



Survey of Enterprising and Informal Work Activities (EIWA)

Community Development and
Consumer & Community Development Research
Division of Consumer & Community Affairs

The analysis and conclusions set forth in this presentation are our own and do not indicate concurrence of the Federal Reserve Board, the Federal Reserve Banks, or their staff.

Survey Background

- **Exploratory Survey**
- **Designed with three primary motivations**
 - 1. Help monitor trends** in work opportunities and employment creation especially for low-to-moderate income households and communities
 - 2. Explore the incidence** and prevalence of the enterprising and informal work activities ecosystem: online and offline
 - 3. Identify data gaps** related to changing job and paid work opportunities online and offline

Survey Methods

Designed by DCCA staff, with input from the Board, Reserve Banks, sister statistical agencies and external academics

Reviewed by nationally recognized experts

Deployed by GfK to their nationally representative probability-based online panel of respondents called KnowledgePanel®

- Survey was administered online: October 30, 2015 to November 9, 2015
- 2,483 respondents, including a lower-income oversample

The panel is designed to represent the U.S. adult population

- Respondents are a random sample recruited from postal addresses
- A computer and internet access are provided free of charge to those without them
- As with all surveys, the possibility exists for some degree of bias (selection, recall, non-response)

Survey Data

E-mail survey invitations were sent to 12,480 potential survey respondents

Complete Respondents: 6,898

Non-qualified Respondents: 4,415 (64%)

Qualified (or 'Enterprising and Informal' (E & I)) Respondents: 2,483 (36%)

The qualified E & I survey respondents were identified by answering 'Yes' to one of the 11 survey screener questions that directly queried respondents about their on-line and/or off-line paid work activities



Table of Contents

SECTION

1 **Introduction & Study
Motivation**

SECTION

2 **Overview of Informal
Online and Offline**

SECTION

3 **Survey Screener
Questions**

SECTION

4 **Employment, Self-
Employment, and Small
Business**

SECTION

5 **Side Employment, Gig &
Informal Work Online**

SECTION

6 **Geographies & Regions**

SECTION

7 **Demographics**

SECTION

8 **Board & Reserve Bank
Workforce Development
Initiatives**



Overview of the Informal Online and Offline Economy



Issues in the Changing Work Ecosystem

- Who are the workers in the paid “informal on-line and off-line” economy?
- Where do they live?
- How often do they engage in paid “gig” or “on-demand” work?
- What kinds of paid on-line and off-line work are households taking on?
- Why do they engage in paid “side” work?
- CPS surveys indicate that multiple job holding and the self-employed are declining (Katz & Krueger, 2016)
- BLS part-time jobs since the great recession are holding steady (highest in record keeping of part-time jobs)
- IRS data indicates a rise in Schedule C (sole proprietor) as well as 1099Misc and 1099K (credit-card payments for services or goods and third-party payment network transactions)

A Snapshot of the Changing Work Ecosystem

FIGURE 3. INDEXED NUMBER OF TAX FORMS, 1994-2014

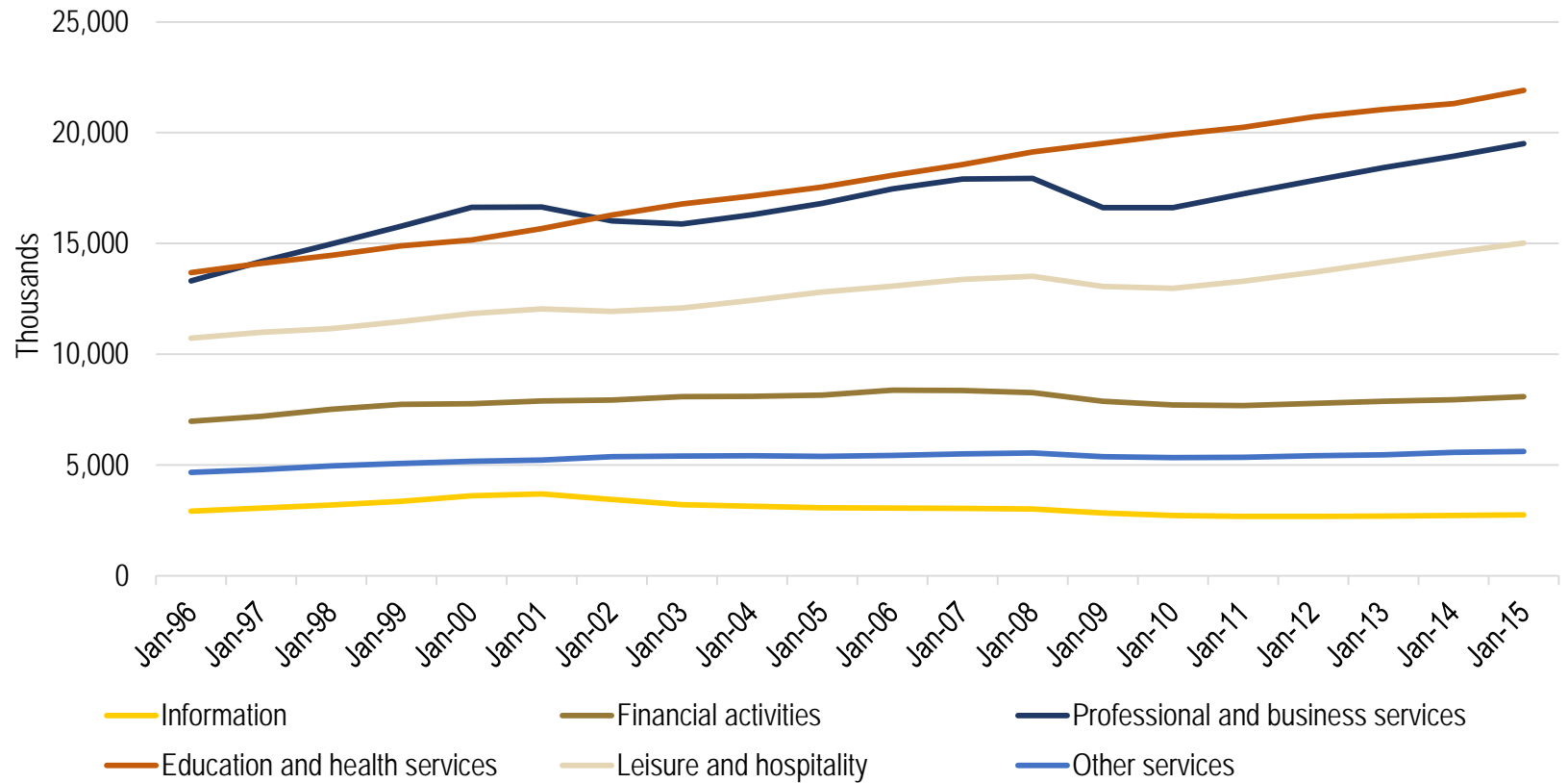


Note: The vertical axis does not begin at zero.
Source: Authors' calculations of IRS data.

Source: Dourado and Koopman, "Evaluating the Growth of the 1099 Workforce," Mercatus Center, George Mason University, December 2015

Where are the jobs?

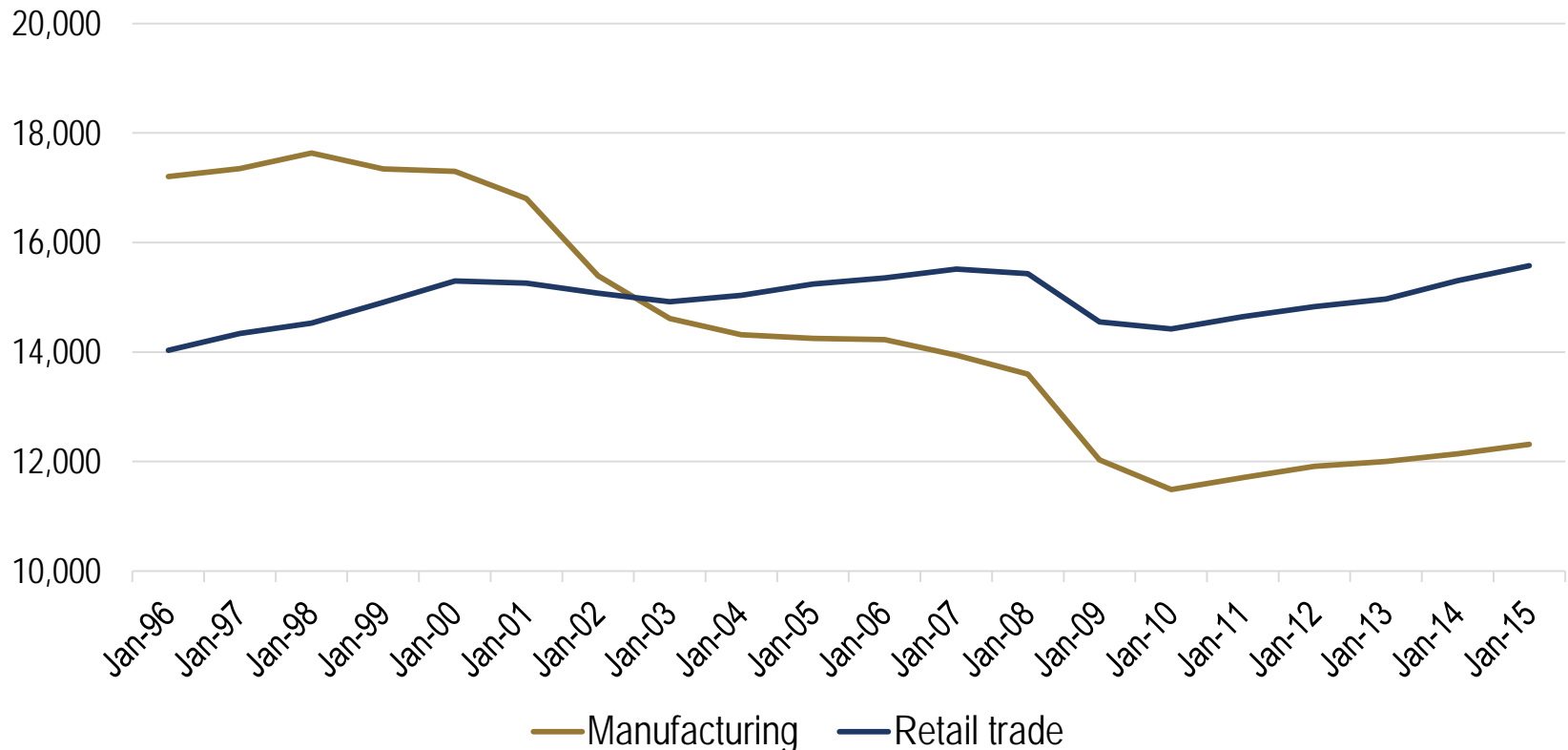
Services Sector by Major Industry



Source: U.S. Bureau of Labor Statistics, Employment levels by industry, seasonally adjusted (numbers in thousands), <http://www.bls.gov/charts/employment-situation/employment-levels-by-industry.htm>

Where are the jobs?

Manufacturing and Retail Trade



Source: U.S. Bureau of Labor Statistics, Employment levels by industry, seasonally adjusted (numbers in thousands), <http://www.bls.gov/charts/employment-situation/employment-levels-by-industry.htm>

Enterprising & Informal Work Activities



TOP TAKEAWAYS

19%

of total E&I respondents engaged in three or more on-line and/or off-line informal paid work activities.

31%

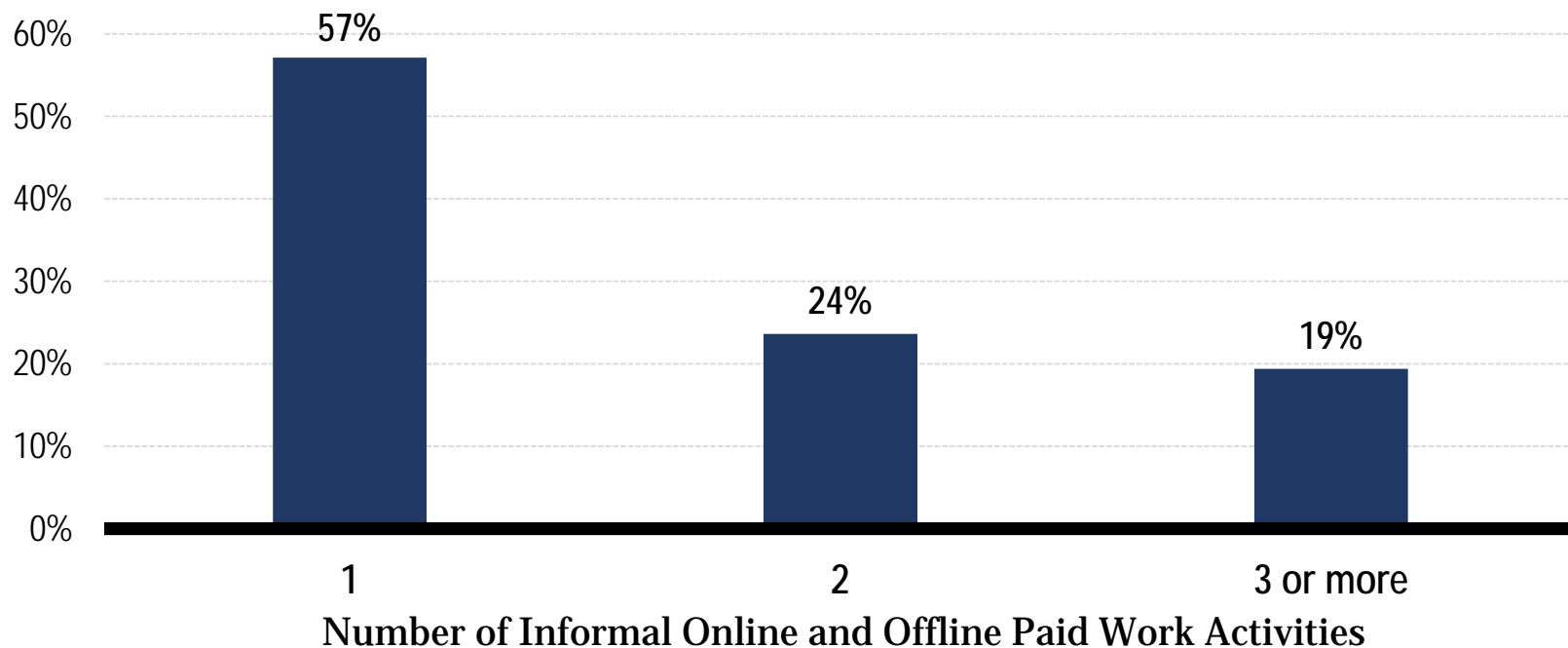
of total E&I respondents engaged in on-line selling of new/used goods.

27%

of total E&I respondents engaged in house cleaning, painting, yardwork or other household maintenance activity for pay.

