

# UNECE Meeting of the Group of Experts on Quality of Employment

Session 2: New forms of employment

A quality framework for digital platform employment (DPE) measurement Sabrina lannazzone

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#### Does it matter?

Increasing interest in new forms of work, for policy and statistical reasons:

- Is digital transition going to change the Labour market rules and how?
- Is the digital transformation going to change the work organization and workers' rights? How can we measure it?

**GIG WORK** 

DIGITAL LABOUR

PLATFORM ECONOMY

We still need a common definition and understanding of the phenomenon



### Policy developments

2021 proposal for a new Directive by the European Commission to improve platform workers' working conditions:

- legal employment status and associated rights (e.g. access to adequate social protection and training opportunities)
- Algorithmic management > workers' rights; business model.

In February 2024, the Council and the European Parliament reached an agreement on the proposed directive.

FYI: adopted at Coreper on 8 March, text: pdf (europa.eu)



### Background

Several initiatives at national level:

Belgium, Italy, Finland, France, Switzerland

Using different data sources:

Tax registries, social security registries, EU survey on the use of Information and Communication Technologies, Time Use Survey, Labour Force Survey



### Background

#### International initiatives:

- UNECE <u>Handbook</u> on Forms of Employment, 2022
- Eurostat, ILO and OECD <u>Handbook</u> on Measuring Digital Platform Employment and Work, 2023
- Eurostat Task Force on DPE with the purpose of launching a pilot data collection in 2022 and now preparing the ad-hoc Labour Force Survey module in 2026

ongoing



### The Task Force Digital Platform Employment

The TF DPE built a framework to deal with measuring the DPE within the EU-LFS, including:

- Definitions
- Reference population
- Time reference

- Methodology
- Model questionnaire
- Variables for analysis



#### **Definitions**

"Employment" in the context of DPE is:

To have worked for pay or profit in tasks/activities organised through a digital platform or a phone app, for at least one hour of at least one week during the reference period.

➤ International Conference of Labour Statisticians (ICLS) standards

Intended destination of production	for own final use		for use by others					
Forms of work	Own-use production work  of of services goods		Employment (work for pay or profit)	Unpaid trainee work	Other work activities	in market and non-market units   in household producing		seholds lucing
Relation to 2008 SNA	Activities within the SNA production boundary  Activities inside the SNA General production boundary							



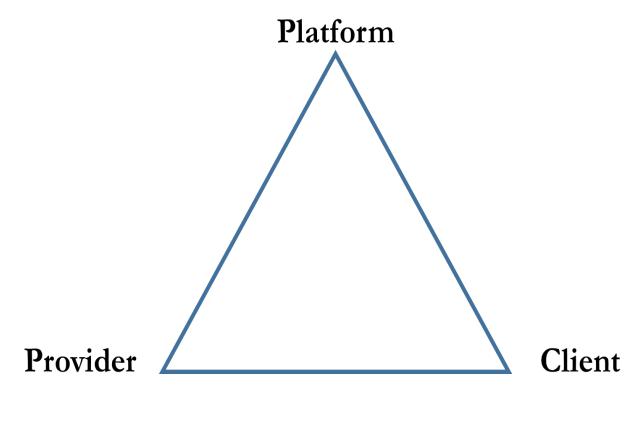
#### **Definitions**

#### Digital Platform Employment involves three distinct agents:

- The provider, i.e. the supply side of the labour market (the employed person);
- 2. The **client**, i.e. the demand side of the labour market (it may be an individual or a legal person);
- 3. The **platform**, i.e. a digital online service facilitating interactions between two or more distinct but interdependent sets of providers and clients who interact through the service via the internet.



### Interaction amongst agents



The digital platform work arrangement involve either:

- Direct interaction among all three agents (triangular relation), OR
- Direct interaction between the provider and the platform, via internet, coupled with a direct interaction between the platform and the clients, where the platform controls and/or organises essential aspects of the activities, such as to facilitate payments, distribute and prioritise the work to be conducted (double bilateral relation).

