

DECENT WORK IN THE PLATFORM ECONOMY

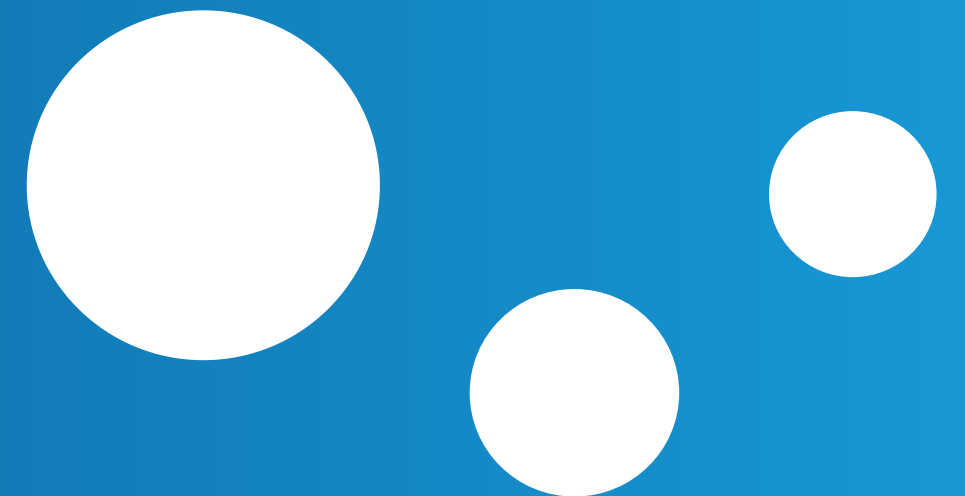
DRAFT ILO CONVENTION & REMUNERATION

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THE GAPS

**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 deprives the platform workers of the protection of traditional labour rights and benefits, such as minimum wages, social security, paid leave, and health insurance.

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.

ARTICLES 9 & 10 OF THE DRAFT ILO PLATFORM WORK CONVENTION

ARTICLE 9 — REMUNERATION OR PAYMENT

1. Each Member shall take measures to ensure that the remuneration or payment which is due to digital platform workers under national laws and regulations, collective agreements or contractual obligations is paid in **full, on time and in legal tender** or, to the extent authorized, in kind.
2. Each Member shall also take measures to ensure that digital platform workers **in an employment relationship**:
 - a. receive **remuneration that is adequate** and the amount of which, excluding any tips or other gratuities, is in **no case lower than the applicable statutory or negotiated minimum wage**, if any; and
 - b. are reasonably compensated for expenses or other costs incurred in the performance of their work.
3. Each Member shall, **"to the extent possible and as appropriate"**, extend the measures adopted under paragraph 2 to digital platform workers **who are not in an employment relationship**.

ARTICLE 10 — TRANSPARENCY

Each Member shall require digital labour platforms to **regularly provide** digital platform workers with **accurate and easily understandable information** on their remuneration or payment and **any deductions made**.

IN 1944, THE **ILO** DECLARATION OF PHILADELPHIA REFERRED TO THE IMPORTANCE OF "A **MINIMUM LIVING WAGE** TO ALL EMPLOYED AND IN NEED OF SUCH PROTECTION".

ARTICLES 9 & 10 SPLIT WORKERS IN TWO – AND LEAVE THE SELF-EMPLOYED BEHIND

The draft ILO Platform Work Convention (ILC.114/V(4), 2026) creates one rule for platform employees and a much weaker, discretionary rule for everyone else.

PROVISION	PLATFORM WORKERS IN AN EMPLOYMENT RELATIONSHIP	PLATFORM WORKERS NOT IN AN EMPLOYMENT RELATIONSHIP (SELF-EMPLOYED)
Art. 9(1) Full, on-time, legal-tender payment	Yes — binding.	Yes — binding.
Art. 9(2)(a) Adequate remuneration ≥ minimum wage	Yes — binding obligation.	Only "to the extent possible and as appropriate" (Art. 9(3)).
Art. 9(2)(b) Reasonable expense compensation	Yes — binding obligation.	Only "to the extent possible and as appropriate" (Art. 9(3)).
Art. 10 Transparency on remuneration & deductions	Yes — binding.	Yes — binding.

INTERNATIONAL LAW ALREADY REQUIRES FAIR PAY FOR THE SELF-EMPLOYED

Two foundational instruments brought self-employed workers within the right to fair, decent remuneration. Article 9 should reflect this — not retreat from it.

