

▶ The Gig Economy and Youth

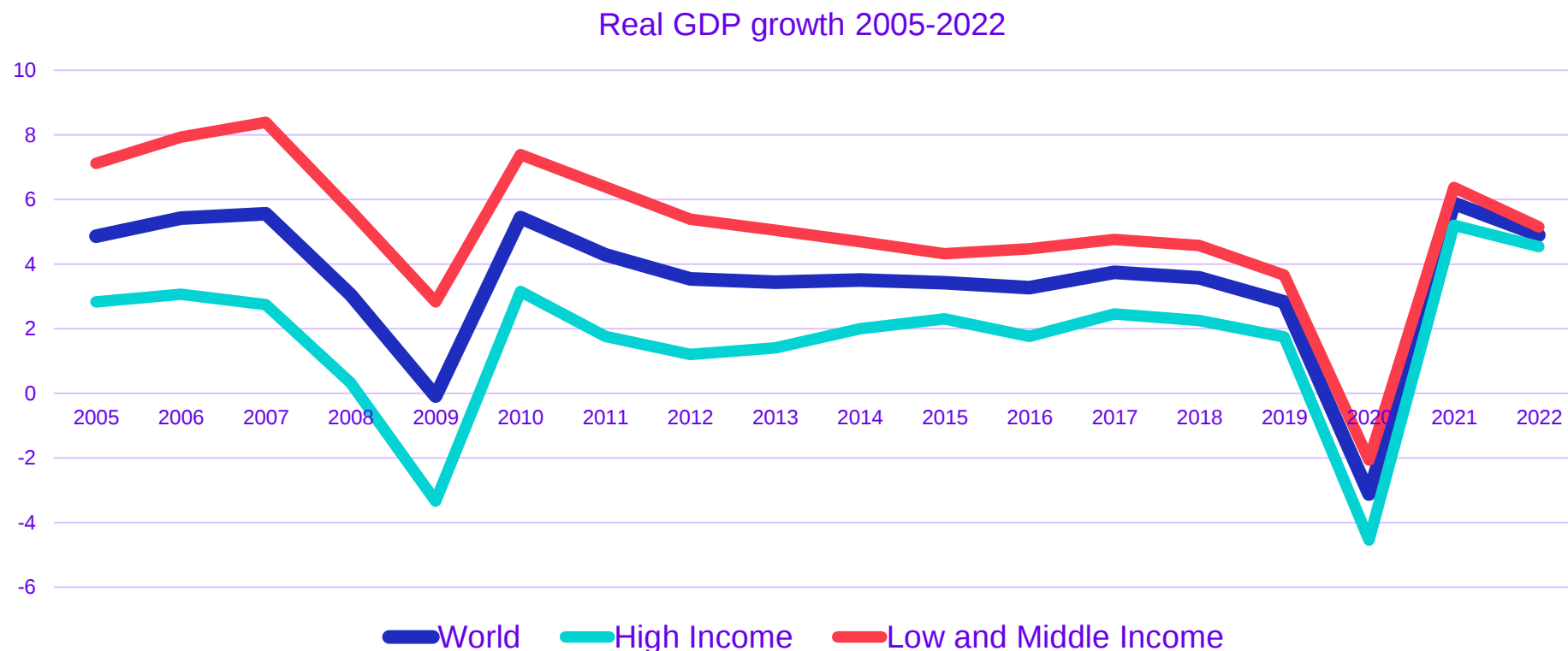
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▶ Today

