Platform economy and online labour markets

Agnieszka Piasna
ETUI Senior Researcher
Platform economy: the unknowns and ongoing discussion

- **Size** · Contradictory data on the platform economy in Europe; too small to regulate; everyone does it?
- **Definition** · No agreement on defining platforms; only the big players?
- **Impact** · Creating jobs; labour market inclusion; adequate (hourly) pay?
- **Workers** · A specific group?
- **Future** · Further growth?
ETUI Internet and Platform Work Survey (IPWS)

1. 2018-2019
   - 5 countries
   - \( n=4,731 \)

2. Spring 2021
   - 14 countries
   - \( n=24,108 \)

3. Autumn 2021
   - 8 countries
   - \( n=12,000 \)
2. Spring 2021

- Simple random sample, representative
- Selected offline
- Working age 15-65 yo
- Residents in the country of interview
- \( n=1,750 \) target per country
- Telephone interviews (CATI)
- Fieldwork by Ipsos

14 countries
\( n=24,108 \)

84% of EU-27 working age population
Online labour markets: the use of the internet to generate income

<table>
<thead>
<tr>
<th>Internet work</th>
<th>Platform work</th>
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</thead>
<tbody>
<tr>
<td>1. Remote clickwork</td>
<td></td>
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<tr>
<td>2. Remote professional work</td>
<td></td>
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<tr>
<td>3. On-location work</td>
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<td>4. Transport</td>
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<td>5. Delivery</td>
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<td>6. Influencer</td>
<td></td>
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<tr>
<td>7. Renting</td>
<td></td>
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<tr>
<td>8. Sell self-made products online</td>
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<tr>
<td>9. Sell or re-sell other products</td>
<td></td>
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<tr>
<td>10. Other freelance services or</td>
<td></td>
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<tr>
<td>tasks</td>
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</tbody>
</table>

Platform work: Activities 1-5 and 10 if performed through digital labour platforms
In the EU27 in 2021:

- internet workers: 17.0% (47.5 million)
- platform workers: 4.3% (12 million)
- main platform workers*: 1.1% (3 million)

* At least 50% of income or 20h/week
Platform work - Consistent pattern across countries

- Done in the past 12 months
- At least monthly
- Main platform work

Countries included:
- Romania
- Hungary
- Poland
- Bulgaria
- Italy
- ALL
- Germany
- Greece
- Estonia
- Czechia
- Spain
- Austria
- France
- Slovakia
- Ireland
Remote clickwork the most common activity among platform work. More visible transport and delivery considerably smaller
Online labour markets reproduce gender segregation familiar from the offline world of work.
Online workforce younger, but older workers also well represented
Migrants over-represented

Internet and platform workers by country of birth
Online jobs mainly go to those already employed offline – often precariously

Figure 27  Labour market status of internet and platform workers

Source: ETUI IPWS.
Online hours add to offline hours, they do not replace them

Figure 40  Hours worked online and offline per week (mean)

Source: ETUI IPWS.
Hours worked do not vary much by employment status

Figure 43  Hours worked (median) offline and online by labour market status

Source: ETUI IPWS.
Median platform worker earns €50-200/month

Figure 38  *Average monthly earnings from platform work by type (in euro)*

- Monthly mean earnings
- Monthly median earnings

Note: Total monthly earnings are trimmed, by setting values above the 95th percentile in each country to the 95th percentile, as there are sizeable outliers in the data.

Source: ETUI IPWS.
Up to half of platform workers have hourly earnings below the statutory minimum wage

<table>
<thead>
<tr>
<th>Category</th>
<th>Hourly earnings below minimum wage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All platform workers</td>
<td>51</td>
</tr>
<tr>
<td>Main platform worker</td>
<td>42</td>
</tr>
<tr>
<td>Remote clickwork</td>
<td>55</td>
</tr>
<tr>
<td>Remote professional work</td>
<td>48</td>
</tr>
<tr>
<td>On-location</td>
<td>46</td>
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<td>Transport</td>
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</tr>
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<td>Delivery</td>
<td>42</td>
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</table>
A potential for growth: large group of new entrants
Work through online labour platforms is only a small share of all internet work. A large uncharted territory of online labour markets.
Conclusions

- Platform work still relatively marginal, but potential for growth and large numbers affected: 3 million main platform workers, 6.25 million full-time equivalents, 47.5 million internet workers

- Internet and platform workers younger, more educated, more likely migrants; but not a distinct group (if analyzed through representative sampling)

- Pay below minimum wage indicates that the phenomenon slips through the cracks of existing regulation, unfair competition for decent employers
The platform economy in Europe
Results from the second ETUI Internet and Platform Work Survey
Agnieszka Piasna, Wouter Zwysen and Jan Drahokoupil

Report download and further information:
https://www.etui.org/publications/platform-economy-europe