

Digital Transformations in the World of Work

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Services provided

Types of digital platforms

- Social media platforms ————— • Facebook • TikTok • Twitter
- Electronic payment platforms ————— • PayPal • Paystack • Paytm
- Crowdfunding platforms ————— • Catarse • Ketto • Kickstarter
- Other digital services platforms —————
 - News, media and entertainment ————— • Apple TV+ • BuzzFeed • Netflix
 - Advertising ————— • Gumtree • Kenhoo • OLX
 - Search, information and reviews ————— • Feedly • Google Search • Yelp
 - Rental goods and assets ————— • Airbnb • Homestay • Makemytrip
 - Communication ————— • Skype • Viber • Zoom
 - Applications marketplace ————— • Apple App Store • Aptoide • Google Play Store

Provide services to individual users

Mediate work



Online web-based platforms



Location-based platforms

- Digital labour platforms —————
 - Freelance and contest-based ————— • 99Designs • Kabanchik • Upwork
 - Microtask ————— • AMT • Clickworker • Microworkers
 - Competitive programming ————— • Codeforces • HackerRank • Topcoder
 - Medical consultation ————— • 1Doc3 • DocOnline • MDLive
- Location-based platforms —————
 - Taxi ————— • Bolt • Ola • Uber
 - Delivery ————— • Meituan • Rappi • UberEats
 - Home services ————— • Doit4u • Task Rabbit • Urban Company
 - Domestic work ————— • Batmaid • BookMyBai • SweepSouth
 - Care services ————— • Care24 • CareLinx • Greymate Care

Facilitate and mediate exchange

Business-to-business (B2B) platforms

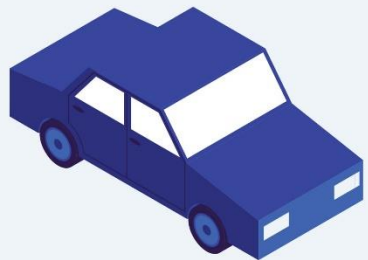
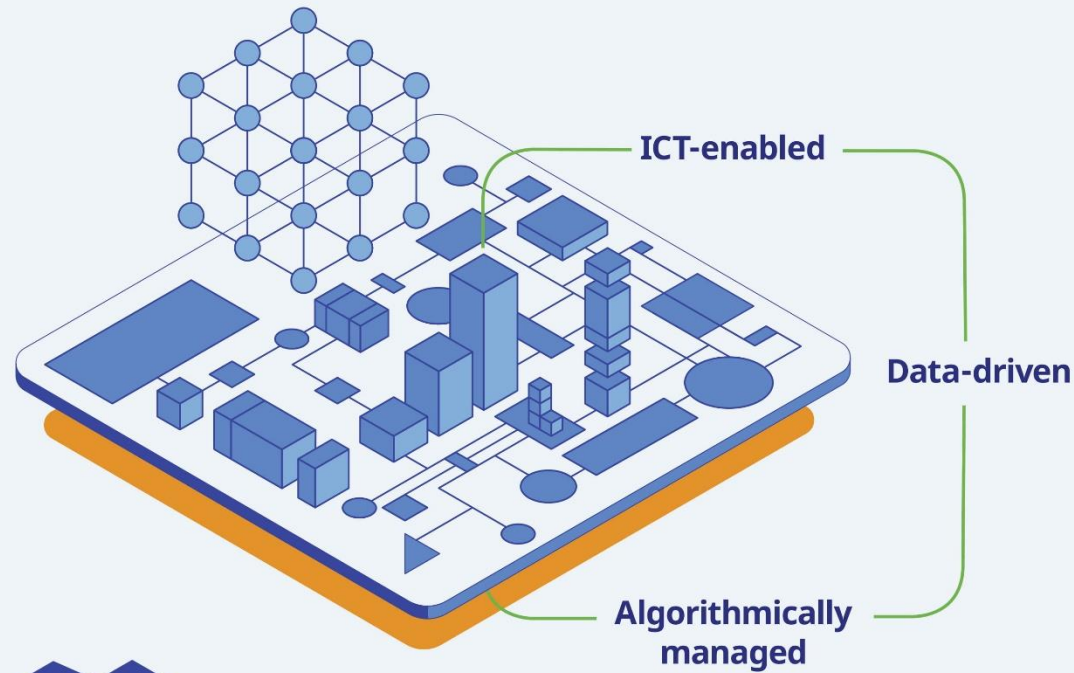
- Business-to-business (B2B) platforms —————
 - Retail and wholesale ————— • Alibaba • Amazon • Mercado Libre
 - Manufacturing marketplace and analytics ————— • AnyFactory • Laserhub • Xometry
 - Agriculture marketplace and analytics ————— • Agri Marketplace • FarmCrowdy • Ninjacart
 - Financial lending and analytics ————— • Ant Group • Avant • Nummo

Mediate work and provide other services

Hybrid digital platforms

- Hybrid digital platforms —————
 - Services provided include: delivery, taxi, retail, entertainment, electronic payment ————— • Jumia • Gojek • Grab

► Features of platform business model



- **Workers directly employed by the platform**

99designs	139	1,200,000
Appen	800	1,000,000
HackerRank	200	11,000,000
Meituan	54,580	3,987,000
PeoplePerHour	50	2,400,000
Rappi	1,500	25,000
Uber	26,900	5,000,000

- **Workers mediated by the platform**

Who are the platform workers?

