# The impact of the reuse economy on workers in the delivery sector

Break Free From Plastic Europe has joined hands with Fairwork to discuss the intersection of systems for reuse and workers' rights in the delivery sector, with the intent to better understand the potential social impacts of these systems as we progress towards a future of reuse. A significant focus was placed on delivery workers' welfare, income, job security, and overall well-being. Various stakeholders noted the interlocking injustices surrounding working conditions and the challenges to transition toward a plastic-free future. In short, improved working conditions are necessary to facilitate reuse in the sector.

This document summarises key considerations explored during the session, emphasising the crucial linkages between Break Free From Plastic members' dedication to reuse, the packaging legislative framework and the possible hurdles workers encounter when adopting reuse systems.

## FAIRWORK

Fairwork is an action-research project that aims to set and measure fair standards for the future of work. Part of the Fairwork project focuses on rating working conditions in the platform economy, which they do in 39 countries through the five principles of fair platform work. In this context, the focus is on location-based Platform Work Principles, as location-based platform work is work that needs to be performed in person, requiring physical proximity between worker and customer, as opposed to 'cloud' or 'remote' work that is done on a computer terminal and would require a different discussion and reflection of introducing reusables such as the 'right to repair' movement.

Fairwork focuses on working conditions. In our conversation, we underlined how reuse systems would impact working conditions and the considerations we should take when transitioning to these models, focusing on food delivery and e-commerce.

During the session, Dr. Funda Üstek-Spilda (Senior Researcher and Project Manager), Dr. Oğuz Alyanak (Cultural Anthropologist and Postdoctoral Researcher), and Dr. Adam Badger (Postdoctoral Researcher) enriched the discussion with their extensive research on workers' rights in the platform economy.

- Low pay. Workers often receive inadequate compensation due to misclassification as independent contractors (not employees) and the compensation structure (e.g. waiting time is not considered work time, bonus schemes require excessive risk-taking behaviour and long work hours, or workers are usually required to pay for work-related costs, such as gas, gear, etc.).
- Long hours and little flexibility. Despite the perception of flexible schedules, delivery workers must work peak hours with higher workloads to make ends meet, affecting their ability to choose their own schedules.
- Delivery vehicles are crucial intermediaries, especially for retrieving reusable packaging for cleaning purposes. The transition to reuse may impact workers differently depending on the vehicles used.
- Packaging: Consumers should be encouraged to use reusable packaging. Platforms and policymakers need to enforce practices that reward this behaviour. Neither consumers nor workers should immediately bear the financial burden of using reusable packaging.
- Limited power to negotiate pay, constraining their ability to advocate for fair compensation. Part of this limitation is notably linked to workers' misclassification as independent contractors, leading to the lack of collective representation in the sector and leaving them in legal limbo. Introducing reusables may open new vulnerabilities for workers (especially around the issue of liability and accountability; these should be considered ahead of time, and potential additional costs should be factored in pay and reward scheme adjustments.)
- Unsafe working conditions: Work often comes with risks and hazards to workers' physical well-being, including potential harm or violence, alongside mental health challenges. If, for instance, glass is more widely introduced as a reusable material, this might impact workers' physical well-being; for example, carrying broken glass can harm workers directly, or workers can be threatened by broken glass in theft situations.
- Discrimination and unfair management: often implicit, disproportionately affect women and ethnic minorities within the delivery sector. Particularly, algorithmic management practices might impact workers' well-being and working conditions less visibly. Some workers might be disproportionately affected by poor ratings if using reusables affects the delivery speed and the condition of the delivered item.

Digital labour platforms, companies that mediate and facilitate labour exchange between different users, such as businesses, workers, and consumers, typically resist change due to various factors:

- First mover disadvantage: higher initial costs associated with reusables can deter early adoption. Uncertainty about greenwashing/fairwashing complicates decisions.
- Aside from legislation, a lack of incentives or penalties results in a reluctance to address poor working conditions.
- Re-classification risks: fear of reclassifying platform workers as employees raises questions about liability for reusables, entailing additional costs.