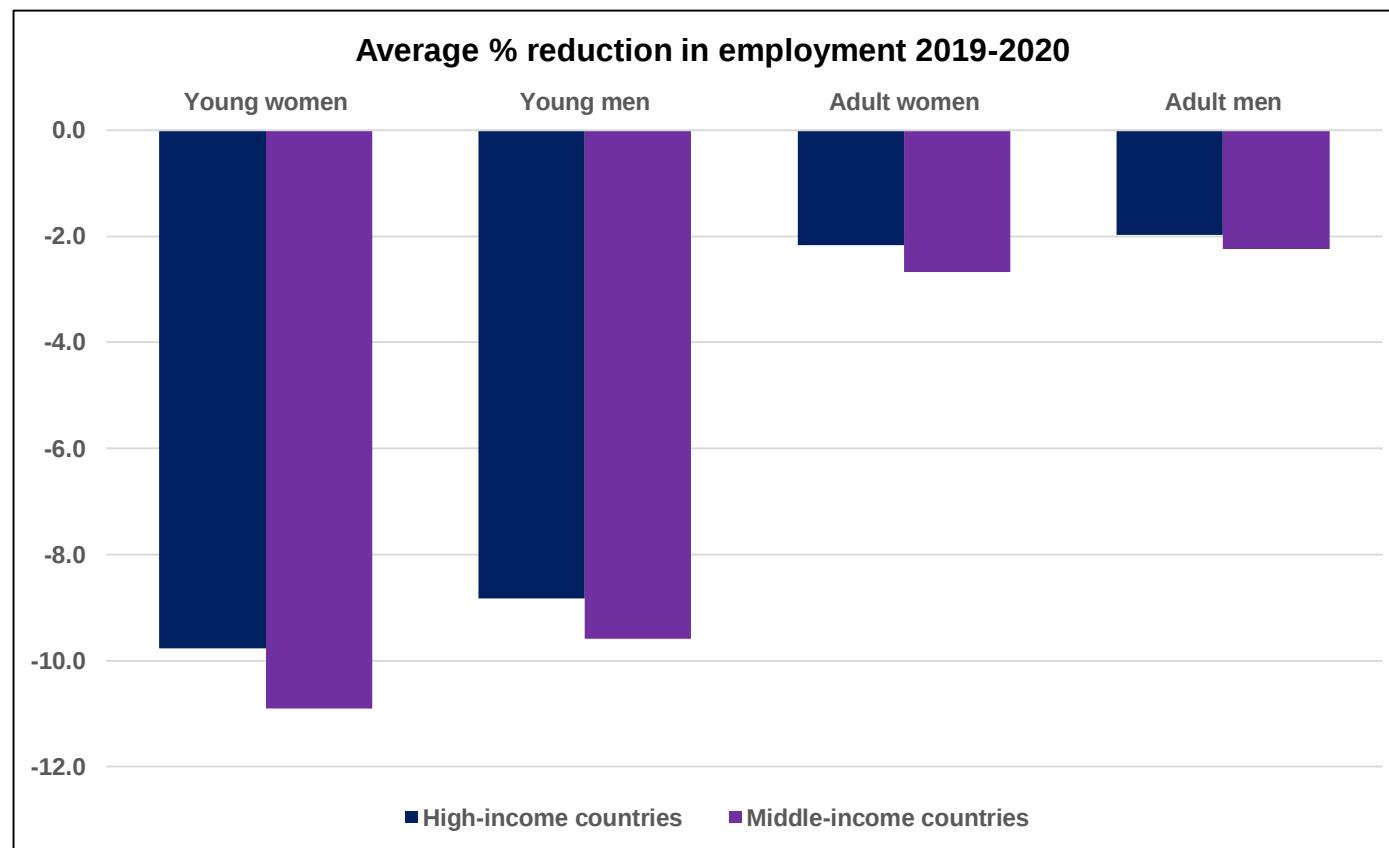
- Impact of Covid-19
- Results of analysis of young people and crowd work
- Implications?

