

# Defining and measuring the gig economy using survey data: Gig work, digital platforms, and dependent self-employment

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The concepts of "gig work" and the "gig economy" have become common terms to refer to paid activities involving short-term tasks or jobs offering no guarantee of steady work. Some of these activities are conducted through digital platforms or apps, while others are done offline using traditional methods that help workers connect with clients or businesses. Defining and measuring the gig economy is important to better understand how many Canadians engage in new forms of employment and the working conditions they experience.

Today, Statistics Canada is releasing a reference report titled, "[Defining and measuring the gig economy using survey data](#)." The report provides a statistical framework and a measurement strategy for three overlapping components at the core of the gig economy: gig work, digital platform employment and dependent self-employment.

The report includes results based on information collected as part of the Labour Force Survey (LFS) supplements program in 2022 and 2023.

## In the fourth quarter of 2022, 871,000 Canadians did gig work in their main job

According to the definition found in the United Nations Economic Commission for Europe's *Handbook on Forms of Employment*, gig work is a form of employment characterized by short-term jobs or tasks which [does not guarantee steady work and where the worker must take specific actions to stay employed](#). While the concept of "gig work" has occasionally been used as a synonym for work that is done through a digital platform or an app, the word "gig" predates the emergence of digital platforms and can also be done without the support of a website or app.

In October, November and December 2022, an average of 624,000 self-employed Canadians aged 15 to 69 years had a main job with characteristics that were consistent with the concept of gig work. These characteristics include a lack of employees, business partners or a physical building or premises dedicated to their self-employment activity. Beyond that, these gig workers generally fell into two categories; those who worked very short hours or operated their business intermittently (91,000 workers) and those who usually dedicated more time to their business but did not have a stable client base (449,000 workers). In addition, 84,000 self-employed workers had characteristics of both groups.

In addition to self-employed gig workers, 247,000 Canadians who were paid employees in their main job had employment characteristics that were consistent with the definition of gig work in the fourth quarter of 2022.

As gig work consists of short-term tasks or paid activities, it can also be done sporadically and does not always represent a main job or business. In October, November and December 2022, an additional 1.5 million people on average reported having done freelancing, paid gigs or short-term jobs or tasks at some point during the previous 12 months.

## In 2023, close to half a million people worked through a digital platform or app which also paid them for their work

In the modern workplace, workers are increasingly using a range of online tools, platforms and apps. These apps and platforms range from videoconferencing software to social media and have transformed the way many Canadians work or operate their business.

As part of this broad trend towards digitalization, a specific type of digital platform has emerged that [creates economic value by coordinating or mediating the exchange of labour between individual workers and clients or buyers](#). These platforms consist of an online marketplace or system that can connect workers directly with clients



and often include coordination functions, such as algorithms to match workers and clients, a user rating system or tools to process payments. In recent years, digital platforms have become common in areas such as food delivery and personal transport.

In December 2022 and December 2023, Statistics Canada collected data on digital platform employment through supplements to the LFS. Three types of platforms or apps that are used to work and earn income can be distinguished:

- Apps or platforms which pay workers directly
- Apps or platforms which do not pay workers directly but exercise some control over the work process
- Apps or platforms which help workers and clients connect, but do not otherwise intervene in the work process (e.g., social media and online message boards)

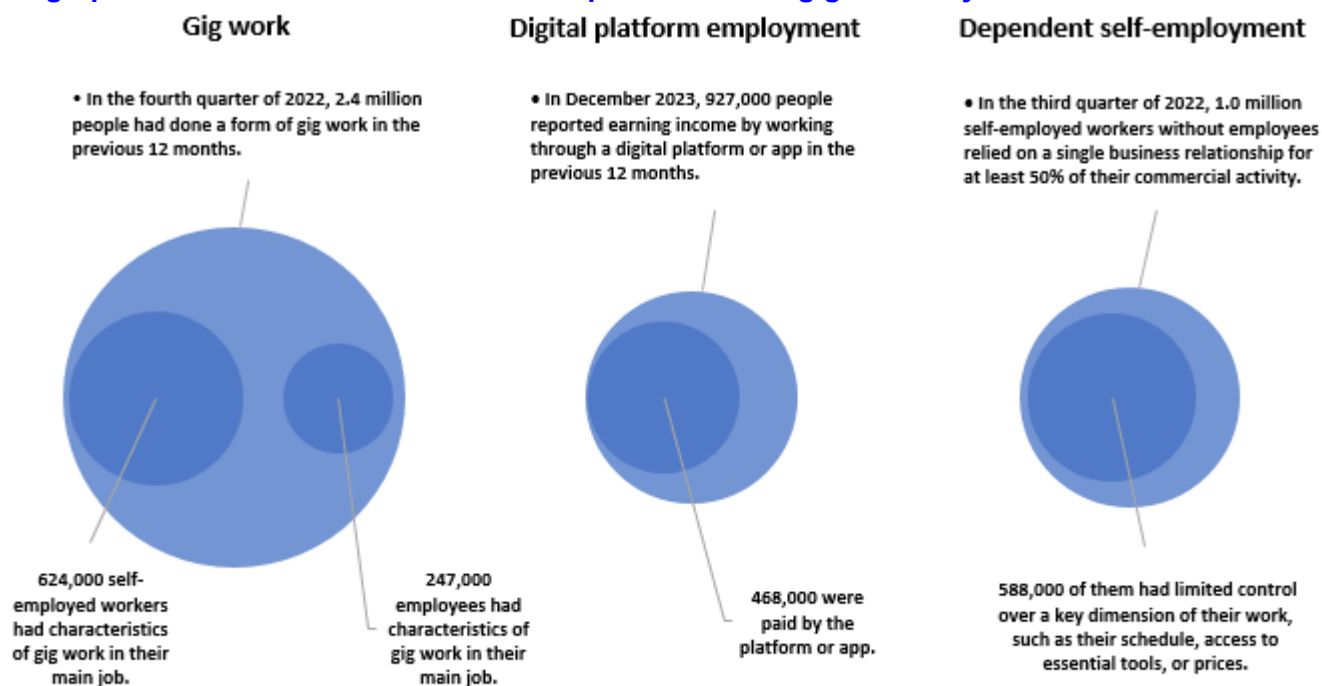
In December 2023, 468,000 people aged 15 to 69 years (1.7% of people in this age group) indicated they had worked through a digital platform or app to earn income in the previous 12 months and were paid by the platform for their work. Among them, 368,000 indicated that they had provided a service and 103,000 reported that they had sold goods or leased accommodation. For 79,000 people (0.4% of the employed population), working through such digital platforms or apps was their main job or business during the December 2023 LFS reference week.

