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Providing adequate and sustainable social protection for workers in the gig and platform economy

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▶ Adequate and sustainable social protection for workers in the gig and platform economy is essential

- ▶ to ensure decent work for workers and their right to social security
- ▶ to safeguard and promote the efficiency of labour markets, as well as fair competition between enterprises.
- ▶ Social security is a precondition for decent work in increasingly **flexible** labour markets.



Social protection gaps among platform workers

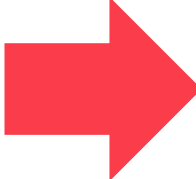
	Health insurance	Employment injury	Unemployment insurance	Disability insurance	Pension
Online platforms					
Total	41	15	12	12	20
Developed countries	61	17	17	15	35
Developing and emerging countries	43	18	9	7	23
Male	42	18	13	12	21
Female	39	11	10	10	14
Has other job	45	17	14	13	26
No other job	37	12	10	10	14
In situ platforms					
Taxi	51	27	5	4	18
Delivery	53	31	5	6	17

ILO. 2021.
WESO: The Role of Digital Labour Platforms in Transforming the World of Work.

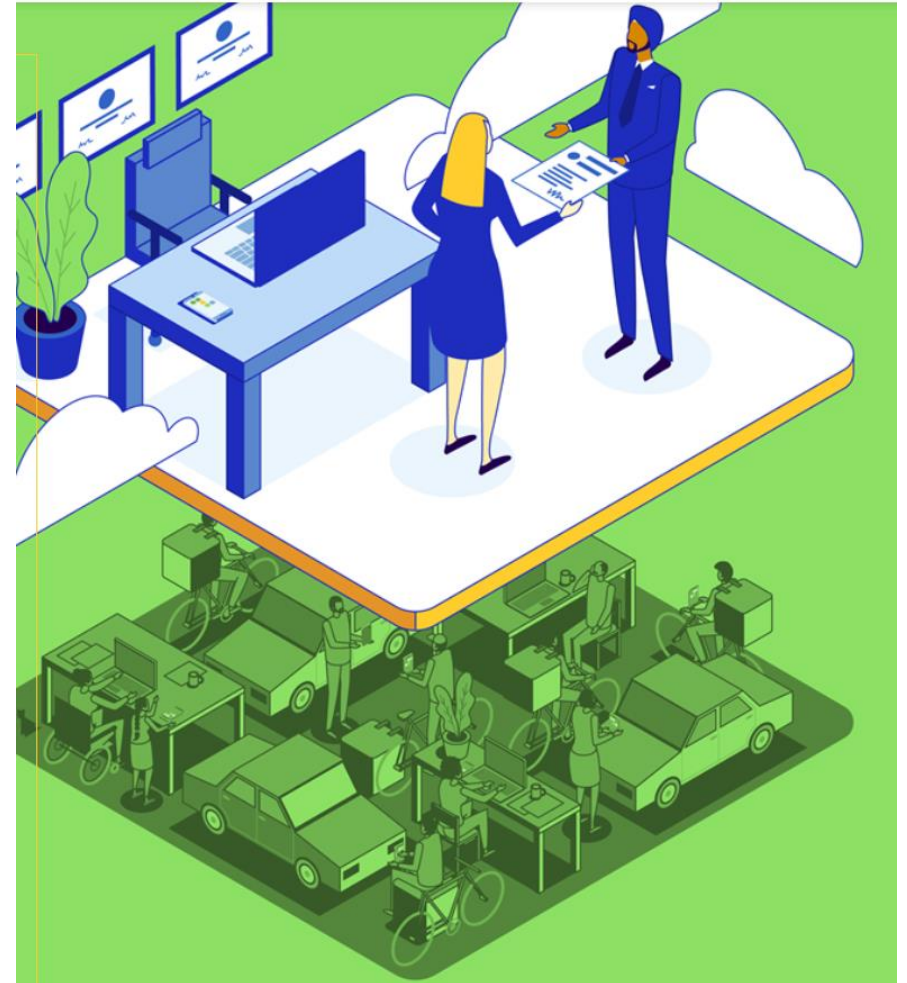
The bigger picture: regulating gig and platform work

Linked issues

- ▶ the correct classification of employment status (see next slide)
- ▶ extending labour protection mechanisms to platform and gig workers
- ▶ ensuring the transparency of algorithms and data to protect workers' rights

