

Gig workers saw greater financial hardship during COVID-19 than other workers

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Many gig workers experienced financial hardships during the COVID-19 pandemic, including food insecurity and trouble paying bills, according to a <u>recent study</u> published in *Work and Occupations*.



"In a nutshell, our study shows gig workers were harmed more by the COVID-19 pandemic than any other workers," said Dr. Mathieu Despard, a co-author on the paper and faculty member in UNC Greensboro's Department of Social Work.

Despard—who collaborated closely with first author Daniel Auguste at Florida Atlantic University and co-author Stephen Roll at Washington University in St. Louis—said the findings challenge the popular premise in the United States that gig work provides a sustainable alternative to traditional employment.

These results suggest that gig working can make it tricky for these individuals to make financial ends meet, said Despard.

"We have this very romantic narrative in this country that we're the land of opportunity. If you want to start your own business, you can go for it. But when you peel that narrative back, you begin to realize that people who are doing gig work are often struggling for economic survival."

The scientists found that about 33% of surveyed gig workers experienced <u>food insecurity</u>, 12% had skipped housing payments, and 33% had unpaid credit card findings between April 2020 and June 2021. Economic hardships were more pronounced for gig workers who had children, those with less savings, and those who worked multiple gig jobs.

Despard says that the unreliable nature of gig work can help explain why many experience more financial difficulty. For example, a food delivery driver may have one busy night followed by a day with little work. "This introduces unpredictable volatility, which can make it difficult to pay your bills and plan ahead," he says.

Their findings are relevant to the approximately 15% of Americans who



have gig-worked at some point, according to the PEW Research Center.

A strength of the new study is the robust sample of gig workers, says Despard. The Social Policy Institute at Washington University in St. Louis's Socioeconomic Impacts of COVID-19 Survey includes responses from 4,756 workers from a range of ages, income, genders, and race and ethnicities. Approximately 29% of respondents had engaged in gig work in the three months before they were surveyed.

"It's a rigorous survey, and the respondents looked like the U.S. population," Despard says. "The data is nationally representative."

Despard says his research is, in general, driven by a desire to better understand the structural barriers that prevent Americans from reaching their financial goals.

"The bottom line is that it should not be this difficult for people to meet their <u>basic needs</u> because it has a toll on their <u>mental health</u>, a toll on their <u>physical health</u>, and it takes time away from their families," Despard says.

More information: Daniel Auguste et al, Democratizing the Economy or Introducing Economic Risk? Gig Work During the COVID-19 Pandemic, *Work and Occupations* (2023). DOI: 10.1177/07308884231202032

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