

Despite flexibility, gig work and insecure income prove harmful to US workers, says new study

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Insecure income associated with nontraditional employment known as "gig work" has a negative impact on the overall health and well-being of



U.S. workers, according to a new article by researchers from UTHealth Houston.

A pre-press version of the findings, which will be published in the September 2022 issue of the journal *Social Science & Medicine*, is now available online.

Gig work includes employment where people are paid by the piece of completed work, by the hour, or by the day, rather than a traditional employer-employee relationship. Uber, Lyft, TaskRabbit, and Handy are examples of gig companies, according to the Congressional Research Service.

Using data from the 2008-2019 IPUMS Medical Expenditure Panel Survey, UTHealth School of Public Health researchers found that insecure income from gig work contributed to poor health outcomes among the national workforce, including a sicker workforce, higher unreimbursed healthcare costs, and greater costs to the consumer.

Co-authors, led by School of Public Health alumnus Robert Thomas, Ph.D., JD, MBA, included Gretchen Gemeinhardt, Ph.D., associate professor of management policy and community health; Paula Cuccaro, Ph.D., assistant professor of health promotion and behavioral sciences; and John Davis, MA, from UTMB Health. Thomas is also immediate past commissioner of the Texas Workforce Commission.

Key findings included:

- Insecure income earners reported a 50% increase in poor overall health and <u>psychological distress</u> compared to salary earners.
- The poor health effects of piece work were somewhat eased on workers when accounting for socioeconomic factors, but the trend of increased <u>health risks</u> remained constant, especially for



women, those with less than a college degree, financially poorer workers, and non-white-collar workers.

- Black and Hispanic workers earning insecure income were more likely to report poor health than their white counterparts.
- Higher rates of hourly pay reduced, but did not remove, the correlation between insecure income and workers' health.

The study comes at a time when gig companies are pushing to classify workers as <u>independent contractors</u>, rather than employees, in state courts and legislatures in California, Massachusetts, and elsewhere in the U.S.

While the paper utilized pre-COVID-19 data, the researchers say their findings suggest that COVID-era gig workers will likely see an even greater increase in poor overall health and psychological distress.

"The longer-term <u>economic burden</u> will ultimately be passed onto the U.S. consumer as we see increases in worker shortages, increases in prices from gig companies, and increases in unreimbursed health care utilization," Thomas said. "It is reasonable to project that the U.S. taxpayer will pay more for uninsured chronic morbidity care of uninsured U.S. workers who are paid an insecure income."

More information: Robert D. Thomas et al, Assessing associations between insecure income and US workers' health: An IPUMS-MEPS analysis, *Social Science & Medicine* (2022). DOI: 10.1016/j.socscimed.2022.115240

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