

# Labour Transitions that Lead to Platform Work: Towards Increased Formality? Evidence from Argentina<sup>1</sup>

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# **Labour transitions that lead to platform work: Towards increased formality? Evidence from Argentina**

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## **Abstract**

The recent growth of the platform economy as a tool for labour exchanges has brought about concerns on the overall quality of jobs created. As labour platforms leave a digital trace, this paper assesses whether platforms can help to increase registered labour in contexts of extended informality as the one for Argentina, asking what does formalization via registration - if any - actually imply for workers and how do they perceive it. The article inspects three on-demand occupations in the Buenos Aires Metropolitan Area: private passengers' transportation (Uber), domestic work (Zolvers) and home repair services (Home Solution). The main results show that platforms "formalization effect" is dependent on several factors: a platform's business model, or the company's interest and need to promote or encourage such process; the pre-existing occupational dynamics in terms of formalization; and general labour market conditions. In the context of an Argentine labour market harmed by a prolonged recession, most transitions to formality via the platform occur to previously unemployed workers who join them.

## **Keywords**

Digital platforms; Informality; Registration; Labour transitions; Decent work.

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## **JEL**

O17, J46, J60.

## **Classification**

## **Introduction**

The recent growth of the platform economy as a tool for labour exchanges has brought about concerns on the overall quality of jobs created. This article focuses on a particular line of enquiry that - although being scarcely explored in empirical terms - has already raised some debate. What are the effects of the expansion of platform-based labour in occupations and countries where job informality is extended? Can working through a digital platform indeed increase labour registration in such contexts? Does the uberization of labour create opportunities for governments to detect and regulate jobs that would have been otherwise invisible? If so, to what extent does this effect vary according to the occupation, the context in which it is developed and the different business models of the platforms in question?

Even if platforms can increase formalisation - understood throughout this paper in the strict and limited sense of labour registration- , it is worth asking to what extent this represents an improvement in the occupational conditions of the workers involved. Given that in most cases (although not in all) formalization promoted by platforms refers to registered independent contractors or, in some cases, workers hired under different non-standard forms of employment, the levels of effective protection that such figures can guarantee may be relative.

On the one hand, the labour transitions that lie behind platform workers are an important point of departure to understand on-the-platform work. Considering the previous occupational situation of these workers provides elements that contribute to evaluate the formalisation effect of platforms and how it is experienced by workers: this being a superior alternative, a precarious movement or a line of continuity with respect to previous experience.

On the other hand, regardless of what this transition may represent for workers, it also seems pertinent to explore the effects of registration generated via platforms in terms of effective working conditions experienced. This implies relativizing the protection that the formalisation of labour relations in this area may entail in the light of other broader indicators that address compliance with labour regulations and access to social security that apply to traditional waged workers.

This article aims to analyse this phenomenon for three on-demand service occupations under the platform modality in the Buenos Aires Metropolitan Area. These include private passengers' transportation, domestic work and home repair services. The methodology is based on a quali-quantitative approach: 60 in-depth interviews and a survey of 1050 cases were conducted, always representing proportionally each occupational group. Based on the analysis of these platform occupations and the different business' models they imply, we aim to: i) evaluate to what extent these platforms generate formalisation of labour relations, taking into account the way in which the different business models involved, the pre-existing dynamics of each occupation and the characteristics of the different labour forces under analysis impact

on it; ii) analyse to what extent the situation of formality that can be reached via platforms represents an improvement, a line of continuity, or a setback with respect to the previous occupational situation of workers under study and; iii) explore the implications of formalisation that can be achieved via platforms in terms of labour and social protections enjoyed by traditional formal salaried workers.

To achieve these objectives, Section 1 delineates the theoretical background on platforms and labour – with special emphasis on the dimension of formalisation – reviewing along some evidence about the Argentinean labour market context in which the analysed platform occupations are arising. Section 2 provides a brief introduction to the main characteristics of the three platform occupations under study. In Section 3, we describe the method and data collection used for the analysis. Based on some descriptive statistics, Section 4 presents the results of the analysis on labour transitions for the platform workers under study, exploring the advantages and limitations of the formality status they may achieve through platform employment, considering distinctively the particularities of each platform and occupation. Finally, some reflections on the overall findings are provided to conclude.

## 1. Background

A series of concepts like platform economy (Kenney & Zysman, 2016), the gig economy (Lehdonvirta, 2018), the sharing economy (Sundararajan 2016), platform capitalism (Lobo, 2014; Srnicek, 2016) and digital capitalism (Schiller, 2000) come to show the emergence of a new digital phenomenon that is shaping short-term work relations and non-standard labour relations. Platforms are defined as online, digital intermediaries which operate via algorithmic management techniques, whose details are generally undisclosed (Gandini et al., 2016). As new platform companies have emerged in a range of markets, including transport, food delivery, accommodation, home and personal services, established business models and employment arrangements have come under threat. Virtually mediated exchanges are operated by platforms via the Internet, through which organizations or individuals (i.e., clients/ requesters/buyers) access other individuals (i.e. freelancers/ workers/sellers) for remunerative tasks of varying temporality and complexity in terms of qualifications. Instead of recruiting employees, platform companies tend to register prospective work suppliers as independent contractors and to allocate them tasks according to variable customer demand.

While work organization and incentive structures vary across platforms, depending on the tasks and skills required, generally workers rely on their reputation to acquire future work and to continue utilizing the platform. Moreover, according to Srnicek (2016), lean platforms (like *Uber*) operate through a hyper-outsourced model, whereby not only workers are outsourced, but also fixed capital, maintenance costs and training. Costs and risks are shifted onto workers, including those of infrastructure (Kneese et al., 2014).

For some analysts what the platform economy has come to symbolize is an opportunity for flexibility, to earn additional income through short-term opportunities, thus yielding some tangible benefits. In this line of thought, platforms may provide a route to employment and employability for individuals who are already part-time employed, self-employed or unemployed, also offering opportunities to build work experience (Pesole et al., 2018).

For most scholars, however, this new market has simply meant a decline in the quality of employment in terms of pay and labour conditions (Vallas, 2018). According to this view, the hallmark of 'gig work' is associated to precariousness (Healy and Pekarek, 2020) and the growing presence of a platform economy facilitates the growing casualization and informalisation of work, with non-standard forms of employment predominating (De Stefano, 2015). What is more, in the global North, some scholars see platform labour as the next stage in an ongoing process of precarisation (Scholtz, 2016; Ravenelle, 2019) which has replaced the full-time, stable employment of the post-war era (Munck et al., 2020). According to Drahokoupil and Fabo (2016), platforms can allow for the re-organisation of activities that usually relied on the traditional waged relationship into activities of self-employment. This is, undoubtedly, a radically transformative impact that deserves attention from policy makers.