► **Some Background:** Covid-19 and youth labour markets

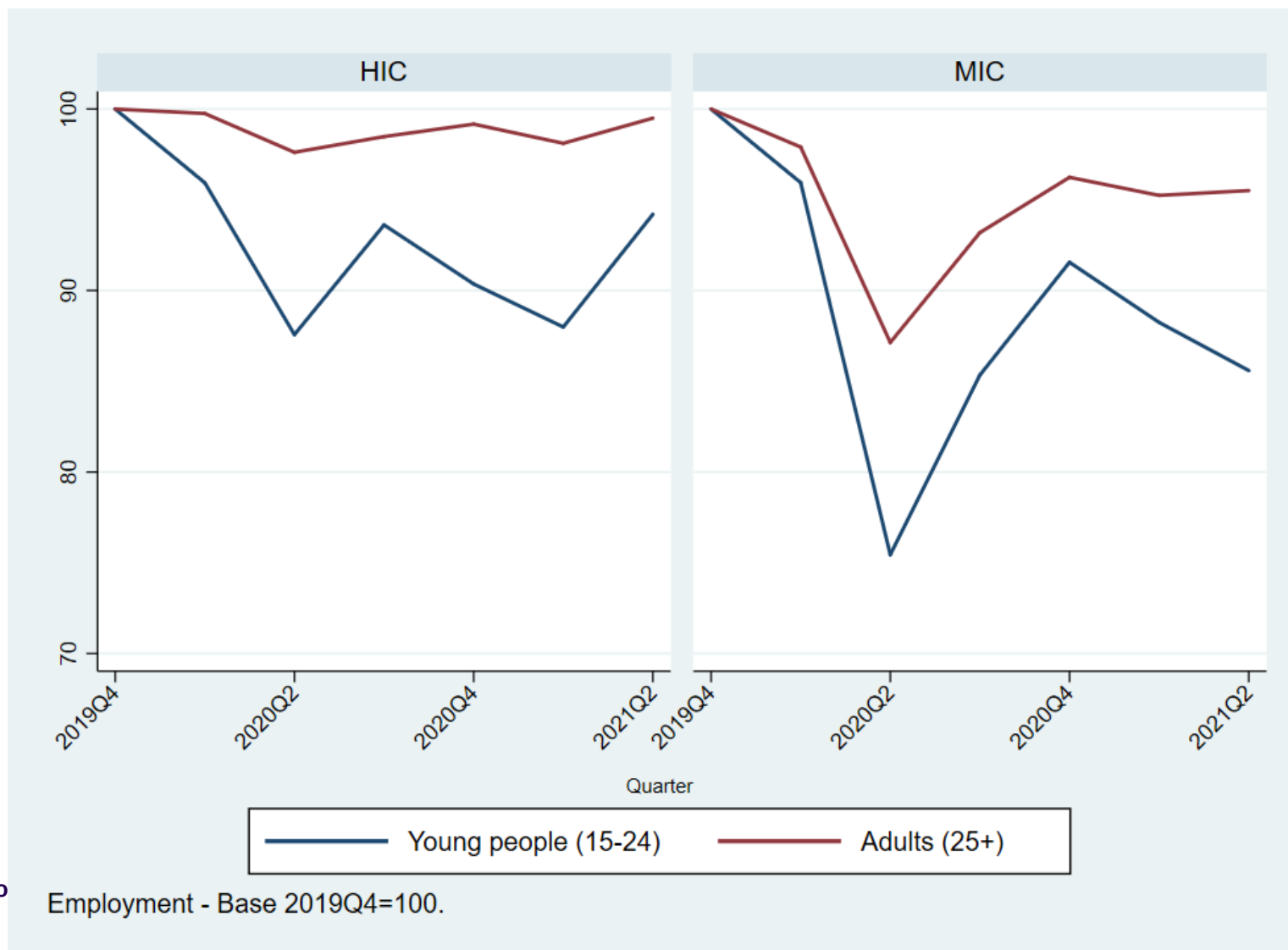
COVID-19 crisis has resulted in a truly global recession: Bigger and broader than the Global Financial and Economic Crisis



Between 2019 and 2020, Young people – and especially young women - suffered much bigger falls in employment than adults (25+), especially in Middle Income Countries...



Young People: Their employment was hit hard, but also its recovery slower (compared to adults (25+))

