

# Recent Jobs Report Was Flawed Because It Ignored Gig Workers

Insights

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Last week, the federal government released its monthly jobs report regarding job creation and current unemployment statistics. The Labor Department said that the U.S. economy added 255,000 new jobs, beating estimates (180,000) by a sizeable amount. The report also indicated that the unemployment rate held steady at 4.9%. Most were pleased with the report (with a certain presidential candidate excluded, of course), stating that the data showed a healthy amount of confidence in the economy by both investors and employers.

But the report itself is admittedly flawed because the Bureau of Labor and Statistics (BLS) all but ignores the gig economy. As a CEO of an online job recruiting firm said, “Their methodology hasn’t caught up with the reality of the world.” The Daily Caller ran an article following the release of the information pointing out that millions of workers consider themselves independent and are not included in this kind of report, and that, in fact, most gig workers don’t even have a special classification under BLS standards.

The BLS recently explained that while there is no official definition for the “gig economy” in its eyes, it is currently using the working definition of a “single project or task for which a worker is hired, often through a digital marketplace, to work on demand.” The BLS claims that many gig workers are counted in the part-time, self-employed, or multiple-job categories.

But the government concedes that it hasn’t captured gig workers in its statistical sweep like it would want to do. In fact, it has not conducted a statistical survey on contingent workers since 2005. If Congress approves the funding, as Senator Mark Warner has already requested, the BLS plans on conducting a census of gig workers in May 2017. This development would help provide a more accurate assessment of the current state of the gig economy. Until then, just understand that every jobs report you see will be fundamentally flawed.

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