Nonetheless, many of the above-mentioned authors also point out trends in the opposite direction. Indeed, some successful platforms have rather reorganized sectors that had already relied on precarious work arrangements. Chicchi et al. (2020) argue that platform capitalism also expanded to many sectors which were already based on casual labour and were mostly informally conducted (in our enquiry, domestic service and home repairs can be considered examples of such situation). The fact that all transactions mediated by platforms are digitally recorded has raised expectations on platforms' potential to give visibility both to workers and their labour conditions. Most gigs mediated by labour platforms leave a digital trace containing information such as the nature of the task, the compensation provided, the number of hours worked or tasks completed, and the identity of both clients and workers (Piasna, 2020). Therefore, it seems sensible to state questions such as: Does platform labour create opportunities for governments to detect and regulate jobs that would have been otherwise invisible? And more specifically, what are the effects of the expansion of platform labour for workers in countries where job informality is extended?

In line with our departing definition of formality (narrowed to registered job positions), recent studies have hinted at the role of labour platforms in fostering formal economic activity by recruiting workers who typically operate in the submerged economy. Authors like Randolph and Galperin (2019) observe that the platform economy – especially in the Global South – is incorporating informal workers at unprecedented speed and scale. Once again, as labour platforms require documenting services and interactions, reporting income and paying taxes for these workers, they have the potential to engage them in formal service provision. Platforms thus tend to adjust to the regulatory frameworks in force in the countries, and they do so frequently by using different arrangements already designed for non-standard forms of work, like temporary work and other contractual agreements that involve multiple parties, dependent self-employment or by requiring workers to register as formal self-employed. Whereas indeed, in many cases, this has been pointed out as way to disguise an existing labour relationship between workers and platforms, the registration of workers under an existing recognised category represents a step forward in front of complete exclusion from the formal labour market. However, as Weber et al. (2021) show, the underlying motivation of platforms to steer the process from informal to formal service provision is not based on altruistic intentions to improve workers' conditions. Rather, they rely on the informal economy – as well as on unemployment – for a steady supply of labour.

The Argentinean context suggests that its labour platforms may well fit into this latter characterization. Platforms entrance to the local market accelerated towards the end of the last decade. The environment facilitated the recruitment of workers since, by 2018, a severe economic crisis unleashed with strong negative repercussions on labour indicators (INDEC 2019; Fernández and González 2019) – a situation that only worsened with the pandemic. The most recent statistics indicate that unemployment is around



11%, more than a third of wage earners work informally and that self-employment plays a significant role. In effect, autonomous work activities currently represent almost a third of total employment (29,4%) and, within this category, self-employed workers (89,4%) largely predominate - in contrast to professionals and micro-entrepreneurs who they employ other people (INDEC, 2021).

As stated above, following a worldwide trend, platforms in Argentina - with a few exceptions - tend to rely on the figure of independent workers (since non-standard or hybrid contractual figures are almost non-existent in the country). When it comes to the legal registration of these freelancers, they can register in two regimes depending on their annual income. Those with high income - usually independent professionals - must register in the General Regime of Self-Employed Work (Law 18.038) and those with middle and low levels of annual income should register in the Simplified Regime for Small Taxpayers (Law 27.944), usually known as the *monotributo*. This latter regime is the one that adjusts for the profile of platform workers here analysed. The *monotributo* is an integrated regime that unifies in a single monthly payment (charged to the worker) the tax obligations regarding health and social security. Under this scheme, workers pay very basic contributions for a future retirement pension family allowance and health insurance (the latter through the system of *obras sociales* which are entities managed by workers' unions). However, they remain marginalized from access to occupational hazards insurance and unemployment insurance (Deux Marzi and Hintze, 2014). Although national statistics do not collect information on registration levels for the self-employed, they do show that this population is highly vulnerable: more than 60% of these workers concentrate in the two lower quintiles of income distribution (Madariaga et al., 2019).

After considering the context where our enquiry takes place, it is worth to highlight that although the reviewed literature suggests that platforms - in certain contexts and for certain occupations - may contribute to formalize workers and make them more visible for policy interventions, it is still difficult to find studies based on concrete data. This piece of work will seek to contribute to such discussion - also questioning the nature of formalisation that can be achieved through this means - based on empirical evidence from the Argentinean case.

## **2. A brief introduction to the occupations and platforms under study**

### **2.1. Private passengers' transportation: *Uber* platform**

*Uber* is probably the most well-known platform around the world - in fact, it has become paradigmatic, constituting itself into a flagship of the world of digital work. The company arrived at the country in 2016 and previous to the pandemic it reported nearly 60.000 drivers only in the Buenos Aires Metropolitan Area. The service is based on the real-time connection of customers with drivers, based on geolocation data and through a free download application. All drivers are required to register formally as independent

workers (something that, for example, allows them to extend invoices to the company when they receive payments for trips made with credit or debit card). However, a small portion of these drivers lack registration, something that is usually associated to the practice of working informally for someone who registers with *Uber* as a fleet owner. Although there are no precise statistics, the level of registration in this occupation is high due to the regulations governing the qualification to provide the service of private transportation of people. Specifically, both taxi and *remis* drivers in the Buenos Aires Metropolitan Area must prove that they are registered in the social security system; and this requirement also applies for drivers that are not the owners of the car (and are categorized by the local legislation as employees).

The fee paid for the trips has a fixed and a dynamic component. The base fee is calculated from the combination of different variables: fixed value, kilometres, speed and an “application fee” - a charge intended for the company's operational costs-. That amount of the dynamic rate is calculated by means of an algorithm that generates a multiplier according to the number of travel requests that are registered at that moment. Payment is made according to the rate determined at the end of the trip and the commission that drivers must pay to the platform is 25% for each trip made.

Regarding the time allocation mechanism, workers can enter the application and work at any time. The platform uses a rating system that is built from algorithms that combine customer evaluation and monitoring data carried out by the platform itself. In the latter case, the items taken into account to qualify workers include the number of trips made and the rates of acceptances or cancellations. The rating implies strong incentives to shape workers' behaviour since it affects aspects such as the amount of information they can see about the passenger, the data shown on the requested route (where the distance and estimated time play an important role), as well as the degree of access to the technical support from the platform.<sup>1</sup>

The company also uses disciplinary sanctions: specifically, it can apply the temporary or permanent deactivation of workers. Deactivation may be due to issues such as not paying the commission of the platform, not arriving in time to make the trip or having an open conflict with a client (in the latter case, these are complaints unilaterally reported by those who pay for the services, in front of which workers generally do not have the right to reply). However, many times the causes of deactivation are unknown or opaque to drivers.

