

'Sharing economy' firms urge safety net for workers

November 10 2015

A coalition of "sharing economy" startups joined labor activists and others Tuesday to endorse efforts for a "flexible safety net" for workers without traditional job protection.

A statement signed by the founders of ride-sharing startup Lyft, the delivery group Instacart and leaders of think tanks and [venture capital firms](#) said more should be done to ensure social protection for the growing ranks of people in the so-called on-demand economy.

"As our country has at prior moments of workplace change, we must find a path forward that encourages innovation, embraces new models, creates certainty for [workers](#), business, and government and ensures that workers and their families can lead sustainable lives and realize their dreams," the statement said.

The initiative aims to ease concerns that workers are being forced into new jobs without protections such as health and disability insurance and retirement benefits.

While the letter offered no specific policy recommendations, it said on-demand workers should have access to benefits which are "flexible," "portable" and "universal."

While the numbers are difficult to estimate, millions of people are believed to be shifting from traditional employment to freelance "gig" work, giving them more independence but without the social safety net

of employees.

Critics say these workers are being exploited by well-funded startups.

The letter said that "by some estimates, as many as 53 million Americans are now self-employed. Yet our understanding of the relationship between businesses and workers—and the benefits and protections that evolved to support this relationship —have not kept pace with the rapid changes in the economy."

Uber, which is the largest of the "sharing economy" startups, was not among those endorsing the letter.

Other companies endorsing the statement included the craft marketplace Etsy and home chores service Handy.

It was also signed by academics, leaders of think tanks including the New America Foundation and the Institute for the Future and members of the Service Employees International Union.

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