Majority of E&I Respondents Participate In One Informal Work Activity

Percent of E&I Respondents Engaged in One or More Informal Paid Work Activity

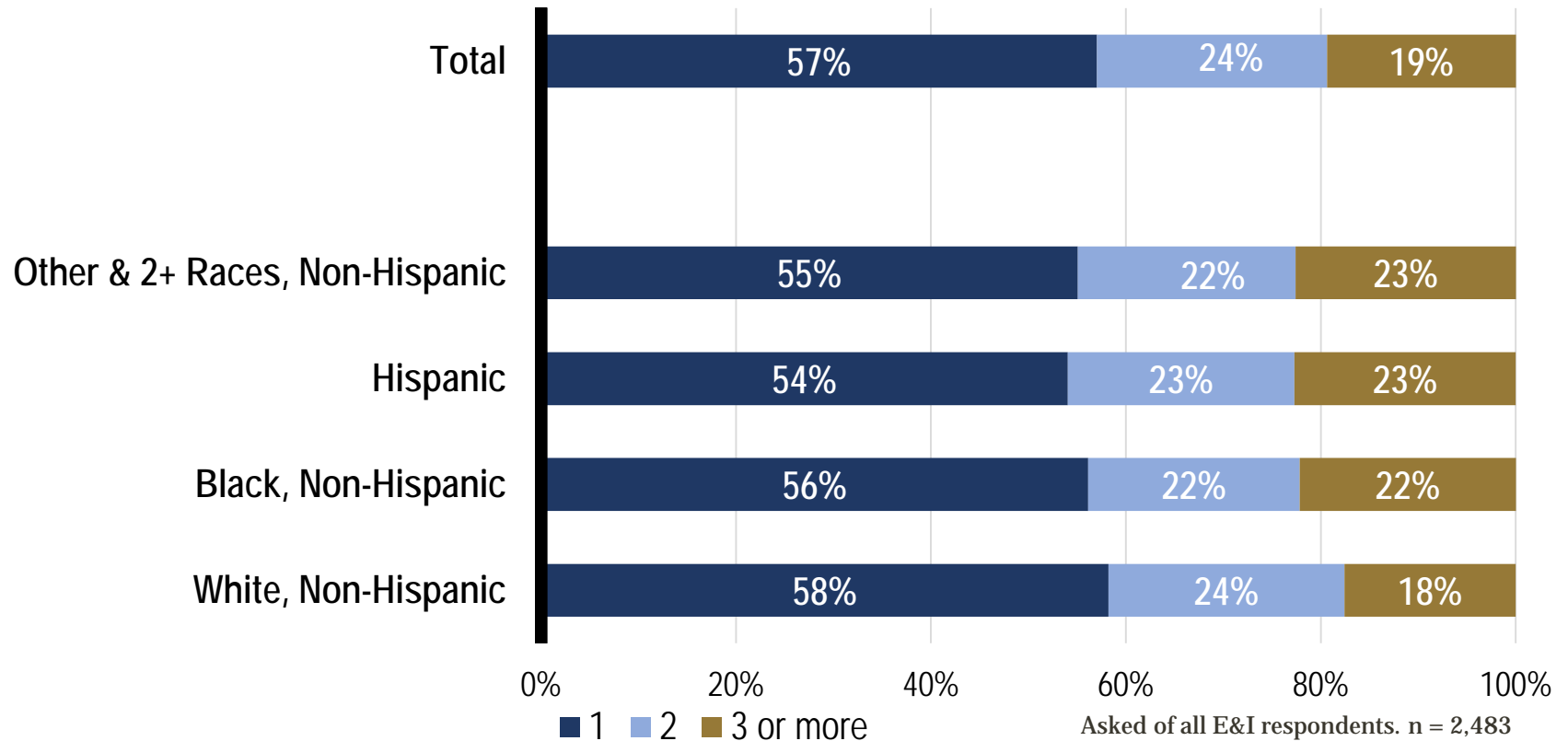


Asked of all E&I respondents n=2,483



Number of E&I Work Activities Varies by Race and Ethnicity

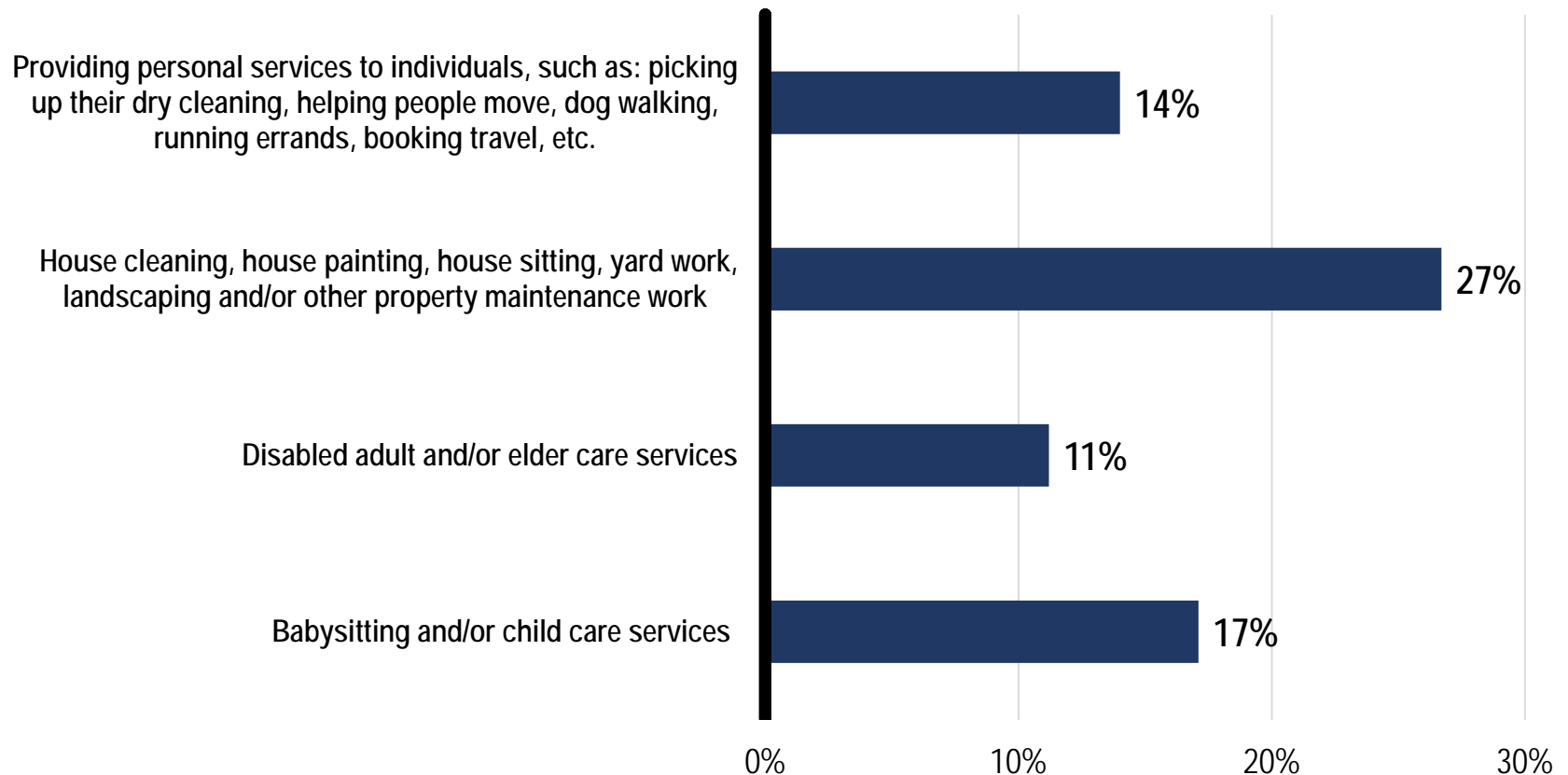
Percent of E&I Respondents Engaged in One or More Enterprising & Informal Work Activity by Race & Ethnicity





House/Property Maintenance is the Most Common Labor Service Activity

In the **last 6 months**, have you been paid for the following?

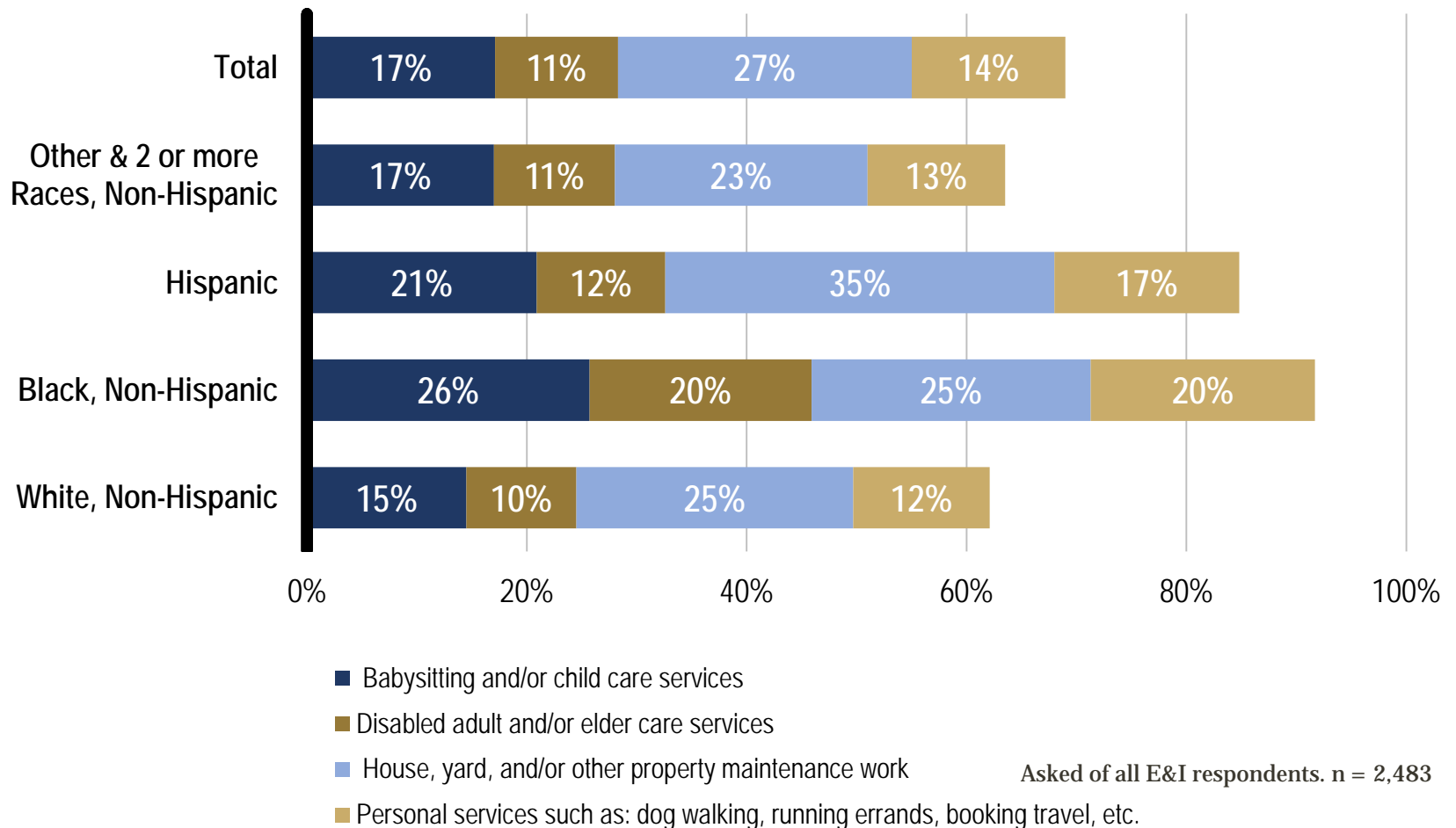


Asked of all E&I respondents. n = 2,483



Type of Informal Labor Services Varies by Race/Ethnicity

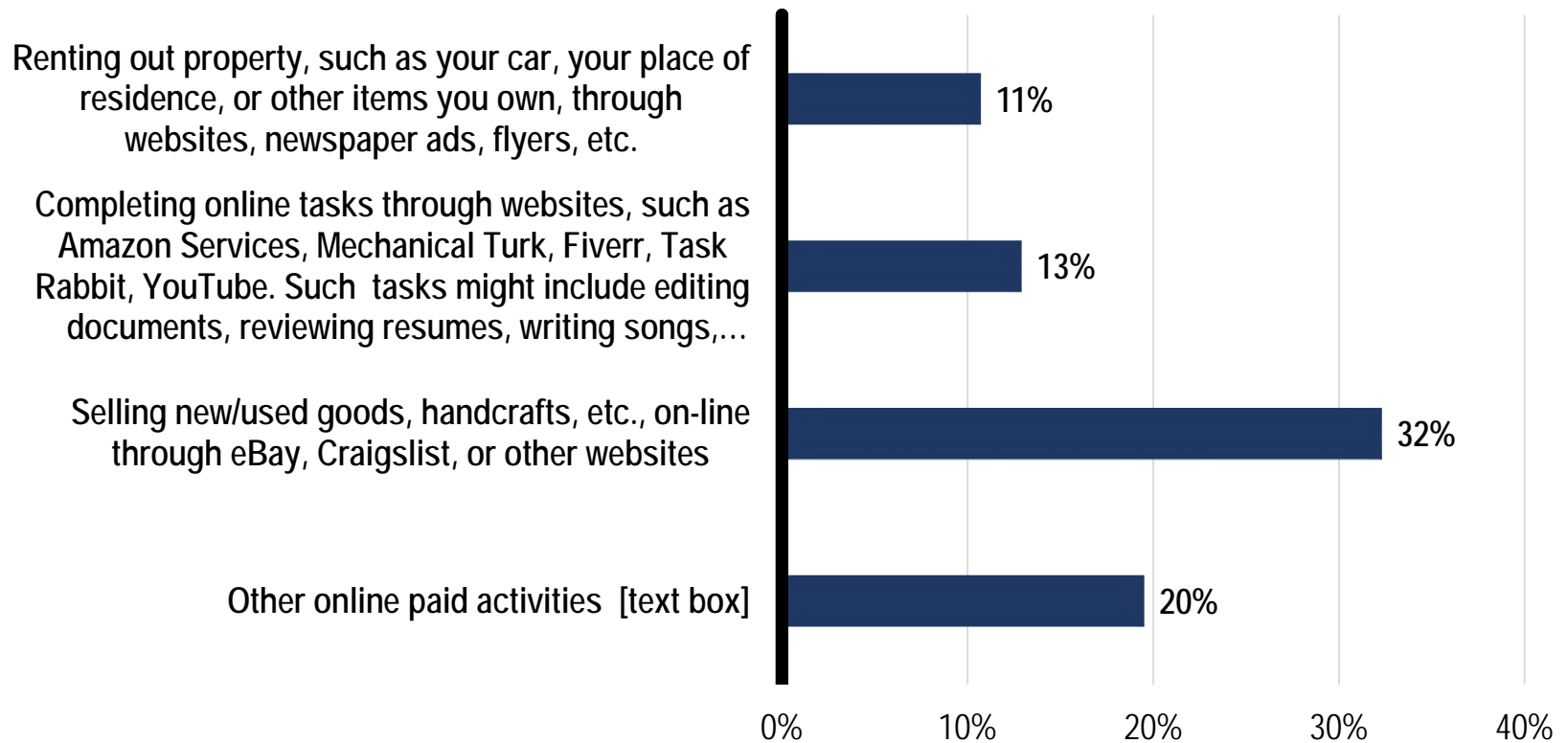
Percent of E&I Respondents by Race & Ethnicity





