

# An inefficient (and unfair) technological revolution

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Nordic Conference on the Platform Economy

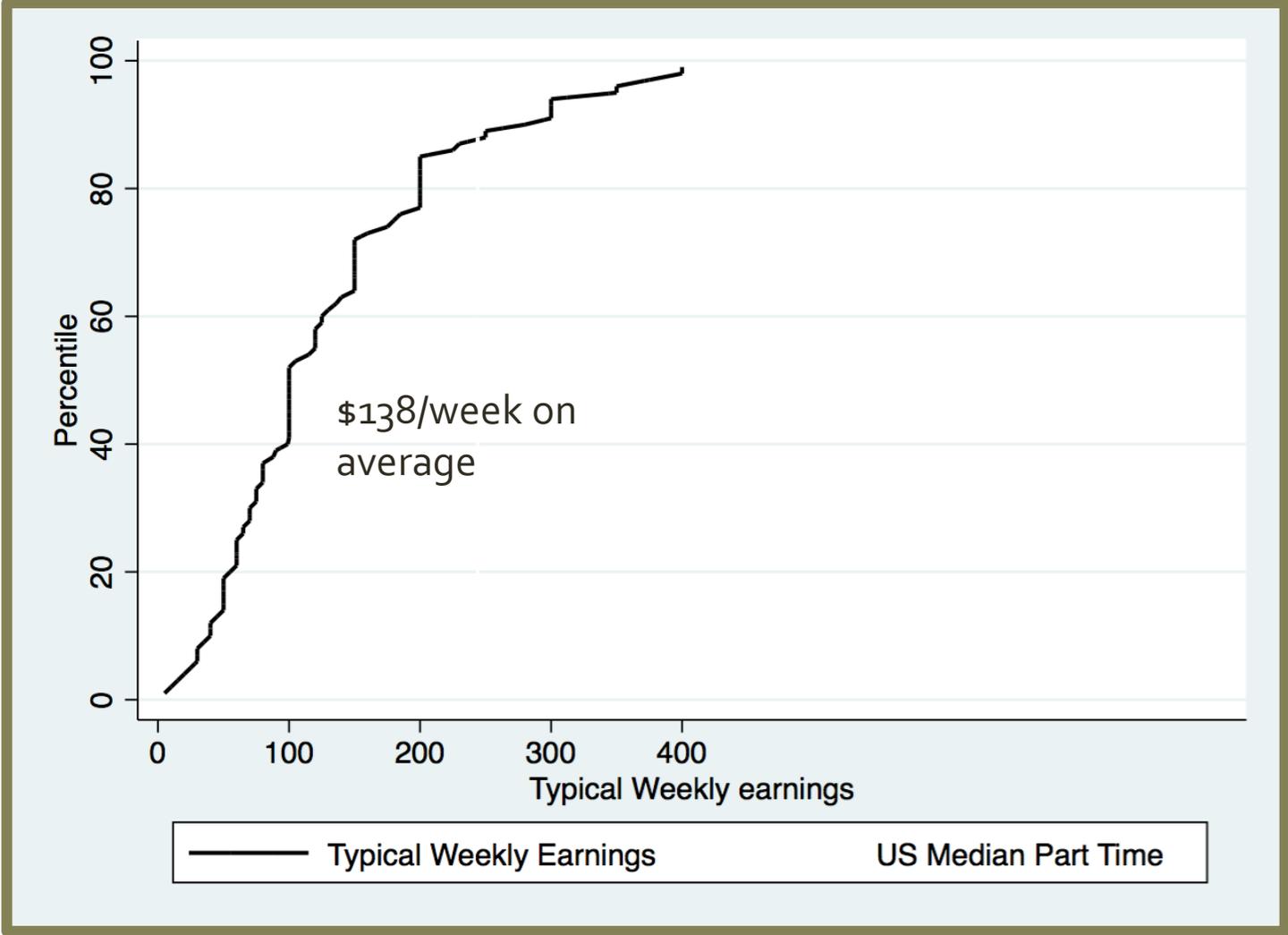
Copenhagen, 23 February 2017



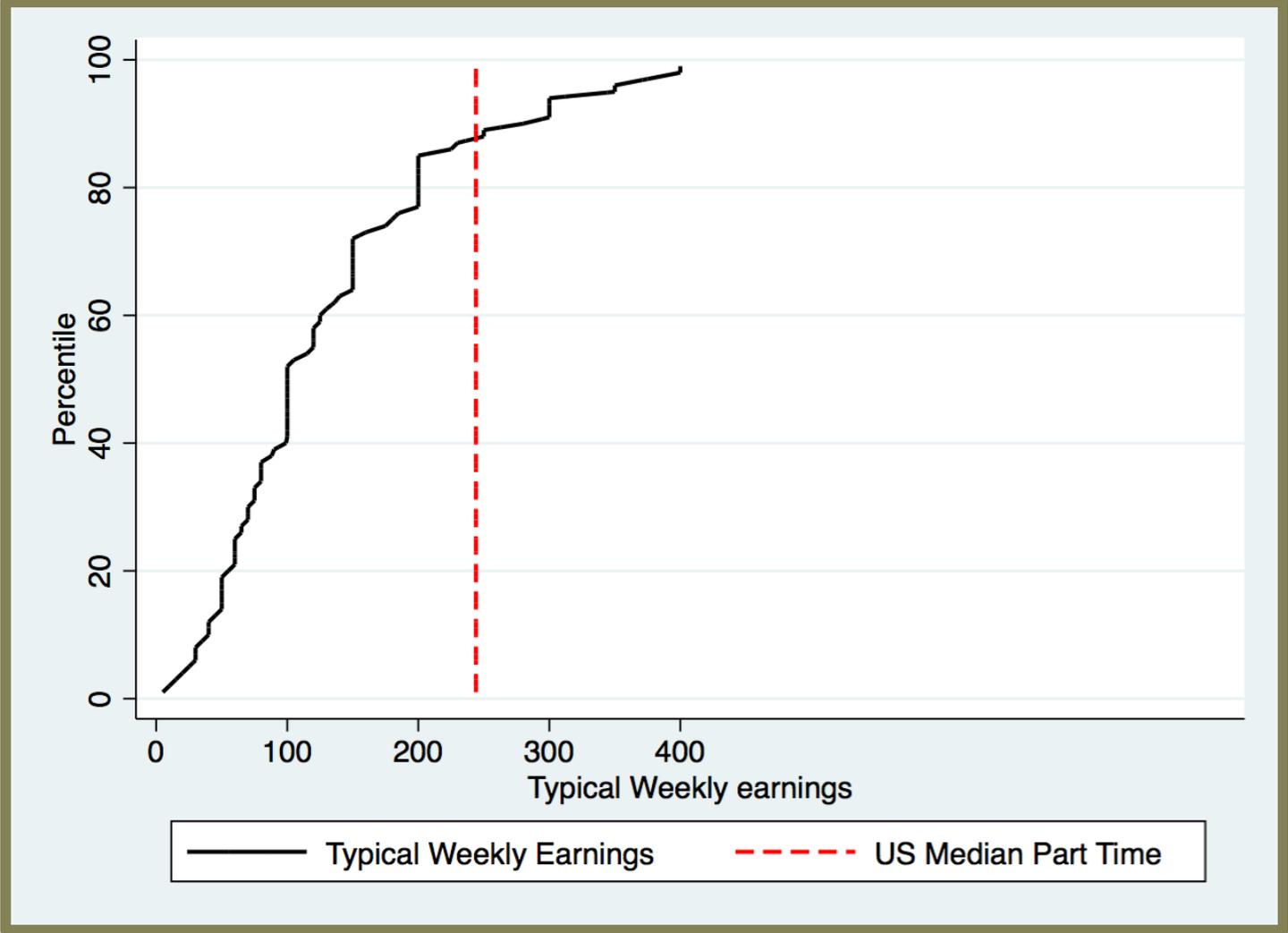
Findings and implications from a survey of crowdworkers



