# Fairwork 2020
# Annual Report

Fairwork

# Editorial:

# A Year of Change

2020 has been a year of unpredicted and unprecedented challenges. More than 60 million people have fallen ill with COVID-19 and many countries face the highest unemployment rates in decades. The pandemic has highlighted the precarity of work around the world: millions have lost work while millions more have had to endure unsafe conditions as they carry out essential work. Amidst a devastating pandemic, gig workers have played an essential role providing delivery, cleaning, and care services.



Through this global turmoil, the Fairwork network has grown and expanded in 2020. Improving working conditions for gig workers is more important and more urgent than ever, and the team has adapted to a rapidly changing world to continue its work. This year, we released reports assessing platforms in Germany, South Africa, and India. The team updated and refined its principles to reflect growing understandings of the realities of gig work. In order to rate work arranged and performed over the internet, we developed principles for cloudwork, and are in the process of rating platforms based on these criteria. In addition, in response to the COVID-19 pandemic, we surveyed platform policies, releasing an initial report in April and a follow-up report in September.

Beyond ratings and reports, Fairwork has expanded its outreach and presence around the world. Through the year, we have published blogs on our recently renovated website responding to events impacting gig workers around the world, including instances of worker activism and new government policies. Members of the team have given 18 presentations to a range of audiences, written 16 op-eds and guest blogs, and authored three academic publications. Our work has been covered by news outlets in the UK, South Africa, Germany, Portugal, the US, India, and Italy, and directly informed policy conversations in South Africa, India, and Germany. Three platforms in South Africa, two in Germany, and one in India have implemented changes in response to our ratings process. All of this outreach has striven to center the voices of gig workers and increase understanding of the challenges they face and the need for global solutions.

This annual report presents an overview of Fairwork's impact over the past year. In it, we summarize our rating process, the reports we have released in 2020, and examples of our outreach and partnership work that has expanded our reach and exemplified our commitment to promoting fair work conditions for gig workers around the world. Thank you for your interest in our work, and we encourage you to stay tuned to our website and social media channels to engage further.

# Contents

# 01 The five principles

### Fair Pay

Workers, irrespective of their employment classification, should earn a decent income in their home jurisdiction after taking account of work-related costs.

### Fair Conditions

Platforms should have policies in place to protect workers from risks arising from the processes of work, and should take proactive measures to protect and promote the health and safety of workers.

### Fair Contracts

Terms and conditions should be transparent, concise, and provided to workers in an accessible form. If workers are genuinely self-employed, terms of service are free of clauses which unreasonably exclude liability on the part of the platform.

### Fair Management

There should be a documented process through which workers can be heard, can appeal decisions affecting them, and be informed of the reasons behind those decisions. There must be a clear channel of communication to workers involving the ability to appeal management decisions or deactivation. The use of algorithms is transparent and results in equitable outcomes for workers. There should be an identifiable and documented policy that ensures equity in the way workers are managed on a platform.

### Fair Representation

Platforms should provide a documented process through which worker voice can be expressed. Irrespective of their employment classification, workers should have the right to organise in collective bodies, and platforms should be prepared to cooperate and negotiate with them.

# The Fairwork Framework

Fairwork evaluates the working conditions of digital platforms and ranks them on how well they do. Our goal is to show that better, and fairer, jobs are possible in the platform economy.

Our ratings are based on five principles that digital platforms should adhere to in order to be considered to be offering 'fair work.' We evaluate platforms against these principles to show not only what the platform economy is today, but also what it could be. The five Fairwork principles were initially developed at a multi-stakeholder workshop at the International Labour Organisation.

# 02 Methodology overview

**Fairwork uses three approaches to effectively measure fairness at work.**

## Desk Research

The process starts with desk research to ascertain which platforms are operating in each city, noting the largest and most influential ones. This research provides the overall range of the platforms that are ranked and identifies points of contact or ways to access workers. Desk research also uncovers public information that could be used to score particular platforms (for instance the provision of particular services to workers, or ongoing disputes).

## Platform Interviews

The second method involves approaching platforms for evidence. We interview platform managers and request evidence for each of the Fairwork principles. This provides insights into the operation and business model of the platform, while also opening up a dialogue through which the platform could agree to implement changes based on the principles. In cases where platform managers do not agree to interviews, we limit our scoring to evidence obtained through desk research and worker interviews.

## Worker Interviews

The third method involves interviewing platform workers directly. We aim for a sample of six to ten workers at each platform. Workers are approached either through the platform directly or at known worker meeting points. These interviews do not aim to build a representative sample. They instead seek to understand the processes of work and the ways it is carried out and managed. They allow us, for instance, to see contracts and learn about platform policies that pertain to workers. The interviews also allow the team to confirm or refute that policies or practices are really in place on the platform.

## Putting it all together

This threefold approach provides a way to cross-check the claims made by platforms, while also providing the opportunity to collect both positive and negative evidence from multiple sources. Final scores are collectively decided by the Fairworkteam based on all three types of information. The scores are peer-reviewed by the country team, the Oxford team, and two reviewers from other country teams. This approach brings consistency and rigour to the scoring process. Points are only awarded if clear evidence exists on each threshold.

# 03 How we score

Each Fairwork Principle is divided into two *thresholds*. Accordingly, for each Principle, the scoring system allows one 'basic point' to be awarded corresponding to the first threshold, and an additional 'advanced point' to be awarded corresponding to the second threshold (see Table 1). The advanced point under each Principle can only be awarded if the basic point for that Principle has been awarded. The thresholds specify the evidence required for a platform to receive a given point. Where no verifiable evidence is available that meets a given threshold, the platform is not awarded that point. The thresholds and criteria presented here were used to score platforms in 2020. This year, we revised some aspects of these principles in collaboration with our global network. Please see our website for the updated details on each principle.

**Table 1: Fairwork Scoring System**

| Principle | | Basic point | | Advanced point | | Total |
|---|---|---|---|---|---|---|
| Fair Pay | | 1 | + | 1 | = | 2 |
| Fair Conditions | | 1 | + | 1 | = | 2 |
| Fair Contracts | | 1 | + | 1 | = | 2 |
| Fair Management | | 1 | + | 1 | = | 2 |
| Fair Representation | | 1 | + | 1 | = | 2 |

## Maximum possible Fairwork Score  10/10

**A platform can therefore receive a maximum Fairwork Score of 10 points. Fairwork scores are updated on a yearly basis**

# Principle 1:
# Fair Pay

## Threshold 1.1

### Pays at least the local minimum wage (one point)

*Irrespective of the employment status of the worker, workers earn at least a local minimum wage, or there is a policy which requires payment above this level*

The threshold for 1.1 is based on the level for a local minimum wage. Workers on the platform must earn more than the minimum wage rate in their working time, and this can be evidenced by either:

- A policy that guarantees the workers receive at least the local minimum wage in their working time; or

- The provision of summary statistics of transaction data.

