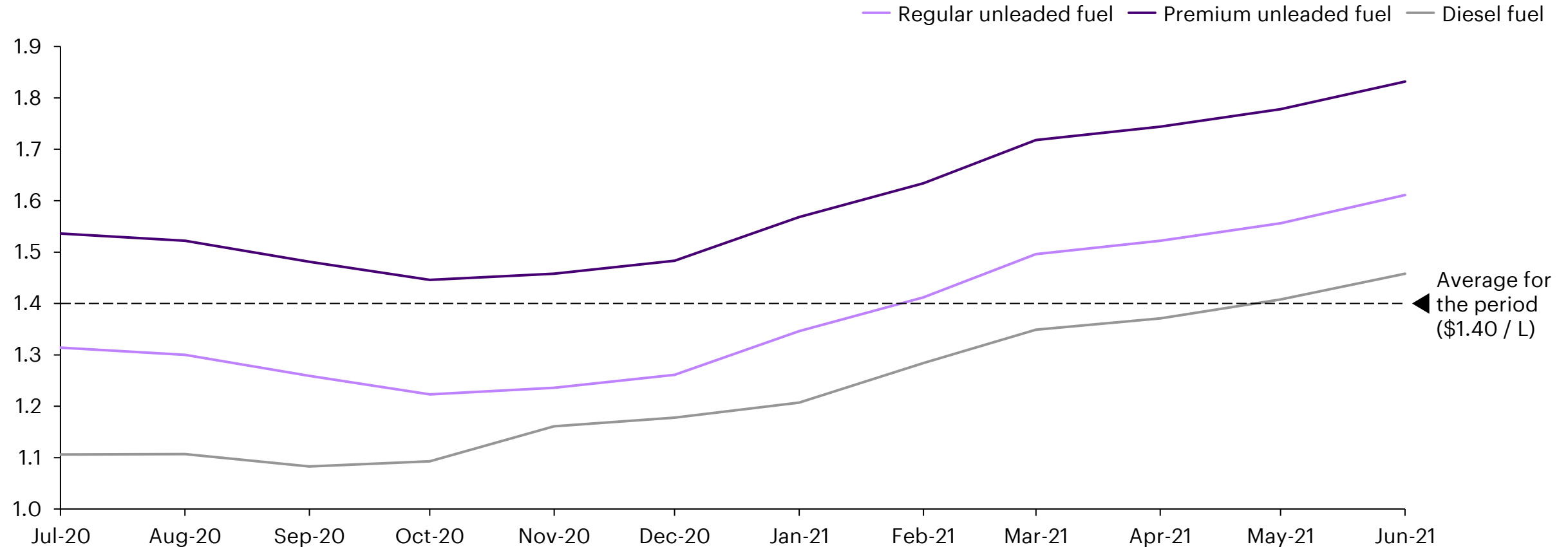
Costs per hour	Assumptions
Class 4 driver's licence	<ul style="list-style-type: none"> Cost of \$15 for the learners licence exam.¹ Cost of \$40 for the full licence exam.¹ Cost of \$75 for the licence, renewal every 5 years.¹ Cost of ~\$200 for a driver's medical exam to be taken every 5 years.¹ Cost of \$28 for ICBC to process medical exam results (incurred each time medical exam is taken).¹
Vehicle inspection	<ul style="list-style-type: none"> Cost of \$80 incurred for a commercial vehicle inspection on an annual basis.²
Fuel and electricity	<ul style="list-style-type: none"> Fuel efficiency of 15.31 km / L based on the weighted average efficiency of the top 30 vehicles used by drivers on the Uber app in Vancouver that are fuel-powered (this accounts for hybrid vehicles).³ Average battery efficiency of 6.03 km / kWh based on the weighted average of the top 30 vehicles used by drivers on the Uber app in Vancouver that are electric vehicles.³ Average fuel cost of \$1.40 per litre in Vancouver during the period of July 2020 to June 2021.⁴ Average electricity cost of \$0.13 / kWh in Vancouver during 2020.⁵
Maintenance	<ul style="list-style-type: none"> Cost of \$0.08 per kilometre. Assumes a maintenance cost of \$1,500 p.a. for a vehicle that travels 20,000 km per year.⁶
Depreciation	<ul style="list-style-type: none"> Assumes a cost of \$0.01 per kilometre driven while on the Uber app.⁷ Assumes the driver would have owned the vehicle regardless of driving on the Uber app. Therefore, depreciation due to age is not incremental to driving on the Uber app.

