# • WageIndicator

Fairness in Flux:
navigating the gig
economy through
regulatory innovation and
new tools for fair pay.

Fiona Dragstra - WageIndicator Foundation Daniela Ceccon - WageIndicator Foundation Nadia Pralitasari – Gajimu & WageIndicator Foundation Martijn Arets – GigCV & WageIndicator Foundation







#### On location work



Algorithmic match / Worker accepts or rejects



fiverr®

Manual match /
Client chooses worker

Location independent work

# Gig economy / platform work - key characteristics

# **Opportunities**

Flexibility in working time and income

Opportunities for people with difficult access to the labour market (e.g. people with disabilities)

Cross-border operation

## **Challenges**

Status of platforms

Data protection

Algorithmic management of human work

Employment vs. selfemployment of gig workers

# In this session

- The current state of events in global regulations of platform work / the gig
   economy Fiona Dragstra, director of the WageIndicator Foundation
- Reflection on regulation and data portability: the case study of GigCV Martijn Arets, independent researcher and member of the gig team at the WageIndicator Foundation
- ► Fair pay in the gig economy: the case study of the Living Tariff Nadia Pralitasari member of the gig team Gajimu/WageIndicator and Daniela Ceccon, director of data at the WageIndicator Foundation

• Wage Indicator.org

► THE CURRENT STATE OF EVENTS IN GLOBAL

REGULATIONS OF THE PLATFORM ECONOMY

Iftikhar Ahmad
Global Labour Law Expert, WageIndicator Foundation
Founder, Centre for Labour Research

WageIndicator.org

Poverty Wages and Platform Debt (Wage Gaps)

Employment
Misclassification
(Rights Gaps)

Limited Social
Protection
(Protection Gaps)

Lack of
Transparency and
Accountability
(Transparency Gaps)

Poor Working
Conditions and
Safety (Working
Conditions Gaps)



# CHALLENGES FACED BY PLATFORM WORKERS

While platform work offers flexibility and income opportunities, platform workers also face several challenges that necessitate regulatory intervention. Here are some key challenges faced by platform workers:

- Poverty Wages and Platform Debt (Wage Gaps): Platform work, especially on-location work, is low-paid work, and workers are often barely making minimum wages, let alone the living wage, after accounting for various work-related costs. There is a phenomenon of platform debt/negative incomes where the cost of working with the platform exceeds the earnings. Working poverty is rampant.
- Employment Misclassification (Rights Gaps): The classification of platform workers as independent contractors rather than employees raises concerns. It denies them access to employment benefits and protections under labour laws, limiting their ability to negotiate fair terms of work and leaving them without recourse for unfair treatment or dismissal. This is bogus self-employment and deprives the platform workers of the protection of traditional labour rights and benefits, such as minimum wages, social security, paid leave, and health insurance. This leaves them vulnerable to exploitation and financial insecurity.

# WageIndicator.org CHALLENGES FACED BY PLATFORM WORKERS

- Limited Social Protection (Protection Gaps): Platform workers often lack access to social protections, such as unemployment benefits, workers' compensation in the event of an accident/injury or disease, and retirement plans. The absence of a safety net exacerbates their vulnerability, particularly during periods of economic downturn or personal emergencies.
- Lack of Transparency and Accountability (Transparency Gaps): Platform workers often face challenges related to opaque rating systems, arbitrary decision-making algorithms, and limited transparency in job allocation. They may experience unfair treatment, discrimination, or biased evaluations without a clear avenue for addressing grievances.
- Poor Working Conditions and Safety (Working Conditions Gaps): Platform workers may face long working hours, lone working, physically demanding tasks, and unsafe working conditions without adequate protection or recourse. Additionally, the absence of clear guidelines and monitoring of occupational health and safety standards poses risks to their well-being.