In the case of the second of these, the platform is asked to submit a weekly earnings table (see Table 2) that averages worker earnings and worker hours for any three month period over the previous 12 months.

## Threshold 1.2

### Pays the minimum wage plus costs (one additional point)

*Workers earn at least the local minimum wage after work-related costs, or there is a policy which requires payment above this level*

The threshold for the minimum wage plus costs varies between different kinds of platform work. In order to establish a threshold, the platform is asked to provide an estimate for work-related costs, which are then checked (by the Fairwork team) through worker interviews. To be awarded this point, there must be either:

- A policy that guarantees workers earn at least the local minimum wage plus costs; or

- Evidence from the platform that workers earn at least the local minimum wage plus costs.

If the platform has completed Table 2, the mean weekly earnings minus the estimated work-related costs must be above the local minimum wage (see Table 2).

Table 2  **Weekly earnings table**

| Weekly earnings | <X | X to (X+(X/2)) | (X+(X/2)+1[24]) to 2X [18] | >2X |
|---|---|---|---|---|
| Active hours less than 40 hours/week (part-time) | % | % | % | % |
| Active hours between 40 and 48 hours/week (full-time) | % | % | % | % |
| Active hours more than 48 hours/week (full-time plus overtime) | % | % | % | % |

Note: X = the local minimum wage, calculated at 45 hours per week. This row is filled out by the Fairwork team, before submitting it to the platform for completion.[19]

# Principle 2:
# Fair Conditions

## Threshold 2.1

### Mitigates task-specific risks (one point)

*There are policies to protect workers from risks that arise from the processes of work*

This threshold requires the platform to ensure that there are safe working conditions, and that potential harms are minimised. For 2.1, this means identifying the task-specific risks that are involved for the worker, for example, if a vehicle is used, or there is interaction with customers. The specific practices leading to the awarding of this point may vary by the type of work and the risks involved.

To be awarded a point for 2.1, the platform must be able to demonstrate that:

• There are policies or practices in place that protect workers' health and safety from task-specific risks.

## Threshold 2.2

### Actively improves working conditions (one additional point)

*There are proactive measures to protect and promote the health and safety of workers or improve working conditions*

For 2.2, the threshold is higher, involving practices that go beyond addressing the task-specific risks addressed by 2.1. This means a policy that goes beyond ameliorating the direct task-specific risks, by promoting greater health and safety or improvements in working conditions, beyond what is specified by local regulations for employment. For example, an insurance policy that covers workplace accidents would meet the threshold for 2.1, while one that also covers the worker or their family outside of work would meet 2.2. As policies and practices may be focused on the specific form of work, the examples that meet the threshold may vary by the type of work.

To be awarded a point for 2.2, the platform must be able to demonstrate:

• There is a documented policy (or policies) that promotes the health and safety of workers or improves working conditions, going beyond addressing task-specific risks.
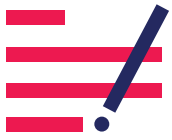
# Principle 3:
# Fair Contracts

## Threshold 3.1

**Clear terms and conditions are available (one point)**

*The terms and conditions are transparent, concise, and provided to workers in an accessible form*

The threshold for 3.1 involves demonstrating that the terms and conditions of the contract issued to workers are available in an accessible form. Platforms must demonstrate that the contracts are accessible for workers at all times, whether through the app itself or direct communication with the worker. This is necessary for workers to understand the requirements of their work. The contracts should be easily understandable by workers, and available in the language / languages commonly spoken by the workers on the platform.

To be awarded a point for 3.1, the platform must be able to demonstrate all of the following:

- The contract is written in clear and comprehensible language that the worker could be expected to understand; and,

- The contract is issued in the language / languages spoken by workers on the platform; and,

- The contract is available for workers to access at all times.

## Threshold 3.2

**The contract genuinely reflects the nature of the employment relationship (one additional point)**

*The party contracting with the worker must be subject to local law and must be identified in the contract. If workers are genuinely self-employed, the terms of service are free of clauses which unreasonably exclude liability on the part of the platform*

The threshold for 3.2 involves the platforms demonstrating that the contract issued to workers accurately describes the relationship between the platform, the workers, and the users. In the case where there is an unresolved dispute over the nature of the employment relationship, a point will not be awarded.

If workers are genuinely self-employed, platforms must be able to demonstrate that the contract is free of clauses that unreasonably exclude liability on the part of the platform for harm caused to the workers in the course of carrying out their duties.

To be awarded a point for 3.2, the platform must be able to demonstrate that:

- The employment status of the workers is accurately defined in the contract issued by the platform; and,

- There is no unresolved dispute about the nature of the employment relationship; or,

- The self-employed status of the worker is adequately demonstrated and free from unreasonable clauses.

# Principle 4:
# Fair Management

## Threshold 4.1

### There is due process for decisions affecting workers (one point)

There is a documented process through which workers can be heard, can appeal decisions affecting them, and be informed of the reasons behind those decisions. There is a clear channel of communication to workers involving the ability to appeal management decisions or deactivation

The threshold for 4.1 involves a platform demonstrating the existence of clearly defined processes for communication between workers and the platform. This includes access by workers to a platform representative, and the ability to discuss decisions made about the worker. Platforms must be able to evidence that information about the processes is also easily accessible to workers.

To be awarded a point for 4.1, the platform must be able to demonstrate all of the following:

- The contract includes a documented channel for workers to communicate with a designated representative of the platform; and,

- The contract includes a documented process for workers to appeal disciplinary decisions or deactivations; and,

- The platform interface features a channel for workers to communicate with the platform; and,

- The platform interface features a process for workers to appeal disciplinary decisions or deactivations; and,

- In the case of deactivations, the appeals process must be available to workers who no longer have access to the platform.

## Threshold 4.2

### There is equity in the management process (one additional point)

*There is evidence that the platform is actively seeking to prevent discrimination against workers from disadvantaged groups.*

**To be awarded a point for 4.2 the platform should demonstrate the following:**

- It has a policy which guarantees that the platform will not discriminate against persons on the grounds of race, gender, sex, sexual orientation, gender identity, disability, religion or belief, age or any other status which is protected against discrimination in local law; and,

- Where persons from a disadvantaged group (such as women) are significantly under-represented among its workers, it has a plan to identify and remove barriers to access by persons from that group, resulting in improved representation; and

- It takes practical measures to promote equality of opportunity for workers from disadvantaged groups, including reasonable accommodation for pregnancy, disability, and religion or belief; and

- If algorithms are used to determine access to work or remuneration, these are transparent and do not result in inequitable outcomes for workers from historically or currently disadvantaged groups; and

- It has mechanisms to reduce the risk of users discriminating against any group of workers in accessing and carrying out work.