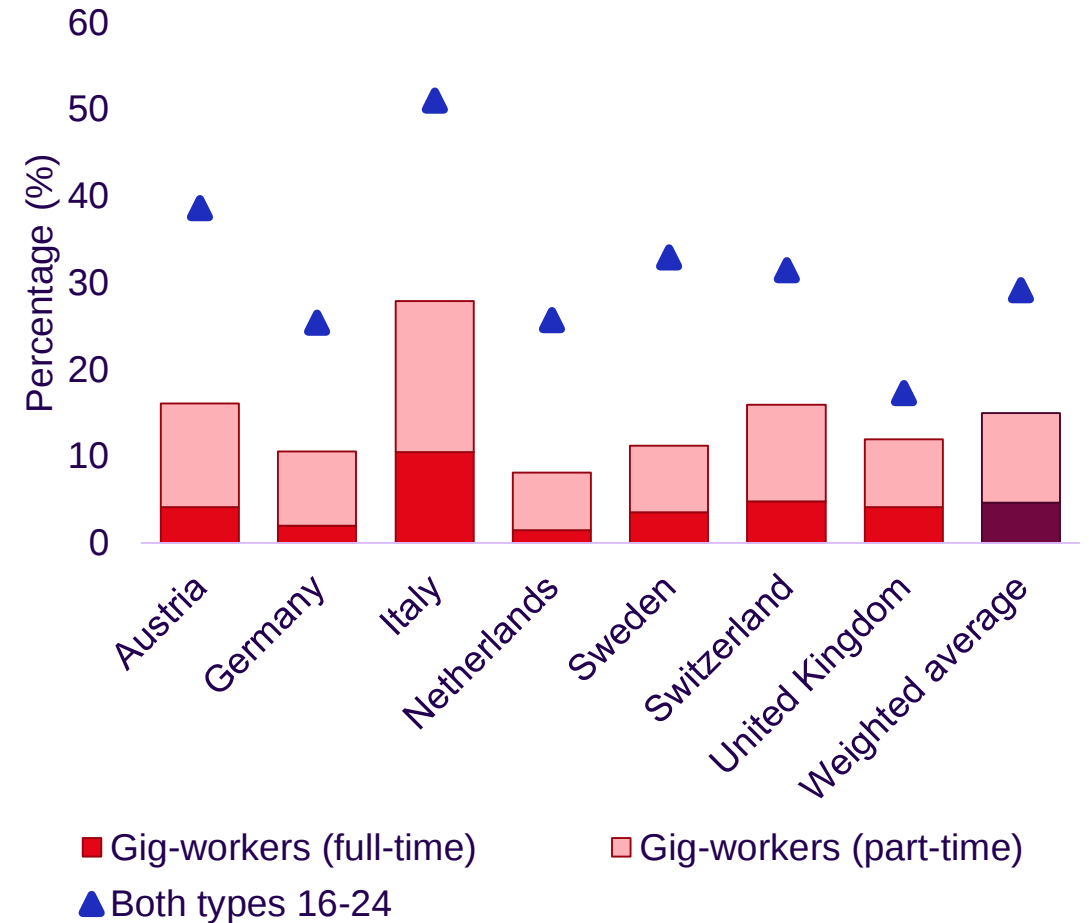


▶ **& Gig work?**

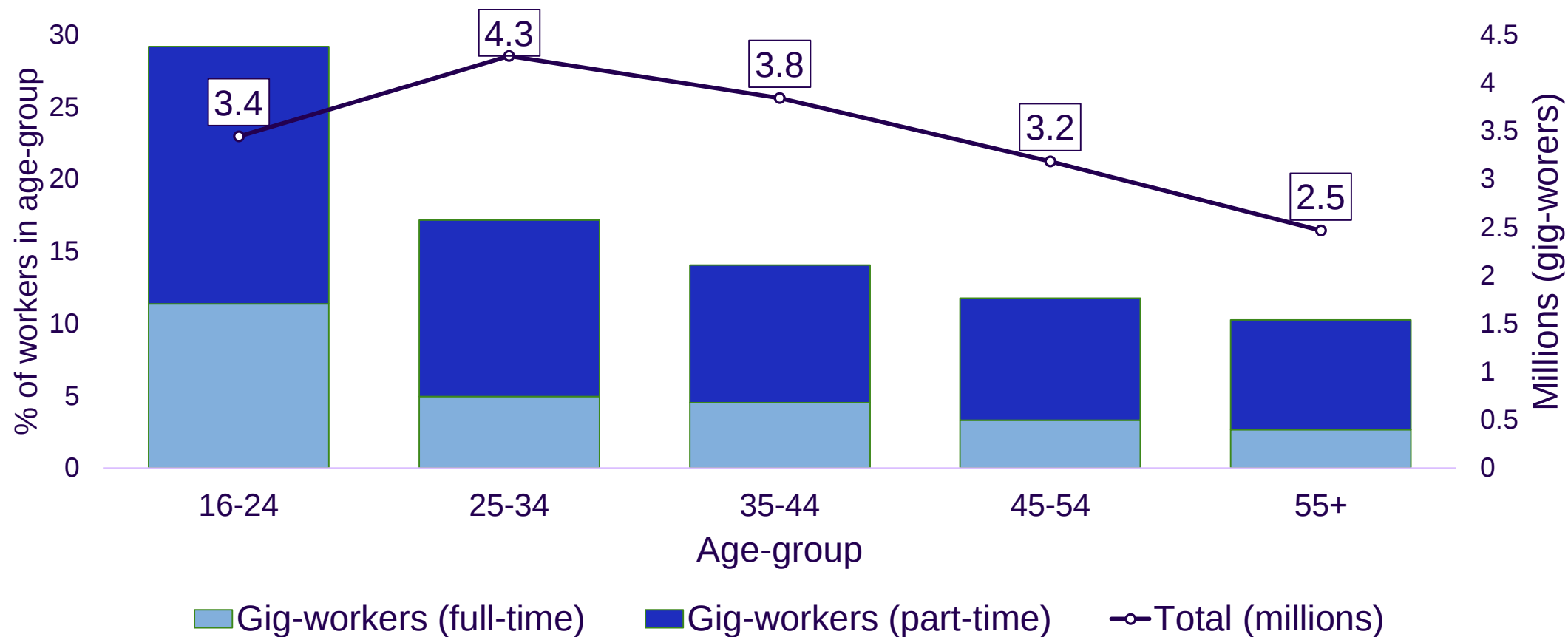
▶ Turning to youth and gig work..