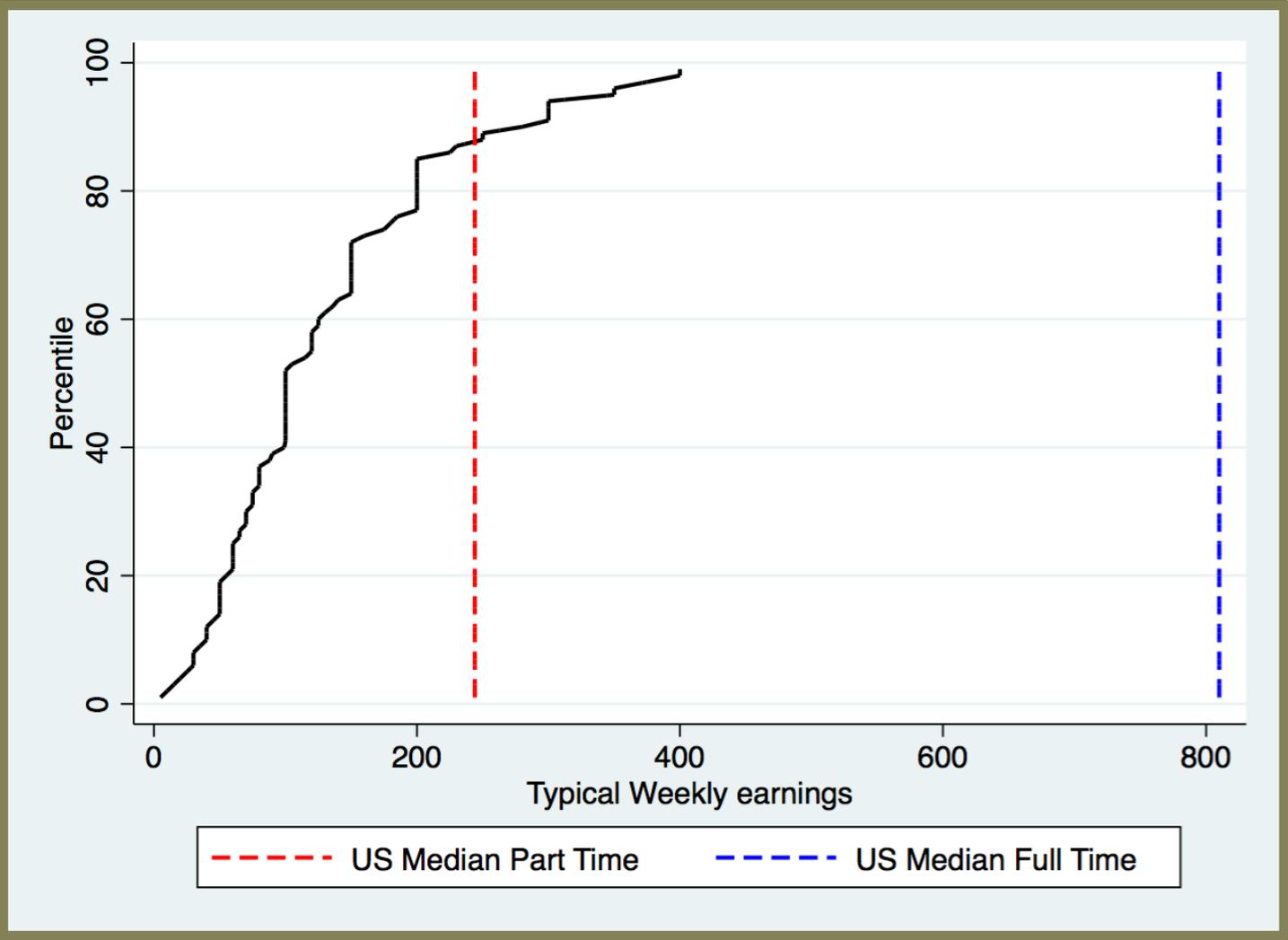
# Earnings



Earnings ... are low



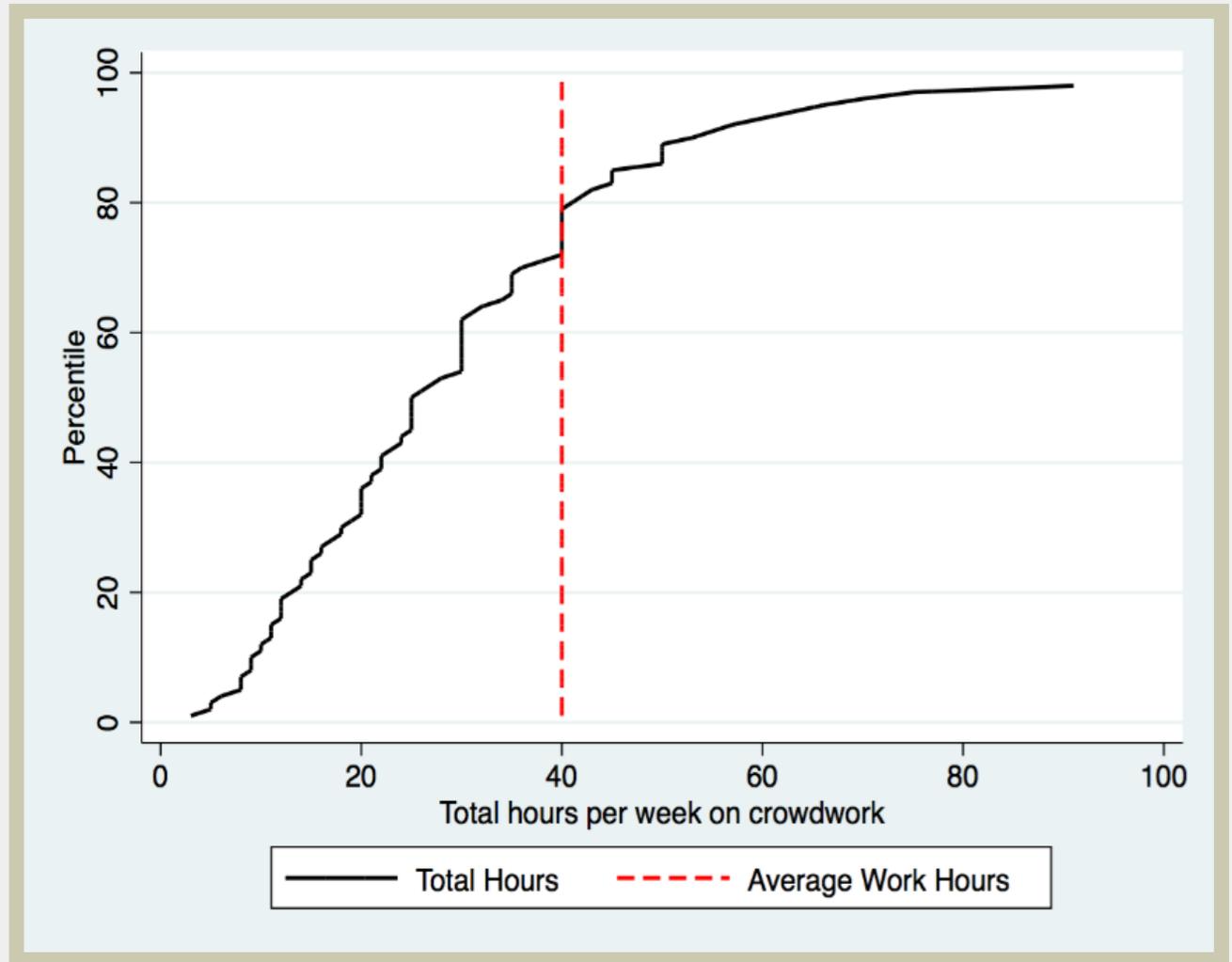
Earnings ... are low



This isn't  
due to low  
hours

### Many work long hours...

- 20% spend over 40 hours a week crowdworking
- Only 10% spend 10 hours or fewer
- Averaged 31 hours per week

