

New forms of work, old forms of exploitation: an analysis of platform economies and informal employment.

THE PLATFORM ECONOMY IN TUNISIA

What is the platform economy?

- Tunisia, like most developing countries, is experiencing an expansion of informality, both in terms of employment and sector. Among the areas of expansion of the informal economy is the emergence of the platform economy.
- The platform economy refers to economic activities involving work mediated by platforms (PMW), such as transactions between a buyer and a seller or a service provider carried out via an application, a website or an online marketplace.
- PMW include a wide range of economic activities, principally platform-mediated ground work (PMGW), which covers activities in the field such as transport and delivery services, and platform-mediated online work (PMCW), which includes services provided online.

The platform economy and informality

The already expanding platform economy grew significantly during the COVID pandemic, and since its inception has mimicked the employment practices developed in the informal sector. Not only do many platform workers operate informally, but many platforms have developed on the back of informal work structures by traditionally transferring the risks and responsibilities held by employers to workers. These interconnected phenomena mean that the rise of platforms in Tunisia and informal employment are also linked.

In general, informal work is characterised by a lack of social protection, undefined workplaces, absence of employment contracts, indecent working conditions, low skill levels and irregular income, difficult access to finance, training and government benefits.

However, despite high levels of informality, workers in the platform economy do not necessarily share these characteristics. Because of its relative newness, working in this sector can present new challenges in terms of rights and protections, but also new opportunities in terms of employment and income.

Aims of the study

Our study aims to:

1. To better understand the social and economic situation of informal workers in the platform economy, including both those engaged in PMGW and PMCW in terms of the socio-economic characteristics, working conditions, social protection and incomes of platform workers.
2. To identify the main challenges and potential opportunities faced by platform workers compared to traditional groups of informal workers in more mainstream sectors.
3. Propose measures to improve the social and economic inclusion of workers in the platform economy, and more specifically, an analysis of how Tunisia's social protection and tax regulation systems need to be adapted to cope with the emergence of these new forms of work.

Methodology

- Our study used a mixed-methods approach based on a combination of semi-structured interviews, focus group discussions and a survey.
- Qualitative research methods involved in-depth interviews with 56 ground and online platform workers, 4 platform company representatives, 7 Tunisian government officials, 4 representatives of civil society organisations, an ILO representative and 2 independent experts.
- In addition, 4 focus groups were conducted to allow for further discussion and dialogue. The researchers surveyed 40 workers engaged in location-based platform work such as ride-sharing, delivery services and personal services (referred to here as "ground workers" or "PMGWs") and 16 workers using web-based platforms for remote technology work such as web design, finance, IT, graphic design... (referred to here as "online workers" or "PMCWs").