Selling New/Used Goods is the Most Common Online E&I Work Activity

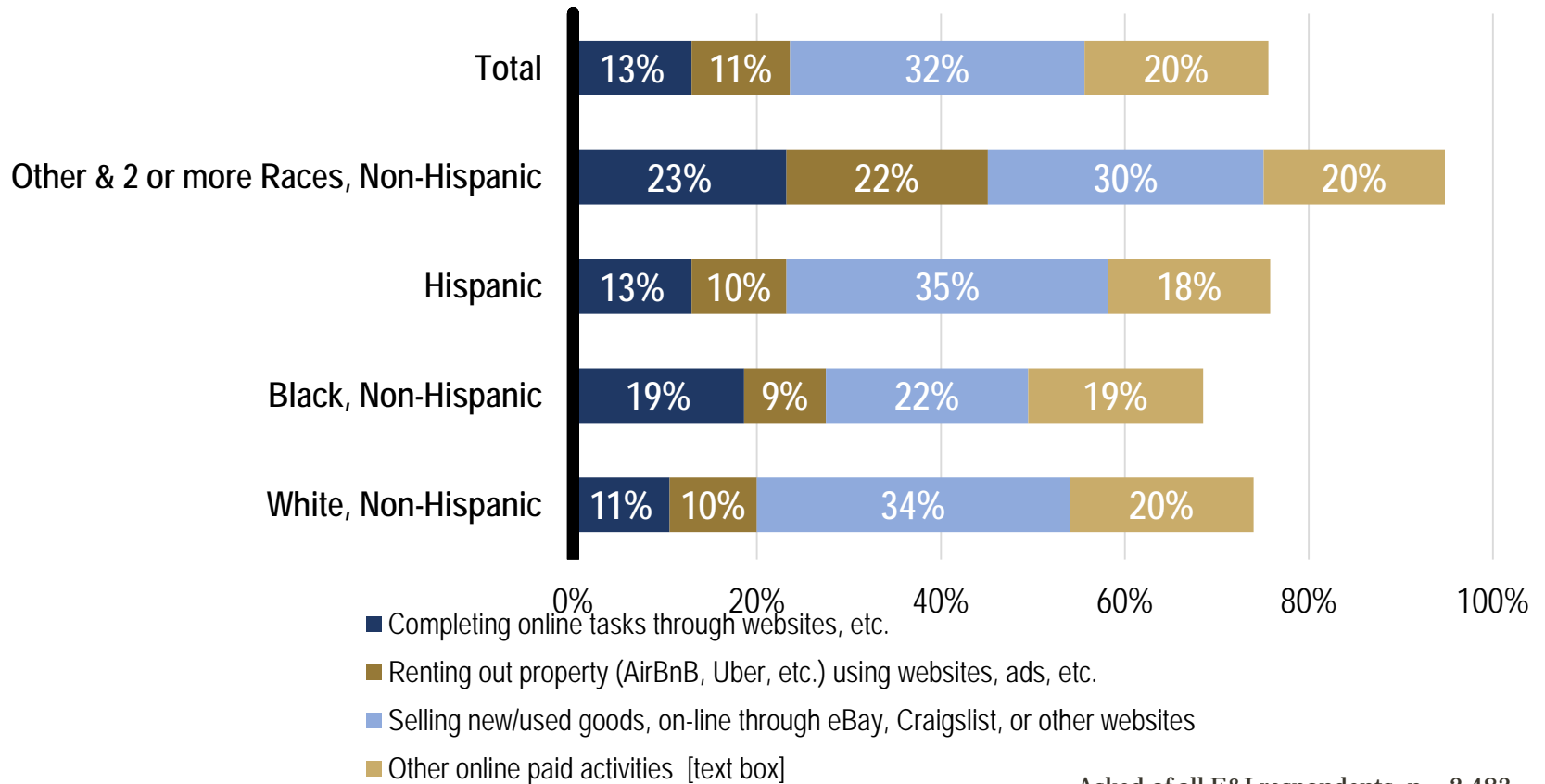
In the **last 6 months**, have you been paid for the following?



Asked of all E&I respondents. n = 2,483

Type of Online E&I Work Activities Varies by Race and Ethnicity

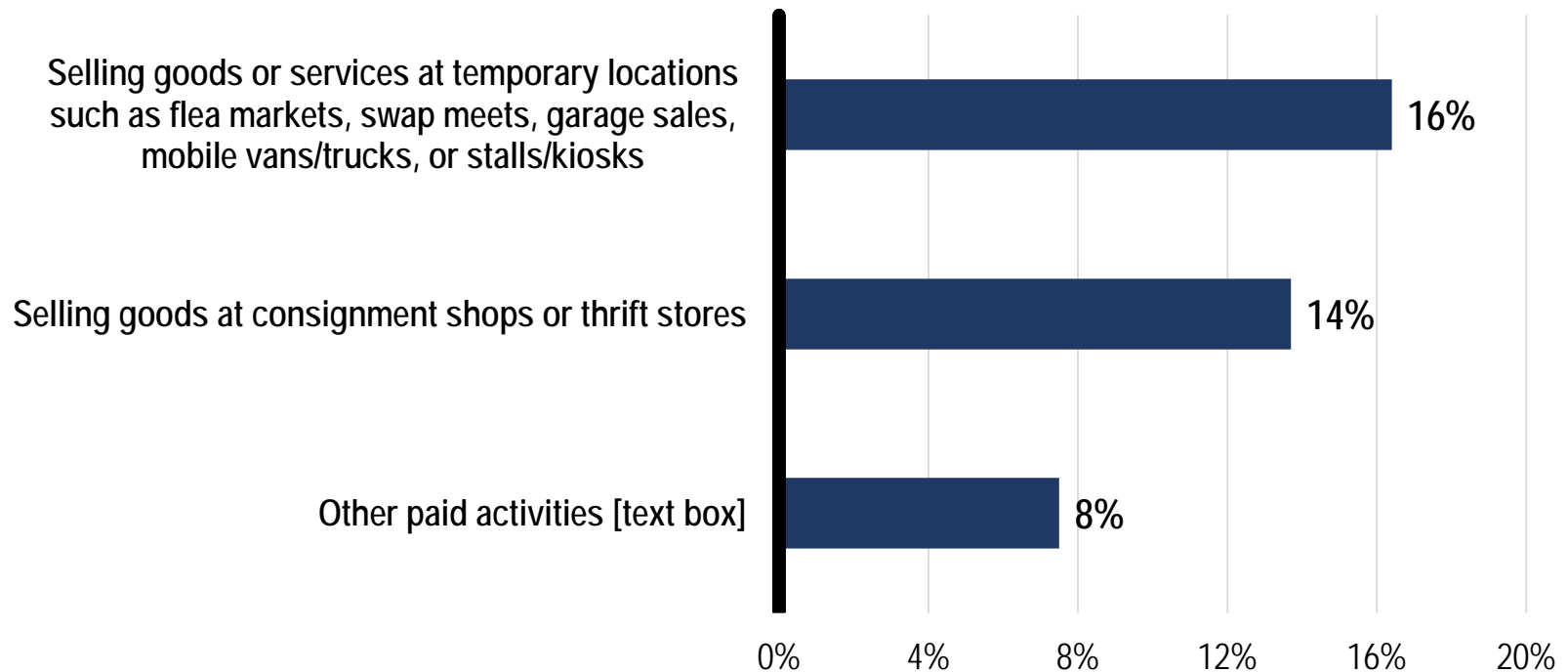
Percent of E&I Respondents by Race & Ethnicity



Asked of all E&I respondents. n = 2,483

Temporary Locations Such as Flea Markets are the Most Common Offline E&I Work Venues

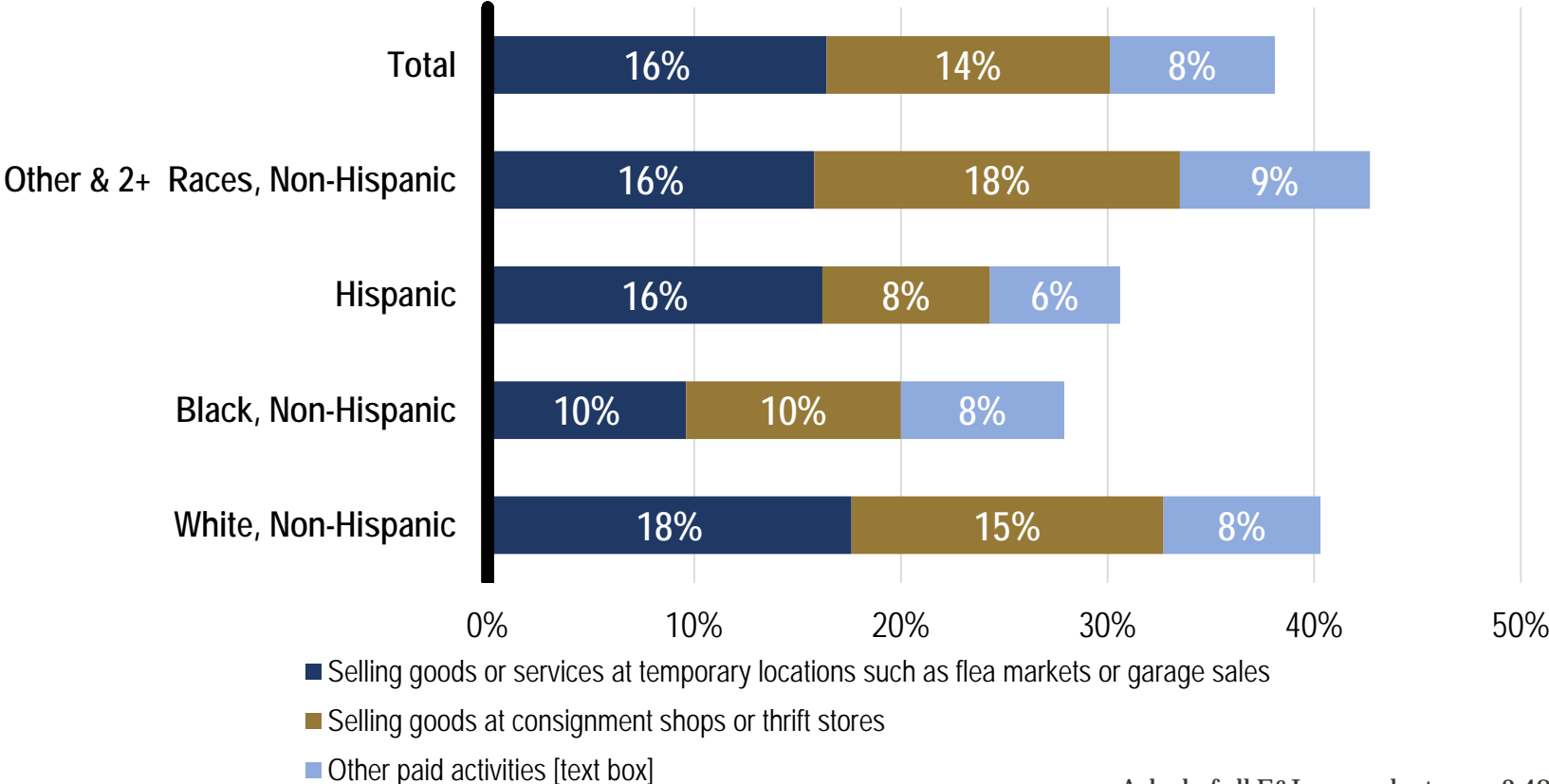
In the **last 6 months**, have you been paid for the following?



Asked of all E&I respondents. n = 2,483

Type of Offline E&I Work Activities Varies by Race and Ethnicity

Percent of E&I Respondents by Race and Ethnicity



Asked of all E&I respondents. n = 2,483



Employment, Self-Employment, and Small Business



TOP TAKEAWAYS

20%

of E&I workers have another full-time or part-time job, in addition to their main job.

56%

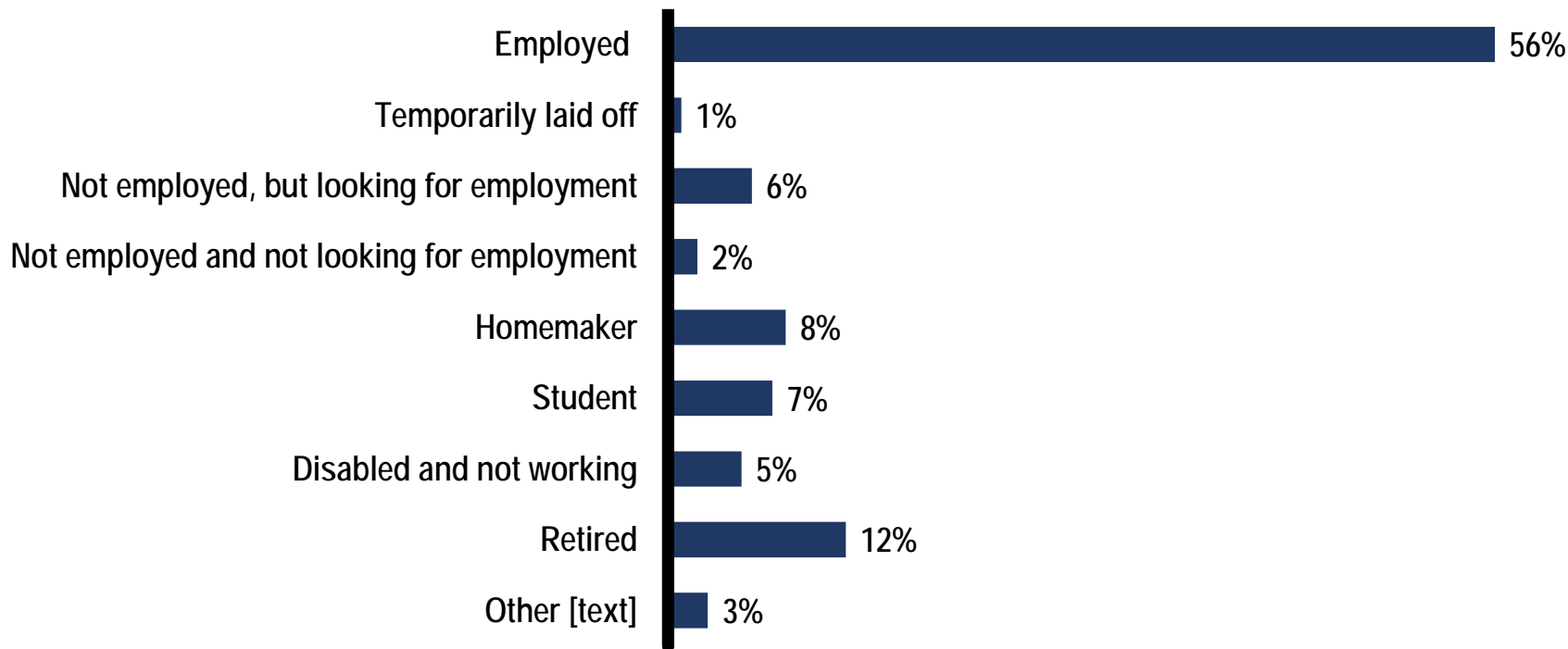
of E&I respondents reported being employed in the past 6 months.

