

Measuring and Addressing Inequality in the U.S. Economy

Based on findings from the 2022 American
Opportunity Survey

October 2022

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Executive summary

There's a mismatch between jobs available and jobs sought

The unemployment rate was 3.7% in September and there are 1.7 open job positions for every unemployed American

Those searching employment for do not see a surplus of attractive jobs, suggesting a mismatch between what jobs are available and what jobseekers want and/or are qualified for

Independent work is booming, but comes with challenges

36 percent of employed survey respondents say they act as independent workers, up from our estimate of 27 percent in 2016

Despite the significant increase in independent work, 62% of the independent workforce would prefer to work as a permanent or non-contract employee

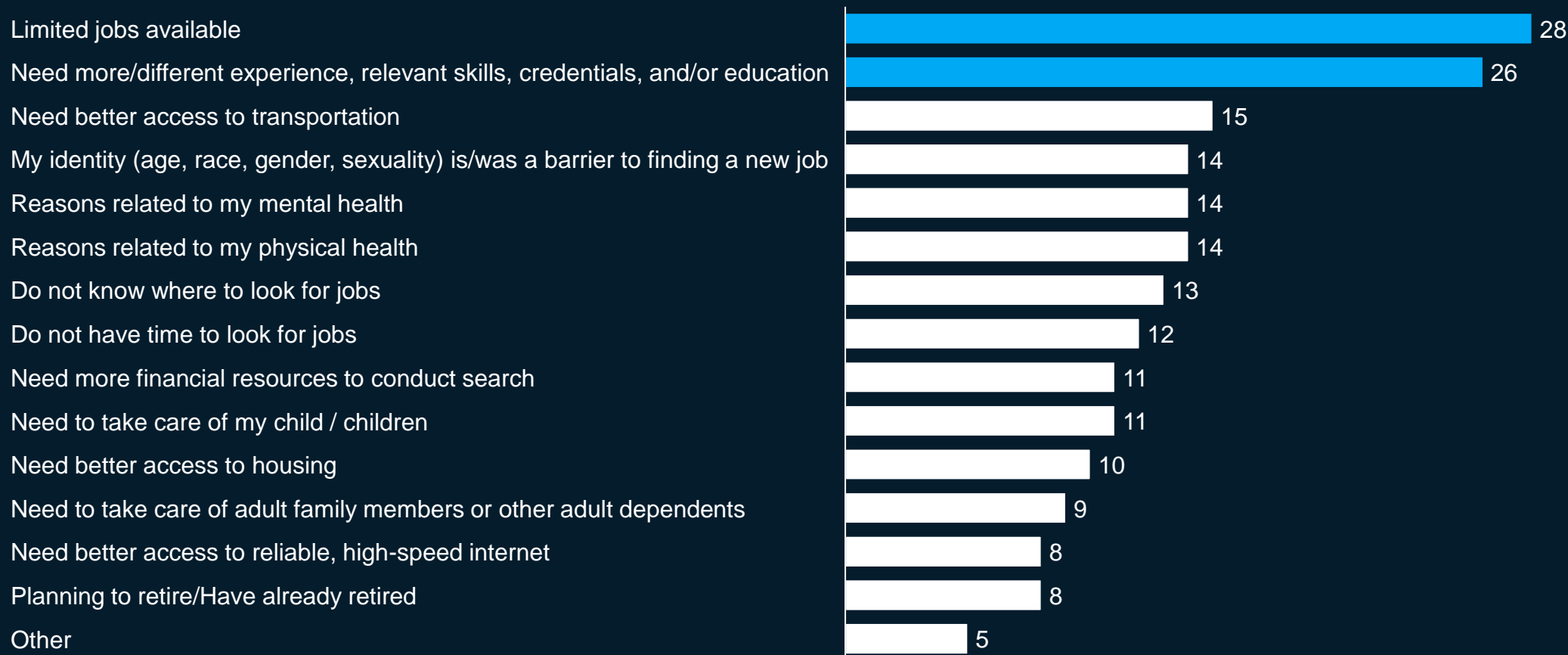
Many factors negatively impact people's ability to work effectively

Hostile work environments, access to transportation, and access to internet are the top three factors reported to have a major impact on people's ability to effectively perform their work

The youngest workers, aged 18-24, were most likely to cite a hostile work environment, mental health issues, access to transportation, and physical health issues

Job-seekers do not see a surplus of attractive job opportunities

Barriers in search for new job¹, % of respondents searching for a job² citing barrier (n=10,849)



1. Question: From the following list, please select the biggest barriers in your search for a new job. You may select up to three choices.