## 2.2. Home repairs: *HomeSolution* platform

*HomeSolution* presents itself as a mediator between supply and demand in home improvement and repair services. It was born in 2015 and at the time of the fieldwork it

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<sup>1</sup> For further information on how platform functioning affect differently female and male drivers see Micha et al (2022), whereas for an analysis on the characterization of work on the platform for female drivers see Garcia (2022).

reported around 9.000 workers registered in the platform in the Buenos Aires Metropolitan Area- although only 1.000 were systematically “active”.

Unlike *Uber*, this company does not require its independent service providers to show proof of their registration (since workers do not have to produce invoices for the company). Even when some clients may occasionally request formal invoices, the sector is traditionally managed within the submerged economy. Although there is no official data on this occupation in particular, associations of the construction sector estimate that nearly 73% of independent providers are non-registered (FAEC, 2019)

In general, clients publish their job request through the platform and workers select work offers and submit a proposed price. *HomeSolution* takes pride in the fact that it neither fixes prices nor does it intervene in the payment transactions among customers and service providers. Clients are free to choose the worker according to price and/or reputation. Therefore, the qualification system – in this case purely based on clients’ reviews - becomes central in the hiring process. Unlike the rest of the platforms analysed here, *HomeSolution* is the only one that allows workers both to reply to clients’ reviews and to qualify them back. Deactivation of workers exists but is rare (it requires a customers’ well-based complaint which is checked with the worker’s version and then analysed by the company in order to make a final decision). Although the platform does not directly require a commission from workers, it does so indirectly: to access to published job offers, providers need to buy “credits” from the company. Each time a worker presents a budget for a job– no matter whether he gets it or not – he has to pay certain number of credits (which varies according to the magnitude of the task). When workers reach an agreement with a client the general way in which the work is to be conducted (including schedules) is arranged between the parties.

### 2.3. Domestic work: *Zolvers* platform

Born in 2014, this platform provides mainly an intermediary service in the hiring of domestic workers. This is the only platform under study (and the only one in Argentinean spectrum of labour platforms) that deals with non-independent workers since the Argentinean legislation consider all domestic workers – regardless of their monthly workload – as salaried workers. The cost of the intermediation is entirely paid by employers. As reported by the company in the framework of this study, this digital platform currently has 20.000 active domestic workers mainly in the Buenos Aires Metropolitan Area, all of them women.

Additionally, the platform provides the service *Zolvers Pagos* (optional and available to all potential employers). *Zolvers Pagos* constitutes a financial and labour intermediation service in the relationship between workers and employers. On the one hand, it allows employers to “disengage” from the procedures related to the payment of salaries (since these are automatically deducted from their bank accounts). Also, if the employer so wishes, the company takes care of employers’ contributions to workers’ social security (the platform offers advice and technical support to carry out the registration process).

In this sense, the company tends to highlight its active policies in terms of promoting registered employment in the context an occupation marked by informality. Among the selected occupations for the study this is the only one that can be clearly identified in Argentina's Household Permanent Survey: around 75% of all domestic workers in the country are not registered. Although the platform does not impose formalisation it does encourage it indirectly: the offer of taking care of registration procedures and the monthly management of social security contributions through the *Zolvers Pagos* service constitute a boost in this regard. Such proposal is accompanied by the platforms' dissemination of information on labour regulations in both directions –employers and domestic workers– through its various communication channels (website, Instagram, Facebook, the company's blog, e-mails, etc.).

The time committed to the positions obtained through the platform varies according different published offers that workers can postulate to. The reputation mechanism is constructed by the platform based on clients' ratings assigned to employees. Whereas many workers suspect that their reputation may affect the number and type of job offers they access to, they are unsure about the precise consequences.<sup>2</sup> Blockages from the platform on their part, are relatively frequent and they are linked to employer's reports when workers fail to meet the "code of conduct" established by the company (this includes faults such as lack of punctuality, unjustified absences, etc.). *Zolvers* offers and promotes workers' services at an hourly rate that varies based on the weekly workload: the hourly price decreases as the weekly workload increases (although it has to be noted that short hour jobs widely prevail in the company). However, the impact of the platform in setting the price of work is restricted to the initial period of the employment relationship – the evolution of wages from that point onwards is subject to negotiation between workers and employers-.

**Figure 1. Summary of platform's characteristics**

Platform	Workers' levels of registration in the overall sector	Type of worker recruited	Registration	Fees charged to workers	Platform role (as presented by the platform)	Price setting	Determination of hours worked	Weight of qualifications in terms of consequences for workers	Frequency of sanctions (temporary or permanent deactivation)
Uber	Medium-High	Self-employed	Mandatory	Direct (25% of each trip)	Intermediary	Yes	No (but it is more profitable to work certain days/hours)	High	High
HomeSolution	Low	Self-employed	Optional	Indirect (Credits bought to the company in order to bid for jobs)	Intermediary	No	No	High	Low
Zolvers	Low	Salaried	Optional, but actively promoted among employers	No	Intermediary	Only at the beginning of the labour relationship	No (workers choose days/hours according to employers' job offers)	Medium	Medium

Source: authors' own creation.

<sup>2</sup> For more on the analysis about this platform, see Pereyra et al. (2022).

### 3. Data and methods

The qualitative data consists mainly to a series of 60 semi-structured interviews carried out between June and July 2020 - 20 interviews per occupation under study-. The data collected had to do with issues such as previous labour trajectories, motivations to join the platforms, general working conditions, access to social protection, and expectations for the future. Since the data was collected amidst the most severe part of Argentina's lockdown due to the pandemic, the impact of the Covid\_19 crisis among these workers was also a topic of enquiry.

The quantitative fieldwork, in turn, consisted of a survey of 1050 cases carried out between December 2020 and January 2021. Each platform was assigned 300 cases, with the exception of *Uber* for which 150 additional female cases were included. This latter addition had to do with the intention of giving account of the experiences and situation of the significantly higher proportion of local female drivers in *Uber* when compared to those in the traditional version of the sector - this is regular taxis - (Madariaga et al. 2019). Questionnaires were designed considering the information obtained during the qualitative stage and included thematic blocks (such as socio-demographic characteristics, labour trajectories, working conditions in the platform, work schedules, earnings and labour-related expenses, access to social protection and the impact of the pandemic on the activity, among the most salient ones). To minimize rejection, a financial incentive was offered. The survey was administered through the CATI system - Computer Assisted Telephone Interviewing -. Occasionally, data from Argentina's Household Permanent Survey is deployed to complement information from the survey.

