

WORKING WITHOUT BORDERS

The Promise and Peril of Online Gig Work

Good, inclusive jobs provide the surest path out of extreme poverty, while boosting shared prosperity for all. Online gig work is a rapidly growing segment of the labor market, already accounting for **up to 12% of the global labor market**. It is rising faster in developing countries than anywhere else and opens unique employment opportunities for marginalized and vulnerable populations such as women and youth. But it is not without risks.

ONLINE GIG WORK COVERS DIFFERENT TASKS



Design, multimedia and creative work



Business, research and consulting



Sales and marketing support



Data entry, administrative and clerical tasks



IT, software development and tech



Writing and translation



Online microwork

ONLINE GIG WORK IS GROWING IN DEVELOPING COUNTRIES

In developing countries, demand for online workers is outpacing that of developed countries. Nearly 60 % of firms surveyed in poorer countries reported increased outsourcing to gig workers. In wealthier countries less than half said the same.

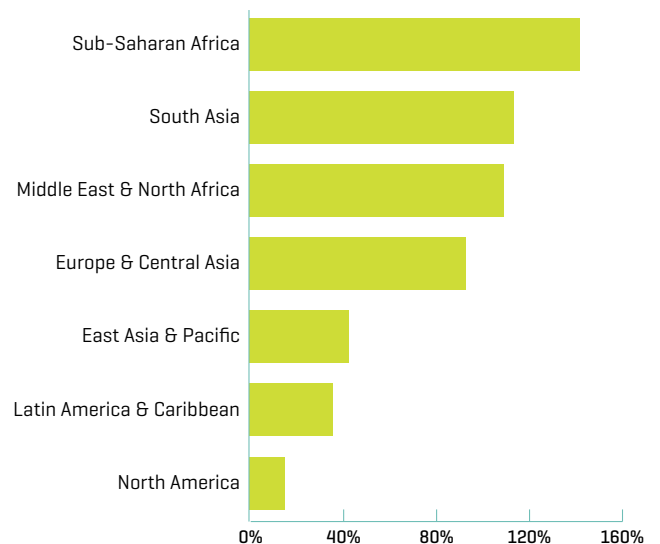
↑ There is a total of **545 online gig work platforms** across the globe.

↑ Close to **three quarters** of the platforms are **regional or local**.

↑ With workers and clients located in **186 countries**.

↑ **Over 400 million people** are estimated to be doing online gig work, often as a side job.

Growth rate of job postings on one of the largest digital labor platforms for 2016–2020, by region



THE PROMISE

Online gig work provides opportunities for youth, women, relatively low-skilled workers, and people outside of major cities and job centers, in areas with insufficient local jobs.

For workers:



Offers opportunities to youth to earn income while learning new skills



Allows more women to participate in the labor market, with flexibility in time and location



Provides work in areas that lack good jobs and addresses regional economic inequalities

For firms:



Able to tap into wider talent pool



Reduced start up costs, ability to remain flexible and agile to respond to market changes

THE PERIL

Online gig work presents challenges on how to navigate safety, protection, and privacy issues of online gig workers.

Connectivity: Workers need access to the internet or digital devices so they can participate in the online gig economy.

Career progression: Gig jobs do not provide a stable income and have limited career progression pathways for youth.

Discrimination: Women and workers in developing countries often experience discrimination especially for high-paying tasks.

Social protection: In low-income countries, over 90% of the workforce, including gig work is in the informal sector without labor regulations, social insurance and benefits.

WHAT CAN POLICYMAKERS DO?

Countries have a huge opportunity to capitalize on the potential of the online gig economy if they successfully address the risks:



Provide affordable access to Internet and digital devices



Expand social protection coverage of all informal workers



Partner with platforms and private sector to design programs, policies and products to cover informal workers, including gig workers



Teach digital skills especially to youth and women



Modernize collective bargaining models and institutions for changing nature of work

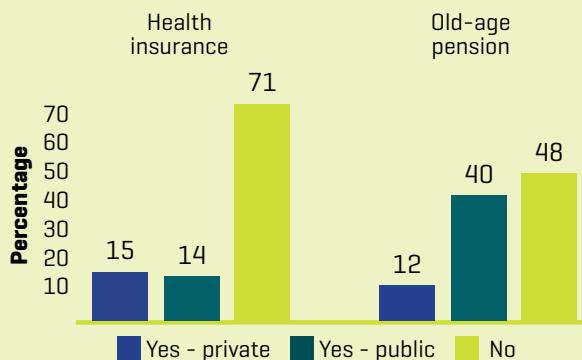


Put in place mechanisms to regularly gather and track data on gig work systematically



Manage data security and privacy policies for workers and firms

Do you subscribe to health insurance and an old-age pension?



Where do online gig workers live?