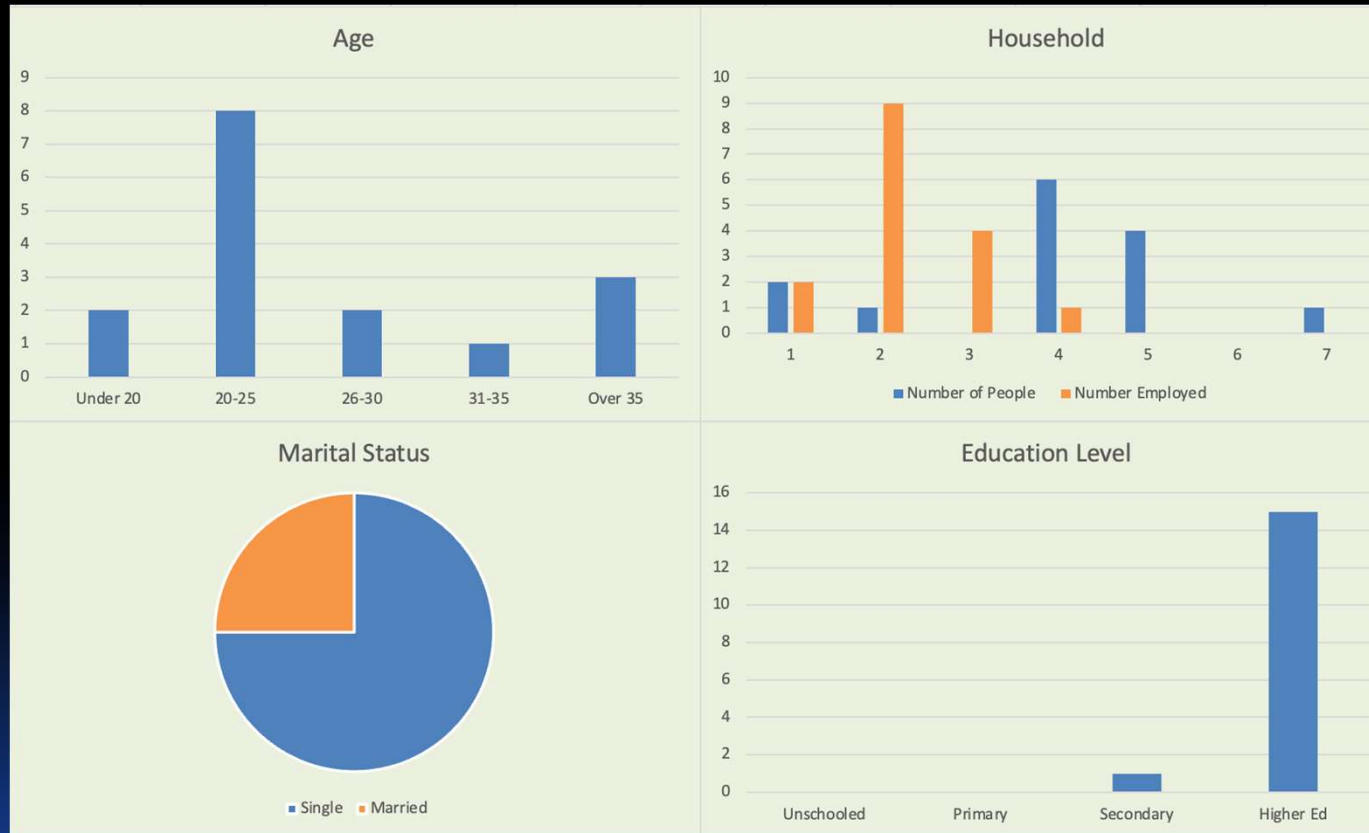
Main results

Ground workers

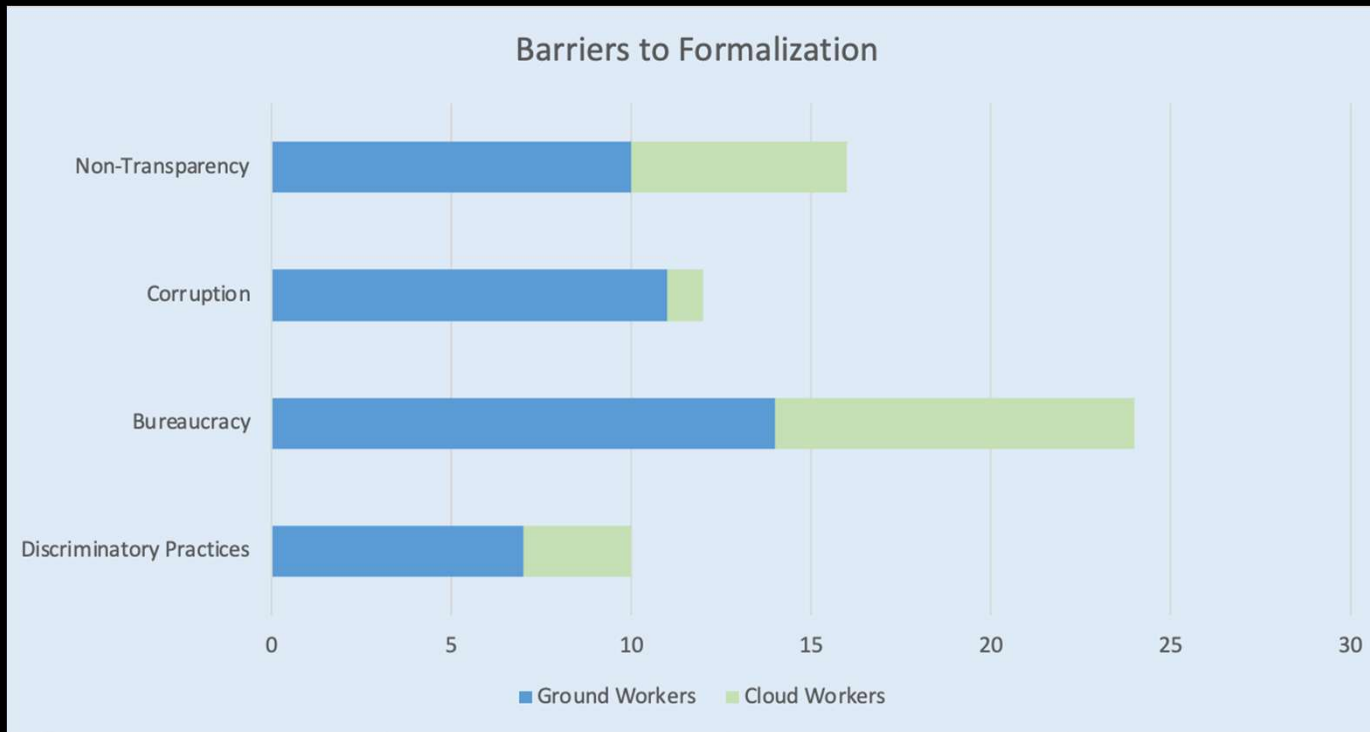


- 50% were unemployed
- The rest were employees without employment contracts
- 52% Average length of service in the sector is 12 months
- Average of 13 hours a day, 6 days a week.
- Salary depends on hours worked (no minimum)
- No employment contract but a contract of acknowledgement of debt
- Decent work conditions are not respected
- One of the main motivations is the need to work and earn money
- 95% main activity
- Looking for a new job
- Easy access to these positions through family and friends (100%)
- Unclear employment status (employee or self-employed)
- Does not require a high level of education or previous experience
- The platforms do not pay for social protection (medical cover) or even the expenses associated with the activity.
- No training provided by the platform (with the exception of how to use the application...)
- no direct relationship with the platforms, but through contractor intermediaries