2. Question only asked to respondents who reported actively seeking a job in the last 12 months, currently looking for a job, or planning to start looking for a job in the next 12 months

Potential causes of a labor market mismatch

1

Geography

Job seekers are not living in or willing to move to areas where there are job openings

2

Skills

Job seekers do not have the right skills, experience, or education needed to fill the open position

3

Non-wage considerations

Jobs available do not offer non-wage considerations that job seekers want (e.g., flexible working arrangements)



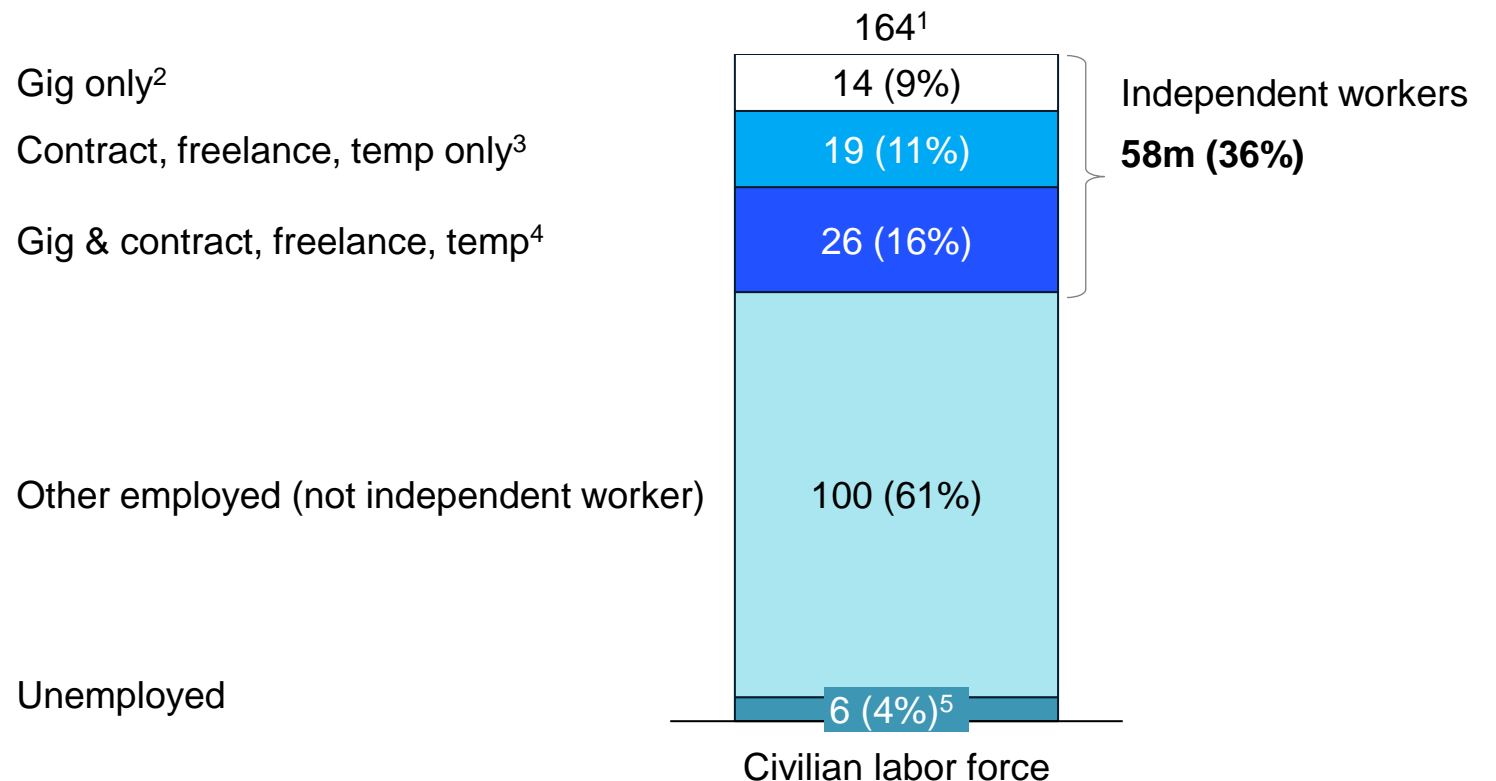
The independent workforce makes up 36% of workers – the equivalent of 58m people