### Methodology

In line with the EU-LFS, but its focus is on:

- supply side of the labour market (no business perspective);
- activities constituting employment (work for pay or profit);
- counting heads (not transactions, volumes or revenue);

#### Two main challenges:

to identify the platform work within the employed people already detected in the EU-LFS (as first or second job)

to identify employed non-detected in the LFS that actually perform platform paid work



### Methodology

Four kinds of DPE proposed:

- Taxi or transport services\*
- 2. Renting out accommodation
- 3. Goods selling
- 4. Other work or services

The name of the platform is asked to identify false positives, such as use of software e.g. Zoom and MS Teams, or false negatives, such as general practitioners working with patients found through a platform.

### Methodology

#### Other work or services includes:

- 1. Cleaning
- 2. Handiwork (including plumbing, electrician works or similar)
- 3. Child or elderly care (e.g. baby-sitting, shopping for elderly people)
- 4. Medical services

- 5. Tutorials / teaching
- 6. Translation
- Programming / Coding
- 8. Web or graphic design
- Online support or checks for online content

- Data or text entry / editing
- 11. Creating contents such as videos or texts (with the purpose of pay or profit)
- 12. Other Specify



### Variables for analysis

- Hours worked in the last month
- Frequency of days including 1 hour-work in the last month
- Status in employment in the last month
- Monthly DPE net income as % of total personal income
- Social security coverage

- Assignment of the work or service
- Rejection of work or service
- Working hours setting
- Price setting
- DPE as main, second or additional job in the reference week



### Results of the pilot survey in 2022

- Digital platform workers were more likely to be men than women (3.2 % of all men aged 15-64, compared to 2.8 % of all women).
- They were most common under the age of 30 (3.6 % of people aged 15-29, compared to 2.8 % for age group 30-64).
- They were more likely to have a high level of education (tertiary level of education.
- In most countries, the highest share of DP workers earned less than a quarter of the total personal earned income, in the last month.

More information is available on *Employment statistics - digital platform workers* 



### Results of the pilot survey in 2022

#### Among all 17 countries as a whole:

- 3.0 % of all people aged 15 to 64 performed at least one hour in digital platform employment (DPE) in the last 12 months.
- Roughly 4.4 % of the average employment in 2022 experimented DPE

Among all 17 countries as a whole, of all people that performed DPE work:

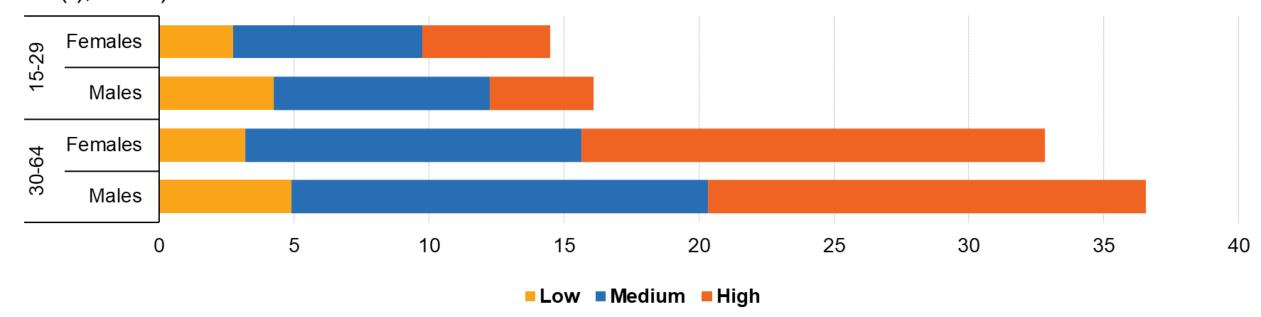
- 80.1 % reported only 1 type of DPE
- 15.5 % 2 types of DPE
- 3.3 % 3 types of DPE
- 1.0 % in 4 types or more.

Statistics Explained Article on DPE on Eurostat Website

Although DPE prevails in the 15-29 age group, the majority of DPE is still found in the 30-64 age group.