In the case of *Uber* drivers, they were initially contacted through social networks' groups where they frequently interact. Later, the snowball sampling method was applied, but always restricting to three the maximum contacts provided per person, in order to avoid biases. In the case of *Zolvers* and *HomeSolution*, since it was a hidden population (workers do not have exchanges in social networks groups), the selection of cases was carried out randomly based on a list of workers provided by the companies themselves. Additionally, the platform provides the service *Zolvers Pagos* (optional and available to all potential employers). *Zolvers Pagos* constitutes a financial and labour intermediation service in the relationship between workers and employers. On the one hand, it allows employers to "disengage" from the procedures related to the payment of salaries (since these are automatically deducted from their bank accounts). Also, if the employer so wishes, the company takes care of employers' contributions to workers' social security (the platform offers advice and technical support to carry out the registration process).

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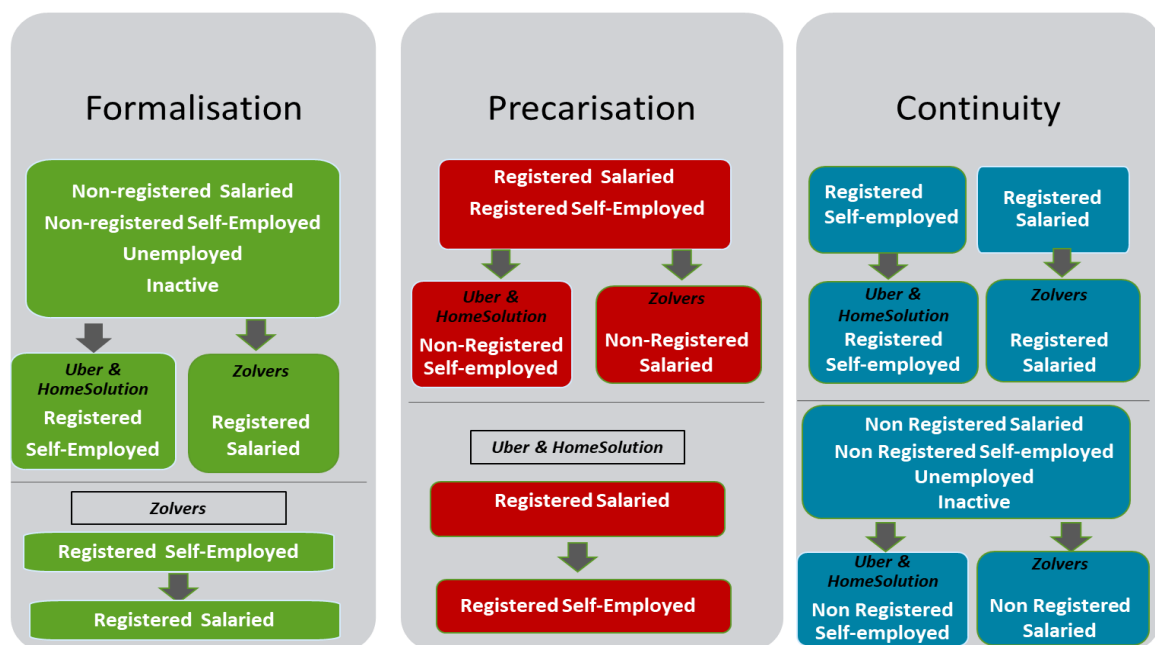
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#### 4. An analysis of labour transitions that lead to platforms: consequences in terms of formality

##### 4.1. Entering platforms: What kind of labour movement does this imply?

As stated in Section 2, all platforms under study arrived recently to a country with high levels of unemployment and informality. In such context, it seems relevant to pose questions such as: Where do these platform workers come from? What kind of labour insertion did they have before joined the platform? What kind of labour transition implies entering each platform? This section addresses these issues with special emphasis on the dimension of formality, understood in terms of registered labour, although the analysis will move later to delve into some more encompassing aspects of the concept-. Figure 2 explains the way in which the three categories of transitions were constructed for this first part of the inquiry, considering different types of movements between situations of registered and non-registered labour.

**Figure 2. Definition of transitions**

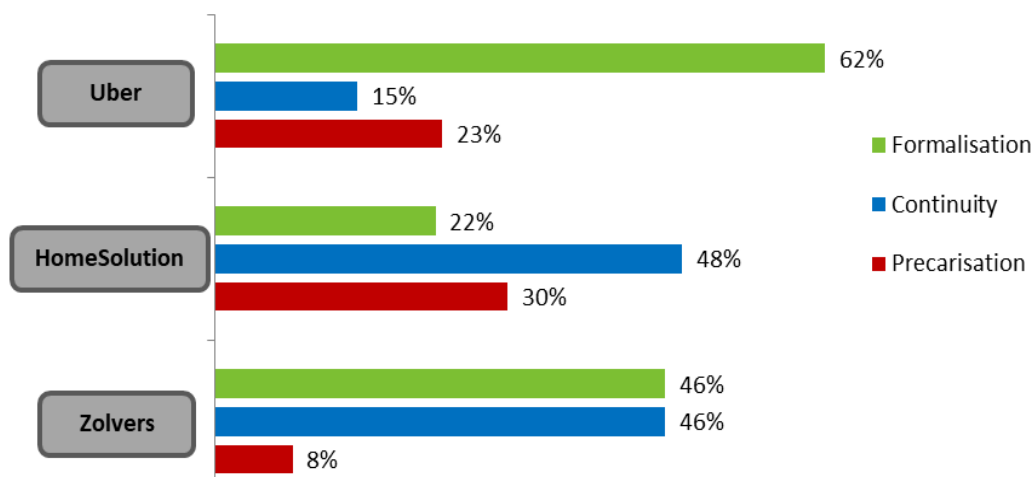


Source: authors' own creation.

As can be seen, formalisation entails any movement from non-registered jobs or positions outside the labour market (the vast majority in our survey were

unemployed<sup>3</sup>) to registered labour (independent in the cases of *Uber* and *HomeSolution* and salaried when it comes to *Zolvers*). For the specific case of *Zolvers*, the only platform that implies salaried job positions, the transition from registered self-employment to formal waged labour is considered a step forward in terms of formalization (since it implies wider labour rights, social protections and income stability). Precarisation in turn, comprises the passage from registered job positions (independent of salaried) to non-registered ones in the context of the platforms. For the cases of *Uber* and *HomeSolution* - which are platforms that recruit self-employed workers-, the transition from a former salaried job to registered self-employment is considered – always in relative terms – a precarisation movement (since, it narrows labour and social protection rights as well as income predictability). Finally, situations of continuity involve, on the one hand, the permanence in registered jobs (independent for *Uber* and *HomeSolution* and salaried for *Zolvers*). On the other hand, continuity also comprises movements from unregistered jobs as well as positions outside the labour market to non-registered labour in the context of all platforms.