- Lack of practical know-how: many platforms, often 'startups', lack practical experience in implementing reuse systems.
- Perceived platform exceptionalism: the platform economy often evades providing traditional rights, implying a unique approach to worker rights and responsibilities.

In the European context, there is a heightened awareness of platform workers' working conditions. However, this does not deny the prevalent precarity, including low wages, payment discrepancies, risks, and long working hours experienced by workers across Europe. Moreover, worker classification varies by country, even for the same platform, owing to differing practices based on the implementations of global platform policies. Similarly, many platforms lack long-term plans that prioritise environmental sustainability. Their business model primarily focuses on attracting investments.

## KEY CONSIDERATIONS IN TERMS OF PACKAGING MATERIAL USED IN REUSE DELIVERY SYSTEMS

Transitioning to reusable packaging presents various implications, particularly regarding weight and type of material.

Different materials have different reusability lifecycles – high-quality plastic becomes waste more rapidly, and its recyclability is limited, contrasting with the durability of glass and metal. Glass rapidly cools food and may break easily. Metal can make it excessively hot for workers to handle. Addressing toxicity is also vital, as some materials leak hazardous chemicals directly into the food contained in them.

Compliance with weight limits outlined in existing (national) legislation is critical (e.g. 'Raising standards for parcel delivery workers'), as heavy containers worn by workers daily can lead to physical strain. Moreover, containers must be designed to avoid spilling, allowing for an effective and toxic-free recycling process. For instance, if a container has a plastic lid and rubber seal, the recycling process will be more complex due to composite materials. Proper planning for the disposal or recycling of reusable containers at their end-of-life stage is essential.

It is vital to study how consumers manage reusable packaging at home and consider functionalities like multiple resealing and potential complications related to heating specific foods. Additionally, integrating fabric-based secondary packaging might be beneficial for added protection.

## INFRASTRUCTURE AND THE ROLE OF STANDARDISATION OF REUSABLE PACKAGING

When considering the integration of reusable packaging into delivery systems, several critical aspects need attention.

Firstly, we must assess the involvement of intermediaries such as washers and collectors, determining their roles and associated responsibilities. Establishing effective collection and cleaning procedures is a strategic component that ensures the seamless management of reusable items.

Secondly, standardising reusable assets is equally important, aiming for consistency and efficiency. It is essential to consider that, at a given point in time, it is possible that, in some instances, reusables will be the standard norm, and in some, they will be an optional choice. These two systems can also co-exist. Companies will probably oppose the standardisation of reusable packaging.

Thirdly, testing and implementation, particularly in the dynamic delivery sector, are crucial to measuring the viability of reusables. Several ongoing pilot projects (e.g., Vytal and Lieferando in Germany) offer inspiration, relevant insights, lessons learned, and potential solutions.

Additionally, platforms should facilitate the return of reusables and the potential involvement of workers in reverse logistics while ensuring fair compensation for the time worked, which could be beneficial to workers, as currently, the time between a customer and the next restaurant/pick-up point is not counted as work and compensated for. It would be interesting to explore algorithmic routing to optimise returns for workers during their subsequent pickups. Reuse systems may offer an opportunity to address some of these imbalances and ensure compensation for the time taken to return the reusables from customers to restaurants. Implementing deposit and penalty systems can incentivise the responsible return of reusables and fairly distribute responsibility so it does not solely rely on the delivery workers.

The ownership of reusables raises an essential question in terms of liability. We need to ask whether the reusable packaging is owned by parcel companies, online stores, workers, consumers within a deposit scheme, or another entity.