- ▶ The COVID-19 pandemic has reinforced the pre-existing trend - shift from long-term employment towards more short-term/task-based jobs, especially for young people, and especially, but not only, in high income countries
- ▶ Gig economy – important and growing source of work, especially for young people
 - ▶ For example, 5-fold increase in digital labour platforms 2010-2020

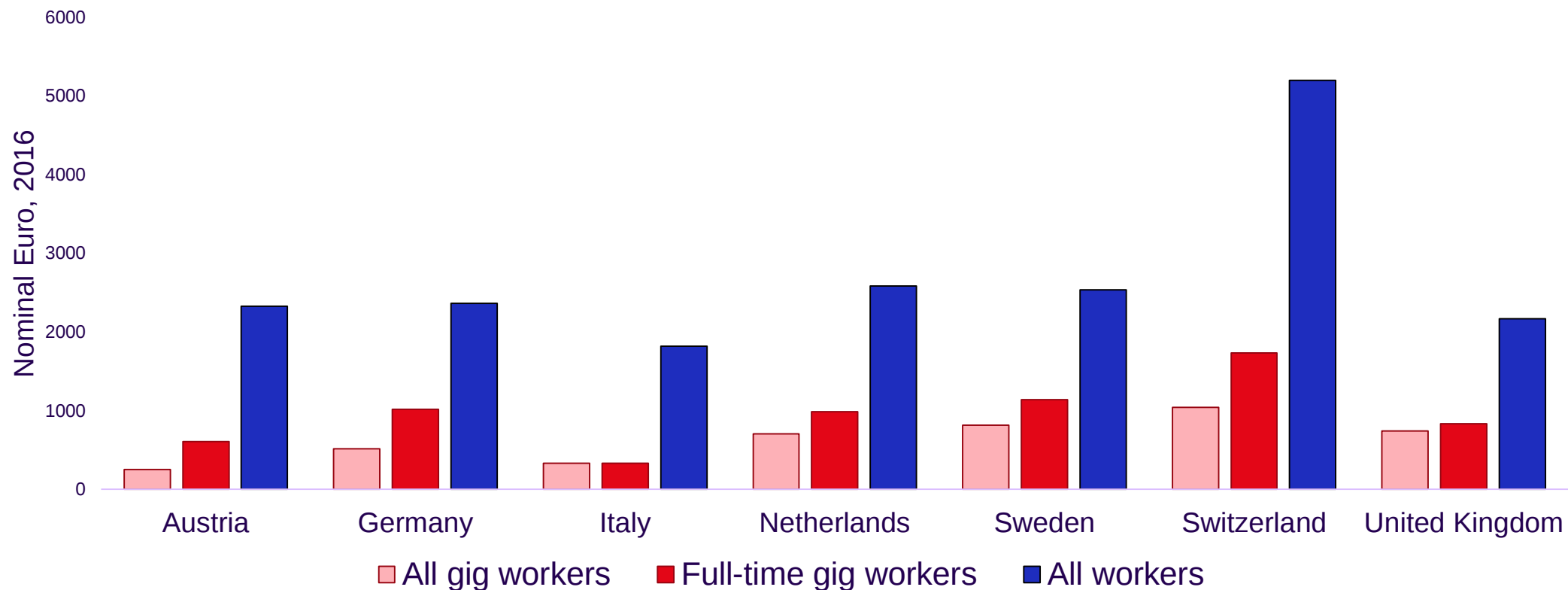
Prevalence of gig-workers among the employed; selected European countries 2016/17