“minimum payment”, “minimum income floor”, “minimum piece rate”, “fair remuneration”, or “minimum rate for services”

ICESCR — ARTICLE 7

UN COVENANT ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS (1966)

“The States Parties to the present Covenant recognize the right of **everyone** to the enjoyment of just and favourable conditions of work, which ensure, in particular: (a) Remuneration which provides all workers, as a minimum, with: (i) **Fair wages** and equal remuneration for work of equal value without distinction of any kind...; (ii) **A decent living for themselves and their families...**”

GC No. 23 (2016) makes the scope explicit:

“*The right to just and favourable conditions of work applies to **all workers in all settings**, regardless of gender, as well as young and older workers, workers with disabilities, workers in the informal sector, migrant workers, workers from ethnic and other minorities, domestic workers, **self-employed workers**, agricultural workers, refugee workers and unpaid workers.*” (para. 5)

ILO RECOMMENDATION NO. 204 (2015)

TRANSITION FROM THE INFORMAL TO THE FORMAL ECONOMY

Scope. Covers the informal economy, defined to include both **wage employment and self-employment** (Para. 2(a)).

Para. 18. Members should “progressively extend, in law and practice... to all workers in the informal economy, social security, maternity protection, decent working conditions and **a minimum wage** that takes account of the needs of workers and considers relevant factors, including but not limited to the cost of living and the general level of wages in their country.”

Reading together. ICESCR Art. 7, GC 23 and R.204 already make a minimum wage / fair pay floor an existing international-law obligation that **extends to the self-employed**. The upcoming Convention should align, not weaken, these standards.

STATUTORY FLOORS FOR NON-EMPLOYEES: IT IS ALREADY BEING DONE

Live enforceable examples: None of these treats the worker as an employee.

NEW YORK CITY

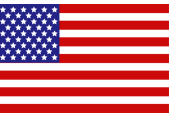


App-based restaurant delivery workers

US\$21.44 / hour

Minimum pay rate before tips, in force since April 2025. Adjusted annually for inflation. NYC reports the rule has returned over US\$700M to 60,000+ delivery workers.

SEATTLE

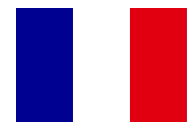


App-based workers

\$0.47/min + \$0.80/mile or \$5.34/offer

Whichever is greater (2026 rates). A hybrid time + distance or per-task floor: the model now mirrored in Washington State.

FRANCE



Self-employed VTC platform drivers

€30/hr of activity + €1/km

ARPE-mediated sectoral collective agreement applies to all platforms and self-employed drivers in the VTC sector. €9 net minimum per trip. Delivery riders covered by parallel agreement at €11.75/hr. (VTC=Tourist Vehicles with Driver)

POLAND



Civil-law contractors & solo self-employed

Statutory minimum hourly rate

National minimum hourly floor extended to natural persons and self-employed who do not employ others or subcontract. One of the clearest general examples beyond the wage relationship.

SETTLEMENTS, SECTORAL CODES & CONTRACTOR REGIMES

These examples extend beyond statutory rates: collective agreements, AG settlements, percentage-uplift formulas linked to employee CBAs, and fair piece-rate rules. The toolkit is rich and well-tested.

BRITISH COLUMBIA



App-based ride-hail & delivery workers

120% of minimum wage + per-km

B.C. regulations: 120% of the general minimum wage during engaged time, plus a separate per-kilometre expense allowance. Top-up obligation if pay-period earnings fall below the floor.

MASSACHUSETTS



Uber & Lyft drivers

US\$32.50 / hour

Attorney General settlement (2024) requires a \$32.50/hr minimum pay standard plus paid sick leave, occupational accident insurance and portable health funds — without reclassifying drivers.

NETHERLANDS



Freelance journalists / public-broadcasting freelancers

150–167% of CAO wage

NVJ–DPG Werkcode and the Fair Practice Code link contractor rates to the equivalent employee CBA wage, multiplied by 1.50–1.67 to cover social security, holidays, insurance, equipment and downtime.

UNITED KINGDOM



Piece-rate / output workers

120% “fair piece-rate” uplift

National Minimum Wage Regulations 2015 (regs 36–43): output work must pay a piece rate calculated to deliver the NMW at 120% productivity: a built-in 20% buffer protecting slower workers.

