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Nearly 50% of digital labour platform workers fear for their safety – report finds

Digital labour platform workers are finding it increasingly difficult to make ends meet, putting additional pressure on them to accept work that carries a high risk of exposure to criminal activity. The fourth Fairwork report for South Africa, released on 8 September 2022 by the University of Cape Town's (UCT) School of Information Technology, found that nearly 50% of workers fear for their safety.

"These workers try to avoid working after dark or in high-risk areas despite the resulting loss of earnings," said co-author of the report Dr Sharon Geeling, citing the recent brutal murder of Abongile Mafalala.

The report assessed 13 of South Africa's largest digital labour platforms against five principles of fairness – fair pay, fair conditions, fair contracts, fair management, and fair representation – giving each platform an overall fairness rating out of ten. The report also showed how the lingering effects of the 2020–2021 COVID-19 pandemic compounded precarity for workers, in the context of rising global unemployment due to national economic lockdowns.

For most workers, the report also found that fuel is the biggest contributor to their costs, either because of their work as ride-hailing or delivery drivers. For those doing micro tasks or providing cleaning services, high fuel costs were caused by the need to commute between multiple work engagements every day.

South Africa's transport sector has seen the highest price acceleration, with the price of fuel having increased by 45.3% – the highest annual increase since the new consumer price index statistics were introduced.

"Fairwork interviews conducted with platform workers this year reveal that for most workers fuel is the biggest contributor to their costs. For the first time in its fourth year of ranking platforms in South Africa, some workers estimated that their hourly costs (which included an apportionment of their fixed costs) exceeded their estimated hourly pay. This situation has been reported by a handful of workers across several platforms," said Geeling.

She noted that some platforms continue to adhere to Fair Pay principles. "getTOD, Kandua, M4JAM, NoSweat, Picup, and SweepSouth all met the National Minimum Wage (NMW) requirement of R23.19/per hour after costs. Four of these, getTOD, Kandua, M4JAM, and

NoSweat also met the Fairwork Living Wage requirement for South Africa for 2022 of R43/per hour after costs. However, more than half of the platforms in this study fall short by failing to meet even the NMW."

The hourly pay of platform workers, said Geeling, is dependent on the base pay rate set by platform companies for platform services, and the rate of commission taken by the platform for each engagement.

She explained that while some platforms accommodate a level of negotiation of the rate between clients and workers, the base rate is usually set by the platform. The base rate for services and the platform commission contribute to the cost of services and therefore to platform competitiveness in the market.

"Most of the workers we interviewed this year answered "no" when asked whether platform base rates had increased during their time on the platform. Rising costs create a problem for both platform workers and platform companies. For platform workers there is a direct impact on their take home pay. Platform workers are therefore finding it increasingly difficult to make ends meet, putting additional pressure on them to accept work that carries a high risk of exposure to criminal activity," she said.

The report's principal investigator, Pitso Tsibolane, shared: "In the last few years, platform work has rapidly become attractive to workers due to its low entry barriers and potential for quick access to a job and income. However, despite its transformational potential – particularly in contexts where unemployment, market failures and institutional voids persist – precarity in the platform economy continues."

He explained that in South Africa digital labour platforms hold the potential to reduce the extremely high levels of unemployment and inequality. However, the annual South African Fairwork ratings also provides evidence that platform workers, as with many countries worldwide, continue to face unfair work conditions and lack the benefits and protections afforded to employees.

Based on the findings, Tsibolane said: "We remain confident that this report will shine the spotlight on the ever-widening gaps in worker protections as well as the urgent need for fairer work standards in the South African platform economy. The report also highlights the improvements that some platforms have made over the last few years. It is our hope that the report will emphasise the urgency of transforming digital labour platforms into workplaces that provide fair, decent, and secure and sustainable work."

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ENDS

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