The broadest definition of digital platform employment includes platforms that pay workers directly, those that exercise another form of control, and those that simply connect workers with clients and let them arrange the payment by themselves. Based on this definition, 927,000 people (3.3% of the population aged 15 to 69 years) reported that they had engaged in digital platform employment in the 12 months preceding December 2023.

### **In the third quarter of 2022, 588,000 self-employed workers lacked control over a key dimension of their work**

Self-employed gig workers and workers who work through digital platforms sometimes lack access to the full benefits associated with being self-employed, such as the freedom to hire paid help, choose their work hours or set their own prices. At the same time, as self-employed gig workers and workers who work through digital platforms are paid as independent contractors, they do not have access to the same benefits as employees, such as protection under employment standards legislation.

## Infographic 1 – Estimates of the main components of the gig economy in 2022 and 2023



**Note(s):** Population aged 15 to 69 years. Excludes people living in the territories, on Indigenous reserves and in institutional settings, as well as full-time members of the armed forces.

**Source(s):** Statistics Canada, Labour Market Indicators (5375), and Labour Market and Socio-economic Indicators (5377), 2022 and 2023, custom tabulation.

When a self-employed worker depends on another business or person for a large part of their commercial activity, and when that second business or person controls key aspects of the work, a self-employed worker may be in a situation of dependent self-employment. Not all digital platform workers are in dependent self-employment, and other business relationships can lead to these circumstances, such as self-employed workers who work for a single client.

In June, July and August 2022, an average of 1.0 million self-employed workers without employees aged 15 to 69 years were dependent on a single business relationship for at least 50% of their commercial activity. Among them, 427,000 relied on a single main client and 235,000 relied on another company or person subcontracting tasks, projects or clients.

Of these 1.0 million workers, 588,000 were in a situation where the other party exercised a large extent of control over a key dimension of their work, such as their schedule, the organization of their work or the supply of essential tools or materials.

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### Note to readers

In recent years, Statistics Canada has participated in several international initiatives to develop a coherent framework to measure and understand new forms of employment. The results of these various efforts are compiled in the [Handbook on Forms of Employment](#), published by the United Nations Economic Commission for Europe in 2022.

While concepts associated with the gig economy [have been challenging to define](#), this new framework has helped show that the gig economy is best understood through the lens of three overlapping concepts: gig work, digital platform employment and dependent self-employment.

Previous research at Statistics Canada has used tax data to measure [forms of self-employment consistent with the concept of gig work](#). In 2022 and 2023, supplements to the Labour Force Survey (LFS) were collected to understand in more detail the nature of the gig economy in Canada.

Looking ahead, Statistics Canada will continue to build on and refine its data collection and analytical strategies in relation to the gig economy.

Data collection through surveys will continue to play an important role. Surveys help produce timely data that can be used to track the scale of the gig economy over time and align measurement strategies with the latest international statistical standards. Information from surveys will be complemented with the ongoing use of tax data, which can provide a comprehensive picture of the ways in which Canadians earn income and contribute to the economy.

Estimates in this release are based on results from the [Labour Market Indicators](#) and the [Labour Market and Socio-economic Indicators LFS supplement programs](#).

All estimates have an error margin and reflect the situation of people aged 15 to 69 years residing in the provinces, with the exception of people living on Indigenous reserves, full-time members of the regular armed forces and people living in institutions.

For a summary of definitions and results, please consult the visualization: [Working in the gig economy: Statistical concepts and initial survey results](#).

### Definitions, data sources and methods: survey number [3701](#).

The article "[Defining and measuring the gig economy using survey data](#)" is now available online in *Labour Statistics: Research Papers* series ([75-004-M](#)).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).