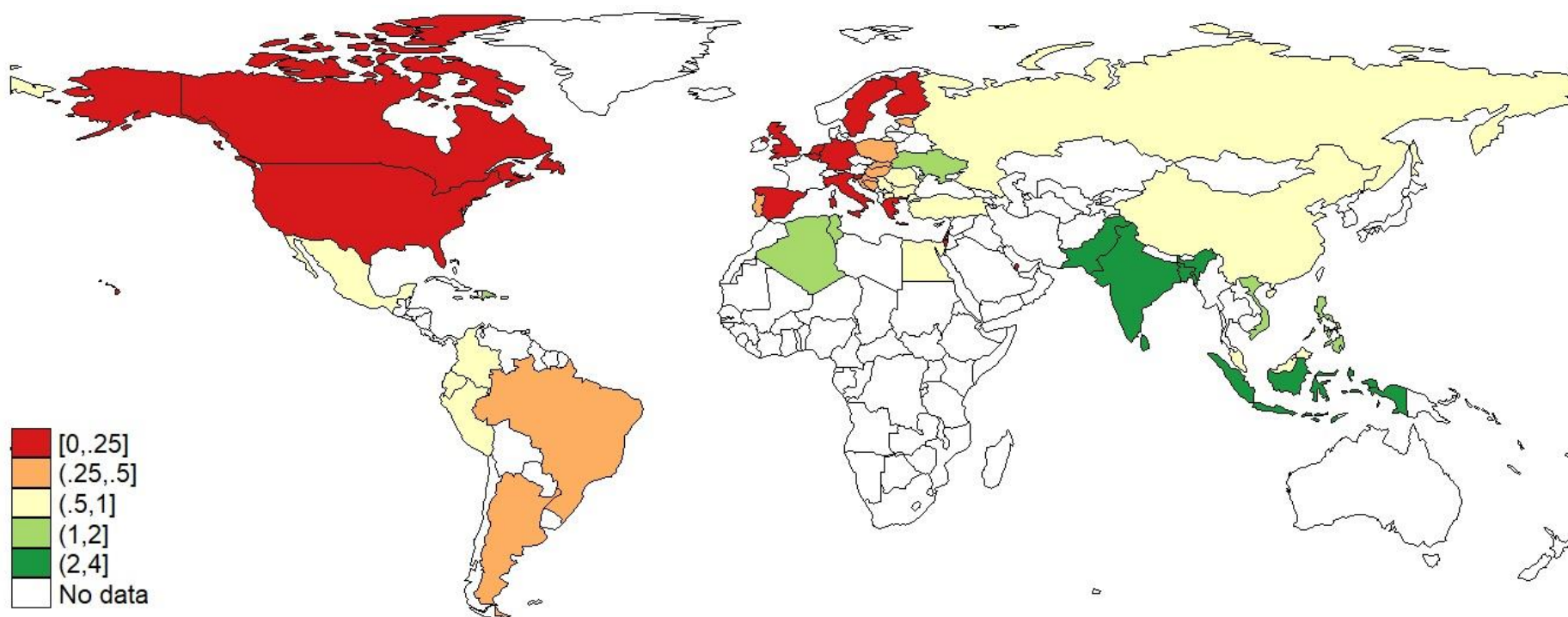
And young people are particularly likely to participate



Gig workers earn rather little compared to their peers – at least in High income countries

