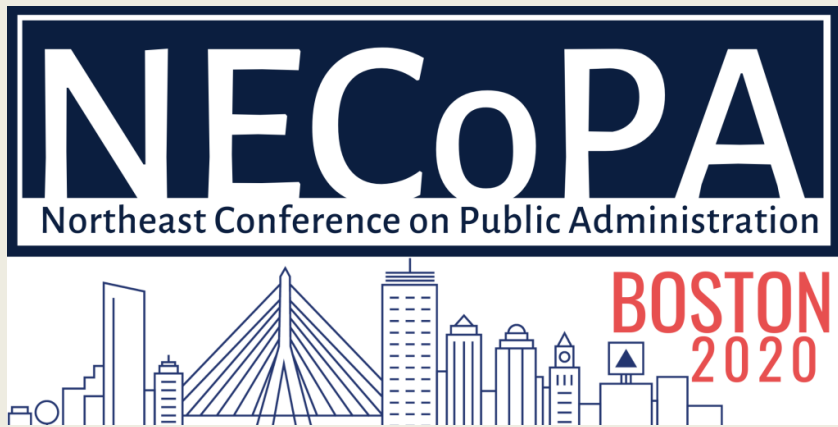


COVID-19 & the Gig Economy:

Preliminary results from a mid-crisis survey

RIC KOLENDA, PH.D., PACE UNIVERSITY



COVID-19 & the Gig Economy:

~~Preliminary results from a mid-crisis survey~~
Some surveys, stats & stories

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What Is the Gig Economy?

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- ▶ Formerly known as:
 - ▶ “flexible employment” (Carnoy et al., 1997; Peck and Theodore, 2007)
 - ▶ “contingent workers” (Polivka and Nardone, 1989)
 - ▶ “non-standard work arrangements” (Polivka, 1996)
 - ▶ “peripheral workers” (Adler and Adler, 2004)
- ▶ And more recently...
 - ▶ The “sharing economy”
 - ▶ The “gig economy”
 - ▶ “On-demand workers”, “digital labour markets”, etc. (Codagnone, Abadie and Biagi, 2016)

Some Key Characteristics

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- ▶ **All Alternative Work Arrangements 40.4%**
 - ▶ Agency temps: (1.3%)
 - ▶ On-call workers: (3.5%)
 - ▶ Contract company workers (3.0%)
 - ▶ Independent contractors (12.9%)
 - ▶ Self-employed workers (3.3%)
 - ▶ Standard part-time workers (16.2%)
- ▶ Lack of job security
- ▶ Unpredictable work hours
- ▶ Lack of access to benefits typical of traditional work arrangements

(From U.S. Government Accountability Office, 2015)

(From Liu and Kolenda, 2012)

Results from Recent Polls & Surveys

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- ▶ NPR/Marist Poll
 - ▶ December 2017
- ▶ Pew Research Center Survey
 - ▶ July/August 2016 & November/December 2015
- ▶ Katz & Krueger's RAND-Princeton Contingent Worker Survey
 - ▶ October/November 2015

NPR/Marist Poll

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- ▶ Key findings:
 - ▶ 20% of all American workers are contract workers
 - ▶ Part-time & contract workers lag well behind full-time workers in receiving benefits
 - ▶ 51% of contract workers don't receive employer benefits
 - ▶ 49% of contract workers have income that variable incomes
 - ▶ 65% of contract workers are male, and 62% are under 45.
 - ▶ 66% of part-time workers prefer their arrangement

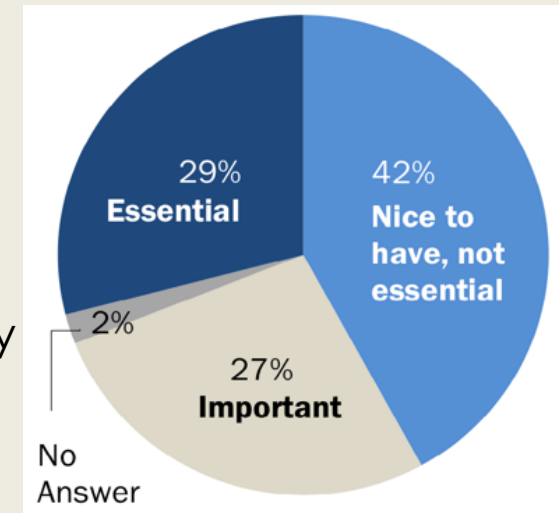


(From "Freelanced: The Rise of the Contract Workforce", NPR, 2018)

