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GIGS THAT GIVE

How **App-Based Platforms** Strengthen The Labor Market



PRAGMATIC POLICY GROUP

PPG is an independent economic research agency which models the impact on the economy of various policy, legislative, and regulatory scenarios.

We use advanced analytical techniques and industry experience to share evidence-based insights and help inform strategic decisions.

About this *report*

Pragmatic Policy Group (PPG) was commissioned by the Flex Association to assess the role of app-based work in providing financial support to workers, drawing on new survey evidence, industry data, and publicly available statistics.

All conclusions presented in this report are PPG's and are based on our rigorous and conservative economic modeling of the data and evidence that we accumulated during our research.



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1 Executive Summary

App-based delivery and rideshare work is empowering workers across the United States. The industry supports more than **8.8 million** workers across the United States and generated over **$61.5 billion** in worker earnings in 2024 alone.[1]

By providing an accessible entry point into the labor market, cushioning income shocks, reducing reliance on government benefits, and supporting re-employment, new independent research commissioned by the Flex Association indicates that app-based delivery and rideshare platforms have emerged as a modern complement to traditional government safety net programs like Unemployment Insurance (UI).

Importantly, many workers say they prefer app-based work over government benefits because it allows them to earn their own income and maintain a sense of independence and dignity.[2]

Benefits from app-based work extend beyond individual workers. As federal safety net programs serve a growing share of Americans, reduced reliance on benefits like UI eases the cost burden on these programs. These savings matter more at a time when these programs are being stretched increasingly thin.[3]

The mechanisms through which app-based work delivers these outcomes are backed by existing academic evidence and new evidence presented in this report.[4] App-based platforms help laid-off workers remain economically active,[5] provide a financial buffer during periods of income disruption,[6] and reduce the need to draw on public assistance.[7]

App-based platforms also offer an accessible and customizable entry point into the workforce that traditional employment lacks, one that is quick to start and easy to scale up or down, making app-based work particularly valuable for caregivers, students, older workers, and others who face scheduling or mobility constraints.

Our report examines and quantifies these dynamics from multiple angles. Drawing on an original national survey of 1,214 app-based workers, proprietary industry data from five of the largest app-based U.S. companies,[8] data published by government agencies, and a review of academic literature, we examined whether app-based work functions as a complementary social safety net for workers and how much that could save in UI costs.

Our survey also explores workers' own experiences and motivations, shedding light on how app-based work fits into their broader financial, professional and family lives.

Key findings:

#1



App-based work provides a financial buffer for American workers

- **1-in-3** people using app-based work were laid off from a traditional job prior to or during their time on an app-based platform and now either fully or partially replace their previous income with earnings from app-based work.
- **1-in-4** app-based workers previously owned a business and have since replaced some or all of that lost income through app-based work.

#2



App-based work complements government support for many workers who have been laid off

- After being laid off from a previous job and turning to app-based work, nearly half (**47%**) of laid-off workers rely primarily on app-based earnings during the gap between jobs, while only **10%** rely primarily on government benefits.
- **Nearly half** of the households now receiving fewer government benefits, or none at all, say app-based work is the reason why.



#3



App-based work reduces the cost to governments of providing unemployment benefits

- Over **320,000** workers rely less on UI due to the availability of app-based work.
- Federal and state governments benefit from significant fiscal savings due to workers relying on app-based work for income, instead of government benefits like UI.
- We estimate that app-based work will generate **$10.5–15.1 billion** in fiscal savings over a 10-year period for the UI system by reducing reliance on UI.
  - Annual savings in the base year alone range from **$0.92–1.3 billion**.[9]
- California and Texas record the highest total fiscal savings over 10 years from reduced reliance on UI (**$1.2–1.9 billion** and **$1.3–1.7 billion**, respectively), driven by the sheer scale of their app-based workforces.
- The next largest savers are states that offer higher benefits in UI:
  - New Jersey (**$1.1–1.6 billion**)
  - New York (**$0.85–1.3 billion**)
  - Massachusetts (**$0.85–1.3 billion**)
- App-based work generates **$3,500–4,100** annually in UI-related fiscal savings per laid-off worker who took up app-based work and claimed less UI, or none at all (referred to as *per laid-off worker* hereafter).[10]
  - Some states receive considerably higher *annual savings per laid-off worker*, likely reflecting higher average UI payments:
    - Massachusetts (**$9,000–10,000**)
    - New Jersey (**$7,900–8,800**)
    - Hawaii (**$7,400–8,000**)
    - Washington (**$6,700–7,500**)
    - Minnesota (**$5,900–6,700**)

#4



App-based work helps workers reduce debt

- Up to **86%** of app-based workers have, or have had, some type of debt,[11] with **two-thirds** of those saying their ability to repay debt has improved.
- **72%**[12] of workers[13] feel more financially secure because of app-based work.

#5



App-based work provides vital income for Americans who can't do traditional jobs

- **1-in-3** app-based workers have family obligations or caregiving responsibilities that make it challenging to work a traditional job.
- **1-in-5** app-based workers say they have a disability, health condition, or access need (practical support needed to do the job) that makes keeping a traditional job challenging.

#6



App-based work helps workers feel self-sufficient

- **61%** of app-based workers say they prefer to earn their own income *even if government benefits are available*, because they:
  - feel pride, dignity or independence when working;
  - feel more productive when working; or
  - want to set a good example for their family or children.

These findings are consistently reinforced by survey respondents' own accounts of their experience with app-based work:

> ***"Working through an app gave me a reliable way to earn extra income when government support wasn't enough. It helped cover essentials like groceries and bills, and at times even replaced the need for assistance altogether."***
> *– Survey respondent*

2 A complementary social safety net

The app-based delivery and rideshare industry has become a major driver of economic activity and worker income in the United States. The sector supports millions of transactions daily and provides flexible income opportunities to a broad and diverse workforce.

The U.S. rideshare market alone is valued at over **$28 billion** and is projected to grow at a compound annual growth rate (CAGR) of roughly **6.9%** through 2034.[14]

Over **8.8 million**[15] people earn flexibly through app-based rideshare and delivery work. The aggregate amount of income paid to rideshare and delivery workers nationally in 2024 equaled **$61.5 billion**. By 2034, this is expected to reach **$120 billion**.[16]

While the economic footprint and consumer value of these app-based industries have been well-studied, this novel research focuses on another critical dimension—whether and how app-based work functions as a complementary social safety net, helping American workers smooth income disruptions, supplement household earnings, and ease pressure on government programs.

2.1 App-based work as a complementary social safety net

Flexible income earned by workers on delivery and ride share platforms is increasingly a complement to traditional government benefits programs, including Unemployment Insurance (UI).[17]

The latest empirical research suggests that, in addition to providing income opportunities for displaced workers, the app-based economy generates significant fiscal benefits for governments by alleviating pressure on, for example, UI systems, and easing labor market frictions.

This dynamic unfolds in several ways:

- **Income replacement and stability:** App-based income rises sharply following job separations, helping to replace a substantial share of lost wages and smooth consumption;[18]
- **Reduced benefit reliance:** Access to flexible app-based work is associated with lower unemployment and welfare benefit use by allowing workers to quickly replace lost income and smooth earnings between jobs;[19]

- **Faster re-employment and labor market resilience:** Access to app-based work can support labor market resilience by providing lower barrier-to-entry work opportunities that allow displaced workers to remain economically active and maintain labor market attachment while searching for traditional employment.[20]

These impacts are evident in the responses provided by the survey respondents:

> ***"I was fired from my full time job. So, I started to do app-based work. Then I was able to get another full-time job."***
> *– Survey respondent*

It is worth noting, however, that app-based income is not intended to—and in many cases does not fully—replace the structured protections that traditional government benefit programs provide. Rather, platform earnings function most effectively as a complement to existing safety net programs, helping to bridge gaps and ease transitions without supplanting the baseline security those programs are designed to guarantee.

2.2 About this study

Delivery and rideshare app-based work is often discussed in the context of flexibility and convenience, but its macroeconomic and fiscal implications have received limited attention.[21] More recently, policymakers and researchers have sought to understand whether—and to what extent—platform work complements or mitigates reliance on UI benefits when workers experience job loss or other income shocks.

This study provides new empirical evidence of the level of fiscal savings generated by app-based work as it substitutes for UI, highlighting the increasingly important role of app-based work as a modern, market-based form of income security. We focus on workers who lose their jobs unexpectedly, as they are among those most likely to turn to UI during periods of income loss.

By combining a new, national survey of app-based workers with proprietary industry data, public datasets, and academic literature, our analysis estimates how flexible app-based work helps to reduce the traditional reliance on the government-administered social safety net.

