Platform workers in Italy:
an empirical exploration on worker-level data

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Outline

✓ Digital Labour markets
✓ Platform workers
✓ The INAPP-PLUS survey
✓ Empirical evidences
✓ Results
✓ Conclusions
✓ Digital labour platforms (Codagnone et al., 2019)

(1) digital marketplaces for non-standard and contingent work
(2) where services of various nature are produced using preponderantly the labour factor (as opposed to selling goods or renting property or a car)
(3) where labour (i.e. the produced services) is exchanged for money
(4) where the matching is digitally mediated and administered although performance and delivery of labour can be electronically transmitted or physical

✓ Platforms as «two-sided» or «multi-sided» markets (Hagiu & Wright, 2015)

(i) enabling of direct interactions between two or more distinct sides
(ii) affiliation of both sides with the platform
(iii) affiliation generates cross-group network effects
(iv) the intermediary (platform) can extract rents from the generated data
Digital Labour markets

Heterogeneous models:

(global market) *Online Labour Markets* (OLMs) vs. (local market) *Mobile Labour Markets* (MLMs)

Exchange of heterogeneous services:

«micro-tasks» exchanged virtually or physically vs. complex tasks
Platform workers

- 2% of the adult population earning more than the 50% of their income being connected to the platform (for more than 20 hours per week) (COLLEEM - Pesole et al., 2018)

- 0.5% of the active population (Eurofound, 2018)

- 1.59%-2.03% of population 18-74 years old in Italy (Fondazione Debenedetti)

- High heterogeneity across countries (Codagnone et al., 2019)

- Concerns due to the social and economic risks and lack of an adequate regulation in terms of social protection (Bogliacino et al. 2019)

- ‘Ambiguous’ legal status of platform workers - i.e. platform workers are often identified as ‘partners’ or, more broadly, autonomous workers (Eurofound, 2019)

- ‘Digital workers’ not entitled to benefit of almost all existing social protection schemes (Collier et al. 2017)

- In Italy low awareness of social protection schemes by digital workers and strong preference for pension schemes (Fondazione Debenedetti - INPS)
Research questions

1. How large is the share of those working for a digital platform?

2. Which is the distribution of platform work in terms of gender, age and educational status?

3. Are platforms a main income source (i.e. main job) or rather a way to integrate main incomes?

4. Can we observe a “pension gap” between platform workers and non-platform workers in terms of years of contributions?
The INAPP-PLUS survey

- INAPP-PLUS (Participation, Labour, Unemployment, Survey) is a survey performed relying on CATI (Computer-assisted telephone interviewing)

- VIII edition (PLUS 2018) → sample of 45,000 individuals (residents aged between 18 and 74 years)

- Sample design: strata are defined by region (20 administrative Regions), type of city (metropolitan/nonmetropolitan), age (five classes), sex and the employment status of the individual (employed, unemployed, student, retired, other inactive)

- PLUS 2018 → Ad-hoc module «GIG ECONOMY»

- Three specific economic activities (carried out for profit) are considered:
  
  i) the online sale of goods;
  ii) the provision of works and services through platforms that intermediate work;
  iii) the lucrative sharing (leasing) of real estate (so called capital platform).
How large is the share of those working for a digital platform?

Number of individuals (thousands)

- Selling online: 2088
- Capital platforms: 413
- Labour platforms: 213

Share on the population (adults 18-74 years old)

- Selling online: 4.80%
- Capital platforms: 0.95%
- Labour platforms: 0.49%
What is the age distribution of platform workers?

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Labour Platform</th>
<th>Platform</th>
<th>Total PLUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>17.0%</td>
<td>20.2%</td>
<td>41.9%</td>
</tr>
<tr>
<td>25-29</td>
<td>27.0%</td>
<td>14.7%</td>
<td>14.9%</td>
</tr>
<tr>
<td>30-39</td>
<td>21.0%</td>
<td>24.2%</td>
<td>16.7%</td>
</tr>
<tr>
<td>40-49</td>
<td>22.5%</td>
<td>21.8%</td>
<td>21.7%</td>
</tr>
<tr>
<td>50-64</td>
<td>9.5%</td>
<td>15.0%</td>
<td>29.6%</td>
</tr>
<tr>
<td>65-74</td>
<td></td>
<td></td>
<td>1.9%</td>
</tr>
</tbody>
</table>
What is the gender distribution of platform workers?

![Gender Distribution Chart]

- **Labour Platform**
  - Men: 54.4%
  - Women: 45.6%

- **Platform**
  - Men: 65.0%
  - Women: 45.6%

- **Total PLUS**
  - Men: 48%
  - Women: 35.0%

Total Percentage:
- Men: 51%
- Women: 51%
Platform workers by household types

Single adult without children

Couple with children

Couple without children

Single adult with children

Other types of households

Labour Platform

Total PLUS
What is the educational distribution of platform workers?

