

The future of work in the digital era:

The rise of labour platforms

About Digital Future Society

Digital Future Society is a non-profit transnational initiative that engages policymakers, civil society organisations, academic experts and entrepreneurs from around the world to explore, experiment and explain how technologies can be designed, used and governed in ways that create the conditions for a more inclusive and equitable society.

Our aim is to help policymakers identify, understand and prioritise key challenges and opportunities now and in the next ten years under key themes including public innovation, digital trust and equitable growth.

Visit digitalfuturesociety.com to learn more

A programme of

 red.es

Permission to share

This publication is licensed under a [Creative Commons Attribution-ShareAlike 4.0 International License](https://creativecommons.org/licenses/by-sa/4.0/) (CC BY-SA 4.0).

Published

December 2019

Disclaimer

The information and views set out in this report do not necessarily reflect the official opinion of Mobile World Capital Foundation. The Foundation does not guarantee the accuracy of the data included in this report. Neither the Foundation nor any person acting on the Foundation's behalf may be held responsible for the use which may be made of the information contained herein.

Contents

Executive Summary	6
Glossary	8
Introduction	12
1 State of the art	16
The origins	17
Platform work in context	17
Key drivers	18
Workers' profiles and experiences	20
Platform work around the world	21
2 Opportunities and challenges	24
Platform work: a double-edged sword	25
Opportunities for workers	26
Challenges for workers	28
Power imbalance between platforms and workers	32
3 Initiatives for action	34
Existing initiatives	35
Five initiatives to achieve balance	38
Conclusion	44
References and acknowledgements	48
Appendix	56

Executive Summary

The future of work has become a hot topic of discussion in recent years. Globalisation, demographic changes, automation and the rise of digital platforms are already generating profound changes in the workplace, the workforce, and the nature of work itself.

The costs and benefits of platform work remain highly contested and regulating this new form of employment is a challenge for policymakers at both national and transnational levels. In general, platform work offers workers access to an income and flexible working arrangements. In informal economies or sectors, platforms present an entry point to formal labour markets, both local and global. For businesses, digital platforms open new economic opportunities and the possibility to digitalise services.

At the same time, platform work has attracted significant criticism from workers, trade unions, policymakers and academics. Notably, the imbalance of power between platforms and workers inherent in the architecture of most platforms raises concerns about the erosion of the social contract, workers' rights, and collective bargaining power. The emergence of this novel way of organising labour also instigates new discussions on the meaning of decent, good and fair work.

In addition, the rise of platform work sheds light on the issue of how existing national social security, tax and pension schemes have been designed for a workforce of dependent, full-time employees and calls into question their adequacy for today's labour market realities. One third of workers in OECD countries, and 40% of Europeans, are working in non-standard forms of employment.

Policymakers have the challenging task ahead of encouraging innovation while protecting workers' rights and businesses' interests. To capitalise on the potential of platform work and address existing challenges, national labour statistics must capture the full spectrum of non-standard forms of employment. More research on the impact of platform work in different contextual social and economic realities must be undertaken. A deeper understanding of the use and consequences of algorithmic management in the workplace must also be developed. Finally, atypical workers' rights should be established and protected regardless of contractual arrangements and employment status. Governments should lead in establishing national strategies on the future of work, based on an informed dialogue between public agencies, platforms and workers.

This report presents the key findings of the Digital Future Society Think Tank working group on the future of work in the context of equitable growth. With an audience of policymakers in mind, this report examines the opportunities and key challenges faced by workers engaging in platform work. It concludes with five initiatives aimed at addressing such challenges, to be further explored by governments and the private sector. These are:

- Atypical Worker's Voice
- DataWorks!
- Platform Cooperative Accelerator
- Worker Status Questionnaire
- Easy Taxes for Platform Workers

Glossary

Glossary



Algorithmic management

Work settings in which human jobs are assigned, optimised and evaluated through algorithms and tracked data.¹



Application programming interface (API)

A set of rules that defines how a software program can request and receive information from other software, usually a website.²



Atypical or non-standard form of employment

An umbrella term for employment arrangements that deviate from standard employment, including, part-time and on-call work, temporary agency work, zero-contract hours, disguised employment and dependent self-employment.³



Fissured workplace

The restructuring of business emerging in several industries characterised by large companies outsourcing to smaller ones, or hiring contractors, freelancers and consultants within the on demand, flexible workforce.⁴

¹ILO 2018

²Cambridge Dictionary 2019

³International Labour Organisation 2019

⁴Weil 2014



Global digital labour platforms

Platforms that match supply and demand for paid work where task execution takes place online (or requires digital interaction only). Also known as online-to-online platform work, crowdwork, global labour markets or online platforms. Businesses assign tasks directly to individuals or to pools of workers. Tasks can range from data entry to longer-term project-based work.



On-location digital labour platforms

Platforms that match supply and demand for paid work online or through a mobile application and where task execution requires physical interaction between the client and worker. Also known as online-to-offline platform work or mobile labour markets. Work includes delivery and courier services, transport of people, household and skilled manual services.



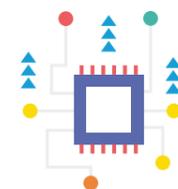
Microtasking

One type of global platform labour where work is broken into individual, usually small, repetitive tasks. These can be as small as transcribing a snippet of hand-written text, classifying an image, or categorising the sentiment expressed in a comment.⁵



Platform economy

All economic activities of suppliers and users which are facilitated by a digital platform.⁶



Platform work

Matching supply and demand for paid work through an online platform.⁷



Platform cooperative

A digital platform designed to provide a service or sell a product and that is collectively owned and governed by the people who depend on and participate in it.⁸



Standard employment

Full-time dependent employment contract of indefinite duration.⁹

⁷ Eurofound 2018

⁸ Sutton 2016

⁹ Organisation for Economic Co-operation and Development 2019

⁵ Wood et al. 2018

⁶ Parker et al. 2016

Introduction

The brave new world of work

The International Labour Organisation (ILO) defines the growth of platform work as “one of the most important transformations in the world of work over the past decade.”¹⁰ While the number of people finding work through digital labour platforms is still relatively marginal (between 1 and 3% of the global labour force¹¹), the figures are expected to grow significantly in years to come. There are approximately 40 million platform workers in the Global South alone and it is estimated that digital labour platforms currently earn at least 50 billion USD per year.¹²

The rise of digital labour platforms is a complex, constantly evolving phenomenon. Having emerged with the internet in the early 2000s, their expansion has since been driven by advancements in digital technologies such as algorithms and application programming interfaces (APIs).

The rapid growth of digital labour platforms can also be contextualised within key sociological and employment trends. Younger generations prefer flexible work arrangements and the Western economy has seen a consistent rise in contract work over the past decade. This is especially prevalent in the United States which has a weaker social welfare system than European countries and where subcontracting, franchising and global supply chains, also referred to as the “fissured workplace”, are becoming increasingly common.¹³

While atypical forms of work are not new, digital labour platforms are leading to profound changes in business models, the organisation of labour and labour relationships. For businesses, digital labour platforms can offer new economic opportunities, access to a larger workforce, the possibility to cut costs and—especially relevant for small businesses—the chance to digitalise services. For workers, platforms can offer an additional source of income, flexible working arrangements and an entry into the formal economy. Additionally, platform work also offers access to new labour markets, skills development, as well as opportunities for marginalised groups such as the differently abled or stay-at-home mothers.¹⁴

At the same time, the rise of these new business models generates new challenges for workers, policymakers, employers and social protection institutions. The controversial tendency to contract workers as independent contractors impacts negatively on workers’ rights, their access to social protection and potentially on state tax revenues since, in most countries, workers’ protection is currently linked to a single employer. The imbalance of power between platforms and workers inherent in the architecture of most platforms raises further

¹⁰ ILO 2018

¹³ Weil 2014

¹¹ Schwellnus et al. 2019

¹⁴ Fabo et al. 2017

¹² Graham 2019

concerns about the erosion of the social contract, workers' rights, and collective bargaining power.¹⁵ In response, several institutions such as the Fairwork Foundation, governments and even some platforms are pushing to establish codes of conduct and minimum standards.

Governments thus face a delicate balancing act: to encourage innovation while at the same time protecting workers' rights, as well as the interests of businesses and consumers.

At present, the regulation of platform work and social protection of platform workers varies across countries and largely depends on how employment, self-employment and other forms of work are regulated and protected nationally.¹⁶ It also depends to some extent on the existence and strength of labour organisation in the offline economy.¹⁷

One challenge currently faced by policymakers stems from the lack of reliable data on workforce composition. As in other forms of atypical employment, platform work is not captured in official national labour statistics. In addition, there is no consensus even among governmental national and international agencies regarding terminology. Adding to the confusion, studies on digital labour often include data on income generated through asset-based platforms (such as Airbnb), skewing conclusions regarding the scale of platform work. Experts in the Global South also point out how available research is largely undertaken through a Western lens, signalling a need for the contextualisation of both research and public policies.¹⁸

Connected to this is the way in which the public debate often focuses on the most visible, on-location food delivery and transport platforms such as Uber, Deliveroo or Glovo, the Spanish micro-tasking platform founded in 2015 and now operating in 26 countries. The media frequently references these on-location platforms, usually focusing on high-profile court cases regarding the (mis)classification of workers as self-employed. However, many less visible labour platforms operating locally and transnationally in other sectors, such as platforms providing home care services, are often overlooked by both journalists and politicians.

Lastly, current disputes between platforms, workers and tax revenue institutions over workers' employment status highlight how many existing labour regulations, social protection schemes and legal frameworks were historically designed for traditional forms of employment. These disputes call into question how well these laws, social protection policies and regulations cater to all atypical work models, beyond that of platform work.

¹⁵ Rosenblat 2018

¹⁶ Forde et al. 2017

¹⁷ Ibid.

¹⁸ Tandem Research 2018; D'Cruz et al. 2016

About this report

The content of this report draws on the work produced by a group of ten international experts who came together for two and a half days in Barcelona in September 2019, as well as on additional desk research.

The first section explores the origins of platform work and provides insights into platform work around the world today. The second section examines key opportunities and challenges experienced by platform workers as identified and prioritised by the working group experts. The last section gives an overview of existing government, platform and worker-led initiatives and presents five new ones proposed by the working group to address said challenges.

Audience

The report aims to spark debates on the implications of platform work and offer insights primarily to policymakers: anyone working within government worldwide who must write or implement rules, governing frameworks and regulations that intersect with technology, and especially those who are participating in future of work commissions or working on labour regulation.

Scope

Collaborative economy, gig economy, sharing economy, and on-demand economy are all terms frequently used interchangeably in current literature. For the purposes of this report, platform economy is used.

The terms "digital labour platforms", "labour platforms" and "platforms" are used interchangeably throughout the report to refer to digital labour platforms. Sales platforms (such as eBay), asset-based platforms (such as Airbnb) and those platforms used for non-commercial transactions are outside the scope of this report.

The focus of both the working group meeting discussions and this report has purposely been centred on workers' perspectives, often underrepresented in current "future of work" literature.

Acknowledging the limitations of a global scope, the report refers to both on-location platforms and global platforms for several reasons. While platforms can vary widely, for instance in terms of the jobs they mediate or the level of pay, they use the same underlying mechanism to disaggregate and distribute work. In both on-location and global platforms, an individual is matched to a specific task request. In both cases, platforms replace a full-time employment model with another model, which offers multiple businesses or clients the possibility to draw on pools of people, ready to respond to any request that can be broken down into a set of instructions, at any time. Put simply, whether they are operating in local or global markets, platforms can match requesters and workers on demand, eliminating the need for long-term formal employment relationships.



