

# Global Conference on Measuring New Forms of Employment

Brussels, 4 - 5 July 2024



#MeasuringEmployment

# SINGAPORE'S EXPERIENCE IN MEASURING DIGITAL PLATFORM EMPLOYMENT

## Session 5 – Digital Platform Employment National Experiences

Speaker: Daniel Sim

Organisation: Manpower Research and Statistics Department (Singapore)



## AGENDA

- Digital platform landscape in Singapore
- Leveraging on multi source data
- Singapore's data driven approach in formulating policy for delivery partners
- Resulting policies and initiatives



## Singapore's Delivery Partner Landscape

- **Geographical Advantage:** Singapore's small landmass and high population density create an ideal environment for companies specializing in delivery work to thrive.
- **Online Commerce Culture:** Due to the fast-paced nature of economy and lifestyle, online purchasing is prevalent in our society. Its presence brings consumers greater convenience in their daily lives.
- **Advanced Infrastructure:** The presence of well-connected transport networks and advanced GPS technology contributes to shorter delivery times and greater efficiency

2 Comprehensive Labour Force Survey, Manpower Research & Statistics Department

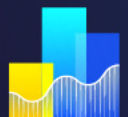
3 Labour Market Survey, Manpower Research & Statistics Department

4 Singapore Census of Population, Singapore Department of Statistics

5 SingStat Table Builder, Singapore Department of Statistics

Description	Quantity
Population <sup>4</sup>	5.64mil
Land mass <sup>5</sup>	734.3km <sup>2</sup>
Population density <sup>4</sup>	8,592 per km <sup>2</sup>
Own account workers <sup>2</sup>	221.8k
Delivery partners	39.8k
Hours worked <sup>3</sup>	43.6

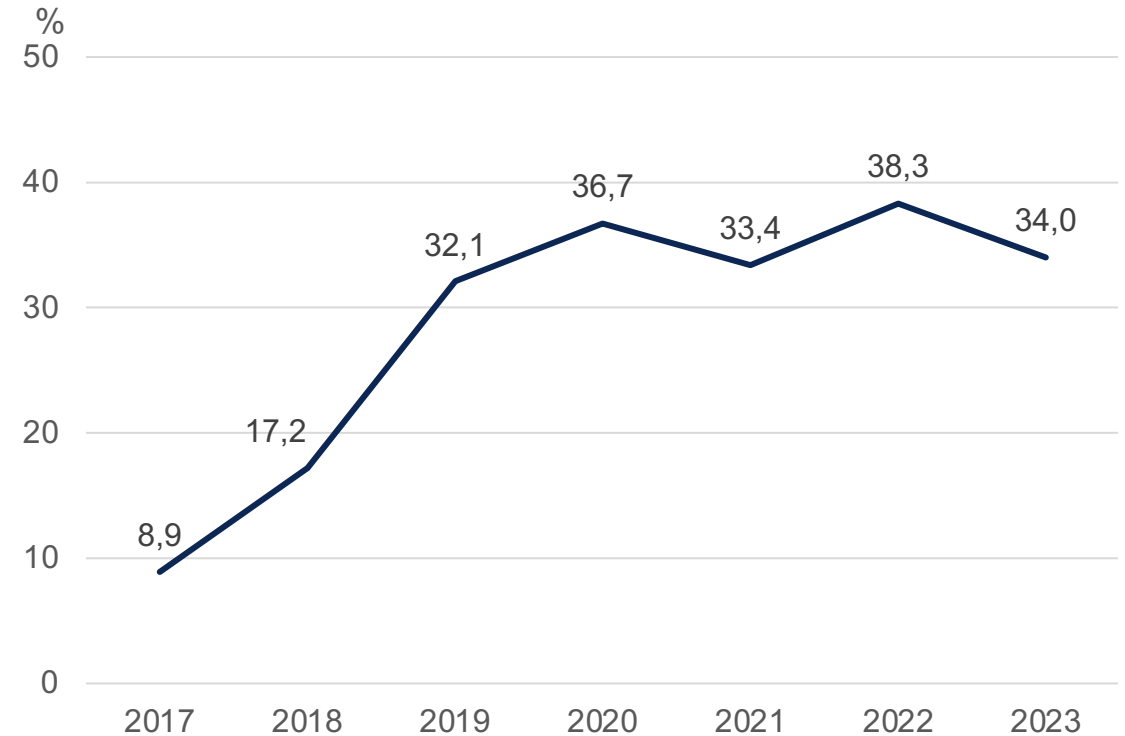
Singapore Factsheet



## The pandemic has accelerated digital transformation and platform work

- During COVID-19 pandemic, consumers have increased spending up to 10 times on food staples, 5 times on paper products, and 6 times on personal care and household cleaning supplies.
- There was a notable increase in the purchase of heavier items such as baby milk powder, rice, and soft drinks.
- Delivery partners played a crucial role during the pandemic, especially as public movement was impacted by safety measures.
- Contact-free delivery and e-payments have emerged as essential measures to reduce the risk of disease spread.

