

Why are indicators on platform workers needed?

Platform workers are individuals who use an app (such as *Uber*) or a website (such as *Amazon Turk*) to match themselves with customers, in order to provide a service in return for money. They offer a diverse range of services including transport, coding and writing product descriptions.

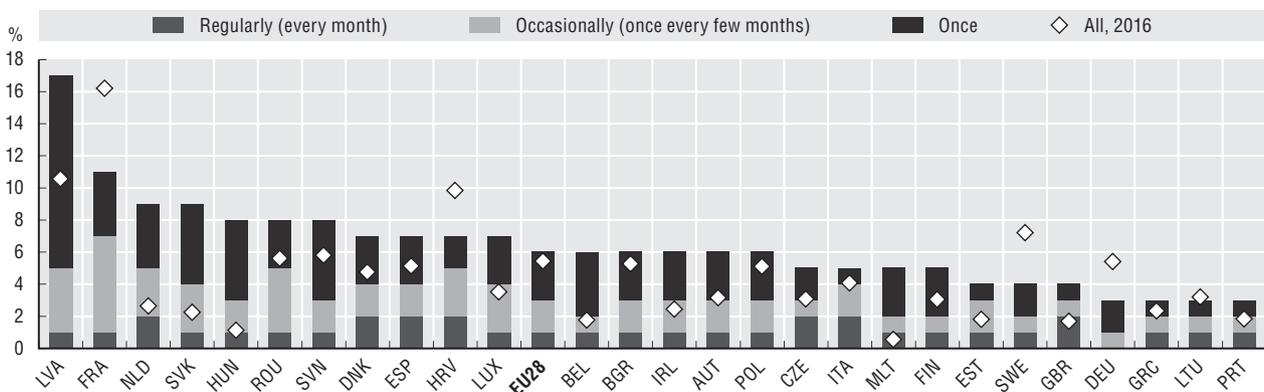
The emergence of online platform work, and the new forms of work that it brings, has the potential to boost employment, increase flexibility for workers, and especially for employers, and to serve as a means to transition to regular employment. However, platforms also facilitate flexible work arrangements, which could lead to an increase in poorer quality jobs, with poor career prospects, and contribute to a segmented labour market (Mira d'Ercole and MacDonald, 2018). In addition, the self-employed are not usually covered by the same labour market protections as full-time permanent employees, and may suffer from low wages (Broecke, 2018).

At present, the provision of policy advice is hampered by a lack of comparable and consistent statistics on the number of platform workers, their characteristics, and the characteristics of their jobs and tasks (Mira d'Ercole and MacDonald, 2018). In particular, there is a need for data that are comparable across countries, across time and with existing labour market statistics.

There have been several attempts to estimate the number of platform workers. Initial attempts made use of existing data sources, combined with strong assumptions. A number of specific surveys conducted by both researchers and private agencies followed. More recently, official statistical agencies of OECD member states have asked questions on platform work in labour force surveys and Internet usage surveys. Nevertheless, estimates of the number of platform workers vary widely, both across countries and across surveys for the same country.

Individuals who have offered services on a platform, 2018

As a percentage of all individuals



Source: European Commission (2018). See chapter notes.

StatLink <https://doi.org/10.1787/888933930801>

What are the challenges?

There is currently no accepted standard definition of platform work and many respondents to surveys demonstrated a limited understanding of the concept. For example, the U.S. Bureau of Labor Statistics included a detailed description of platform work in their 2017 questionnaire. However, many respondents misunderstood the definition, for example, answering “yes” in regard to whether they made use of a computer or mobile app in their job, when this was evidently not the case. After removing obviously incorrect responses (e.g. hairstylists that said they did their work entirely online), the estimated number of platform workers fell from 3.3% to 1% (Bureau of Labor Statistics, 2018).

An additional challenge to gaining information on the characteristics of platform workers, and the characteristics of their jobs and tasks, is that the small number of platform workers (with most estimates ranging from 0.5% to 2%) leads to small sample sizes. This can limit the statistical precision about specific characteristics of very small groups in the population (O’Farrell and Montagnier, 2019).

Although using administrative data, such as social security or tax data, may overcome problems of sample size, such data has shortcomings that particularly affect the measurement of platform workers. Some administrative datasets may not record platform work performed as a secondary job. In addition, due to ambiguities in the regulation of digital work platforms, workers may be omitted from some datasets (e.g. due to falling below VAT reporting thresholds). The tendency for online platforms to exist in unclear regulatory categories (e.g. the blurred lines between hailing of cabs on the street

and pre-booking of chauffeurs) creates obstacles to the use of administrative data. Finally, comparability is limited by differences between systems of administration across countries.

Options for international action

There are several possible methodologies for measuring platform workers and their characteristics, as well as those of their job or tasks, each of which has different advantages and disadvantages. The most appropriate method depends on the research objectives, the resources available, and the trade-offs faced by researchers or statistical agencies.

Potential next steps could include collaborative work to formulate standard questions for inclusion in labour force surveys, ICT usage surveys, or time-use surveys to estimate the number of platform workers. It is also necessary to decide upon the appropriate survey for different topics. For example, one survey may be appropriate for questions regarding the service provided (e.g. whether services are delivered physically or online), but inappropriate for questions regarding hours worked or whether platform work is a person's primary or secondary job. Finally, more experimentation in terms of the ordering of questions and the use of prompting questions may be necessary before such questions are included in surveys.

Partnerships between government agencies and online platforms to improve tax collection have the potential to improve administrative data sources. For example, the Estonian Tax and Customs Board (ETCB) has reached an agreement with two ride-sharing platforms to share their data with the ETCB. However, drivers must first give consent to share their data, which can lead to selection bias (OECD, 2018). Meanwhile in France, from 2019 onwards, online platforms will be obliged to report an individual's annual gross income to the tax authorities (Code Général des Impôts, article 1649, quarter A bis).

Finally, the use of some alternative large datasets can also provide useful insights into the characteristics of platform workers. For example, economists at JP Morgan Chase Institute investigated the characteristics of platform workers by using data from the checking accounts of those who received payments from online platforms (Farrell, Greig and Hamoudi, 2018). Web-scraping can also be useful as shown with the Online Labour Index (OLI) measuring the use of a sample of online labour platforms over time across countries and occupations; although it does not estimate the absolute number of online workers, it does capture trends.

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