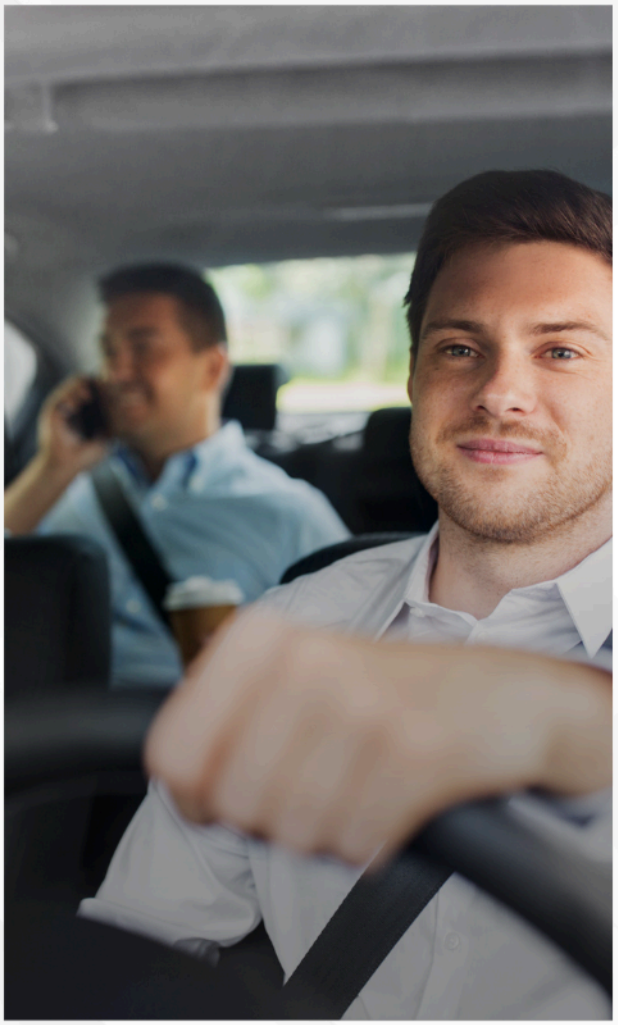


We focus on fiscal savings associated with UI, which provides temporary income support to workers who lose their jobs through no fault of their own. UI is a joint federal-state program funded through employer payroll taxes and distributed based on a worker's prior earnings and employment history.[22]

The fiscal savings estimated in this report accrue at both the federal and state level. State trust funds bear the primary cost of most UI benefits, meaning that reduced benefit reliance generates meaningful budgetary relief for states as well as the federal government.[23]

We estimate fiscal savings through two channels:[24]

- **Avoided claims (Group A):** Laid-off workers[25] who would have received UI but no longer do so because they earn sufficient app-based income.[26]
- **Partial replacement (Group B):** Laid-off workers who continue to receive UI but at lower levels, as app-based earnings partially substitute for those benefits.

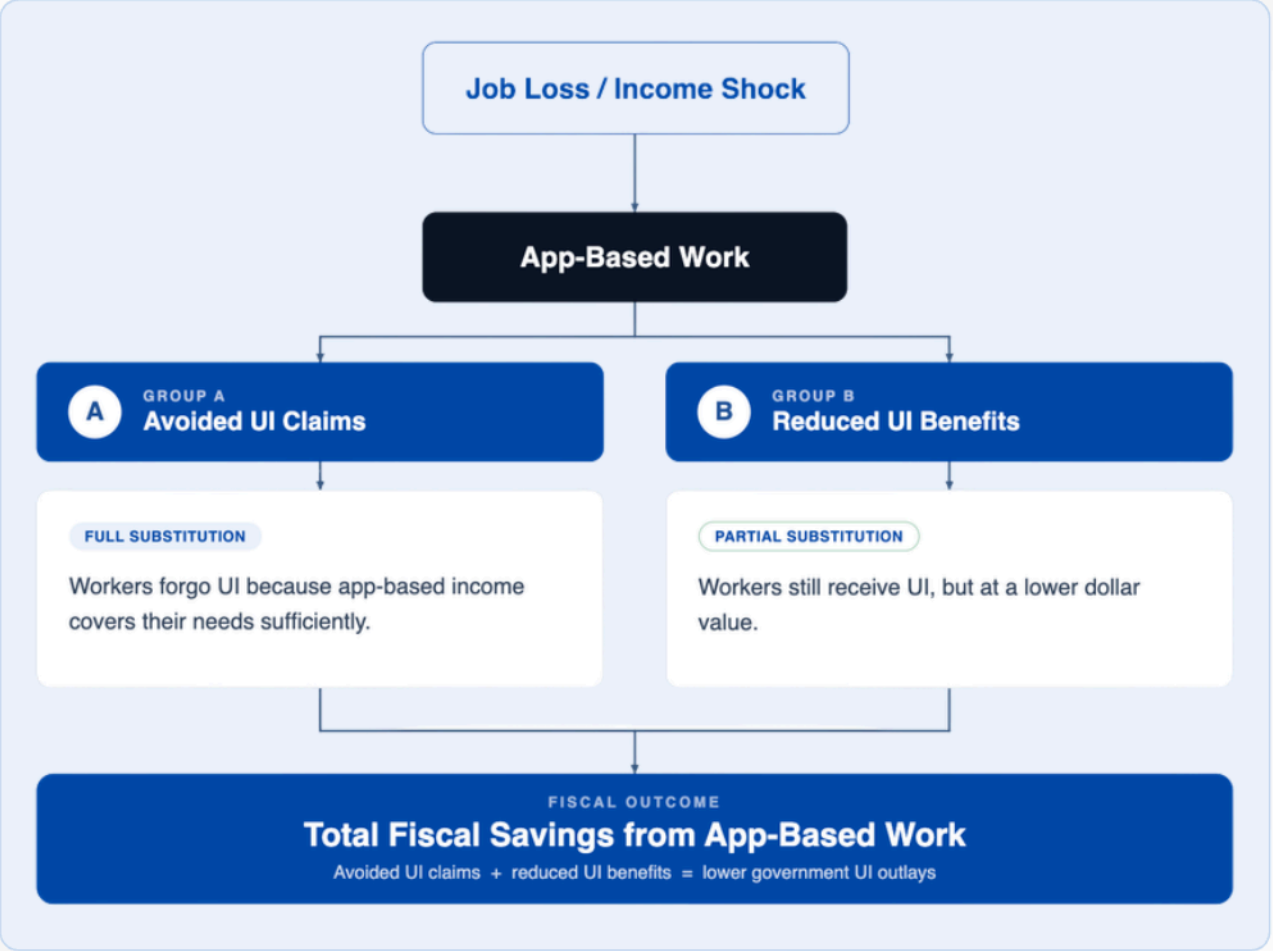


Together, these channels capture the ways in which app-based income acts as a new form of social safety net, reducing public benefit expenditures on UI while improving income stability for displaced workers.

Our conceptual framework is summarized in **Figure 1**.

This analysis measures fiscal savings due to reduced benefit outlays. The relevant comparison is between a laid-off worker drawing on benefits and an app-based worker who does not. The laid-off worker *not* doing app-based work also makes no contributions to social programs while *actively drawing benefits*.

Figure 1. Conceptual Framework: Fiscal Savings from Laid-Off Workers Doing App-Based Work



This study presents total fiscal savings over 10 years[27], and average savings per laid-off worker in annual terms. For more on data sources and limitations, see Appendix A, and for detailed methodology, see Appendix B.

2.3 Why this matters

The rise of delivery and rideshare app-based work has important implications for social insurance policies and labor market design. By absorbing part of the income support function through work that pays quickly and has a lower barrier to entry, app-based work can enhance fiscal efficiency and reduce pressure on public benefit systems.[28]

App-based platforms help individuals who might otherwise depend on government assistance programs – such as UI – to maintain active links to the workforce. Most app-based workers also feel more financially secure after starting app-based work.[29]

App-based delivery and rideshare work provides essential flexibility for workers. Unlike traditional jobs, these platforms allow individuals to quickly

adjust the amount of work they want to do in response to emerging income gaps, caregiving needs, health challenges, or whatever other reasons or preferences they may have. This highly valued flexibility makes app-based work a unique and dynamic form of insurance against income disruptions.

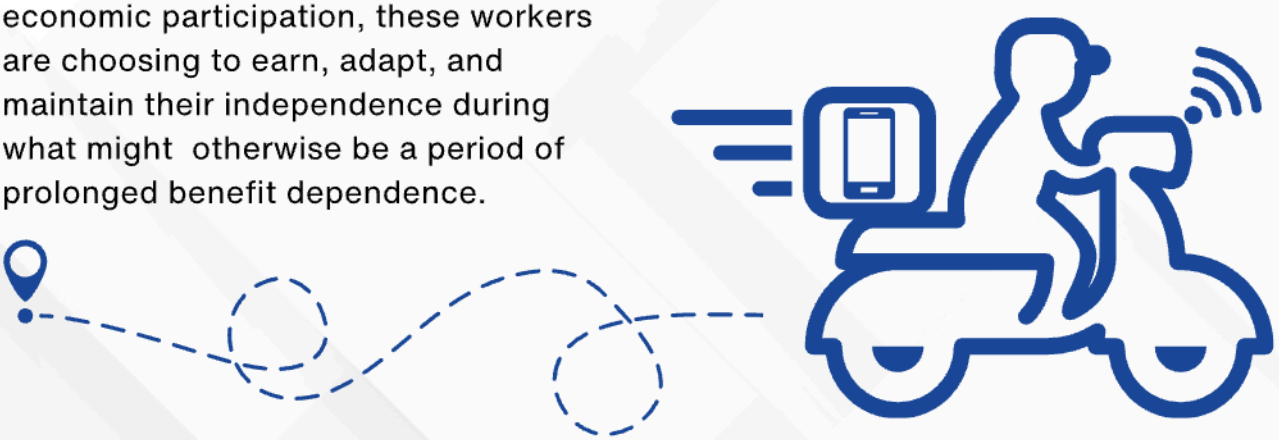
The ability to start, pause, and resume work on demand supports household economic resilience and labor market inclusion, particularly for groups underrepresented in traditional employment— such as caregivers, older workers, students, and those facing mobility or scheduling barriers.

> ***"I started working [on an] app based platform because I have a disabled 6-year-old who is glued to me. I couldn't find anyone to accommodate my hours, or they wouldn't even hire me. So, I decided to take a job where I can come and go as I please."***
> *– Survey respondent*

App-based work is not without tradeoffs. Income variability and the absence of employer-provided benefits are real considerations. But for workers navigating a job loss, app-based work can meaningfully reduce reliance on benefit programs — while at the same time keeping workers productive, financially active, and connected to the labor market through work they can flexibly schedule around their personal needs and circumstances.

Rather than stepping back from economic participation, these workers are choosing to earn, adapt, and maintain their independence during what might otherwise be a period of prolonged benefit dependence.

