



The gig economy: A challenge for the trade union movement

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At first the gig economy - where digital platforms connect clients and workers - emerged quietly, presented as a way of supplementing existing jobs and incomes. Even today, these platforms constitute a small proportion of total employment and are not that significant in the global economy. However, they are growing by leaps and bounds. While the idea of earning extra money is attractive to workers, the reality is that the gig economy involves a hidden, very unequal labour relationship, and is part of a growing e-commerce sector that has few obligations to the general public, consumers and workers. This poses a serious challenge for unions, and raises the need to develop an approach for collective bargaining and regulation of the sector.

Evaluation systems

There is no doubt the gig economy helps solve the costly problem of ensuring that the supply of goods and services is matched efficiently with the demand. However, this market efficiency is often at the cost of workers' rights and working conditions.

For example, in many cases, the worker's pay in this system is based on an automatically applied mathematical algorithm. This evaluates how long the worker takes to deal with queries and to deliver the good or service, the percentage of jobs the worker rejects, and so on. The criteria are specific to each platform. The evaluation also affects the worker's future employment, and the quality of jobs offered to that worker.

At first, this may sound positive - simply a way to ensure satisfaction for both worker and client. But the platforms do not have efficient means of dealing with complexity, such as allowing a person to be contacted so that a problem can be explained, or an alternative arrangement made. There is no space for grey here: the situation is black or white.

This can be abusive of the worker. Suppose that the platform offers design services or language teaching. If the worker is ill for one day - connected to the platform but unable to provide the service efficiently - then he or she will be punished by the software for weak performance because of the delay in delivery, which affects payment and future jobs. If the worker knows that she or he cannot satisfy the algorithm, the alternative is not working at all - but this is

at the cost of losing customers and money. There is no sick leave, but instead, punishment for illness.

The impact on vulnerable workers

Jobs via digital platforms are an attractive option for young people familiar with the new technology and facing a difficult economic context. They are also attractive to vulnerable groups such as sexual minorities, immigrants and women, who thereby avoid the problems of gaining approval in a job interview. Virtuality offers a quick, accessible exit from unemployment for those facing harsh economic conditions or discrimination.

However, the fact that many workers thus employed are from vulnerable sectors also helps explain the low wages on offer for these jobs. Even if wages are below the minimum, there are always workers willing to accept them because they do not have access to employment in more traditional sectors.

Regulations and employers

While to an outsider it may seem that e-commerce is mainly about buying and selling online, it is really much more complex. The World Trade Organisation (WTO) defines e-commerce as 'the production, distribution, marketing, sale or delivery of goods and services by electronic means', which includes online retail and the gig economy, but also potentially almost any economic activity.

The rules currently being negotiated internationally to regulate e-commerce exclude such operations from the jurisdiction of local consumer courts, from having to properly register where they operate, from technology transfer requirements and taxes, and from making their data available in countries where it is collected. They enable companies that operate online to use the comparative advantage of each country, but without responsibility to the general public (avoiding technology transfers and taxes, and creating tax havens), consumers (exemption from consumer courts), and workers (unfair labour practices).

If it was already difficult under globalisation to identify the employer, these developments are making it impossible.

This poses a serious challenge for unions and collective bargaining.

There are key demands unions need to champion.

One, respect for fundamental rights. Work is work. Every worker is entitled to the universal rights declared by the ILO. Digital platforms and evaluative algorithms are simply tools designed by human beings. It is necessary to demand from the people with power that the design of the software and work must respect these rights.

Two, portable ratings. Presently, when a worker leaves one platform for another more lucrative one, the worker has to start without any employment history, and no recognition of previous efforts and successes. Ensuring that ratings follow workers helps to ensure wage competition is upward, rather than downward.

Three, data and work history must be accessible to workers. When workers leave a platform, they must have the right to all their information, so they can have a resume of their working life, from which they can bargain in future.

Four, communication channels. There must be means for workers to easily communicate with the employer, and raise demands as individuals and a collective, instead of employers being hidden.

Five, protection for illness and care work. All platforms must have a means for workers to report when they will not be able to perform fully on a given day, so the evaluative algorithm does not punish them. This is fundamental, especially for women, who still carry the main burden of care work, including responsibility for sick children and household tasks.

Six, proper registration of workers. Every platform must require documentation that ensures no use of child labour or forced labour, and the employer must be obliged to provide workers' details to the authorities.

Seven, a register of employers. Since the workers are in flexible employment, sometimes with multiple employers, there must be a system that allows workers to compare and evaluate employers.

Eight, limitations on working hours and days. Platforms must be automatically disconnected after the hours set by local law are reached, not allowing the worker to become available again until a minimum rest period has elapsed.

Nine, a salary to be paid after a set number of hours which is equal to or greater than the minimum wage, even if the company has to contribute. It is not fair for workers to set aside time for work, but not be paid properly when there is no demand.

Ten, consultation with workers by employers when offering discounts and promotions. Presently workers are obliged to participate, or be punished by evaluative algorithms. Workers should have the right to refuse involvement.

Eleven, changed international standards for e-commerce. States must have the power to regulate e-commerce and the gig economy, especially in this early phase where there is much ignorance about its possibilities. States must be able to demand a formal commercial presence of companies, payment of taxes and data protection. Existing treaties developed by the WTO and others for e-commerce must be cancelled.

Twelve, proper regulation in workers' interest. There must be efforts by authorities and unions to monitor and control this form of employment, including access to the questionnaires clients complete and regulation of how companies can use this information, regulation of the design of the workers' qualification systems are designed, among other things.

These are some proposals to encourage debate and generate ideas, to help workers employed in the gig economy to end the ongoing, multiple violations of labour rights and achieve decent employment for all.

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