# Principle 5:
# Fair Representation

## Threshold 5.1

### There are worker voice mechanisms and freedom of association (one point)

*There is a documented process through which worker voice can be expressed. There is no evidence of freedom of association being prevented by the platform. There is no evidence that platforms refuse to communicate with designated representatives of workers*

The first step for the justification of 5.1 is establishing the platform's attitude towards and engagement with workers' voice. This includes both listening to and responding to worker voice when raised with the platform, as well as clearly documenting for workers the process for engaging the platform in dialogue. Workers should be able to freely organise and associate with one another, regardless of employment status. Workers must not suffer discrimination for doing so. This includes the freedom to associate beyond the remit of organisational spaces (for example, via instant messaging applications).

To be awarded a point for 5.1, a platform must be able to demonstrate that:

- There is a documented process for the expression of worker voice.

## Threshold 5.2

### There is a collective body of workers that is recognised, and that can undertake collective representation and bargaining (one additional point)

*There is a collective body of workers that is publicly recognised and the platform is prepared to cooperate with collective representation and bargaining (or publicly commits to recognise a collective body where none yet exists)*

This threshold requires the platform to engage with, or be prepared to engage with, collective bodies of workers that could take part in collective representation or bargaining. The collective body must be independent of the platform. It may be an official trade union, or alternatively a network
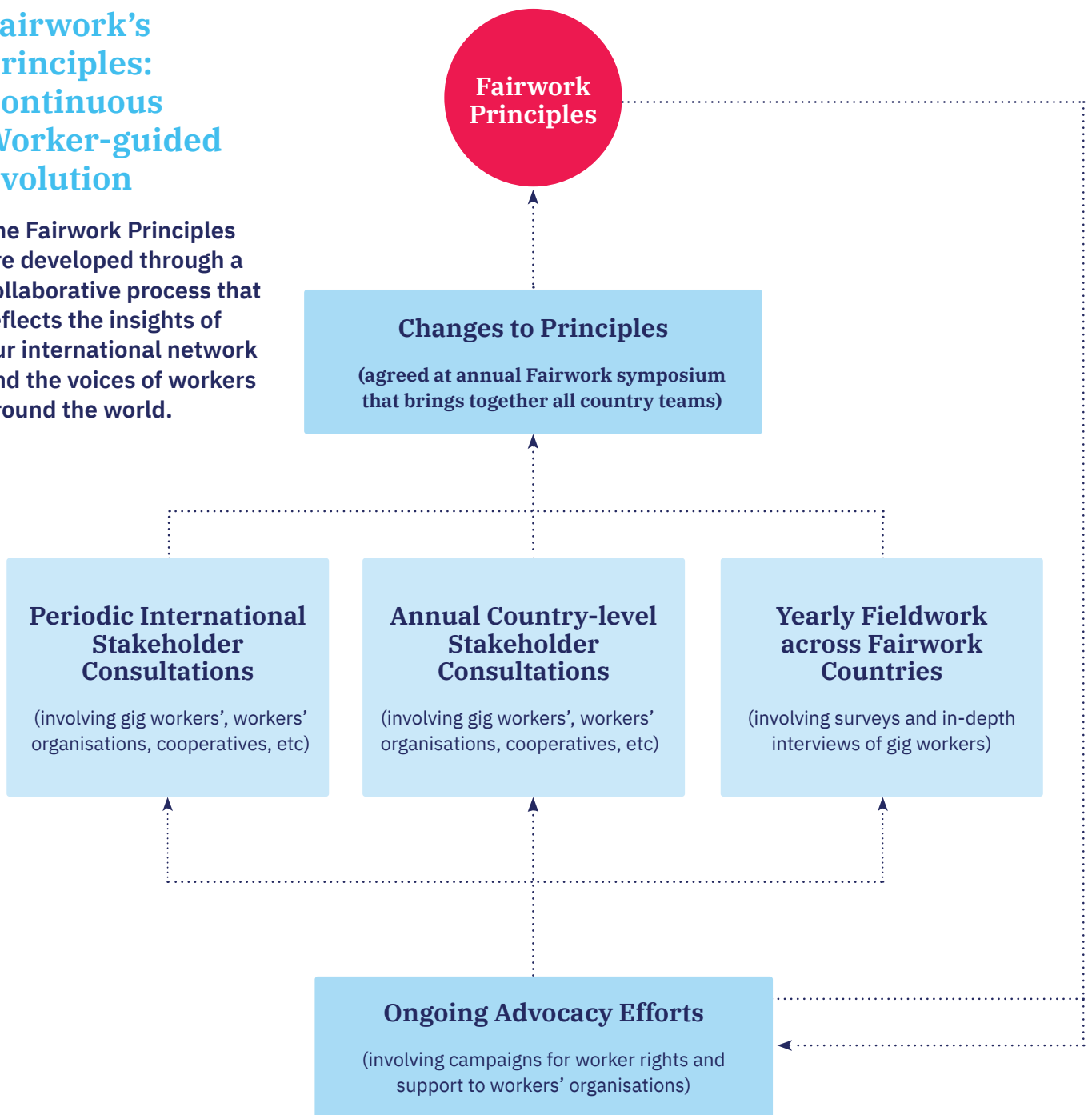
or association of workers. Where such organisations do not exist, the platform can sign a public statement to indicate that they support the formation of a collective body.

To be awarded a point for 5.2, the platform must:

- Publicly recognise an independent, collective body of workers or trade union and not have refused to participate in collective representation or bargaining; If such a body does not exist, it must:

- Sign a public statement of its willingness to recognise a collective body of workers or trade union.

