ABSTRACT:

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Stepping stones for refugees? Availability of the Gig Economy and labor market integration of refugees in Austria

By offering low-barrier employment opportunities, gig work creates employment options for individuals with low labor market attachment.

While a growing body of literature analyzes its effects on unemployed individuals, there is little evidence on the labor market effects of taking up gig work for migrant workers and refugees. In this paper, we analyze how the availability of gig work impacts refugees' labor market integration in Austria. We first tackle the issue that the gig economy is typically not observed in administrative data sets. To this aim, we develop a novel approach to characterize online food delivery companies in the Austrian Labor Market data base (AMDB) that makes use of a unique type of freelance contract (Freie Dienstnehmer) in Austria. We then construct a regional measure for the availability of gig work and exploit the quasi-random spatial allocation of refugees and their temporary exclusion from the Austrian labor market to estimate transitions to different types of employment with duration models. Our results suggest that refugees who are exposed to a higher level of gig availability have a significantly higher probability of finding their first job in the years after gaining access to the Austrian labor market.