

# Seminar: Work in the Platform Economy

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## Worker rights and social protection of workers in the platform economy

**Ursula Huws**

**Professor of Labour and Globalisation**

**University of Hertfordshire**

*u.huws@herts.ac.uk*

**University of  
Hertfordshire UH**

# Confusing developments in discourse and the corporate landscape

- Collaborative economy
- Crowdsourcing
- Workforce on demand
- Cloudsourcing
- Human cloud
- Sharing economy
- Digital labour
- Prosumption
- Co-creation
- Uberisation
- Peer-to-peer networking
- Playbour
- Mesh Economy
- Gig economy
- Liquid labour
- Platform capitalism
- Online talent platform
- Just-in-time workforce



# The historical context

A convergence of several pre-existing trends reaching critical mass, linked with digitalisation and globalisation

- Use of online platforms for managing work
- Development of a global 'reserve army' of workers equipped with digital skills and speaking global languages
- Standardisation of tasks
- Erosion of traditional means of finding work/services in favour of search engines
- Further evolution of global outsourcing of digital work – extending to SMEs the advantages previously only available to large corporation (through business models that absorb transaction costs of intermediation and charge a rent for use)
- Formalisation of the informal economy, bringing casual workers within the disciplinary scope of online platforms

# The policy context

High policy interest in the gig economy at the European level:

- Digital single market – seen as essential for economic development and growth
- An example of social innovation?
- Potential for job creation?
- Restructuring in the aftermath of financial crisis
- Concerns from trade unions, consumer groups and government bodies about (inter alia):
  - Occupational health and safety – including psycho-social risks
  - Consumer safety
  - Employment status and workers' rights
  - Insurance
  - Tax and insurance
  - Implications for social benefit systems
  - Sustainability of new work models
- Need for systematic research

# Towards a working definition of 'crowd work'

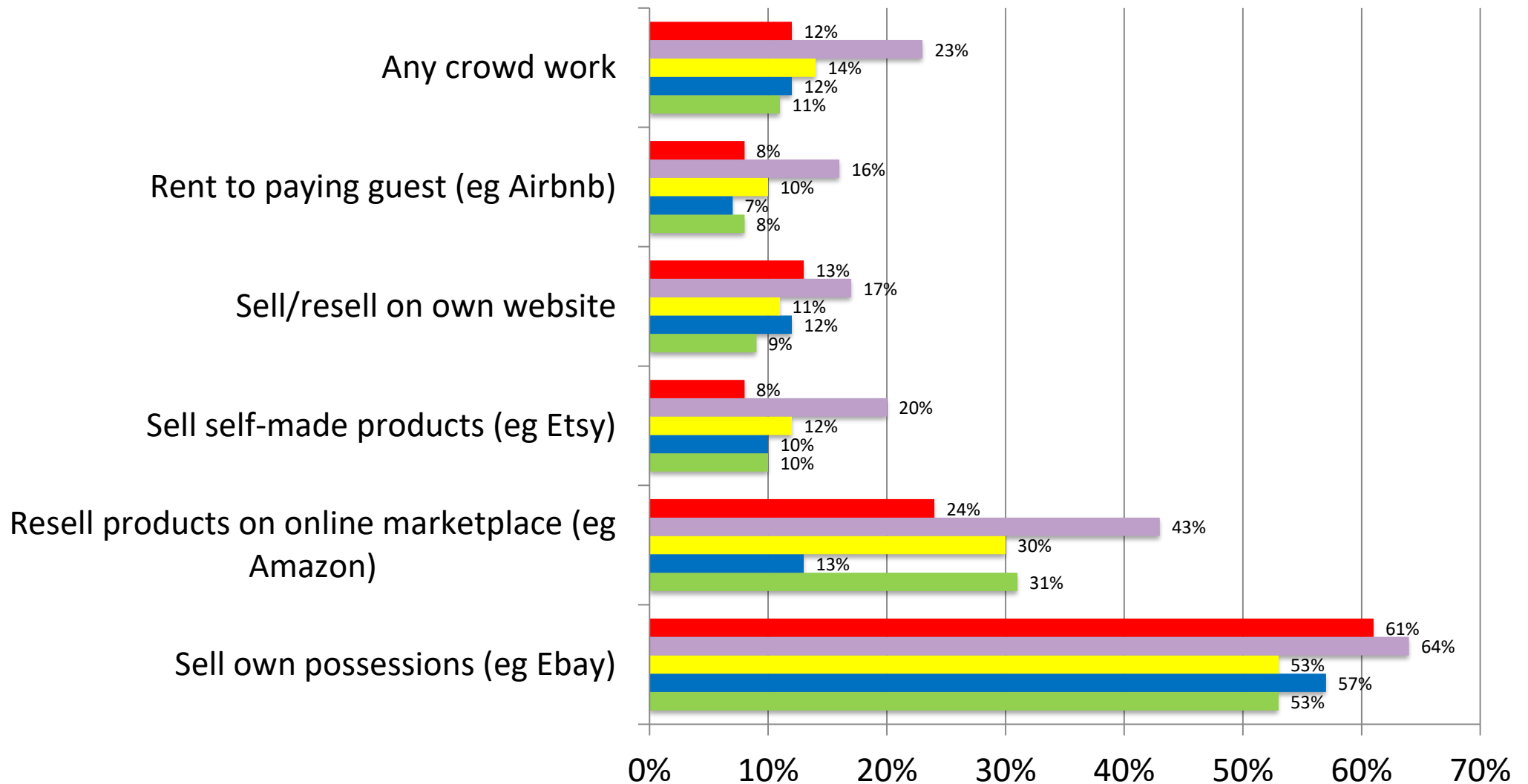
- Defined as paid work managed via online platforms (in recognition that dimensions may be blurred) e.g.
  - Fuzzy distinction between paid and unpaid work
  - Unclear definition of 'online platform'
- A functional typology
  1. Online work with online management
    - a. High-skill work carried out online - independently of location – managed via platforms like Upwork, typically by creative professionals such as graphic designers, editors, software engineers etc.
    - b. Low-skill work carried out online - independently of location – managed via platforms like Clickworker or Amazon Mechanical Turk, typically by people without formal qualifications in the tasks they are required to do (though some high-skill workers/tasks may be involved)
  2. Offline work with online management
    - a. Driving or delivery work carried out in public spaces – managed via platforms like Uber, Lyft, Deliveroo etc.
    - b. Service work carried out in people's homes or other premises – managed via platforms like Taskrabbit, MeetACarpenter etc.