The remainder of this report is organized as follows: **Section 3** showcases the results from a nationally representative survey of app-based workers; **Section 4** presents our estimates of fiscal savings—demonstrating how flexible app-based earnings opportunities ease pressure on UI; and **Section 5** discusses the policy implications and broader relevance of app-based work for social protection systems. **Appendices** provide detailed results and methodology.



3 What do app-based workers say?

To build on the existing body of academic literature on this topic, we conducted a nationally representative survey of app-based workers to explore their demographics, motivations, and financial circumstances. Our survey also captured the extent to which flexible, on-demand work interacts with traditional safety net programs–particularly among laid-off workers.[30]

Our findings shed light on how app-based work helps workers navigate job loss, supplement their incomes, and reduce their reliance on UI, providing an empirical basis for the fiscal savings analysis that follows and our insights into the broader socioeconomic role of app-based work.

We focus particularly on the subset[31] of delivery and rideshare app-based workers who are laid off from traditional jobs—whether those jobs were full- or part-time—and how they interact with government benefits programs.

Within our survey sample, laid-off app-based workers closely resemble the broader workforce of app-based workers, but skew slightly younger, more Hispanic, and more educated. They are more concentrated in core working-age brackets and are less likely to be White (non-Hispanic). Their household income and employment backgrounds largely mirror those of other app-based workers.[32]

In line with existing literature, our nationally representative survey[33] reveals that:

#1



App-based work provides a financial buffer for American workers

- Around **35%** of app-based workers report experiencing a job loss prior to—or during—their engagement in app-based work;
- **1-in-4** workers transitioned out of their own business/their business started to generate less income – either before they started app-based work or during their engagement in app-based work.

#2



App-based work helps workers reduce debt

- Up to **86%** of app-based workers have, or have had, some type of debt, with two-thirds of those workers saying their ability to repay debt has improved because of app-based work;
- **72%** of workers feel more financially secure because of app-based work.

#3



App-based work provides essential flexibility

- More than **half** of all app-based workers say that flexibility is one of the main reasons they started app-based work;[34]
- **1-in-3** app-based workers have family obligations or caregiving responsibilities that make it challenging to work in a traditional full- or part-time job. Women are more likely to cite caregiving as a reason for seeking flexible work;
- **1-in-5** app-based workers have a disability, health condition, or access need[35] that makes keeping a traditional full- or part-time job challenging.

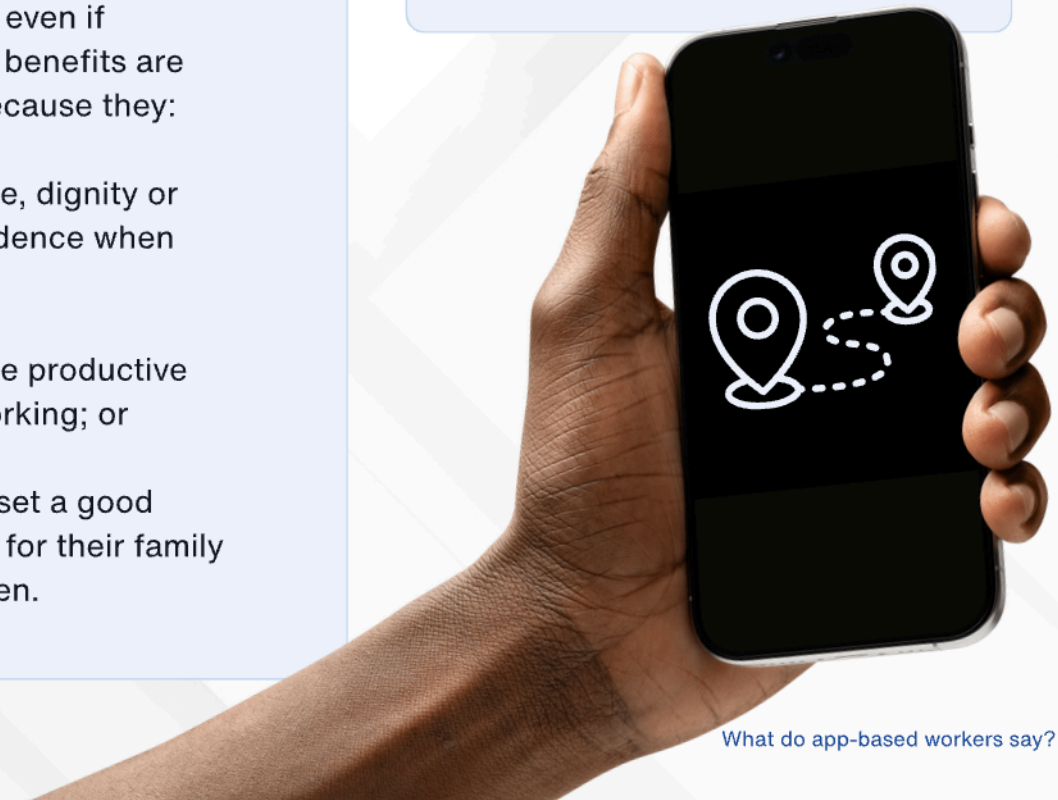
#4



App-based work helps people feel self-sufficient

61% of app-based workers say they prefer to earn their own income even if government benefits are available, because they:

- Feel pride, dignity or independence when working;
- Feel more productive when working; or
- Want to set a good example for their family or children.



#5

App-based work can reduce reliance on government benefits[36]

App-based work offers flexibility and low barriers to entry, allowing workers to log on and earn quickly following income disruption, avoiding dependence on government benefits, either partially or entirely.

- **29%** of app-based workers say that if app-based work were not available, they would start relying on—or increase their reliance on —government benefits.[37]
- After being laid off from a previous job, nearly half (**47%**) rely primarily on app-based income, while only **10%** rely primarily on government benefits.
- **45%** of households who no longer receive benefits or who now receive fewer benefits say app-based work is the reason why.[38]

Taken together, the economic literature and our survey findings support the idea that app-based earnings function as a flexible, income-smoothing mechanism that reduces the need for public assistance and improves financial stability for displaced workers.



4 Fiscal savings

For many workers, app-based earnings serve as a financial bridge during periods of unemployment or income loss, replacing part or all of the benefits they might otherwise receive from government programs.

In this section, we estimate the contribution that app-based work makes to reducing the reliance of American workers on UI and, by extension, the fiscal savings that app-based work generates for the UI system. For many workers, app-based earnings serve as a financial bridge during periods of unemployment or income loss, replacing part or all of the benefits they might otherwise receive from government programs. We examine the fiscal implications of app-based work for government expenditure.

Our analysis focuses on two groups of app-based workers who were recently laid off from full- or part-time jobs. The first group consists of workers who are currently enrolled in government benefit programs. The second group consists of workers who, based on established program eligibility rules and observed take-up rates among comparable laid-off workers, would likely have relied on these programs in the absence of app-based earnings.

The likelihood of benefit reliance in this second group is treated as a modeling assumption grounded in program eligibility data, prior literature on benefit take-up following job loss, and survey findings — rather than a directly observed outcome. That is, while the analysis focuses on workers who experienced layoffs, the estimated fiscal impacts reflect changes in their use of UI, after they begin earning through app-based work.

Laid-off workers are among those most likely to turn to public assistance because they have typically lost their primary source of income. There is robust evidence in the literature linking a reduction in UI take-up to the availability of app-based work.[39]

Our survey results[40] support this:

1-in-3 app-based workers (**35%**) report that they were laid off from their regular job prior to or during their time on a platform, substituting their previous income with earnings from app-based work;

Public assistance enrollment among app-based workers is concentrated in the laid-off group: **49%** are enrolled in at least one program, against **30%** of those not laid off.[41]

Among the 35% of app-based workers who were laid off from another job, **91%** say they substitute government benefits with their app earnings.

In the next section, we explore the fiscal implications.

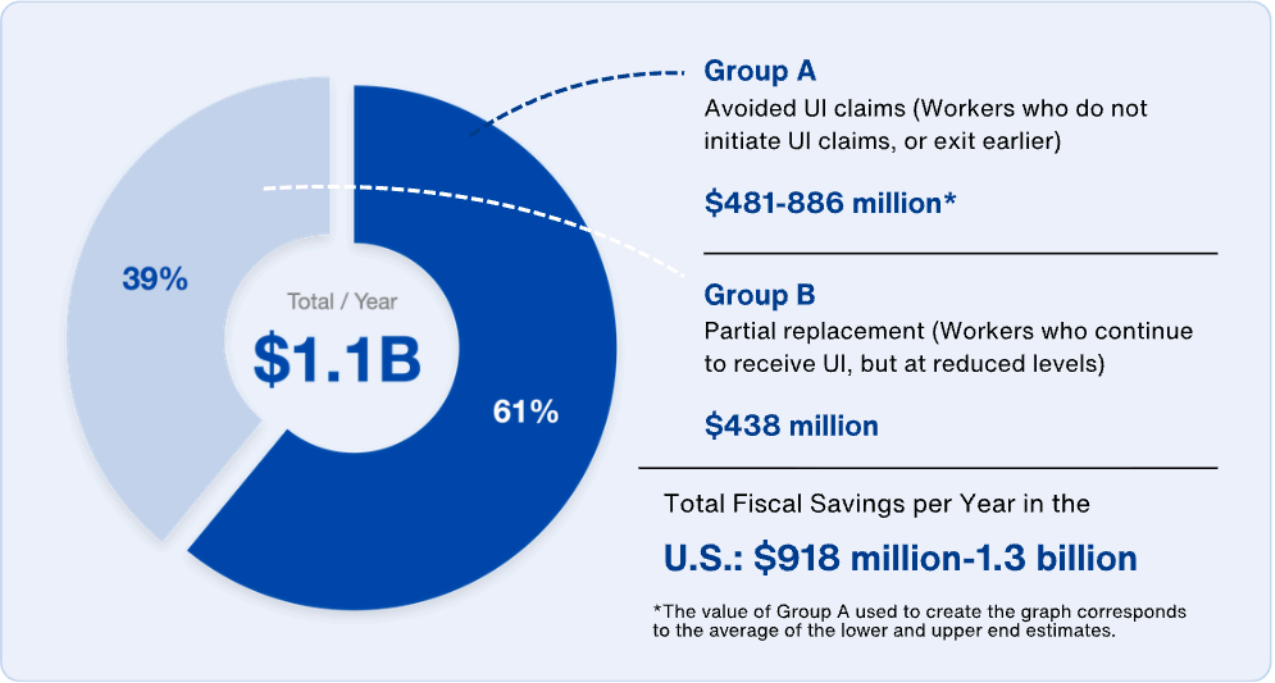
4.1 Total fiscal savings

We estimate total annual fiscal savings for the UI system of between **$918 million** and **$1.3 billion**, as app-based work substitutes for UI.[42] On average, this translates to around **$3,500** to **$4,100** in annual fiscal savings per laid-off worker who took up app-based work and claimed less UI or none at all.[43]

Figure 2 shows the share of fiscal savings by Group A and B. In our framework, Group A captures the share of laid-off workers who do not initiate UI claims or exit UI earlier because earnings reduce benefit eligibility under applicable rules, while Group B captures those who continue to receive UI but at reduced levels as app-based income partially substitutes for those benefits.