9%

of E&I respondents were self-employed or owned their own business.

56% of E&I Respondents report being Employed

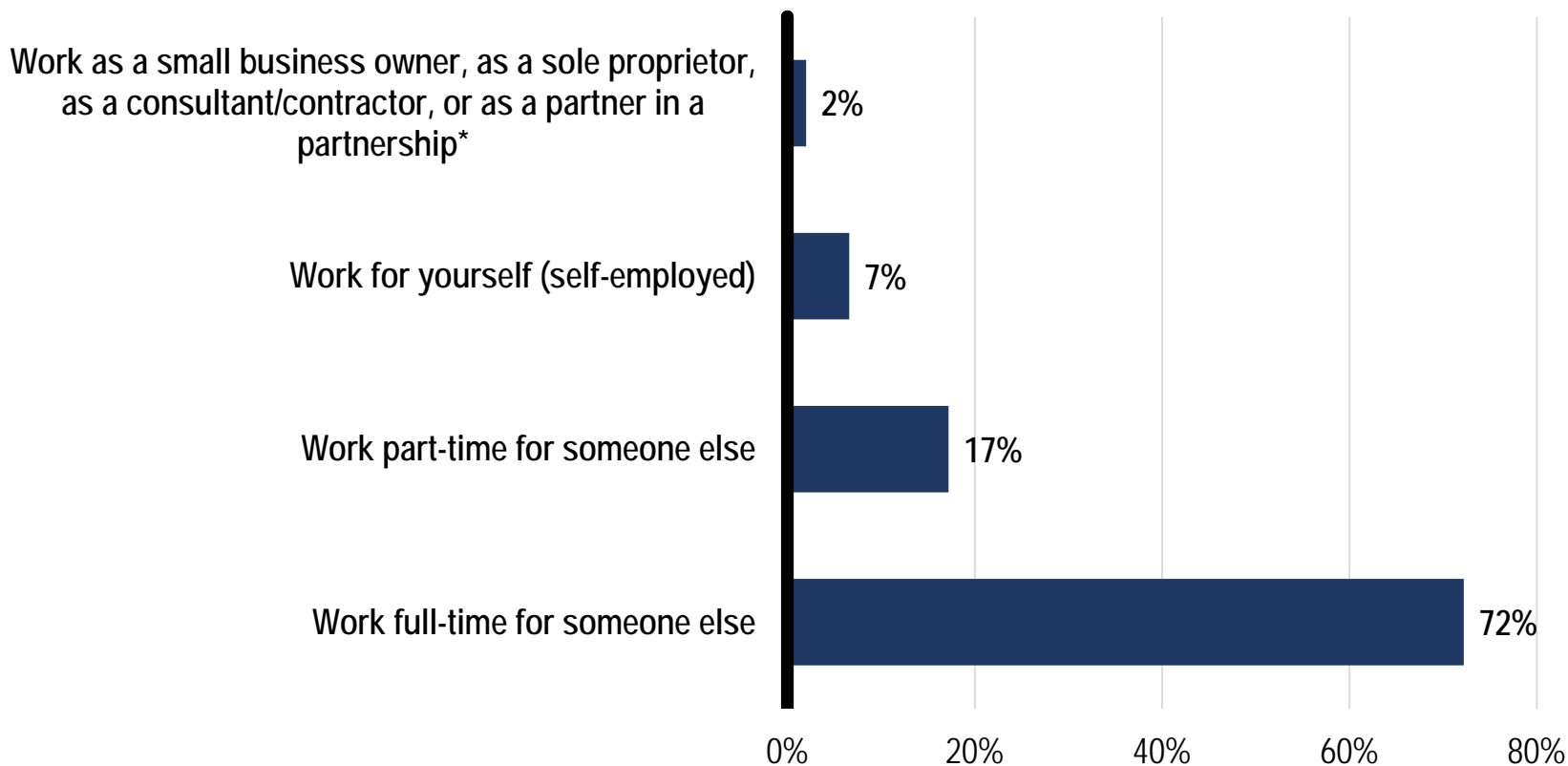
In the **last 6 months**, which one of the following **BEST** describes your current employment situation?



Asked of all E&I respondents. n = 2,483

Of Employed E&I Respondents, 72% Work Full-Time for Someone Else

Thinking of your main employment, in the **last 6 months** did you...

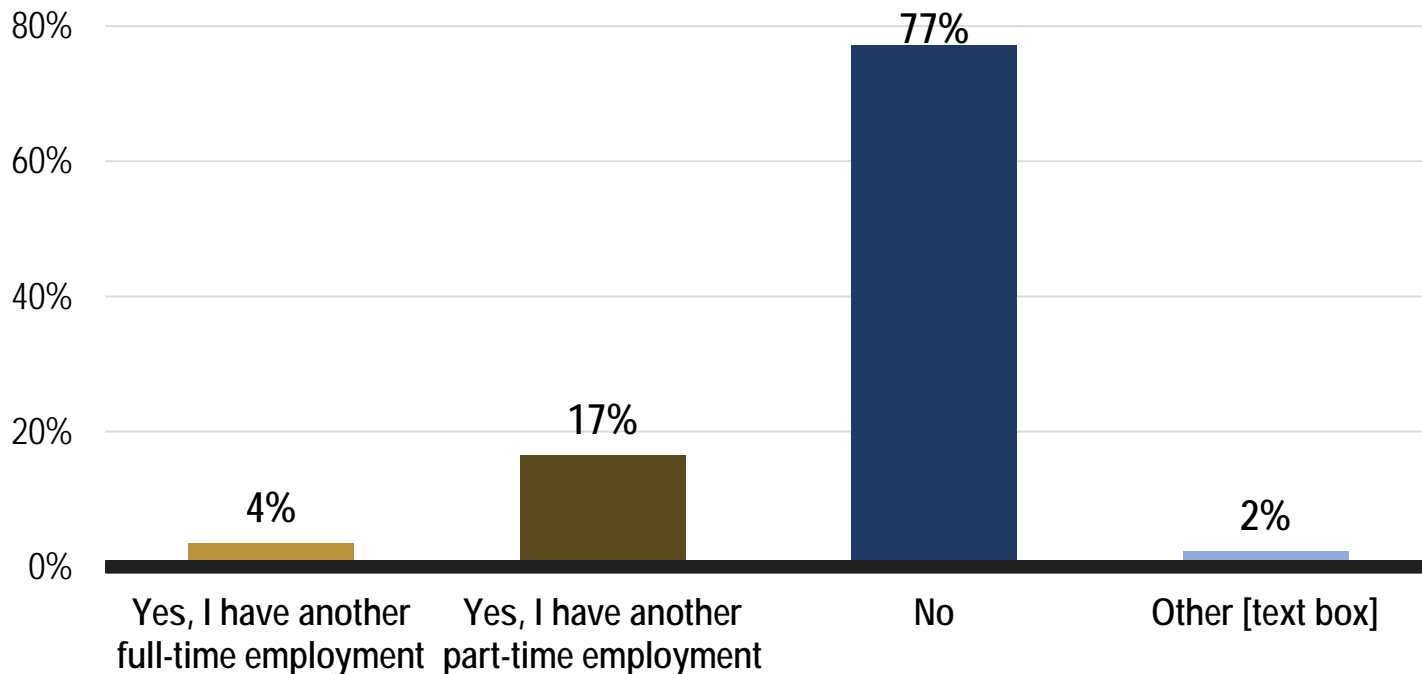


*Combined from 4 separate questions

Asked of all employed E&I respondents. n = 1,275

Of Employed E&I Respondents, 77% Only Have One Job

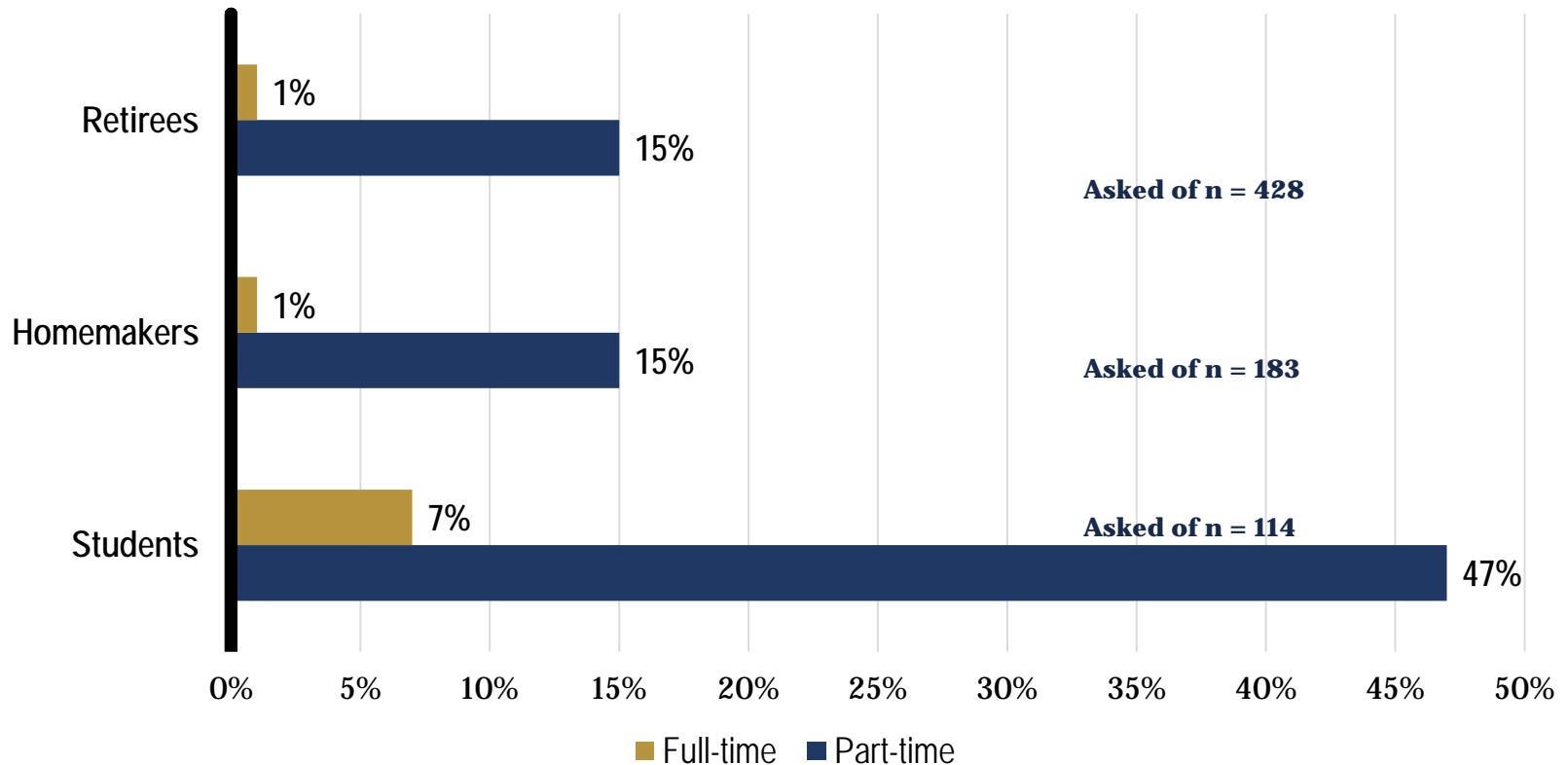
In addition to your main job, in the **last 6 months** did you also have other paid employment?



Asked of all employed E&I respondents. n = 1,275

E&I Students Have More Paid Jobs than E&I Homemakers or Retirees

Besides being a student/homemaker/retiree, in the **last 6 months** did you also have a paid job?





Side, “Gig” & Informal Work Activities



TOP TAKEAWAYS

65%

of E&I respondents that engage in informal paid work activities, do so to earn extra money.

50%

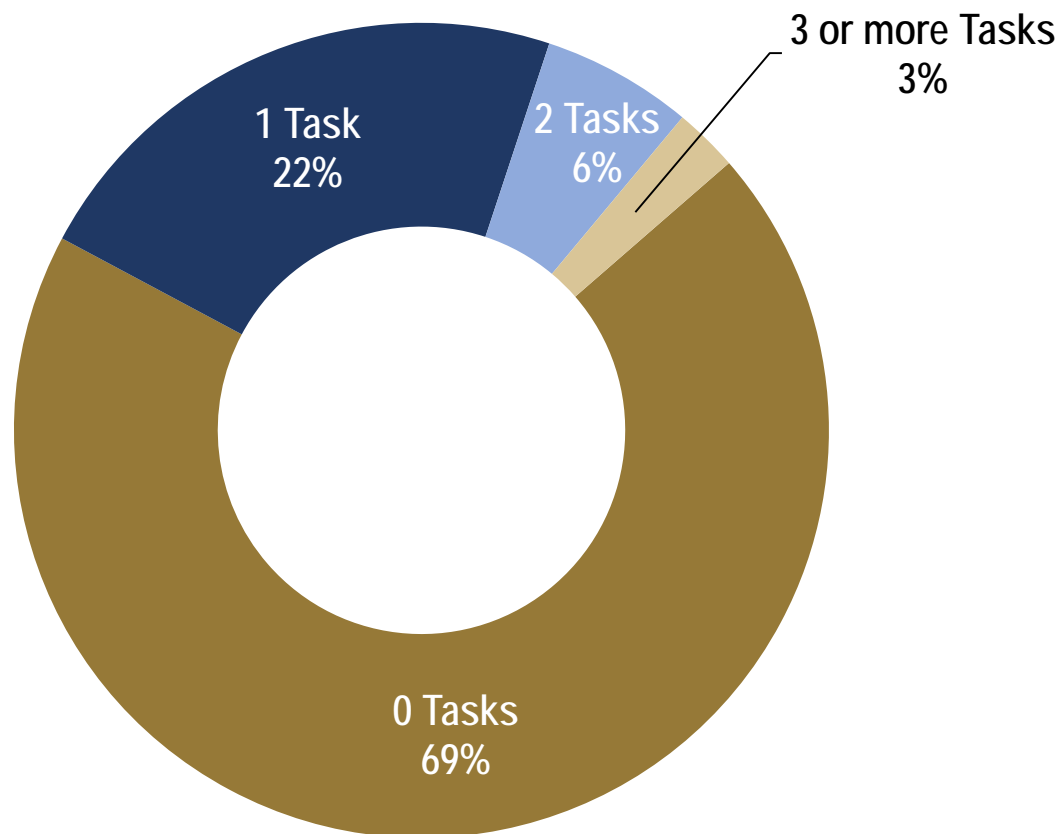
of E&I respondents spend 1-20 hours a month engaged in side or “gig” work activities.

