Digital labour platforms and the future of work
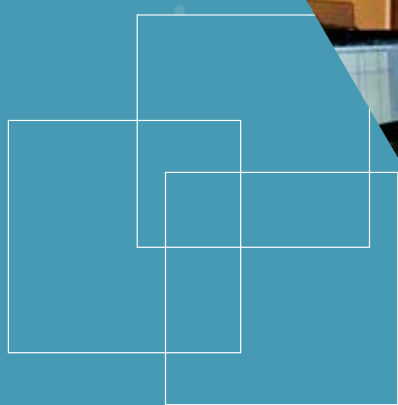
Towards decent work in the online world

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Janine Berg ◆ Marianne Furrer ◆ Ellie Harmon
Uma Rani ◆ M Six Silberman

EXECUTIVE SUMMARY

One of the most prominent transformations in the world of work during the past decade is the emergence of digital labour platforms. They include both web-based platforms, where work is outsourced through an open call to a geographically dispersed crowd ("crowdwork"), and location-based applications (apps) which allocate work to individuals in a specific geographical area. While digital labour platforms are a product of technological advances, work on these platforms resembles many long-standing work arrangements, merely with a digital tool serving as an intermediary.

This report presents the results of an ILO survey of working conditions covering 3,500 workers living in 75 countries around the world and working on five English-speaking microtask platforms. Microtask platforms are a type of web-based labour platform that provide businesses and other clients with access to a large, flexible workforce (a "crowd") for the completion of small, mostly clerical tasks, that can be completed remotely using a computer and Internet connection. These tasks are diverse, including image identification, transcription and annotation; content moderation; data collection and processing; audio and video transcription; and translation. Clients use the platforms to post bulk tasks that need completion; workers select the tasks and are paid for each individual task or piece of work completed. The platforms pay the workers the price indicated by the client minus their fee.

This report provides one of the first comparative studies of working conditions on microtask platforms, including pay rates, work availability, work intensity, rejections and non-payment, worker communication with clients and platform operators, social protection coverage and the types of work performed. The survey, conducted in 2015 and 2017, has a global reach, with workers from developed and developing countries, and finds both commonalities and differences between workers from the global North and global South. The findings highlight both benefits and drawbacks to the work, and advances a series of principles for improving working conditions on digital labour platforms.

Like most digital labour platforms, the microtask platforms studied have chosen to classify their workers as self-employed, which has had the effect of depriving workers of the protections of labour and social security law. The terms and conditions of working on the platforms are laid out in the platforms' "terms of service" documents, which workers must accept in order to begin working. These terms purport to govern issues such as how and when crowdworkers will be paid, how work will be evaluated and what recourse workers have (or do not have) when things go wrong.

Who are the crowdworkers?

- Workers of all ages are engaged in crowdwork. Among the survey respondents, the average age was 33.2 years.

- There were gender differences in the propensity to do crowdwork, with women representing only one out of every three workers. In developing countries, the gender balance was particularly skewed, with only one out of five workers being a woman.

- Crowdworkers are well educated: fewer than 18 per cent had a high school diploma or less, one-fourth had a technical certificate or some university studies, 37 per cent had a bachelor's degree and 20 per cent had a postgraduate degree.

- Among degree holders, 57 per cent were specialized in science and technology (12 per cent in natural sciences and medicine, 23 per cent in engineering and 22 per cent in information technology); an additional 25 per cent were specialized in economics, finance and accounting.

- 56 per cent of survey respondents had performed crowdwork for more than a year; 29 per cent had crowdworked for more than three years.

Reasons for doing crowdwork

- The two most important reasons for crowdworking were to "complement pay from other jobs" (32 per cent) and because they "prefer to work from home" (22 per cent).

- There were strong differences by gender for those who could "only work from home" due to care responsibilities, with 13 per cent of women workers giving this reason compared to 5 per cent of men.

- Ten per cent of respondents indicated that they had health conditions that affected the type of paid work they could do. For many of these workers, crowdwork provides a way to continue to work and earn an income.

How do the workers fare?

- The ILO survey finds that on average across the five platforms, in 2017, a worker earned US$4.43 per hour when only paid work was considered, and US$3.31 per hour when total paid and unpaid hours were considered.

- Median earnings were lower, at just US$2.16 per hour when paid and unpaid work were considered.

- Nearly two-thirds of American workers surveyed on the Amazon Mechanical Turk platform earned less than the federal minimum wage of US$7.25 per hour; only 7 per cent of German workers surveyed on the Clickworker platform reported earnings above the German minimum wage of €8.84 per hour, taking into consideration paid and unpaid hours of work.

- Workers in Northern America (US$4.70 per hour) and Europe and Central Asia (US$3.00 per hour) earned more than workers in other regions, where earnings varied between US$1.33 (Africa) and US$2.22 (Asia and the Pacific) per hour of paid and unpaid work.

Low earnings are in part due to time spent searching for work

- On average, workers spent 20 minutes on unpaid activities for every hour of paid work, searching for tasks, taking unpaid qualification tests, researching clients to mitigate fraud and writing reviews.

- 88 per cent of respondents would like to do more crowdwork – on average wanting 11.6 more hours per week. Workers averaged 24.5 hours per week doing crowdwork (18.6 hours for paid work and 6.2 hours for unpaid work).

- 58 per cent reported that the availability of tasks was insufficient and an additional 17 per cent did not find enough well-paying tasks.

- An insufficient availability of tasks encourages crowdworkers to find tasks on other platforms: almost half the respondents reported having worked on more than one platform in the month preceding the survey, and 21 per cent had worked on three or more different platforms. Yet 51 per cent worked on only one platform, explaining that this was due to the high start-up and transaction costs of spreading oneself across platforms.