## Fairwork's Principles: Continuous Worker-guided Evolution

**The Fairwork Principles are developed through a collaborative process that reflects the insights of our international network and the voices of workers around the world.**

**Fairwork Principles**

**Changes to Principles**

(agreed at annual Fairwork symposium that brings together all country teams)

**Periodic International Stakeholder Consultations**

(involving gig workers', workers' organisations, cooperatives, etc)

**Annual Country-level Stakeholder Consultations**

(involving gig workers', workers' organisations, cooperatives, etc)

**Yearly Fieldwork across Fairwork Countries**

(involving surveys and in-depth interviews of gig workers)

**Ongoing Advocacy Efforts**

(involving campaigns for worker rights and support to workers' organisations)

# Country Reports

This year Fairwork released three country level ratings reports, in South Africa, Germany, and India. The reports present the Fairwork scores and platform rankings for the year, alongside analysing the gig economy in local context, considering the different legal contexts, workforce trends and emerging best practices. In our reports, the Fairwork team highlights local and universal challenges to creating fairer work in the gig economy. Across countries, the issue of the misclassification of gig workers as independent contractors persists. Each report scores platforms against Fairwork's five principles: fair pay, fair conditions, fair contracts, fair management and fair representation. This annual report summarizes findings from South Africa and Germany.

# Country Reports:
# South Africa

## Annual Ratings

The 2020 report is the second annual round of Fairwork ratings for South African platforms. There are signs of change towards fairer conditions in the gig economy, but persistent and significant challenges remain. Inequality in South Africa is well-documented, and is evidenced in workforce stratification. At one end of the spectrum is the best of institutionalised formal-sector employment covered by relatively well-implemented government regulations and widespread trade union membership. At the other end is informal-sector employment characterised by a lack of regulation, no representation, and poor working conditions. Despite variation in platform conditions, many gig economy workers face the more difficult side of stratification, frequently earning below minimum wages, facing dangerous work conditions, opaque algorithmic management structures, and an inability to organise and bargain collectively.

Platforms benefit from a legal loophole in South Africa, as in many countries: labour rights are limited to workers classified as 'employees.' Digital platforms can avoid the costs and duties arising from employees' rights by classifying their workers as 'independent contractors.' Worker classification has been a heavily disputed issue in the global gig economy, with many ongoing legal battles. Classifying workers as independent contractors allows platforms to avoid providing benefits or paying minimum wages to workers. Indeed, this was evidenced in our research; while most platforms can evidence that workers' gross pay is at or above the minimum wage, workers are expected to provide their own equipment and cover work-related costs out-of-pocket. When expenses are considered, only about half of platforms can evidence this principle of fair pay.

South Africa's national minimum wage was first introduced at the start of 2019, and is currently R20.76 per hour for most work and R15.57 per hour for domestic work. Fairwork also advocates considering a living wage as a benchmark for considering fair pay in the gig economy. A living wage is defined by enough income to cover a basic but decent standard of living for a worker and their family. Fairwork calculated a living wage for South Africa to be R6,800 per month, which was adopted by two platforms we rated – NoSweat and GetTOD (both platforms to connect workers to tasks or temporary work) – who guaranteed that all jobs they post will pay above the living wage. This is an example of local platforms leading the way to implement higher standards, and paving the way for other platforms to follow.

Aside from fair pay, Fairwork scored platforms on practices around working conditions, contracting, management, and representation. Out of eleven platforms rated in South Africa, six provided evidence towards fair working conditions, and Fairwork was able to verify that they take some action to protect workers from risks that arise on their jobs. Platforms in South Africa tend to do well when it comes to providing a basic level of fairness in their contracts: most platforms have clear and accessible terms and conditions. However, management practices are still a significant issue as arbitrary termination or deactivation is a big concern for gig workers. Due process is essential to protect workers who do not have recourse to formal employment mechanisms. In the first year of scoring, only four platforms could demonstrate

such due process. However, after engaging with Fairwork for a second year, two additional platforms (GetTOD and NoSweat) codified their deactivation policies, providing workers with an option to understand and contest termination. Fairwork also encourages platforms to ensure there is equity in the management process by taking steps to include and protect marginalised or disadvantaged groups.

This has been taken up by some platforms. Courier platform Picup, for example, has made an active effort to recruit more women drivers.

There has also been progress advancing fair representation. While there are not yet any collective bodies of workers that have been recognised by platforms, two platforms have published public statements

committing to recognise a collective body should one be organised by their workers. Yet, only about half of the platforms could point to meaningful worker voice mechanisms, indicating much work to be done. Final scores for the platforms included in the South Africa report are below.

## Score (out of 10)

| Platform | Score |
|---|---|
| GetTOD | 8 |
| NoSweat | 8 |
| SweepSouth | 8 |
| M4Jam | 7 |
| Picup | 6 |
| Domestly* | 4 |
| Uber | 4 |
| OrderIn | 3 |
| Uber Eats | 3 |
| Bolt | 1 |
| Mr D | 0 |

**The breakdown of scores for individual platforms can be seen on our website: www.fair.work/ratings**

*Domestly ceased operations in February 2020*

Nearly
# 40%

of the South African labour force is unemployed.

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"Platforms must take steps to identify and remove barriers to inclusion of any protected group identified by the provision"

## Code of Good Practice

Following this report, the Fairwork team released a Code of Good Practice that aims to demonstrate how South African Law can be interpreted or adapted to provide better protection to gig economy workers in accordance with Constitutional principles. Suggestions draw from national and international legal sources to provide suggestions across Fairwork's five principles.

The analysis undertaken by the team found areas of legal provision that could be applied to improve working conditions for gig workers. For example, since the National Minimum Wage Act (NMWA) uses the term 'worker,' rather than 'employee,' it should be regarded as

covering platform workers. Since gig economy workers face many work-related expenses, such as vehicle maintenance, that they must pay for, fair pay would require a sectoral determination to provide a formula for determining earnings inclusive of those expenses which, being higher than the NMW, would be binding.

In other cases, laws could be interpreted to include coverage for gig workers. The Labour Relations Act needs to contend with the specificities of platform work, including acknowledging the way algorithms exert control over workers, determining how, when and where work is provided, or how workers' accounts are deactivated or terminated. Another example is the Promotion of Equality and Prevention of Unfair Discrimination Act (PEPUDA) 4 of 2000 which is

extended to independent contractors. To comply with PEPUDA, platforms must take steps to identify and remove barriers to inclusion of any protected group identified by the provision. Should platforms find, for example, that women are under-represented among ride-hailing drivers, they should in consultation with workers attempt to identify and mitigate barriers.

The Code of Good Practice contributes to the debate on legal reform relating to work but does not currently have legal status. Instead, it highlights areas where existing laws could and should be providing better protection to gig economy workers. In doing so, the code points to areas where legal reform is needed to cover the growing number of workers that depend on the gig economy for their livelihoods.

