

# Quality of work of Canada's contingent workforce

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## Executive Summary

Technological advances are having profound impacts on Canada's labour market including the number and types of jobs being created.

Of particular note is the rise of "gig work," which has become commonplace. While this type of work can provide flexible employment opportunities, there are considerable risks to the quality of work.

This research sheds light on the reasons why people engage in gig work and the policy levers needed to mitigate the risks associated with this new form of employment.

About 43 per cent of gig workers are engaged in this type of work out of necessity or to supplement other, inadequate sources of income. These workers are more likely to belong to a racialized group and less likely to hold Canadian citizenship.

**KEY INSIGHTS**

- 1** Only 18% of gig workers choose gig work freely.
- 2** People who are racialized and those with lower education levels make up the largest share of gig workers who choose such arrangements out of necessity.
- 3** Challenges facing gig workers include the lack of access to benefits, earnings volatility and lack of employment protection.

## The Issue

Increasing digitalization and the growth of businesses that facilitate digital exchanges are impacting labour markets around the world.

Technological advances have created new forms of employment more commonplace such as gig work, characterized by short-term, on-demand and task-based labour.

Much of the research in this area reveals a lack of consistency in how gig work is defined, making it difficult to measure its impact and the reasons why people engage in this type of work. In particular, many equate gig work with lower quality work, which is not always the case.



## What We Investigated

This research set out to answer a series of questions related to gig work including:

- What is the incidence of gig work in Canada?
- What is the socio-demographic profile of gig workers in Canada and how does it compare to the broader workforce?
- What are the main reasons people engage in gig work?
- What barriers do gig workers face in improving their work quality?

This research conducted a national survey of 1,000 gig workers across Canada in 2022. Existing frameworks for understanding gig work were used to analyze the survey data, classifying respondents as free agents, casual earners, reluctants or financially strapped. Recommendations were made about quality of work policy priorities for each group.

## What We're Learning

People engage in gig work for a variety of reasons, but a significant share of them (43 per cent) do so out of financial necessity — those classified as reluctants or financially strapped. The vast majority of these gig workers are from equity-deserving groups such as people who are racialized, young people and those with less formal education. While food delivery services and ride share drivers account for relatively small proportions of gig work, these are among the top types of work conducted by the financially strapped.

Contrary to widespread belief that all gig work is precarious and of low quality, this project found that a large portion of gig workers surveyed were classified as free agents (18 per cent) and casual earners (40 per cent), groups that engage in gig work as a personal choice to earn primary or supplemental income.

The challenges gig workers face in achieving better quality work vary by the type of work they are doing and the rationale for why they are engaging in this form of work. However, across sectors and types of gig workers common challenges are limited access to benefits, employment protections and earnings volatility.

## ★ Why It Matters

Technological change will continue to create new forms of work, including gig work, while reshaping existing ones. Gig work is here to stay and is giving rise to new forms of organizing and collective bargaining, which require thoughtful policy innovation.

A nuanced picture of gig work is a key ingredient for federal and provincial policy makers as they seek to redesign employment and skills policies in an effort to improve the quality of work for all.

Organizations that represent the interests of workers can use this resource to inform their advocacy work, especially those representing reluctant and financially strapped gig workers and those who would benefit most from policies to strengthen earnings quality, job security and improved quality of the working environment.

Ongoing monitoring of the changing nature of work is essential to ensuring quality work for everyone.



### State of Skills: Quality of Work

As Canada navigates continuing labour shortages in critical areas of the economy, policymakers and employers are looking for more effective approaches to recruit and retain workers

[Read Thematic Report](#)

## ► What's Next

This project is part of the Future Skills Centre's Quality of Work series, which explores different aspects of quality work and current challenges in the labour market, including skills and labour shortages across sectors. Part of a comprehensive strategy to improve the quality of work will entail ensuring workers in vulnerable employment situations have access to similar rights and benefits as other workers. This includes employment insurance, the right to disconnect and access to upskilling and reskilling initiatives so that people can access better employment opportunities in other occupations and sectors.

The Quality of Work series explores current practice related to compensation and benefits, employment security, work environment, professional growth and social environment for workers, employers and policymakers. FSC is working with funded partners to generate insights across the projects.

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