# A survey to measure extent and characteristics of crowd work

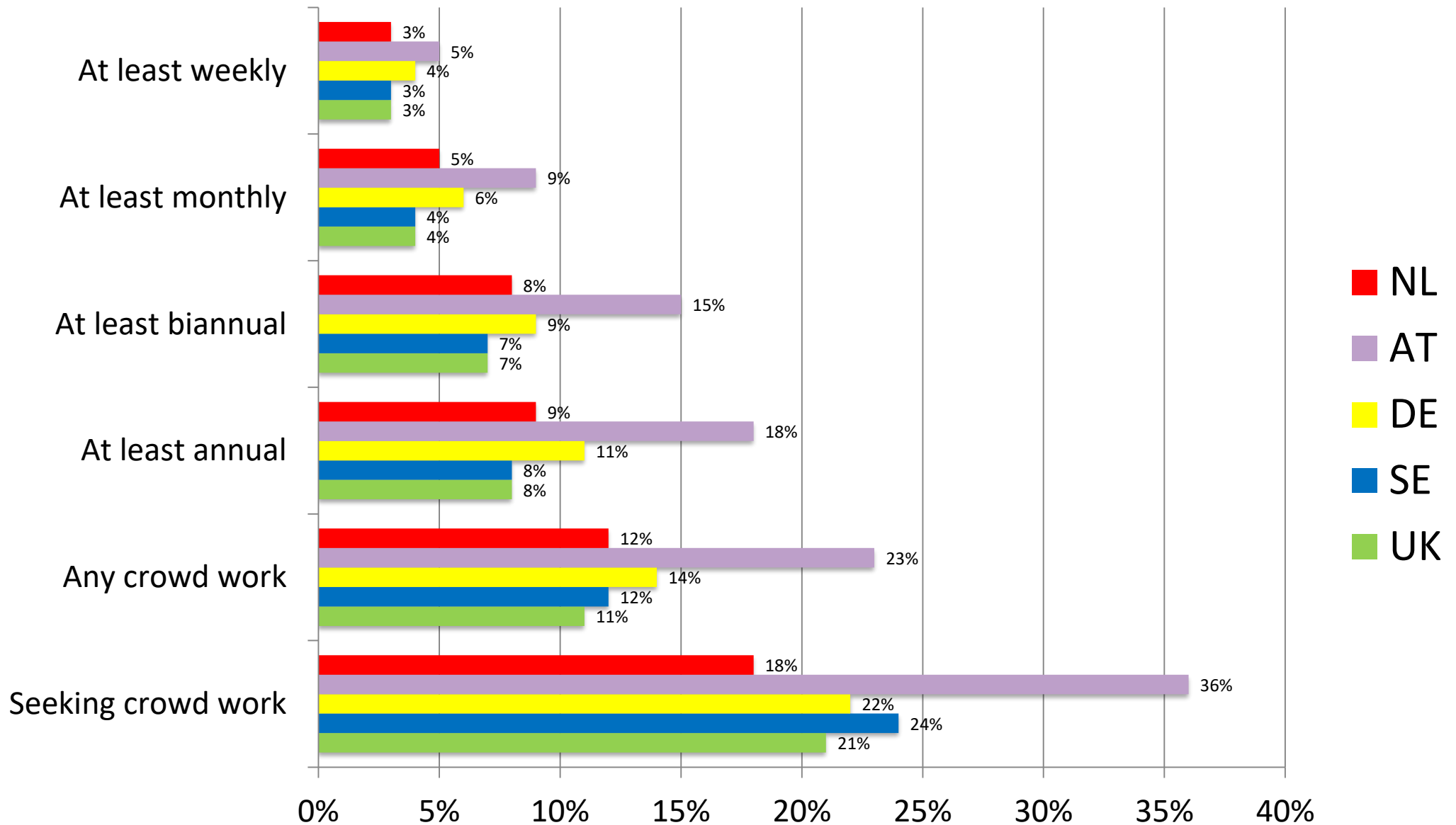
- Piloted in UK, then carried out in Sweden, Germany, Netherlands, Austria, Italy & Switzerland
- Questionnaire developed at University of Hertfordshire
- Online survey, carried out by Ipsos MORI
- Funded by FEPS (European Foundation for Progressive Studies) and UNI (International Trade Union Confederation) plus national partners
- Sample stratified by age, gender, region, work status and income grade
- > 2,000 respondents per country – working age adults
- Results weighted to reflect total population
- Additional offline surveys (n=1,000) to calibrate results in UK (face-to-face CAPI) and Switzerland (telephone – CATI)
- Complemented by in-depth qualitative interviews (ongoing)