#### Digital platform workers by age, sex and level of education

(as % of all digital platform workers for at least 1h in the last year aged 15-64, Agg 17(1), 2022)

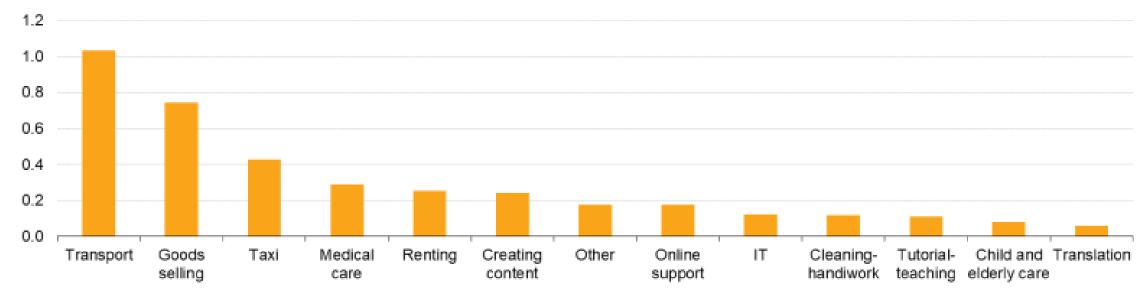


Note: (1) Agg 17 refers to the aggregate of 17 countries listed in the definition section of the article Source: LFS ad-hoc extraction - pilot survey



### Digital platform workers for at least 1h in the last year by task or services category

(as % of all people, aged 15-64, Agg 17(1), 2022)



Note: 19.9 % of respondents reported more than one DPE category: to avoid double counting, the percentages cannot be summed up, (1) Agg 17 refers to the aggregate of 17 countries listed in the data source section of the article; 'not stated' is excluded for each category

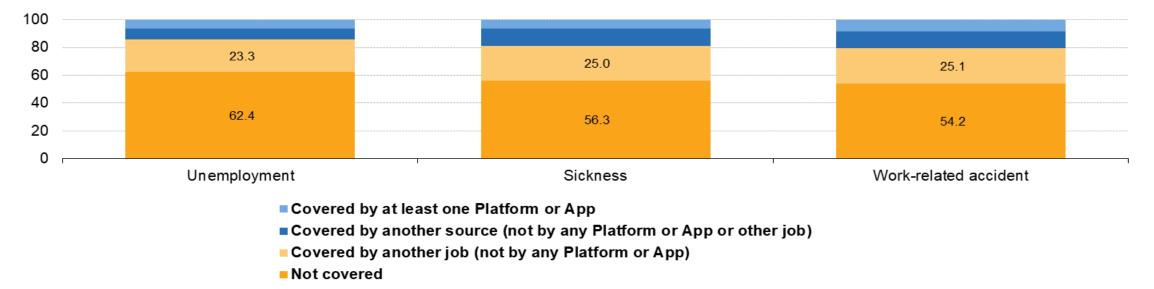
Source: LFS ad-hoc extraction - pilot survey





#### Digital platform workers by type of social insurance coverage and by category of risk

(as % of all digital platform workers for at least 1h in the last month aged 15-64, Agg 17(1), 2022)



Note: (1) Agg 17 refers to the aggregate of 17 countries listed in the data source section of the article; 'not stated' category excluded in each category of risk

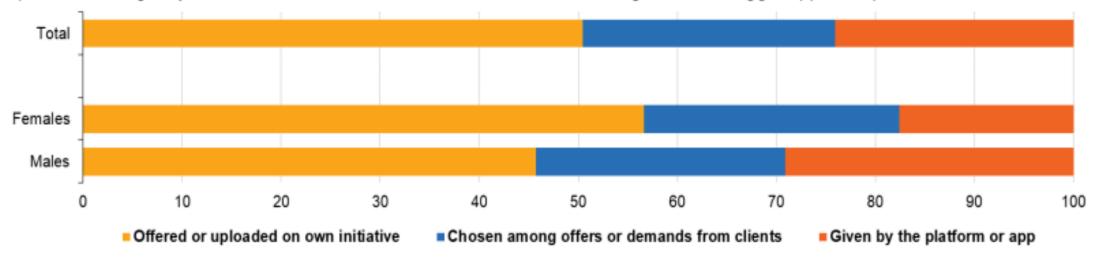
Source: LFS ad-hoc extraction - pilot survey





#### Digital platform workers by type of assignment of the work, service or task

(as % of all digital platform workers for at least 1h in the last month, aged 15-64, Agg 17(1), 2022)



