

Florida Touts Gig Economy Growth in the Sunshine State

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CareerSource Florida, a government agency serving the state of Florida, recently released a report highlighting the growth of the gig economy in the state and emphasizing the positive impact it has had on the state's economy. "<u>The Study on the Gig Economy and Florida's Workforce System</u>" details information about the size and impact of the gig economy on the nation's third-largest state.

The report defines gig workers as those involved in nontraditional work arrangements that are still considered formal, including temporary agency workers and consultants. It defines "independent workers" as those engaged in short-term work through online platforms and are typically independent contractors. Under the report's definition, those using platforms such as Upwork or Fiverr are independent workers, as well as those who rent residences through Airbnb or sell work through platforms such as Etsy.

The report finds that gig work represents potential pathways to entrepreneurship, career starts, experience building and income growth for many different types of workers. For unemployed or underemployed Floridians, the gig economy can provide the opportunity to build new skills and gain work experience that could translate into full-time opportunities.

The report estimates that there are 856,100 Floridians working at temporary staffing agencies, 500,400 remote workers, 375,829 self-employed business owners, and 280,000 workers holding multiple jobs. The report found that gig workers across the United States are likely to live in an urban area, are slightly more educated than the overall U.S. workforce, and that 43% of gig workers are between the ages of 25 to 34.

The report anticipates that Florida's industries will continue to experience workplace and workforce transformations. Florida's economic activity tied to professional, business, consumer, and hospitality services lends itself to increasing opportunities for diversification of the workforce and expanded opportunities for non-traditional work arrangements. Florida's industry employment is more concentrated in key industries such as retail, leisure, hospitality, and professional business services. The aforementioned industries are overrepresented in Florida compared to the rest of the country. Because these industries also may have a higher share of independent workers, the gig economy might have a greater role and impact in the state.

The report also notes that the gig economy may offer a competitive edge for skilled Floridians to compete alobally and for Florida's regional economies and communities who develop remote work

opportunities, coworking spaces, and communications and technology connectivity. Specifically, a wider variety of professional, technical, business and consumer services will rely upon gig workers due to the growth of online gig platforms. The changes in Florida's economy will be beneficial to workers who can leverage the gig economy to increase supplemental earnings and pursue alternative work choices.

The report also cites that the lack of broadband connectivity in some areas of Florida may limit work opportunities for rural residents who may be interested in gig work. The report suggested the state could examine existing community infrastructures to provide dedicated quiet workspaces and internet connectivity for workers who may not otherwise be able to participate in online professional services work.

The report also lists strategies that Florida could consider in order to increase opportunities for the gig economy to continue to grow in Florida. The strategies included developing policies to influence pending workforce reauthorization and legislative discussions at the federal level and revising state workforce guidelines to better reflect demand from businesses for independent workers. However, it should be noted that Florida has already taken steps to assist the gig economy. It was one of the first states to pass <u>legislation</u> that defined the term "market place contractor" to classify on demand workers providing household services as independent contractors.

Overall, the report highlights the growth of the gig economy and how Florida can better position itself to take part in the continuing growth and evolution of the gig economy. Businesses that operate in the gig world should monitor Florida's legislative and policy efforts to further the gig economy in the nation's third largest state as there will likely be new opportunities to tap into Florida's diverse workforce.

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