

70% of food delivery workers earn below \$3k a month: Survey

Findings show 4 in 10 work more than 44 hours a week, and a third had an accident

Kok Yufeng
Transport Correspondent

Seven out of 10 food delivery riders here reported earning a monthly income of less than \$3,000 from delivery work, with a median monthly income of \$1,925 – less than half the national median monthly salary of \$4,680 in 2021.

Yet roughly four in 10 said they work more than 44 hours a week – the maximum recommended under the Employment Act – while just one in four felt they had enough savings to support themselves and their families in the short term if they stopped working.

These findings from a survey of 1,002 food delivery workers, which also found that about one-third of them had been in an accident, show a clear need for broad-based social protections for this vulnerable group, including mandatory Central Provident Fund (CPF) contributions, said researchers from the Institute of Policy Studies (IPS) in a paper published on Friday.

This is despite the fact that seven in 10 food delivery workers polled preferred to earn more cash than to receive these additional protections, with a roughly even split between those who wanted CPF contributions and those who did not.

The researchers, led by IPS Social Lab head, Dr Mathew Mathews, said only those who earned

at least a quarter of their monthly income from food delivery took part in the survey, which was conducted in July and August.

About 46 per cent of respondents relied solely on food delivery for their income.

The poll follows a survey of 4,200 food delivery workers published in March by the three major food delivery platforms here – Grab, foodpanda and Deliveroo. The platforms had said data from 2021 showed median hourly earnings for food delivery workers were between \$12 and \$18.

But in their latest report, the IPS researchers said some delivery workers have pointed out that the high median hourly earnings reported are not accurate, given that they may reflect only peak-hour incomes. Part-timers who often do deliveries during peak hours can earn substantially more fares, they added.

The average food delivery worker did not experience significant changes to their total monthly income after transitioning to delivery work, the IPS report found.

About six in 10 had either no change to their income bracket or saw their total monthly income fall after becoming a food delivery worker.

Only 3.2 per cent were able to earn more than \$5,000 a month from food delivery alone, and this took substantial effort and risk, said the researchers.

The report highlighted a 36-year-old worker who earned

about \$8,000 a month delivering food on a bicycle. He had to work daily from 11am to 9pm, even during thunderstorms and heavy downpours.

About seven in 10 delivery workers polled were worried about not being able to earn enough because the number of workers joining the industry has been outpacing demand.

The fear of not being able to earn enough from food delivery was the main reason why 48.8 per cent of the workers polled did not want to make CPF contributions, or force delivery firms to do so.

About six in 10 said they were worried that if delivery platform companies have to pay into their CPF accounts, the firms would find ways to take this from their earnings.

The researchers said their interviews with delivery workers found that some preferred more nuanced implementations of CPF into platform work, and it should not be one-size-fits-all.

The IPS poll also found that six in 10 delivery riders were satisfied with their income and said they earned enough to cover their family's basic living expenses.

About half foresee themselves staying in food delivery work for at least another three to five years, with this proportion increasing the longer workers have been in the sector.

But about two in five said they would leave the industry as soon as possible if they had job opportunities in other industries.

yufengk@sph.com.sg

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