State of the art

The origins

The origins of digital labour platforms can be traced back to the US in the early 2000s with the rise of the internet, the growing interest in artificial intelligence and use of algorithms. About a decade ago, US platforms entered the European market and platforms have since proliferated on the continent.²⁰

While data on the origins of platform work in low-income countries is limited, global platforms are believed to hold potential for providing new income and employment opportunities in these countries.²¹ In an attempt to reduce unemployment, the Nigerian government ran workshops in 2013 under its Microwork for Job Creating initiative to introduce thousands of individuals to five of the major global platforms: Samasource, CrowdFlower, Mobile Works, oDesk and Elance.²² Similarly, an experiment in rural Kenya has shown how platform work has provided new sources of income, allowing individuals to start small businesses and invest in education, further enhancing their long-term income prospects.²³

Platform work in context

The growth in atypical work predates the emergence of platforms and explains their rise to great extent. The delocalisation and externalisation of work during the 1970s and 1980s, and the outsourcing and contracting of temporary staff through staffing agencies, primed the platform economy. According to Microsoft researcher Mary Gray, in her recent book *Ghost Work*, “by the time the internet was born, the US was already moving quickly to a reliance on contract-driven services indefinitely staffed by contingent labour.”²⁴ In the 1970s, a number of European countries also took measures to deregulate labour markets by, for example, increasing the number of short or fixed-term contract renewals allowed before turning into full-time employment. This increased labour market flexibility and led to growth in temporary jobs. Such trends have also been visible across lower-income countries where full-time employment remains limited, but contract work provides opportunities for new income streams.²⁵

¹⁹ Eurofound 2015

²⁰ De Groen et al. 2018

²¹ Nickerson 2014; Roy et al. 2013; Narula et al. 2011

²² Graham et al. 2017

²³ ILO 2018

²⁴ Gray 2019

²⁵ Aleksynska et al. 2016

Since the 2000s, Eurofound has documented the emergence of nine new forms of employment in Europe.²⁶ They are characterised by unconventional work patterns and places of work, or by the irregular provision of work, thereby transforming traditional employer-employee relationships.

The rise of digital labour platforms also needs to be set within a wider trend of what is now called the “fissured”²⁷ workplace in which large companies outsource to smaller ones, or hire contractors, freelancers and consultants within the on-demand, flexible workforce. The labour market is becoming increasingly global, allowing for “borderless immigration” of workers.²⁸ These transformations are increasingly facilitated by technological developments. The impact of an increasingly globalised workplace and workforce presents policymakers and regulators with new challenges.

Similarly, the use of algorithmic management is not new. Businesses began using software to schedule employee shifts in the 1980s, a practice which continues to this day. Warehouses frequently use automated systems that instruct staff to pick certain products while monitoring their performance.²⁹ However, in the case of digital labour platforms, the reach of algorithmic management goes beyond scheduling to include behaviour tracking, performance evaluation from client reviews, and automatic implementation of decisions.³⁰ For the ILO, the rise of digital labour platforms is part of a broader shift towards more automated hiring and management processes.³¹

Key drivers

The way in which people find work today has changed dramatically thanks to the internet.³³ In addition, changes in workers’ preferences and the 2008 financial recession have further pushed people to find alternative forms of employment and caused platforms to thrive: a 2016 Pew Research Center report found that nearly 8% of Americans had earned money in that year using digital platforms to take on a job or task.³⁴ In Britain, self-employment accounts for 45% of employment growth since 2008 and now stands at five million people.³⁵ Interestingly enough, most of this growth has been in historically conventional types of work, including administrative support services, information and communication, and health and social work.³⁶

The expansion of platforms can also be explained by the benefits it offers clients. Digital labour platforms open new economic opportunities and the possibility to digitalise services (especially relevant for small businesses using on-location platforms), as well as to cut or eliminate the transaction costs of conventional subcontracting. Platform work facilitates profit maximisation, flexibility (particularly relevant for businesses with irregular production patterns), the possibility of completing jobs around the clock, access to a wide range of skills and experiences including different languages, or competitive prices. It also offers the possibility of reducing point of entry costs related to the establishment of large business structures, thus enabling the creation of microbusinesses with flexible structures and generating opportunities for the democratisation of income generation.³⁷

Typology of digital labour platforms



Figure 1. Typology showing the diversity of digital labour platforms, from microtasking to highly specialised projects. Image source: Adapted from Cañigueral 2019

²⁶ Eurofound 2015

²⁹ ILO 2018

³² Drahokoupil 2016

³⁵ Bell 2017

²⁷ Weil 2014

³⁰ Ibid.

³³ Drahokoupil 2016

³⁶ Tomlinson 2017

²⁸ Fabo 2017

³¹ Ibid.

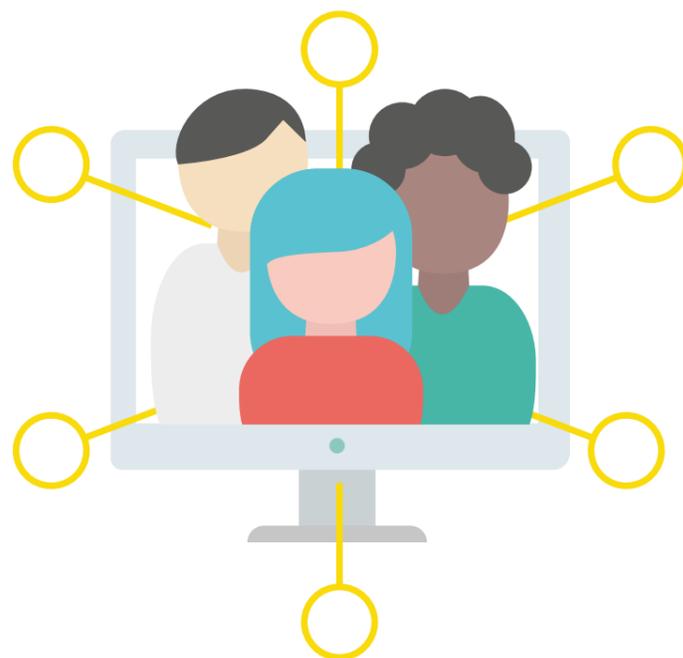
³⁴ Smith 2016

³⁷ Madariaga 2019

Workers' profiles and experiences

Workers' experiences are not universal. Some workers use platforms sporadically to supplement other sources of income while others are highly dependent on one or more platforms. The percentages roughly resemble an 80/20 Pareto distribution.³⁸ About 25% of platform workers, according to EU estimates, heavily rely on platform work as their main source of income and usually have no other jobs.³⁹ The rest use platforms infrequently and have jobs outside the platform economy.⁴⁰

People's motivation to work on platforms varies across countries, sectors and platforms. On one end of the spectrum are those who lack alternatives in the traditional economy and platform work is their only available option. They are likely to have little control in choosing the task, setting pay rates or determining working arrangements. On the other end of the spectrum are, for example, self-employed skilled tradespeople who use platforms such as MyBuilder to find clients, or mid-career professionals who trade their full-time job for a freelance lifestyle and find new clients through Upwork. These workers are likely to have a higher degree of control over their schedule and conditions, including pay.



³⁸ In reference to Vilfredo Pareto's principle of land distribution in 20th century Italy where 20% of Italy's population owned 80% of the land. See Gray et al 2019

³⁹ Forde et al. 2017

⁴⁰ Ibid.

Platform work around the world

It is impossible to say how many platforms currently operate in the world. In Europe, for example, the European Commission estimates that there are 273 platforms across nine countries while another source estimates there are 300 in France alone.⁴¹ Significant discrepancies in definition lead to differences in data collected and different conclusions regarding the scale of platform work.

Global platform work is highly transnational. The Online Labour Index⁴²—the first economic indicator that provides a platform economy equivalent of conventional labour market statistics—reports that most clients are based in the United States (44%), the United Kingdom (8%), Australia (6%) and India (5%). Together, European countries represent approximately 23%.

Workers however tend to be in lower-income countries, mirroring conventional outsourcing industry patterns, with the majority established in India (26%), Bangladesh (21%) and the Philippines (5%) as well as the United States (12%).⁴³

Regarding the split by industries, the software development and technology market is dominated by workers from the Indian subcontinent (55% market share), while services such as accounting, legal services and business consulting are led by UK-based workers.⁴⁴

Research by the 2017 Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA) provides insights into the UK's platform economy. While the media focusses on the more visible platforms (driving and delivery services), the findings confirm that these only represent 16% of the overall platform economy in the UK, with almost 60% of workers providing professional, creative and administrative services and 33% providing manual or personal services.⁴⁵

⁴¹ De Groen et al. 2018

⁴² According to data collated on five of the largest English-language global platforms. See Lehdonvirta 2018

⁴³ Lehdonvirta 2018

⁴⁴ Lehdonvirta 2017

⁴⁵ Balaram et al. 2017.

The global reach of digital labour platforms

Amazon Mechanical Turk (United States)

Mechanical Turk began as an internal website for Amazon employees to log on to in their free time and check for duplicate product entries. Today Amazon Mechanical Turk is one of the world's largest digital labour platforms.

Temper (The Netherlands)

Temper is a digital labour platform for the hospitality industry in the Netherlands that connects freelancers with restaurants, bars, etc. It has over 40,000 freelancers for over 2,500 tasks per week.

Taskberg (India)

Taskberg is a Delhi-based crowdsourcing platform that connects small companies and startups with users. These 'users' are paid for carrying out tasks including app reviews, product feedback and brand promotion. Small companies often don't have the means to reach out to potential users and Taskberg screens and connects them to users of the correct profile to test their products.

Workana (Argentina)

In 2019, Workana connected over 1.8 million freelancers across Latin America, specialising in graphic and web design, mobile and web application development, translation, marketing services.⁸

MAX (Nigeria)

Nigeria's first on-demand motorcycle app, MAX serves as a last-mile delivery service option coupled with a ride-hailing service. The app operates in Lagos and aims to expand across the country and region.

Talabat (GCC)

Talabat is the largest online food ordering platform in the Middle East. It operates across the GCC (Kuwait, Saudi Arabia, Bahrain, United Arab Emirates, Oman, Qatar) and Jordan. Users can order from over 4,300 restaurant partners including brands such as Burger King, KFC, Pizza Hut, Papa John's and Subway, as well as local eateries from different cuisines. The platform was first founded in 2004, and acquired later by Rocket Internet for 170 million USD.

Figure 4: The rise of digital labour platforms is a global phenomenon.
Image source: Digital Future Society

2

Opportunities and challenges

Platform work: a double-edged sword

The benefits and costs of platform work remain highly contested. A brief literature review on the subject shows how different institutional reports present conflicting conclusions. For some, platform work can be an opportunity to improve CVs and learn new skills, while others warn of the risk of platform work leading to “deskilling”.⁴⁶ While platforms are often accused of creating a new class of low-income labourers, they may provide opportunities for marginalised workers such as differently-abled individuals or stay at home mothers.⁴⁷

Platform workers’ opinions of platforms and digital labour vary according to, for instance, age and gender, personal circumstances, reasons for participating in online labour markets, or the type of platform and task involved. Other factors influencing workers’ experiences include the level of dependence on the platform, expectations around what fair pay is, the realities of the local labour market and the degree of control they have when accepting assignments and (in some cases) setting the price.

The experience of a plumber in the UK will be different to the experience of an Amazon Turk worker in Bangladesh, or a designer on Upwork in New York, even if they all find work through a platform. It is thus very difficult to make general and universally applicable statements regarding the opportunities and challenges offered by platforms. This is a key challenge for policymakers drafting regulations.

Some academics argue that current research on the subject is mostly done through Western and European lenses and fails to recognise the contextual realities of other regions with high percentages of platform workers.⁴⁸ India, for instance, is home to 26% of global platform workers⁴⁹ and is ranked second after the USA among freelance nations.⁵⁰ According to experts at the Indian Institute of Management, “most research on crowdsourced paid work is situated in the developed world, focused primarily on Amazon Mechanical Turk and draws attention to the risks posed to workers.”⁵¹ Their report concludes that for the workers they interviewed, the positives of platform work outweigh the negatives.