Cloud workers

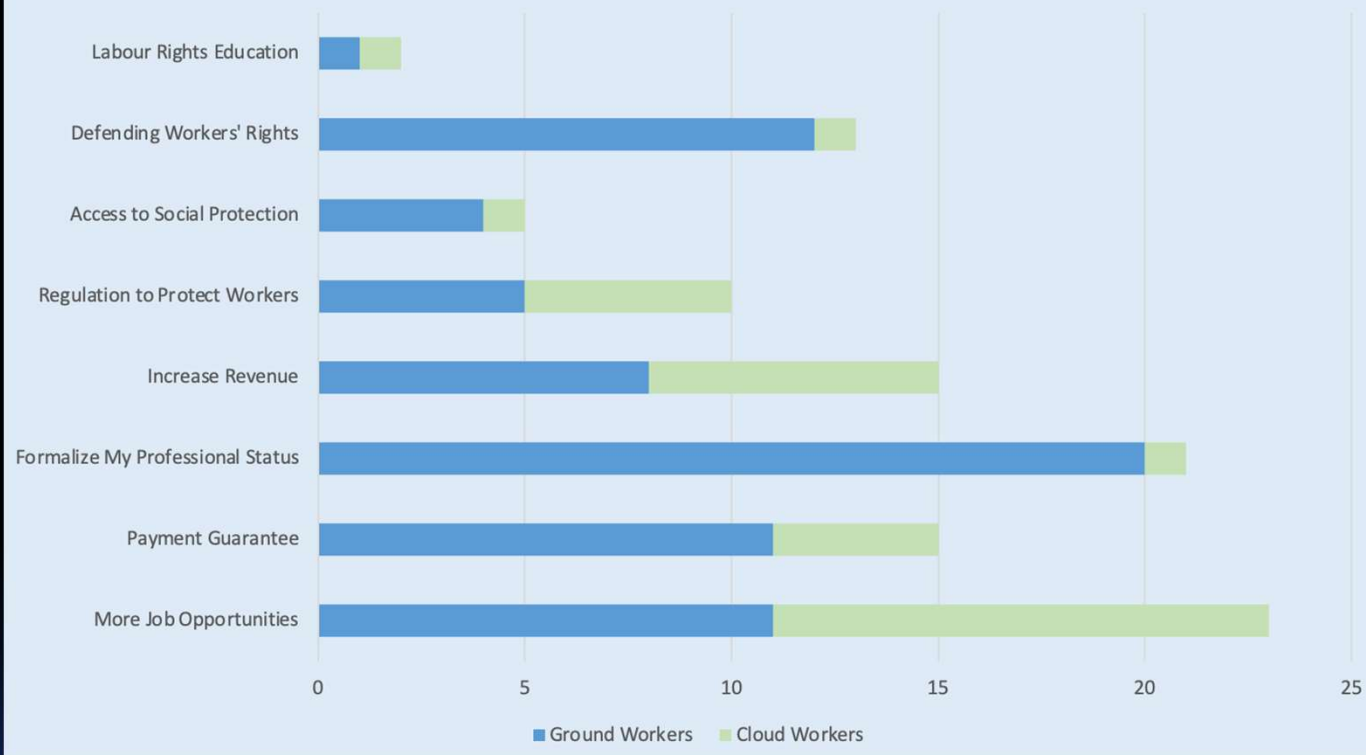


- 90% of those interviewed consider that they work for their own account as freelancers.
- 100% have been with the company for one year
- Access to platforms is easy but requires specific skills
- No formal contract but general conditions to be approved
- Difficulty in formalising professional status
- No social security cover
- Difficulty accessing foreign payments
- Flexibility remains the number one factor in job choice
- Jobs with a future, despite the fact that 40% of them are second jobs
- Salaries are average and depend on the tasks performed
- Weak negotiating power with the platform (salaries, commission, customer relations, etc.)
- Lack of social and tax systems tailored to the needs of platform workers



- The importance of having a representative body of informal platform workers to defend their rights, formalise their status and improve their working conditions with the platforms.

What Would Motivate You to Join a Representative Group of Platform Workers?



Recommendations

- Improve data collection on the economy of platforms in terms of contributions, operators and workers
- Regulating professional relations in the platform economy
- Facilitating the organisation and representation of platform workers
- Clarifying the legislative framework of platforms

THANKYOU