Percentage Of Own Account Workers Who Used Online Matching Platforms



Source: Supplementary Survey on Own Account Workers, Manpower Research & Statistics Department, MOM



## Acceleration of delivery demand due to COVID-19

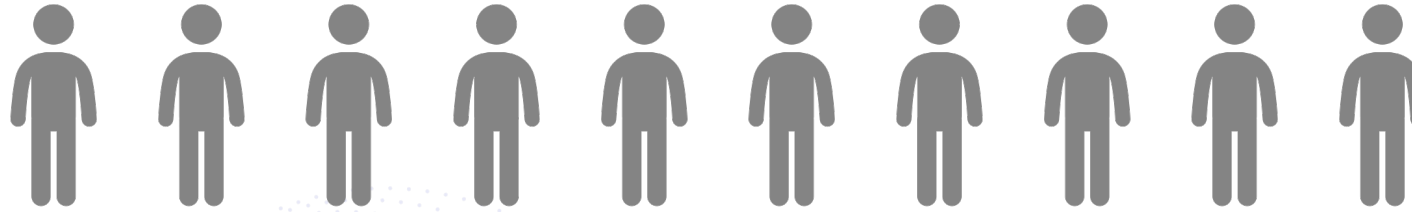
- The prevalence of online platform coupled with digital modernization make delivery options more accessible to consumers with families of all income groups. Delivery platforms offer cost effective and efficient solutions to mundane tasks such as grocery shopping. Therefore, Singapore saw an increase in preference toward these services.
- Brick-and-mortar businesses have improved their operations to focus on the new norm: online and delivery services, in order to sustain their business. This is because in person shopping faced a sharp decline during the pandemic. operations since conventional shopping were ceased.
- The surge in demand for delivery services has created employment opportunities for workers whose jobs were disrupted due to the pandemic.
- The pandemic has led to a gradual and continued shift in consumer behavior. Thus, the increase reliance on delivery services is expected to persist. Offering of online platforms have become a norm and necessary investment as it allows businesses to achieve a wider outreach.





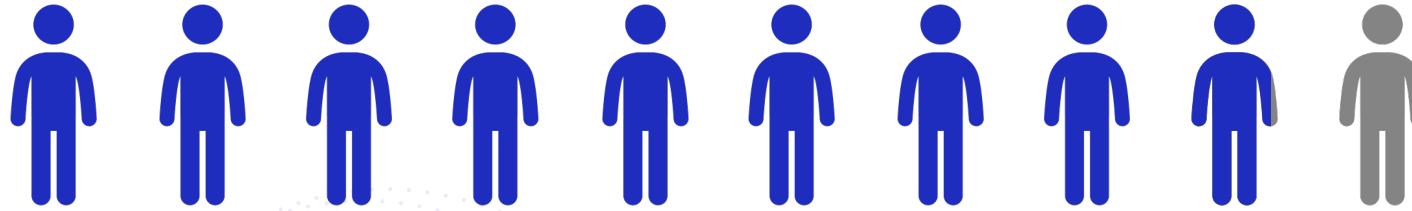
## For most, it is a primary job by choice

Out of 70,500 platform workers in 2023



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80% did it as their primary job