**Figure 3. Transitions per platform**



Source: authors' own calculation based on UNGS/AFD Survey to platform workers, 2020.

Figure 3 shows that *Uber* is the platform that implies the most frequent transitions to formality. As explained previously, in this platform, the formal status is achieved via self-registration as a formal independent worker. This is a company's requirement for all drivers, something that undoubtedly helps to understand its more relative success in formalizing workers. It is also important to note that *Uber* operates in a highly regulated labour market with a relatively strong level of unionization<sup>4</sup>. As happened in many

<sup>3</sup> A very small amount of formerly inactive workers surveyed is also included here since the qualitative enquiry revealed that these are generally individuals who needed a job but for different reasons were not looking actively looking for one (the most frequent situation was that of women who did not find flexible alternatives to combine remunerated labour with care responsibilities but also that of a few men that entered the platform during the pandemic, a moment in which they considered useless to look for a job).

<sup>4</sup> The main taxi drivers' union represents to those who do not own the vehicles (they pay a daily commission to car owners based on their earnings) and therefore are considered salaried workers.

countries, *Uber* was subject to significant conflicts with unionized taxi drivers (Adebayo, 2019; Saadah *et al.* 2017; Dubal, 2017) – since the company avoided many regulations which allowed it to offer lower tariffs -. The recent introduction of workers' requirement to register as formal independent workers might be read – at least partially - as part of a strategy to “clean” the image of the company together with other measures such as, for example, more encompassing insurances required to drivers (although the company still does not meet all the legal standards of the sector and thus tensions have not ceased).

It is interesting to note that most of this *Uber*'s formalisation effect (more than two thirds) is explained by unemployed workers who joined the platform. The transition from unemployment to the platform should be read in the context of a period of economic recession which unleashed by the end of 2018, deepened in 2019 and, of course, severely worsened during the pandemic. If in Argentina driving a taxi is not an infrequent alternative in front of the loss of a previous job, the platform seems to facilitate this way out of unemployment: the recruiting process is impersonal, and requirements are relatively simpler than those of the traditional version of the occupation<sup>5</sup>. In-depth interviews show that it is not uncommon that workers who had lost formal salaried jobs - in front of lack of other prospects -, used their severance pay (and, in many occasions, money that was offered to them via voluntary retirement schemes) in order to buy a car and work with *Uber*.

When unemployment is preceded by a formal salaried job the perceptions about the new situation tend to strongly converge around the idea that the flexible schedule “is the only positive thing”. In turn, the loss of income stability as well as that of certain benefits and certainties associated to formal waged labour is regretted. Rodrigo was laid off as an employee from a gas station and he bought a car with his severance pay to join *Uber*. His testimony sums up many of her colleague's appreciations: *“My labour conditions clearly worsened... the good thing is freedom, you manage your schedule: if you have a doctor's appointment, if you need to run errands, if you want to attend your kids' school play, you don't have to ask permission to anyone. But...the thing is, you need to face the fact that you don't have paid holidays, no annual bonus, no paid days for sickness...if you are sick, you won't make money until you get better...and if you want a good health insurance you have to put money out of your pocket: money that nobody guarantees...you are on your own”*. Those who used to work as formal salaried as professionals or as workers with a specific trade – being the latter more numerous among interviewees - also find it difficult to adjust to an occupation that they perceive it as somehow degrading and tend to emphasise the temporary character of this insertion (*“I feel I deserve better”*; *“I usually wonder how I ended up here, this is not what I have worked for all my life”*; *“This is not for me, I treat it like a parenthesis until I get back to my trade”*).

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<sup>5</sup> Even though requirements for drivers were gradually matching those of the traditional version of the occupation, as reflected in the incorporation of the professional drivers' license condition and the registration as formal independent workers, there is still one important difference: *Uber* does not ask the requirement of accreditation of the vehicle as a remis, this is the authorization to operate in the passenger's transportation system by the local regulation.



Nonetheless, among those who come from a past of informal salaried jobs – which can or cannot be mediated by a period of unemployment before joining the platform – the perceptions about their insertion as *Uber* drivers tend to improve. In general, these interviewees account for previous precarious job positions, marked by long hours and low wages (for example informal waiters, receptionists, shop-vendors, among others). Since the levels of earnings and the quality of social protection do not experience significant changes, as might be expected the dimension of “freedom” is often referred to in order to support a general positive view of this labour transition: *“I didn’t have a social life because I worked 14, 15 hours [as a receptionist] at the rental car agency, I arrived at home, I did my domestic chores and that was my life (...) now people tell me I look radiant (...) sure, it’s difficult to make ends meet with a young daughter and all, but I don’t ever want to be locked up in an office”; “When you work selling clothes you can be requested on weekends, you work until late at night when the mall closes down, it’s crazy how many hours you have to be caged in the shop (...) now I feel freed; “I used to work 12 hours [as a vigilante for a private security company], I had to commute for two hours, it was very stressing, so I quitteed (...) I prefer this because no one is bossing me around”.*

The proportion of those who experience precarisation, although a minority, is still significant: one fifth of surveyed drivers face this kind of transition (Figure 3). The vast majority of cases have to do with the loss of a formal salaried insertion. In such cases, perceptions about what working in *Uber* means are in line with what was observed above for many unemployed with a previous formal salaried trajectory. The absence of guaranteed income, lack of paid holidays, annual bonuses and the general weakened net of social protection that self-employed workers endure when they lose formal waged jobs appear once and again throughout interviews. Luis, a former bus driver, also observes the perils of not having a company backing up an activity where accidents and insecurity events are not unusual: *“in my previous job if something happened you had the company’s lawyer, the union, your union representatives...now I’m on my own”.* For those who (unlike Luis) come from jobs that were performed in closed environments – like offices, factories, shops, etc., working in the public space poses an additional challenge that is also referred to as part of the precarisation experience. Whereas most drivers tend to share these perceptions, not surprisingly this appears as a central concern among women. As María states *“You have to have a strong temper, you need to be very stable...because in the street you deal with all kinds of situations. People might be aggressive, you may suffer violent thefts, you can be harassed...this is just not for anybody”.*

Finally, the very small proportion 15% that experiences continuity is almost exclusively associated to former independent self-registered workers. The qualitative enquiry indicates that occupations involved include mostly independent remise or taxi drivers that either complement their activity with *Uber* clients or have switched to work full-time through the application.

