

## CALIFORNIA'S ASSEMBLY BILL 5: SECURITY OVER FLEXIBILITY?

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*How California's AB 5 is calling for unionised worker's rights for Uber and Lyft, threatening the nature of GIG Economy functionality.*

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*Photograph sourced from: insider.com*

The structure of Gig economy work has seen favorable flexibility like no other being available for the externalised workers under Uber and Lyft over the last decade. When and where divers operate was by-in-large, a matter of choice.

The critical drawback to this flexibility, is insecurity; Workers are not subsidised for costs of vehicle maintenance and consistent work is difficult to find.

California's Assembly Bill 5 is being classified as a means to restructure laws which meant security came second to flexibility, with workers, in some cases, having to sleep in their cars within the cities they operate, unable to afford rent in the very places they offer their services.

The bill calls for around 2 million Uber and Lyft independent contractors to become official employees, with a collective voice to pitch issues and concerns

to the company, alongside redeeming rights which were otherwise passed off as undesirable by-products of this line of flexible employment.

The inner workings of gig economy jobs rely heavily on externalising and socialising costs of company maintenance, and although flexibility and autonomy are preached by employers, these remain exterior, surface-level successes for independent contractors.

California's Assembly Bill 5 threatens the structures of UBER and Lyft's business models, severely inhibiting their opportunity for maximising profits through issues discussed previously, such as externalising costs.

UBER have not been discreet in their response, and alongside Lyft. A California ballot measure has been pledged, estimating at \$60 million dollars from the two companies in attempts to come to an agreement which does not threaten their business model, whilst meeting terms set out by unions and lawmakers.

In our mercilessly competitive economy, prioritising economic growth and amoral business structures, it's no surprise that Uber and Lyft would seek to contest the bill.

Workers with a collective voice and a union-like structure to be heard is exactly the structural feature, which was absent, permitting these companies to work so effectively whilst showing little support for their workers.

Uber's network of independent contractors is largely made up of workers who perceive gig economy work as the future, as well as those in transitional periods of employment, students and others who entertain the increased autonomy and flexibility over more traditional employment opportunities. A UK research project saw previously employed taxi drivers as very fond of Uber's unbiased function, critiquing traditional taxi firms.

***"They'll keep the good jobs and they'll give them to their friends who are working as taxi drivers"***

*(Department for Business, Energy and Industrial Strategy (BEIS), 2018)*

Other Gig economy workers reported a lack of consistent work lead them to working for Uber and other similar employers.

For these workers, the freedom to choose where and when they work is heading into uncertainty.

Are on-demand workforces willing to sacrifice their flexibility and autonomy for more conventional employee benefits? These are the perks were undoubtedly the bright lights which drew in many of Uber and Lyft's contractors in the first place.

The bill, if passed, will indefinitely push for alterations to how these industry's function, but will it mean an end to their flexibility and spontaneity which are major attractions for hundreds of thousands of customers globally?