

Nearly half of California's gig economy workers struggling with poverty, new survey says

About half of Californians working in the gig economy are struggling with poverty and a majority of the residents say the American Dream is harder to achieve in their state than elsewhere in the United States, according to a survey released Tuesday.

Nearly one in 10 adult residents of California currently work in the gig economy, according to the survey, released by Public Religion Research Institute, a D.C.-based nonpartisan, independent research organization. But despite the state's reputation as being a tech innovator and economic engine for the nation, nearly half of those working in the gig economy are barely getting by, it said.

The 2018 California Workers Survey defined the gig economy as including jobs with ride-hailing platforms such as Uber and Lyft, and providing services such as shopping, delivering household items or assisting in childcare. According to the report, about 48 percent of those participating in the gig economy are struggling with poverty.

At the same time, the PRRI survey found nearly one-third of all Californians and 47 percent of workers in the Golden State are struggling with poverty, while 53 percent are not. California ranks as the fifth-largest economy in the world, but its high cost of housing in many parts of the state mean more than one in five children live in poverty, according to the California Budget & Policy Center, an independent policy research center based in Sacramento.

"It is striking that nearly one-third of Californians are finding that the promise of the American Dream — that if you work hard, you'll get ahead — is not coming true for them," Robert Jones, CEO of PRRI, said in a release.

"Grasping the magnitude of this problem and understanding the real-life struggles and hardships that impact these more vulnerable workers is critical for California policymakers, businesses, and non-profits who want to work to create a healthier, more robust employment environment in the state," Jones said.

The survey also found the state's San Joaquin Valley region, known for its agriculture economy, has 68 percent of workers who are struggling with poverty. The Central Valley region has historically suffered higher unemployment than the rest of the state.

By comparison, only 27 percent of the workers in the Bay Area were considered to be struggling with poverty.

The report also found Californians are generally discouraged when it comes to the existence of the American Dream or the California Dream. PRRI defined the California Dream as the idea that the American Dream is more attainable in California than in other parts of the country.

Only 47 percent of Californians believe the American Dream about economic opportunity for hard work still holds true today. Also, residents of the state are even more downbeat when it comes to the California Dream — 55 percent of those surveyed believe the American Dream is harder to achieve in the nation's most populous state.

Roughly two-thirds of Californians say they would advise young people in their area to relocate to find more opportunities in a different community. The survey also found young Californians (ages 18 to 29) are less likely to believe a college education is a good investment for the future when compared with seniors (those 65 and older).

The PRRI survey also found that 56 percent of California workers struggling with poverty would find it difficult to pay for a \$400 emergency expense. It also revealed that 42 percent of workers in this category have put off medical treatment.

The survey findings are based on a total sample of 3,318 California residents, age 18 and up. Interviews were conducted between May 18 and June 11.

UNEMPLOYMENT

Region	August 2017	July 2018	August 2018	Percentage Point Change	
				1 month	12 months
San José–Sunnyvale MSA	3.5%	2.8%	2.7%	- 0.1	- 0.8
San Francisco MD	3.1%	2.6%	2.3%	- 0.3	- 0.8
California	4.9%	4.4%	4.3%	- 0.1	- 0.6
United States	4.5%	4.1%	3.9%	- 0.2	- 0.6

INDUSTRY EMPLOYMENT

Sector — August 2018	San Jose MSA	San Francisco MD	Combined Region	Percentage Change (Combined Region)	
				1 month	12 months
Total Nonfarm	1,137,300	1,140,600	2,277,900	+ 0.3%	+ 2.4%
Construction	53,100	39,900	93,000	+ 1.3%	+ 2.5%
Manufacturing	174,400	39,500	213,900	+ 0.3%	+ 3.1%
Retail Trade	85,900	81,400	167,300	+ 0.7%	- 0.1%
Information	95,200	82,700	177,900	- 0.2%	+ 5.6%
Professional & Business Services	238,000	288,300	526,300	+ 0.1%	+ 3.1%
Educational Services	48,200	26,500	74,700	+ 0.4%	+ 5.4%
Health Care & Social Assistance	128,900	111,300	240,200	+ 0.3%	+ 4.8%
Leisure & Hospitality	104,500	143,700	248,200	- 0.4%	+ 1.0%
Government	91,600	128,800	220,400	+ 1.7%	+ 1.8%

NOTE: San José MSA (San José–Sunnyvale–Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties
 San Francisco MD (San Francisco–Redwood City–South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

LABOR FORCE & ANNUAL CHANGE

Labor Force by Metropolitan Statistical Area (U.S. High-Tech Regions)

	LABOR FORCE			UNEMPLOYMENT			UNEMPLOYMENT RATE		
	August 2017	August 2018	Change	August 2017	August 2018	Change	August 2017	August 2018	Change
United States	160,598,000	161,776,000	+ 0.7%	7,127,000	6,234,000	- 12.5%	4.4%	3.9%	- 0.5
Austin, TX	1,151,425	1,179,196	+ 2.4%	37,898	35,789	- 5.6%	3.3%	3.0%	- 0.3
Boston, MA	2,712,518	2,844,259	+ 4.9%	92,115	93,492	+ 1.5%	3.4%	3.3%	- 0.1
New York City, NY	4,236,700	4,229,200	- 0.2%	215,100	179,900	- 16.4%	5.1%	4.3%	- 0.8
Seattle, WA	1,657,400	1,683,200	+ 1.6%	64,500	58,900	- 8.7%	3.9%	3.5%	- 0.4
California	19,376,500	19,368,100	- 0.0%	959,000	825,600	- 13.9%	4.9%	4.3%	- 0.6
San Diego	1,588,600	1,584,100	- 0.3%	68,300	54,300	- 20.5%	4.3%	3.4%	- 0.9
San Francisco	1,025,800	1,025,300	- 0.0%	31,500	24,000	- 23.8%	3.1%	2.3%	- 0.8
San José	1,077,700	1,088,600	+ 1.0%	37,500	29,100	- 22.4%	3.5%	2.7%	- 0.8
<i>NOVA Region</i>	<i>786,800</i>	<i>790,400</i>	<i>+ 0.5%</i>	<i>23,800</i>	<i>18,200</i>	<i>- 23.5%</i>	<i>3.0%</i>	<i>2.3%</i>	<i>- 0.7</i>

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

REGIONAL LAYOFF ACTIVITY

August 2018 Events

Company	Location	# Affected
Genentech	South San Francisco	240
General Dynamics	Mountain View	67
Global Foundries	Santa Clara	87
Santa Clara Chamber of Commerce	Santa Clara	14
Tesla Motors	Palo Alto	86
Total		494

WARN SUMMARY

Events YTD [†] :	6
Individuals Affected YTD:	530
Individuals Previous YTD [‡] :	556

* **WARN: Worker Adjustment and Retraining Notification**
 (notice of mass layoff or closure)

† **YTD: Year to Date**
 (Program year: July 1–June 30)

‡ **Previous YTD:**
 (Same date range as YTD, one year prior)

NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database