Figure 2. National UI Fiscal Savings per Annum



Over 10 years, UI accounts for fiscal savings of **$10.5–15.1 billion**.

At the national level, app-based work generated UI-related fiscal savings of **$3,500–4,100** annually per laid-off worker.

Our modeling estimates that over 320,000 workers reduced or avoided reliance on UI as a result of app-based earnings — generating meaningful fiscal savings for the UI system while complementing the broader safety net the program provides.

4.2 Fiscal savings by state

Fiscal savings from app-based work vary widely across states, reflecting differences in labor markets, the scope and value of UI, and the breadth of platform participation.

Together, these factors shape how effectively app-based work substitutes for or complements government assistance. For each state, we combine **three inputs**:

- app-based earnings among workers who experience job loss,
- design, benefit levels, and eligibility requirements of the UI program; and
- benefit participation patterns drawn from survey, literature, and administrative data.

The state-level estimates combine national survey inputs with state-specific data. We apply survey-based assumptions for the share of app-based workers who have experienced a layoff and the share enrolled in the UI program, while all other inputs—such as earnings, benefit amounts, and program characteristics—are calculated at the state level.

We estimate how app-based income reduces or replaces UI receipts among laid-off workers, producing state-level differences in estimated fiscal savings. We also normalize these state-level fiscal savings by expressing them in terms of the amount saved per laid-off worker. We find that app-based work complements government benefits across all states. **Figures 3** and **4** present total fiscal savings by state and fiscal savings per laid-off worker by state, respectively. Detailed state-by-state results are provided in **Appendix C**.

These findings point to a meaningful shift in how displaced workers navigate income loss: for many, app-based work has become an important form of economic support, allowing them to smooth income volatility, regain independence, and reduce reliance on government assistance such as UI.

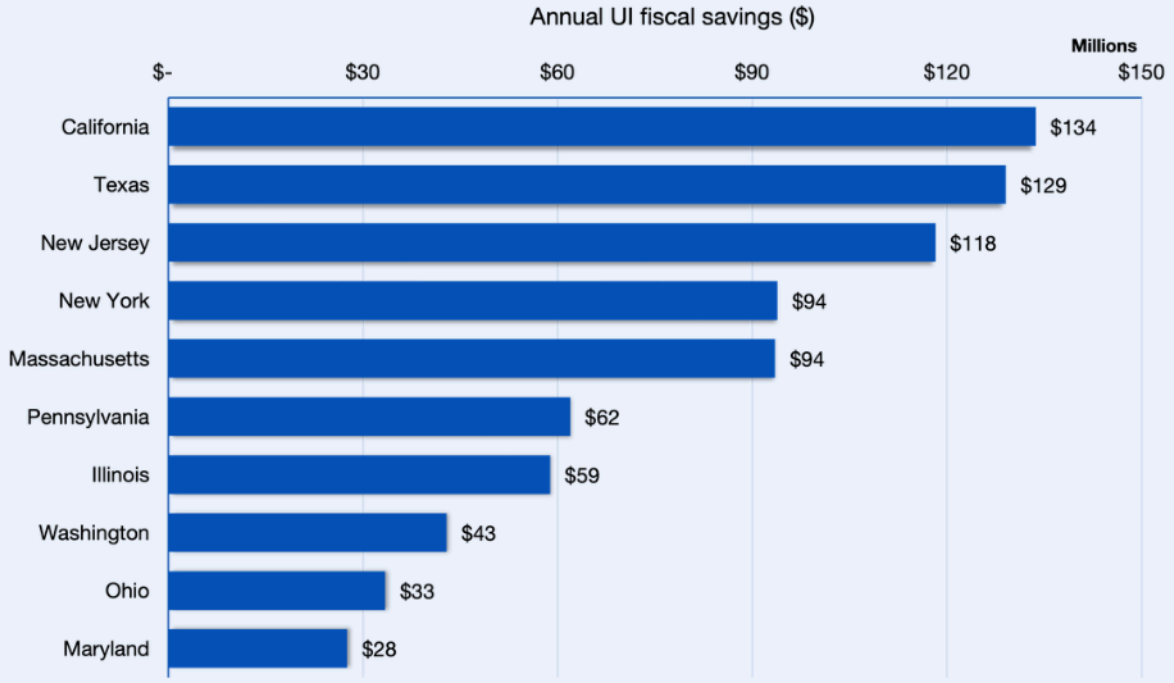
It is also worth noting that a laid-off worker who is not engaged in app-based work is both drawing on benefit programs and making no contributions to them. App-based workers, by contrast, remain economically active — earning income, spending in the economy, and in many cases continuing to contribute to the tax base.

This means the fiscal benefit of app-based work operates on both sides of the ledger: reducing outflows from benefit programs while supporting the broader economic activity that funds them.



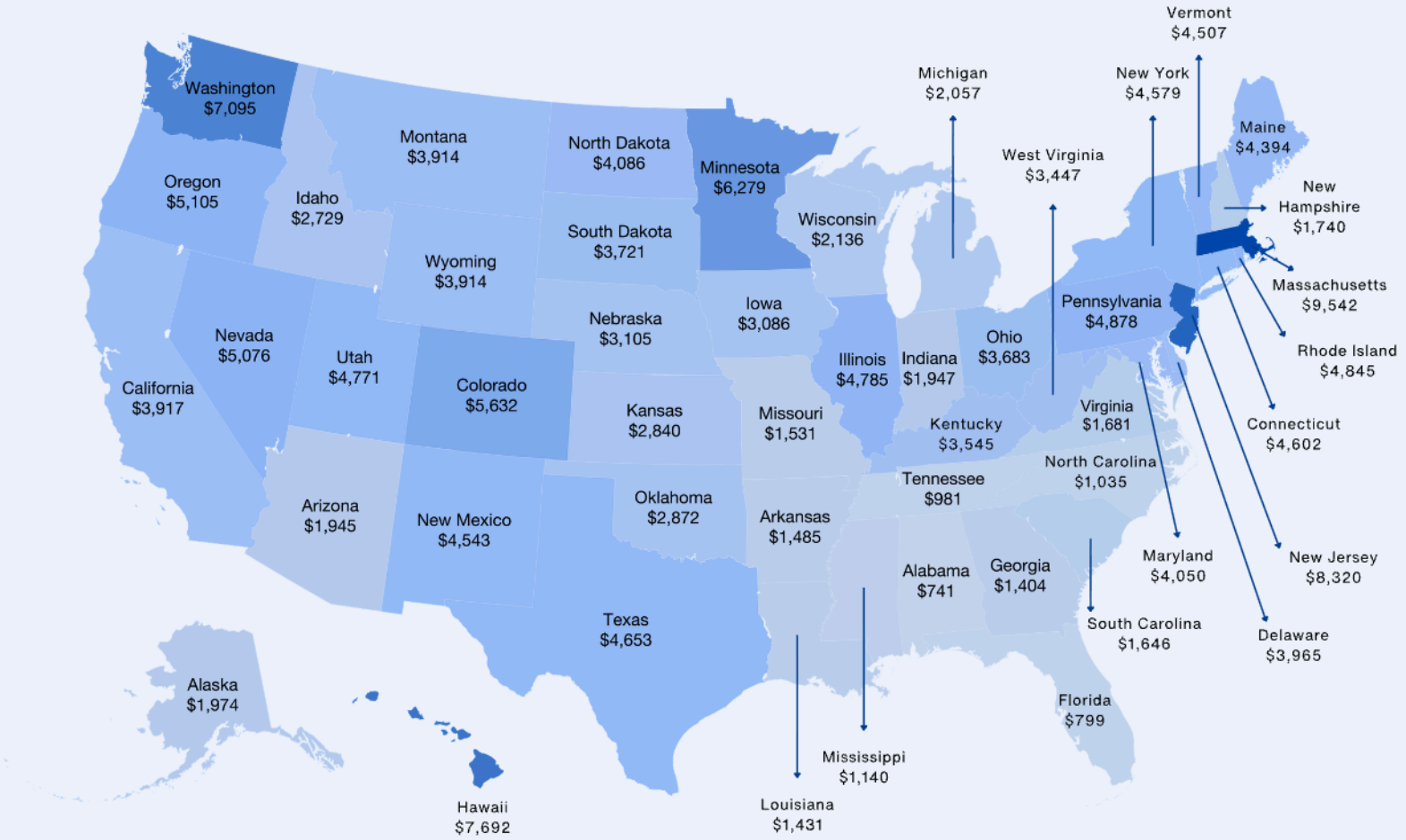


Figure 3. Annual Fiscal Savings, Leading States



Note: Values shown as the average of lower- and upper-end estimates; states ranked by upper-end estimate. Full state-by-state results in Appendix C.