Labour platforms  | Platforms  | Total PLUS
--- | --- | ---
Primary  | 2.8% | 34.7% | 41.1%
Secondary  | 9.7% | 25.8% | 46.8%
High School  | 4.6% | 38.0% | 53.5%
Tertiary  | 15.8% | 19.8% | 16.3%
Is platform work the main source of income (i.e. main job)?

- **Total PLUS**
  - **Platforms**
    - **Labour Platforms**
      - **EMPLOYED**
        - Permanent job
        - Fixed-term contract
        - Autonomous worker
        - Atypical job (a chiamata, occasionale)
        - Informal agreement
        - Other contractual arrangements

- **STUDENT**
  - 6.04%
  - 12.3%
  - 17.1%

- **INACTIVE**
  - 17.22%
  - 10.1%
  - 17.9%

- **RETIRED FROM WORK**
  - 13.36%
  - 4.1%
  - 1.8%

- **LOOKING FOR A JOB**
  - 10.57%
  - 14.2%
  - 23.8%
How important is the income earned by platform?

Inability to deal with unexpected expenses (%)

<table>
<thead>
<tr>
<th>Platform Type</th>
<th>Crucial</th>
<th>Important</th>
<th>Useful</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour platform</td>
<td>28</td>
<td>22.8</td>
<td>6.5</td>
</tr>
<tr>
<td>Selling online</td>
<td>6.5</td>
<td>10.3</td>
<td>0</td>
</tr>
<tr>
<td>Capital platform</td>
<td>18.4</td>
<td>28.6</td>
<td>49.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Platform Type</th>
<th>No</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total PLUS</td>
<td>77.2%</td>
<td>22.8%</td>
</tr>
<tr>
<td>Gig workers</td>
<td>64.5%</td>
<td>35.5%</td>
</tr>
<tr>
<td>Capital platform</td>
<td>83.1%</td>
<td>16.9%</td>
</tr>
<tr>
<td>Online selling</td>
<td>77.7%</td>
<td>22.3%</td>
</tr>
</tbody>
</table>
Socio-occupational characteristics of Platform workers: evidence from PLUS (marginal effects from Probit models)
Platform workers and pension contributions: evidence from PLUS (OLS estimations)

Platforms
- cleta6_1==Da 18 a 24 anni
- cleta6_1==Da 25 a 29 anni
- cleta6_1==Da 30 a 39 anni
- cleta6_1==Da 40 a 49 anni
- cleta6_1==Da 50 a 64 anni
- staciv_new==Celibe/Nubile
- staciv_new==Coniugato
- staciv_new==Separato/Divorziato
- educ==Nessun titolo
- educ==Elementare
- educ==Media inferiore
- educ==Diploma
- educ==Laurea
- donna
- minori
- disabili
- italiano
- area_g3==Nord
- area_g3==Centro
- spese_imprev
- pessima_salute
- padreistat_new==High Professions
- padreistat_new==Mid Prof
- padreistat_new==Low Professions
- padreistat_new==Forze armate
- madreistat_new==High Professions
- madreistat_new==Mid Prof
- madreistat_new==Low Professions
- madreistat_new==Forze armate

Labour Platforms
- _cons

-20 -10 0 10 -20 -10 0 10
Key findings

✓ There is a higher probability of working for a platform for younger individuals, more often males, with a high education and living in Northern Italy.

✓ Platform workers tend to belong to ‘fragile households’: households unable to deal with unexpected expenses (i.e. families exposed to relatively higher socio-economic risks or characterized by a stronger social fragility vis a vis the rest of the population).

✓ According to preliminary estimates on INAPP-PLUS, those working for digital platforms as an additional job do not show any pension gap in terms of years of contributions.
Concluding remarks

✓ Measurement issues (phenomenon hard to be properly traced and measured) →
Almost 40% of platform workers do not have a formal agreement (INAPP-PLUS) / 44% of companies is not even registered in the INPS archives (Rapporto INPS 2018)

Heterogeneous organizational models (Guarascio e Sacchi, 2018)
- Collaborazioni coordinate e continuative (atypical contracts)
- Prestazioni di lavoro autonomo occasionale (occasional short-term arrangements)
  (only registered if above 5000 euro per year)
- Freelance of crowdwork → few information
- Partite IVA (registered at Gestione Separata but unkwn details about the companies they work for)

✓ Platforms contributed to push further the process of production fragmentation and task externalization (Cirillo and Zayas Molero, 2019 and Tubaro and Casilli, 2019; Drahokoupiel and Piasna, 2017)

✓ Risk of social exclusion for platform workers due to the potential lack of: appropriate contractual status, social protection and adequate income levels

- 78% of platform workers willing to pay to improve social protection for illness – (INPS 2018)
References


INPS (2018) XVII RAPPORTO ANNUALE.