*HomeSolution* in turn, positions itself as the most neutral platform regarding transitions to and from (in)formality. Figure 3 shows that almost half of the sample (48%)

experiences continuity in terms of its registration status. As explained previously, the company does not require or promote registration as a requisite for workers in order to operate within the platform. In this sense, one of the founding partner of the platform explains: *“we are conscious of the sector’s informality, but most clients don’t care about workers producing invoices...maybe with some exceptions, like buildings’ administrations..., but mostly our clients don’t care...if we had been strict in that respect we wouldn’t have succeeded in the sector of home repairs, you can’t change that reality from one day to another”*.

When it comes to the prevalent situation of continuity, more than half of it (54%) is explained by workers who were registered before joining the platform and continued in that situation until the moment of the survey. As the founder of the company explains, the platform is aimed to well-established providers in search of more clients. In this sense, the bureaucratic procedures and digital skills required to enter the platform may acts as a filter in terms of the more widespread vulnerable profile that dominates the sector *“a big problem is the vulnerability of many applicants: many times people can’t provide evidence of their address, they may have lost their IDs or it may be very difficult for them to create their digital profile: this is why we aim to established workers in search for alternative channels of commercialization, rather than for example an unemployed guy which may be, I don’t know, an intermittent construction worker”*. In depth interviews reveal that these workers with a continuous trajectory of independent registered labour respond to the platforms’ owner characterisation: they generally have some institutional clients who require invoices and in a few cases they use their formal status to occasionally apply for credits that are invested in tools. Even though the founder’s testimony suggests that the platform is more permeable to relatively better positioned workers, the remaining half of transitions that help to understand the prevalent “continuity effect” is composed by workers who were not registered before joining the platform and remain informal within it (evincing somehow the resilience of the precarious reality of the sector): more than one fifth of this situations of continuity (23%) is explained by workers who were unregistered self-employed handymen before joining the platform and continued in that situation at the moment of the survey. The remaining portion is composed of unemployed (18%) and inactive workers (5%) who also joined the platform as unregistered providers. In the former case, workers – generally those at the lower end of qualifications and income generated (for example bricklayers, house painters) – emphasise that this is the way in which the trade has always worked for them: *“this is the way it has always been”*; *“this is how I managed, I have never had problems”*; *“It’s not necessary to pay the monotributo to perform this job, that would be just one more expense”*. For those who were formerly outside the labour market and join the platform without registering explanations tend to focus on the fact that activity is transitory informal gig to make ends meet: *“It doesn’t make sense [to register] I’m still looking for something more stable, this is a way to take some money home”*; *“No, I don’t want to start paying the monotributo because...this is a parenthesis,*

*hopefully I will join my brother's in law company next year, his business is growing and I might have a chance there".*

In this particular platform, the share of workers who experience precarisation is not despicable: almost one third of transitions imply a movement towards informality and/or less social protection. In all cases this transition implies leaving a formal salaried job – usually in the context of staff reduction policies by the end of 2018- where workers often performed their same occupation than in the platform (as maintenance workers and technical operators in diverse type of establishments). The testimonies of Luciano and Víctor, both electricians in the platform are illustrative in this respect:

"I used to work [as a maintenance operator], for the public television and there was this huge staff reduction, and I knew I was next...so I downloaded the application and started to work for some clients, and I can say it was a good back up when I lost the job" (Luciano).

"I was a technician at Edesur [one of the two main electricity companies in the country], we had great salaries, everything was well until two years ago, when they started to press us offering voluntary retirements...I was uncomfortable with the tension and since it was a lot of money I finally took it and left...before leaving I had already signed up in the platform so it wasn't like I felt unemployed" (Víctor).

As might be expected this is a slightly more common movement among qualified workers - for example, certified electricians and gas operators who manage to get insertions as formal salaried workers more often - in contrast with low or non-qualified providers (32% and 25% respectively experience this kind of transition).

Half of the individuals who experience this kind of transition enter the platform as registered independent workers (experiencing relative limitations in terms of access to social protection in contrast with their recent past) and the other half enters the platform as unregistered providers (experiencing a total loss in terms of social protection). Again, as suggested above, the decision to register depends on a combination of workers' profile (registration is more usual among those who are more qualified and with a clientele that might occasionally have certain formal requirements) and expectations in terms of permanence (those who assume that this might be a permanent occupation are more prone to register).

Paradoxically, when it comes to the small proportion of workers who experience formalisation brought about by *HomeSolution*, the situation observed in our qualitative enquiry is similar to that described for the precarisation transitions. This is because most of workers involved come from unemployment but with a past trajectory of formal waged labour. Therefore, the entrance to the platform as registered independent workers is usually experienced as a setback, in coincidence with what was illustrated above for workers who come directly from formal salaried positions.

In the case of *Zolvers* transitions towards formalisation represent a significant portion of movements (46% of workers experience this transition<sup>6</sup>). However, it should be noted that in this case formalisation depends on employers as, according to the sectors' regulation, all domestic workers should be salaried. Like in the case of *Uber*, most of these passages to formality (63%) are explained by unemployed workers who get a registered job through the platform. However, unlike the drivers' platform, most unemployed workers at *Zolvers* come from a labour trajectory in this same sector, where high rotation rates and unemployment/inactivity periods are not unusual. Workers' accounts systematically reflect this situation: *"A friend's mother works through the application, and since she knew that I was out of work and, because I always worked as a nanny, she told me, 'look well, come in here to see if you get lucky'...and I got lucky, I even got a registered job now."* *"I separated from my husband, so I needed to work by all means...and this is what I always did before getting married...so I went to Zolvers, and I was working almost immediately...and employers do everything legal"*. In this sense, the platform is often praised by workers as a good alternative in front of job losses, although many times at the expense of wages that are below the market price<sup>7</sup>. Most workers argue that this represents a significant disadvantage compared to jobs they can get through referrals (*"the problem is that the hourly pay is so low"*; *"they pay really the minimum"*; *"the value of the hour seems to have always been that way: always low"*). However, they accept a lower salary because *"it is easier to get a job through Zolvers"*. Within these transitions towards formalisation, movements from unregistered salaried positions (again, the big majority within domestic service) to registered ones are also important (they represent 32% of these passages).