⁴⁶ Eurofound 2019; Eurofound 2015

⁴⁹ Lehdonvirta 2018

⁴⁷ Fabo 2017

⁵⁰ D’Cruz 2016.

⁴⁸ Tandem Research 2018

⁵¹ D’Cruz 2016

Furthermore, reports typically frame the debate and analysis of platform work from a “traditional full-time work perspective” bias, or the misperception that most people work in traditional forms of employment. This bias is often reflected in labour laws and employment regulations. The challenges posed by the platform model are often expressed in terms of workers losing social protection or rights, such as the right to unionise. This analysis overlooks the fact that not all workers across the world’s offline labour markets enjoy those rights and benefits in the first place. Across the European Union, for instance, about 40% of self-employed workers have no access to sick benefits, and their unemployment and pension coverage is rather limited.⁵²

Opportunities for workers

The working group identified key trends in the opportunities and challenges presented by platforms and outlined below. While these do not apply to workers everywhere in the same way, the aim is to provide insights into the opportunities and challenges raised by these new business models and into the imbalance of power between platforms and workers inherent in the architecture of many platforms.⁵³

Flexibility

According to the Organisation for Economic Co-operation and Development (OECD), the two most common motives to work for digital labour platforms are income and work flexibility.⁵⁴ The flexible schedule offered by platform work can be particularly useful for workers such as students and parents responsible for childcare who may be unable to participate in standard employment. In Italy, for instance, a third of Deliveroo and Foodora courier workers are students.⁵⁵

According to the UK’s Taylor review, flexible labour markets tend to have higher employment rates and lower unemployment.⁵⁶ Employment rights therefore need to strike the right balance between security, flexibility and innovation.

Algorithmic task assignment

Since platforms are heavily reliant on algorithms to assign tasks, both workers and clients can potentially benefit from the efficiency of algorithm-based matching. As a recent Eurofound report points out, “there are some grounds for assuming that automated matching is more objective than a human and hence prevents discrimination against workers based on factors

⁵² Matsaganis et al. 2016

⁵³ Rosenblat 2018

⁵⁴ Schwellnus 2019

⁵⁵ Ibid.

⁵⁶ Taylor 2017

such as ethnicity or disability status.”⁵⁷ This is especially the case with global platforms, which see participation from disadvantaged groups. However, algorithmic assignment can also be a disadvantage for workers by replicating discrimination found in traditional markets.

Economic inclusion

Through their low entry barriers, platforms also offer easy and efficient access to paid work, both local and global. This is particularly relevant for workers in economies and sectors with high degrees of informality (for instance, the care sector), and for those who would otherwise find it difficult to enter the job market: people with health conditions or disabilities, young people, or those not in education, employment or training (NEET). “It’s good for people who have been structurally excluded from the labour market,” says Jeremias Prassl, Professor of Law at University of Oxford. “They go on Upwork and suddenly they are back in the labour market.”⁵⁸

Platform work can also increase economic inclusion and can be particularly useful for temporary or permanent migrants who lack appropriate visas or permits to work in local economies. Oxford Internet Institute researchers interviewed workers from low-income countries (Kenya, Mauritius, Lesotho and Cameroon) temporarily living in Malaysia and South Africa who explicitly described platform work as their only option for securing employment. Unable to work in local labour markets, “they took advantage of the possibility of digital labour platforms to circumvent institutional and regulatory constraints associated with their temporary countries of residence.”⁵⁹

Work experience

For some workers, global platform work offers exposure to large databases of foreign clients and freelancers. Workers can interact with others across the globe, on occasions improve or learn new skills, or try out different roles. According to experts in Denmark and Spain, global platform work can help people improve their CVs, employability and career development.⁶⁰ Competition-based tasks can be an opportunity for young professionals with skills but little experience to enter the labour market or a given sector.

⁵⁷ Eurofound 2019

⁵⁸ Prassl 2018

⁵⁹ Graham et al 2017

⁶⁰ Eurofound 2015

Challenges for workers

Lack of collective voice, representation and bargaining power

One of the most urgent challenges faced by platform workers across sectors and platforms is that on an individual level, it is difficult for workers to achieve effective representation, share problems, take action, organise and resolve disputes with platforms. Two key underlying reasons for this are the difficulty of organising in a changing, mobile workforce and a lack of opportunities to formally create or join established unions.

To begin with, platforms typically contract their workers as independent contractors. In various jurisdictions, this status precludes workers from joining unions and engaging in collective bargaining.⁶¹

This challenge is further aggravated by the solitary structure of digital labour markets. It is difficult for workers spread across geographical realities and in direct competition with one another to establish relationships and form communities, especially when they are moving in and out of platform work.

The difficulties inherent in working alone is something that affects any independent contractor or freelancer in the offline world. However, in the case of platform workers, the “isolation” from other workers is sometimes exacerbated by the platform design itself. According to the Fairwork Foundation, “many platforms make it very difficult for workers to communicate with one another, let alone organise. There is often the risk of being ‘deactivated’ which can make workers reluctant to express their voice. Furthermore, most platforms position themselves as intermediaries rather than employers which means it is less clear who workers can negotiate with.”⁶² This further entrenches workers’ disadvantaged position, making it harder for them to combat any unfair treatment or problem that might arise.

Uncertainty around income

The level of pay varies widely across platforms. In the case of low-skilled work where platforms determine payment, wages are often low.⁶³ This is especially the case in microtasking, which attracts workers from low-income countries, and therefore drives down overall wages. In on-location platform work, platforms like Uber and Deliveroo incentivise workers with guaranteed pay, especially during peak demand times.

Despite this, the volume of work (and therefore income) does not always add up to the equivalent in full-time employment. For global platform workers, tasks and earnings are even more uncertain due to higher job competition and prolonged unpaid periods searching for new tasks.⁶⁴

When the payment is set by platform workers or at least negotiated directly with clients, wages are often more favourable for workers, who have autonomy in selecting rates and determining time spent searching for a task.⁶⁵ Workers on high-skilled platforms such as Upwork or Toptal can earn several thousands of euros, sometimes above average employee wages in the offline market. However, figures are often skewed as it is only a few workers (usually those with highest ratings) who reap all the benefits. Furthermore, in cases where global platforms assign work through contests, high competition and long periods of unpaid time seeking work lead to highly unpredictable earnings.

As in the offline labour market, employment status can impact payment conditions. For instance, few jurisdictions require the payment of collective agreement rates or statutory minimum wages, although there are some exceptions (e.g. Bologna, Italy⁶⁶) and attempts have been made (e.g. Seattle⁶⁷) to improve payment conditions for the self-employed. Even when platform workers generate an income higher than the statutory minimum wage, they may be left with less after paying expenses and commissions to the platform. In May 2019, Uber and Lyft drivers went on a global strike and switched off their app for a few hours to demand higher pay per mile rates and a reduction in Uber’s commission from 25 to 15 per cent.⁶⁸

In India, the Fairwork Foundation’s ratings released in March 2019 concluded that the 12 platforms it ranked in Bangalore (including transport, food delivery, home services and others)⁶⁹ were “paying the minimum wage, including costs.”⁷⁰ However, it must be noted that wages earned through financial incentives were also included in the figures used for scoring, which can skew the conclusions. Financial incentives are offered by platforms for deliveries made, for example, on a bank holiday, during late night shifts or on rainy days. It is hard for regulators to assess if workers are indeed earning minimum wages or rely on incentives to reach that amount. In the case of food delivery platforms, incentives range from 25 to 50 per cent of total earnings. The use of incentives has also raised concerns for luring workers into working excessively long hours and has even been described as “wage theft”.⁷¹

An additional challenge for workers is the shift from understanding wages paid by the hour to paid by task. In other words, workers must calculate the number of tasks they need to undertake to reach a given level of income. This is compounded by the fact that some platforms are protective of the data they collect on workers, including time spent on the platform and average payments.

⁶⁴ Ibid.

⁶⁵ Eurofound 2019

⁶⁶ Ibid.

⁶⁷ Baruchman 2018

⁶⁸ Yang, M. 2019

⁶⁹ See the overall ratings of platforms and their scores on individual Fairwork standards at <https://fair.work/ratings/> (Bangalore)

⁷⁰ As indicated by the fact that all platforms scored 2 points for Fair Pay. See <https://fair.work/> for details on Fair Pay standards and how they are scored.

⁷¹ Thozhilalar Koodam 2018

⁶¹ Johnston 2019

⁶² Graham et al. 2019

⁶³ Eurofound 2019

Distribution of risk and liability

In addition to payment, employment status affects other basic rights and determines the respective rights and obligations of workers and platforms to each other. In cases where platforms workers are contracted as self-employed, yet the platform determines the working conditions, workers risk losing employment rights without fully enjoying the benefits of self-employment.

While truly independent contractors negotiate their own rates and contracts, housecleaners from Handy.com, for instance, depend on the platform software for matching them with clients and setting fees.⁷³ Since 2016, the UK's Employment Tribunal, Employment Appeal Tribunal and Court of Appeal have ruled that Uber drivers are entitled to basic rights including minimum wage and holiday pay even though the company maintains that drivers are self-employed.⁷⁴

Some platforms such as Glovo and Uber offer insurance to platform workers, such as liability or unemployment insurance. Overall however, there is usually an asymmetry between the responsibilities undertaken by the platform and those falling on the individual worker. The "fissured workplace" in turn leads to fissured responsibilities. In the traditional employer-employee relationship, these responsibilities are typically borne by employers and include:

- continued payment of wages when work volume decreases,
- sick pay,
- equipment,
- paid annual leave and unpaid care leave,
- social security contributions and access to unemployment benefits,
- dismissal protection,
- training,
- employee representation,
- pension schemes,
- health and safety minimum standards and employer liability, e.g. if an employee has a job-related injury or illness, the employer will be liable and supposed to cover the damages.

Employment protection legislation usually protects employees against unfair dismissal and wage theft, rights rarely extended to self-employed platform workers. On some microtask platforms, requesters can refuse completed tasks without providing a reason, in which case the worker receives no payment. These rejections are among the chief complaints of global platform workers.⁷⁵

Connected to the above is the lack of clarity regarding the responsibilities of each party. Workers are not always properly informed by platforms at the start of the working relationship about their employment status, rights and responsibilities, such as payment of taxes, for instance.

⁷³ Young 2019

⁷⁴ Chapman 2019

⁷⁵ McInnis 2016

Lack of algorithmic transparency

Algorithmic management is a key feature of most on-location and global platforms.

In food delivery platforms, for instance, algorithms are typically used to match offer and demand using data according to set criteria (positive worker ratings, geographical location, proven skills, etc.). As these business models rely on speed, workers who take too long to accept a task will lose it to another worker. The algorithm does not consider the reasons for the delay, which could be as basic as attending an urgent personal phone call. For the worker, not being quick enough to respond can mean losing work for an hour, which results in an unpaid hour.

While an algorithmic-based system might be more efficient, having to deal with a system rather than a human is a common frustration among platform workers, depriving them of opportunities for discussion or negotiation. A lack of human intervention or empathy to address workers' needs, such as reconciling disputes or inability to take a sick day, can have long term consequences. While offline work provides challenges of its own, algorithmic management has opened new avenues for controlling workers and their behaviour at work.

Furthermore, while platforms like Uber have complete information regarding exact distance travelled, as well as the exact price charged to the client, neither workers nor regulators have access to this data. This creates information asymmetries, giving platforms the upper hand in deciding how to handle such issues. On popular Uber drivers' forum UberPeople.net, accusations have been made in relation to Uber charging surge prices to clients without giving workers their promised cut.⁷⁶

Lack of data ownership

Another challenge related to the use of algorithms and the way in which certain platforms are designed is the lack of access or control workers have over their own data, which can lead to "lock-in" and tie workers to a single platform.