# Country Reports:
# Germany

## Annual Ratings

Fairwork published its first rating schemes from Germany this year. As in South Africa, the rise in platform-based work in recent years and has led to more active discussion around the rights of workers. Regulating the German platform economy has clearly become a priority for policymakers, including the Federal Ministry of Labour and Social Affairs, which established a think tank in 2018 (Denkfabrik Digitale Arbeitsgesellschaft) to develop comprehensive regulatory approaches. In November 2020, the ministry released a list of proposals to ensure fair conditions for gig work and online work[1]. These proposals include improving social protection, including pension and accident insurance, a change in the distribution of the burden of proof for workers, and improved possibilities for collective action by independent contractors. The proposals generated international attention. A few days later, the Federal Labour Court ruled that even micro-tasks can establish a working relationship between workers and platforms[2].

The German economy has a long tradition of strong social partnership between employers' and workers' organisations. However, in the past decades there has been a growth of non-standard forms of employment and sub-contracting practices, disproportionately impacting workers with a migrant background, including platform labour. In contrast to many other countries, a number of gig workers in Germany--for example, those working for food delivery monopolist Lieferando--are classified as employees rather than independent contractors. Yet, some platforms still use legal loopholes to circumvent obligations to ensure workers' rights.

The lack of protections for gig workers has been highlighted during the COVID-19 global pandemic. Despite increased risk from providing essential services during the pandemic, it remains unclear if and how German platforms are protecting workers who must come into physical proximity to others. While the government has offered some financial support for both employees and self-employed workers, there remain long-term concerns around increasing competition and declining work available, with a risk of a race to the bottom in terms of labour standards. It is in this context that Fairwork's scoring of ten platforms took place.

In terms of fair pay, all platforms but one were able to evidence that workers are paid at least the minimum wage, and the majority of those were able to show that workers earn the minimum wage even after work-related costs are taken into account. Seven out of ten

platforms were also able to evidence some support of fair conditions, namely that they have policies in place to protect workers from risks arising from the processes of work. Contracting was also highly scored across platforms; all ten platforms provided terms and conditions in a clear, transparent and accessible form. For six out of ten companies, Fairwork found the contract to genuinely reflect the nature of the relationship between the platform and the workers.

Management practices were less promising in terms of ensuring due process or preventing discrimination. Only half of the platforms were able to demonstrate that their management processes allowed for due process for decisions affecting workers. Additionally, only InStaff (a platform for temporary work in the service sector) demonstrated substantial policy in place to prevent discrimination against people from disadvantaged

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"In terms of fair pay, all platforms but one were able to evidence that workers are paid at least the minimum wage."

**7** out of **10**

platforms were able to evidence some support of fair conditions



backgrounds. A key issue was secrecy surrounding how some platforms use algorithms, with most platforms unable to demonstrate if they had pro-equity policies in place. Mechanisms to ensure representation also proved to be an issue. The principle of fair representation was only met by two platforms. Furthermore, there was no evidence of a documented process through which workers' collective voice could be heard, or evidence of platforms encouraging the formation of a collective workers' body with which they would cooperate.
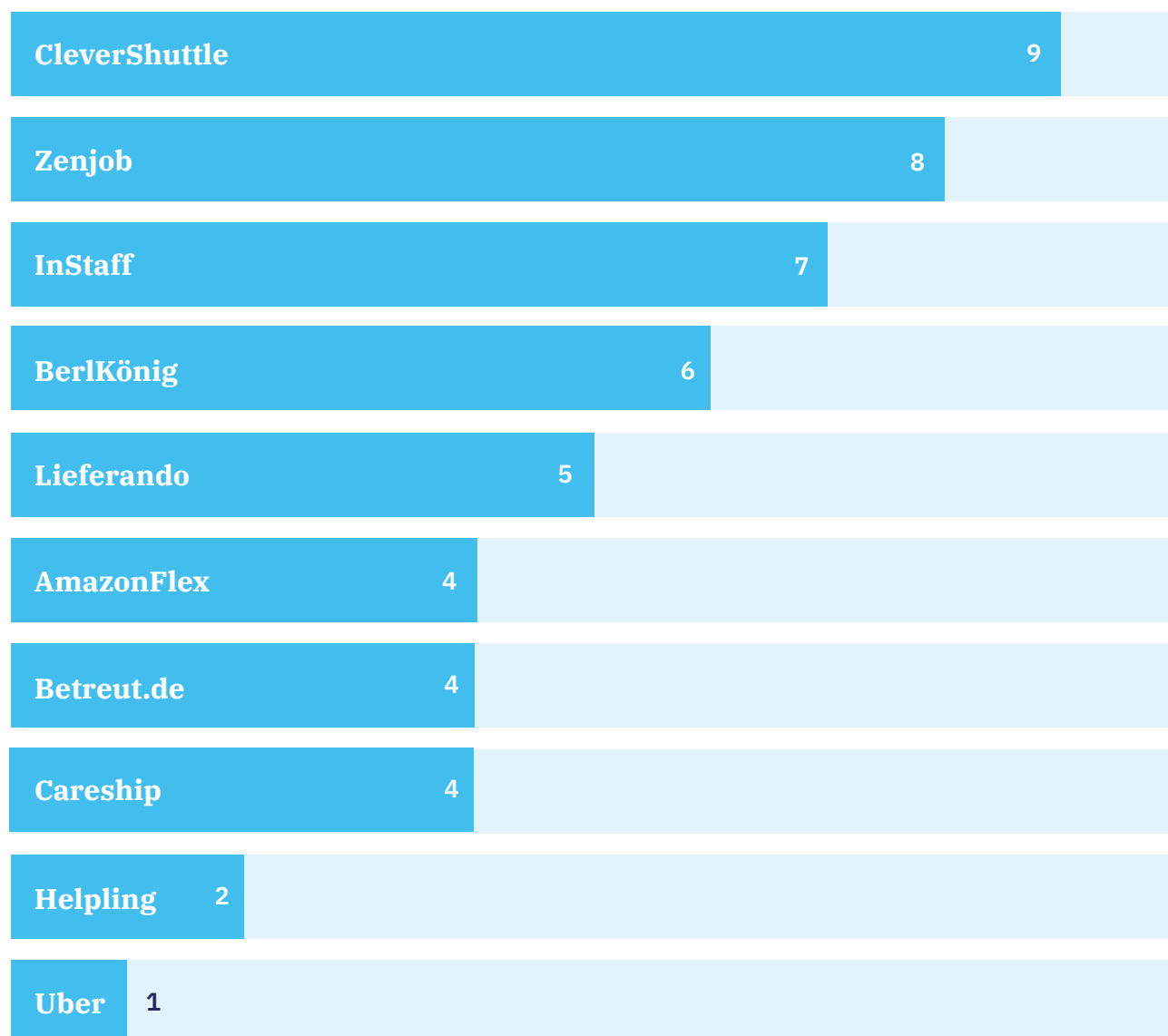
Nonetheless, there are signs of emerging best practice in Germany. Both Zenjob (a platform where students can find and book temporary work) and InStaff welcomed Fairwork's suggestions on codifying and institutionalising anti-discrimination policies, incorporating into their terms of service the anti-discrimination and anti-harassment guidelines

recommended by the federal and regional agencies. Zenjob has also begun to use its business data to develop a localised anti-discrimination strategy, and amended its General Agreement with workers to formally indicate its willingness to encourage workers to form a collective body and engage in negotiations with it.

