The role of Digital Labour Platforms in Transforming the World of Work

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Features of platform business model

- Workers directly employed by the platform:
  - 99designs: 139, 1,200,000
  - Appen: 800, 1,000,000
  - HackerRank: 200, 11,000,000
  - Meituan: 54,580, 3,987,000
  - PeoplePerHour: 50, 2,400,000
  - Rappi: 1,500, 25,000
  - Uber: 26,900, 5,000,000

- Workers mediated by the platform:

Advancing social justice, promoting decent work
Ratings
Refusing work
Allocation of work
Determining pay rates

Indicators for matching clients and workers
- Client reviews: 60%
- Ratings: 50%
- Worker profile: 46%
- Project history or portfolio: 27%
- Rate proposed by the worker: 21%

Business model
Business model has common elements

Commission fees and subscription plans are integral to platform revenue model

Monitoring, tracking and evaluating workers through digital tools and algorithms

Rules of governance
Unilaterally determined by platforms:
- Exclusivity clauses
- Deactivation of accounts
- Dispute resolution

Recruitment and matching
Revenue model
Work processes and performance management

...the business model has common elements
What motivates workers to perform tasks on platforms?

- Complementing pay and flexibility (freelance and microtask)
- Improving skills and career opportunities (competitive programming)
- Lack of alternative employment opportunities, work flexibility and better pay (taxi and delivery)
- For many women (developing and developed countries): work from home or work flexibility is an important motivating factor
How do workers fare in terms of earnings and social protection?

- Commission fees
  - Taxi: 15% - 44%
  - Freelance: 15% – 40%

- Social protection benefits are quite low

- Bonus & Incentives
  - Taxi: 74% (India)
  - Delivery: 89% (India); 31% (China)

- Working hours quite high (59 – 80 hours)

Workers on microtask platforms earn 64% less compared to their counterparts performing similar work in the traditional sector.
Algorithmic management is defining the everyday experiences of workers

- Ratings and reputation are decisive for accessing work
- Rejection of work and low ratings are common
- Unable to refuse or cancel work without negative impacts
- Some workers face account deactivation
- Many are unaware of formal process for filing a complaint or seeking help
- Monitoring of work processes and tracking of workers

Workers’ ratings are decisive for accessing work

- Freelance platforms: 82%
- Taxi: 72%
- Delivery: 65%

Workers whose work was rejected

- Freelance platforms: 86%
- Microtask platforms: 35%

Workers whose account was deactivated

- Taxi: 19%
- Delivery: 15%

Lack of awareness of a dispute resolution mechanism

- Freelance platforms: 52%
- Taxi: 42%
- Delivery: 32%

Workers on freelance platforms

- 47% are monitored by their clients for hours worked...
- 46% are required to take screenshots of their work...
- 43% are required to be available during a specific time...
- on a regular basis

Advancing social justice, promoting decent work
Diverse practices of regulation for platform workers across the world

- **Canada**
  - Unreasonable dispute resolution process invalidated

- **United States**
  - Diverse approaches to classification of platform workers

- **Peru**
  - Establishment of fund for COVID-19 and data transparency

- **Uruguay**
  - Digital social security contributions and tax payments for platform workers

- **Argentina**
  - Prohibition of child labour, including through platform work

- **France**
  - Right to disconnect for some platform workers

- **Spain**
  - Mandatory employment injury insurance legislation

- **Nigeria**
  - Data protection regulation affecting platform workers

- **Brazil**
  - Occupational safety and health coverage transcending employment relationship

- **South Africa**
  - Anti-discrimination law applying to all workers

- **Denmark**
  - Hilfr collective agreement pertaining to certain platform workers

- **Germany, Austria, Sweden**
  - Organising online web-based platform workers

- **Korea**
  - Work injury benefits extended to some platform workers

- **China**
  - Work injury benefits extended to some platform workers

- **India**
  - Social security benefits extended to platform workers

- **Indonesia**
  - Work injury benefits extended to some platform workers

- **Australia**
  - Occupational safety and health obligations transcending employment relationship

- **New Zealand**
  - Occupational safety and health obligations transcending employment relationship
A way forward through international policy dialogue and coordination

- Employment status
- Right to bargain collectively
- Adequate social security benefits
- Dispute resolution mechanism
- Fair termination process
- Fair payments and working time standards
- Non-discrimination
- Occupational safety and health
- Transparency and accountability in algorithms and ratings
- Access to local jurisdictions
- Data protection
- Portability of worker data and ratings
- Enabling environment for sustainable enterprises