

The gig economy

Achieving financial wellness with confidence.

The labour market has shifted from one characterized by permanent employment to a **gig economy** of temporary or contracted employment, where an on-demand, freelance workforce is becoming the norm. A gig can be defined as “any job, especially one of short or uncertain duration.”¹

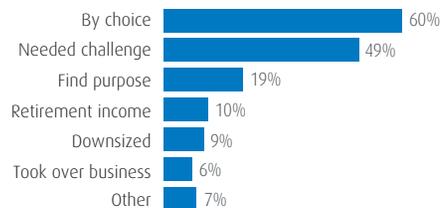
A growing trend in employment

According to Statistics Canada, 2.18 million Canadians were categorized as temporary workers in September 2017. This is a group that includes people who take on term, contract or temporary employment, such as freelancers.

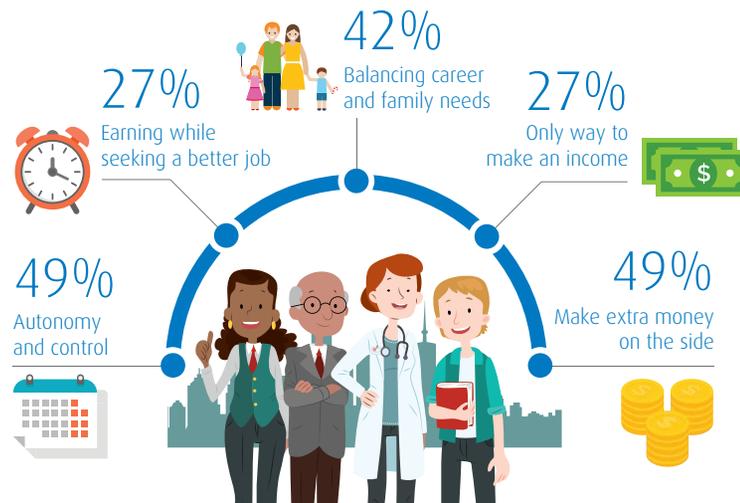
How are the different generations affected?

Baby boomers were more likely than the other groups to value autonomy and control (70%). Millennials were more inclined to work in the gig economy to make extra money on the side (53%), and to work this way until they found a better job (30%). Generation-Xers valued balancing career and family needs more than the other groups (52%).

Top reasons for being self-employed



Top reasons for working in the gig economy



Tips to help you accomplish financial wellness in the gig economy:

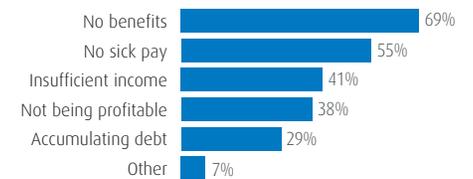
- Make a business plan
- Have a spending plan (or budget)
- Be organized
- Have a sundry (emergency) fund
- Get individual healthcare coverage
- Save for other goals
- Protect against risks
- Pay off debt – and avoid debt if possible
- Have a financial plan
- Seek advice from a financial professional

While enticing and lucrative – being employed in the gig economy also has its challenges

There are benefits to working in the gig economy – you have the choice and flexibility of choosing when, where and what kind of work you do. But along with these benefits are the drawbacks of fluctuating income, lack of employment insurance or health and medical benefits, and ineligibility for employer retirement plans. This makes it hard to budget, manage debt or save for long-term goals like retirement.

Boomers were more likely to be concerned about the lack of benefits (87%). Millennials (29%) and generation-Xers (34%) were more likely than boomers (7%) to be faced with the challenge of accumulated debt.

Financial challenges of working in the gig economy



¹Dictionary.com. <http://www.dictionary.com/browse/gig>
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