# RIGHTING THE WRONGS IN PLATFORM ECONOMY











#### SELF REGULATION BY PLATFORMS

- Crowdsourcing Code of Conduct (2015): 10 principles such as "fair payment", "only serious tasks" and "open and transparent communication". 10 platforms have signed the code of conduct, and IG Metall, the signatory platforms, and the German Crowdsourcing Association established an "Ombuds Office" to effectively implement the code of conduct and resolve disputes between workers and signatory platforms.
- World Economic Forum Charter of Principles for Good Platform Work (2020): signed by
  prominent digital labour platforms, including Cabify, Uber, Deliveroo and Grab. The Charter
  commits the platforms to diversity and inclusion; safety and well-being; flexibility and fair
  conditions; reasonable pay and fees; social protection; and ensuring that fairness and nondiscrimination are a priority in the design of algorithms.
- Glovo Couriers Pledge (2021): Glovo introduced a 'Couriers Pledge' in 2021. The Pledge rests on four pillars: fair earnings, 360-safety, community, and equality. Glovo establishes a recommended level of Earnings Per Hour based on data provided by the WageIndicator.



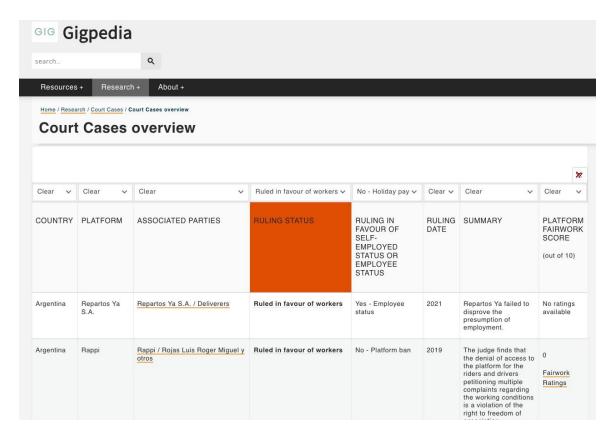
#### REGULATION THROUGH COLLECTIVE BARGAINING

Country	Year	Parties	Sector	Level	Status
■ Denmark	2018	Hilfr - United Federation of Danish Workers (3F)	Cleaning	Company	Under re- negotiations
Spain	2019	CEHAT-FEHR - UGT- CCOO-CIG	Hotel and catering (food delivery)	Sectoral	extended to 2021
Norway	2019	Foodora (Delivery Hero) - Fellesforbundet	Food delivery	Company & Sectoral	2020-22
<b>L</b> Chile	2020	Delivery Technologies SpA - Cornershop Chile Company Union	Food delivery (supermarkets)	Company	2020-22
Republic of Korea	2020	Woowahan - General Services Union	Food delivery	Company	2020-22
Austria	2021	Austrian Chamber of Commerce - Austrian Transport and Services Union (vida)	Food delivery	Sectoral	2021-
Sweden	2021	Foodora (Delivery Hero) - Swedish Transport Workers' Union	Food delivery	Company & Sectoral	2021-2023 (implementation during 2021)
Italy	2021	Just Eat Takeaway.com - CGIL, CISL and UIL	Food delivery	Company & Sectoral	2021-2024 (implementation during 2021)
Sweden	2021	Bzzt - Swedish Transport Workers' Union	Taxi transport	Company & Sectoral	2021-23
■ Denmark	2021	Dansk Erhverv (covering Just Eat Takeaway.com) - United Federation of Danish Workers (3F)	Food delivery	Sectoral	2021-23 (implementation during 2021)
Spain	2021	Just Eat Takeway.com and UGT & CCOO	Food delivery	Company	2021-

- 11 collective agreements signed till February 2022.
- The majority of agreements concluded in Europe.
- 9 agreements focused on food delivery.
- 1 agreement: passenger transport
- 1 agreement: cleaning



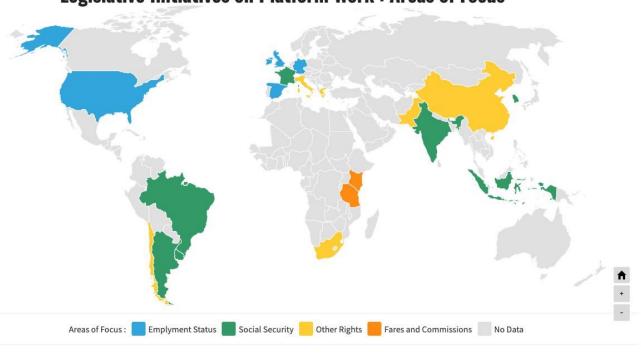
## REGULATION THROUGH CASE LAWS





# REGULATION THROUGH LEGISLATION







#### <u>Universal Labour Guarantees</u> or

**Basic Labour Protections** 

- 1. Fundamental workers'
  rights: freedom of association
  and the effective recognition of
  the right to collective
  bargaining, freedom from
  forced labour, child labour and
  discrimination; and safe and
  healthy workplaces
- 2.Set of basic working conditions: adequate <u>living</u> wage; limits on hours of work
- **3.Basic** <u>social protection</u> in the form of state-administered old age, survivors', invalidity, unemployment, and work injury benefits.