Workers' experience and work completed for a given platform, including their activity, type of tasks completed, reputation scores, clients' reviews and successful projects, is stored by the platform and cannot be used by the worker as an "online CV".

In platform work, reputation is one of the criteria used by both platform algorithms and human clients when selecting candidates. Leaving a platform means workers have to start from scratch, rebuilding a profile and reputation on a new platform. Likewise, when moving from platform work to offline work, workers have found it impossible to get recommendations from the companies they worked for during their time on the platform, leaving them unable to formally account for that time and get recommendation letters.⁷⁷ Platform work tests the continued relevance of standard practices found in traditional job applications such as providing employer references, letters of recommendations and CVs.

⁷⁶ Karanovic 2018

⁷⁷ Robinson 2018

The lack of data also provides major challenge for policymakers, who are forced to pass legislation based on incomplete information. Some municipalities and platforms, such as Washington DC and Uber, have reached a deal to share sensitive pick-up and drop-off data, allowing the city to reconsider street designs or traffic management decisions.⁷⁸

Power imbalance between platforms and workers

At the heart of the challenges described above lies an imbalance of power between platforms and workers. Platforms often describe themselves as simple intermediaries. Often however, the platform is the one setting the rules, designing a model of work that benefits efficient processes and increases profit margins at the expense of clients and customers, who are unable to influence decision making and design processes, and therefore left in a weaker negotiating position.⁷⁹

For instance, a small business that sells through an e-commerce platform can see its profit margin drop if the platform suddenly and unilaterally terminates its contract. Similarly, a translator who accepts tasks through a platform can be severely affected by a client's bad rating, a sudden suspension of their account, or by a lack of understanding on how to better position their profile. In most cases, the platform has the upper hand. Sometimes, platforms charge workers a fee even before they get commissioned for the work.

From the businesses/client point of view, the power imbalance has been addressed through consumer law and the possibility of collective redress. An example is the EU's platform-to-business trading practices regulation that represents "the first-ever rules for a fair, transparent and predictable business environment for smaller businesses and traders on online platforms."⁸⁰ It aims for businesses that use online platforms to have clear information and channels for filing complaints and thus avoid unilateral trading practices by platforms.⁸¹ The European New Deal for Consumers package also aims to protect consumers by providing them with tools for collective redress in the digital era.⁸²

However, platform workers have yet to receive the same level of protection. There are multiple reasons for this, mainly related to the novelty of this phenomenon, the heterogeneity of workers' profiles and types of platform work, the lack of reliable data, and the digital aspect of global platform work characterised by transnational companies with few corporate structures and workers spread around the world.

This lack of protection impacts platform workers in numerous ways, from the disproportionate effects of bad ratings, to exclusion from the platform without notice or explanation, having little or no control over pay or deadlines or not being able to adapt working schedules to unexpected changes. Across platforms, few grievance redress mechanisms exist for workers. This means that a worker can have their account cancelled, for example, and have little or no recourse. Cases where redress mechanisms do exist, such as on Upwork are valued by workers.⁸³

Although power asymmetries differ across platforms, overall, this imbalance of power is an underlying factor present in platforms' modus operandi to varying degrees, and marks their relationship with platform workers. As a transversal phenomenon, it is a root cause of the challenges presented above. Correcting this imbalance of power is the source of inspiration for the five initiatives proposed in the following section.

⁷⁸ Karanovic 2018

⁷⁹ Choudary 2018

⁸⁰ European Commission 2019

⁸¹ Regulation (EU) 2019

⁸² European Commission 2018

⁸³ D'Cruz 2016

3

Initiatives for action

Existing initiatives

Just as platform work has grown over the last five years, so has the number of initiatives trying to tackle some of the challenges including the power imbalance elaborated in the previous section. Like platforms, these initiatives vary widely.

Some are led by multiple stakeholders. FairCrowdWork, for example, is an online rating system similar to TripAdvisor which gives insights into platforms' pay, communication, evaluation systems, and tasks. The data also includes figures on hourly wages and the frequency of non-payment experiences. FairCrowdWork is a joint project of German metalworker's union IG Metall, the Austrian Chamber of Labour, the Austrian Trade Union Confederation and the Swedish white-collar union, Unionen.

Other initiatives are government-led. The French government recently proposed the innovative Social Charter which will allow platforms to offer workers greater protection and benefits.⁸⁴ The Indian central government recently released a draft bill on social security for workers and where for the first time, explicit references to "gig" and "platform" workers were made.⁸⁵ Also in India, the Karnataka state government has initiated discussions on how to regulate platform work, including how to characterise platform-worker relationships and how existing and new regulations may apply to them.⁸⁶ And in 2018, the government of Bologna, Italy, signed a Charter of Fundamental Rights of Digital Workers which sets a minimum wage for certain sectors as well as guaranteed compensation of overtime work, public holidays and circumstances out of workers' control, such as bad weather.⁸⁷

Regarding data and reputation portability, Open Platforms is a Swedish government-led initiative with an international reach, testing a free online "digital backpack" proof-of-concept among platform workers. The service allows workers to connect their data from different platforms. Open Platforms has drafted a first Gig Data Standard and a certification scheme whereby platforms that are connected to the Open Platforms API and thus enable reputation data portability are certified.

⁸⁴ Asociación Española de la Economía Digital 2018

⁸⁵ Code on Social Security 2019

⁸⁶ News18 2019

⁸⁷ Eurofound 2019

Other initiatives are led by unions, non-profit organisations, or workers themselves. Also connected to data portability, the charity Doteveryone is prototyping ideas around standardising reputation data, allowing automated transfer and data use, perhaps through an external legal entity responsible for holding and transferring said data.⁸⁸ Workerbird, the social digital innovation startup, helps workers track their working patterns, provides visual reports on daily or weekly hours and overtime pay. It also helps workers determine whether the hourly rate is above minimum wage and how it compares to the real living wage.

Worker Info Exchange is another non-profit that helps workers access, understand and act on their personal data held by platforms. In what the organisation reports to be an unprecedented legal action, it helped Uber workers prosecute the platform for failure to comply with General Data Protection Regulation (GDPR) requirements. Workers have reportedly been denied access to personal data such as time logged on to the platform (which would allow them to calculate potential income owed in holiday pay and minimum wage back pay claims), GPS and performance data, profiling information and details on how such information is processed.⁸⁹

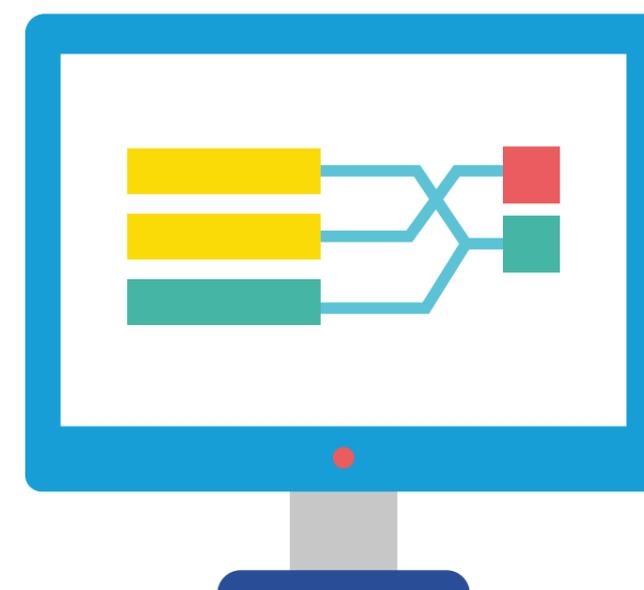
Many unions, especially in Europe and the US, are recognising the need to develop new membership models that do not depend on employment status and have sought to engage platform workers as part of a broader strategy to engage atypical workers more generally.

To date, there have also been different responses to the problems generated by working in isolation. Like freelancers finding other freelancers through a MeetUp⁹⁰ group or a local coworking space, platform workers also regularly meet with other platform workers in their geographical location or connect online. Sometimes the meeting space is provided by the platform itself, as is the case for Glovo and Stuart in Spain, which have a physical space where workers can meet, do paperwork and resolve any issues related to their work. Dynamo—a forum for Amazon Mechanical Turk workers—hosts various forum discussions that involve developing pay guidelines, designing tasks, and promoting collaboration.⁹¹

Workers have set up platform businesses themselves—cooperatives—that are owned and governed by workers, users, or other interested stakeholders. Other workers have formed associations. In Spain for example, delivery workers have established Riders X Derechos and Asoriders. However, in general, these associations suffer from an unclear legal standing on how they can legally defend platform workers' rights. These types of organisations have not been part of the social contract debates so far and are often not included in high-level policy discussions. In addition, although worker-led initiatives might be useful to create a sense of community, their measurable impact in achieving collective action goals needs further study.

In addition, platform workers are increasingly benefiting from a growing range of personalised services offered to them including legal advice, training, bookkeeping, networking, coworking space and insurance. At the moment these types of services—increasingly known as WorkerTech—are offered by new startups developing products and services to support independent workers, and traditional companies (insurance, finance, training, etc.) that have identified a business opportunity and are starting to adapt their services to this emerging workforce.⁹²

Also worth noting is Eurofound's comprehensive repository of existing initiatives in Europe, classified according to the main area of concern: worker representation, arbitration, portable benefits, legislation, standards and code of conduct, taxation, training and so on.⁹³



⁸⁸ Robinson 2018

⁸⁹ Worker Info Exchange 2019

⁹⁰ A social platform used to organise online groups that host in-person events for people with similar interests

⁹¹ Schwellnus et al. 2019

⁹² Cañigueral 2019

⁹³ Eurofound 2018

Five initiatives to achieve balance

The section below outlines five initiatives proposed by working group experts to address some of the challenges described in the previous section. Some initiatives propose the reforms of existing regulations and legislation, changes to the current platform business models or offer alternative ones. They each take inspiration from an existing initiative or project. Additional information on each initiative can be found in the Appendix of this report.

- Initiative 1: Amplify the Atypical Worker's Voice
- Initiative 2: DataWorks!
- Initiative 3: Platform Cooperative Accelerator
- Initiative 4: Worker Status Questionnaire
- Initiative 5: Easy Taxes for Platform Workers

Amplify the Atypical Worker's Voice

It is sometimes difficult for platform workers to achieve effective representation, share problems, take individual or collective action and have a voice in decisions that affect their daily activity. This initiative proposes ensuring legal status to third-party entities (non-profit, public or member-based associations) authorised to represent platform workers in negotiations and collective agreements between platforms and governments.

This initiative would be implemented at the national level and piloted at the local level. It targets platform workers operating as independent workers and/or as employees without union representation. Key players would include self-employed workers associations, chambers of commerce, platform workers, platform companies, national governments and international bodies such as the OECD or the ILO.

The entity would either represent or channel the claims and interests of a group of workers. It would do one option or another depending on local freedom of association laws. The entity would be worker-membership based; members need to be platform workers. Companies would be required to consider, assess and respond with arguments to the claims of workers' associations. If there was no response in a certain timeframe, fines may apply. Aggregated information on claims and best practices would be made public.

Two major differences distinguish this initiative from traditional unions. First, the initiative recognises the collective bargaining rights of workers who are not formally employed. Secondly, it recognises the need for an international approach to organising among workers linked to a global labour supply chain supporting multinational platforms. This does not preclude traditional unions from advocating for opportunities to represent platform workers, but it does clear the way for new entities to represent members' interests independent from traditional union membership.

This initiative has been inspired by...

National Self-employed Workers Association (ATA)

In Spain, self-employed workers cannot join trade unions, but they can join self-employed associations. The largest is the National Self-employed Workers Association (ATA), whose membership is made up of self-employed workers across many sectors. Though not a union, ATA is widely recognised and has joined business associations and trade unions in a government-led forum to discuss labour and employment law reforms and other related issues. ATA offers its members many benefits including access to training and reduced insurance rates.