Figure 4. Annual Fiscal Savings Per Laid-Off Worker* by State



* The values used to create the graph correspond to the average of the lower and upper end estimates. 'Per laid-off worker' indicates the group of laid-off workers who took up app-based work and claimed less UI or none at all.

5 Economic and policy implications

The increasing preference of American workers for flexible, app-based work reflects an ongoing shift in the way that households participate in the labor market and manage financial risk.

App-based work has become a critical buffer during shocks, helping workers maintain income stability during economic disruptions.[44] App-based work enables displaced workers to remain connected to the labor market, and preserve independence and dignity through work. Many workers begin earning within days, providing an immediate source of income alongside any benefits they choose to pursue. Some **72%** of app-based workers report that they feel more financially secure because they do app-based work.[45]

This stabilizing effect is reinforced by the speed of payments, with app-based earnings typically available within days —or even hours—allowing workers to cover immediate expenses during periods of income disruption.[46]

Lower barriers to entry in app-based work, which can vary by location/market, make the experience relatively frictionless for workers who would otherwise experience financial instability while looking for a traditional job or struggle to maintain one due to their need for flexibility. Such income smoothing translates to greater financial resilience for households.

A growing body of evidence demonstrates that participation in app-based work rises sharply following job loss, helping households to smooth consumption and avoid income disruptions.[47]

The findings of this report point to several key implications for broader macroeconomic and fiscal policy.



Finding 1: **App-based work helps absorb labor market shocks, enhancing household income stability during economic downturns.**

During cyclical downturns or financial crises, workers affected by mass layoffs can transition— quickly and easily—into app-based roles, reducing financial dislocation and helping smooth consumption during periods of income loss.[48]



Finding 2: **App-based work provides a countercyclical fiscal buffer by reducing UI reliance and supporting labor market resilience.**

App-based work reduces reliance on public support programs such as UI, helping laid-off individuals stay economically active.[49] Furthermore, where ridesharing is available, city-level unemployment falls modestly (**0.2–0.5 points**), suggesting these platforms complement traditional jobs by helping people between jobs find work and connecting workers to jobs in other areas.[50]

Gig work availability is also associated with a **~5%** rise in new business formation, suggesting it serves as an income fallback that encourages entrepreneurial activity among the displaced.[51]

This arguably also helps mitigate the negative psychological, economic and fiscal consequences of long-term unemployment.[52]

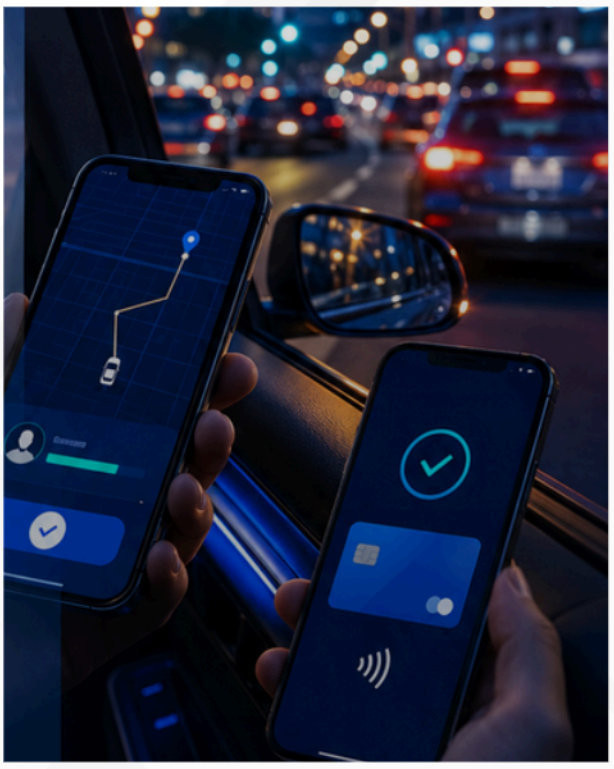
Finding 3: **App-based work provides flexibility while increasing household financial security.**

Most app-based workers say platform work lets them earn on their own schedule, while making them feel more financially secure.

This increasingly popular form of work turns economic uncertainty into opportunity—for workers seeking stability, and for governments seeking fiscal savings.

We acknowledge that this analysis is not a controlled experiment; we do not compare with a group of non-platform laid-off workers and some model insights are informed by survey data, which is self-reported by workers rather than administrative data.

Crucially, the assumed counterfactual throughout is unemployment: savings reflect the gap between app-based earnings and unemployment benefit reliance, rather than a comparison with traditional employment.



6 Conclusion



Delivery and rideshare app-based work offers a modern, complementary social safety net for laid-off workers who may otherwise rely on government benefits—a group that has, until now, not been well studied.

By providing flexible income, platform work helps individuals bridge financial gaps, sustain consumption, and reduce their dependence on the traditional social safety net.

We estimate fiscal savings from UI linked to app-based work of **$10.5–15.1 billion** over 10 years across the United States.

These savings reflect the scale of app-based participation and workers' increasing use of such platforms as short-term buffers against income shocks.

The fiscal gains identified in this analysis point to a broader economic opportunity: the ability of app-based work to serve as a stabilizing force in the modern U.S. labor market.



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Appendix A: Data sources

We use four pillars to examine the extent to which app-based work functions as an alternative social safety net program, summarized in **Table A1**.

Table A1. Data sources



Company data

De-identified, aggregated data[53] from five Flex members on:
- Total workers (active in 2024)
- Engaged hours and earnings by state
- Average hourly income

Anchors the model with industry-wide data, and scales survey results to state and national level, ensuring fiscal estimates reflect the full footprint of app-based work in the U.S.



Survey data

Survey of 1,214 app-based workers conducted by Morning Consult across 48 U.S. states, providing micro-evidence on worker attitudes and behaviors.
- Evidence of worker outcomes—e.g. share of laid-off workers, program participation rates—used in our modeling.



Literature review

Peer-reviewed studies quantifying how app-based platform access affects benefit uptake and income replacement.
- Empirical parameters and replacement rate for Groups A and B.



Public Data

State-level statistics on UI program payouts and participation.
- Average annual UI benefit values and durations used to translate behavioral changes into dollar-value fiscal savings.

A.1 Company aggregated data

We use de-identified, aggregated company data on total workers, active hours, and total earnings by state, enabling calculation of average hours, earnings, and hourly income.

Multi-apping refers to app-based workers registering with—or actively working on

—more than one platform at the same time. To avoid double-counting, we apply the multi-apping factor estimated by the World Bank[54] (and International Labour Organization[55]) i.e. that app-based workers are registered with an average of **1.834** platforms.

While the World Bank study draws primarily on online gig work, its authors note that findings are broadly comparable to studies covering location-based gig work (including rideshare and delivery) in other contexts.

We use this to estimate the number of unique workers across the app-based industry.

$$De\text{–}Duplication\ Factor = \frac{1}{Average\ platforms\ per\ worker}$$

$$Total\ unique\ drivers = De\text{–}Duplication\ Factor * Aggregated\ total\ count\ of\ workers$$

This adjustment ensures that our estimates reflect unique app-based workers, providing a more accurate measure of the workforce and its economic footprint.

A.2 Survey of app-based workers

Provides micro-level evidence on who participates in app-based work, why they do so, and how they interact with public assistance programs, capturing:

- Worker demographics and prior employment
- Lay-off incidence and program participation
- Motivations for starting app-based work
- Reported government benefit receipt and reduction
- Insights into workers' income, debt and financial situation before and after starting app-based work

These data provide the behavioral parameters—such as the share of laid-off workers and program participation rates—used in our modeling.

Results were weighted to reflect the geographic and demographic distribution of app-based work nationally.

Two methodological points are worth stating explicitly. First, this analysis focuses on a specific population (workers who lose their jobs unexpectedly) not as a sample meant to represent all workers, but because they are precisely the group whose behavior this report examines.

Second, the relevant comparison is not between an unemployed worker and a traditionally employed one. It is between an unemployed worker drawing benefits

and making no UI contributions versus an app-based worker, who is economically active, earns taxable income, and spends in the economy. The question this report addresses is simply which path generates less pressure on public benefit programs.

A.3 Literature-informed parameters

We build on previous studies to inform our estimates of avoided UI take-up and withdrawal rates of UI as app-based earnings increase.

We apply established empirical relationships to proprietary industry data and extrapolate their implications across the U.S. app-based workforce.[56] Table A2 summarizes the literature estimates used in this study.

Table A2. Summary of literature estimates used in economic modeling

Parameter	Estimates	Sources
Population-level reduction in UI receipt from platform access	Access to gig driving reduces UI claiming by **3.3%** at the population level; serves as the baseline treatment effect from Fos et al.	Fos et al. (2025). *Gig labor: Trading safety nets for steering wheels.*
Share of laid-off workers taking up gig work	**20%** of workers who lost a job subsequently engaged in gig work; used as the starting "top of funnel" participation rate.	Goldman Sachs. (2025). *The Gig Economy: Another Perspective on the Labor Market*.
Share of gig work that is app-based / platform work	App-based gig workers represent **2–4%** of the population	Goldman Sachs. (2025). *The Gig Economy: Another Perspective on the Labor Market*
UI income replacement rate via rideshare	Rideshare earnings replace approximately **73%** of lost earnings following job loss.	Koustas, D. K. (2018). *Consumption insurance and multiple jobs: Evidence from rideshare drivers*.
De-duplication Average platforms per worker	Workers are registered on an average of **1.834 platforms** globally (World Bank, 2023). Because raw worker counts summed across platforms overcount, a de-duplication factor is applied to convert the aggregate to unique workers.	Kässi et al. (2023). How many gig workers are there? Using two methods to estimate the online gig workforce. In World Bank, *Working without borders: The promise and peril of online gig work* (Chapter 2) – "Workers are registered on an average of 1.834 platforms."