Pew Research Center Survey

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- ▶ Pew Research Center Survey on “Gig Work, Online Selling and Home Sharing”
- ▶ Findings included:
 - ▶ 8% of Americans have earned money from an online ‘gig’ platform in the last year
 - ▶ Nearly one-in-three digital gig workers say the income they earn is essential to meeting their basic needs
 - ▶ Young adults and non-whites are especially likely to have earned money from online gig platforms in the last year
 - ▶ ~25% of digitally enabled gig workers are students; fewer than half are employed full time
 - ▶ Another 1/3 said that they have performed work on these platforms for which they were not paid



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Pew Research Center 

RAND-Princeton CWS Survey

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- ▶ Key findings:
 - ▶ "alternative work arrangements" (freelancers, contractors, on-call workers and temp agency workers) grew from 10.1% in 2005 to 15.8% in 2015
 - ▶ 94% of net jobs created from 2005 to 2015 were these sorts of impermanent jobs
 - ▶ Worker Satisfaction with their arrangement:
 - ▶ Majorities of contract and part-time workers prefer their arrangement,
 - ▶ Only a slight majority of on-call workers would prefer this to a job with regularly scheduled hours, and
 - ▶ A large majority of temp workers would prefer a permanent job.

(From Katz & Krueger, 2016)

What's Working?

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- ▶ 84% of independent contractors prefer “gig” work (Katz & Krueger, 2016)
- ▶ 66% of part-time workers prefer that to full-time work (NPR Marist Poll, 2018)
- ▶ Some positives:
 - ▶ Flexibility on work hours
 - ▶ Work at home (or anywhere)
 - ▶ Being one's own boss
 - ▶ Diversity of work and clients (keeps it interesting)

(Some of these are summarized from the NPR series "the rise of the contract workers", 2018)

... and What's Not Working?

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- ▶ **No** employer health insurance
- ▶ **No** unemployment compensation or wage insurance
- ▶ **No** minimum wage
- ▶ **Few** workplace legal protections (overtime, wage theft, etc.)
- ▶ **No** employer contributions to Social Security or retirement savings
- ▶ **No** schedule consistency
- ▶ **No** income-based student loan repayment
- ▶ **No** sick days, family leave & vacation

The vast majority of temporary workers, and large minorities of other gig workers, would prefer a permanent job (Katz & Krueger, 2016)

Gig workers & COVID-19

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- ▶ Lack of safety net for lost work
 - ▶ CARES Act included them, but ran out in September
- ▶ Health risks
 - ▶ Exposure due to “essential worker” status
- ▶ Additional Costs
 - ▶ PPE and other accommodations for COVID-19
- ▶ Increased competition
 - ▶ “Race to the bottom”
 - ▶ Global competition for digital services (Upwork, Fiverr, etc.)

Surveys, stats & stories

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- ▶ Surveys covered
 - ▶ UCLA Labor Center/SEIU (June & July)
 - ▶ 302 gig workers in California
 - ▶ Harris/AP-NORC (July 16-20)
 - ▶ National survey of service demand
 - ▶ AppJobs/Future of Work Institute (March 17-20)
 - ▶ National survey

UCLA Labor Center/SEIU

June & July

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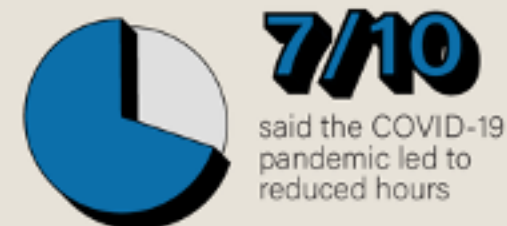
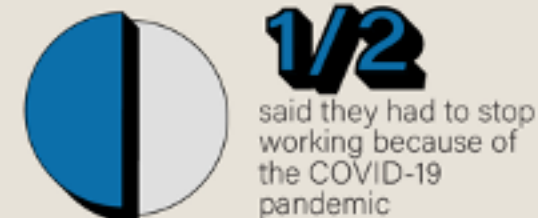
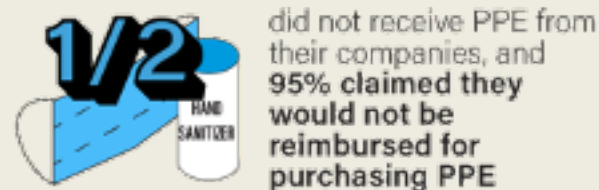
- ▶ COVID-19 dramatically diminished gig workers' income & increased the precarity of their schedules
 - ▶ Half had to stop working; 70% had reduced hours
- ▶ Working during COVID-19 poses health risks for gig workers
 - ▶ Lack of PPE; lack of company support
- ▶ Gig workers needed to access workplace benefits
 - ▶ 30% had no insurance; most who did had gov't plans
- ▶ Gig workers experienced financial, housing, and food insecurity
 - ▶ 33-39% were food insecure or close to it

UCLA /SEIU

June & July

The Impact of COVID-19 on California Gig Workers

The UCLA Labor Center worked with the Service Employees International Union – United Healthcare Workers West to conduct 302 surveys of gig workers in companies such as Uber and Instacart. Take a look at the major findings of this study.