Furthermore, according to Spanish law, "dependent" self-employed workers (TRADE in Spanish)—those earning at least 75% of their income from a single employer—can sign a "professional interest agreement" with their employer through a third-party entity such as ATA. Apart from offering workers more benefits, the professional interest agreement regulates the relationship between a company and dependent self-employed workers, ensuring the company responds to the association if any major changes are made to contracts. ATA also channels complaints from self-employed workers and with the company, they agree on viable solutions. Deliveroo, for instance, has recently signed a professional interest agreement with Asoriders, currently the largest independent association of couriers in Spain. Benefits for workers include more comprehensive insurance coverage, reduced equipment prices, and unfair dismissal compensation. For more information see: <https://www.asoriders.es>

DataWorks!

A common challenge faced by workers on some platforms is the shift from understanding income paid by the hour to paid by task. This challenge is compounded by the fact that platforms are very protective of the data they collect on workers, including time spent on the platform and average payments. This initiative proposes mandating regular publishing of data by platforms on average income earned and time spent so that it is available to workers, monitoring agencies and data activists. Advances in data analytics have enormous potential in helping platform workers understand how much they can earn and how best to use their time.

This initiative targets platform workers, platform companies, labour departments, worker cooperatives, labour advocates and data activists. The initiative would first be piloted with a willing platform partner and regulated and monitored at the local level. The platform would publish, update and share these datasets and the local government would be involved in monitoring the system.

Upon successful completion of the pilot period, the data would also become accessible to labour departments, labour advocates and data activists. With time, more data activists would work on the data, and insights would emerge as well as the ability to cross-reference data from various platforms.

Upon completion of the pilot, the next step would be the passing of a regulation mandating that platforms publish data on the range of their workers' income and the time they spent working on the platform from the previous month. The regulation should also make it possible for various entities to request the anonymised, aggregated datasets from which these figures are calculated.

This initiative has been inspired by...

UNI Global Young Workers' Lab: The Proving Work project

The UNI Global Union, based in Nyon, Switzerland, represents more than 20 million workers from over 600 trade unions and 150 different countries. Its Proving Work project is a relevant precursor for the DataWorks! initiative with its goal of providing unions with the knowledge, best practices, and digital tools needed to conveniently collect and manage indisputable evidence about the working lives of their members. Much like a fitness tracker for the workday, the project involves building an app through which workers can collect data related to working time, commuting time, distance from home to work, time spent on the road between clients, or even the time spent working whilst commuting. The focus on data related to working lives is similar to DataWorks! which would mandate platforms to publish data that could be fed back into initiatives like Proving Work.

For more information see:

Platform Cooperative Accelerator

At the heart of many of the challenges faced by platform workers lies an imbalance of power between the platform and worker. This initiative proposes a government-run and funded accelerator to cultivate the emergence and development of platform cooperatives. Implemented at the national government level (potentially in partnership with regional, local or municipal governments to run pilots), this initiative targets workers, who benefit through access to platform work that guarantees fair wages, and consumers, who benefit from higher quality services (provided by more engaged and committed workers). The initiative involves government, the academic and technology communities, social innovators, and groups of workers.

A government-created body would provide funding and other forms of support to stakeholders interested in developing new platform cooperatives or converting existing platforms into cooperatives. These ecosystems would consist of teams of workers, social innovators, entrepreneurs, researchers with sectoral expertise, and technology experts. Participants would apply through a competitive process to tackle challenges focused on particular sectors or addressing specific social problems. A first group of ideas would get initial support for concept development, and subsequently a smaller group would get more funding for piloting, and, if successful, scaling. Selection criteria would be based not just on a convincing business model, but also on the ability to respond to social needs or problems identified in the challenges.

This initiative has been inspired by...

Dubai Future Accelerators is a programme owned and managed by the Dubai Future Foundation. The programme facilitates collaboration between government and private sector organisations, start-ups, scale-ups and innovative SMEs from around the world to cocreate solutions for major challenges. Forward-thinking public and private sector organisations are paired with start-ups using the city of Dubai as a living testbed. The 9-week programme is broken down into several stages, to help government entities identify and formulate challenges, and to invite and select international start-ups to solve them. Successful pairs go through a rigorous process of identifying and solidifying synergies and agreeing on a pilot project. Participants are offered mentoring, access to prototyping equipment, access to a market of 2 billion people, and partnerships with government.

For more information see: <https://dubaifutureaccelerators.com>

Up & Go is a New York City-based platform co-op owned by professional cleaners, that offers on-demand cleaning services at a guaranteed fair wage for workers. The platform was founded by four worker-owned cleaning businesses, all majority women-owned. Workers earn 95% of the cost of every cleaning job on the platform. The remaining 5% goes towards platform maintenance.

For more information see: <https://www.upandgo.coop>

Equal Care Co-Op is an emerging new social care platform in the UK. They are running a pilot with a small group of care workers and receivers and have conducted feasibility analyses and user research, focusing on the Upper Calder Valley in West Yorkshire.

For more information see: <https://www.equalcare.coop>

Worker Status Questionnaire

Worker status is often a source of conflict between workers and platforms, especially in transport and delivery services. There is often a lack of information and clarity regarding, on one hand, the rights of workers and on the other, platforms' responsibilities towards workers. For instance, some platforms are unsure whether they can offer training to workers classified as independent contractors. This initiative proposes a questionnaire designed to cover a broad set of principles (e.g. tax scheme, exclusivity clause, level of independence, etc.) that indicate the legal status (employee or self-employed) of the platform worker and the rights and responsibilities of both parties. Governments would draft the questionnaire based on the laws of that jurisdiction. The idea is for workers to complete it before starting to work for the platform, although this could raise a number of obstacles in some cases (see Appendix I).

This questionnaire aims to better inform workers regarding their employment status, rights and obligations. The initiative benefits platforms by reducing the risk of legal challenges. For government authorities, it can enable more accurate tax collection and better enforcement of employment laws. It could be implemented at the national, state or city level (whichever is the relevant legal competence holder). The government would make answering the questionnaire compulsory – it could be part of a tax registration process so that every (legal) employer and employee would be incentivised to fill it out.

This initiative has been inspired by...

CEST: Check Employment Status for Tax

In Britain, the IR35 is a set of tax rules designed to ensure that in those cases where an individual works like an employee, but provides services through an intermediary, they pay the same tax as they would if they were a direct employee. These rules were first introduced in 2000 to tackle “disguised” employment, where some companies were fraudulently claiming that their workers were self-employed rather than employees in order to avoid paying employment taxes.

HMRC is the UK government body responsible for the collection of taxes. HMRC's Check Employment Status for Tax (CEST) questionnaire is an online portal on the British government's website which consists of a series of questions designed to work out whether a person is an employee or self-employed for the purpose of paying IR35 taxes. The portal can be used by the individual worker or the business providing the work. The questionnaire covers two broad topics most indicative of a person's employment status under UK law: control, and financial risk. The questionnaire is indexed to give a specific answer based on the criteria for determining a respondent's employment status.

This portal gives users the view of HM Revenue and Customs (HMRC) on whether a worker is employed or self-employed and therefore what the tax implications are for the individual and the business. As the UK is a common law jurisdiction where employment status is determined by previous case law rather than legal statute, the portal is not legally binding and is intended only as an indicator of a person's likely employment status.

For more information see: <https://www.gov.uk>

Easy Taxes for Platform Workers

Platform workers are often considered independent workers. However, platforms are not designed to facilitate the payment of their income taxes and social security contributions. This initiative is intended to test easy mechanisms to comply with the tax code and social security contributions. It would involve the national/federal government (tax and financial authorities), social security institutions, and platform workers. The main expected impact is an increase in the rates of contributions to taxes and social security paid by workers who use digital platforms to provide a service.

This initiative has been inspired by...

The Retirement Savings Initiative

The Inter-American Development Bank (IDB) launched the Retirement Savings Initiative in 2017 with the aim of increasing the numbers of workers, including platform workers, saving for retirement across Latin America and the Caribbean. In Peru, the IDB together with Cabify and the Universidad del Pacífico have designed a project based on offering Cabify drivers two saving plans. One allows workers to save 2% of their weekly income. The other considers the fluctuation in income: workers save 3% of their income during the “good weeks”, when they have earned above certain amount, and do not save anything at all when their income is below the threshold.

For more information see: <https://www.iadb.org>

Conclusion

Conclusion

“Government must set out its vision of what good work looks like, so that technology is leveraged to provide workers with a better standard of living.”⁹⁴

Having explored the diversity in the way digital labour platforms operate, in workers’ experiences, and in the challenges and opportunities facing workers, this report has attempted to analyse existing and emerging solutions to address such challenges. Future of work discussions call for an urgent need to acknowledge the multiple forms of employment and ways of organising labour that exist today and that go beyond the traditional full-time, employee-employer set-up.

Digital labour platforms offer workers and businesses numerous opportunities. Through platform work, people can access a complimentary or alternative source of income, an entry point into the labour market, an opportunity to work with new clients or develop new skills, and the opportunity to choose when and where to work. Small businesses can digitalise their services and increase their customer base. For large transnational companies, platforms offer a way of leveraging people with different language skills and backgrounds as well as the possibility of completing work around the clock and across time zones.

The potential of digital labour platforms goes beyond opportunities for workers and businesses. First, the rise of digital labour platforms reveals the extent to which current labour legislations and social security systems are designed for people working in full-time jobs, usually with one long-term employer, as well as the inadequacy of these systems in protecting workers in atypical forms of employment, including platform work and self-employment.

Digital labour is also helping to raise awareness around the insufficient national pension protection and tax collection schemes available for platform and self-employed workers. In many countries these collectives are largely exempt from enrolling in earnings-related pensions that are mandatory for standard employees, thus increasing the risk of low old-age income.⁹⁵ This is especially relevant in Europe, where 40% of workers are self-employed or in other atypical forms of work. In OECD countries, atypical work accounts for one third of employment.⁹⁶

In the context of globalisation, automation and demographic changes, debates on pensions for atypical workers are of growing importance. Non-standard employment is expected to grow in the future at the same time as the working-age population is projected to decrease by more than one-third by 2060 in several countries.⁹⁷ Platform work offers policymakers the opportunity to address these urgent issues now and prepare for rapid changes in labour markets.

⁹⁴ Balam et al. 2017

⁹⁶ Ibid.

⁹⁵ OECD 2019

⁹⁷ Ibid.

Secondly, in informal economies, labour platforms can help formalise working relationships and distribute risks and responsibilities between clients and workers in a more equitable way. In sectors such as home-based care work—a predominantly female, precarious, and unregulated sector—the entrance of digital labour platforms has the potential to formalise employment practices, professionalise the sector, and help communities of workers take collective action.

Third, conversations around the future of work and the impact of platforms, lead to a wider debate on the type of society we want to live in, and new discussions on the meaning of good, decent and fair work.

For policymakers, regulators, and legislators to fully leverage the opportunities and address the challenges offered by platforms, certain steps must be taken:

- National labour statistics must evolve to reflect diverse forms of work and fully capture different types of employment. A deeper understanding of the effects of platform work on workers in different economic, social and cultural contexts is also needed. Research on the topic must be sensitive to existing Western and European biases found in hegemonic discourses on the subject.
- Specifically, there needs to be a greater level of understanding on the challenges emerging from new technologies used for disaggregating and distributing labour and managing workers, such as the use of algorithmic management, which already affects platform workers, and increasingly affects workers in the offline world.
- In this respect, international agreements on the governance of data and algorithms in the context of work are required. Some digital labour platforms operate across different jurisdictions, making it difficult to monitor compliance with local labour legislations. To this effect, an international governance system for digital labour platforms that defines basic rights and protections is highly recommended.
- Lastly, international and national policies, regulations and legislation need to be human-centred. Workers' rights and social security should be established and protected regardless of contractual arrangements and employment status. Governments should lead in establishing national strategies on the future of work and further encourage dialogue between public agencies, platforms and workers.