A.4 State-level public data

We use state-level administrative data on program payouts and durations, allowing us to convert avoided claims and partial replacements into dollar values.

Our study examines the U.S. Unemployment Insurance (UI) program that is relevant to low-income, possibly displaced workers who turn to app-based work.

For each state, we compute the average annual benefit per enrollee or claimant using public data on benefit amounts, payout frequency, and typical duration. These figures are adjusted and scaled to derive state-specific annual payout estimates for UI.

These state-specific payout parameters serve as the dollar multipliers applied to (i) avoided take-up (Group A) and (ii) replacement rates (Group B) in estimating total fiscal savings.

UI is a joint federal-state initiative that provides temporary cash benefits to eligible workers who lose their jobs through no fault of their own. Administered at the state level, UI serves as a key income-support mechanism during periods of job loss and labor market adjustment.

We calculate the average annual benefit per claimant using state-level 2024 data on average benefit size and duration:

$$\begin{aligned} &Average\ annual\ benefit\ per\ claimant \\ &\quad = Average\ weekly\ benefit\ (2024) \\ &\quad \times Average\ duration\ (weeks)\ typically\ claimed \end{aligned}$$

Where average duration (weeks) typically claimed is calculated using the Employment and Training Administration's (ETA) definition:[57]

$$Average\ Duration\ in\ 2024 = \frac{Weeks\ Compensated\ in\ 2024}{First\ Payments\ in\ 2024}$$

These figures reflect the typical annualized value of UI support for eligible workers in each state. Data are sourced from the U.S. Department of Labor (DOL), which publishes statistics on average weekly benefits, claim duration, and recipiency rates through its ETA program reports.[58]

A.5 10-year fiscal savings forecasts

Projections are built in four steps:

1. **Anchor to 2024.** Base year fiscal savings estimates (by state) are expressed as a ratio relative to 2024 real GDP.[59] This gives us a savings ratio for each state.

2. **Convert to real terms.** The U.S. Congressional Budget Office's (CBO) nominal GDP forecasts[60] are deflated using CBO's GDP price index (base year: 2025) to produce a real GDP series for 2024–2033.

3. **Project forward.** Each savings ratio is applied to the real GDP path for 2024–2033, producing annual estimates for each year.

4. **Aggregate.** Results are summed to a 10-year cumulative total, at both national and state levels.

Key assumptions: The fiscal savings rate relative to GDP is assumed to remain constant over the forecast horizon. Real GDP follows CBO's official forecast, deflated using their GDP price index with 2025 as the base year.

The assumption that fiscal savings as a percentage of GDP remain constant over the forecast horizon reflects the nascent and rapidly evolving nature of the app-based gig economy. There is presently insufficient empirical basis to reliably project how platform participation rates, earnings structures, or broader gig economy dynamics will evolve over the next decade. Forward-looking data on these dimensions remain sparse and unsettled.

Currently, two inputs drive the projections: the base-year savings-to-GDP ratio and CBO's real GDP path. Three factors could push savings away from these estimates: shifts in platform participation, changes to benefit program rules (eligibility or payout levels), and labor market conditions that affect how many laid-off workers turn to app-based work. Any of these could push estimates higher or lower.

In the absence of credible data, holding the savings-to-GDP ratio constant is the most analytically defensible and transparent approach available. It avoids introducing speculative assumptions that could understate or overstate the true trajectory.

Analytical reasoning: The 10-year window was selected to align with the standard framework used by the federal government for fiscal and budgetary analysis. The Congressional Budget Office (CBO) and Congress conduct cost and savings assessments over a 10-year horizon; anchoring our projections to the same period ensures our findings are directly comparable with federal policymakers' own planning tools.

A.6 Key limitations and assumptions

- **Survey-based attribution:** Fiscal savings estimates count only workers who explicitly attributed their reduced benefit reliance to app-based income. This study is not a controlled experiment; no comparison group of non-platform laid-off workers was observed.

- **Counterfactual is unemployment:** Savings reflect the gap between unemployment and app-based work, not between app-based work and traditional employment.

- **Literature-based parameters:** Reduction and replacement rates are drawn from the literature and applied to our population. These parameters were estimated in specific contexts and may not perfectly transfer to the full U.S. app-based workforce.

- **Fiscal savings rate held constant:** 10-year projections assume the ratio of fiscal savings to GDP remains constant over 2024–2033. Changes in platform participation, benefit program rules, or labor market conditions could alter this.



Appendix B: Analytical approach

Our literature review and survey identify recently laid-off workers as a vulnerable group that would be most likely to make use of government benefits, having lost a key source of income. There is robust evidence from the literature identifying the reduction in UI take-up linked to the availability of app-based work opportunities that we can leverage in our modeling.

Workers who were recently laid off represent an important share of those receiving benefits. **42%** of survey respondents who received benefits were recently laid off. Furthermore, laid-off workers are about **34%** more likely to receive government benefits than workers who were not laid off.[61]

Our survey also reveals how app-based work is reshaping that safety net experience. **Nearly half** of the households receiving fewer benefits after app-based delivery or rideshare work, or no benefits at all, say this is because of app-based work.[62]

The evidence supports focusing on laid-off workers to model fiscal savings; laid-off workers receive benefits from more programs than just UI. In fact, public assistance enrollment among app-based workers is concentrated in the laid-off group: **49%** are enrolled in at least one program, against **30%** of those not laid off.[63]

App-based work offers laid-off workers a flexible and immediate income stream that reduces reliance on government safety net programs.[64] Among those laid off, **47%** rely primarily on app-based income compared to only **10%** who primarily rely on government benefits. Altogether, some **91%** of laid-off app-based workers indicated that they substitute government benefits with their app earnings.[65]

The analytical framework was built around **two pillars**:

1. Understanding app-based workers' motivations and preferences in relation to earning income through app-based work and how it can replace government benefits. This was done through a survey of app-based workers described in detail in Appendix A.2.

2. Quantifying how app-based earnings reduce public benefit spending through two complementary pathways:

a. **Group A:** Laid-off workers who would normally have received UI but no longer do so because they earn sufficient income from app-based work. These avoided claimants translate directly into fiscal savings.

b. **Group B:** Laid-off workers who continue to receive benefits but at lower levels because app-based income partially replaces government transfers. This group generates fiscal savings by partially reducing their reliance on UI.

Together, these two effects—complete avoidance of UI (Group A) and partial replacement of UI benefits (Group B)—capture the overall fiscal impact of flexible work on the social safety net system.

B.1 Group A: Avoided Unemployment Insurance claims

This group captures laid-off workers who would have claimed UI benefits but do not do so because of the availability of app-based work. The analysis combines survey evidence, company data, and findings from the empirical literature to estimate the number of such workers in each U.S. state and translate those avoided claims into fiscal savings.

Empirical benchmark

Fos et al. (2025) provide a quantitative estimate of how access to app-based platforms reduces UI uptake in the United States: Workers with access to Uber are **3.3%** less likely to take up UI following job loss.

However, this figure is a population-level average measured across all laid-off, car-owning workers in Uber-accessible markets – the vast majority of whom never drove for the platforms. The 3.3% effect is real, but heavily diluted by non-participants.

Our sub-sample consists of workers who actually entered app-based work following a layoff, precisely the group we believe the Fos effect is concentrated in. Applying the diluted 3.3% to this sub-sample therefore understates the true effect. The goal of this methodology update is to derive an undiluted UI reduction likelihood specific to actual platform participants, which is the input used to quantify total fiscal savings for this group.

Approach

To *un-dilute* the 3.3%, we need to estimate what share of the broader Fos population actually drove for a platform. We do this in four steps:

1. Establish what share of laid-off workers take up any gig work.

2. Narrow that to platform-based work specifically (i.e., what share of laid-off workers take up app-based work). This gives us an approximate "participation rate".

3. Re-express that participation rate within Fos's eligible sub-population (those who could actually drive), so the denominator matches Fos's own measurement.

4. Divide 3.3% by the participation rate, which will give us the implied UI reduction concentrated within actual participants (our sample).



STEP 1
Gig Work Take-Up Among Laid-Off

Why this step?

We need a starting point for how many laid-off workers turn to gig work of any kind. This gives us the top of the funnel before we narrow to platform work specifically.

Goldman Sachs (2025) reports that **20%** of people who lost their job subsequently took up gig work. This is our base participation rate among laid-off workers.

Result: *20% of laid-off workers take up gig work.*

Source: Goldman Sachs US Economics Analyst, 'The Gig Economy: Another Perspective on the Labor Market' (November 2025), drawing on NY Fed Survey of Informal Work Participation (SIWP)



STEP 2
Narrow to Platform Work Only

Why this step?

The 20% covers all gig work. Our model is specific to app-based work (Uber, DoorDash, etc.), so we need to filter accordingly.

The same Goldman Sachs report estimates that app-based gig workers represent **2–4%** of the US population, while all gig workers represent **5–15%**. This gives us app-based work share of **27–40%** of all gig work. Applying this to the 20% yields the platform-specific participation rate among laid off.

Result: *5.3–8.0% of laid-off workers take up app-based gig work.*

Source: Goldman Sachs / NY Fed SIWP (2025): **20%** of people who lost their job took up gig work



STEP 3

Further Narrow to Platform Workers Who are Eligible to Drive

Why this step?

The 5.3–8.0% participation rate we derived in Step 2 is expressed as a share of all laid-off workers. But Fos et al.'s 3.3% is measured within a sub-population (those eligible to drive for Uber). To divide correctly, both figures need to share the same denominator.

Fos et al. report that approximately **88%** of the general population owns a car, and roughly **75%** of car owners have an eligible vehicle. Thus, **66%** of laid-off workers are the "eligible" pool, making our participation rate as:

(5.3–8.0%) ÷ 66% = 8–12%

Result: *8–12% of eligible laid-off workers took up platform-based gig work.*

Source: Fos et al. (2025), 'Gig Labor: Trading Safety Nets for Steering Wheels'.