It is worth noticing that the formalisation effect achieved through *Zolvers* impacts precisely in the kind of jobs that have been more resilient to formalisation policies, this is, those of short working hours. Indeed, 72% of *Zolvers* jobs that constitute workers' main occupation (the one that demands more hours) only require up to 16 weekly hours and their registration rate is of 53%– whereas for domestic service as a whole this kind of insertion represent 48% of the total workforce with a registration rate of only 10%<sup>8</sup>. The relative success of the company in terms of the formalisation of this problematic segment of the sector has to do with the platform's intense promotion of labour regulations through a multiplicity of channels (like social media, e-mails directed to employers, the company's webpage, etc.). This situation does not go unnoticed among workers: *"Well, Zolvers can't force the employer [to register], but it does give notice, send e-mails (...), that kind of things...they do them"* ,*"I rely a lot on Zolvers (...) because it explains everything to you. (...) they tell you everything about your rights (...) They have*

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<sup>6</sup> Domestic workers generally have more than one job - a situation that accentuates in this platform where short hour job positions prevail (*Zolvers* workers have an average number of jobs of 3,3 in contrast with 1,5 for the entire sector). Therefore, for the purpose of analysis we consider in Figure 3 the main occupation (in terms of weekly hours required) obtained through the platform.

<sup>7</sup> It is important to note that *Zolvers* always offers wages according to the minimum legal fees of the sector, but these have been traditionally very low, usually situated below than the market price.

<sup>8</sup> Based on data from Argentina's Household Permanent Survey, IV quarter 2019.

*the blog, Instagram, Facebook...If I have any misunderstanding with the employer, I make a screenshot and I show it to her".* This platform's policy may be read as functional to its business model since, as explained before, the company sells – among others - the service of workers' registration as well as that of taking care of the monthly payments to social security (via the *Zolvers Pagos* System).

Nevertheless, it becomes obvious that these strategies are not infallible in a sector marked by precariousness: the pervasive informality of the world of domestic service can be better appreciated through the weight of transitions that imply continuity (another 46%). The big majority of these situations (two thirds) imply coming either from unemployment or non-registered labour in the sector to informal salaried positions obtained through the platform (41% and 26% respectively). Additionally - although a minority-, 8% of workers experienced a transition to more precariousness, by losing a registered salaried work (most of the times as domestic workers) and obtaining an informal one in the platform.

Undoubtedly, the most significant variable affecting transitions in this platform has to do with the fact of whether workers are paid via the *Zolvers Pagos* System (which covers slightly more than one third of all *Zolvers'* job positions). For those workers who are paid through this channel, as might be expected, transitions to formality increase: they represent 60% of all movements (again, with a higher weight of movements from unemployment to registered labour and, to a lesser extent, from non-registered labour to formalized job positions). It is important to note that when employers join the *Zolvers Pagos* System, even if they do not choose to formalize the worker through the platform they do accept the company paying workers' monthly wages through a bank transfer. Since this leaves (an indirect) track of the existence of a work relationship it is reasonable to expect that these employers will be significantly more prone to register their domestic workers (via the platform or by their own means).

#### **4.2. On the limitations of platforms' formalisation**

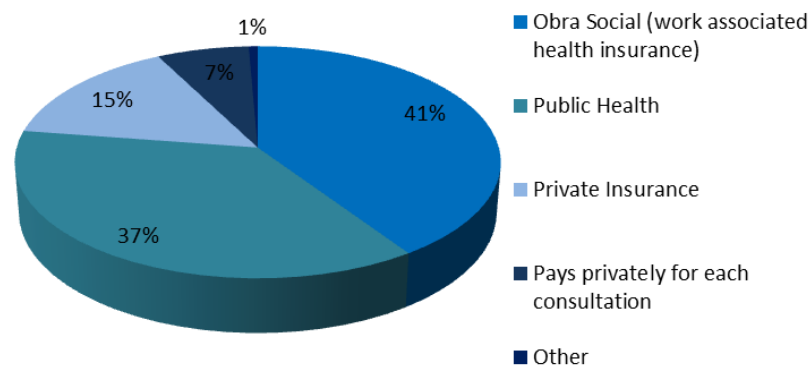
Even though reviewed platforms may often imply a movement towards more formal labour status – as seen in the previous section this is particularly the case of *Uber* and *Zolvers* - it is worth wondering about the implications of this phenomena in terms of a wider set of indicators that make to the effective access social protection at work.

The impulse that *Uber* entails in terms of registering workers – and the relatively few cases in which *HomeSolution* may achieve this kind of transition – is, on one hand, obviously affected by the limitations that the status of formal independent worker implies in front of the figure of the formal salaried worker. In Argentina, the small contributions to social protection that can be required to independent workers mean for example, meagre contributions to a future pension and to healthcare.

In terms of the level of the future retirement allowance there are dissimilar perceptions among interviewees. Among younger workers this is often not an immediate concern. However, for those who are older – and particularly if they had previous formal salaried

experiences – worries about the income level of their future retirement pensions are not unusual. As Edgardo (a 56 years old Uber driver) state : “*My whole life I've been a formal salaried employee. The monotributo is important because means you have a formal job. The thing is, the retirement you'll get is according to the contributions you make [he refers to the low acquisitive power foreseen in his future retirement pension]. In the monotributo, the retirement contributions are minimum and there's no other way out because they're paid by workers themselves. That is the big problem*”.

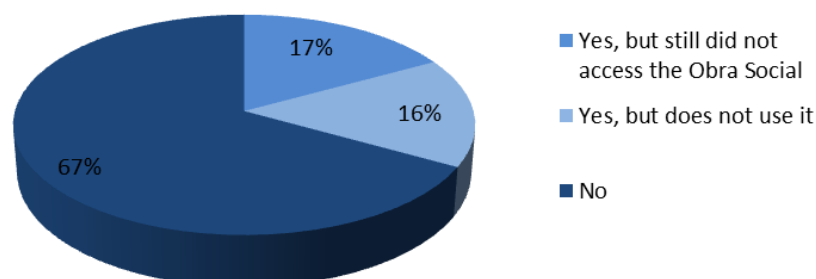
**Figure 4. Independent registered workers (Uber and Home Solution). How do they access health care?**



Source: UNGS/AFD Survey to platform workers, 2020.

Restrictions for accessing quality health services are also a usual concern. As shown in Figure 4 only 40% of all independent registered workers in these two companies access health care through their labour related contributions to social protection. Although entering to health insurance through an *obra social* is in theory a right for all of these workers, there are a series of obstacles they have to face. In this sense, workers can choose from a list of entities that accept *monotributistas* and then make the registration through a series of face-to-face procedures at the chosen institution One first issue has to do with the fact that many workers discard this option as a possibility given that the entities that accept them are perceived as low-quality providers (because of the reduced amount of their contributions). Issues such as the lack of adequate geographic coverage of many of these *obras*

**Figure 5. Independent registered workers (Uber and Home Solution) without Obra Social. Did you try to activate one?**



Source: UNGS/AFD Survey to platform workers, 2020

*sociales*, as well as the existence of numerous medical services with co-payments that must be afforded by the worker, discourage the use of such services. Figure 5 illustrates this trend, showing that almost two thirds of these registered independent workers did not even try to activate their *obra social*.