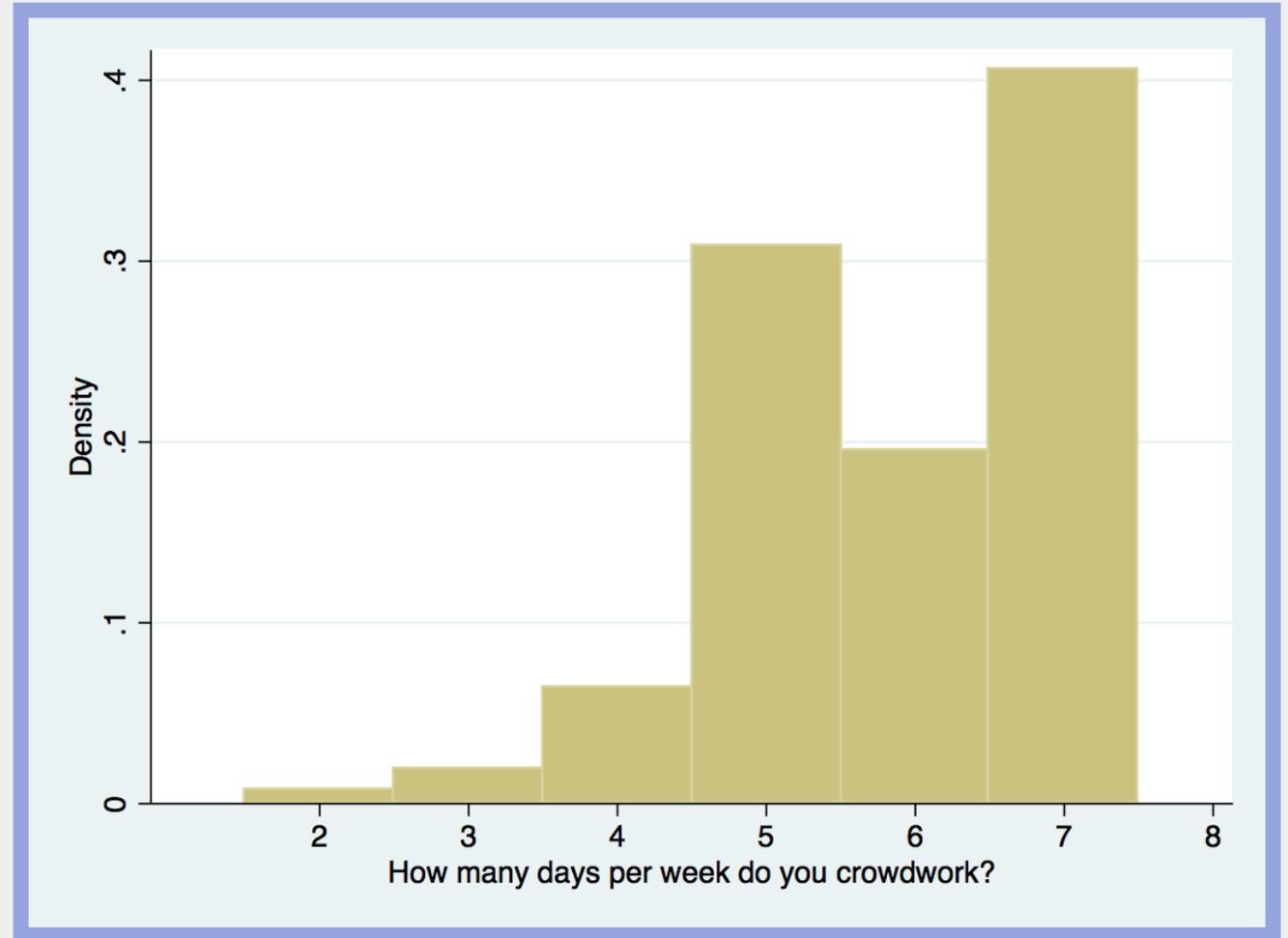


This isn't  
due to low  
hours

...over many days each week

40% work every day

25% work for 10 hours a day or more on  
at least 5 days per month



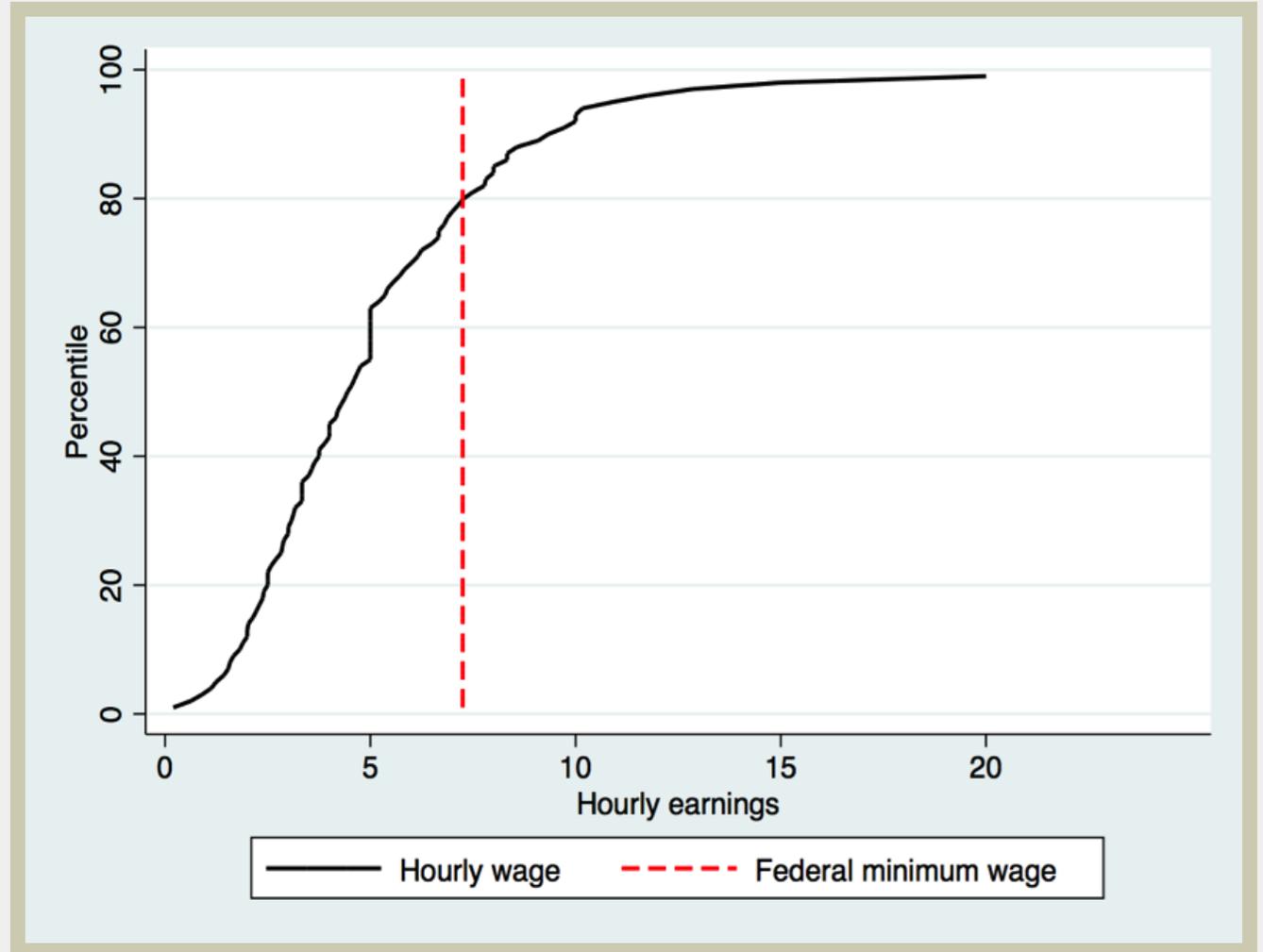