1. US Bureau of Labor Statistics estimated the size of the civilian labor force as 164,046,000 (Apr 2022)
2. Respondents who selected 'yes' to 'Would you consider yourself a gig worker or part of the gig economy?'
3. Respondents who selected 'yes' to 'Is your current job as a contract, freelance, or temporary worker?'
4. Respondents who selected 'yes' to both of the above questions
5. BLS unemployment estimate: 3.6% (Apr 2022)

Source: American Opportunity Survey Spring 2022

Workforce by employment type

Millions of people (proportion of workforce %)



People engage in independent work for a diverse set of reasons¹

25%

For the autonomy and flexibility, it offers

25%

Because they enjoy the work

20%

For additional discretionary income

26%

Out of necessity to support basic family needs

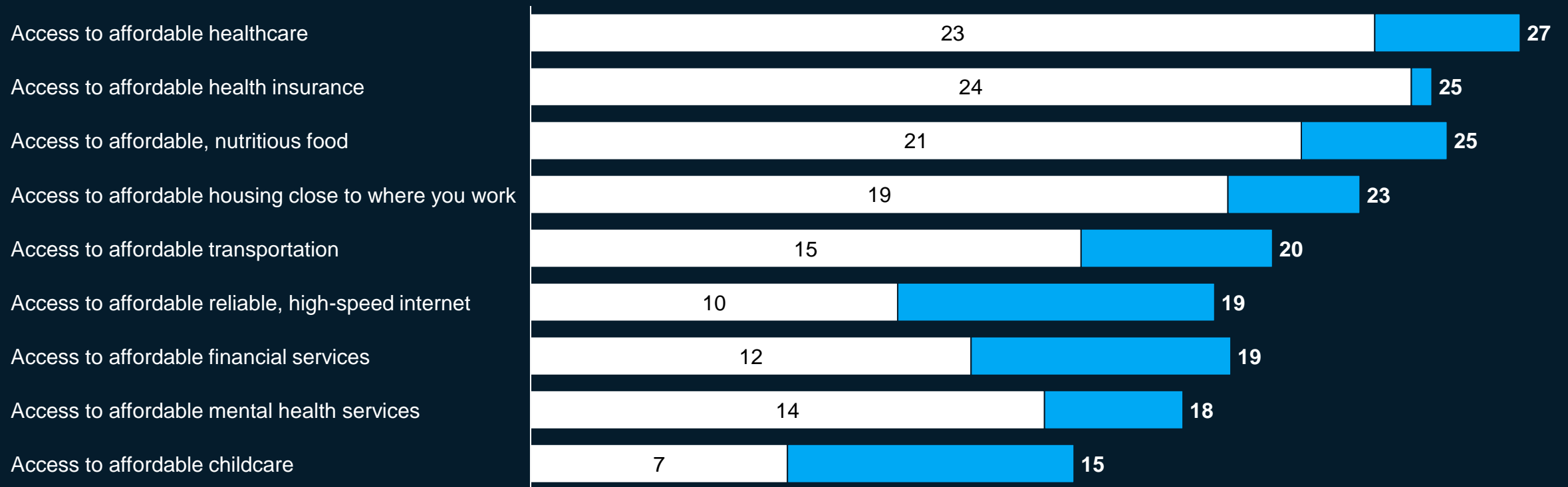
1. Which of the following best describes your reasons for participating in contract, freelance, or temp work (including gig economy involvement)? Not shown here, 5% selecting 'other'