# Reflection

- This presentation focusses on regulation of platform work. But there is no planet gig or planet platform.
- Unbundling 'platform' and 'work in legislation
- Platform
  - Responsibility of platforms: DMA, DSA, P2B, DAC-7, GDPR, Al-act, etc. etc.
  - Broader: worker tech > Impact of technology on the worker (Amazon warehouses, surveillance management by technology, etc.)
- Work
  - Conditions for fair work, decent pay, acces to social security, right to unionize, etc.

# Reflection

- Platform Work Directive does both. But that is strange.
- ▶ Does a taxi driver that uses the Uber/Bolt/Grab/Ola app has different rights then a taxi driver that works via a dispatcher?
- Or is platform work, aka the gig economy, a good way to create momentum to have a good discussion on better conditions for precarious workers?

# Regulation vs enforcement

# Uber settles VAT claim with HMRC and posts better than expected results

US-based company hands over £615m to UK tax authorities after previously claiming it was exempt from VAT



A series of court rulings deemed that Uber's drivers were workers and not self-employed. Photograph: Robyn Beck/AFP/Getty Images

Uber is handing £615m to UK tax authorities to settle an investigation into unpaid VAT, as it reported better than expected results, sending its shares higher.

Michael Murphy · May 6, 2021 · 2 min read

Uber set aside over £430million for UK driver back-payments following workers' rights decision



overnment & Policy

# Drivers in Europe net big data rights win against Uber and Ola

Natasha Lomas / 9:22 AM PDT • April 5, 2023

Comment



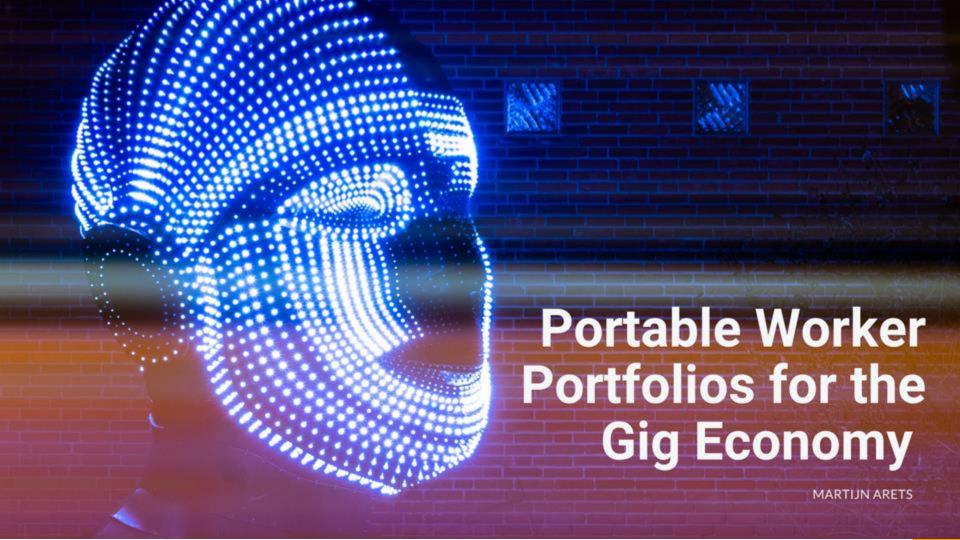
image Credits: Adam Berry / Getty Images

In a major win over opaque algorithmic management in the so-called gig

WageIndicator

New tools for fair pay.





## **Challenge:**

Platforms make it easier to enter the labor market. It is a fine first step, but perspective is missing.

#### Data

Data on reputation and transaction earned on the platform while doing work is valuable for the worker to get more work and in some cases better pay.