## It's due to low wages

Most earn less than the minimum wage

80% earn an hourly wage below the federal minimum

<1% earn more than the average wage in the offline economy

\$5.40 on average for American AMT workers



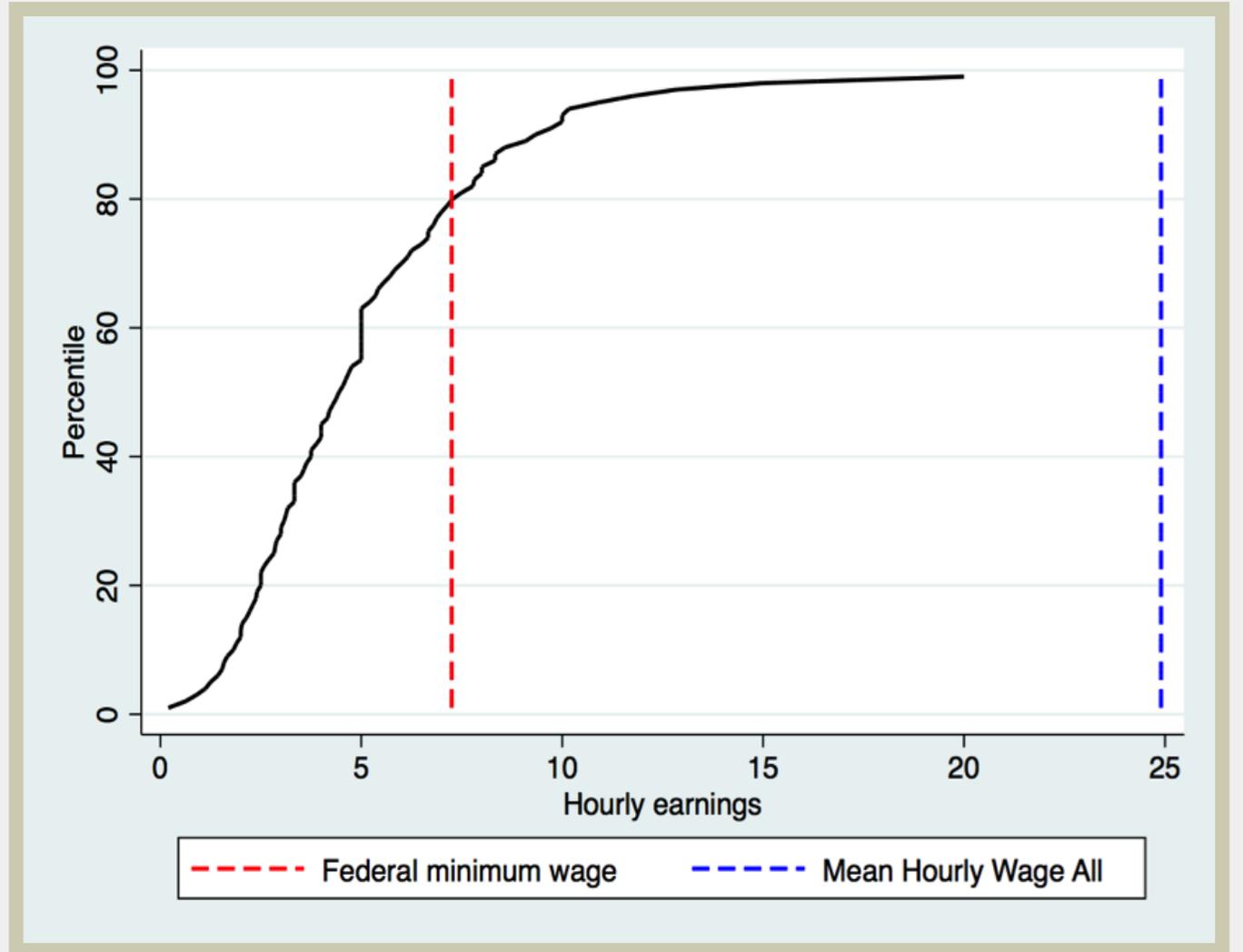
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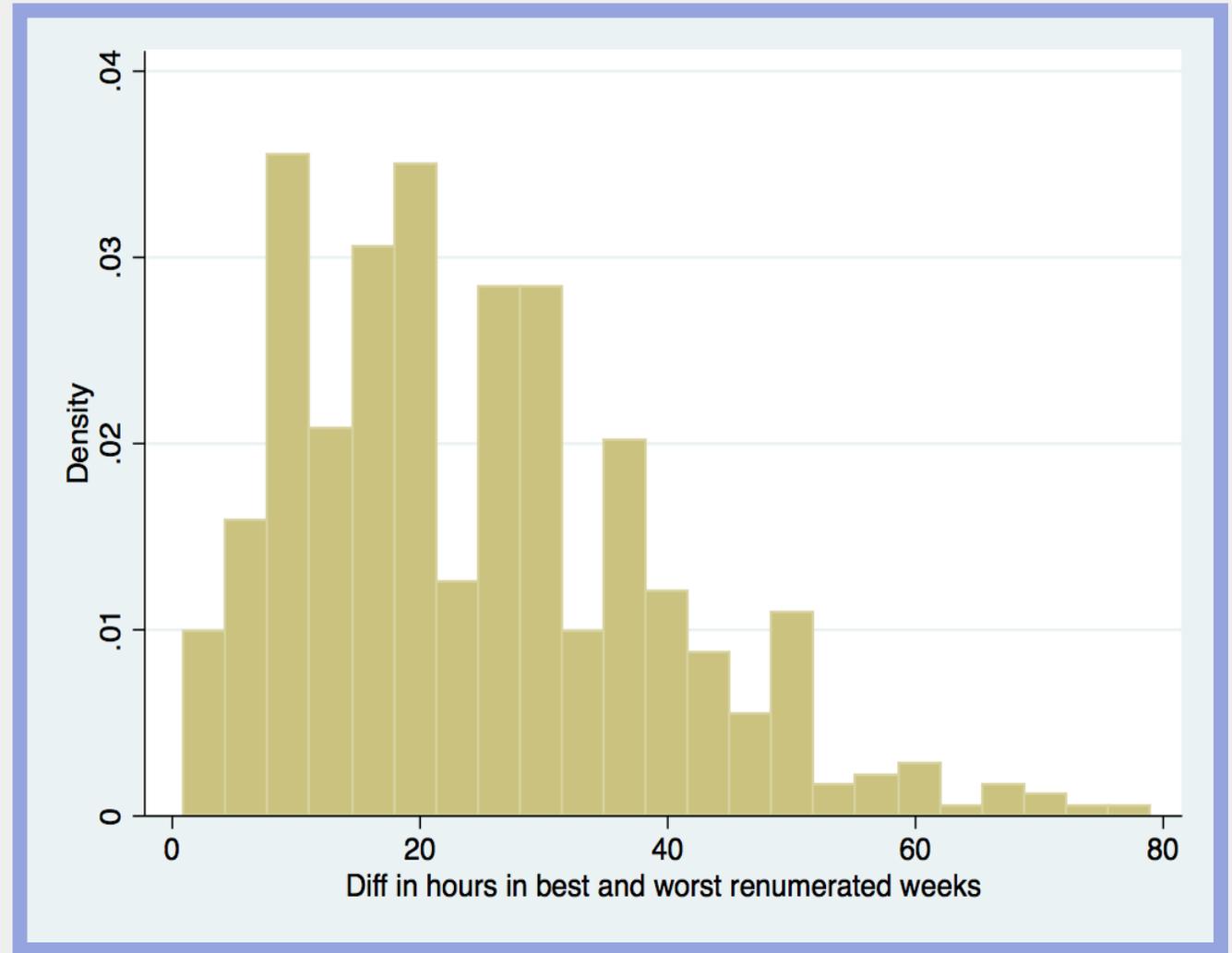
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Earnings  
are  
unstable..