Young - Average age is 31 (workers in online web-based platforms), 36 (taxi) and 29 (delivery)

Mostly male - 6 in 10 in online web-based; 9 in 10 in location-based platforms

Well educated – 60% of workers in online web-based platforms have an university degree, 20% for taxi and delivery workers

«**Independent**» – reluctant entrepreneurs and captive partners or fake self-employed

Opportunities for persons with disabilities, migrants and refugees



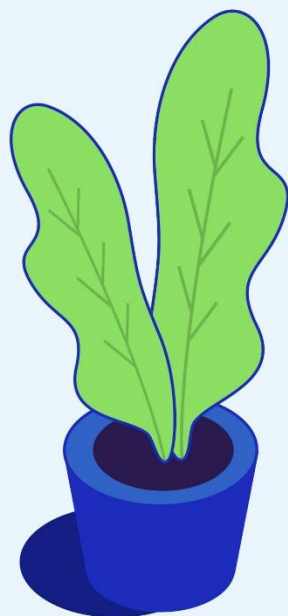
► **World Employment and Social Outlook**

The role of digital labour platforms in transforming the world of work

2021

▶ Platforms redefining the relationship between formal education and access to work

- ▶ Workers' education is not necessarily correlated with their income levels on platforms
- ▶ Freelance platforms: **Skills often a good match (62%)**
- ▶ Competitive programming platforms: **Opportunity to learn new skills or upgrade their existing skill-sets**
- ▶ Microtask platforms: **Highly educated but performing tasks requiring low skills**
- ▶ Location-based platforms: **20% are highly educated**



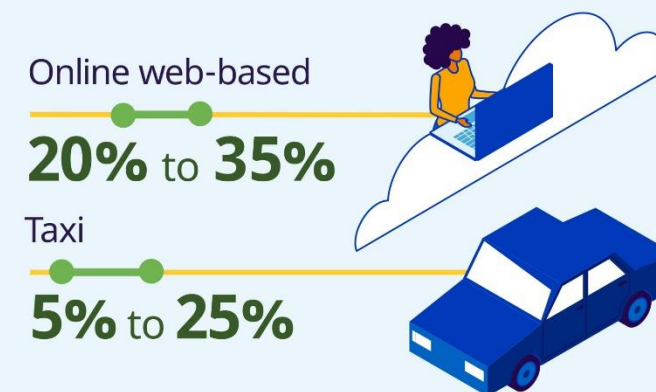
▶ Earnings vary across countries and types of platforms

- ▶ Most workers earn less than the average on online platforms (US\$3.4)
- ▶ Location-based platform workers earn more than their traditional counterparts in the taxi and delivery sectors
- ▶ Differences can be observed between countries and gender:
 - **Workers in developing countries tend to earn less than those in developed countries on freelance platforms (60 per cent less)**
 - **A significant gender pay gap can be observed on some platforms at the country level, while the findings are quite mixed globally**
- ▶ Commission fees have a major impact on incomes