## Reports

ILO - THE ROLE OF DIGITAL LABOUR PLATFORMS IN TRANSFORMING THE WORLD OF WORK

There is an assumption that giving this worker their data will empower the position in the labor market and make it easier to multi-home and find non-platform work. But nobody takes this into practice to validate all assumptions around data portability.









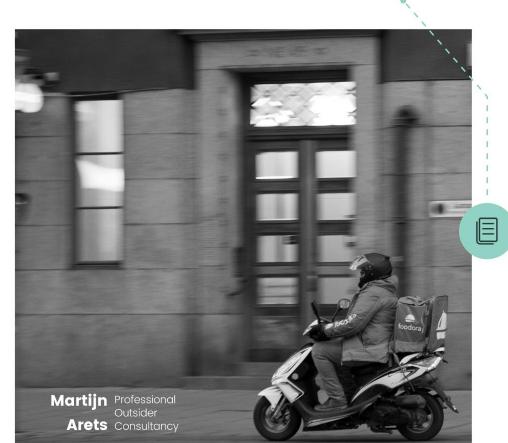








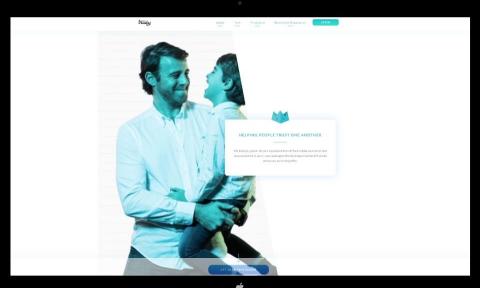
#### PORTABILITY OF REPUTATION AND TRANSACTION DATA FOR GIG WORKERS



#### MAIN QUESTION:

Can the portability of reputation and transaction data contribute to the employability of a worker in the labor market, both within and outside the gig economy?

# Trustcloud / Deemly / Traity / eRated







#### **OUR TECHNOLOGY: NETWORK OF TRUST**

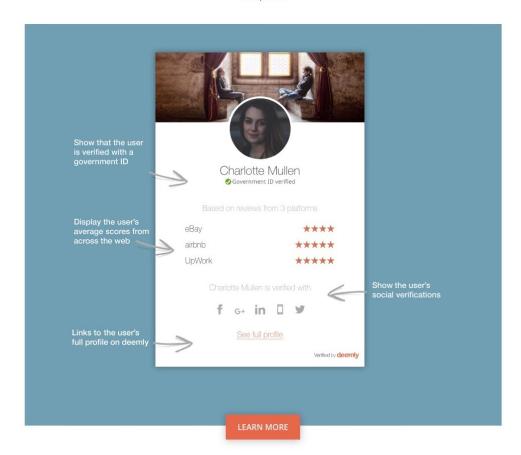
In 2016 we were awarded a <u>patent (US9363283B1)</u> for the Network of Trust, which recognises our work in how we measure people's reputation based on their social media footprint.

On Traity you can build your reputation through:



#### TRUST PROFILE WIDGET

Add our customizable, 'plug & play' widgets to your site for your users to display and leverage their trust profile.



source: Deemly.co







# Every platform worker a personal GigCV

GigCV is an easy tool for anyone working in or gaining work experience in the gig economy. With this open standard, you will be able to easily download your own reputation and transaction data, which serves as proof of your work experience and skills on connected platforms.







#### Jaap Janssen



jaap@example.com

#### Jaap heeft 16 klussen afgerond bij 8 opdrachtgevers. De eerste klus was 12 april 2021.





Als echte eigen baas weet jij als geen ander wat er allemaal bij het freelancen komt kijken. Terwijl je net de uren van die ene freelance opdracht hebt afgerond.

#### Restaurants



8 klussen

Service, Waitering, Hospitality, Taking Orders

#### Bars



8 klussen

Barkeeper, Service, Waitering, Hospitality, Taking Orders

#### Reviews van werkgevers

#### \*\*\*\*\*

Di - 07 Sep 2021

Het was heel fijn om samen te werken met Jaap. Hij was altijd op tijd en maakte zijn werk netjes af binnen de gegeven tijd. Ik zou hem zo nog een keer aannemen voor.