There is a lot of variability in  
crowdwork income

Spread in earnings between best and  
worst week is about 1.5 times typical  
earnings

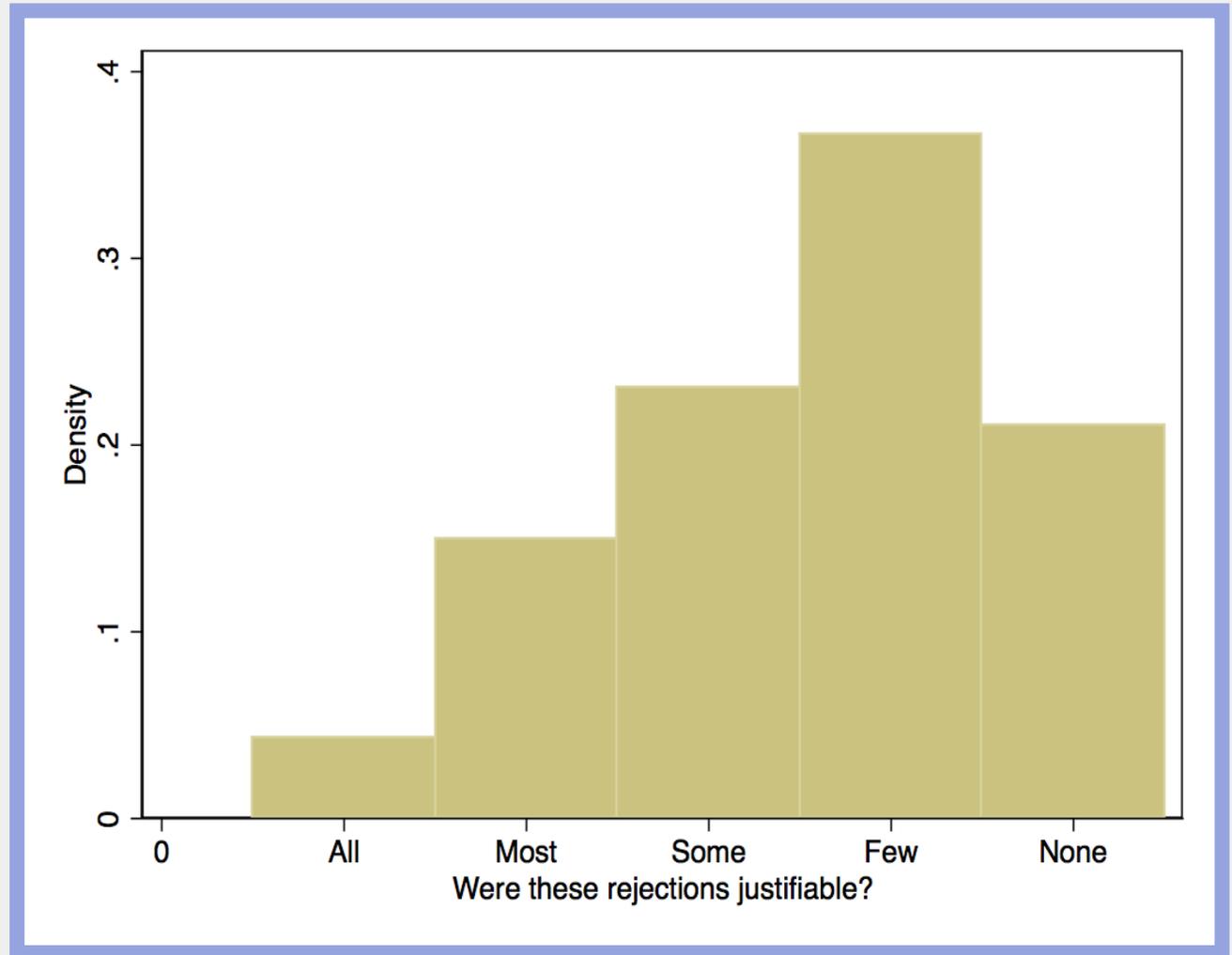


.. and risky.

Most have had work rejected for unjustifiable reasons

95% have had work rejected

58% felt that most or all rejections weren't justified



So why?

Although some enjoy the work, most do it due to lack of opportunities elsewhere

*Most important reasons for crowdworking are:*

- 46%: To complement pay from other jobs  
(39% for women; 53% for men)
- 30%: Unwilling or unable to work outside the home (35% for women; 24% for men)
- For 40% of workers, crowdwork is their primary source of income