FIVE MORE NATIONAL APPROACHES – ACROSS CONTINENTS AND DECADES

From a 1951 European home-work law to 2022–25 Latin American statutes: a common pattern of fixing rates for non-employees without reclassification.

GERMANY



Heimarbeit (home workers)

Tripartite committee rate

Heimarbeitsgesetz (1951): tripartite committee fix binding minimum remuneration by sector and region for piece-rated home-workers.

CHILE



Screen-industry contractors

Statutory hourly wage floor

Ley 21.431 (2022) modifies the Labour Code: creates an “independent platform worker” category with a statutory hourly wage, max connection time, OSH and social security. First in Latin America.

AUSTRALIA



“Employee-like” platform workers

Minimum Standards Orders

Fair Work Act (Closing Loopholes Act 2024): the FWC may issue legally binding MSOs setting minimum pay, deductions and conditions, without any reclassification.

A PLATFORM WORKER'S PAY ISN'T A WAGE – IT'S A GROSS BUSINESS INCOME

An employee's wage arrives after the employer has already covered equipment, downtime and social security. A self-employed platform worker's pay arrives does not include these. The empirical record across countries shows what gets eaten.

70%

of US platform workers' remuneration is spent on work-related expenses

EQUIPMENT & EXPENSES

Vehicle, fuel, maintenance, insurance, phone, data plan, depreciation, parking, tolls.

Country evidence:

- **California (Prop 22):** 34¢/mile ≈ half the IRS standard mileage rate (70¢).

38–51%

of US ride-hail drivers' on-shift time is unpaid waiting time

WAITING / ENGAGED TIME

On web platforms, ~1/3 of every hour online is unpaid. On ride-hail apps the gap is bigger.

Country evidence:

- **UK:** Uber v. Aslam [2021] UKSC 5 — working time begins when the driver is signed in, not just on a trip.
- **105 (out of 139) ILO member governments** agreed waiting time should count; only employers' group dissented.

60%

less earned by platform workers in developing vs. developed countries on freelance platforms

SOCIAL SECURITY (BOTH SIDES)

Self-employed pay both employer and employee contributions (pension, health, accident, disability).

Country evidence:

- **Colombia:** Law 2466 (2025) (platform pays 60% of mandatory health/pension; full occupational-risk insurance).
- **Singapore:** Platform Workers Act 2024: mandatory CPF contributions and work-injury cover.

WAGEINDICATOR'S LIVING TARIFF TURNS ARTICLE 9 FROM PRINCIPLE INTO A NUMBER

MINIMUM WAGE

(employee, regional)

+

COSTS & RISKS BORNE BY THE WORKER

equipment · overhead · taxes · social security ·
sickness/pension savings · non-working time ·
waiting time

=

MINIMUM TARIFF

(self-employed hourly/daily
floor)

- WageIndicator Minimum Wage Database
- Wageindicator Labour Law Database
- WageIndicator Living Wages Database

LIVING WAGE

(employee, regional)

+

COSTS & RISKS BORNE BY THE WORKER

equipment · overhead · taxes · social security ·
sickness/pension savings · non-working time ·
waiting time

=

LIVING TARIFF

(self-employed hourly/daily
floor)

TWO PATHS TO THE SAME OUTCOME

Strengthen the text or, where it doesn't change, give Minimum Wage Boards a benchmark.

PATH 1 · STRENGTHEN ART. 9 & 10

What the text should do

Lift Art. 9(3): Each Member shall extend the measures adopted under paragraph 2 to digital platform workers **who are not in an employment relationship.** (adequate remuneration + reasonable compensation for expenses)

Add waiting time to Art. 9(2)(a): the rate must apply to all time “at the disposal of the digital labour platform,” not only engaged time.

Expense reimbursement (Art. 9(2)(b)): Ensure that tips are excluded, and fuel, vehicle, equipment, insurance or platform fees should be paid separately from remuneration.

PATH 2 · IF THE TEXT DOESN'T CHANGE

What MW Boards can still do using the Living Tariff

Minimum Living Tariff: as the regionally calibrated benchmark for fixing minimum payments, tariffs or fair piece-rates.

Operationalise Art. 9(3) in good-faith implementation for ride-hail, delivery, freelance journalism and home-based work.

Use it operationally: in CBAs (NL Werkcode), sectoral dialogue (FR ARPE), tribunal proceedings (AU FWC), and MW-board rate-setting (PK).

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