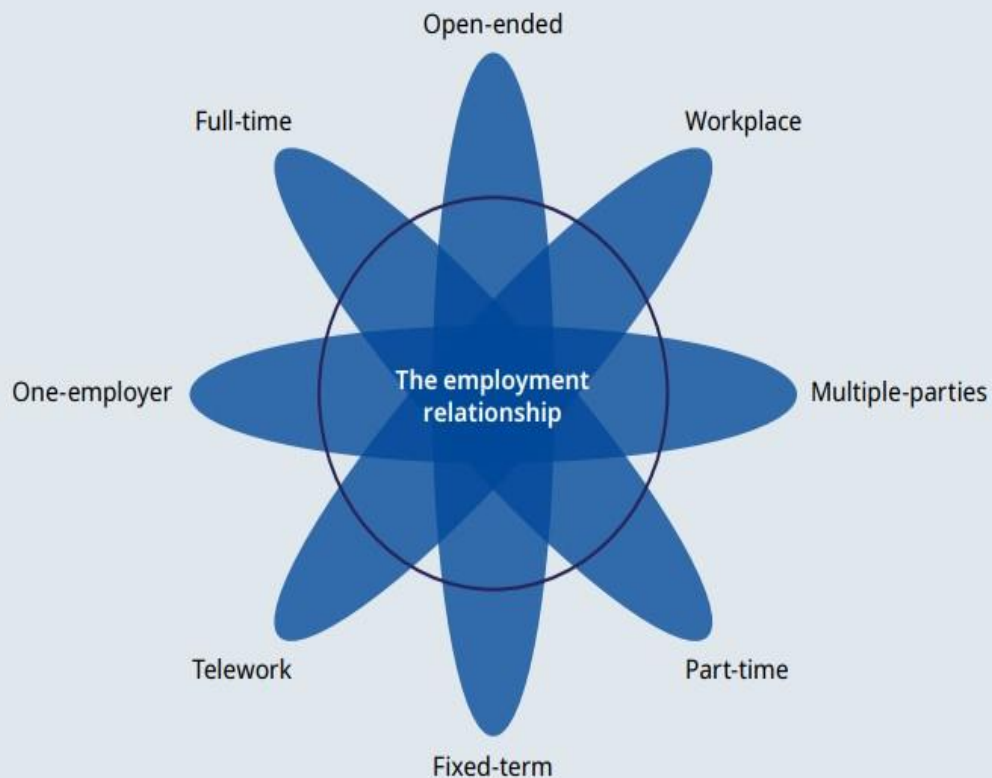


Together, labour and social protections increase the capacity of states to use distribution and redistribution levers to **reduce inequalities** and **respond effectively to external shocks**.



▶ **Regulating gig and platform work** by preventing misclassification of workers and curbing disguised employment

Different variations of the employment relationship



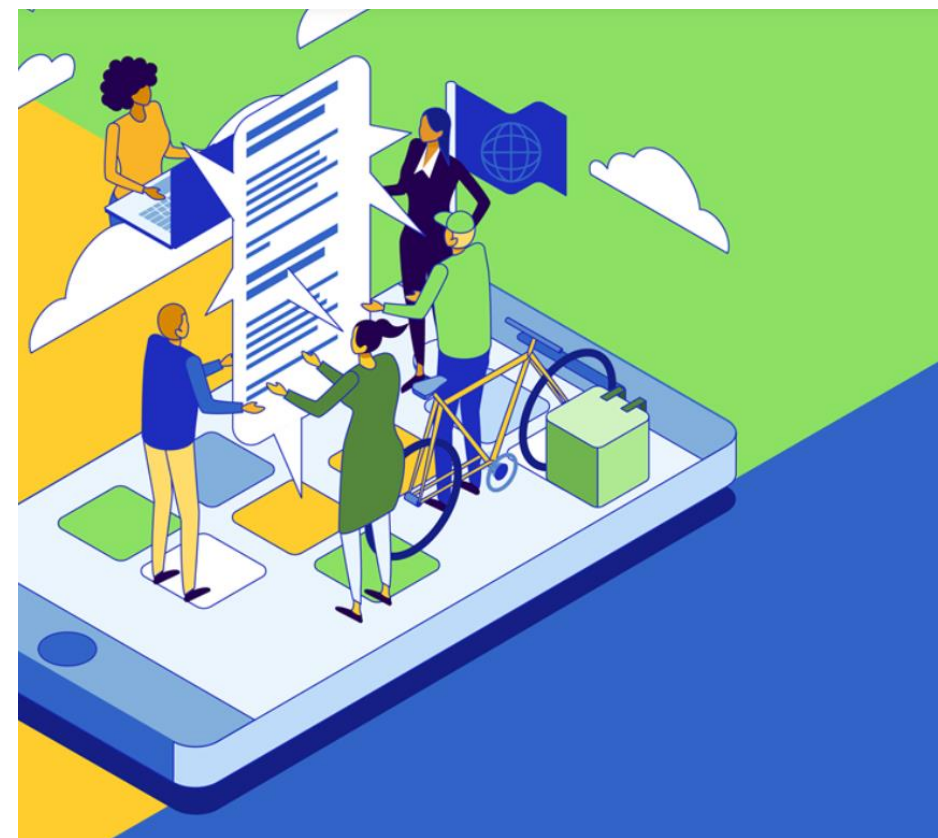
▶ Labour and social protection is in most legal systems linked to the **nature of employment**:

- Whether, how, to what extent workers are protected
- Who pays for the protection

▶ ILO Employment Relationship Recommendation, 2006 (No. 198): primacy of facts.

▶ **Ensuring adequate social protection** by adapting national social protection policy and legal frameworks

- ▶ Whether employees or self-employed, platform workers should be eligible for at least a basic level of social protection.
- ▶ Adaptations in national policy and legal frameworks:
 - ▶ Improving legal and effective coverage, including self-employed workers
 - ▶ Extending labour and social security legislation to the various categories of platform workers
 - ▶ Complementing social protection systems with non-contributory schemes



4. Ensuring adequate social protection by increasing ease of use and access for platforms and workers

- ▶ Innovative measures can facilitate the enrolment of platform and gig workers.
- ▶ Experiences of facilitated registration and contribution payment involve:
 - ▶ Simplified procedures and tools by social security and contribution collection agencies.
 - ▶ Interconnection between the platforms and the contribution collection agencies to automate contributions payment at source.



4. Ensuring adequate social protection by creating new avenues for data sharing between platforms, workers and authorities

- ▶ Effective and systematic data sharing between platforms, workers and authorities:
 - ▶ Fostering enrolment by automating processes.
 - ▶ Promoting voluntary compliance.
 - ▶ Detecting and addressing under-declaration and fraud.
 - ▶ Protecting workers' rights related to their classification and transparency of algorithms and data.
- ▶ Portability of data between platforms provides workers with a work and performance history to facilitate mobility between platforms and transfer a worker's ranking from one platform to another.
- ▶ This must comply with applicable data protection regulations.



4. Ensuring adequate social protection by increasing awareness and providing information

- ▶ Awareness and information campaigns are crucial to foster platform workers' formalization and social security coverage.
 - ▶ In France and Malaysia, platforms inform workers about the applicable social contribution and tax obligations and provide a link to the websites of the respective administrative authorities.
 - ▶ In Argentina, the Tax Authority (AFIP) provides information and Q&A about the Monotax scheme and its variants.
 - ▶ In Indonesia, BPJS Ketenagakerjaan informs GOJEK drivers and generates awareness about formalization through its YouTube channel.



(<https://www.youtube.com/watch?v=G5WEBpmmPWk>)

4. Ensuring adequate social protection through portability and transferability among schemes and employers

- ▶ Portability and transferability of entitlements and working records are necessary to effectively protect platform workers moving between dependent employment and a self-employed status.
- ▶ A lack of portability and transferability of entitlements between social protection schemes can lead to:
 - ▶ Inadequate social protection coverage, particularly for long-term benefits such as pensions.
 - ▶ Social protection gaps during work and life transitions (e.g. changing jobs).
 - ▶ Obstacles to labour market mobility.
- ▶ The issue of a lack of portability and transferability is exacerbated when the worker and the platform are based in two different jurisdictions across borders.
- ▶ In 2021, G20 Labour and Employment Ministers agreed to enhance the portability of social security entitlements across different employment statuses, sectors, and countries.

4. Ensuring adequate social protection through private initiatives while adapting public regulations

- ▶ Some digital platforms have concluded contracts with private insurance companies to cover certain risks such as work injury and sickness of their workers.
- ▶ Limitations: less redistributive, equitable and effective than public schemes based on large risk pooling.
- ▶ Potential fragmentation of schemes; obstacles to labour market mobility and portability.
- ▶ In these scenarios, the portability and transferability of entitlements as well as data sharing are crucial to protect workers' rights.

5. Instituting rights and protections across borders

- ▶ International coordination mechanisms are indispensable
- ▶ Key aspects:
 - ▶ Determining the applicable legislation
 - ▶ Enforcing legislation and ensuring compliance
 - ▶ Coordinating categorisation criteria
 - ▶ Ensuring portability of rights and benefits

