Over the past decade, technology has fundamentally shifted traditional work patterns, creating new ways in which work is contracted, performed, managed, scheduled, and remunerated. Business models enabled by new technologies, such as digital platform firms, can foster job creation and bring economic opportunities to millions of people who do not live in industrial areas. Digital platforms are mediating new forms of work, known as online gig jobs, which match workers and clients for tasks that are performed fully online.

The recent World Bank report “Working Without Borders: The Promise and Peril of Online Gig Work” employs an innovative mix of data science methods, website traffic data, and surveys across 17 countries conducted in 12 languages. The study examines the size, scale, and patterns of online gig work in developing countries and provides recommendations for practitioners to design policies and operations to harness the potential of online gig work.

According to the report, online gig work is gaining prominence in the labor market. Currently, it accounts for up 12% of the global labor force, with over 400 million workers. This new job modality has brought opportunities, especially for vulnerable populations, to smooth the transition into labor markets.

Online gig work provides vital work opportunities for youth, women, and workers in areas that lack local jobs. The report shows that most online gig workers are under 30 years old, drawn to gig work for income generation, skill acquisition, or the flexibility to combine it with education or other forms of employment. Moreover, online gig work contributes to closing the gender gap, as women in most regions participate more actively in the online gig economy compared to the general labor market, the services sector, or the informal sector. Women especially value the flexibility online gig
work provides that helps them overcome constraints they face in accessing the traditional labor market.

**Remarkably, nearly three-quarters of these platforms operate at the regional or local level.** They perform a crucial, albeit less recognized, role in local labor markets by lowering entry barriers and promoting local private sector development while enhancing inclusion, especially in non-English speaking countries. Surprisingly, six out of ten online gig workers reside in smaller towns and villages rather than major urban centers, highlighting an opportunity for policymakers to address regional job disparities in peri-urban areas that often lack sufficient local employment opportunities.

However, these new opportunities also usher in fresh policy challenges. Despite the promise online gig work holds, a large majority of workers lack comprehensive social protection. To address this challenge, governments can explore innovative partnership models with online gig platforms to enhance the visibility of informal workers and extend social protection coverage to encompass all informal workers, including those engaged in gig work. Novel models of collective bargaining are imperative to support workers engaged in nonstandard forms of work, and digital technology may provide innovative solutions to this end.

---

**Namita Datta**  
K4J Guest Editor  
S4YE Program Manager  
Jobs Group

**Kevwe Pela**  
K4J Coordinator  
Economist  
Jobs Group

**Carla Froy**  
K4J Editor  
Consultant  
Jobs Group

---

**FEATURED STUDIES IN THIS DIGEST**
Working Without Borders: The Promise and Peril of Online Gig Work
Datta et al. | Report | September 2023

- The full report is available on the World Bank Open Knowledge Repository.
- The Chapters of the report can be downloaded as individual files.
- The Overview, containing the key findings of the report is available in several languages:
  - Arabic
  - Chinese
  - English
  - French
  - Russian
  - Spanish
- The key findings are also available in a video.

ILO | Report | February 2021

The report offers a comprehensive picture of the experience of workers and businesses on online web-based and location-based platforms, drawing on surveys and interviews with some 12,000 workers and representatives of 85 businesses around the world, in multiple sectors. It also provides insights into the business model of digital labor platforms, examines regulatory responses around the globe, and presents a way forward to ensure that all platform work is decent work.

How Many Online Workers Are There in the World? A Data-Driven Assessment
Kässi et al. | Working Paper | October 2021

The authors conduct a comprehensive analysis, leveraging data from multiple sources, to construct a data-driven assessment of the global population of online freelancers. Their findings suggest that while there has been a significant increase in registered online workers since 2015, highlighting the growth in the online freelancing sector globally, it remains distributed thinly across various countries and sectors.

Fairwork Cloudwork Ratings 2023: Work in the Planetary Labour Market
Fairwork | Report | July 2023

The Fairwork Cloudwork Ratings 2023 assessed 15 web-based digital labor platforms based on five Fairwork principles: fair pay,

Women in the Platform Economy: Emerging insights
Deshpande et al. | Report | May 2022

The study highlights that while women are more likely to approach platform work as a long-term income source and are open to

https://m.newsletterint.worldbank.org/rest/head/mirrorPage/@Z1NG3RJX5HA8xu-sVn88LieX99nNTe-mA6SuXrSmYWOMwD4lYrlqZ-mVLWY-wIDC9…
conditions, contracts, management, and representation. The report reveals that most platforms fall short of meeting basic standards of fair work. Microwork platforms, which support AI development, received some of the lowest scores, highlighting challenges and unfair working conditions for workers in this sector.

Utilizing a newly developed digital job classification system, the report identifies factors driving demand in various categories of digital work. It highlights specific design elements and strategies that are beneficial in facilitating young women’s participation in the digital economy and concludes by providing recommendations for shaping and executing gender-inclusive digital job programs for youth.

Digital Labor Platforms (DLPs) serve as intermediaries for a large range of services, including freelance work, contest-based tasks, microtasks, taxi and delivery services, as well as home and professional services. While DLPs that intermediate similar services often adopt comparable business models, there can be notable variations in working conditions, even within the same platform when comparing different countries.

The rise of the digital platform firm means that technological effects reach more people faster than ever before. Digital technology is changing how people work and the terms on which they work. Even in advanced economies, short-term work, often found through online platforms, is posing similar challenges to those faced by the world’s informal workers. The Report analyzes these changes and considers how governments can best respond.

The report focuses on nine innovative employment forms within the 27 EU Member States, along with Norway, and the UK. It examines the policy frameworks of each country while also mapping the scale and scope of these new employments. The report concludes with some policy recommendations, taking into account the future of work that will be shaped by the twin transition to the digital age and a carbon-neutral economy.
Recognizing the challenging job landscape, this collection offers insights into various aspects of the economy and labor force, including the impact of new technologies on employment, the role of the informal sector in job creation, and data-driven approaches to understanding employment challenges and opportunities. These papers provide valuable perspectives on how to navigate the evolving world of work, ensuring that policymakers and practitioners have a robust understanding of the issues. The featured studies span regional and cultural contexts, highlighting the diversity of challenges and opportunities in global labor markets.
occupations more exposed to AI, especially those with a higher proportion of younger and skilled workers, aligning with the Skill Biased Technological Change theory.

emphasizes that high and upper-middle income countries, particularly those with a significant share of clerical occupations, will experience the most substantial impact emphasizing the gendered aspects and the necessity for proactive policies that prioritize job quality, equitable transitions, and effective regulation through dialogue and collaboration.

CONTRIBUTORS
This newsletter is a joint product of the Jobs Group and the Labor & Skills Global Solutions Group of Social Protection & Jobs Global Practice. For more information kindly contact Kevwe Pela (kpela@worldbank.org).

Want to share your recent publication or event for inclusion in our monthly newsletter? Email kpela@worldbank.org

Click to view past editions | Sign up to receive future editions of the Knowledge4Jobs Newsletters

Copyright © 2023 World Bank Group, All rights reserved.
You are receiving this email because you opted in

Our mailing address is:
World Bank Group
1818 H St NW, Washington, DC 20433

Subscribe | Unsubscribe from this list