Source: American Opportunity Survey Spring 2022

Independent workers report many barriers to their well-being

■ Permanent workers ■ Independent workers

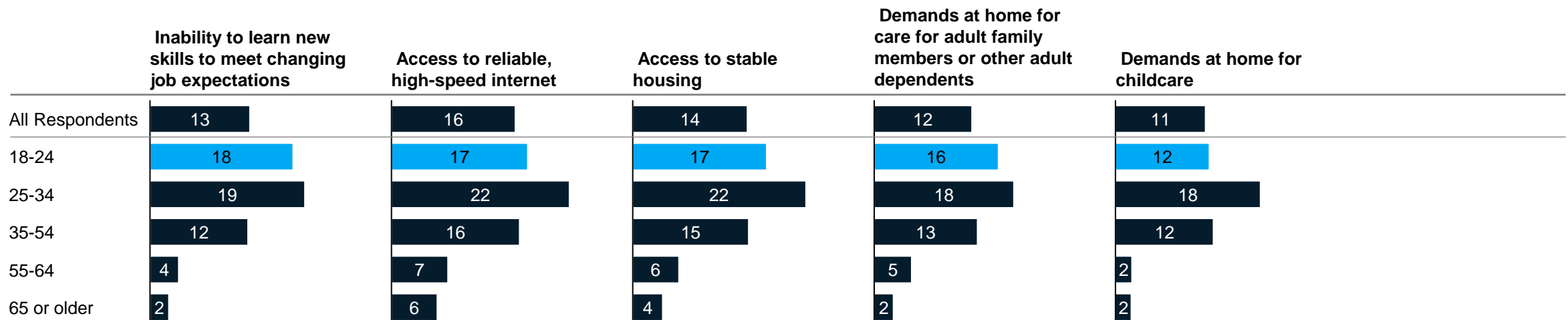
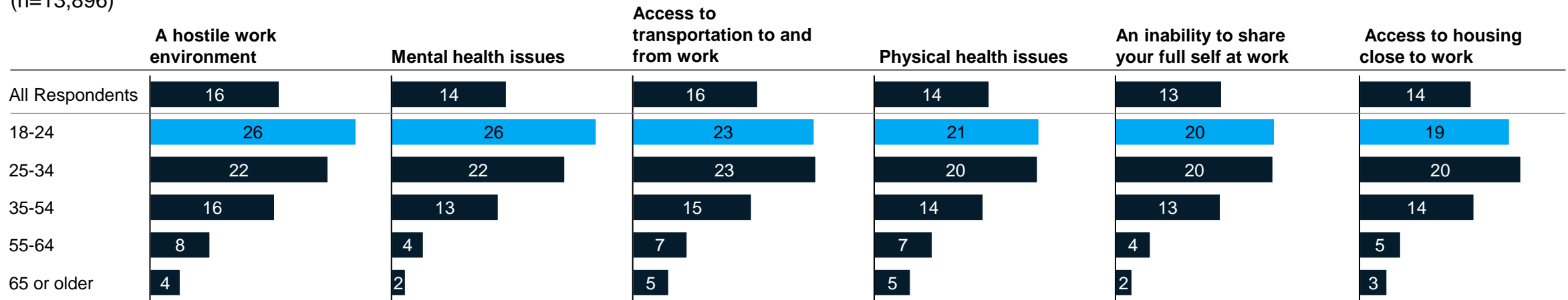
Barriers to well-being¹, % of respondents selecting barrier



Which of the following, if any, do you perceive as the greatest barrier to your well-being? (You may select up to three). Answer choices not shown: Other and None of the above, selected by 2% and 16% of independent workers

Hostile work environments, access to transportation, and access to internet majorly impact people's ability to work effectively

Proportion of respondents reporting that the factor had a major impact on their ability to effectively perform their work¹, % of employed² respondents (n=13,896)



1. Question: If you think about your job today, or your most recent job, to what extent are/were any of the following impacting your ability to effectively perform your work?

2. Includes full-time, part-time, and self-employed individuals