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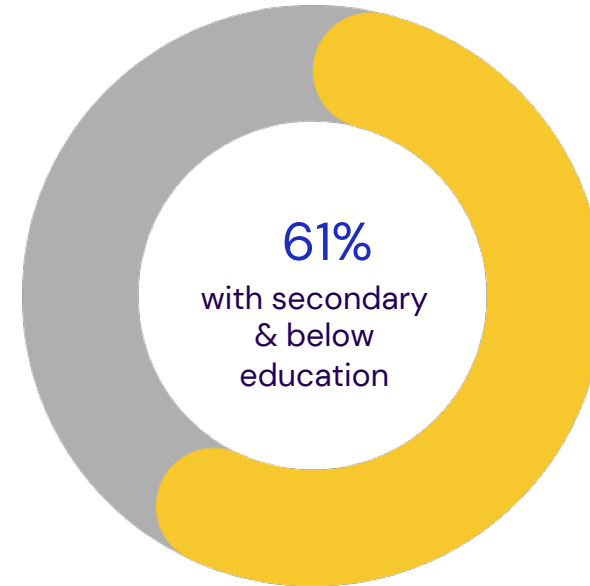
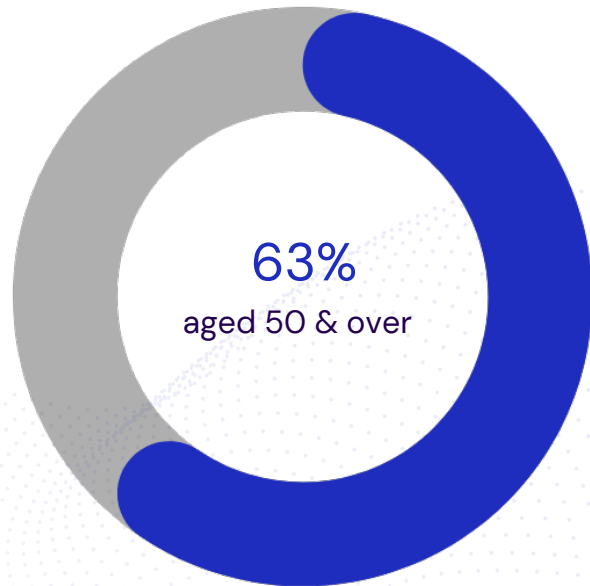
Out of 70,500 platform workers in 2023



80% did it as their primary job

89% on a preferred basis

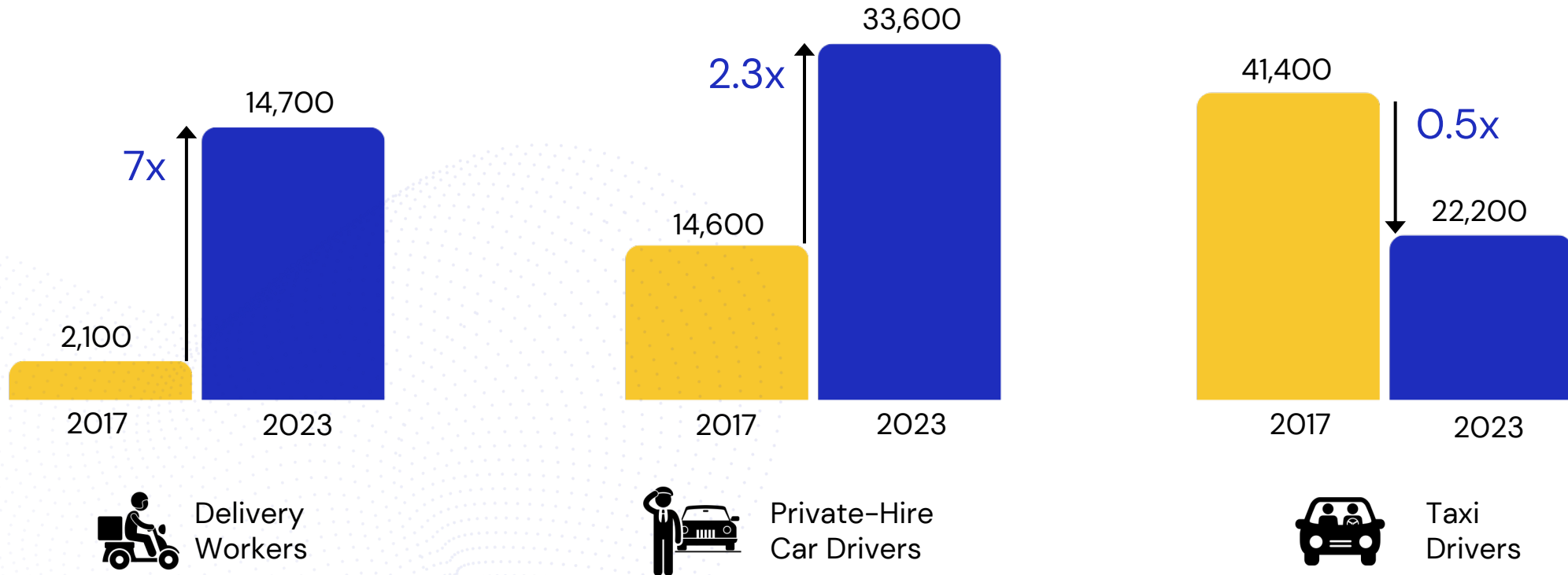
## Platform workers are mostly older and have non-tertiary education levels



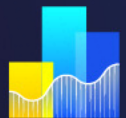
The platform workers in Singapore are majority of a higher age group (>50 years old) with lower education qualification (secondary and below).