STEP 4

Scale the Fos Figure

Why this step?

Now that we have a proxy for the "app-based work participation rate" among laid-off workers, we can recover the UI reduction effect concentrated within actual participants by dividing the Fos population-level figure by this rate.

If 8–12% of eligible laid-off workers engaged in platform work, and the average effect across all laid-off workers was 3.3%, then the effect within the subgroup that actually took up app-based work is: 3.3% divided by the participation rate – much larger, because the same total effect is now spread across far fewer people:

3.3% ÷ (8–12%) = 27–41%

Result: *27–41% implied UI reduction likelihood for our sample.*

Source: Fos et al. (2025), 'Gig Labor: Trading Safety Nets for Steering Wheels'.

Assumptions

- We assume our platform-to-total-gig ratio (**27–40%**) observed in the general population applies also to laid-off workers.
- We assume that Fos et al.'s 3.3% is concentrated in the subgroup that includes actual platform participants. This claim is conceptually well-supported.
- We assume the national participation figures (from the Goldman Sachs report) are a reasonable proxy for the population in Fos's sample.

Methodology for Group A UI

1. Baseline take-up rate

The survey indicates that 14% of laid-off workers who report currently receiving government benefits receive UI. This means **6.4%** of all laid-off app-based workers are currently enrolled in UI.[66] This serves as the baseline UI participation rate in the model.

This estimate is derived from a survey of current app-based workers and reflects a stock measure of workers who report having experienced a layoff prior to or during their engagement in platform work. It should therefore be interpreted as describing the current app-based workforce with layoff experience, rather than the annual flow of newly laid-off workers.

To adjust for interstate differences in UI generosity and access, we scale this rate using the ratio of each state's recipiency rate to the national recipiency rate.[67]

$$State\ adjusted\ baseline = 6.4 \times \left(\frac{State\ recipiency\ rate}{National\ recipiency\ rate}\right)$$

2. Counterfactual claim rate without app-based work

For each state, we infer the share of laid-off workers who would have claimed UI benefits in the absence of app-based work by inflating the observed rate by the inverse of the reduction (δ) found in the literature:

$$Counterfactual\ rate = \frac{Observed\ take-up\ rate}{1-\delta}$$

Here, δ represents literature-based estimates of the proportional reduction in UI receipt associated with access to app-based work. For example, Fos et al. (2025) estimate this effect using monthly administrative data, capturing how the probability of claiming UI changes in a given month following a layoff. In this analysis we apply their estimate as a proportional adjustment parameter to the baseline participation rate.

Importantly, Fos et al. (2025) estimate the effect of platform access among laid-off workers with access to ride-hailing work, rather than the full population of UI claimants. Accordingly, our use of the observed app-based workforce can be understood as a revealed-participation filter that restricts the analysis to workers for whom platform work is demonstrably feasible, providing a conservative estimate of the affected population. Our adjustments to Fos' estimates to fit our sample are provided in the Approach section above.

To account for uncertainty in this assumption, the analysis presents a range of outcomes using lower end and upper end adjustments to the estimates (3.3%), rather than relying on a single parameter.

3. Avoided claims

The difference between the counterfactual and observed rates gives the proportion of laid-off workers who avoided claiming UI due to access to app-based earnings. Multiplying this by the total number of laid-off app-based workers (derived from company + survey data) yields the number of avoided claimants.

$$\begin{aligned} &Avoided\ laid-off\ workers \\ &\quad = (Counterfactual\ rate - Observed\ rate) \times Laid-off\ workers \end{aligned}$$

This approach does not estimate the effect of platform access on all laid-off workers at the national level. Instead, we focus on the subset of workers observed to engage in app-based work, and capture the substitution effect within this population.

4. Fiscal savings.

Avoided claimants are multiplied by each state's average annual UI benefit per claimant to produce dollar-value savings.

$$Fiscal\ Savings = Avoided\ Laid-off\ workers \times Average\ Annual\ UI\ benefits$$

B.2 Group B: Partial replacement of Unemployment Insurance

This group captures laid-off workers who continue to receive UI but at reduced levels because of their app-based earnings. Whereas Group A focuses on workers who avoid UI entirely, for Group B the income they earn on app-based platforms replaces a *share* of UI benefits that these households would otherwise receive in full.

Conceptual framework

The analysis proceeds through **five steps**:

1. **Identify benefit recipients:** Using survey data, determine the share of laid-off app-based workers who report receiving government benefits. Some **47%** of laid-off workers are enrolled in government benefits programs.[68]

2. **Estimate affected population:** Apply that share to de-duplicated company data to estimate the number of laid-off workers receiving benefits in each state.

3. **Determine replacement rates:** Use and build on published parameters to estimate the share of benefits replaced by additional earnings from app-based work.

4. **Compute counterfactual benefits:** Apply state-level averages of program payouts and durations to approximate the total value of benefits these workers would have received if they had not supplemented their income through app-based work.

   The counterfactual assumes that, in the short-term following a layoff, the income generated through app-based work would not have been replaced to the same extent through other employment opportunities if platform work were unavailable.

5. **Calculate fiscal savings:** Multiply the number of laid-off benefit recipients by the corresponding replacement rate and the average program payout to obtain total fiscal savings.

$$Fiscal\ savings = (Laid\text{-}off\ workers\ in\ program) \times (Replacement\ Rate) \times (Average\ annual\ program\ payout)$$

Replacement rate for UI

We construct UI's replacement rate using findings from Koustas (2018). The study shows that following a job loss, rideshare earnings replace approximately **73%** of income lost from the primary job.

We translate this "income replacement" into an equivalent UI replacement rate—that is, the share of typical UI benefits that would no longer be required once a laid-off worker begins earning income through app-based work.

1. Define income loss and replacement

Let a worker lose pre-layoff earnings equal to *L*.

- App-based (rideshare) income replaces *0.73L*, or 73% of lost income.
- The remaining income gap is *0.27L* (i.e., 27% of income still missing).

2. Compare to typical UI support

In the U.S., UI benefits typically replace about 43% of lost wages (0.43L).[69] We compare the residual gap after app-based earnings (0.27L) to this potential UI entitlement (0.43L). Since the remaining gap (0.27L) is smaller than the full UI entitlement (0.43L), app-based income effectively substitutes for a portion of UI support.

3. Calculate the avoided UI share

$$UI\ avoided = 1 - \frac{0.27}{0.43} = 37.2\%$$

This implies that approximately 37% of the UI entitlement would no longer be needed, as app-based earnings already cover that share of lost income.

To reflect variation in state-level UI generosity, we substitute the national average replacement rate (43%) with each state's own UI replacement rate, yielding a more precise state-level estimate of the avoided UI share.

It is noteworthy that the above analysis assumes post–app-based earnings exactly and fully replace the pre-layoff income. Actual earnings replacement may differ by worker and state, suggesting these shares might be more heterogeneous than the model implies.

Appendix C: State-level fiscal savings

Table C1. 10-Year Cumulative Fiscal Savings by State (2024-2033, $ million)

State	(Low-End)	(High-End)	State	(Low-End)	(High-End)
Alabama	22	31	Montana	21	29
Alaska	8	13	Nebraska	32	42
Arizona	118	163	Nevada	192	257
Arkansas	22	31	New Hampshire	12	17
California	1,192	1,862	New Jersey	1,096	1,605
Colorado	265	365	New Mexico	48	65
Connecticut	169	249	New York	847	1,298
Delaware	35	48	North Carolina	82	112
Florida	179	248	North Dakota	18	26
Georgia	160	226	Ohio	323	440
Hawaii	76	107	Oklahoma	69	88
Idaho	29	39	Oregon	188	272
Illinois	545	800	Pennsylvania	578	837
Indiana	98	136	Rhode Island	74	113
Iowa	45	59	South Carolina	71	99
Kansas	22	31	South Dakota	11	13
Kentucky	101	121	Tennessee	54	81
Louisiana	44	61	Texas	1,266	1,682
Maine	26	36	Utah	97	131
Maryland	255	370	Vermont	10	14
Massachusetts	848	1,288	Virginia	133	176
Michigan	139	198	Washington	408	572
Minnesota	240	367	West Virginia	32	43
Mississippi	18	26	Wisconsin	68	100
Missouri	70	101	Wyoming	9	12
National	**$10.5–15.1 billion**				

Table C2. Average Annual Fiscal Savings per Laid-off Worker (by State)

State	2024 (Low-End)	2024 (High-End)	State	2024 (Low-End)	2024 (High-End)
Alabama	$665	$816	Montana	$3,679	$4,148
Alaska	$1,661	$2,288	Nebraska	$2,928	$3,281
Arizona	$1,767	$2,124	Nevada	$4,803	$5,348
Arkansas	$1,366	$1,603	New Hampshire	$1,555	$1,926
California	$3,555	$4,279	New Jersey	$7,880	$8,760
Colorado	$5,309	$5,954	New Mexico	$4,274	$4,811
Connecticut	$4,264	$4,940	New York	$4,177	$4,981
Delaware	$3,692	$4,238	North Carolina	$928	$1,142
Florida	$712	$885	North Dakota	$3,849	$4,323
Georgia	$1,275	$1,534	Ohio	$3,430	$3,936
Hawaii	$7,353	$8,031	Oklahoma	$2,724	$3,020
Idaho	$2,573	$2,884	Oregon	$4,793	$5,418
Illinois	$4,385	$5,186	Pennsylvania	$4,585	$5,172
Indiana	$1,791	$2,102	Rhode Island	$4,513	$5,177
Iowa	$2,932	$3,239	South Carolina	$1,497	$1,795
Kansas	$2,709	$2,971	South Dakota	$3,530	$3,912
Kentucky	$3,402	$3,688	Tennessee	$846	$1,117
Louisiana	$1,283	$1,578	Texas	$4,394	$4,913
Maine	$4,143	$4,645	Utah	$4,496	$5,045
Maryland	$3,731	$4,369	Vermont	$4,266	$4,747
Massachusetts	$8,970	$10,113	Virginia	$1,538	$1,825
Michigan	$1,889	$2,225	Washington	$6,678	$7,512
Minnesota	$5,900	$6,658	West Virginia	$3,214	$3,680
Mississippi	$1,014	$1,266	Wisconsin	$1,936	$2,335
Missouri	$1,365	$1,697	Wyoming	$3,716	$4,112
National	**$3,478 – $4,122**				

