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Drivers for Uber, Lyft see incomes fall as participation jumps

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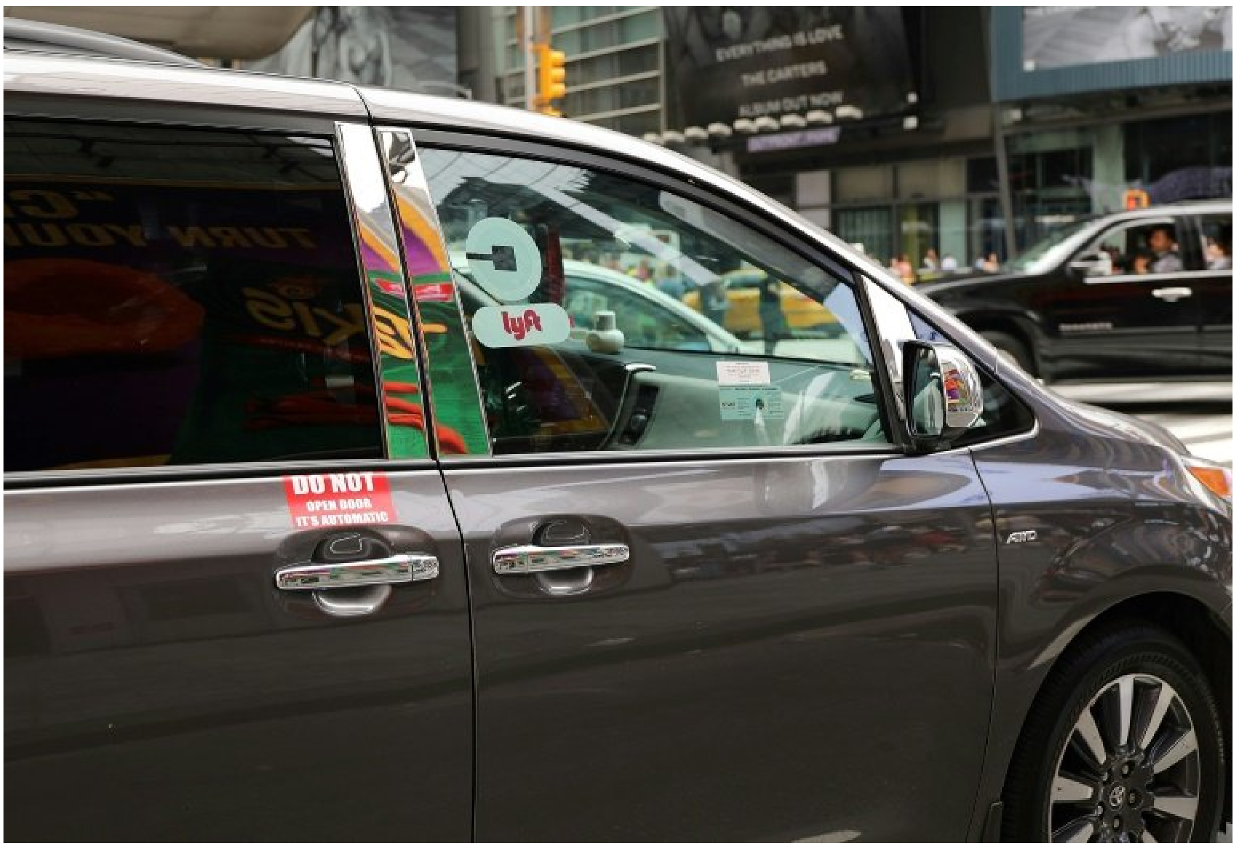

A new study shows incomes for Lyft and Uber drivers is on the decline, but it's unclear if that's due to more people working part-time

Drivers for Uber, Lyft and other US ridesharing services have seen their incomes fall by half in recent years as more people get behind the wheel, according to a study released Monday.

The report by US banking giant JPMorgan Chase, based on deposits received by the bank, offers a sobering note on the so-called platform or "gig" economy, although it left a number of questions unanswered.

The analysis showed that "transport workers" saw average monthly revenues drop by 53 percent between 2013 and 2017 from more than $1,500 to less than $800.

The researchers said incomes fell as more people signed up to drive for these services, although they acknowledged that many of the drivers may be working only part-time.

Still, the study authors said the findings suggest the "gig" economy that enables people to work independently may not be as lucrative as some believe.

"Regardless of whether the drop in earnings was caused by a fall in wages or hours or both, it indicates that driving has become less and less likely to replace a full-time job over the past five years, as more drivers have joined the market," the report said.

Uber economist Libby Mishkin offered a different interpretation of the findings—saying they show more people such as students and people with small children drive flexible hours to supplement their income.

"Broadly speaking, the study's findings reinforce what we and many others have been saying for some time: that the number of people involved in flexible work arrangements is growing, and that growth is driven, in large part, by people who use platforms like Uber on the side," Mishkin said in a blog post.

The JPMorgan Chase report said overall the "platform economy"—including home-sharing services like Airbnb—was on the rise.

Incomes from "leasing" services such as Airbnb followed a different trajectory, according to the report, growing 69 percent from 2013.

But the researchers said that for most people, these services were not full-time jobs.

"Among those who generated earnings through transportation platforms at any point in a year, 58 percent had earnings in just three or fewer months of that year," the report said.

"In the other sectors, engagement was even more sporadic, with less than 20 percent of participants generating earnings in more than half the year."