# Some survey results – Participation in the online economy as a source of income

■ NL ■ AT ■ DE ■ SE ■ UK

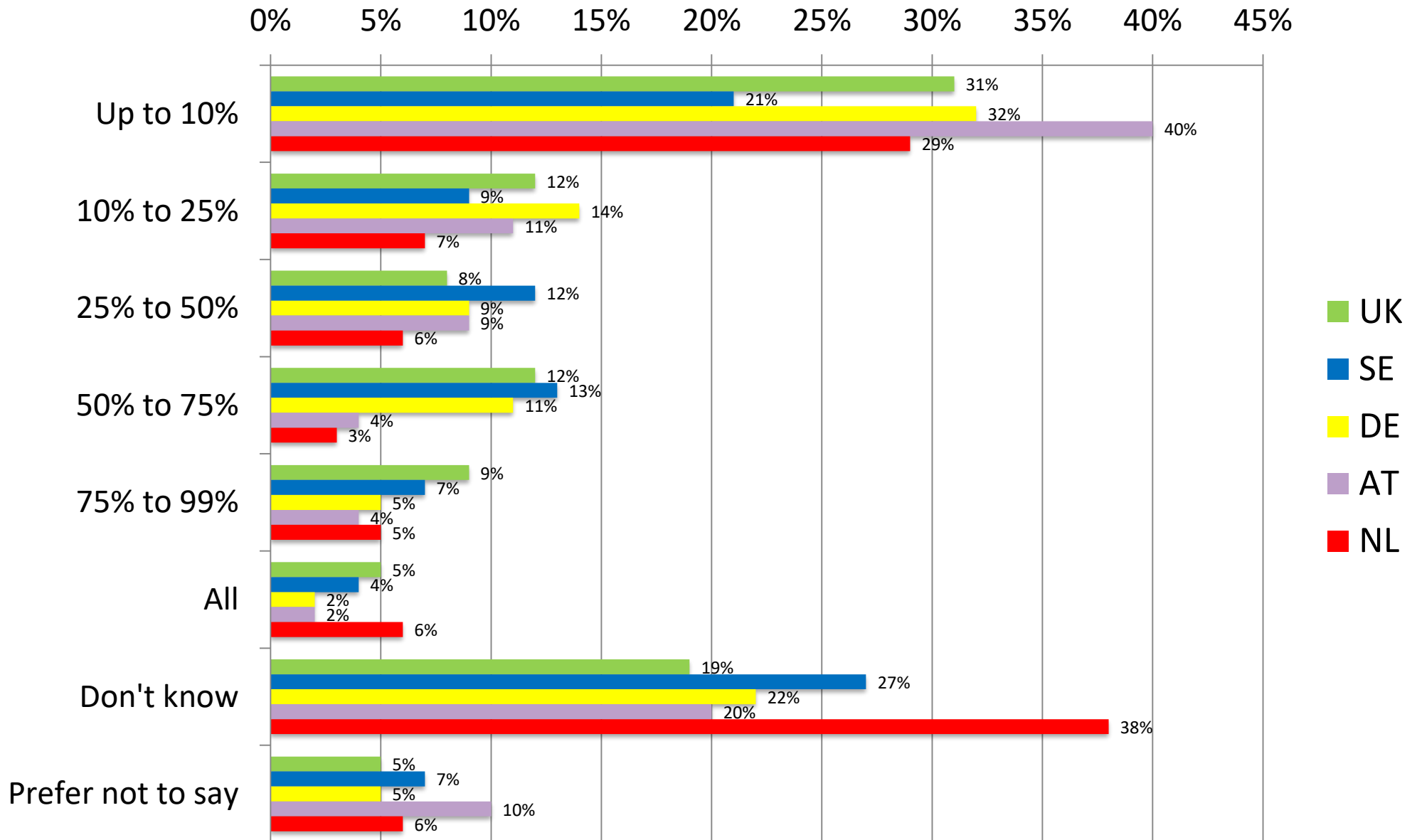


# People earning a living from crowd work

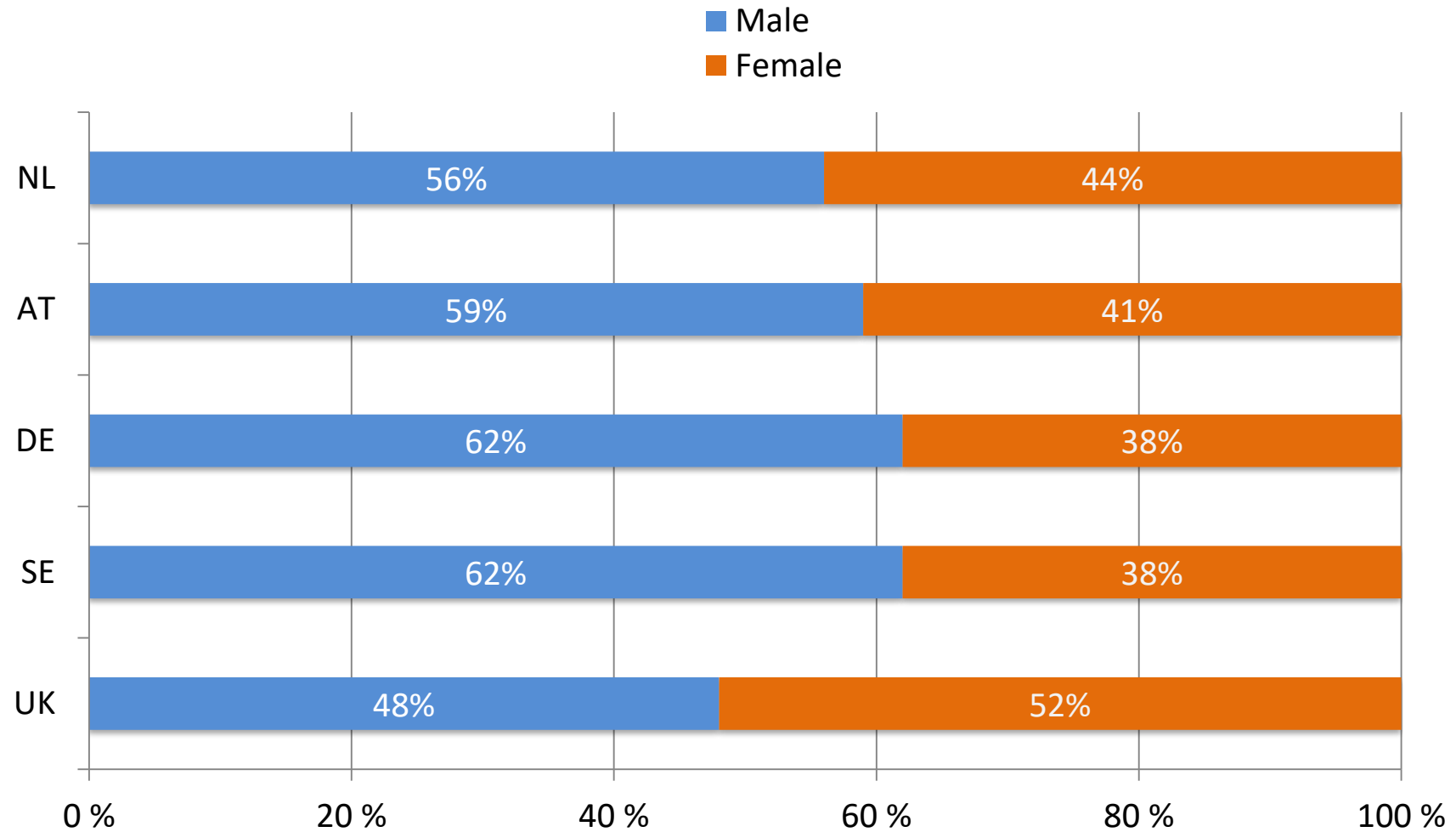