Fairwork's research in Germany had been covered by more than 57 influential media outlets and news agencies, including Deutsche Presse-Agentur, Redaktionsnetzwerk Deutschland (RND), Handelsblatt, and Wirtschaftswoche. Fairwork has also been endorsed by Elke Breitenbach (Berlin's Senator for Integration, Labour and Social Services) and Heike Zirden (Head of the Denkfabrik Digitale Arbeitsgesellschaft at the Federal Ministry for Labour and Social Affairs), and the project is now included in the Federal Government's Digital Implementation Strategy.[3]

Based on their engagement with Fairwork, several platform companies have implemented concrete policy changes to improve the working conditions of their workers. The platform changes in Germany will hopefully serve as a model elsewhere. Multiple academic publications are currently being developed out of the pilot phase, which were presented at the German Sociological Association Conference, the Akademie der Künste der Welt, and at the 'Platform Economy – Decent Work in Times of Digital Transformation' conference organised by the Senate Department for Integration, Labour and Social Services, Berlin.

## Score (out of 10)

| Platform | Score |
|---|---|
| **CleverShuttle** | 9 |
| **Zenjob** | 8 |
| **InStaff** | 7 |
| **BerlKönig** | 6 |
| **Lieferando** | 5 |
| **AmazonFlex** | 4 |
| **Betreut.de** | 4 |
| **Careship** | 4 |
| **Helpling** | 2 |
| **Uber** | 1 |

The breakdown of scores for individual platforms can be seen on our website: **www.fair.work/ratings**

## Our country reports show many platform workers face challenging conditions. They also include examples of platforms that provide relatively better conditions.

There is nothing inevitable about poor working conditions in the platform economy. Notwithstanding their claims to the contrary, platforms have substantial control over the nature of the jobs that they mediate. There is no basis for denying workers on platforms the same key rights and protections that their counterparts in the formal sector enjoy. Our scores show that the platform economy, as we know it today, takes many forms, with some platforms displaying greater concern for workers' needs than others. We do not need to accept low pay, poor conditions, inequity, and a lack of agency and voice as the norm. We hope that our work — by highlighting the contours of today's platform economy — helps paint a picture of what it could become.
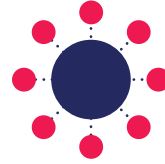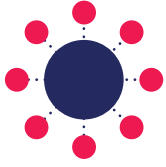
# Feature:

# How did COVID-19 affect the gig economy?

This year the Fairwork team conducted a global survey of platform responses to the COVID-19 pandemic. Platform workers have been particularly hard hit by the effects of the pandemic. Workers have experience high unemployment, increasing competition on some platforms, and high rates of exposure due to the nature of their work. Many faced the impossible choice of continuing to work and facing illness, or extreme hardship. The first COVID-19 report released in April took stock of early efforts by platforms and governments to protect gig workers from the economic, social, and health risks associated with providing essential services during the pandemic. A revised report was released in September with an expanded focus and reach, covering 191 platforms in 43 countries around the world.

The report contrasted platform policies against Fairwork's five principles of decent work in the platform economy - Fair Pay, Fair Conditions, Fair Contracts, Fair Management, and Fair Representation - evaluated with the conditions of COVID-19 in mind. Our findings suggest that while some platforms increased their efforts to provide health and safety measures over the duration of the year, key gaps in the platform's responses remained:

- **Fair pay:** Pay was by far the most important issue for workers, yet only 10 percent of the platforms surveyed provided pay loss compensation. Instead, platforms have tended to deflect responsibility to governments in order to avoid future liabilities.

- **Fair conditions 1:** (Prevention): Contactless delivery is the most widespread policy in this category. However, contactless collection is notably less available. 60 percent of the platforms claimed to provide personal protective equipment (disinfectant or, less often, masks). However, workers often reported problems receiving that support.

- **Fair conditions 2:** (Illness): Around half of the platforms were providing some payment for workers who were ill. When government financial relief packages were extended to include gig workers, some platforms shifted their focus on assisting the workers to access these schemes. However, the accessibility of these schemes (both government and platform) remains unknown.

- **Fair contracts:** Most platforms have maintained that their workers are independent contractors and not employees, even while taking on more aspects of the role of an employer, such as sick pay provision. These positions are increasingly in conflict, as platforms acknowledge their responsibility for working conditions, despite the fact that their business models continue to rely on classifying workers as independent.

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"since the outbreak of the pandemic, health and safety measures have been increasingly connected for surveillance measures [...] without the consent or immediate knowledge of the workers."

- **Fair management:** Only a small fraction of platforms guarantee no loss of bonuses or incentive levels despite temporary deactivation of workers.

- **Fair representation:** Gig workers around the world have been striking to demand better working conditions. However, there is no evidence of any meaningful platform engagement with worker associations and unions coordinating the strikes.

Our findings point to a problematic gap between rhetoric and reality: platforms have been far better at publicising responses than at delivering them to workers. Additionally, COVID-19 measures, such as contactless delivery on certain platforms, tend to be targeted more towards the protection of consumers than workers. Others only came into full effect after

mandatory government regulation, like mask-wearing in public spaces. A common response by platforms was the provision of personal protective equipment (PPE), such as disinfectants, gloves, and masks. However, workers reported limited, irregular provision, sometimes even after platforms promised PPE.

Meanwhile, concerning new trends have developed: since the outbreak of the pandemic, health and safety measures have been increasingly connected to surveillance measures, including temperature scans, mandatory selfies, and photos taken at distribution centres or restaurants, without the consent or immediate knowledge of workers. These issues point to an overall lack of alignment between what workers require in order to stay safe—free from poverty and free from infection—and what platforms are currently providing.

As the pandemic continues to spread and countries face a new round of national lockdowns, challenges to worker safety and livelihoods remain urgent. Our report makes policy recommendations that range from providing universally accessible sick pay, rapid access to a minimum income equivalent to at least the local living wage, and the formal receipt of, engagement with, and action on COVID-19-related demands from worker representatives. Although we list recommendations against all five principles, the top priority across all groups and all countries is the need for action on lost income resulting from job loss, declining demand, illness, enforced quarantine, and care responsibilities.