1 ICBC (2021) [Driver licensing – fees](#); Foodgressing (2021) [Uber and Lyft Vancouver Driver Requirements, Costs and Is it Worth It](#); Commercial Driver HQ (Accessed 2021) [6 Steps To Get Your Class 4 License in BC](#). 2 Uber, [Vehicle inspections](#). 3 Government of Canada (2021) [Fuel consumption ratings](#). 4 Statistics Canada (2021) [Monthly Average retail prices for gasoline and fuel oil, by geography](#); See page 33 for more details. 5 EnergyHub (2021) [Electricity Prices in Canada 2021](#). 6 Thinkinsure (2020) [How Much Does Car Maintenance Cost?](#); CAA (Accessed 2021) [Driving Costs Calculator](#); Canada Drives (2019) [How to Calculate your Annual Car Maintenance Budget](#). 7 Hyman et al. (2020) [Platform Driving in Seattle](#). 8 Uber administrative data.

Fuel costs are estimated based on the average fuel price in Vancouver since July 2020 (\$1.40 / L)

Fuel prices in Vancouver by type of fuel

\$ per litre, July 2020 – June 2021



Fuel and electricity costs were estimated using weighted average values of the top 30 vehicles used by Vancouver drivers on Uber (1/2)

Top 30 vehicles used by drivers on the Uber app in Vancouver

July 2020 – June 2021

Vehicle	Share of online hours (%)	Fuel efficiency (km / L) ¹	Battery efficiency (km / kWh)
Toyota Corolla 2021	4.3%	14.1	N/A
Toyota Corolla 2020	3.7%	14.1	N/A
Toyota Corolla 2016	3.4%	13.6	N/A
Toyota RAV4 2020	3.1%	12.7	N/A
Toyota Prius 2020	2.8%	22.2	N/A
Toyota Corolla 2018	2.6%	13.3	N/A
Toyota Prius 2018	2.6%	22.2	N/A
Toyota Prius 2017	2.2%	22.2	N/A
Toyota RAV4 2021	2.1%	12.7	N/A
Toyota Camry 2020	1.8%	12.6	N/A
Toyota Highlander 2020	1.8%	9.7	N/A
Tesla Model 3 2020	1.7%	N/A	5.9
Toyota Corolla 2017	1.6%	13.3	N/A
Toyota Corolla 2015	1.5%	13.6	N/A
Toyota Prius 2014	1.5%	23.3	N/A

¹ Where a vehicle model has more than one fuel option, the higher fuel consumption rating was used to provide a conservative estimate of costs while driving on the Uber app. Source: Statistics Canada; Government of Canada (2021) Fuel consumption ratings; Uber administrative data; Accenture analysis.

Fuel and electricity costs were estimated using weighted average values of the top 30 vehicles used by Vancouver drivers on Uber (2/2)

Top 30 vehicles used by drivers on the Uber app in Vancouver

July 2020 – June 2021

Vehicle	Share of online hours (%)	Fuel efficiency (km / L) ¹	Battery efficiency (km / kWh)
Toyota Highlander 2021	1.4%	9.7	N/A
Toyota Prius 2015	1.4%	21.3	N/A
Honda Civic 2020	1.4%	12.9	N/A
Toyota Corolla 2014	1.3%	14.7	N/A
Toyota Camry 2019	1.3%	12.6	N/A
Toyota Camry 2015	1.2%	11.2	N/A
Honda Civic 2017	1.1%	14.2	N/A
Toyota RAV4 2017	1.0%	10.9	N/A
Toyota Prius 2016	1.0%	22.2	N/A
Toyota Corolla 2019	1.0%	13.2	N/A
Honda Civic 2012	0.9%	14.3	N/A
Toyota Prius 2012	0.9%	26.3	N/A
Tesla Model 3 2021	0.9%	N/A	6.2
Toyota RAV4 2018	0.9%	11.8	N/A
Honda Civic 2018	0.9%	13.3	N/A

¹ Where a vehicle model has more than one fuel option, the higher fuel consumption rating was used to provide a conservative estimate of costs while driving on the Uber app. Source: Statistics Canada; Government of Canada (2021) Fuel consumption ratings; Uber administrative data; Accenture analysis.

Disclaimer: The analysis in this report was commissioned by Uber and prepared by Accenture.
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