## Ride-hailing and delivery services form the bulk of digital platform work

Own Account Workers Who Used Online Matching Platforms, 2017 and 2023



Source: Supplementary Survey on Own Account Workers, Manpower Research & Statistics Department, MOM



## There are others working as:

Own Account Workers Who Used Online Matching Platforms, 2023



Instructors for private academic tuition and extra-curriculum activities

Include:

- Private tutor
- Music instructor
- Speech and drama instructor
- Information technology trainer



Media-related professionals and associate professionals

Include:

- Photographer
- Graphic designer
- Producer
- Author

Source: Supplementary Survey on Own Account Workers, Manpower Research & Statistics Department, MOM

## Aligning with international guidelines

19th ICLS	Singapore's adaptation
<ul style="list-style-type: none"><li>The digital platform or a phone app controls and/or organizes essential aspects of activities, such as access to clients, the evaluation of the activities carried out, the tools needed for conducting the work, the facilitation of payments, distribution and prioritization of the work to be conducted</li></ul>	<ul style="list-style-type: none"><li>Digital platforms are defined as labour sharing platforms that serve as intermediaries to match or connect buyers with workers who take up piecemeal or assignment-based work. Such platforms could be either websites or mobile applications, covering services such as ride-hailing, goods/food delivery, creative work, etc.</li></ul>
<ul style="list-style-type: none"><li>"Labour Force Surveys are best placed to give accurate and robust estimates on the overall prevalence of digital platform employment, although problems of sample size reduce their suitability for gaining insights on the characteristics of digital platform workers"</li></ul>	<ul style="list-style-type: none"><li>Singapore uses a combination of data from our labour force survey and administrative data from companies and government databases, with more emphasis on latter, to monitor the digital platform work landscape.</li></ul>

## How is platform work captured in the labour force survey

Persons who did own account work  
within the 12 months :

“Which of the following online platforms  
did you use to take up or obtain  
freelance or assignment-based work?”

- Respondents select from a list of platforms covering different services (e.g. delivery or ride-hail services). They can also specify platforms which are not listed.
- The question makes clear that the use of platform is to take up freelance or assignment-based work. This is different from digital platforms used for work communications (e.g. Zoom) or internet browsing.
- There are data limitations since there may not be sufficient counts for multi-variate cross sectional analysis. So how do we solve this?



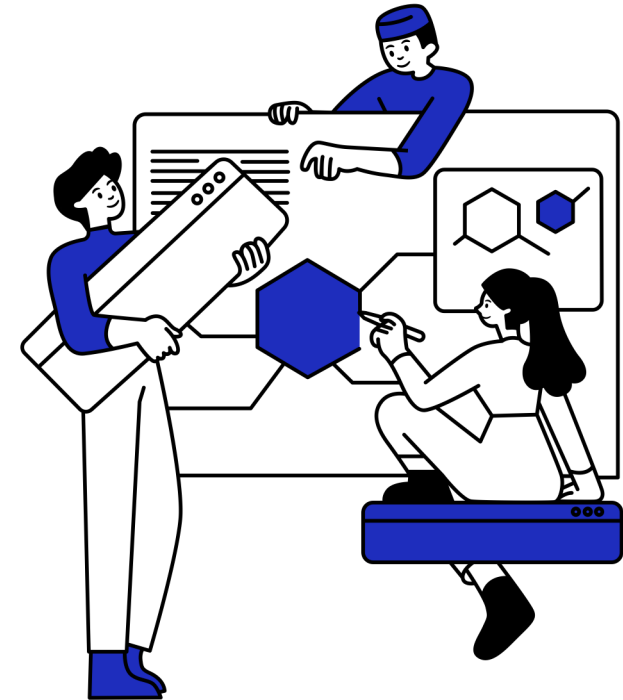
## Leveraging on multi-source data

Information on digital platform employment can be glimpsed from:

Past	Now
<ul style="list-style-type: none"><li>• Labour Force Survey which captures personal and qualitative insights.</li><li>• By delving into personal and qualitative aspects, the survey helps in understanding the dynamics of the workforce, including factors such as job satisfaction, work-life balance, and career aspirations.</li></ul>	<ul style="list-style-type: none"><li>• Administrative data which provide quantitative insights.</li><li>• This will allow us to precisely quantify the common digital platform workers such as delivery riders, private hire drivers and taxi drivers.</li><li>• The admin data includes private hire drivers, delivery partners, taxi drivers, etc.</li><li>• The data is gathered from government administrative data and establish regular direct data transfer from companies IT system through data partnership.</li></ul>

## Data Partnerships

- MRSD engaged with two primary delivery platform providers to initiate a data collection pilot. The strategy involved gathering NRIC (Singapore's social security number equivalent) and utilizing government administrative data for in-depth analysis.
- Initially, the data collection focused on personal information and hours worked by delivery partners. Subsequent successful negotiations led to the inclusion of additional variables, such as income.
- A pivotal development emerged with the formulation of Advisory Committee on Platform workers in Singapore in September 2021. This committee comprises of government representation, platform operators, and subject matter experts.
- Establish data provision from companies through working committee meeting. Started data transfer in 2021.




## Policy Interest on Delivery Partners

Singapore

### The Big Read: Faced with fatigue and rush to meet orders, food delivery riders grapple daily with road safety risks


The safety of food delivery riders has come under the spotlight recently, after it was revealed in Parliament earlier this month that five food delivery riders died on the job in the past 18 months.



Kimberly Lim


Justin Ong Guang-Xi  
@JustinOngCNA

18 Jul 2022 06:06AM  
(Updated: 18 Jul 2022 12:27PM)




### Drunk driver involved in crash that killed food delivery rider gets jail

The Foodpanda delivery rider had come to a stop at a T-junction, but the driver of the Mini Cooper did not notice him until it was too late.



Lydia Lam  
@LydiaLamCNA

24 May 2023 04:54PM



Unlike traditional employees, delivery partners in Singapore are classified as self-employed individuals and are exempted from the protections governed under Employment Act.



Platform workers are spending more than they earn; savings in 'unhealthy range': DBS study



Stagnating incomes mean gig workers must get head start on financial planning: Experts



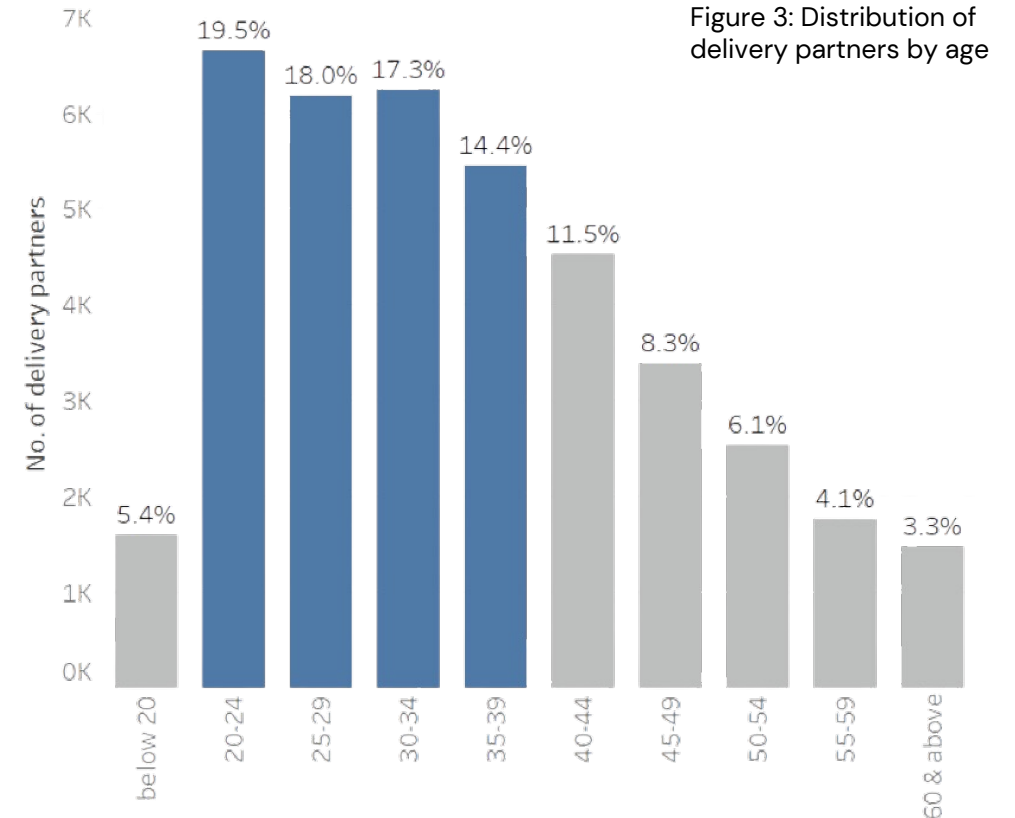
Key policy considerations include:

- How can policy measures be implemented to ensure platform workers have sufficient financial protection in the event of work-related injuries?
- What policy initiatives can be introduced to enhance the housing and retirement provisions for platform workers?
- How can policies be developed to bolster representation and advocacy for platform workers within the workforce?

## Profile of Delivery Partners

### Age Distribution

- Delivery partner is more common within the younger demographics, with around 70% from age group between 20 – 39.
- The work nature aligns with preferences of younger demographics for individual-centric & technology-driven jobs, as delivery platform roles provide quick accessibility, flexible schedules, earning potential control, and require digital literacy.

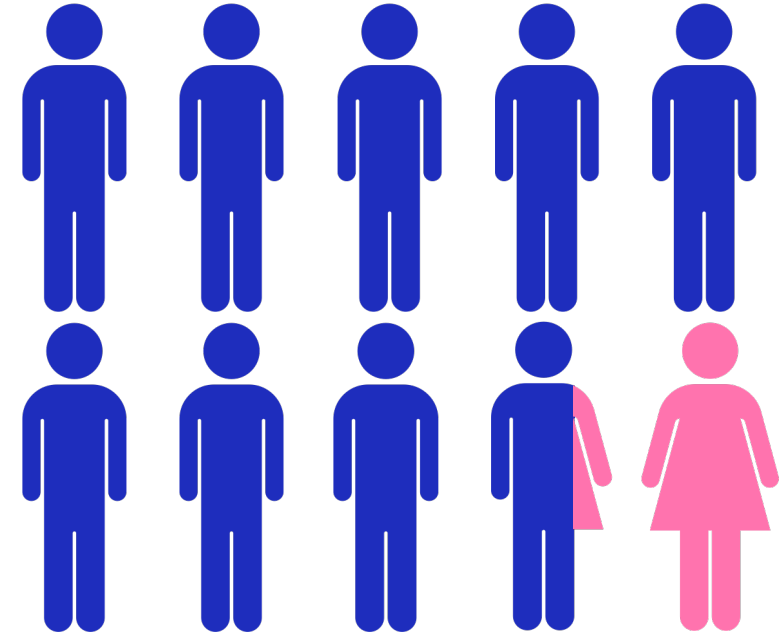


## Profile of Delivery Partners

### Gender distribution

- Over 88% of the delivery partners are male.
- Associated with high physical demands, safety concerns and perceived social norm revolving delivery work.
  - Requires lifting/carrying of packages and food deliveries
  - Driving/on the road under adverse weathers
  - Influence of career choice by gendered social norm related to driving proficiency

