What is the Gig Economy?

The Gig Economy represents the short-term work or “gigs” performed through mobile apps. Workers register to provide services at a fixed pay rate, which are requested by end users on an on-demand basis. The rise of the gig economy is a social shift provoked by the movement away from full-time employment. Workers of these mobile platforms are not hired by the platform operator and rather work as self-employed contractors.

Platforms

Household names such as Uber and delivery service DoorDash make up the platforms behind the Gig Economy. Although requiring a significant investment, these platforms can be highly profitable as a small team can operate a platform with millions of users. They facilitate the connection between the worker and end user, but do not directly perform any of the services.

The Problem

Despite utilizing new technology, Gig Economy platforms present new issues:

- **Denial of employee rights** – This includes minimum wage
- **Lack of benefits** – No healthcare options
- **Fragmentation** – Decreased pay and quality
- **No regulation or oversight**

Solutions

Fortunately, there are opportunities to help this phenomenon grow in a healthy manner:

- **Portable benefits** – Each platform contributes based on the amount of work done by a given worker
- **Legal classifications** – Establish the framework for governmental oversight
- **Growth ceilings** – Allow existing industries time to become competitive

What You Can Do

As an individual, you can help make an impact:

- Support unions & strikes
- Boycott platforms that fail to meet worker demands