References and acknowledgements

References

Airbnb. (2019). Occupancy tax collection and remittance by Airbnb in Netherlands [online] Available at: https://www.airbnb.es/help/article/2289/occupancy-tax-collection-and-remittance-by-airbnb-in-netherlands?set_bev_on_new_domain=1575917366_NRD2CSFCimmdmTOe

Aleksynska, M., & Berg, J. (2016). Firms' demand for temporary labour in developing countries: necessity or strategy? International Labour Organization. [PDF] Available at: https://www.ilo.org/wcmsp5/groups/public/-/ed_protect/--protrav/--travail/documents/publication/wcms_492724.pdf

Asociación Española de la Economía Digital. (2018). Propuesta normativa en materia de trabajo en plataformas digitales. [PDF] Available at: <https://www.adigital.org/media/propuesta-regulatoria-plataformas-digitales.pdf>

Balam, B., Warden, J., & Wallace-Stephens, F. (2017). Good Gigs: A fairer future for the UK's gig economy. Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA) Action and Research Center. [PDF] Available at: https://www.thersa.org/globalassets/pdfs/reports/rsa_good-gigs-fairer-gig-economy-report.pdf

Baruchman, M. (2018). Battle continues over pay, collective bargaining for Uber, Lyft drivers in Seattle, [online] <https://www.seattletimes.com/seattle-news/transportation/battle-continues-over-pay-collective-bargaining-for-uber-lyft-drivers-in-seattle/>

Bell, T. (2017). The gig economy is a modern twist on an age-old world of work dilemma. Resolution Foundation. [online] Available at: <https://www.resolutionfoundation.org/comment/the-gig-economy-is-a-modern-twist-on-an-age-old-world-of-work-dilemma/>

Cañigüeral, A. (2019). The Digital Labour Market Under Debate. Platforms, Workers, Rights and WorkerTech. [PDF] Available at: https://cotec.es/media/COTEC_PIA_Ouishare_WorkerTech_EN_ExecutiveSummary.pdf

Chapman, B. (2019). Uber drivers in UK cities go on strike in protest over pay and workers' rights. The Independent. [online] Available at: <https://www.independent.co.uk/news/business/news/uber-drivers-strike-london-birmingham-glasgow-nottingham-pay-rights-a8898791.html>

Choudary, S. P. (2018). The architecture of digital labour platforms: Policy recommendations on platform design for worker well-being. International Labour Organization, Future of Work Research Series Papers. https://www.ilo.org/wcmsp5/groups/public/-/dgreports/--cabinet/documents/publication/wcms_630603.pdf

Codagnone, C., Abadie, F., & Biagi, F. (2016). The future of work in the 'sharing economy'. Market efficiency and equitable opportunities or unfair precarisation?. Institute for Prospective Technological Studies, Science for Policy report by the Joint Research Centre.

Airbnb. (2019). Occupancy tax collection and remittance by Airbnb in Netherlands. [online] Available at: https://www.airbnb.es/help/article/2289/occupancy-tax-collection-and-remittance-by-airbnb-in-netherlands?set-bev-on-new-domain=1575917366_NRD2CSFCimmdmTOe

Aleksynska, M., & Berg, J. (2016). Firms' demand for temporary labour in developing countries: necessity or strategy? International Labour Organization. [PDF] Available at: https://www.ilo.org/wcmsp5/groups/public/-/ed_protect/--protrav/--travail/documents/publication/wcms_492724.pdf

Asociación Española de la Economía Digital. (2018). Propuesta normativa en materia de trabajo en plataformas digitales. [PDF] Available at: <https://www.adigital.org/media/propuesta-regulatoria-plataformas-digitales.pdf>

Balaram, B., Warden, J., & Wallace-Stephens, F. (2017). Good Gigs: A fairer future for the UK's gig economy. Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA) Action and Research Center. [PDF] Available at: https://www.thersa.org/globalassets/pdfs/reports/rsa_good-gigs-fairer-gig-economy-report.pdf

Baruchman, M. (2018). Battle continues over pay, collective bargaining for Uber, Lyft drivers in Seattle, [online] <https://www.seattletimes.com/seattle-news/transportation/battle-continues-over-pay-collective-bargaining-for-uber-lyft-drivers-in-seattle/>

Bell, T. (2017). The gig economy is a modern twist on an age-old world of work dilemma. Resolution Foundation. [online] Available at: <https://www.resolutionfoundation.org/comment/the-gig-economy-is-a-modern-twist-on-an-age-old-world-of-work-dilemma/>

Cañigüeral, A. (2019). The Digital Labour Market Under Debate. Platforms, Workers, Rights and WorkerTech. [PDF] Available at: https://cotec.es/media/COTEC_PIA_Ouishare_WorkerTech_EN_ExecutiveSummary.pdf

Chapman, B. (2019). Uber drivers in UK cities go on strike in protest over pay and workers' rights. The Independent. [online] Available at: <https://www.independent.co.uk/news/business/news/uber-drivers-strike-london-birmingham-glasgow-nottingham-pay-rights-a8898791.html>

Choudary, S. (2018). The architecture of digital labour platforms: Policy recommendations on platform design for worker well-being. International Labour Organization, Future of Work Research Series Papers. https://www.ilo.org/wcmsp5/groups/public/-/dgreports/--cabinet/documents/publication/wcms_630603.pdf

Codagnone, C., Abadie, F., & Biagi, F. (2016). The future of work in the 'sharing economy'. Market efficiency and equitable opportunities or unfair precarisation?. Institute for Prospective Technological Studies, Science for Policy report by the Joint Research Centre.

D'Cruz, P. & Noronha, E. (2016). Positives outweighing negatives: the experiences of Indian crowdsourced workers. Work organisation, labour & globalisation Journal. Volume 10, Number 1, Spring 2016. [PDF] Available at: https://www.researchgate.net/publication/304158387_Positives_outweighing_negatives_the_experiences_of_Indian_crowdsourced_workers

de Groen, W. P., Kilhoffer, Z., Lenaerts., Karolien. & Mandl, I., (2018). Employment and working conditions of selected types of platform work, Eurofound. Publications Office of the European Union, Luxembourg. [PDF] Available at: <https://www.eurofound.europa.eu/publications/report/2018/employment-and-working-conditions-of-selected-types-of-platform-work>

Dictionary.cambridge.org. (2019). API | meaning in the Cambridge English Dictionary. [Online] Available at: <https://dictionary.cambridge.org/dictionary/english/api>

Drahokoupil, J., & Fabo, B., (2016). The platform economy and the disruption of the employment relationship, ETUI Policy Brief. European Economic, Employment and Social Policy. Nº5. [PDF] Available at: <https://www.etui.org/Publications2/Policy-Briefs/European-Economic-Employment-and-Social-Policy/The-platform-economy-and-the-disruption-of-the-employment-relationship>

Eurofound. (2019). Platform work: Maximising the potential while safeguarding standards? Publications Office of the European Union, Luxembourg. [PDF] Available at: <https://www.eurofound.europa.eu/publications/policy-brief/2019/platform-work-maximising-the-potential-while-safeguarding-standards>

Eurofound. (2015). New forms of employment, Publications Office of the European Union, Luxembourg. [PDF] Available at: https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef1461en.pdf

Eurofound. (2018). Initiatives. [online] Available at: <https://www.eurofound.europa.eu/data/platform-economy/initiatives>

European Commission. (2018). A new deal for consumers: Commission strengthens EU consumer rights and enforcement. Press Release. [online] https://ec.europa.eu/commission/presscorner/detail/en/IP_18_3041

European Commission. (2019). Platform-to-business trading practices - Digital Single Market - European Commission. [online] Available at: <https://ec.europa.eu/digital-single-market/en/business-business-trading-practices>

Fabo, B., Karanovic, J., & Dukova, K. (2017). In search of an adequate European policy response to the platform economy. Transfer: European Review of Labour and Research, 23(2), 163-175. [PDF] Available at: https://www.researchgate.net/publication/315970517_In_search_of_an_adequate_European_policy_response_to_the_platform_economy

Forde, C., Stuart, M., Joyce, S., Oliver, L., Valizade, D., Alberti, G., Hardy, K., Trappmann V., Umney, C. & Carson, C., (2017). The Social Protection of Workers in the Platform Economy, European Parliament. [PDF] Available at: [http://www.europarl.europa.eu/RegData/etudes/STUD/2017/614184/IPOL_STU\(2017\)614184_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2017/614184/IPOL_STU(2017)614184_EN.pdf)

Graham, M., Hjorth, I. & Lehdonvirta, V. (2017). Digital labour and development: impacts of global digital labour platforms and the gig economy on worker livelihoods. University of Oxford. [PDF] Available at: <https://ora.ox.ac.uk/objects/uuid:431bd77e-7c66-4d9b-815f-c67c25254ddf>

Graham, M., Woodcock, J., Heeks, R., Fredman, S., du Toit, D., van Belle, J-P., Mungai, P. & Osiki, A. (2019). The Fairwork Foundation: Strategies for Improving Platform Work. In proceedings of the Weizenbaum Conference 2019 "Challenges of Digital Inequality - Digital Education, Digital Work, Digital Life" (pp. 1-8). Berlin. [PDF] Available at: <https://doi.org/10.34669/wi.cp/2.13>

Gray, M. L. & Suri, S. (2019). Ghost Work: How to stop Silicon Valley from building a new global underclass. Boston: Houghton Mifflin Harcourt

ILO. (2018). Digital labour platforms and the future of work: Towards decent work in the online world. International Labour Office - Geneva. [PDF] Available at: https://www.ilo.org/wcmsp5/groups/public/-/dgreports/--dcomm/-/publ/documents/publication/wcms_645337.pdf

International Labour Organisation (2019). Non-standard forms of employment (Non-standard forms of employment). [online] Available at: <https://www.ilo.org/global/topics/non-standard-employment/lang-en/index.htm>

Johnston, H., & Land-Kazlauskas, C. (2019) Organizing on-demand: Representation, voice, and collective bargaining in the gig economy. International Labour Office. [PDF] Available at: https://www.ilo.org/wcmsp5/groups/public/-ed_protect/--protrav/--travail/documents/publication/wcms_624286.pdf

Karanovic, J., Berends, H., & Engel, Y. (2018). Is Platform Capitalism Legit? Ask the workers. In Academy of Management Proceedings (Vol. 2018, No. 1, p. 17038). Briarcliff Manor, NY 10510: Academy of Management.

Lehdonvirta, V. (2017). Where are online workers located? The international division of digital gig work. The iLabour project. [online] Available at: <https://ilabour.oii.ox.ac.uk/where-are-online-workers-located-the-international-division-of-digital-gig-work/>

Lehdonvirta, V. (2018). The rise of online labour markets: freelancing and gig working via internet platforms. IAB-Forum [online] Available at: <https://www.iab-forum.de/en/the-rise-of-online-labour-markets-freelancing-and-gig-working-via-internet-platforms/>

Madariaga, J., Buenadicha, C., Molina, E., & Ernst, C. (2019). Economía de plataformas y empleo ¿Cómo es trabajar para una app en Argentina?, CIPPEC-BID - OIT. Buenos Aires. [PDF] Available at: <https://www.cippec.org/economia-de-plataformas-y-empleo-como-es-trabajar-para-una-app-en-argentina/>

Mandl, I. (2019). Let's move beyond platitudes on platform work. Eurofound. [online] Available at: <https://www.eurofound.europa.eu/publications/blog/lets-move-beyond-platitudes-on-platform-work>

Matsaganis, M., Özdemir, E., Ward, T., & Zvakou, A. (2016). "Non-standard employment and access to social security benefits". Research Note 8/2015. [PDF] Available at: <http://ec.europa.eu/social/BlobServlet?docId=15687&langId=en>

McAlone, N. (2015). Here's how Uber got its start and grew to become the most valuable startup in the world Business Insider [online] Available at: <https://www.businessinsider.com/history-of-uber-and-its-rise-to-become-the-most-valuable-startup-in-the-world-2015-9?IR=T>

McInnis, B., Cosley, D., Nam, C., Leshed, G. (2016). Taking a HIT: Designing around rejection, mistrust, risk, and workers' experiences in Amazon Mechanical Turk, Proceedings of the 2016 CHI Conference on Human Factors in Computing Systems, San Jose, CA, 7-12 May, pp. 2271-2282.