Male 88.7%



Female 11.3%

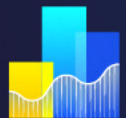
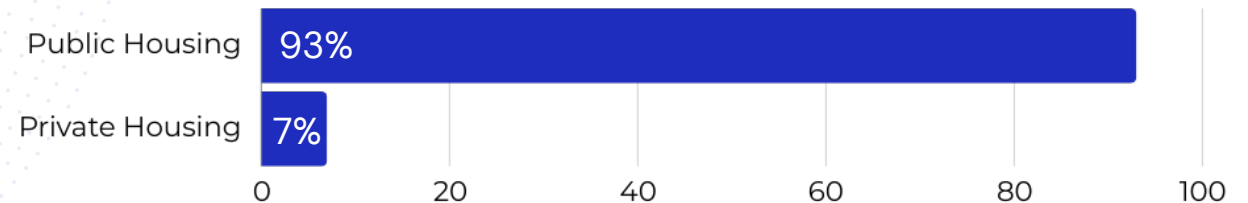
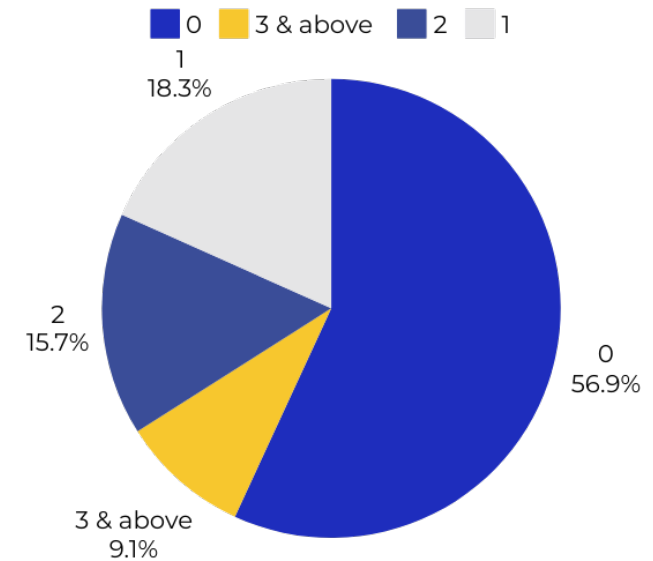


## Profile of Delivery Partners

### Home demographics

- Almost half of them (43.1%) have at least one child dependent. This underscores the appeal of delivery platform work for individuals balancing caregiving needs and family commitments due to the flexibility of platform work.
- Majority of the full-time delivery partners reside in public housing estate. This coincides with the common housing choice for lower income households.
- Among platform workers aged above age 55, only one in four were able to meet their cohort Basic Retirement Sum.

No. of dependants (aged below 21)



## Working conditions of delivery partners

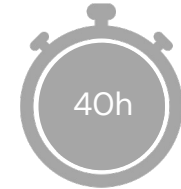
- The demanding nature of delivery work involves extensive time on the road which heightens the risk of work-related injuries for delivery partners.
- Risk of injury is further elevated by increased workload, motivated by factors such as the aim to increase earning potential.
- Naturally, individuals who worked longer hours and earned higher wages were more prone to experiencing mishaps.
- The lack of financial protection and medical coverage for delivery partners has significant policy implications and necessitates urgent intervention.

Average hours worked per week



Delivery partner

VS



Delivery worker

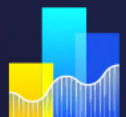
1 in 3 food delivery workers have been in at least one accident requiring medical attention



From January 2021 to October 2021, a total of eight work-related traffic fatalities were reported among Platform Workers

## Work Injury Compensation (WIC) and Improving Housing and Retirement Adequacy

Current status	Policy implementation
<ul style="list-style-type: none"> <li>Platform companies are not obliged to grant delivery partners statutory employment benefits and protections.</li> <li>Delivery partners, who are classified as self-employed persons, are not entitled to work benefits covered under Employment Act.</li> </ul>	<ul style="list-style-type: none"> <li>Platform companies will be mandated to provide WIC to all delivery partners, regardless of their work frequency or hours worked.</li> <li>The level and scope of coverage will be aligned to that of a traditional employee receives under Employment Act.</li> <li>A clearer definition of "at work" will be established to enhance understanding and ensure comprehensive WIC coverage.</li> </ul>
<ul style="list-style-type: none"> <li>Traditional employees and platform workers in Singapore face differing CPF contribution rates, affecting delivery partners' disposable income.</li> </ul>	<ul style="list-style-type: none"> <li>CPF alignment initiative: CPF contribution rates for platform workers and companies will gradually align with those of traditional employees over five years, ensuring housing and retirement parity.</li> <li>Flexibility &amp; support: Platform workers aged 30 and above will have optional CPF contributions, with additional support provided to all lower-income workers during the transition.</li> </ul>



## Conclusion



Changing consumer habits and growing dependence on delivery services will continue to drive demand for delivery services, solidifying the role of delivery partners as a sustainable profession.



Singapore has effectively secured data sharing agreements with delivery platform companies, facilitating extraction of valuable insights for policy interventions aimed at safeguarding this vulnerable group of individuals.



The resulting policy outcomes includes long-term financial protections through WIC, housing provisions, and better retirement adequacy measures.



Singapore will continue to partner with companies to find avenues to further support delivery partners, ensuring fair treatment, sufficient safeguards, and pathways for skill enhancement and career progression.

# Thank you



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