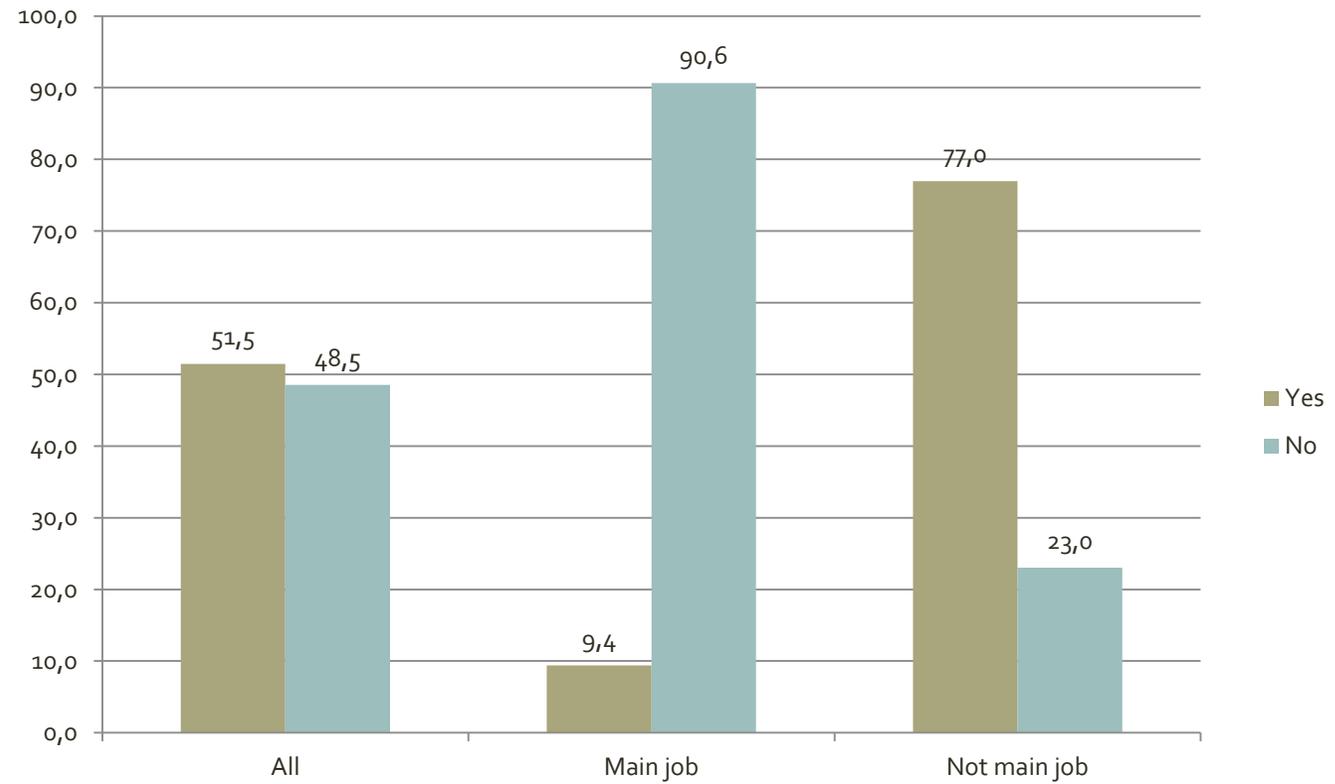
So why?

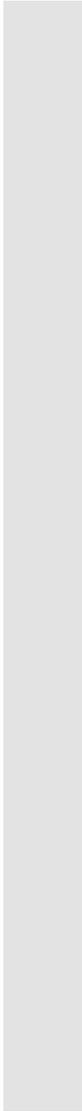
Although some enjoy the work, most do it due to lack of opportunities elsewhere

- 61% want more non-CW hours
  - Want an extra 12 hours non-CW work a week on average
- 80% want to do more CW
  - Want an extra 10 hours CW work a week on average

And face an uncertain future...

## Are you contributing to social security?





An inefficient  
organizational model

Intensive use  
by a few clients

*"Amazon Mechanical Turk is the core of our business. We are in a people-hungry business. All of our work is done by people. It's not mass-production; but individual hand-crafted work. **Our entire workforce is Mechanical Turk.**"*

-Nathan McFarland, Co-founder, Casting Words

The top 0.1% of requesters account for 30% of dollar activity and 1% of requesters post more than 50% of dollar-weighted tasks.

1/4 of workers'  
time is on  
unpaid  
activities

“The toughest part of turking for a living is actually finding the jobs, for every hour I spend working I most likely spend 2 hours monitoring the various scripts I have running to see what jobs show up.” –AMT worker

“I would like to change how hard it is to find the jobs to work on. I often have some time to do a task, but cannot find anything to work on.” –AMT worker

“...half of the key to making money on MTurk is being on the site 24/7 with your scripts running so you can catch all the best jobs as they come out.” –AMT worker

## Inefficiencies affect employers...

- “Every employer has to implement from scratch the “best practices” for each type of work. For example, there are multiple UI’s for labeling images, or for transcribing audio.  
Newcomers have to learn the lessons of bad design the hard way.
- Every employer needs to price its work unit without knowing the conditions of the market and this price cannot fluctuate without removing and reposting the tasks.
- Workers need to learn the intricacies of the interface for each separate employer.
- Workers need to adapt to the different quality requirements of each employer.”

Ipeirotis & Horton (2011): «The need for standardization in crowdsourcing»

Lack of  
communication  
exacerbates  
inefficiencies

“So far the most difficult aspect of this work for me is the lack of realtime communication with the requesters. I have had to return quite a few tasks due to unclear instructions. If I had realtime communication with those requesters, I could have gotten those instructions clarified.” – AMT worker

“In normal jobs you can walk down the hall to your boss and get direction. Here there is a lot more ‘trying to figure out what someone else wants,’ which is never fun....Communication is a big area that can be improved in crowd work.” – AMT worker

## Regulating efficiency

When there is no risk of financial loss, there is no incentive to reorganize work to improve productivity.



## Regulation can't be left to the Jeff Bezos

- Need to recognize the existence of an employment relationship
  - Crowdwork as «Contemporary homework»
- Many countries have laws regulating homework, but they are often not applied or enforced
- ILO Homework Convention (No. 177)
  - Recognizes equality of treatment between homeworkers and other wage earners
- Technology can be beneficial as it facilitates the regulation of crowdwork

*"As the industry grows, it definitely needs laws made to protect the workers, as well as the possibility of forming worker's unions...."*

**Thank you!**