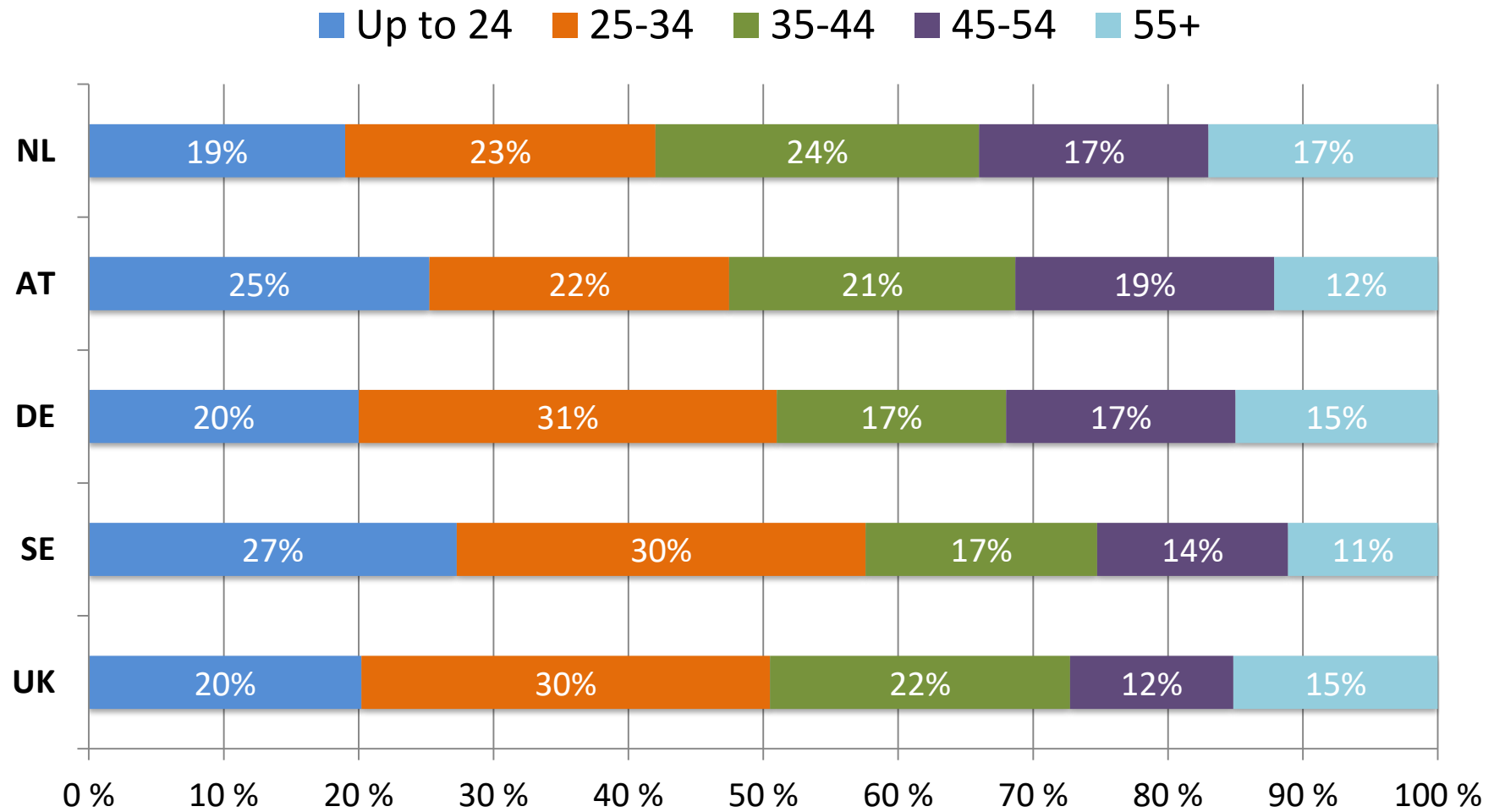
# Earnings from crowd work as a proportion of all income



