



Sharing Economy Companies All Smiles After Trump's Transpo Pick

Insights

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Yesterday's news that President-elect Trump (it still feels weird to write that, I gotta admit) selected Elaine Chao as his Secretary of Transportation was well-received in the sharing economy. Rideshare giants Uber and Lyft both indicated in press reports that they welcomed the appointment and looked forward to working with Chao. A deeper look tells us why.

About a year ago, Chao spoke at the American Action Forum. There, according to Fast Company, she said that "many of the government's workplace regulations were created during an era when workers spent the majority of their lives in one establishment or one profession. That's no longer the case today. So it is legitimate to ask if the regulatory solutions of the past – crafted by big government for big business – are appropriate for a peer-to-peer economy that is fluid, flexible, and filled with workers who prefer independent arrangements. I believe there is room in our economy for a variety of approaches." That's music to the ears of on-demand employers everywhere, especially those in the transportation arena.

According to Fortune Magazine, at that same conference, Chao noted that government should adapt to the new economy because it provides the flexibility that the modern worker craves. She noted that nearly half of the Uber drivers had a college degree or higher, and 62% had another full-time or part-time job. Nearly half had health insurance, and over 67% had financial dependents at home. "So it's no surprise," she said, "that drivers cited the flexibility to set their own schedule as one of the principle reasons for partnering with Uber. Another frequently cited reason was the need to supplement fluctuating income from other sources."

And listen to this: "We need to preserve the protections of the past for those who need them, while crafting new solutions that better fit the preferences of workers in the sharing economy," she said. "At a minimum, government policies must not stifle the innovation that has made this sector such an explosive driver of job growth and opportunity."

While you may not be enamored with the new administration about to take office, gig companies everywhere will end up being happy if the Transportation Secretary's attitude is shared by those who will be setting the regulatory agenda for the next four years.

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