Ministry of Labour and Employment, Government of India. (2019) Code on Social Security, 2019 [PDF] Available at: https://labour.gov.in/sites/default/files/THE_CODE_ON_SOCIAL_SECURITY%2C2019.pdf

Narula, P., Gutheim, P., Rolnitzky, D., Kulkarni, A., & Hartmann, B. (2011). MobileWorks: A mobile crowdsourcing platform for workers at the bottom of the pyramid, paper presented at the 3rd Human Computation Workshop (HCOMP '11), San Francisco, 8 Aug 2011. [PDF] Available at: https://www.researchgate.net/publication/221603610_MobileWorks_A_Mobile_Crowdsourcing_Platform_for_Workers_at_the_Bottom_of_the_Pyramid

News18. (2019). Karnataka Mulls Social Security Cover For Uber, Ola, Delivery Personnel Of Online, App-Based Platforms. [online] Available at: <https://www.news18.com/news/india/karnataka-mulls-social-security-cover-for-uber-ola-delivery-personnel-of-online-app-based-platforms-2355445.html>

Nickerson, J.V. (2014). "Crowd work and collective learning", in A. Littlejohn and A. Margaryan (eds): Technology-enhanced professional learning (New York and London, Routledge), pp. 39-49. Available at: <http://ssrn.com/abstract=2246203>

European Commission and OECD. (2019). Pensions at a Glance 2019: OECD and G20 Indicators. OECD Publishing. [PDF] Available at: <https://doi.org/10.1787/b6d3dcfc-en>

Organisation for Economic Co-operation and development (2019). New Forms of Work and the Future of Work - OECD. [online] Available at: <https://www.oecd.org/employment/future-of-work/fow-non-standard-work.htm>

Parker, G. Van Alstyne, M. & Choudary, S. (2016). Platform Revolution: How Networked Markets Are Transforming the Economy - and How to Make Them Work for You. New York: Norton.

Prassl, J. (2018). Humans as a Service. The Promise and Perils of Work in the Gig Economy, Oxford University Press

Prassl, J. (2019). What if your boss was an algorithm? Economic Incentives, Legal Challenges, and the Rise of Artificial Intelligence at Work. Comparative Labor Law and Policy Journal [PDF] Available at: <https://ora.ox.ac.uk/objects/uuid:674dbed4-317d-47a9-b10a-688892aeaf34>

Regulation (EU) 2019/1150 of the European Parliament and of the Council 20 June 2019 [online] <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32019R1150>

Riso, S. (2019). Mapping the contours of the platform economy, Working Paper. Eurofound [PDF] Available at: <https://www.eurofound.europa.eu/sites/default/files/wpef19060.pdf>

Robinson, C. (2018) Exploring portable ratings for gig workers. Doteveryone. [online] Available at: <https://medium.com/doteveryone/exploring-portable-ratings-for-gig-workers-5632fd9b262e>

Rosenblat, A. (2018). Uberland: how algorithms are rewriting the rules of work. University of California Press.

Roy, S., Balamurugan, C. & Gujar, S. (2013). Sustainable employment in India by crowdsourcing enterprise tasks, paper presented at Annual Symposium on Computing for Development (DEV '13), Bangalore, 11-12 Jan 2013.

Schwellnus, C., Geva, A., Pak, M., & Veiel, R., (2019). Gig economy platforms: boom or bane? Economics Department Working Papers, OECD. [PDF] Available at: [http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP\(2019\)19&docLanguage=En](http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP(2019)19&docLanguage=En)

Smith, A. (2016). Gig Work, Online Selling and Home Sharing. Pew Research Center. [online] Available at: <https://www.pewresearch.org/internet/2016/11/17/gig-work-online-selling-and-home-sharing/>

Sutton, M., (2016) "A shareable explainer: what is a platform co-op? [online] Available at: <https://www.shareable.net/a-shareable-explainer-what-is-a-platform-co-op/>

Tandem Research. (2018). Work 2030, Tandem Research — EMSD. [PDF] Available at: <https://tandemresearch.org/assets/Tandem-Work2030-Small.pdf>

Taylor, M., Lovitt, P., Skilbeck, J. & Thomas, T., (2017) The Taylor review of modern working practices. [PDF] Available at: <https://www.gov.uk/government/publications/good-work-the-taylor-review-of-modern-working-practices>

Thozhilalar Koodam (2018). Swiggy Workers are the Latest Victims of the Incentive trap [Online] Available at: <https://tnlabour.in/featured/7701>

Tomlinson, D. & Corlett, A. (2017) A tough gig? The nature of self-employment in 21st Century Britain and policy implications. Resolution Foundation. [online] Available at: <https://www.resolutionfoundation.org/publications/a-tough-gig-the-nature-of-self-employment-in-21st-century-britain-and-policy-implications/>

Weil, D. (2014). The fissured workplace. Harvard University Press.

Wood A., Lehdonvirta, V. and Graham, M., (2018). Workers of the Internet unite? Online freelancer organisation among remote gig economy workers in six Asian and African countries. *New Technology, Work and Employment* 33(2):95-112.

Worker Info Exchange (2019). We take action against Uber GDPR violations. [online] Available at: <https://workerinfoexchange.org/index.php/2019/08/29/we-take-action-against-uber-gdpr-violations/>

Yang, M. (2019). Uber, Lyft drivers strike in cities worldwide ahead of Uber IPO [online] <https://www.aljazeera.com/news/2019/05/uber-lyft-drivers-strike-cities-worldwide-uber-ipo-190508120954420.html>

Young, M. (2019). Are platform workers really their own boss? *OECD Observer*. [online] Available at: http://oecdobserver.org/news/fullstory.php/aid/6140/Are_platform_workers_really_their_own_boss_.html

Acknowledgements

Digital Future Society is an initiative of Mobile World Capital Barcelona and Red.es. On behalf of the entire team, we are grateful to the following contributors for their time and inputs to this report.

Working Group

This report has been made possible thanks to the contributions and inputs of the Equitable Growth working group of the Digital Future Society Think Tank, comprised of the following members:

- **Albert Cañigüeral** - Spanish Language Connector, Ouishare
- **Carlota Marzo** - Public Policy Specialist, Glovo
- **Eva Fabry** - Director, European Center for Women and Technology
- **Isaac Stanley** - Researcher, Nesta
- **Janaki Srinivasan** - Assistant Professor, International Institute of Information Technology Bangalore
- **Mary Gray** - Senior Researcher/Associate Professor, Microsoft Research/Indiana University
- **Mohamed Elimam** - Project Manager, Smart Dubai
- **Nicky de Groot** - Vice-president of the Labour and Immigration Law Commission, International Association of Young Lawyers
- **Oliver Azuara** - Senior Economist, Inter-American Development Bank
- **Seamus Nevin** - Chief Economist, Make UK

Expert Contributors

We would also like to thank the following experts whose insights and efforts also contributed to this report:

- **Jovana Karanovi** - FFounder/Researcher, Reshaping Work/KIN Center for Digital Innovation, VU Amsterdam

Appendix

Appendix

The tables below include a roadmap, suggestions for scalability, potential obstacles and unintended consequences as well as information on additional inspiring examples for each of the five initiatives presented in the previous section.

Initiative 1: Amplify the Atypical Worker's Voice

<p>Roadmap: How can this proposal be implemented by a government?</p>	<ol style="list-style-type: none"> 1. Pass legislation authorising third-party entities to represent platform workers, recognising their role and capacity to mediate and intermediate before platforms. 2. Statutes overhaul: change registry and certification statutes so that the third-party entity can be registered. Change statutes of dispute resolution systems for the same purpose. 3. Regulate registry and enforcement processes. 4. Clarify what these entities can do for workers. 5. Clarify what platforms can do for workers. Platforms need to know they are not taking on legal risks when responding to complaints channelled through the third-party entity. For instance, if workers demand more training, platforms need to know whether they can legally offer it themselves or must underwrite external entities to provide the requested training. 6. Implement a monitoring and evaluation procedure to ensure the bodies representing workers represent the voices of all, rather than few workers. Agree on milestones to ensure original vision and purpose of the entity remains intact over time.
<p>How can this initiative be scaled and replicated?</p>	<p>An international agreement is needed for implementation and interoperability as many workers work for international platforms. Local models can be used to illustrate the capacity for third-party entities to serve as mediators and brokers of workers' needs. Alternatively, organisations such as the ILO could mediate such agreements.</p>
<p>What obstacles might emerge in the implementation?</p>	<ul style="list-style-type: none"> • The bias towards full-time employees could lead to a resistance to opening the membership base to all independent workers regardless of how many hours they work. There might be difficult conversations around whether workers who only work a few hours a week can join, or whether only the most active should be allowed. • Current legal systems are designed to resolve disputes affecting employed workers, rather than those in atypical forms of employment.

Initiative 1: Amplify the Atypical Worker's Voice (continued)

	<ul style="list-style-type: none"> Under antitrust laws in the US, initially developed to control corporate power, a demand for higher pay made by platform workers who come together through an association could be considered illegal. Key to countering antitrust claims would be proof that the third-party entity representing workers has nothing to gain financially. Traditional unions might perceive these new entities as their competitors. Third-party entities would need support operating internationally to represent globally networked on-demand workforces. The international scale of global platforms presents several challenges as they operate across several jurisdictions. It is difficult for a worker to know where or who to complain to and which legal authority has the power to deal with their complaint. The implementation of this initiative is limited to what national laws allow platforms to do in response to workers' grievances. In these cases, third-party entities would need to mediate and negotiate with these national laws in mind.
<p>What is needed for this initiative to be successful?</p>	<ul style="list-style-type: none"> ILO and OECD backing the mechanism and reaching agreement. An international agreement and guidelines would help encourage governments to implement this initiative and would make its enforcement more feasible in countries with global platforms. Funding would come from 3 streams: workers' membership dues; a small operational fee charged to any company to maintain an open channel of communication for negotiation with the associations, and significantly higher government taxation of corporate entities that do not currently have worker representation in place. The taxation framework would incentivise firms to support workers' collectively organising locally rather than blocking workers from seeking opportunities to voice their needs. Additionally, associations could provide a range of fee-based services to enterprises, such as worker verification, reputation management, training, and other atypical workforce development opportunities that they are not legally able to provide but nonetheless benefit from.
<p>What could be the unintended consequences?</p>	<p>All independent workers beyond those in platform work will be affected, as they too, will be able to form and join representative associations. The growth of these representative entities could lead to platform and other independent workers' concerns being heard, to rights and benefits being separated from worker status and thus lead to an end in the bias towards full-time employment. On the other hand, unintended consequences might be failing to represent all workers or falling prey to lobbying.</p>

Initiative 1: Amplify the Atypical Worker's Voice (continued)

<p>Additional examples</p>	<p>SMartBe (Société Mutuelle pour les Artistes, formerly SMart)</p> <p>A community-based organisation offering administrative, accounting and legal services to artists and other independent workers. SMartBe invoices contractors on behalf of its members and, after deducting a fee and the respective taxes and contributions, pays a salary to its members.</p> <p>In Belgium, SMartBe developed a joint protocol with Deliveroo in 2016 which improved riders' working conditions and pay. From May 2016 to October 2017, 90% of Deliveroo riders in Belgium worked through SMartBe. The initiative shows how platform workers can improve their access to social protection and assert their rights by banding together.</p> <p>For more information see: https://smartbe.be/</p>
----------------------------	--

Initiative 2: DataWorks!