# Gender of crowd workers by country

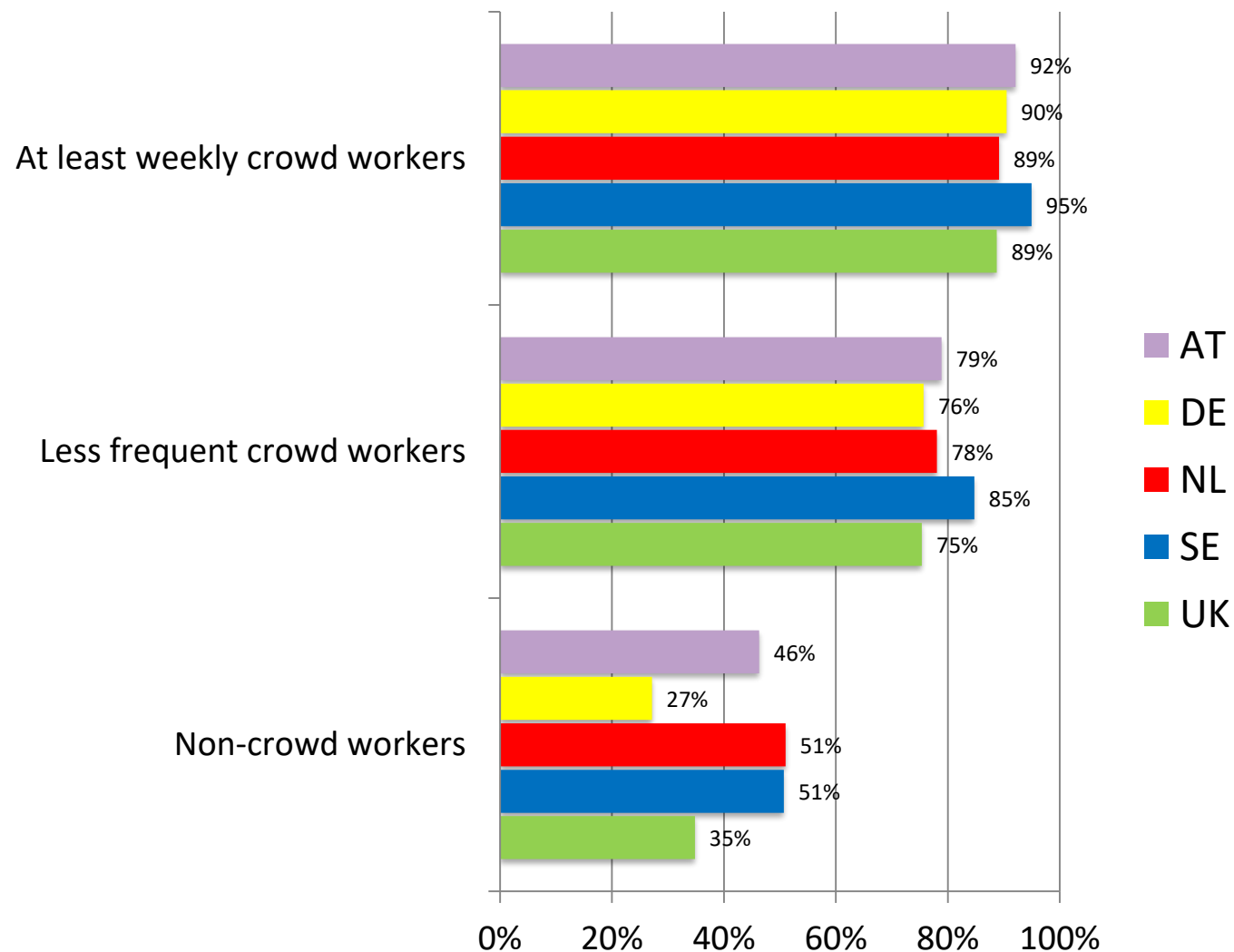


# Age of crowd workers by country



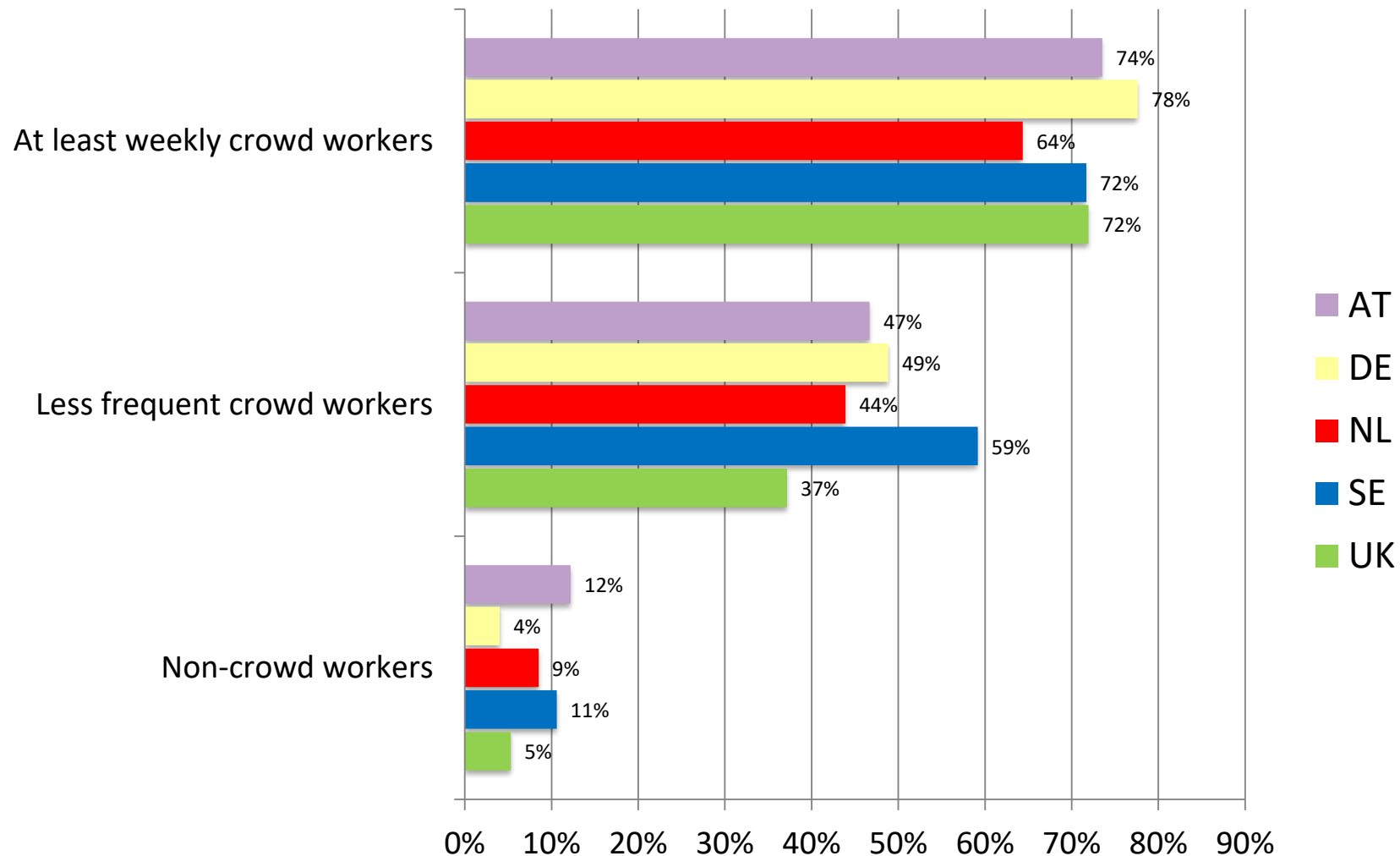
# Comparison with non-crowd workers

1. Sending or receiving email from home, by country: comparison of frequent crowd workers, occasional crowd workers and non-crowd workers