# Feature:

# Increasing collective action in the gig economy

The past year has witnessed an increase in collective action in the gig economy. Workers across the globe have mobilised in response to the dangerous conditions of providing essential services during a global pandemic. Workers have also rallied around ongoing legal battles in the UK and US that emerged around the contractual status of gig economy workers. Fairwork research has delved into two developing cases: mass strikes in Latin America starting early May and California's Proposition 22 during the US' November election. Both are telling examples of the growing tension around the employment status of gig workers; despite companies' persistent classification of workers as 'independent contractors', governments and workers are making increasing demands that platforms provide less precarious contractual terms.

As early as April, workers across Latin America began striking against dangerous working conditions and low pay during the pandemic. Protests intensified in July, with large-scale strikes by food delivery workers on July 1 spanning ten Brazilian cities, and countries throughout the region, including Argentina, Ecuador, Chile and Mexico. South American strikes were bolstered by further international strikes in August, representing an historic moment of global, sector-wide collective action in the gig economy. Strikes across countries arose in response to the precarious contractual status of workers, and were catalysed by worsening conditions under COVID-19. The pandemic further eroded gig workers' already tenuous financial and physical security, whilst also demonstrating the essential nature of the work they perform.Our COVID-19 report highlights key issues that triggered the strikes: the lack of provision of personal protective equipment that was promised but undelivered, and instances of decreasing pay despite rising demand for food delivery. Platforms in Ecuador, for example, reduced delivery commissions for riders. These conditions are emblematic of the core issue of the misclassification of platform workers as independent contractors without access to employment rights or benefits.

*The summary of activity in Latin American is adapted from: Howson, Kelle, Funda Ustek-Spilda, Rafael Grohmann, Nancy Salem, Rodrigo Carelli, Daniel Abs, Julice Salvagni, Mark Graham, Maria Belen Balbornoz, Henry Chavez, Arturo Arriagada, and Macarena Bonhomme. 2020. "Just Because You Don't See Your Boss, Doesn't Mean You Don't Have A Boss: Covid-19 and Gig Worker Strikes across Latin Amerca." International Union Rights 27(3): 20-21. http://ictur.org/pdf/IUR273.pdf.*

Worker classification was also at the core of California's Proposition 22, a ballot measure which gig companies introduced and spent millions promoting. The measure, which was passed on Nov 4, legalised the classification of app-based transportation and delivery drivers as independent contractors, circumventing a state law (AB5) passed last year that implies they are employees. The Fairwork team provided an analysis of what the measure means for platform workers. For each of the five Fairwork principles, researchers compared workers' entitlements with their entitlements if they were to be classified as employees, visualised below.

Proposition 22 creates a precarious new class of workers. Gig economy workers do not have the level of control over their work available to true independent contractors, as they are forced to accept wages set by algorithms and generally have little recourse for opaque deactivation practices. At the same time, they do not have rights afforded to employees, as Proposition 22 provides an insufficient version of the full benefits of employment. For example, rather than receiving a minimum wage of at least US$12 per hour worked, workers will be guaranteed an average wage for the time they spend actively giving rides, coming to an estimated US$5.64 per hour worked[4].

The proposition will affect California's estimated one million gig workers with potential for similar measures to be adopted in other contexts where worker classification is still under debate. The passing of Proposition 22 sets a dangerous precedent for the adoption of similar classifications around the world. Yet, it also provides a call to action for worker organizations and governments interested in finding a new, fairer path forward for workers.

# What will Prop22 mean for gig workers?

| | Yes on Prop22 | No on Prop22 |
|---|:---:|:---:|
| **Fair Pay** | | |
| Guaranteed minimum wage | ✗ | ✓ |
| Elligible for overtime pay after 8 h/day or 40 h/week | ✗ | ✓ |
| **Fair Conditions** | | |
| Employer health care contributions | ✓ | ✓ |
| Employer-sponsored health plan for full time workers | ✗ | ✓ |
| Occupational accident Insurance | ✓ | ✓ |
| Temporary disability benefits | ✓ | ✓ |
| Permanent disability benefits | ✗ | ✓ |
| Paid sick leave | ✗ | ✓ |
| Family leave | ✗ | ✓ |
| Unemployment Insurance | ✗ | ✓ |
| Employer contributions to Social Security and Medicare | ✗ | ✓ |
| **Fair Management** | | |
| Anti-discrimination protection | ✓ | ✓ |
| Sexual harassment policy | ✓ | ✓ |
| **Fair Representation** | | |
| Provides paths to unionization | ✗ | ✓ |

For more information, visit fair.work/proposition-22

# Expanding global outreach

## Workers' Centre

Fairwork's research engages a range of stakeholders, including platforms, workers, trade unions, regulators, and academics, to imagine how platform labour can be made more fair and equitable. In particular, Fairwork seeks to be a resource for gig economy workers, and those looking to improve working conditions on platforms. For this reason, the team is in the process of developing regular materials that are of use to local platform workers, unions, and labour advocates working towards better conditions in the gig economy. The resources are collated on our website's dedicated Workers' Centre page.

There are two central aims for the Workers' Centre:

(1) to build awareness among workers and labour advocates of other projects and campaigns, local regulatory responses, best (and worst) platform practice, effective strategies for platform workers to thrive, etc.

(2) to build solidarity among networks of platform workers.

The Centre is currently built around several resources that will be released and updated in the upcoming months:

- **Unions Contacts Database**: A publicly available database of unions, and worker's associations in different sectors of the platform economy. This provides support to unions in their work, helps platform workers seek advice and resources from associations near them, and builds solidarity among workers.

- **Resources and Tools**: A compiled list of resources and tools that may be useful for workers navigating work in the gig economy. This includes tools that can help workers keep track of active work time and connect to others working in the sector as well as sources of information about worker rights, platform policies, and tools that can be used by labour advocates to organize more efficiently.

- **Atingi e-learning module**: The Centre will include a game in which players simulate gig work, balancing competing commitments to pay, care responsibilities, safety, and platform ratings. Players will experience increasing intensity and speed as they juggle their responsibilities and gain insight into the challenges of gig work.

## Podcast Series

Whilst everyone's lives are unique, they are shaped and moulded by the systems that we create. The gig economy contains within it systemic structures that shape the lives of workers and mean that many experiences are shared – from the pressure placed on workers by rating systems to the legal status that workers occupy. As a means to explore and highlight some of the issues that workers face trying to make a living, we are creating a podcast series to amplify the voices of workers.

