

How the gig economy has transformed the North American workforce

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Could the so-called “gig economy” become a victim of its own popularity?

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Technology has changed just about every facet of our economy and society — from how we travel to how we bank to how we communicate with each other. But perhaps no part of the economy has been as fundamentally transformed as our nation’s workforce.

As little as 10 to 15 years ago, many people entering the labour market had the expectation that the job they would take would be the job they would do for at least a decade. The “job for life” notion of the 1950s, ‘60s and ‘70s may have been dead, but employees could still expect a series of “careers” over the course of their lifetime—promising income stability, professional development, and perhaps even a pension.

Today, the future lies in what's loosely described as the "gig economy," where people move from contract to contract, from job to job, without a clear sense of precisely what tomorrow might bring. Transportation-related businesses like Uber or DoorDash are perhaps the most prominent examples of a gig-based employment model, but even traditional businesses are outsourcing tasks like editing, paralegal services or IT—to jobbers both local and in places such as Bosnia, Bangladesh and Brazil. For some, there's an exciting freedom in being able to pick and choose when and how to work; for others, there is deep concern about how the social fabric of society might be affected.

According to a [recent study by the Canadian Centre for Policy Alternatives](#) of workers and consumers in the Greater Toronto area, nine per cent say they have worked or currently work in the gig economy, while 38 per cent say they have used gig-economy services. And among those providing services, 90 per cent say they've attended college or university, while almost half (48 per cent) have been doing the work for more than a year—putting a lie to assumptions about these gigs being a stop-gap measure for those unable to do much else.

Still, there are concerns about what this means for economic security—specifically, things like pensions and benefits. That's why several jurisdictions—especially in the U.K. and Europe—are looking to bring legislative order to the chaos.

The British government is [currently looking to create a new category of protected worker](#) called a "dependent contractor," which would institute standard benefits such as sick pay and vacation time for gig workers. Meanwhile, the European Commission, after a recent review, is suggesting the concept of "[portable benefits](#)," tied to individuals, that would move with them from job to job.

In regions like Africa and Asia, this new way of working has largely proven a boon. A recent [Oxford Internet Institute survey](#) of gig-economy workers in South-East Asia and sub-Saharan Africa found that they enjoyed the higher levels of autonomy and pay offered by online work, when compared to many local job opportunities.

There is, however, widespread concern there—as in North America and Europe—that oversupply of gig workers is making working conditions worse—with supply outstripping demand and therefore driving wages down. According to the Oxford study, 70 per cent of those surveyed said gig work was one of their main sources of income—yet nearly half of them worried it could easily be replaced. Like other popular sectors of the economy, over time the gig economy—without further regulation or restrictions—may become a victim of its own success.

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Do you work in or use the gig economy? How has it affected your bottom line and/or social security? Post a comment below.

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