One option may be to consider having centralised drop-off stations for used materials located strategically close to busy areas of the high street. Workers could then be paid for the reverse job to drop these packages off and stand a greater chance of being close to their next job (thus accruing less 'dead' mileage, riding miles for which they are not paid). Packaging would need to be unbranded and could then be used for all delivery services and restaurants in the future, vastly simplifying the reuse process. This could be done centrally, or if vessels were cleaned and processed at the drop-off centres, nearby restaurants could pick up packaging directly. A vital component of any plastic-free future must consider the logistics systems of packaging, mainly when packaging that is more sturdy (and won't stack, like glass) would require massive amounts of space for storage.

Restaurants, particularly in cities, do not have room for this, and having local packaging available would be vital. Metal 'tiffin' style dishes may be part of this solution. Workers' representatives and groups (such as the GMB, IWGB, and ADCU unions in the UK, for example) should also be consulted in this process.

## POLICY WORK ON REUSE AND WORKERS' RIGHTS

As mentioned earlier in this paper, the misclassification of delivery workers often makes them self-employed independent contractors who need essential workplace protection. If they were correctly classified as employees, they could own the transport mode and reusable assets.

The role of food delivery platforms, which manage packaging and hold significant influence, is often overlooked in policy discussions. These platforms adeptly shift responsibility onto restaurants, consumers, and workers.

Addressing worker engagement with companies offering reuse in the delivery sector is vital, especially considering potential fears about being held accountable for damaged products or longer delivery times. Coherent regulations must be in place to ensure that workers' rights are regarded as companies adopt reuse.
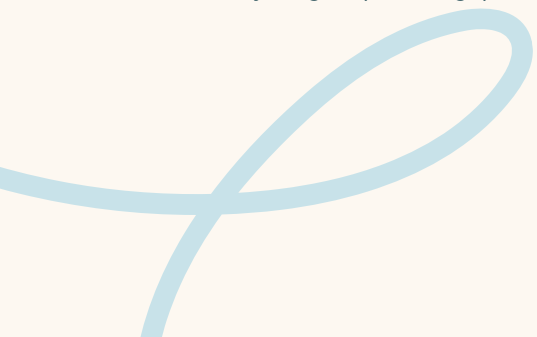
## IMPORTANCE OF LIABILITY RULES

In some cases, workers are held liable for any damage to their "supplies", needing to replace anything they may inadvertently harm during work.

Algorithmic monitoring could be a helpful way to avoid platforms shifting blame onto workers. For example, photos taken by workers or consumers to document the condition of deliveries, with the risk of increasing surveillance or a feeling of surveillance, in addition to adding further administrative tasks to their labour. Added risks include those with electric bikes due to their speed. It is crucial to prevent platforms from instrumentalising workers and neglecting their responsibilities.

## ROLE OF CONSUMERS

The role of consumers is significant, particularly considering that, ultimately, consumers order food, not packaging. Neither consumers nor workers should bear additional burdens. However, the problem is that platforms diffuse responsibilities, and the current system operates in a flawed manner. Customer expectations are notably high, placing pressure on the entire process.

Fairwork has provided evidence showing that workers receive negative reviews for factors beyond their control, such as 'fries not being crispy enough'. In short, customers often review the food when they should be reviewing the worker, so if food arrives in poor condition, the worker ultimately suffers. When consumers neglect their responsibility in handling the packaging, the burden can be shifted onto the workers. A pay structure based on tasks or deliveries rather than hourly wages also introduces higher risks. Ratings on certain platforms directly impact workers, influencing their pay through commissions and bonuses. This gamification of work creates a constant pursuit of higher ratings, putting the workers at a higher risk.

## CONCLUSION

Balancing environmental concerns and workers' rights is a delicate task, highlighting the importance of bringing the social aspect to all environmental policies and collaboration between workers' unions and environmental groups. Environmental exploitation and workers' exploitation are interconnected issues that demand collaborative solutions.

As the Brazilian trade unionist and ecologist, Chico Mendez aptly said, "Ecology without class struggle is gardening".