



## **Key Takeaways From The Freelance Workforce Data**

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Highlights from The Ultimate Guide to Gig Economy Data: A Summary of Every Freelance Study We Can Find



## At least 11 percent of the U.S. workforce is a full-time "career" freelancer

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This group of career freelancers is made up of people who work primarily as independent contractors in lieu of a traditional W-2 role. It doesn't include another 3-5 percent of the workforce who are exclusively freelance but only part time.

We arrive at this 11 percent estimate by reading deeply into the major workforce studies to sort out traditional employees with side hustles from the full-time freelancers.

For example, the Freelancers Union/Upwork annual study in 2017 found that 35 percent of the workforce "are freelancers." But a 60 percent share of that 35 percent is made up of people who are *primarily in traditional employment*.

There is no consistent use of of the vocabulary across all the data sources. Each of these studies of gig workers, contingent workers or freelancers bundles together a different set of people.

# How many people in total are freelancing? A few key numbers

It depends on how you define your terms.

Here are the top line numbers from the three most comprehensive studies.

**36 percent of the U.S. workforce, or 57.3 million people**, freelanced in 2017, including part-time and occasional and including on gig economy apps.

- [Freelancing In America, 2017](#), UpWork/Freelancers Union

**40.9 million working adults** in the U.S. are self employed. - [MBO Partners State of Independence In America 2017](#)

**20-30 percent of the working-age population in the United States and the European Union** engage in independent work. – [Independent Work: Choice Necessity and the Gig Economy](#), McKinsey Global Institute

# The demand side is growing

20 percent of organizations globally with more than 1,000 employees have a workforce that is made up of 30 percent or more contingent workers.

By 2020, 25 percent of businesses will have a contingent workforce comprising at least 30 percent of its talent resources, with one in five workers across the globe actively engaged in gig or freelance work.

- [Global Contingent Workforce Study](#), EY

# Freelancers earn more than you might think

- 19.8 percent of full-time independents earn more than \$100,000.  
- [MBO Partners State of Independence In America 2017](#)
- 2 out of 3 freelancers make more money than they did in their old job. 36 percent earn more than \$75,000/year. - [Freelancing In America, 2017](#), UpWork/Freelancers Union
- 72 percent say they make the same amount or more money than they did before. - 2016 [Field Nation Freelancer Study: The Changing Face of the New Blended Workforce](#)
- The average freelancer reaches their financial goal in 23 months.  
- [State of the Freelance Nation 2018 Survey](#), WiseBrand

# Work-life balance in role-based jobs is a crisis

- One-third of professionals globally say that work-life balance is becoming more difficult. Excessive overtime and a lack of flexibility are among the top reasons people leave jobs. - [Work-life Challenges Across the Generations](#), EY
- 81 percent of working parents say work-life balance is more important than pay when looking for a new job. 70 percent have thought about leaving a job because it doesn't offer flexibility. - [Working Parents in 2017: What They Want at Work, Flexjobs](#)
- Among millennials, 69 percent wish they had chosen a job with better work/life balance, and 44 percent wish they had chosen a job they enjoyed more. - [2018 Better Money Habits Millennial Report](#), Bank of America

# The flight to self employment is a growing exposure risk for employers

- 63 percent of executives would switch to become a contractor, given the opportunity. - The White-Collar Gig Economy: Four On-Demand Workforce Trends According to Today's Business Leaders, [Mavenlink](#)
- 26 percent of U.S. employees say they are somewhat likely or likely to become a freelancer or independent contractor. - Happy in the Home Office, Freelancers Embrace the Gig Economy, [ReportLinker](#)
- 94 percent of workers are open to non-traditional forms of work. - [Gig Responsibly: The Rise of NextGen Work](#), Manpower Group
- 4.7 million U.S. workers currently side hustling are thinking about transitioning to full-time freelancing. - [Freelancing In America, 2017](#), UpWork/Freelancers Union
- *32 percent of workers have changed jobs in the last two years.* - [NPR/Marist "Picture of Work" poll](#)

# Employers are missing a big opportunity to retain talent with better remote work policies

- 50 percent of U.S. jobs are compatible with remote work arrangements, and 80 percent of the workforce says they would like to work remotely at least part time. Yet only 7 percent of employers make flexible work available to most employees. - [Global Workplace Analytics](#)
- 24 percent of professionals globally say they would take a 10 percent pay cut to be able to telecommute. - [Work-life Challenges Across the Generations](#), EY
- 74 percent of North American office workers say they would quit their jobs for another that allows them to work remotely more often. - [Collaboration Unleashed](#), Softchoice



# Every 1099 is a former W-2 at a company whose employee retention efforts failed

- Only 30 percent of U.S. employees describe themselves as engaged at work. - [State of the American Workforce Report](#), Gallup
- 51 percent of U.S. workers are searching for a new job or watching for openings. - [American Workplace Changing at a Dizzying Pace](#), Gallup

# The freelance workforce is growing much faster than the workforce overall

- There is a projected 3.6 percent annual growth in independent workforce. - [MBO Partners State of Independence In America 2017](#)
- By 2027, more than half of American workers – 58 percent – will have had some experience as independent contractors. - [MBO Partners Looking Forward: What Will the Independent Workforce Look Like In 2027?](#)

# Freelancers strongly prefer this way of working

- 86 percent of professional freelancers choose freelancing. - [The 2016 Field Nation Freelancer Study](#)
- 70 percent of U.S. and E.U. independent workers are “freelance by choice” – [Independent Work: Choice Necessity and the Gig Economy](#), McKinsey Global Institute
- 81 percent of freelancers said their non-traditional careers were a choice rather than a necessity. - [Gig Responsibly: The Rise of NextGen Work](#), Manpower Group
- 63 percent of freelancers say they work this way by choice, up from 53 percent in the 2014 survey. - [Freelancing In America, 2017](#), Upwork/Freelancers Union
- 32 percent of freelancers are “strongly convinced they’re happier than their counterparts.” Happy in the Home Office, Freelancers Embrace the Gig Economy, [ReportLinker](#)
- 74 percent of professional freelancers say it is their ideal employment situation. 2016 [Field Nation Freelancer Study: The Changing Face of the New Blended Workforce](#)

# This change is structural, not cyclical

- 44 percent of business leaders say the top socio-economic driver of changes in industry is the “changing nature of work, flexible work.”  
- [The Future of Jobs Report](#), World Economic Forum
- 61 percent of Gen Z professionals in APAC countries agree that job seekers are seeking flexible and contract-based roles. - [2018 APAC Workforce Insights - Gig Economy: How Free Agents Are Redefining Work](#), PERSOLKELLY
- Over a 15-year period including two economic recessions, the number of 1099 forms filed with the IRS increased by 22 percent while the number of W-2 forms declined by 3.5 percent. - [“Evaluating the Growth of the 1099 Workforce”](#), Mercatus Center, George Mason University
- 54 percent of freelancers have no interest in returning to full-time employment. [State of the Freelance Nation](#), WiseBrand
- By 2027, more than half of American workers will have had some experience as independent contractors. - [MBO Partners Looking Forward: What Will the Independent Workforce Look Like In 2027?](#)



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A close-up photograph of a person's hand holding a black smartphone. The hand is wearing a black leather watch. In the background, a laptop screen is visible, showing a dark interface. The overall scene is set on a wooden desk.

## Keep Up With Freelance Industry Trends

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Nation1099's industry watch page tracks the latest surveys and other news about the freelance workforce.

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