These are the stories of everyday people within the gig economy, exploring the intersection between precarity and technology through the lens of the Fairwork's five principles of what constitutes fair work. Each episode will take one Fairwork principle and explore how this area has impacted a worker's experience, the aim being to explore the broader structural issues within the gig economy by focusing on one person's lived experience.

The podcast form gives us freedom to explore creative ways of engaging people within debates surrounding the gig economy, and to use sound design to make listeners feel like they are there with the worker, going about their day, moving through the city with them, seeing it through their eyes. It also gives us a chance to place the worker's voice as central, both literally and figuratively and, we hope it will empower workers to see that stories, their experiences, are important and should be heard.

# Creating Local Networks

Fairwork draws on the expertise of researchers around the world from countries across Africa, Asia, Europe, and the Americas. This network conducts rigorous research to evaluate platforms across the globe against Fairwork principles and publish results transparently. This past year, country teams have also hosted a series of seminars with the aim of convening local networks to discuss ongoing research and developments in the gig economy.

### Fairwork Asia Network Brown Bag Series

The Fairwork team in Hong Kong organised a monthly online sharing series that brought together a growing network of over 20 platform labour researchers in Hong Kong, Singapore, mainland China, Thailand, Philippines, Indonesia and Vietnam.

A first seminar was held in October, with speaker Professor Jack Qiu, Department of Communications and New Media, National University of Singapore. Professor Qiu shared his trajectory in researching Chinese digital labour activism, innovative data collection methods such as

machine learning and participatory action research, as well as his relevant reflections, such as the importance of global solidarity and researchers' self-awareness of their position in a workers' movement.

A second seminar was held in November with Dr Kriangsak Teerakowitkajorn, Founder and Managing Director, Just Economy and Labor Institute. Dr Teerakowitkajorn traced the timeline of platformisation in Thailand, discussed how platforms can be conceptualised as an instrument of labour and showed its application in the context of Global South, and also shared how platforms reproduced local norms of gender division of labor.

### Fairwork Egypt

Fairwork Egypt hosted a four-part webinar series, "Beyond Covid-19: Data, AI and the Future of Work: Global Issues and Local Challenges," running from October to November 2020 from the Access to Knowledge for Development Center (A2K4D) of the American University in Cairo. This series represents A2K4D's tenth annual workshop. The first webinar of the series was titled "The Digital Economy Post Covid-19: Global Outlook & Local Contexts." Speakers shared experiences and perspectives from Africa, Latin America and

Western Europe on the realities and outlook for the digital economy after the Covid-10 pandemic. Fairwork Egypt and their innovation research partners, including the Open African Innovation Research Partnership (Open AIR), showcased research on alternative innovation and innovation data to support policymaking in the series' second webinar, "Visualizing Innovation: Tracing Data Blind Spots." The third webinar in the series, "New Technologies & Open Innovation: The Voice of Young African Scholars," was an opportunity to share research conducted by new and emerging African scholars, known as NERGS, within the Open AIR Network, of which A2K4D, Fairwork's partner institution in Egypt, is the North African Hub. The series' final webinar was titled "Women, Youth & the Future of Work: Inclusion in Challenging Times. Speakers in this webinar shared experiences from the Global North and South and discussed the discourse on inclusion. They also discussed the opportunities and risks of emerging technologies: inequalities, unemployment, informality, and the widening of the digital divide, especially as they pertain to women and youth. This webinar, as well as the first webinar in the series, were organized in collaboration with Friedrich-Ebert-Stiftung (FES) Egypt.

# Conclusion

As shown in this report, the Fairwork Team has made progress around the world building the movement for fair working conditions in the gig economy. As we enter 2021, the team is excited to continue to build on the work we have done in 2020. As evidenced by the hardships faced by gig workers around the world during this year's pandemic, our work is needed more than ever.

Looking forward, we are working with GIZ to establish a Secretariat in Berlin, which will serve as a point of coordination for our increasingly global work. We are thrilled to be working with partners in Austria, Bangladesh, Brazil, Chile, Colombia, Ecuador, Egypt, Germany, Ghana, Hong Kong, India, Indonesia, Pakistan, the Philippines, Serbia, South Africa, Tunisia, Ukraine, the United Kingdom, and the United States. With next year's expansion, we will be active on five continents and our ratings will apply to work done by an estimated 20million[5] gig workers. We hope that by shedding light on the different ways in which platform work can be fair or unfair, we create incentives for better practice and shift the debate about not just what platform work is, but also what it can be. Across countries, we are building new partnerships across sectors that will allow us to leverage the leadership of policy, business, and civil society to contribute toward our goals. In addition, we will be releasing several creative new outreach efforts, including a series of short videos and an interactive online game that raise awareness about the conditions faced by gig workers.

Reimagining gig work is a daunting but necessary task. Our growing network will allow us to work closely with workers, advocates, policymakers, and business leaders to conduct meaningful ratings and research, enact change, and envision and build a better gig economy. As the world looks to recover from the hardships of 2020, we are committed to undertaking this work and helping to build a safer, fairer world.
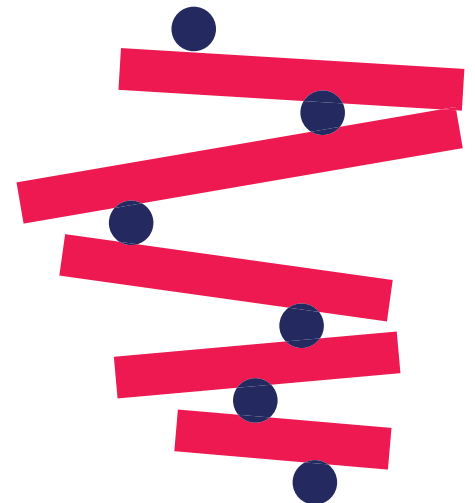
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5.  Measuring the gig economy is notoriously difficult. This figure is calculated using OECD estimates of between 0.3 and 3.0 percent of the workforce in each country active in platform work. Fairwork will be releasing a paper on measuring the global gig economy in 2021. See: Schwellnus, C., Geva, A., Pak, M., & Veiel, R. 2019. Gig Economy Platforms: Boon or Bane (No. 1550; Economics Department Working Papers). OECD. https://www.oecd-ilibrary.org/economics/gig-economy-platforms-boon-or-bane_fdb0570b-en."

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The report reflects the collaborative efforts of our network around the world.

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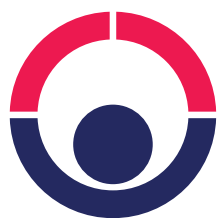
Fairwork

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