25%

of E&I respondents indicate that informal work activities have been “very much” and “somewhat” a regular source of monthly income.

31% of E&I Respondents Participate in Online Tasks

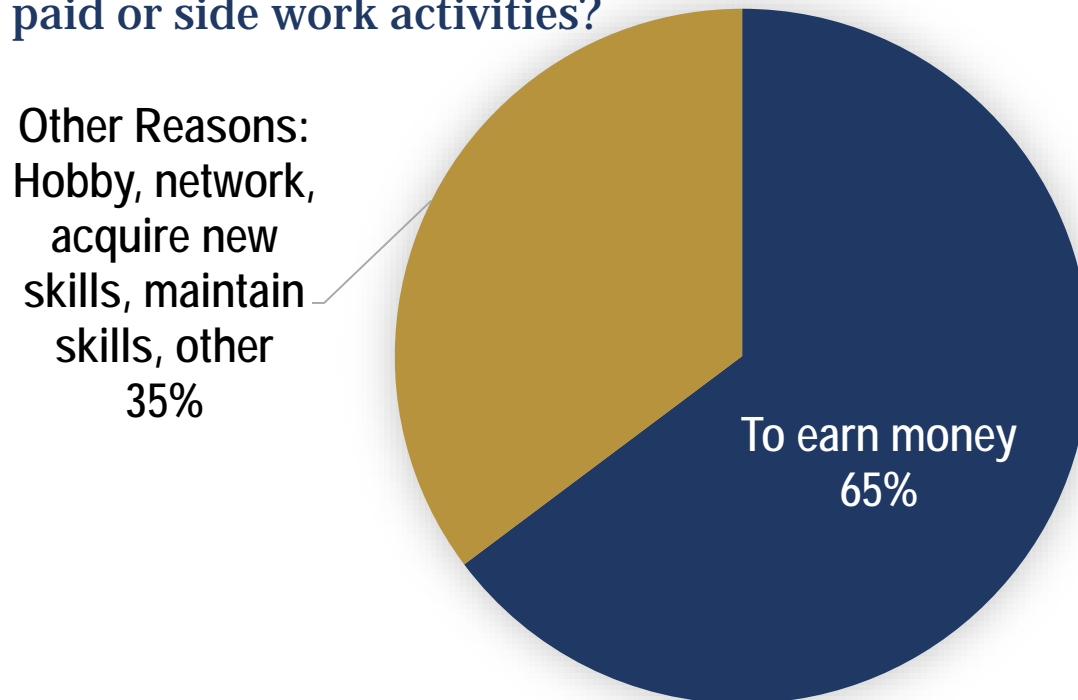
Number of Online Tasks...



Asked of all E&I respondents. n = 2,483

65% of E&I Respondents List Earning Money as their Main Reason for Engaging in Informal Work

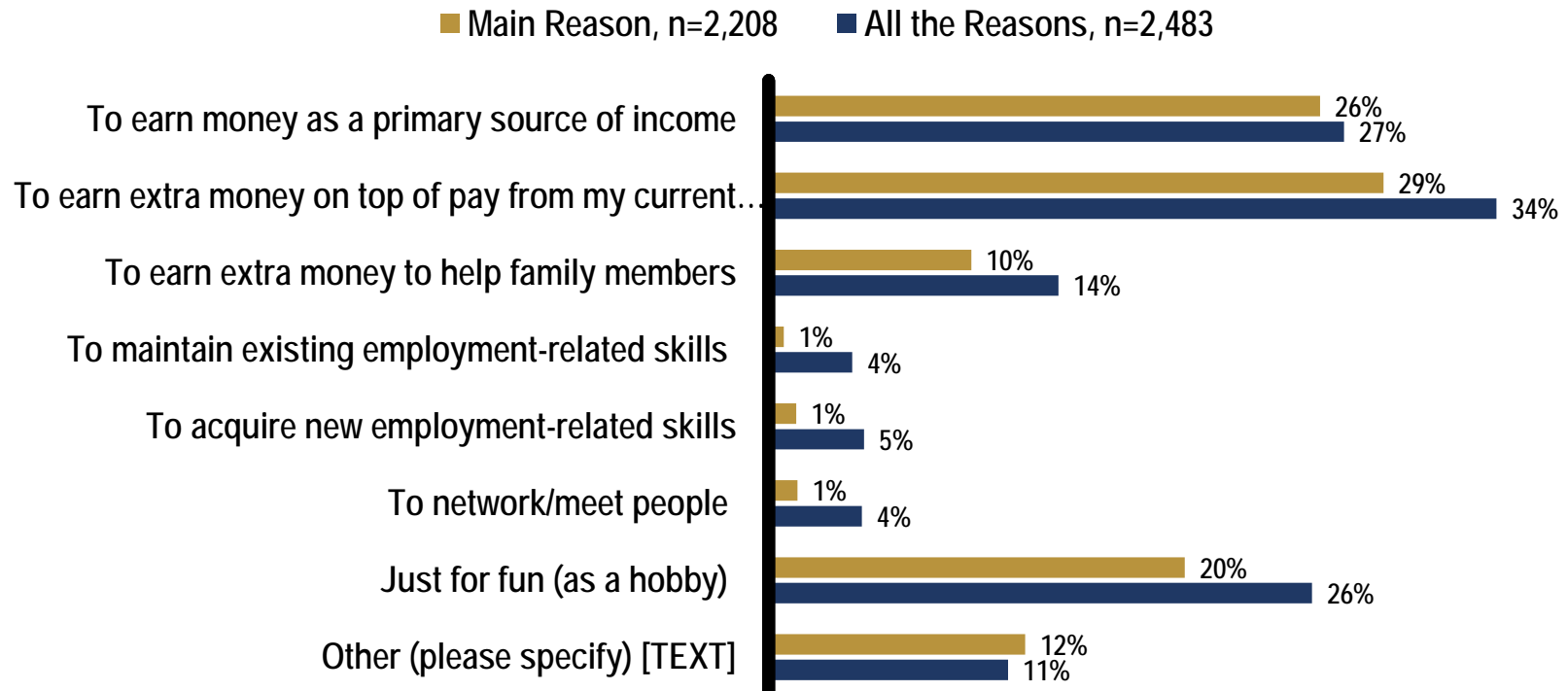
In the **last 6 months**, what is the main reason why you have engaged in these paid or side work activities?



Asked of E&I respondents. n = 2,208

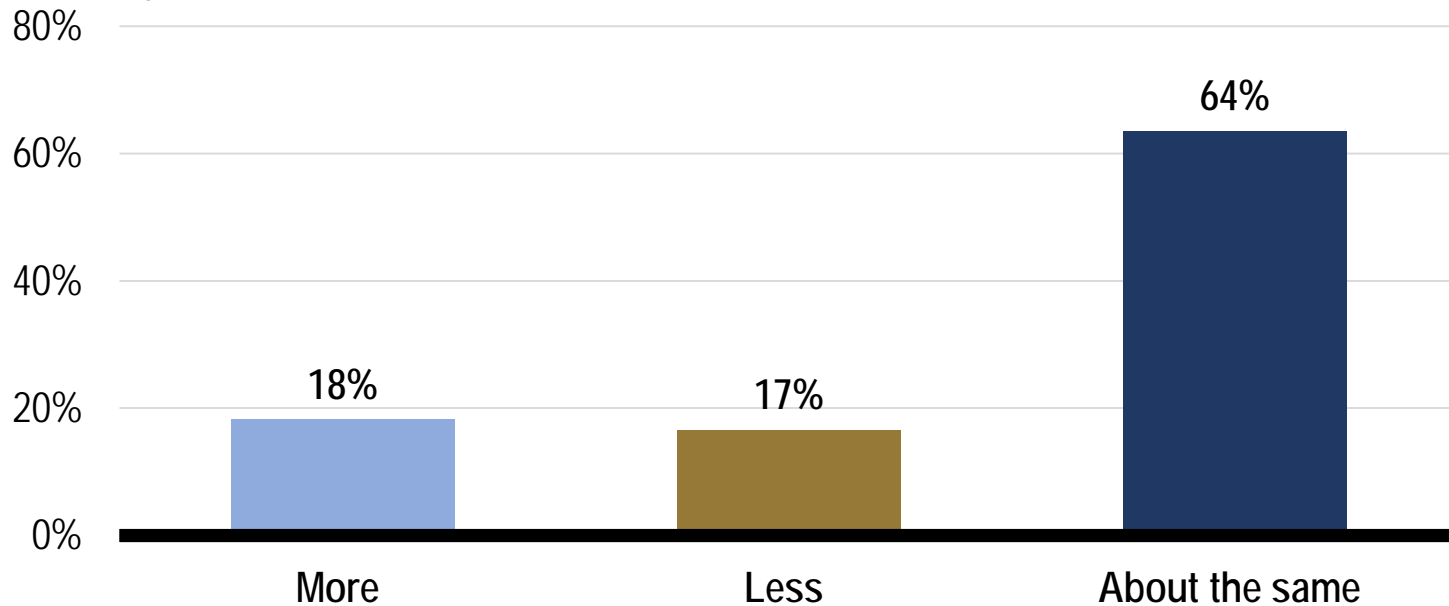
E&I Respondents List Reasons for Engaging in Informal Work

In the **last 6 months**, what are main reasons versus all the reasons why you have engaged in these paid or side work activities?



64% of E&I Respondents Expect to Devote the Same Amount of Time to Informal Work in Six Months Time

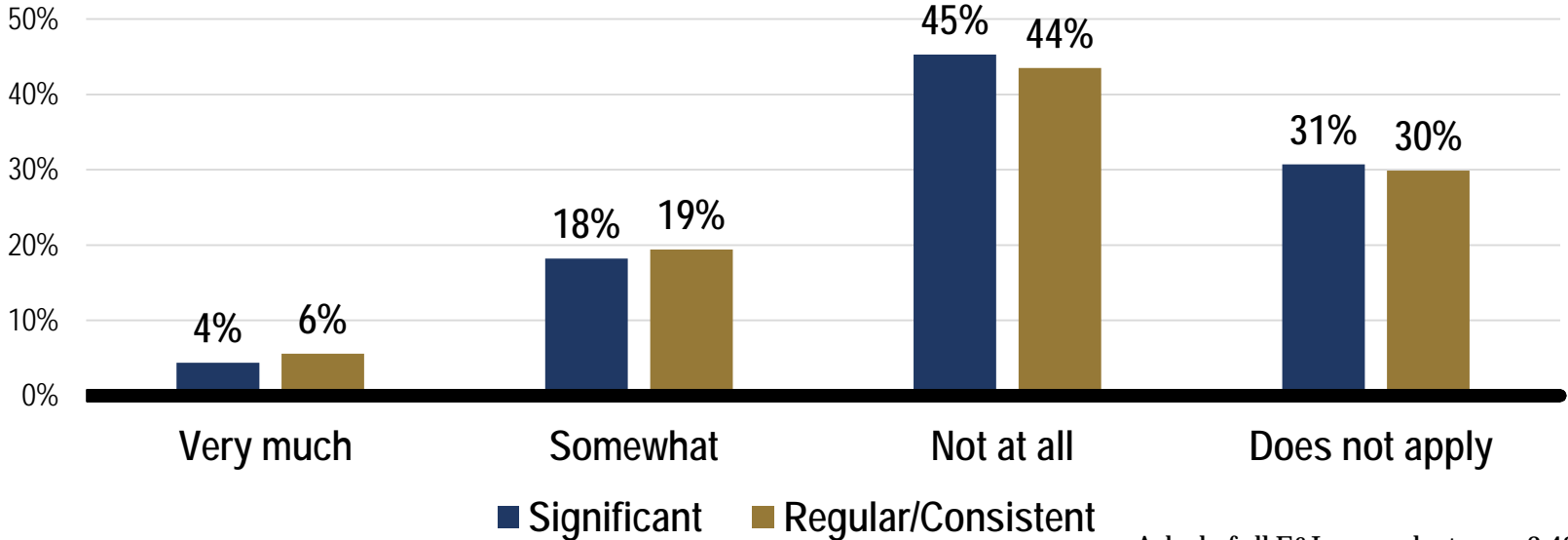
Six months from now, do you expect to devote more, the same, or less time to paid or side work activities other than your primary employment compared to today?