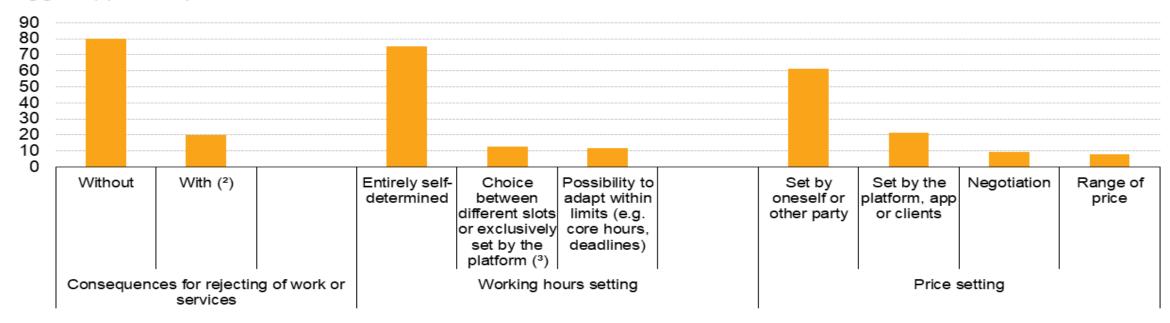
Note: (1) Agg 17 refers to the aggregate of 17 countries listed in the data source section of the article, 'not stated' category is excluded Source: LFS ad-hoc extraction - pilot survey





#### Digital platform workers by degree of autonomy for choosing their working conditions

(as % of all digital platform workers for at least 1h in the last month, aged 15-64, Agg 17(1), 2022)



Note: (1) Agg 17 refers to the aggregate of 17 countries listed in the data source section of the article, (2) due to low data reliability both categories were merged i.e. 'could not reject because of dismissal or disconnection from the Platform or App' and 'could reject but with consequences (such as losing access to valuable tasks or decline in ratings)', (3) due to low data reliability both categories were merged i.e. 'choice between several fixed working schedules determined by the Platform, App or clients' and 'working hours set by the Platform, App or clients'

Source: LFS ad-hoc extraction - pilot survey



#### Main Lessons Learnt

- Measurement of DPE should not rely on the employed population only, because data shows that some DPE are not employed according to the EU-LFS. This is connected with the measurement of false negatives.
- The choice of the reference period is crucial. A mixed reference period\* may be a solution.
   The development of new indicators with mixed reference period should be considered accordingly.
- The sub-module on social security has many challenges in terms of comparability and harmonization of data respondents might have a combination of different types of social insurance; national regulations regarding vis-à-vis the right of workers depending on their status in employment and the providers of work-related insurances.



#### Next steps

- The work of the DPE Task Force is in line with the key user needs and the Directive purposes, for the improvement of the platform workers' working conditions and the determination of the correct employment status.
- DPE data is now experimental. The preparation (finalization of variables/reference period and regulatory phase) of the ad-hoc subject module is currently ongoing with a view to implementing the module in 2026, in all EU Member States.
- Eurostat-ILO Global Conference on Measuring new forms of employment, 4-5 July 2024, Brussels.
- Enhance the quality of data collection on DPE and achieve a harmonized methodology to understand DPE characteristics and measure digital platform employment.



#### A quality framework for DPE measurement

- Focus of most variables should be paid work done through the most important digital platform.
- Reducing the number of false positives by identifying DP workers through the platform name and pay/profit.
- Main reason for working through a digital platform should be asked.
- Answers to DPINTENS Intensity of paid work in digital platform(s) in the last 12 months will determine the question(s) for the variable DPHRSW Average number of paid hours worked per month in the last 12 months, in digital platform(s).



#### A quality framework for DPE measurement

 12-month reference period allows to increase the sample size – with the exception of DPMAIN (Paid digital platform work as main, second or other job in the reference week), to keep the link with the core LFS.



It will be possible to capture people who result as not employed in the core LFS and declare some DPE work in the module; it can also occur that respondents, in the module, may declare the DPE work as the main job in the reference week, while reporting a different job as the main job when answering the core LFS.

 Variable DPINSCOV\* is important to measure the rights of persons performing digital platform work, but it also presents many challenges (e.g. types of providers and social insurances, main contributor, different national regulations..).



#### **Quality Indicators**

- Participation rate in digital platform employment (% of total employment, annual data)
- Share of paid digital platform work as main job in the reference week out of total employment
- Detected false positive and detected false negative (% of total DPE)
- Average weight of main platform on total DPE (% total digital platform income)
- Share of frequent paid work in digital platform(s) on the total paid DPE or ratio between frequent and sporadic DPE
- Non-response rate (total, refusals)



## Thank you



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