<p>Roadmap: How can this proposal be implemented by a government?</p>	<ol style="list-style-type: none"> 1. Activate pilot to test data publishing. 2. Leverage feedback from trial to issue guidelines on publishing certain parameters (income, time, range) and making relevant datasets available. 3. Implement a monitoring mechanism to ensure data is accessible upon request. 4. Identify alternative data sources such as banks or individual workers in case platform datasets are inaccessible or insufficient. 5. Conduct further analysis to cross-reference data from different platforms, enabling workers to compare.
<p>How can this initiative be scaled and replicated?</p>	<p>Requiring a standard for the data output will facilitate the scaling-up of this initiative. In addition, similar piloting and data management regulations in other regions will enable this initiative's replication elsewhere.</p>
<p>What obstacles might emerge in the implementation?</p>	<ul style="list-style-type: none"> Lack of interest from workers or the platform. Sharing this data could expose platforms to competitors, leading to their reluctance to share data in the first place. Inability to monitor whether platforms follow data publishing and sharing guidelines, including regular updating. Lack of a legal framework to create or implement the guidelines at the core of this initiative, especially where cross-border platforms are concerned.

Initiative 2: DataWorks! (continued)	
What is needed for this initiative to be successful?	<ul style="list-style-type: none"> • Worker interest and capacity to use the data that is published. • Compatibility with legal frameworks, especially data privacy laws such as the GDPR. • Incentives for workers and platforms to participate and for government to monitor that the platform publishes data regularly. • Data activists' ability to make guidelines and data more visible and usable by workers and their advocates.
What could be the unintended consequences?	There could be privacy and data breach concerns. Non-platform workers in similar sectors might be able to use the published data in some ways to argue for changes. This initiative could also lead to a wider discussion around data ownership – who owns the data generated about workers? Finally, the data could affect the platform business model by exposing them to competitors.
Additional examples	<p>Uber Movement provides cities mobility-related data collected by Uber. For more information see: https://movement.uber.com/</p> <p>The data portal of the city of Chicago makes government data, such as mobility data, available to the public. For more information see: https://data.cityofchicago.org/</p> <p>The Indian Right to Information movement has been working to make government information available to citizens by law for more than a decade. It sprang from public sector workers' attempts to see details of the work they performed (time worked, activities completed, wage calculations, etc.). In conjunction with other labour laws it could help frame and justify the DataWorks! initiative to mandate data publishing by platforms. For more information see: https://rti.gov.in/</p> <p>On sites like Glassdoor, Turkopticon, and Faircrowdwork, workers review their experience, including reviews of individual employers. Like the proposed DataWorks! initiative, the information obtained through these reviews allow workers to gauge some aspects of working for a specific platform. However, these initiatives are different to DataWorks! as data comes from individual workers and not the platform. Nor do they include all possible workers' reviews but only from those that have chosen to submit reviews. For more information see: https://www.glassdoor.co.in/; https://turkopticon.ucsd.edu/; http://faircrowd.work/</p> <p>JobTech, developed by the the Swedish Public Employment Service, provides the infrastructure that enables all labour market actors to share data and collaborate. It could provide an entry point to think about data standards that will be required for the DataWorks! Initiative to work well. For more information see: https://jobtech.co/</p>

Initiative 3: Platform Cooperative Accelerator	
Roadmap: How can this proposal be implemented by a government?	<ol style="list-style-type: none"> 1. Identify key stakeholders and understand appropriate parties to lead such an initiative. 2. Pool funding from national government budget, and if needed, seek private sector sponsorship. 3. Create an ecosystem with an unbiased governance model and clear terms of reference. 4. Identify challenges and existing solutions. 5. Receive applications from start-ups, research institutes and civil society organisations. 6. Shortlist those that are most suitable to address the identified challenges, bridge the gap of existing solutions, and compete in the current market. 7. Incubate and accelerate solutions to be able to self-sustain.
How can this initiative be scaled and replicated?	Funding would come from national government. Piloting would be done on a local level with expectations to scale solutions/platforms to national level. In certain regions, like the EU, solutions/platforms could scale across borders.
What obstacles might emerge in the implementation?	<ul style="list-style-type: none"> • Sometimes, it will be difficult for platforms emerging out of this programme to compete with solutions and platforms already existing in the market. • It could be difficult to attract workers who are accustomed to the existing model of platforms. • It will be critical for governments to develop a model that will ensure that the government retains shares even when platforms go on to grow and become independent. • It will be critical to ensure that regardless of government funding, these platforms retain their private sector-like competitiveness.
What is needed for this initiative to be successful?	<ul style="list-style-type: none"> • A committed consortium to support the development of these platforms. • Buy-in from local and national governments. • Sufficient capital to scale these platforms.

Initiative 3: Platform Cooperative Accelerator (continued)

What could be the unintended consequences?	There could be unforeseen consequences as a result of long-term public funding such as unfair competition or labour market interference.
Additional examples	UnFound is a pilot accelerator launched by Co-operatives UK and Stir to Action, which will give emerging co-op platforms the opportunity to access the UK's first structured programme of support for this type of organisation. For more information see: http://unfound.coop/

Initiative 4: Worker Status Questionnaire

Roadmap: How can this proposal be implemented by a government?	<ol style="list-style-type: none"> 1. The relevant level of government in the jurisdiction would compose a set of questions (this will be more difficult in common law jurisdictions where employment law is based on case law more than statute). 2. Oblige both the platform and the worker to complete the questionnaire so the system gets both sides' version of the answers and can compare them when giving an answer. That way, disagreements about a worker's status are highlighted at the beginning. 3. It would be compulsory to register the results with tax and labour law enforcement authorities to identify any discrepancies which can then be investigated if necessary. Upon receiving questionnaire results, workers could tick a box to say whether they accept the job.
How can this initiative be scaled and replicated?	While there would be country-specific alterations to the questions posed and responses given to users of the questionnaire and special attention would need to be paid to individual differences between jurisdictions, the model of a Worker Status Questionnaire can, in principle, be replicated easily in each legal jurisdiction. Civil (statute) law jurisdictions should be able to design a Worker Status Index relatively easily. The main replicability challenge will be experienced by common (case) law jurisdictions, where determining a worker's likely employment status depends on the precedent of previous legal case law rulings.

Initiative 4: Worker Status Questionnaire (continued)

What obstacles might emerge in the implementation?	<ul style="list-style-type: none"> • More difficult to compose a framework of questions for common law jurisdictions because of their reliance on case law. • More difficult to enforce findings against a platform company that does not have a physical presence in the country where the platform workers work. • Little incentive for platforms to participate.
What is needed for this initiative to be successful?	<ul style="list-style-type: none"> • Actively monitoring and enforcement by the relevant labour market enforcement authority in the jurisdiction. In the UK, for example, there are three distinct government backed authorities depending on the nature of the employment issue: the Gangmasters and Labour Abuse Authority (GLAA), the Employment Agency Standards Inspectorate (EAS), and Her Majesty's Revenue and Customs National Minimum Wage and National Living Wage team (HMRC NMW). One way of enforcing the requirement to answer the questionnaire is by the tax authority not allowing a firm or worker to register that job unless the questionnaire is completed. In most, if not all countries, not registering the job would be a breach of tax law because it would be considered illegal employment. • Sufficient consequences for non-compliance (not filling out the questionnaire). The consequence could be that workers are unable to register with the tax authorities and therefore would be breaching tax law, making workers liable to punishment. Other penalties such as fines could exist for platforms. The point is not to be heavy-handed but to incentivise all parties to fill out the questionnaire.
What could be the unintended consequences?	Digital platforms will need to change their business model in response to the questionnaire suggesting their workers have a different employment status.
Additional example	The Dutch Ministry of Social Affairs and the Dutch tax authorities did a pilot with a digital questionnaire submitted to employers, unions and self-employed workers. 8000 companies completed the questionnaire for the workers that they hired. The pilot has concluded that most self-employed workers are likely to have standard employee status. The questionnaire is designed to give companies more security about the workers' status and clarity on whether the Dutch tax authorities qualify the workers as self-employed or employees. With the tool they should know beforehand whether they must pay income tax and social security premiums.

Initiative 5: Easy Taxes for Platform Workers

<p>Roadmap: How can this proposal be implemented by a government?</p>	<p>Governments can design a pilot project to test different mechanisms, modelled around existing examples, such as Amsterdam municipal authorities collecting taxes directly via Airbnb.⁹⁸ The steps for its implementation could be the following:</p> <ol style="list-style-type: none"> 1. Select a country/city 2. Identify a sector that is more likely to participate and start with location-based platforms 3. Identify a platform partner 4. Design an intervention (rates, periodicity, benchmark) 5. Develop different features or mechanisms in the platform that could give the worker the option to pay the contributions or taxes (instead of doing this by themselves) 6. Determine which mechanism is more cost-effective 7. Design the feature for the easy payment 8. Proper communication to the gig workers about the importance of their contributions 9. Test the design <p>Based on the evidence collected through this intervention, authorities would be able to define specific mechanisms and adapt it to the local conditions. This could be an important step towards having effective coverage of social security for workers in the informal sectors, an important fraction of the labour force in middle-income countries.</p>
<p>How can this initiative be scaled and replicated?</p>	<p>If the pilot is successful and some of the large platforms in different industries (transport, couriers, freight) adopt it, then it would be natural to expand it to the rest of the platforms. This would mainly be done by reusing the API and standardised data formats used in the exchange between the public administration and the platform and defined during the pilot.</p>
<p>What obstacles might emerge in the implementation?</p>	<ul style="list-style-type: none"> • Introducing a withholding tax is controversial and thresholds must be set with caution. Many workers in the platform economy might make an income below the taxable threshold, in which case most of the money would have to be returned to them after completing their tax return, and the scheme would restrict their immediate cashflow.⁹⁹ • In addition, a badly designed scheme can reduce the incentive to pay contributions. Bad designs would include high contribution rates, a complex payment mechanism, no effective benefits or no credible consequences in the case of non-compliance. • No interest from platforms to participate in the pilot and flaws in the functioning of the payment scheme and connection with the fiscal authorities can be other obstacles.

Initiative 5: Easy Taxes for Platform Workers (continued)

<p>What is needed for this initiative to be successful?</p>	<ul style="list-style-type: none"> • An effective incentive design. • Easy payment feature in the app. • Transparency in the payments made by the platform and workers. • Awareness among platform workers. • Champion that facilitates the experimentation of mechanisms, such as a platform interested in improving the living conditions of their workers.
<p>Additional examples</p>	<p>The UK government is conducting research and trials on different approaches to help self-employed workers save for retirement. It has invited organisations from a range of sectors, including invoicing software providers and accounting organisations, to work with the Department for Work and Pensions (DWP) to co-design and test interventions. For more information see: https://www.gov.uk/</p> <p>Ideas42 uses behavioural science to solve problems in health, education, criminal justice, international development, and government efficiency. Ideas42 has undertaken the first application of behavioural science across a major government-regulated financial system in Mexico to help people save for retirement. For more information see: https://www.ideas42.org/</p> <p>Honest Dollar is a digital retirement savings platform specialised in small businesses and independent contractors, acquired by Goldman Sachs in 2016. For more information see: https://www.honestdollar.com/</p> <p>Nomo is a Spanish app launched by Sabadell bank that helps freelancers track expenses, generate invoices and file taxes. For more information see: https://nomo.es/</p> <p>Hurdlr is an app that helps workers file their taxes by automatically tracking mileage, expenses, income streams, and tax deductions in real-time. For more information see: https://www.hurdlr.com/</p>

⁹⁸ Airbnb 2019

⁹⁹ Balaram et al. 2017



**Digital
Future Society**