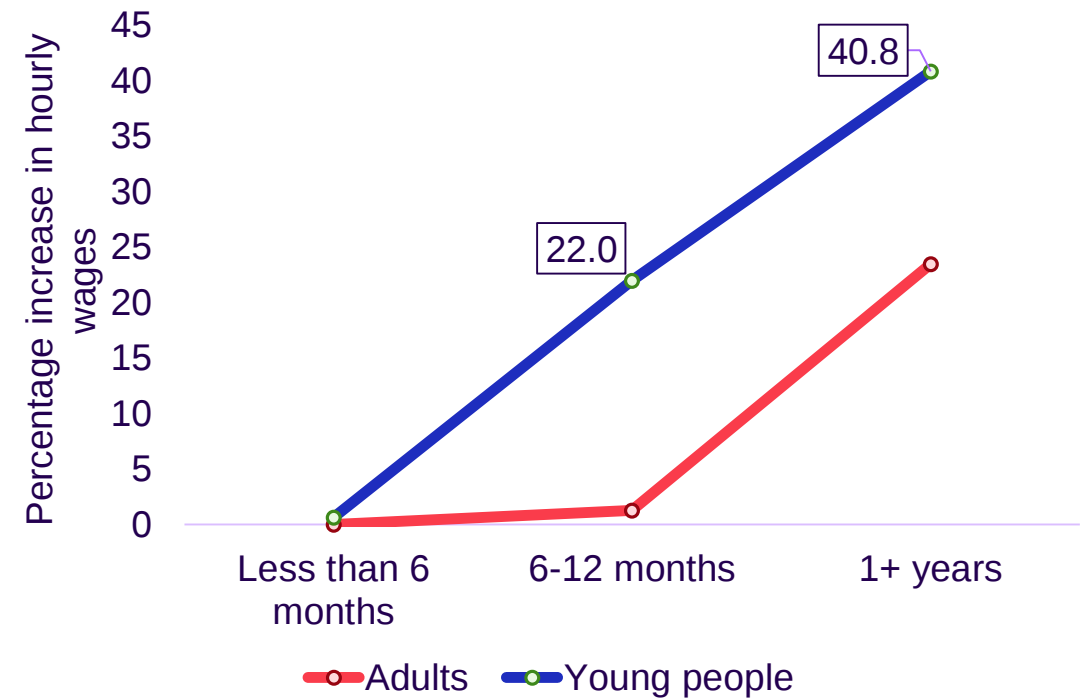


But not invariably so in middle income countries.... (hourly wage from crowdwork, ILO survey)



▶ Young people are particularly suited to crowdwork and have some **relative** advantages, for example:

- ▶ **young crowd-workers earn higher wages than older crowd-workers**; due to higher/faster returns on experience
- ▶ Particularly attractive to young people in lower income countries (given their alternatives)
- ▶ **However**, the hourly earnings of young (and adult) women are nearly 20% lower than for men
- ▶ & Returns to formal education are zero (although most crowd-workers are relatively well educated)



► Why do young women earn less?

► Not due to overt discrimination

- employers do not know who they are hiring ex-ante

► Rather, its due to **additional outside constraints** on (young) women:

- Young women without children do not earn less than men – the presence of children is associated with lower earnings
- Gender discrimination in local labour markets – lower alternative earnings

► Young people, especially in lower income countries are drawn to Crowdwork by the pay.

Q: Why do you do crowdwork?	A: Pay is better than alternative jobs	
	Young people (%)	Adults (%)
High income countries	7.2	3.5
Low and middle income countries	25.4	23.1

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Some implications and conclusions...



► Gig and platform based work presents significant challenges, but perhaps also some opportunities if appropriately regulated...

1. Basic issue of **job/employment/income security**

- Work is poorly paid
- Access to recourse when problems arise
- Access to social protection
- Access to OSH
- Validating experience

2. Driver of **inequality** within youth labour markets?

- Which Young People have access (e.g. educational attainment)?

3. **Areas of possibility:** flexibility offered by crowdwork to those with restrictions in the type of work they engage in

► What to do? Key suggestions for a regulatory response

- Ensure representation (Freedom of association, collective bargaining)
- Extend access to social protection
- Define clearly and appropriately the employment relationship
- Need for international policy co-ordination and dialogue
- Leverage digital technology to better protect workers and (formal) businesses

Gig economy and youth, ILO-Employment Policy Department publications

- **Global Employment Trends for Youth, 2017, 2020, 2022 editions**
 - 2017: Platform work & youth (ch. 5)
 - 2020: Technology and the future of work for youth
 - 2022 (forthcoming): digital economy and youth – divisive or inclusive?
- **Is the future ready for our youth? (ILO monograph, 2021)**
 - Pinedo, O'Higgins and Berg. 2021. *Youth and gig work*
- **Youth and Crowdwork (ILO working paper forthcoming 2021)**
- **Rising to the youth employment challenge (ILO major publication, 2017)**
 - Contractual forms of employment (chap 6)