#### Top 5 werkgevers

- 1. Club Jaapie
- 2. Cafe Borrelnootje
- 3. Picnic
- HelloFresh
   Noir

#### \*\*\*\*

DI - 07 Sep 2021

Jaap heeft bij ons gewerkt als barman. Hij maakte de beste cocktails en kwam zelfs met nieuwe eigen recepten. Hij was soms wel te laat en liet dat dings weten.

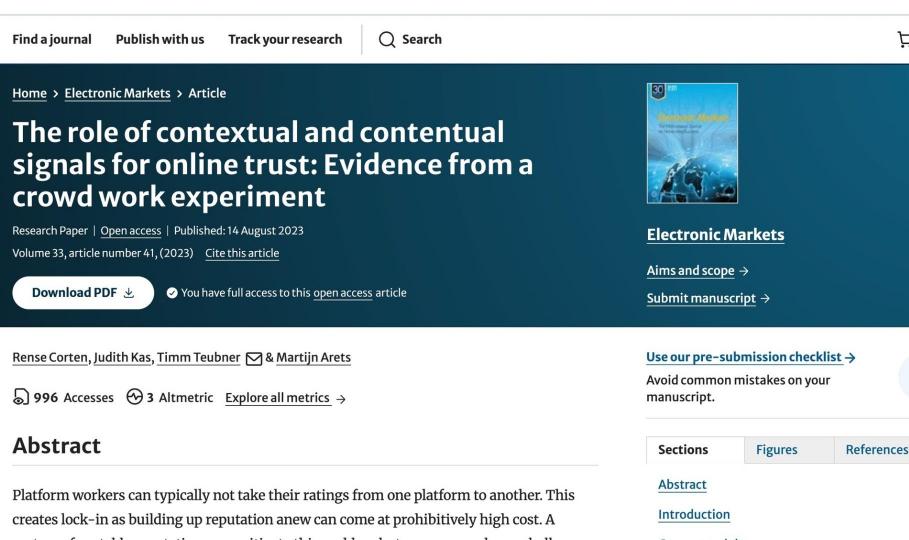


### **Status**

- 125.000 workers
- 35.000 downloads
- Netherlands, Belgium, Germany, UK, France, Kenya and Uganda

# **5** perspectives

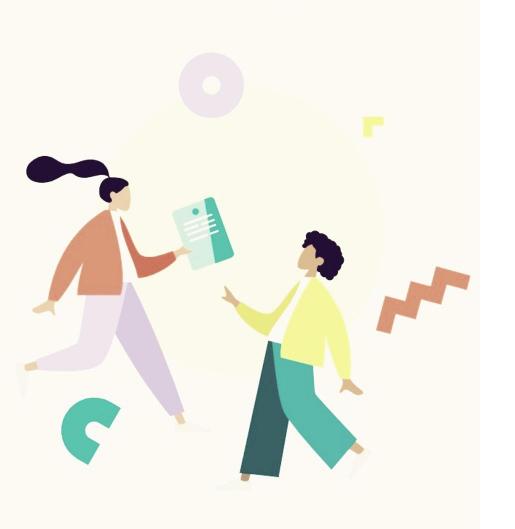
- Worker
- Client (receiver of the data)
- Platform
- Society
- Institutions



☐ Cart

#### Remarks

- Data sharing is not hard. It is not complex. But you can make it hard and complex.
- Data sharing via API's is in the core of every platform comany.
- Non-platform companies also have data on workers. They can also share this data with the workers.
- A lock-in based on keeping data to yourself an act of weakness. You should think how to strenghen your value proposition by sharing data.
- I expect regulation will shift from 'on demand' (GDPR) to 'realtime' data sharing (DMA).