Sources: UCLA Labor Center. Graphic reporting by Maanas Hemanth Oruganti, Enterprise editor. Graphic by Ben Brill, Graphics editor.

The Harris/AP-NORC Poll

July 16-20

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- ▶ Demand for food & grocery delivery was steady or slightly up
- ▶ Demand for ride-hailing dropped from 42% to 16%
 - ▶ 63% of ride-hail users stopped during COVID-19
- ▶ 35% favor regulations to increase wages & benefits for ride-hail & delivery service drivers
 - ▶ **Support falls to 22%** when those regulations mean **a 25% cost increase for users**

The AppJobs/Future of Work Institute Poll

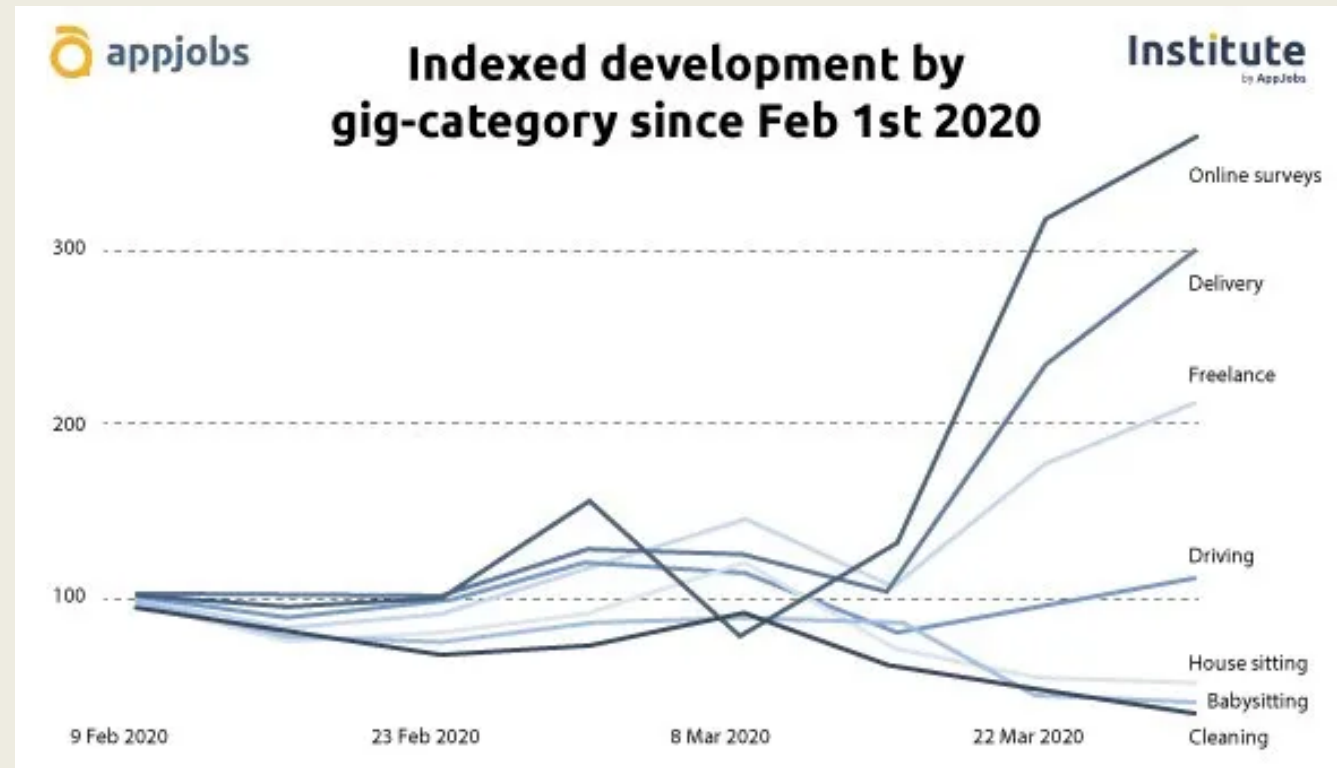
March 17-20, 2020

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- ▶ Winners
 - ▶ Survey takers
 - ▶ Delivery
 - ▶ Freelance
- ▶ Losers
 - ▶ Drivers*
 - ▶ Home services
 - ▶ Personal services