Asked of all E&I respondents. n = 2,483

Informal Income Considered “Very Much and Somewhat” a “Significant” and “Regular/Consistent” Source of HH Income by 1 out of 4 E&I Respondents

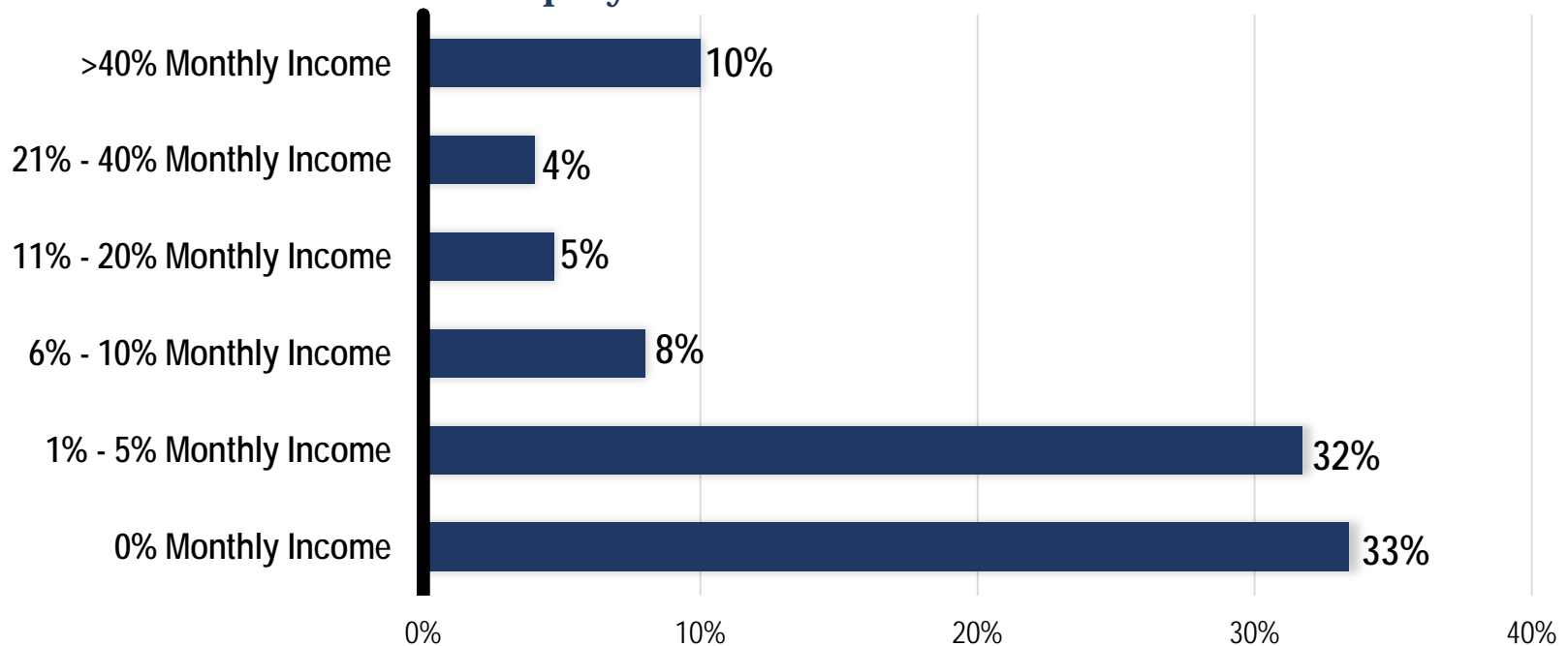
In the **last 6 months**, to what extent has the money earned from paid or side work activities been a **significant** versus **regular/consistent** source of household income?



Asked of all E&I respondents. n = 2,483

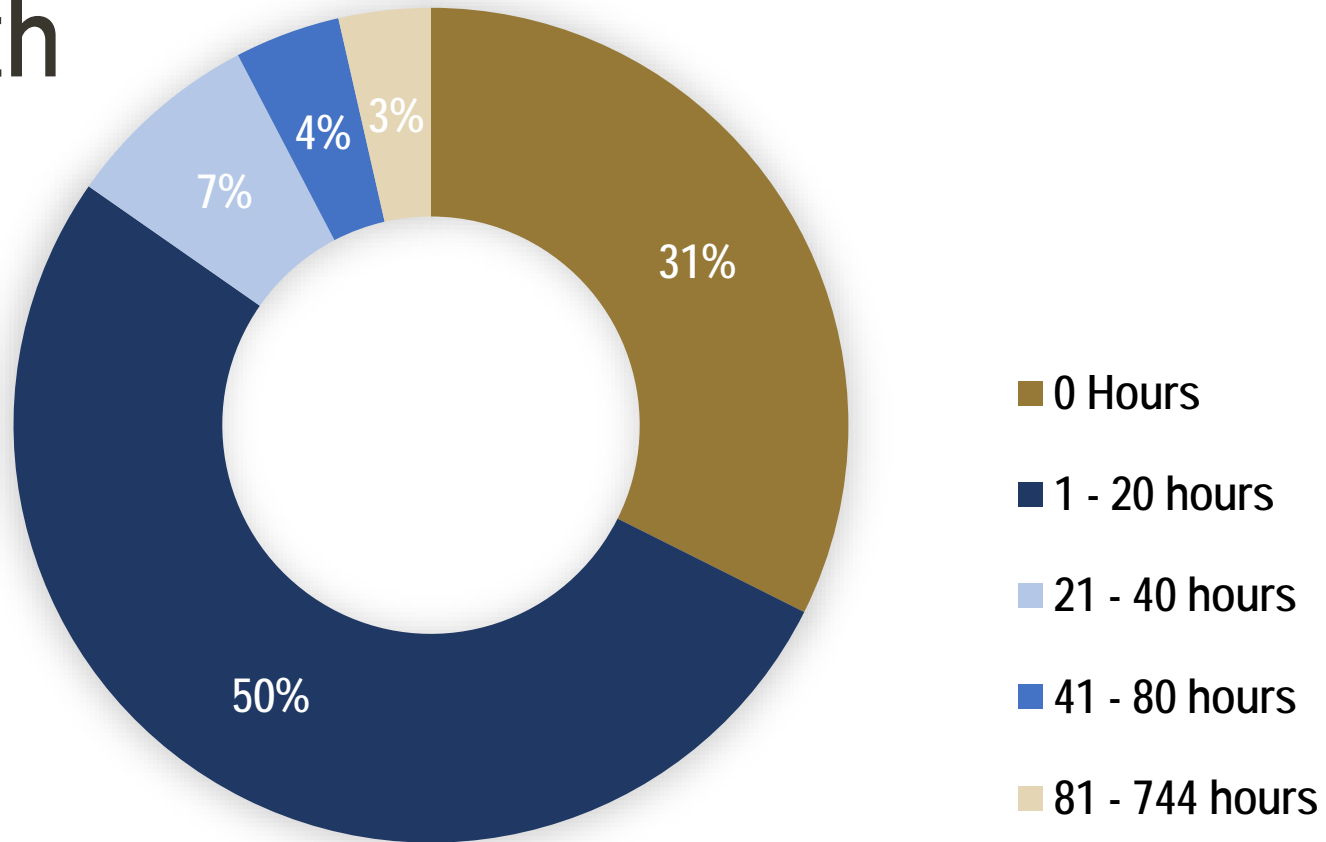
Respondents Receive Monthly Income from Participation in Informal Work Activities

How much of your household monthly income do you usually get from paid work activities or side employment?



Asked of all E&I respondents. n = 2,483

50% of Respondents Spend One to 20 Hours on Informal Work Activities Each Month



Asked of all E&I respondents. n = 2,483



Geographies, Regions and Sectors



TOP TAKEAWAYS

36%

of respondents were from the south.

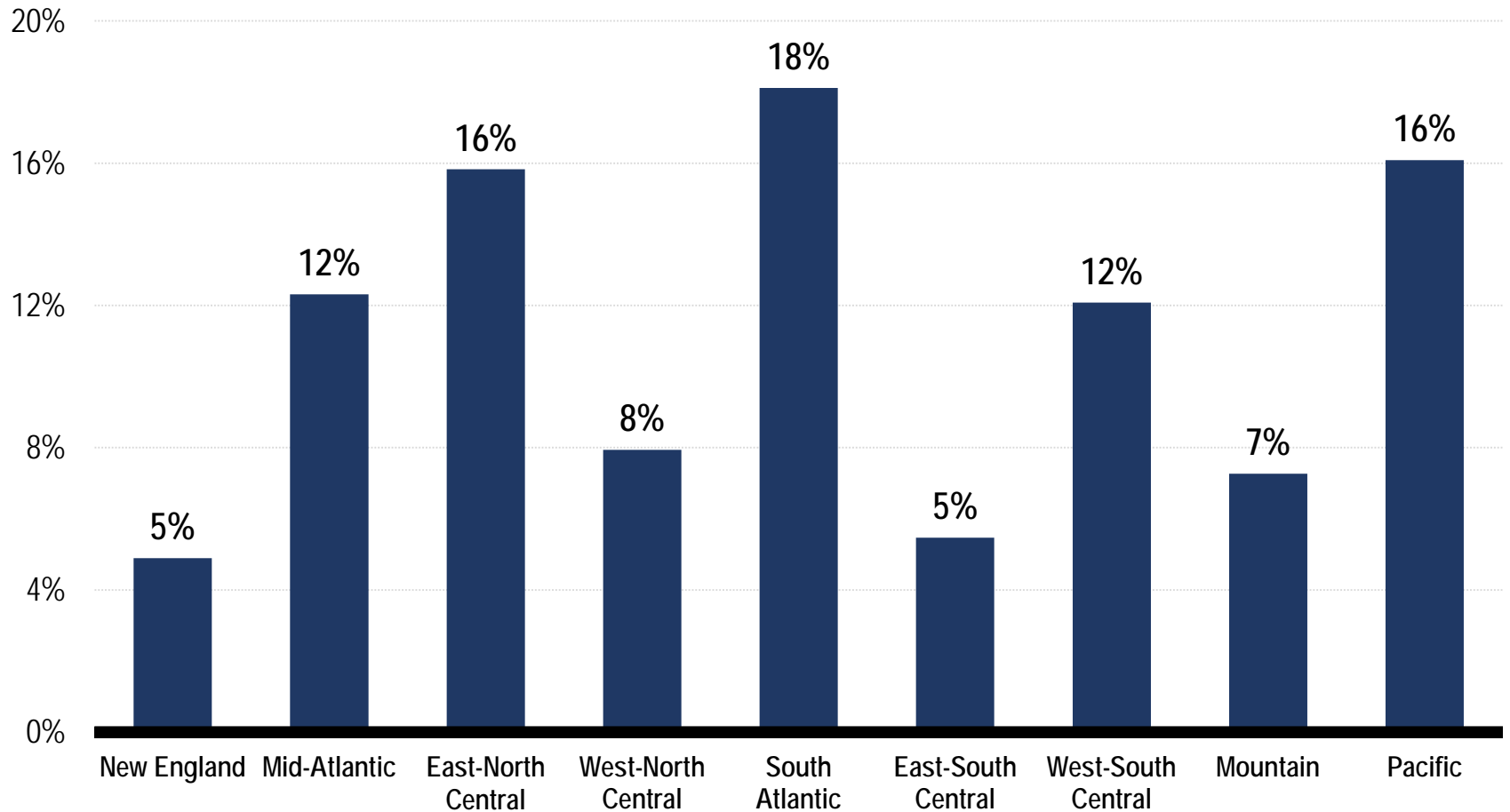
69%

of respondents are home owners.

86%

of respondents live in a metro area.

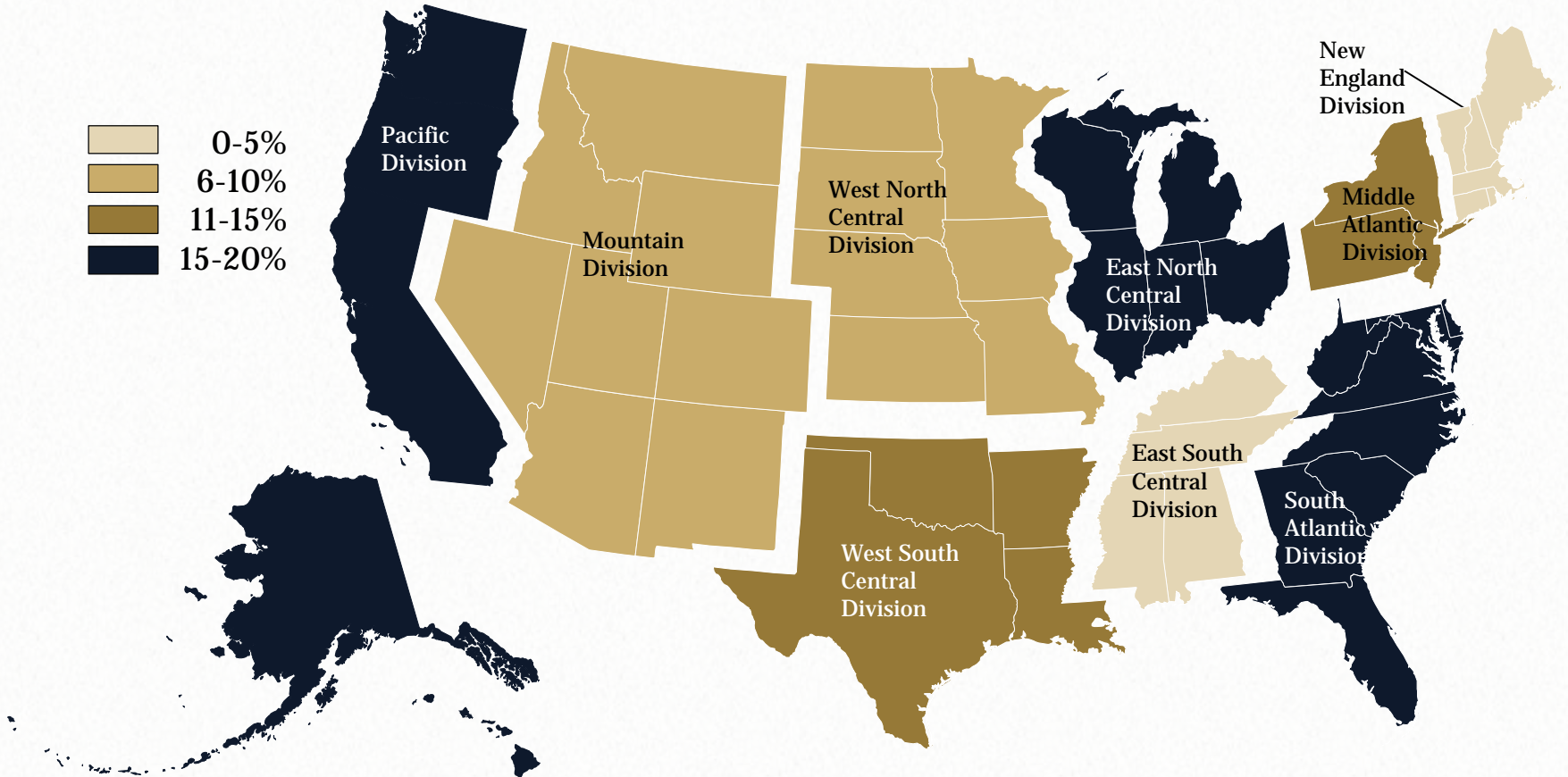
Where Do E&I Respondents Live?