# Thanks. For your attention.

- More info & download report at www.gigcv.org
- martijn@collaborative-economy.com
- @martijnarets

## **Living Tariff for Gig Workers**

Lessons from Indonesia, Pakistan, and Kenya

#### Presented at

International Society for Labour and Social Security Law World Congress (Rome, 17-20 September 2024)

**Special session -** Fairness in Flux: Navigating the Gig Economy Through Regulatory Innovation and New Tools for Fair Pay

Presenter

Nadia Pralitasari

Implemented by:



### Living Wages in the Gig Economy

# WageIndicator's Living Tariff as a tool for a Living Tariff for gig workers

**Presented at** 

The ISLSSL – Rome – XXIV World Congress (20th September 2024)

Special session - Fairness in Flux: Navigating the Gig Economy through Regulatory Innovation and New Tools for Fair Pay

**Paulien Osse** 

Co-founder, WageIndicator Foundation Lead, Living Wages, WageIndicator

**Daniela Ceccon** 

**Director of Data, WageIndicator Foundation** 



#### A Living Wage for Everyone

How does WageIndicator calculate Living Wage estimates?

## Estimates are based on 10 baskets of goods and services

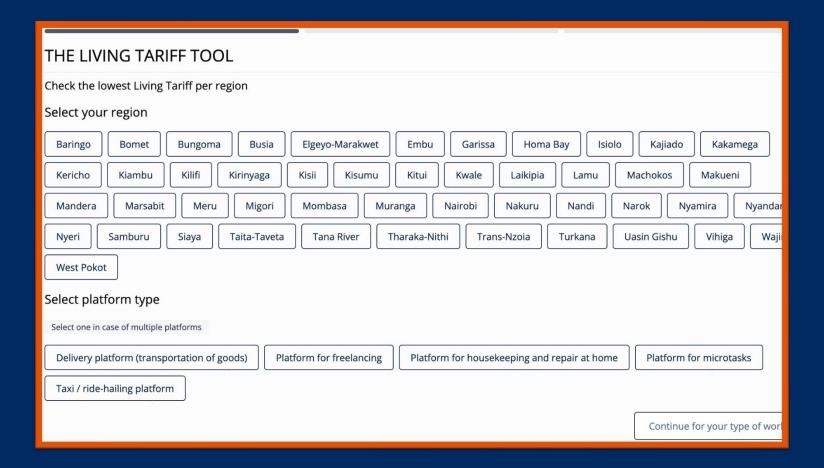


#### **Assumptions:**

- Employee
- Normal working hours
- Employers pays taxes and social security

#### **Extras for self-employed**

- Occupational costs
- Different working hours and time for other activities
- Taxes and social security

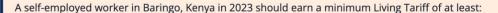


#### THE LIVING TARIFF TOOL

Check the lowest Living Tariff per region

Select your region \_ SELECTED REGION

Baringo X



- Ksh 290.46 per hour
- Ksh 51,868.35 per month full-time
- Ksh 622,420.20 per year.

Note: This tariff includes social security and taxes, but it does not include work-related equipment or overhead.

#### Select platform type

Select one in case of multiple platforms

Delivery platform (transportation of goods)

Platform for freelancing

Platform for housekeeping and repair at home

Platform for microtasks

Taxi / ride-hailing platform

#### Select your region

Baringo X

### REGION-SPECIFIC

A self-employed worker in Baringo, Kenya in 2023 should earn a minimum Living Tariff of at least:

- Ksh 290.46 per hour
- Ksh 51,868.35 per month full-time
- Ksh 622,420.20 per year.

Note: This tariff includes social security and taxes, but it does not include work-related equipment or overhead.

= Gross Gross Living Wage Per Month (Guidance 2023 or latest quarter)

=

WageIndicator Living Wage + Social Security Due by the Employer

Note: WageIndicator Living Wage includes cost of living and taxes and social security due by the employee

#### Select your region

Baringo X

A self-employed worker in Baringo, Kenya in 2023 should earn a minimum Living Tariff of at least:

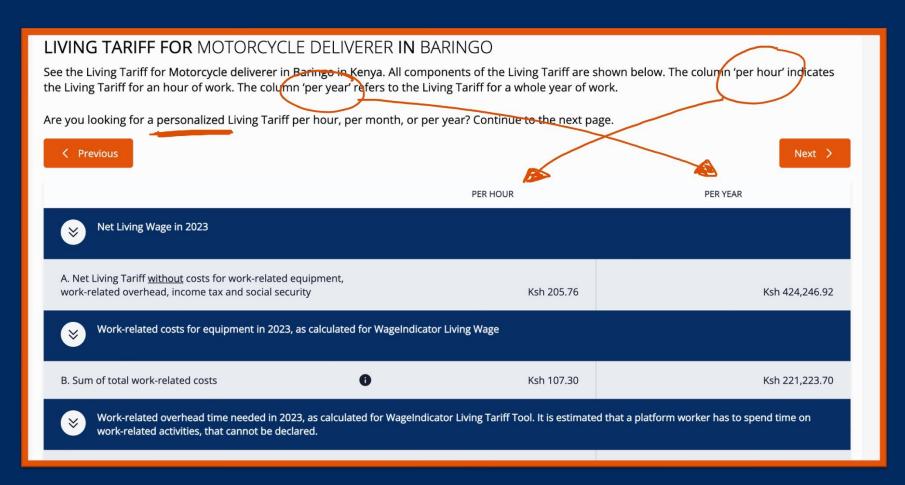
- Ksh 290.46 per hour
- Ksh 51,868.35 per month full-time
- Ksh 622,420.20 per year.

Note: This tariff includes social security and taxes, but it does not include work-related equipment or overhead.

#### Note:

- Taxes and social security costs are recalculated throughout the tool (they are % that apply to the total)
- The hourly Living Wage is calculated from the monthly Living Wage as follows:
  - Monthly LW / 4.333 weeks in a month / normal working hours in a week (45 for Kenya)
- The yearly Living Wage is calculated from the monthly Living Wage as follows:
  - Monthly LW \* 12 months in a year.

#### Select your region Baringo X A self-employed worker in Baringo, Kenya in 2023 should earn a minimum Living Tariff of at least: Ksh 290.46 per hour Ksh 51,868.35 per month full-time Ksh 622,420.20 per year. Note: This tariff includes social security and taxes, but it does not include work-related equipment or overhead. - Selected platform Select platform type Delivery platform (transportation of goods) X Select type of work Select one in case of multiple types of work Motorcycle deliverer Bicycle deliverer Car deliverer Van deliverer Continue for your type of work >



## 4ROSS 622420.20 - taxes sec. = STARTING NET

	PER HOUR	PER YEAR	1
Net Living Wage in 2023			
Net Living Wage, as calculated for WageIndicator Living Wage	Ksh 181.32	4,51001	Ksh 424,246.92
Year-round working days in the country	_	Week -	<b>286.00</b> days
Standard paid festive days per year in the country	_	LABOUR	<b>13.00</b> days
Standard paid annual leave days per year in the country	_		<b>21.00</b> days
Standard full-time working days, based on year-round working days minus festive and leave days	_		<b>252.00</b> days
Standard full-time working hours, based on year-round working days minus festive and leave days	_		<b>2061.82</b> hours
A. Net Living Tariff <u>without</u> costs for work-related equipment, work-related overhead, income tax and social security	(Ksh 205.76		Ksh 424,246.92

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			1	

Work-related costs for equipment in 2023, as calculated for WageIndicator Living Wage

Cost of computer or laptop and internet access		
Cost of phone, phone data, power bank and subscription	Ksh 3.74	Ksh 7,720.77
Cost of car or van, including fuel, insurance, repairs and clothing		
Cost of scooter, including fuel, insurance, repairs, clothing and helmet	Ksh 103.55	Ksh 213,502.93
Cost of electric bicycle, including electricity, insurance, repairs, clothing and helmet		
Cost of bicycle, including repairs, clothing and helmet		
B. Sum of total work-related costs	Ksh 107.30	Ksh 221,223.70





Work-related overhead time needed in 2023, as cald work-related activities, that cannot be declared.	culated for WageIr	idicator Living Tariff Tool. It is estimated	d that a platform worker has to spend time on
Administration	•	1.50 minute	6.00 days
Acquisition and communication	•	0.80 minutes	3.00 days
Training	•	1.50 minute	6.00 days
Waiting time	•	5.00 minutes	<b>19.83</b> days
Sum of work-related overhead time		8.80 minutes	<b>34.83</b> days
Standard full-time working hours adjusted for unpaid work- time	related	_	1776.88 hours
C. Sum of work-related overhead costs	0	Ksh 45.97	_
WageIndicator Living Tariff <u>with</u> job related costs and overh + B + C), but <u>without</u> income tax and social security in 2023	ead (A	Ksh 359.03	Ksh 645,470.62
Research (Job-		0131	C (NET)