Hourly earnings



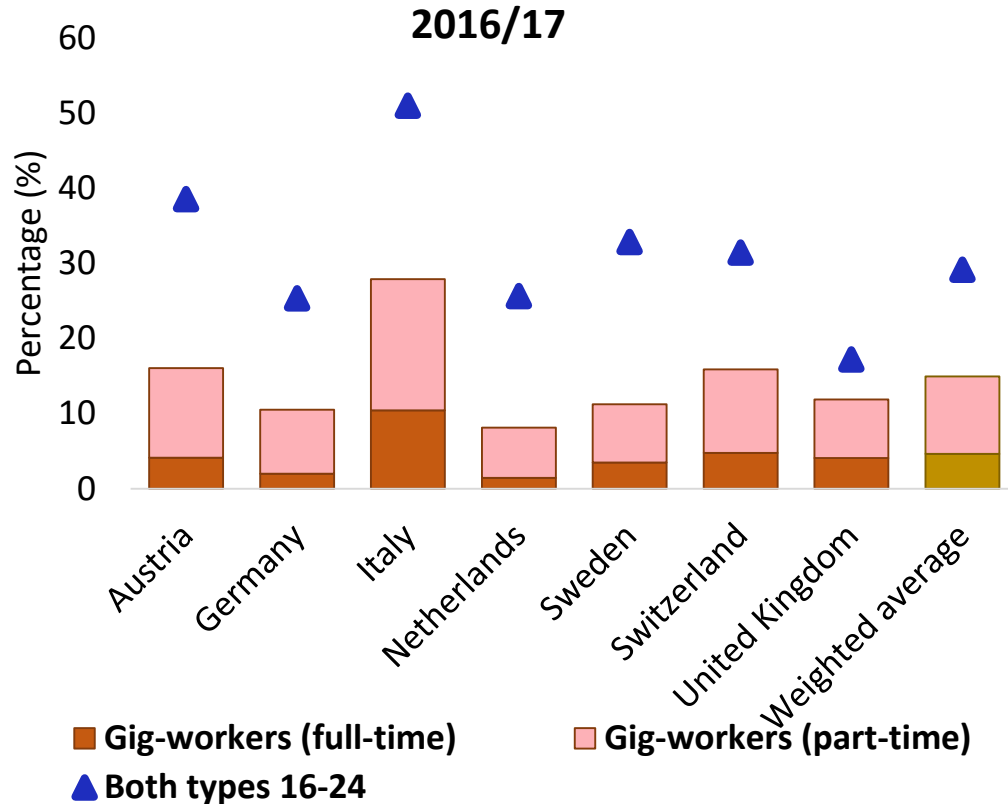
Commission fees



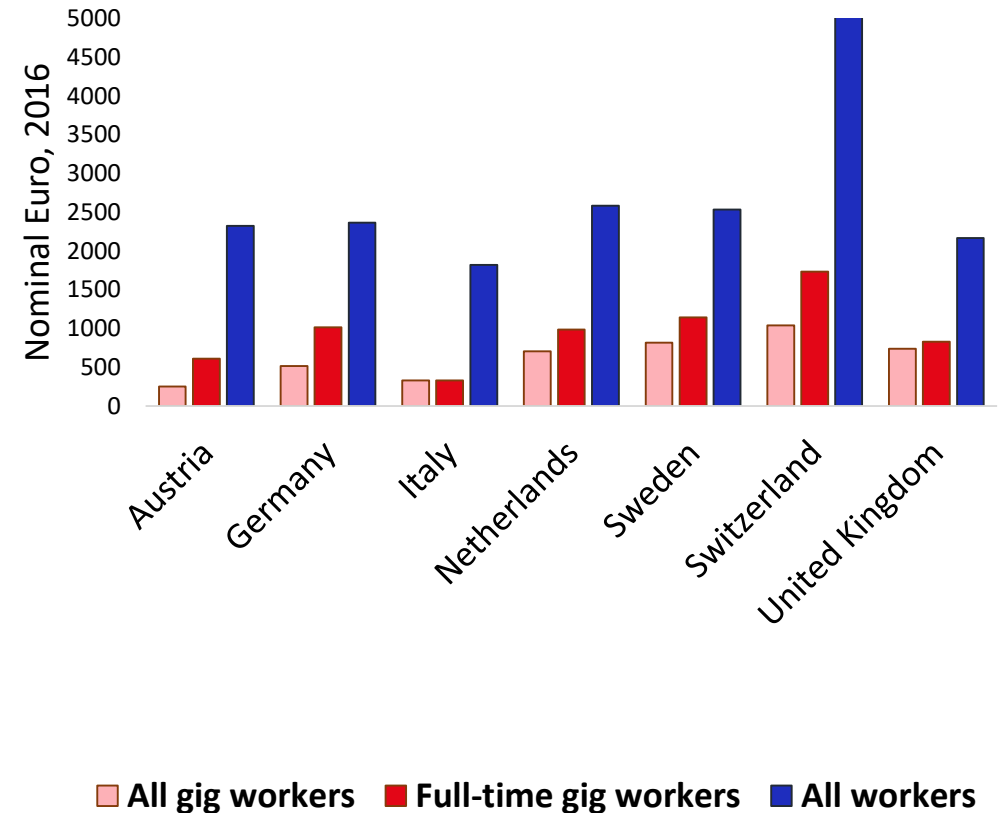
Platform economy presents some challenges:

- **Work is poorly paid** – on average 1/3 of every hour is **unpaid** in online web-based platform
- **Poor social protection coverage** – only 20% of workers in online web-base, 18% in taxi, 17% in delivery platforms have access to pension
- **Large gaps in unemployment benefits and health insurance** – in location-based platforms 7 of 10 workers said they were not able to take paid sick leave if they tested positive to Covid-19
- **Working conditions regulated unilaterally** - terms of agreement characterize the contractual relationship as not one of employment, at the same time they define working time, pay, customer etiquette, monitoring of performance, deactivation, dispute settlement, jurisdiction etc
- **Challenges for collective bargaining and freedom of association**

Prevalence of gig-workers among the employed; selected European countries



Median monthly earnings by worker type, 2016/17



Source: Pinedo Caro, O'Higgins and Berg "Young people and the gig economy" in J. Chacaltana and S. Dasgupta (eds) *Is the future ready for youth?*, ILO 2021 forthcoming

Drivers of insecurity and polarization?

- **Increase in precarious, short-term/task based jobs and fake self-employment**
- **Weakening of social security contributions**
- **Hollowing out of the tax base**
- **Declining labour shares**
- **Net employment creation is unclear - displacement effects and unfair competition**

Making the best of the opportunities

- **Investment in digital infrastructures**
- **Comprehensive social protection systems**
- **Strong macroeconomic support to employment generation and ALMPs to counter displacement effects**
- **Clear regulatory frameworks for competition, taxation and respect for workers rights**

► Diverse practices of regulation for platform workers across the world