Endnotes

1. Market estimate based on the data received from five companies as part of this project.
2. Analysis of Morning Consult Survey
3. See, for example, BenefitsUSA (2026) and Congress (2025)
4. See, for example, Fos et al. (2025), Jackson (2022), Koustas (2018, 2019), Kecht & Marcolin (2022), Farrell et al. (2019a, 2019b). Also, under U.S. UI rules, claimants must report any earnings, including self-employment or app-based income, and those earnings typically reduce the weekly benefit amount depending on the amount earned and state rules.
5. See Omberg (2024), who argues that platforms "allow unemployed workers to commute to new job opportunities."
6. Mandala. (2025).
7. Fos et al. (2025), Jackson (2022), Koustas (2018, 2019), Kecht & Marcolin (2022), Farrell et al. (2019a)
8. While the authors of the report had access to certain aggregated data from these companies, none of the companies had access to data from any other company at any time.
9. For base year 2024. The 10-year period, therefore, covers 2024–2033.
10. For base year 2024. Throughout the report, savings per laid-off worker are recorded in 2024 annual terms, and indicate the laid-off group who turned to app-based work and either claimed reduced UI benefits or avoided claiming altogether (also referred to as simply 'per laid-off worker'). This figure does not represent a reduction in benefits paid to any individual UI claimant.
11. Such as credit card debt, mortgage/home loans, personal loans, student loans, and medical debt.
12. When we cross-analyze this 72% against other factors:
    a. For the laid-off group: 73%
    b. For those who use government support: 72%
    c. For those who have earnings from a full-time job of someone else in their household: 66%
    d. For those who have earnings from a part-time job of someone else in their household: 76%
13. Corresponds to app-based workers only.
14. U.S. Ride Sharing Market Size & Share | Analysis Report 2034
15. Market estimate based on the data received from five companies as part of this project.
16. Assuming that workers' share of revenue remains constant and a CAGR of 6.9%.
17. It bears noting that UI is an earned benefit. Workers draw on it after having paid into it. The savings documented in this study reflect workers who, by their own account, chose app-based income over drawing on that benefit, and does not make any judgment about their right to access it.
18. Koustas (2019); Farrell et al. (2019a); Jackson (2022)
19. Fos et al. (2025); Kecht & Marcolin (2022); Mandala (2025)
20. Kecht & Marcolin (2022), UNDP (2025)
21. See Hall & Krueger (2016); Chen et al. (2017); and Koustas (2018, 2019) for discussions on flexibility and individual-level impacts, and Fos et al. (2025) and Kecht & Marcolin (2022) for emerging analyses of fiscal effects.
22. Unemployment Insurance: Programs and Benefits | CRS
23. Financing of UI Benefit and Administrative Taxes | DOL

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24. The baseline benefit-claiming behavior assumed for Groups A and B is derived from program benefit levels drawn from public data, empirical take-up rates in the literature, and our own nationally representative survey of app-based workers – rather than a control group of comparable non-platform workers. We acknowledge that some workers may have found alternative income sources or returned to traditional employment within a similar timeframe.
25. We only count workers who reported being enrolled in UI and reducing their reliance on it due to app work. Anyone ineligible for UI is automatically excluded from the sample.
26. Avoided claims are modeled only for UI, as the literature documents benefit avoidance due to app-based earnings specifically for UI.
27. The 10-year window matches the horizon the federal government (CBO and Congress) uses for fiscal and budgetary analysis, keeping our estimates comparable to federal scoring. The projection holds fiscal savings at a constant share of GDP and applies that share to CBO's real GDP forecast. Estimates could run higher or lower if platform participation, benefit program rules, or labor market conditions change. See Appendix B for the full method and assumptions.
28. The relevant comparison in this report is an unemployed worker drawing benefits and making no UI contributions versus an app-based worker, who is essentially economically active, earning taxable income and spending in the economy.
29. For this study, we fielded an original survey of 1,214 app-based workers, conducted online across 48 U.S. states in 2024, in collaboration with Morning Consult. Results were weighted to reflect geographic and demographic representation of app-based work. Appendix A.2 provides full survey details. Hereafter, the survey is referred to as the "Morning Consult Survey."
30. Unless otherwise noted, the statistics reported in this section refer to responses from the full sample of app-based workers in our survey. Where findings relate specifically to laid-off workers, this is stated explicitly.
31. 35% of our total survey sample reported being laid off, leaving a weighted N of 421 (unweighted: 449) out of 1,214 total respondents.
32. Morning Consult Survey
33. These results are intended to approximate the experiences of the broader app-based workforce.
34. These workers reported: (1) needing flexibility in their schedule, (2) wanting to be their own boss, and/or (3) not being able to work for a traditional employer on an ongoing basis due to personal circumstances.
35. Practical or structural (non-medical) accommodations required to engage in work.
36. In this study, government benefits refer to Unemployment Insurance (UI).
37. Laid-off and disabled individuals are more likely to report this.
38. This may be due to (1) app-based earnings being sufficient to forego benefits, or (2) app-based earnings rendering workers ineligible for means-tested programs. We acknowledge the survey doesn't capture this distinction/breakdown.
39. Fos et al. (2025) and Kecht & Marcolin (2022)
40. Morning Consult Survey
41. Rates are derived from survey mean program counts in four steps:
    a. Mean programs per worker, dividing by all workers in the group: 1.4 for laid-off workers, 0.6 for non-laid-off workers.
    b. Mean programs per worker, dividing by workers enrolled in >=1 program: 2.8 for laid-off, 2.0 for non-laid-off workers.
    c. Laid-off enrollment rate: 1.4 ÷ 2.8 = ~49%.
    d. Non-laid-off enrollment rate: 0.6 ÷ 2.0 = ~30%.

Endnotes

42. National level refers to the combined federal and state fiscal savings.
43. Calculated as total estimated fiscal savings divided by the number of laid-off app-based workers who took up app-based work and claimed less UI or none at all.
44. Mandala (2025)
45. Morning Consult Survey
46. For example, see Gig Worker Instant Pay: Why Real-Time Payments Are Becoming the Industry Standard | Self Employed
47. Including studies by Fos et al. (2025), JPMorgan Chase Institute (2019), and Koustas (2018).
48. This is notable as consumption contributes around two-thirds of economic activity. Personal consumption expenditures accounted for roughly 69% of U.S. GDP in 2024 | St. Louis Fed
49. Omberg (2024); Fos et al. (2025); Kecht & Marcolin (2022)
50. Omberg (2024), who gives two explanations for platforms allowing unemployed workers to commute to new job opportunities: it gives people work right away when they're between jobs, and it makes it easier to reach jobs that were too far to commute to before.
51. Barrios et al. (2022)
52. See, for example, Nichols et al. (2013) and Li et al. (2025)
53. Data was provided by the following Flex members: Uber, DoorDash, Instacart, Lyft, Grubhub.
54. Kässi, 2023
55. ILO, 2021
56. The proportion of government assistance that is effectively substituted by income from app-based work, representing how much public support is "replaced" by private earnings.
57. UI Data Summary Glossary: "The number of weeks compensated for the year divided by the number of first payments."
58. Monthly Program and Financial Data, Employment & Training Administration (ETA) - U.S. Department of Labor
59. Source: World Bank – GDP (current US$). This was converted into real terms using GDP price deflator published by the U.S. Congressional Budget Office.
60. Table D-1, The Budget and Economic Outlook: 2026 to 2036, the U.S. Congressional Budget Office.
61. Analysis of Morning Consult survey. Let $P(L)$ denote the share of respondents who were laid off (35%), $P(B)$ the share of respondents receiving benefits (39%), and $P(L|B)$ the share of benefit recipients who were laid off (42%). The share of respondents who are both laid off and receiving benefits is:

$$P(L \cap B) = P(L|B) * P(B) \approx 42\% * 39\% \approx 16\%$$

This implies that $P(B \mid L) \approx 16\% / 35\% \approx 47\%$ of laid-off workers receive benefits, compared with $P(B \mid -L) \approx 39\% - 16\% / 65\% \approx 35\%$ of non-laid-off workers. Hence, laid-off workers are roughly 34% more likely to receive government benefits than those who were not laid off:

Relative likelihood = 47% / 35% ≈ 134% => 34% more likely

62. Morning Consult Survey
63. Morning Consult Survey
64. Jackson (2022) and Koustas (2018)

Endnotes

65. Morning Consult Survey: 91% of the laid-off app-based workers say either:
    a. They rely primarily on government support programs but also work
    b. Rely equally on government support programs and app-based work
    c. Rely primarily on app-based work
66. Morning Consult Survey. The proportion of laid-off workers who are currently relying on benefits is 47%. Of them, 14% are enrolled in UI. Hence, 47%∗14%=6.4% of all laid-off workers in the survey are receiving UI benefits.
67. Federal Reserve Bank of Minneapolis
68. Morning Consult Survey. The 47% is a direct survey response covering benefit receipt by the respondent or anyone in their household. The 49% enrollment rate mentioned before is worker-level and derived from the ratio of mean program counts (1.4 ÷ 2.8). The two use different units of observation, so a small gap between them is expected.
69. Federal Reserve Bank of Minneapolis

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