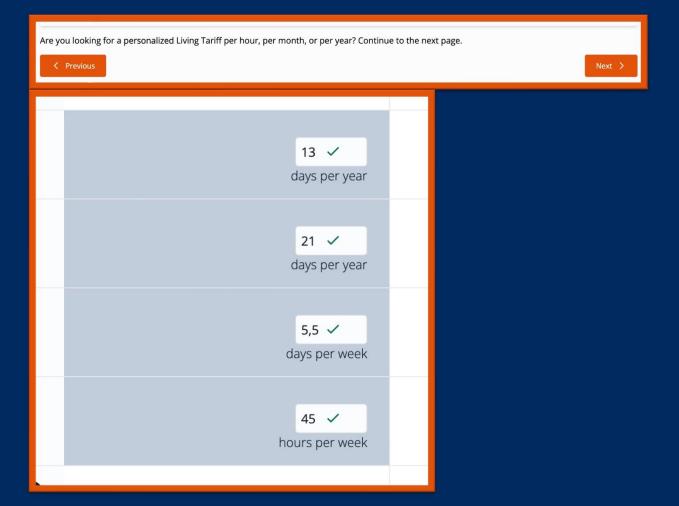
H+B+C (NEI)

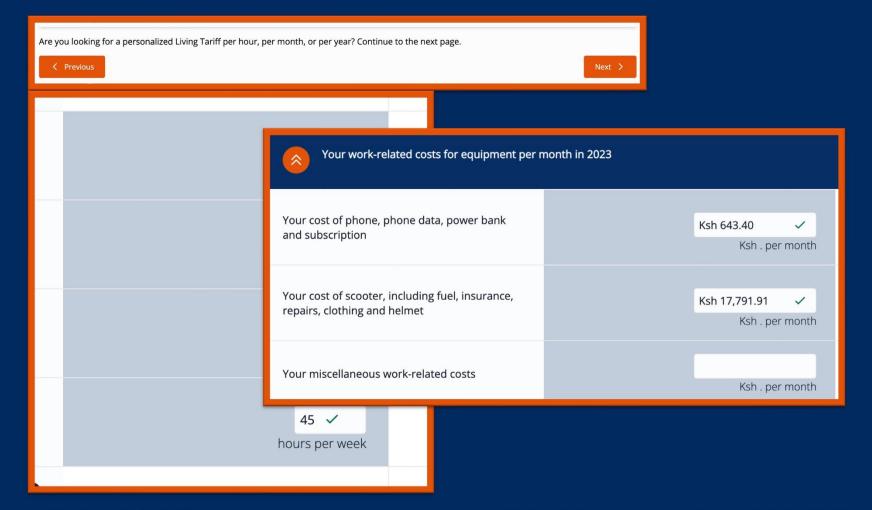
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Cost of income taxes and social security in 2023, as calculated for WageIndicator Living Tariff Tool, based on standard full-time working hours.

Income taxes ①	Ksh 106.18	Ksh 218,915.64
Reservation for pension	Ksh 47.59	Ksh 98,114.16
Reservation for not being able to work due to sickness	Ksh 0.00	Ksh 0.00
Reservation for not being able to work due to disability	<u></u>	Ksh 0.00
Reservation for not being able to work due no work available	Ksh 9.04	Ksh 18,641.64
Insurance for medical costs	Ksh 0.22	Ksh 516.84
D. Sum of taxes and social security	(L) Ksh 163.02	Ksh 336,188.28
WageIndicator Living Tariff <u>with</u> job related costs and overhead, and <u>with</u> income tax and social security in 2023 (A+B+C+D)	Ksh 522.05	Ksh 981,658.90
	PER HOUR	PER YEAR

### Re search





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### **THANK YOU**

You can access the Living Tariff Tool and find more information here:

Video: <a href="https://youtu.be/Gn-pmosAQj8?si=-D8BskH3Xa">https://youtu.be/Gn-pmosAQj8?si=-D8BskH3Xa</a> kaDkH

Webpage: <a href="https://wageindicator.org/salary/living-wage/living-tariff-7">https://wageindicator.org/salary/living-wage/living-tariff-7</a>

**Questions?** 

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# Thank you!

#### **Questions?**

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