

Symposium on work in the ‘gig’ economy: Introduction

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Abstract

This introduction overviews four approaches to theoretical and empirical research on the ‘gig’ economy, framing them within the concept of the ‘fissuring of the workplace’. It outlines arguments that ‘gig’ or digital work is not a new phenomenon but a resurgence of older, unregulated labour extraction methods and outlines the need for a more nuanced way of measuring the dimensions of job insecurity and their corrosive effects. In foreshadowing potential policy approaches to addressing the regulatory deficit surrounding gig economy work, it argues for an eclectic approach to using and strengthening legislation designed to safeguard the rights of consumers and providers of services, including contractors, and regardless of employment status. Finally, it foreshadows a study of how a successful union movement respond to the gig economy – negotiation with a digital platform to bring advertised hourly pay rates into line with the minima set within the industrial relations system for employment in the relevant industries.

JEL Codes: J48, J50, J83

Keywords

Fissured workplace, ‘gig’ economy, standard employment relationship (SER)

David Weil’s (2014) book, *The Fissured Workplace*, offered a memorable metaphor to describe the decline of the dominance of the standard employment relationship (SER) in advanced economies over the past four decades. Weil argued that a variety of mechanisms had emerged (or re-emerged) to ‘fissure’ the relationship between employees and employers over that period, including subcontracting, labour hire, franchising and disguised employment relationships, all of which rendered work more precarious and excluded workers deemed to be performing ‘non-core’ work from the four walls of major

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business entities. To this list of ‘fissures’ in the SER edifice, we must surely now add platform-based ‘gig’ employment, which uses digital technology to mediate the process of commissioning, supervision, delivery and compensation of work performed by workers on a contingent, piece-work basis.

Theoretical and empirical research into the digital gig economy is in its infancy. While digital platform work shares powerful continuities with much older work formations, it also presents modern policy-makers and trade unions with a variety of new political, regulatory and legal challenges. The scale of the phenomenon is uncertain and is yet to be measured as a work formation in its own right by official demographers and statisticians. Obscure, too, is our understanding of the full social dimensions and impacts of this extreme variant of casual work.

In December 2016, the Centre for Future Work organised a symposium of four experts to discuss the causes, consequences and policy responses provoked by the gig economy. The event was held at the 15th annual conference of the Australian Society of Heterodox Economists (SHE) at the University of New South Wales, Sydney. What follows are the four contributions, revised for publication.

Jim Stanford’s essay emphatically situates digitally enabled gig work as a resurgent, rather than new, phenomenon, a manifestation of insecure work formations that are as old as capitalism itself. According to Stanford, the gig economy is best grasped as the application of digital processes to ‘ease’ the application of long-standing labour extraction strategies by employers. Those strategies were held in check by a variety of legal, social, macroeconomic and technological mechanisms in the postwar Golden Age, when centralised, capital-intensive technologies interlocked with full employment policies to create and promote norms of stable, ongoing employment. Over the past four decades, a range of technological and political shifts have eroded those norms, including the increased role that service industries and decentralised and less capital-intensive forms of production play in advanced economies. In order to respond intelligently to the challenge of platform work, it is crucial to historicise the range of forces that have led to it, both in terms of this current era of insecure work (of which digital gig work is one variant) and in the preceding period when the SER was dominant. By conceptualising these forms of work organisation in historical terms, it is apparent that they are far from technologically determined or inevitable.

Wayne Lewchuk is similarly concerned to situate the gig economy in terms of the wider context of precarious work. Lewchuk’s research reveals the limitations of official labour market data, which is premised on a simple binary between ‘permanency’ and ‘temporariness’, in providing a comprehensive picture of the extent and social texture of work precarity. Lewchuk instead offers an alternative and richer measure, the *Employment Precarity Index*, based on 10 different indicators of an employment relationship’s characteristics. Using a Canadian dataset of nearly 8000 individual observations collected by the Poverty and Employment Precarity in Southern Ontario (PEPSO) research group, Lewchuk’s research demonstrates the profound role that work insecurity has in corroding wellbeing and full civic participation in Canadian households.

The question of how policy-makers should best approach the regulation of the gig economy in Australia is addressed in the essay by Andrew Stewart and Jim Stanford,

who recommend the thoughtful extension of existing protections rather than the creation of a new ‘independent worker’ category. Their paper surveys the range of existing regulations and statutes in Australia that could potentially apply to gig economy work, including legislation relating to employees, independent contractors, consumer protection laws, as well as rights that apply to ‘workers’ regardless of employment status. In their view, it is by no means certain that all forms of gig work constitute self-employment: Given that Australia’s Federal Courts have been inclined to look beyond formal contractual terms to the substance of arrangements in determining employment status, it is quite possible that some gig workers may be successful in having their work recognised as employment in the near future. Such recognition is only likely to attach to a portion of gig economy workers, however, and ultimately they call for an eclectic and open-minded approach to addressing the regulatory deficit that surrounds the gig economy.

Regardless of how the regulatory regime is modified to encompass gig work, it is clear that collective organisation will be an important challenge for gig workers, who tend to work in circumstances of isolation and presently enjoy scant collective representation. The question of how the union movement has begun to respond to the gig economy is taken up by Kate Minter, who offers the case study of Unions NSW’s negotiation with the digital platform Airtasker as an example of the possibilities and limitations of union advocacy directed at digital platforms. This essay describes the outcomes of a negotiation between the union body and Airtasker following the latter’s practice of advertising rates of pay significantly below the relevant Award minimums. The negotiation resulted in a range of incremental improvements to Airtasker’s practices, including more and better information about the relevant minimum legal standards, as well as a strengthened, albeit unenforceable, safety and dispute settlement protections for workers.

Together, these essays provide a vivid portrait of the origins and nature of the gig economy, and a deft conceptual compass for navigating the regulatory changes it demands in the future. They make plain that gig work is neither new, nor technologically determined, nor homogeneous, nor inevitably and inexorably ‘disruptive’ of every aspect of the economy. It has and will continue to contribute to the ‘fissuring’ of the 21st century workplace in myriad ways. Like every work arrangement, it involves asymmetric allocations of power and agency and necessitates careful regulatory intervention to ensure that Australian society is one where all citizens have the opportunity to perform work, whether digitally mediated or not, that is sufficiently secure and remunerated to support an adequate standard of living.

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Reference

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Author biography

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