Asked of all E&I respondents. n = 2,483

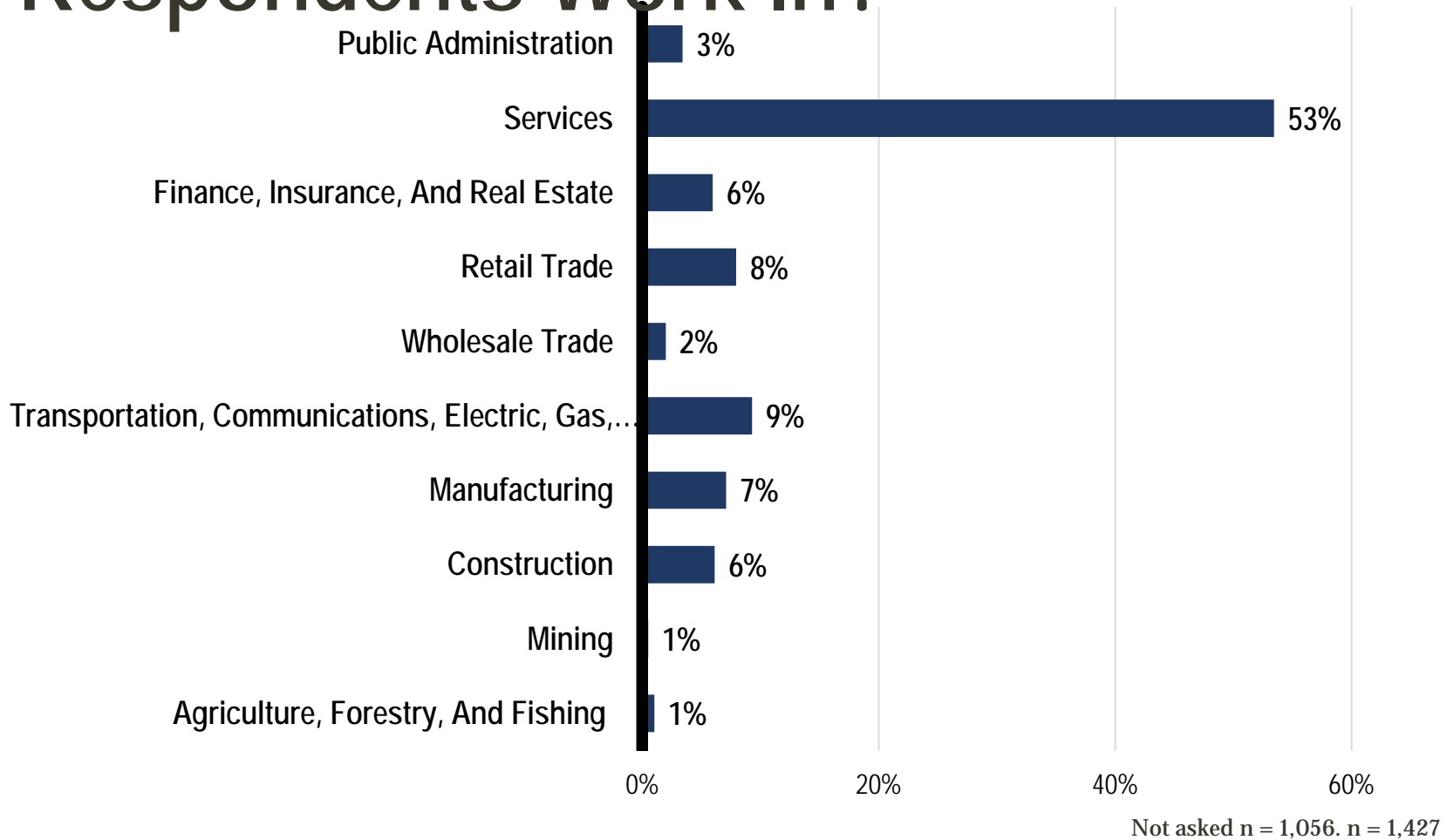


Where Do E&I Respondents Live?

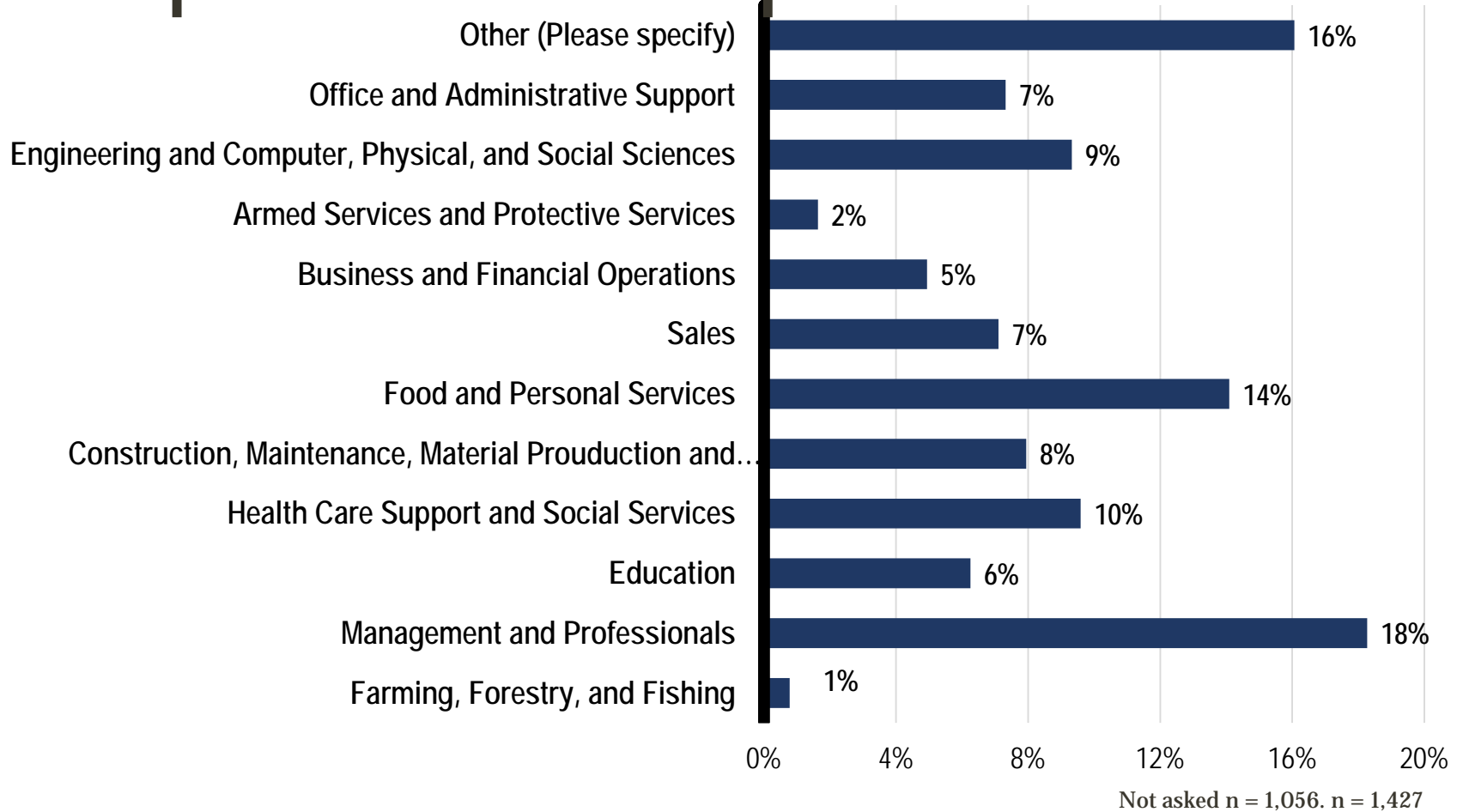


Asked of all E&I respondents. n = 2,483

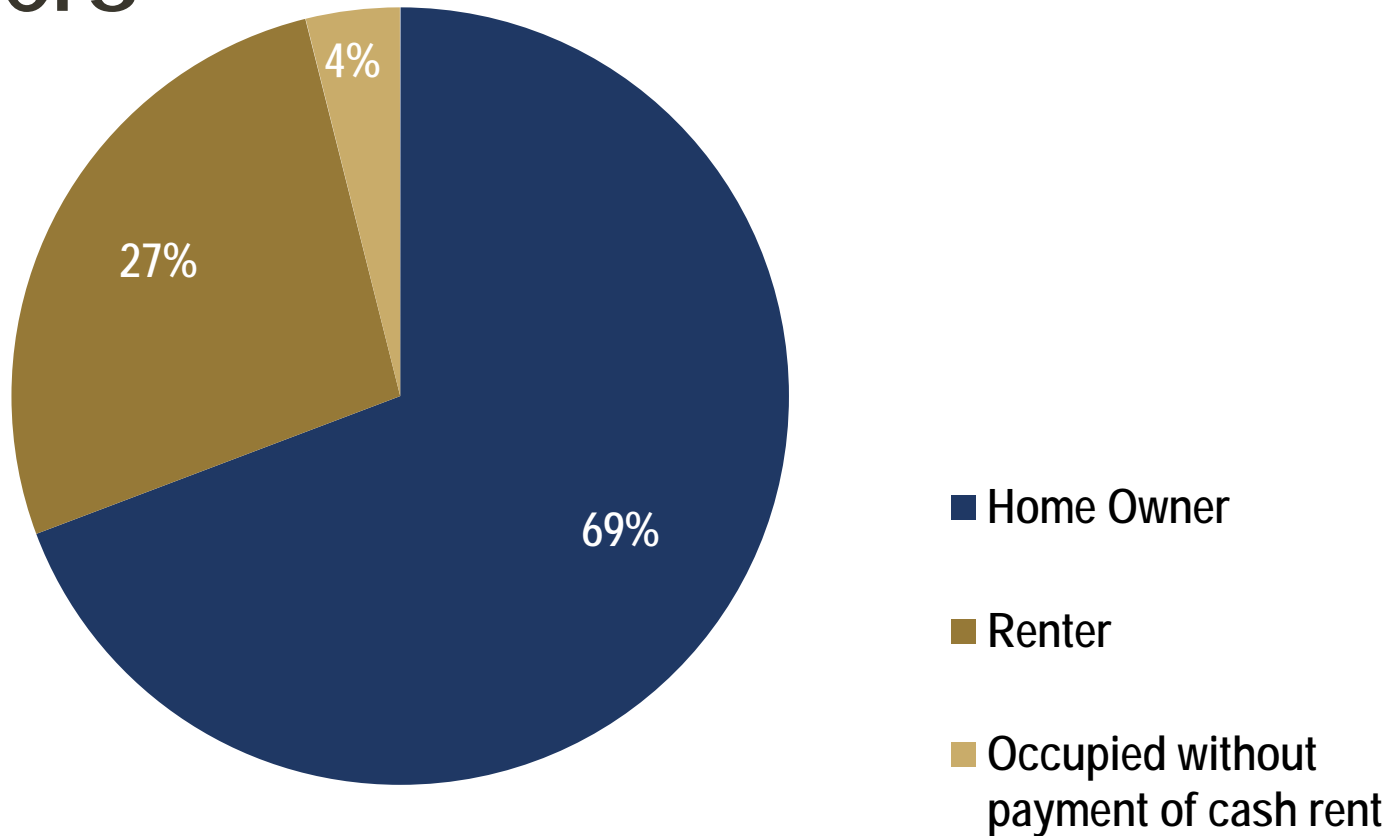
What Sectors Do Employed E&I Respondents Work In?



What Are Employed E&I Respondents' Occupations?

