Regulating digital labour: Opportunities and challenges

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Different types of labour platforms – different regulatory challenges

Macro-task Geographically dispersed, web-based Labour platforms Micro-task Local, app-based

Casual work 4.0

"Before the internet it would be really difficult to find someone, sit them down for ten minutes and get them to work for you, and then fire them after those ten minutes". Now, "you can actually find them, pay them the tiny amount of money, and then get rid of them when you don't need them anymore".

-Lucas Biewald, CEO of Crowdflower (now Figure Eight)

An overarching feature: Algorithmic management

"You cannot spend time exchanging e-mail. The time you spent looking at the e-mail costs more than what you paid them. This has to function on autopilot as an algorithmic system....and integrated with your business processes"

- Large-scale requester on AMT platform (personal communication with L. Irani, cited in Irani (2015), p. 228)

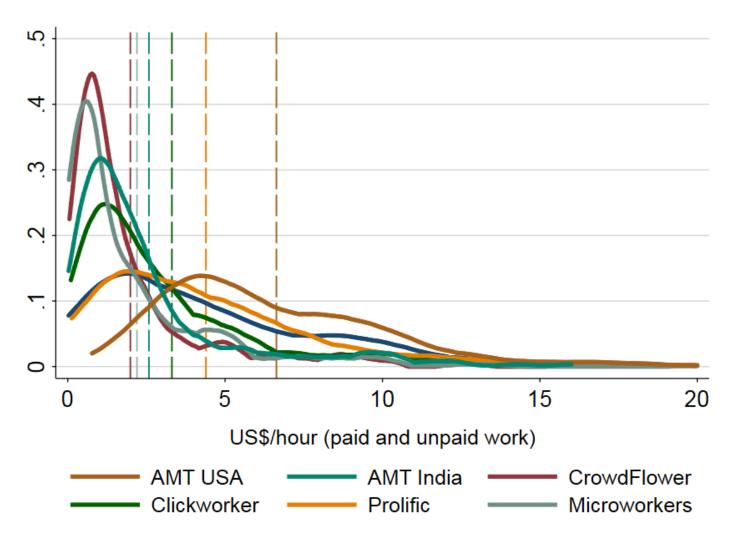
Two surveys: 2015 & 2017 5 English-speaking platforms ~3500 workers from 75 countries



4 main areas of concern

- 1. Pay of the tasks
- 2. Availability of work
- 3. Unfair treatment by requesters
- 4. Lack of responsiveness of the platforms to the workers' concerns.

Earnings of survey respondents

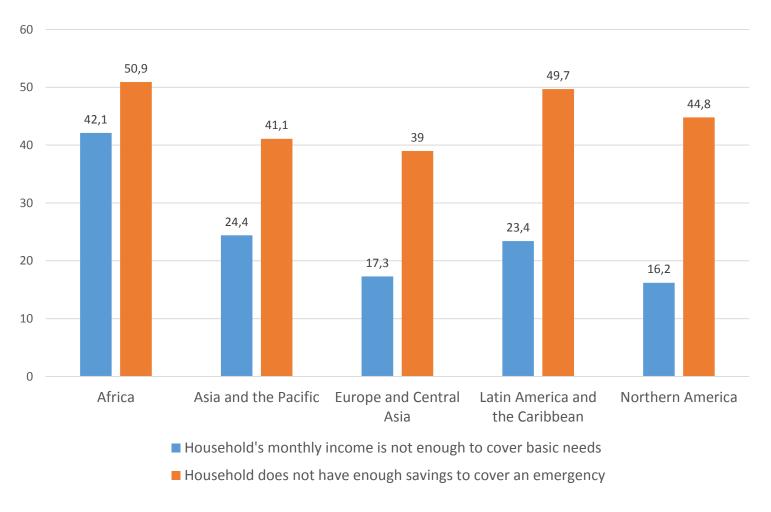


AMT: 2/3 of American workers on AMT < \$7.25 (federal MW)

Survey findings likely overestimate earnings on some platforms. Hara et al. using a data plug-in on 2,500 workers over 2 years find median wage of \$2 and mean wage of \$3.13.

Clickworker: average wage of \$3.31 per hour; median wage of \$2.13. (Platform advertises average earnings of \$9/hr; roughly equivalent of German MW)

Financial precariousness of crowdworkers by region, 2017



Social security coverage:

About 16% of the workers for whom crowdwork is their main source of income are covered by SS/retirement plan, compared with 44% of those for whom crowdwork is not the main source of income.

Source: ILO Survey of Crowdworkers, 2017.

ILO Study: Platform work in Ukraine

- ➤ Qualitative: 6 focus groups with 49 respondents; 11 in-depth individual interviews
- Quantitative: 1,000 respondents
- > 40 labour platforms (international, Russian-speaking, local)
- > Main source of income for one out of four workers
- > 2/3 primarily work on one platform
- > Reasons for doing work: extra income, work from home, better pay, lack of local opportunities
- ➤ Most popular work: copywriting = 23%; IT = 12%
- > 80% paid by project/task; 12% paid hourly; 8% salary-like transfers
- > 1/3 have experienced non-payment of their work
- > 85% pay a commission to the platform in order to work
- > 27% provide screenshots of work or have installed software that monitors their work
- \geqslant 3⁄4 are not registered as self-employed with authorities and are not paying social security contributions.



Why should we leave regulation to Jeff Bezos?

The current situation:

"The platform decides how often and in what context participants are exposed to each other, what information is collected by parties, and how this information is displayed. Platforms also set policies about what trades are permissible, how entry is gained, what contracts and prices are allowed and so on."

Source: Argawal et al., 2013, "Digitization and the Contract Labor Market: A research agenda" (p.19)

Technology brought it about.... Can it be part of the solution?

- The same technology that monitors workers can be used to monitor working conditions: keystrokes, screenshots, work histories, GPS routes
- Giving workers access to their data and right to turn this data to a thirdparty (trade union)
- Giving regulators access to data
 - ✓ Monitor working time
 - ✓ Payment of wages
 - ✓ Payment of social security benefits



But at what level should regulation be set?
And how should it be governed? An MLC for crowdwork?

"This is obviously a way of working that will likely explode in the future. If some sort of fairness were present in early stages it would prove beneficial to long term prospects."

—AMT worker

Thank you! berg@ilo.org