*drivers have been rising

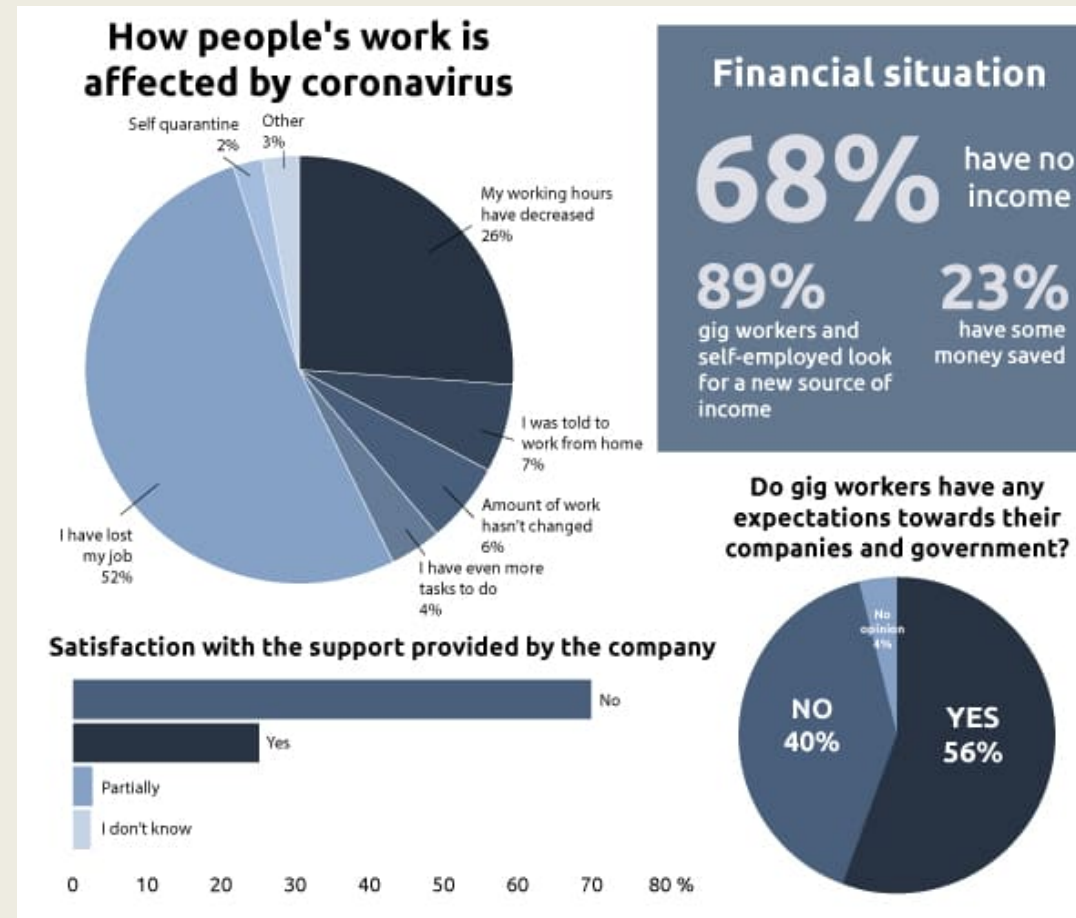


AppJobs/Future of Work Institute

March 17-20, 2020

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- ▶ Lost jobs
- ▶ Less work
- ▶ Safety concerns
- ▶ 70% unsatisfied with support from employers



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Winners in the Pandemic Economy

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amazonfresh amazon FLEX

GRUBHUB

instacart

caviar

mercato

Shipt



DOORDASH



POSTMATES



SAUCEY

Beer, Wine & Spirits Delivered



Losers in the Pandemic Economy

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Some Stories

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“A lot of people in my field have turned to the website,” Notar says. “It is a lot of supply but not a lot of demand.” -Steven Lee Notar, graphic designer

Some Stories

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“Each week is getting worse and worse with every platform... The rates on DoorDash and Uber Eats are the lowest I’ve ever seen, but they’re all bad right now” -Jennell Lévesque, gig worker & Facebook activist

Some Stories

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"It was horrible. I had absolutely no income coming in. My husband, who's a mechanic, he was on a rolling furlough. And I was terrified of losing our home." –Kris Snyder, musician & music teacher

What's Next

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- ▶ Survey of NY and US gig workers
 - ▶ Timeline: December 2020/January 2021
 - ▶ Use the results of earlier studies to explore in more depth
 - ▶ More information on possible policy solutions
 - ▶ Use non-probability network and snowball sample
- ▶ Part of a larger project on inequalities in the gig economy & worker ownership

Questions?

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