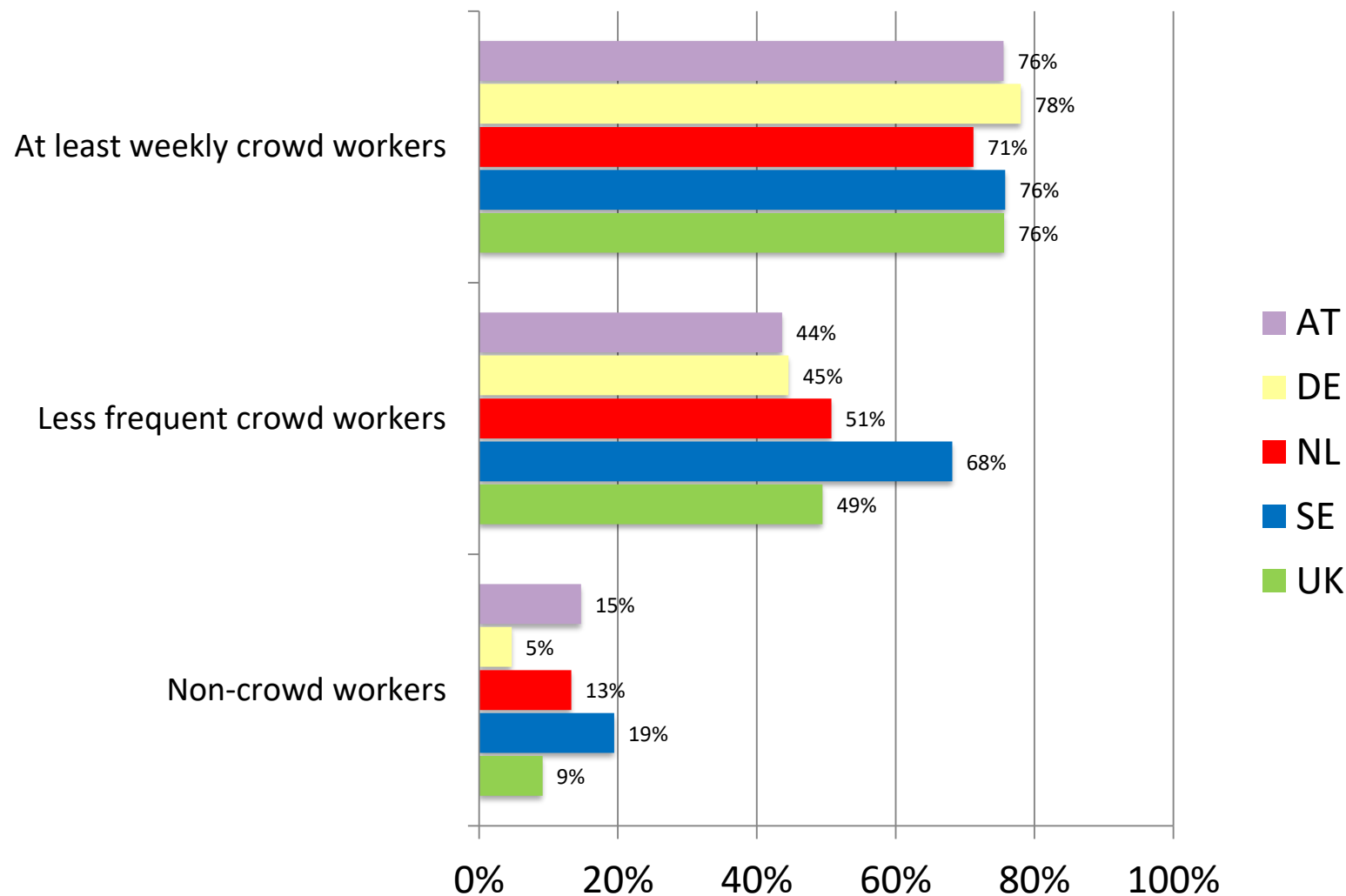
# Comparison with non-crowd workers

2. Use of 'app' to notify when work is available, by country: comparison of frequent crowd workers, occasional crowd workers and non-crowd workers



# Comparison with non-crowd workers

3. Use of 'app' or website to log work done, by country: comparison of frequent crowd workers, occasional crowd workers and non-crowd workers



# Qualitative findings

- Impact of customer ratings
- Long and unpredictable working hours – exhaustion
- No pay for time spent waiting for work or seeking work
- Inability to challenge decisions by platforms (eg arbitrary suspensions)
- Lack of voice
- Poor communication with employers
- Frequent changes of terms and conditions
- Physical risks including accidents, exposure to hazardous substances, abuse or even assault by customers
- Lack of appropriate tools, equipment, training
- Psycho-social risks
- Impacts on family life

*‘...every single day when I go to bed, I pray, I pray to my god, like probably tomorrow is the customers going to complain...’ (Ahmed, 39, UK)*

*‘I think it’s the fact that you are so governed by the metrics. That really stresses me out...’ (Maya, 42, UK)*

# Summary

- 'Crowd workers' are typically combining this form of work with many other means of income generation
- Definitions of crowd work are fuzzy, with many overlaps with other forms of temporary, agency and casual work
- The new working poor combine 'new' and 'old' forms of work as well as other forms of income but remain largely outside scope of existing protections
- Meanwhile many of the practices of the 'gig economy' are spreading to other sectors of the labour market, including:
  - Expectations to be available 24/7
  - Use of customer ratings
  - Expectation to meet quantitative performance targets
  - Monitoring and tracking of workers
  - Use of 'apps' for communication with employers and clients, summons to work and logging of working hours
  - Deterioration in working conditions and health and safety coverage – especially psycho-social risks
- For every crowdworker using an app to be summoned to work or log working hours there are 2-3 non-crowdworkers doing so



# Towards a new regulatory model for 21<sup>st</sup> century labour markets?

- Need for universal coverage – creating new categories of worker is likely to lead to distortions, gaps in coverage and risks for traditional categories
- Clarification of the definition of self-employment – for employment, tax and social protection purposes
- Clarification of the definition of subordinate employment. All workers not deemed self-employed to be regarded as subordinate workers with the onus of proof on the employer. Workers' rights to be clearly specified in relation to *inter alia*:
  - Health and safety – including rights to call in inspectors
  - Insurance and legal liability
  - Data protection
  - Communications with employers/platforms, including rights to challenge arbitrary suspensions, customer ratings etc.
  - Other national statutory rights
- Clarification of the definition of private employment agencies and temporary work agencies. Online platforms to be regarded as such by default with the onus proof on the platform?
- Need for inspection and compliance, with clear reporting procedures and realistic penalties for failure to comply.
- Adjustment of social security and tax systems to fit the new labour market realities

For further information: [www.feps-europe.eu](http://www.feps-europe.eu)

## **WORK IN THE EUROPEAN GIG ECONOMY**