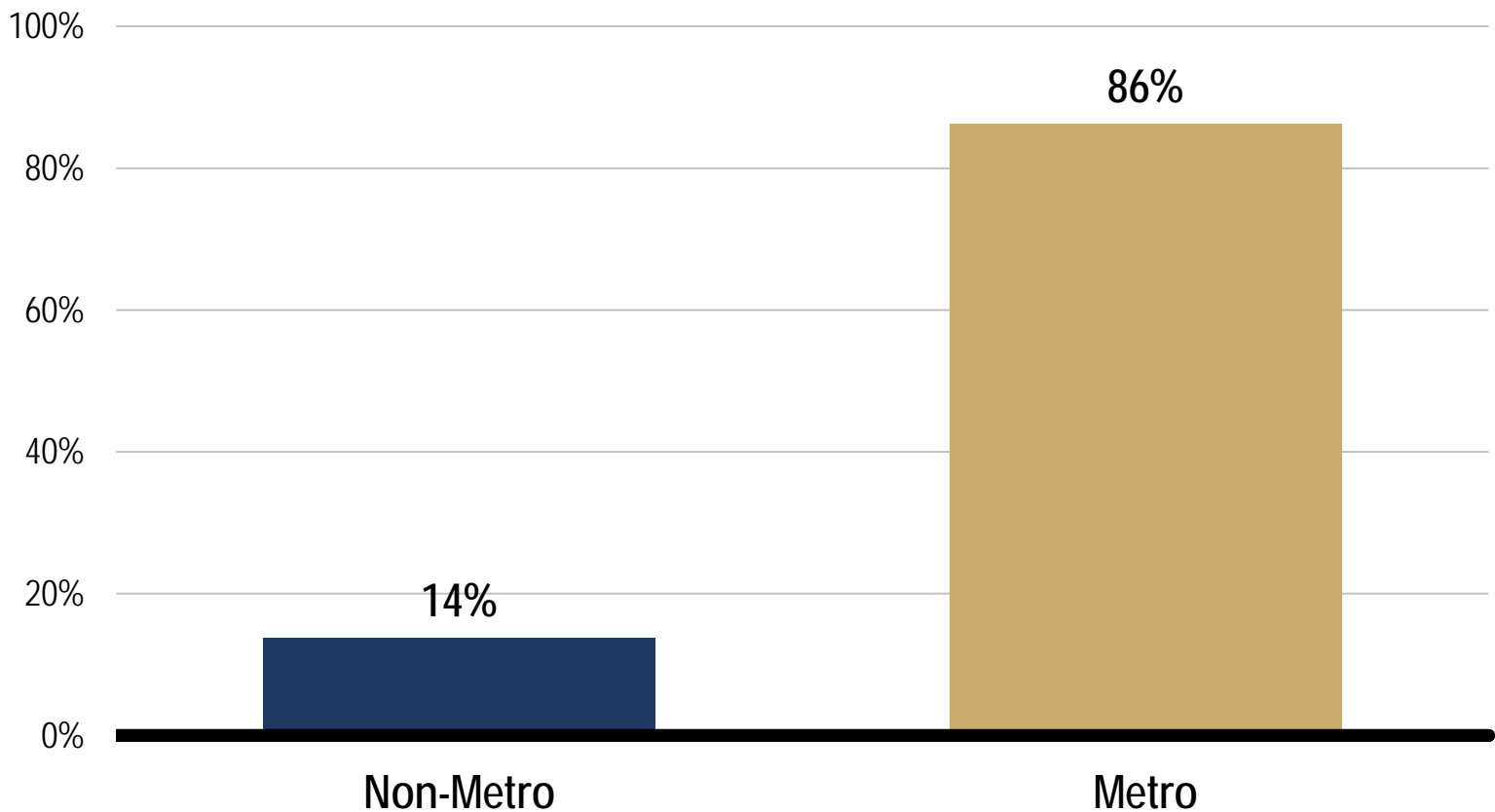


69% of E&I Respondents Are Home Owners



Asked of all E&I respondents, n=2,483

86% of E&I Respondents Live in a Metropolitan Area



Asked of all E&I respondents, n=2,483

○○○○○○●

Demographics



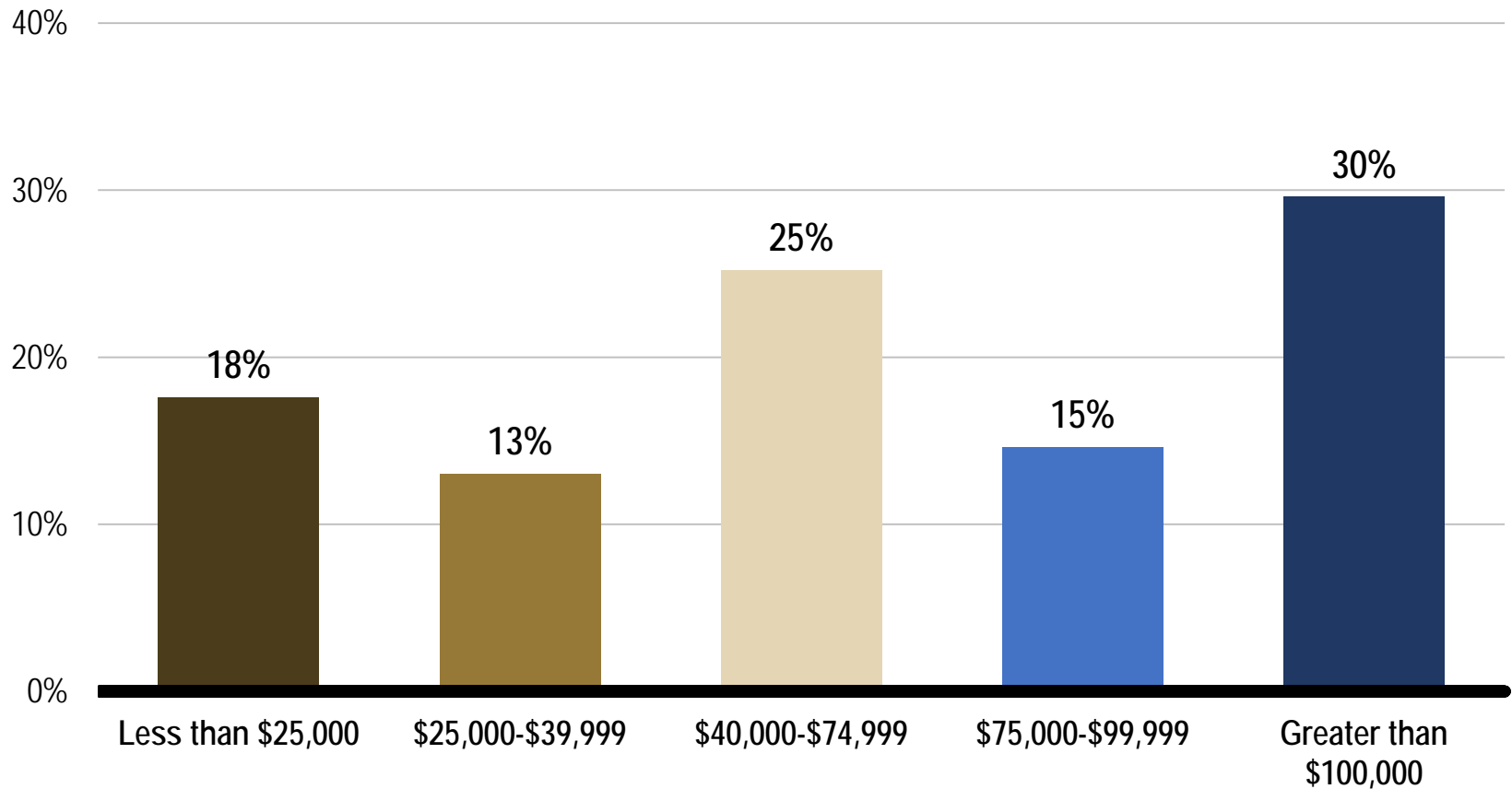
TOP TAKEAWAYS

31%
of total qualified
respondents report income
less than \$40,000.

56%
of respondents were
women.

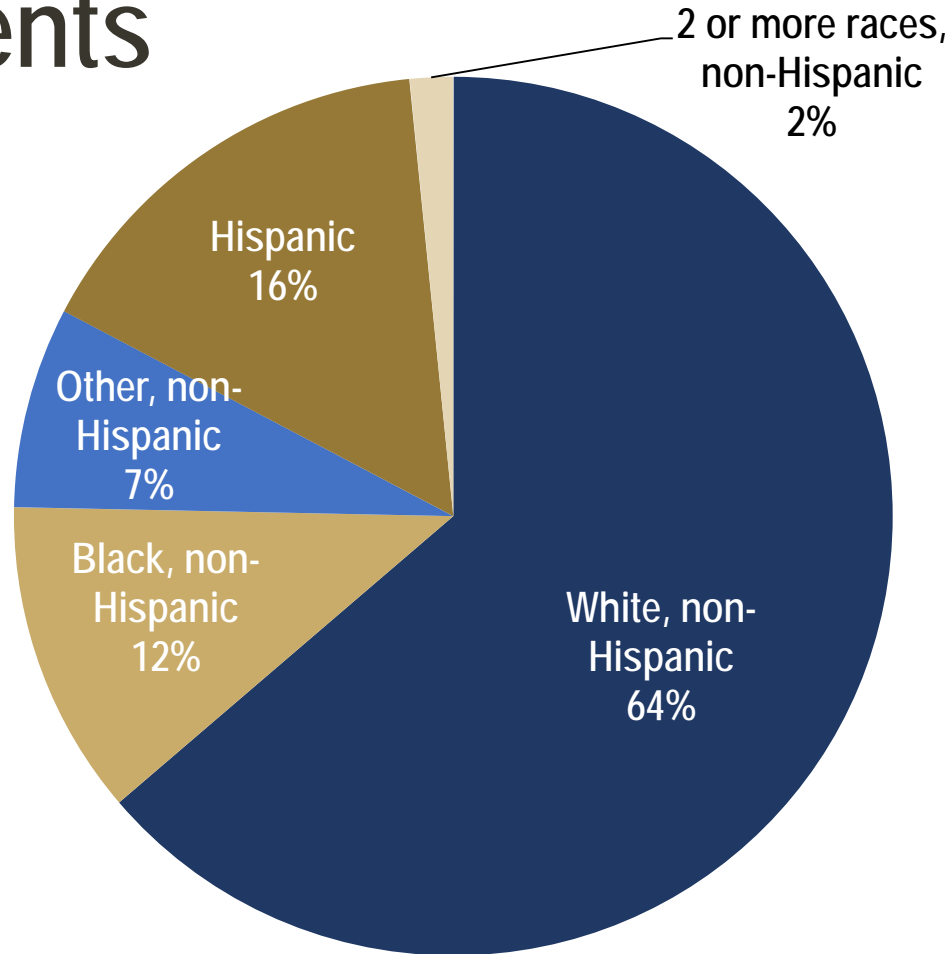
19%
of respondents were
60 years old and
over.

Distribution of E&I Respondents' Household Incomes



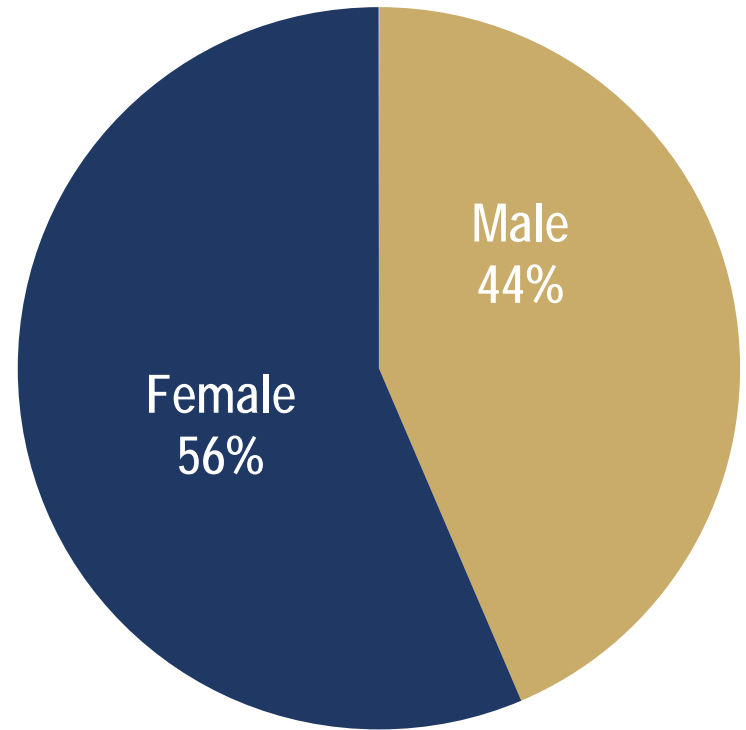
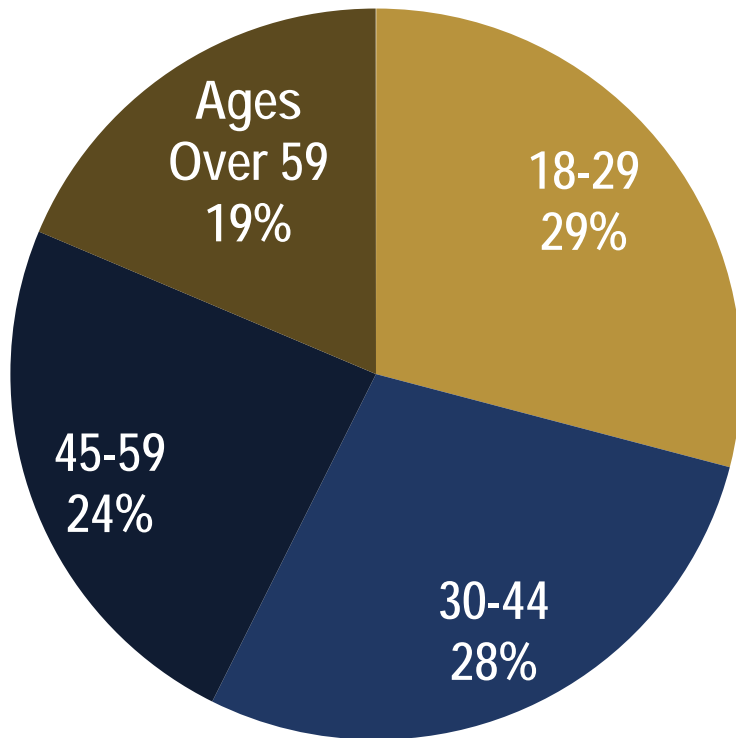
Asked of all E&I respondents. n=2,483

Racial/Ethnic Distribution of E&I Respondents



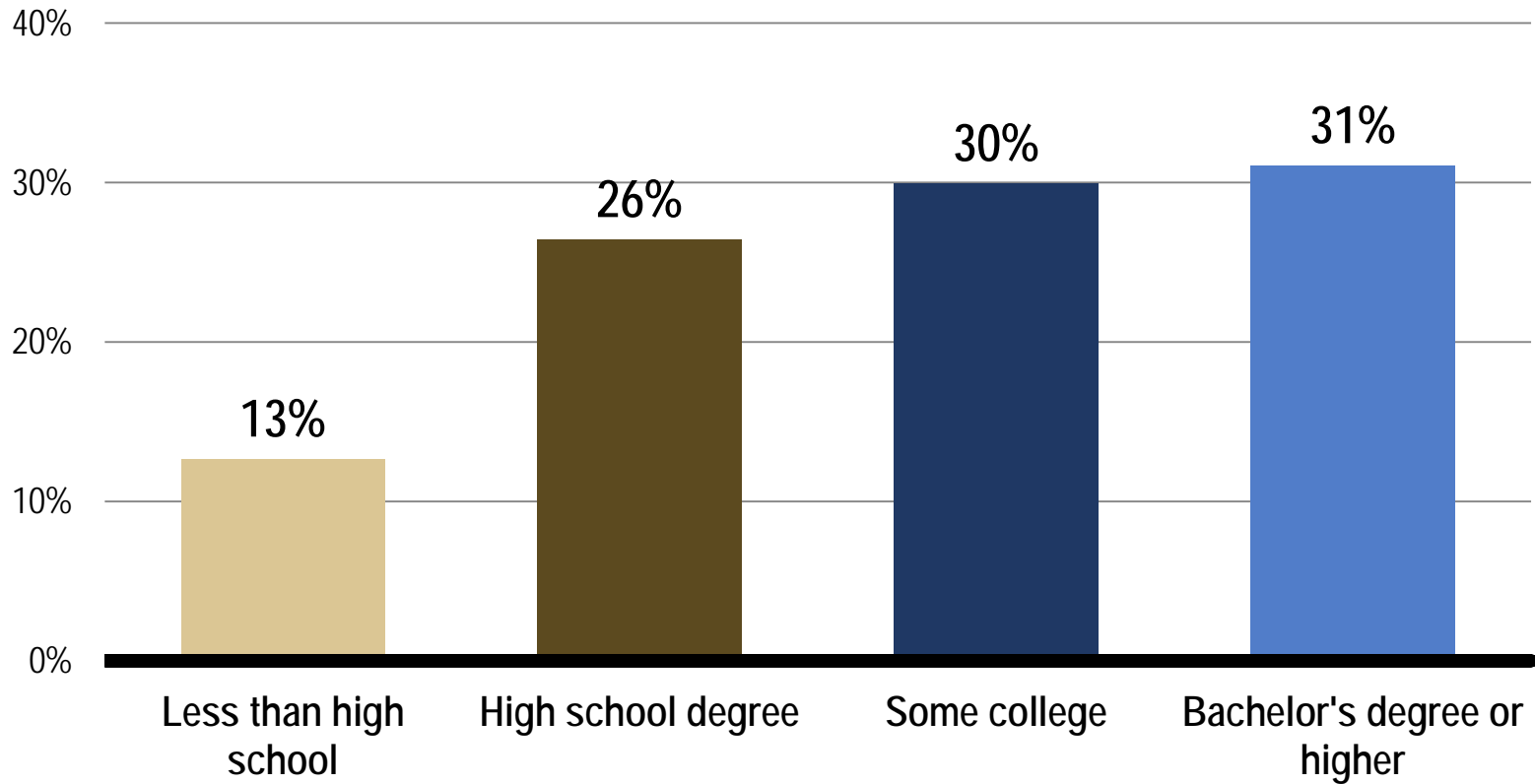
Asked of all E&I respondents. n=2,483

Age and Gender Distribution of E&I Respondents



Asked of all E&I respondents. n=2,483

Educational Attainment of E&I Respondents



Asked of all E&I respondents. n=2,483



Thank you



Division of Consumer and Community Affairs
Federal Reserve Board