- More than 60 per cent of respondents also expressed a desire for more work that was not crowdwork, indicating a high degree of underemployment; 41 per cent reported actively looking for paid work other than crowdwork.

Most crowdworkers depend financially on their earnings from crowdwork

- For about 32 per cent of the workers, crowdwork was their primary source of income.

- For workers who considered crowdwork to be their primary source of income, their income from crowdwork comprised about 59 per cent of their total income, followed by income from their spouse (22 per cent) and another 8 per cent from their secondary job.

- Those respondents who did not consider crowdwork to be their primary income earned, on average, as much from crowdwork as from their main job (36 per cent from each); the rest of their household income came from their spouse (18 per cent) or other sources (9 per cent).

Flexible work with atypical hours

- Workers appreciated the ability to set their own schedule and work from home.

- Many crowdworkers worked atypical hours: 36 per cent regularly worked seven days per week; 43 per cent reported working during the night and 68 per cent reported working during the evening (6 p.m. to 10 p.m.), either in response to task availability (and differences in time zones) or because of other commitments.

- Many women combined crowdwork with care responsibilities. One out of five female workers in the sample had small children (0 to 5 years). These women nonetheless spent 20 hours per week on the platform, just five hours fewer than the sample as a whole; many worked during the evenings and at night.

Skill mismatch and lack of career advancement

■ The most common tasks performed by crowdworkers included responding to surveys and participating in experiments (65 per cent), accessing content on websites (46 per cent), data collection (35 per cent) and transcription (32 per cent). One out of five workers regularly performed content creation and editing and 8 per cent were engaged in tasks associated with training artificial intelligence.

■ Most microtasks are simple and repetitive and do not coincide with the high level of education of crowdworkers.

Lack of social protection benefits

■ Social protection coverage is low: only six out of ten respondents in 2017 were covered by health insurance, and only 35 per cent had a pension or retirement plan. In most cases this coverage came from the respondents' main job in the offline economy, the job-related benefits of their family members, or state-sponsored universal benefits.

■ Social protection coverage is inversely related to the individual's dependence on crowdwork – workers who are mainly dependent on crowdwork are more likely to be unprotected. About 16 per cent of the workers for whom crowdwork was their main source of income were covered by a retirement plan, compared with 44 per cent of those for whom crowdwork is not the main source of income.

Communication and payment

■ Almost nine out of ten workers in the ILO survey have had work rejected or have had payment refused. Only 12 per cent of respondents stated that all their rejections were justifiable.

■ The platforms had one-sided rating systems; mechanisms for evaluating the client/requester were not in place on the platforms.

■ Many workers voiced frustration with the inability to appeal unfair rejections.

■ Workers struggle to communicate with requesters and platforms. Many workers (28 to 60 per cent, depending on the platform surveyed) have turned to worker-run online forums and social media sites either to get advice or to follow the discussions about issues facing crowdworkers.

Towards decent work in the online world

Despite performing valuable work for many highly successful companies, compensation from crowdwork is often lower than minimum wages, workers must manage unpredictable income streams, and they work without the standard labour protections of an employment relationship. None of these negative outcomes is inherent to the concept of crowdwork, or to microtask work in particular. On the contrary, it would be possible to reconfigure the terms of microwork in order to improve conditions for workers.

To date, there have been several initiatives to encourage platforms and clients to improve working conditions. These include Turkopticon, a third-party website and browser plug-in for the Amazon Mechanical Turk (AMT) platform, which allows workers to

rate clients who post tasks; the Dynamo Guidelines for Academic Requesters on AMT; FairCrowdWork.org; and the Crowdsourcing Code of Conduct, a voluntary pledge initiated by German crowdsourcing platforms. The signatory platforms have also established, in cooperation with IG Metall, an "Ombuds Office" through which workers can resolve disputes with platform operators.

Although these are promising efforts, the challenge of regulating globally dispersed crowdwork should not be underestimated. Currently there is no government regulation of crowdworking platforms; rather it is the platforms themselves that set working conditions through their terms of service agreements.

This report puts forward 18 criteria with a view to ensuring decent work on digital labour platforms. They include:

1. Addressing employment misclassification.

2. Allowing crowdworkers to exercise their freedom of association and collective bargaining rights.

3. Applying the prevailing minimum wage of the workers' location.

4. Ensuring transparency in payments and fees assessed by the platform.

5. Ensuring that independent workers on the platform have the flexibility to decline tasks.

6. Covering costs of lost work in case of technical problems with the task or platform.

7. Establishing strict and fair rules to govern non-payment.

8. Ensuring that terms of service agreements are presented in human-readable format that is clear and concise.

9. Informing workers on why they receive unfavourable ratings.

10. Establishing and enforcing clear codes of conduct for all users of the platform.

11. Ensuring that workers have the ability to contest non-payment, negative evaluations, qualification test outcomes, accusations of code of conduct violations and account closures.

12. Establishing a system of client review that is as comprehensive as the worker review system.

13. Ensuring that task instructions are clear and validated prior to the posting of any work.

14. Enabling workers to be able to view and export a complete human- and machine-readable work and reputation history at any time.

15. Allowing workers to continue a work relationship with a client off the platform without paying a disproportionately large fee.

16. Ensuring that customers and platform operators respond to worker communications promptly, politely and substantively.

17. Informing workers of the identity of their customers and the purpose of the work.

18. Ensuring that tasks that may be psychologically stressful and damaging are clearly marked by platform operators in a standard way.

In addition, the report recommends three criteria for adapting social protection systems so that crowdworkers have access to social protection coverage:

1. Adapting social insurance mechanisms to cover workers in all forms of employment, independently of the type of contract.

2. Using technology to simplify contribution and benefit payments.

3. Instituting and strengthening universal, tax-financed mechanisms of social protection.