Going back to Figure 4 and leaving aside the small proportion that can pay for private insurance, many interviewees prefer the public system comparing to what is perceived, in the qualitative interviews, as a health insurance “that is useless”.

Another common and worrying obstacle - which is not exclusive of the workers of these occupations - is related to the tendency of many health insurance entities not to accept affiliates to the *monotributo*. The situation is attributed again to the low contributions that this regime implies, and the testimonies about rejections by entities that in theory should accept these workers are numerous among interviewees (“*since 2018 I've been paying the monotributo, and I am not accepted in any obra social, I have been everywhere and the answer is: 'we don't accept it'"; "they don't want to take you"; "it's not so easy, they make it difficult for you because they don't want people from the monotributo"*). Among those who started the bureaucratic procedures to activate their insurance, the fact that one third had not obtained access yet (Figure 5) can be read, at least partly, as a result of these obstacles posed by certain institutions.

In terms of work-related accidents - a protection that is not contemplated by the *monotributo*- *Uber* Argentina announced in 2019 an agreement with an insurance company to provide free accident coverage for drivers and passengers in all trips made through the App<sup>9</sup> The incorporation of insurance coverage for traffic accidents is a recent initiative, as part of the strategy of *Uber* to gradually solve some features of the irregularity of the company in the country. However, such agreement seems to lack publicity from the company since there is a great deal of confusion among drivers about this issue. The survey reflects this situation: only 21% of independent registered *Uber* drivers accounted having insurance coverage (and, among this small proportion of insured workers, the vast majority covered the expenses of this protection out of their pockets). Additionally, 66% of these drivers did not have their vehicles authorized to operate in the passenger's transportation system (thus exposing themselves to penalties and fines).

In the same line, 45% of independent registered workers from *HomeSolution* did not have a steady coverage in front of work-related accidents (although 75% of these asserted that they acquired a daily insurance when jobs were considered too risky). In all cases, the costs were assumed by workers. Another important indicator of

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<sup>9</sup> This insurance does not replace the mandatory insurance that every driver must have to drive in Argentina according to the national traffic law.

vulnerability has to do with the fact that many electricians and gas operators registered as formal independent providers remain unlicensed - 43% and 24% respectively. Even when the platform itself states in its webpage that this is a compulsory requirement to perform the occupation, these unlicensed services are offered through the company, exposing workers and clients to economic penalties, and increasing the risks of physical hazards.

As stated above, many of these indicators of vulnerability are directly related to the limitations of the social protection granted by the Argentina's regime of independent labour (being pension levels, health coverage restrictions and lack of work-related insurance clear examples of this situation). Whereas *HomeSolution* providers, with more extended trajectories of independent labour in the sector, tend to naturalize this situation, the perceptions among *Uber* drivers are more complex. The numerous questionings of the real independent nature pointed out by the literature<sup>10</sup> (Cherry 2016; Di Stefano 2016; Pralss, 2018) are echoed by many drivers. To this, it must be added that most workers do not come from the sector and tend to compare this labour experience with a past of formal salaried jobs. Maite, a 30 old year female driver who joined the company after losing a salaried insertion questions the independent nature of the job something that in turn, leads her to points out the shortcomings of protection granted by the independent workers' regime:

"-[working at Uber] can make you earn a few bucks but you are on your own anyway, right? By being a *monotributista* you obviously have no annual bonus, no holidays, no good health coverage... And in fact, **you are working for a foreigner company**, I mean... Yeah, you are a *monotributista* because the system forces you to pay those contributions. But actually, **you are working for a company** and yet, there are many benefits you don't have [...] working in a waged employment in my opinion is a lot safer. I mean, you have your salary by the end of the month, you have everything, you know. With this kind of jobs, it's living day-to-day. Truth is, today you might have a few bucks but tomorrow you may fall ill, so you can't go out and you have no money, it's like that"

The situation of *Zolvers'* workers who manage to obtain a registered job through the platform presents a fundamental difference with respect to situations of drivers and handymen described above. This is because formalization within domestic service implies the registration of workers as salaried employees. However, domestic service in Argentina is one of the few occupations which – in sight of its specificities<sup>11</sup> - falls out of the general regulation of private salaried workers (Law N°. 20.744). Therefore, the occupation is regulated by a Special Regime of the sector (Law N°. 26.844). In terms of general labour rights, this regime recognizes most of those stipulated for general private

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<sup>10</sup> Among others these include issues like price-setting by the company, the monopolization of relationship with clients, the existence of mechanisms of workers' supervision and control, etc. (Madariaga, *et al.* 2019).

<sup>11</sup> The argument used to point out the specific nature of the occupation has to do with the fact that employers are not firms but private households.



workers. However, in terms of social protection, a very specific scheme was designed for the sector. Not only employers' contributions are significantly lower than the ones required to regular companies, but also workers who labour less than 16 weekly hours for an employer only get partial contributions to social security (in fact, below 16 hours, there is a scale that determines diminishing contributions from employers as the weekly dedication of worker decreases). In such cases, in order to complete the necessary monthly amount – that allows access to a future pension and health care through an *obra social* – workers can gather contributions from other short hour jobs in the sector or pay the difference with their own resources. Hence, even when workers are formalized, they may experience restrictions in order to access social protection. This is a trend that particularly accentuates in the context of *Zolvers* where short hour jobs prevail-. As stated previously, *Zolvers* is particularly successful in the market segment of short hour job positions: whereas formal workers with jobs of up to 15 weekly hours obtained through the platform represent 38% of the total, at the national level this percentage drops to 18%<sup>12 13</sup> -.

In any case, *Zolvers* workers tend to highly value when they are registered by employers. In an occupation with significant levels of socio-economic and labour vulnerability the positive aspects of formalisation highlighted by workers are related job stability – something that was particularly valued during the pandemic's lockdown - salary updates according to regulation, annual bonuses and paid holidays (*"it reassures me...I know that I can continue with that work, it means that they are not going to tell you one day to the other not to go anymore"*; *"If I hadn't been registered I would have lost the job with the pandemic, that's for sure"*; *"I have my annual bonus, holidays everything as it should be"*; *"when they register you...a good thing is that they have to respect the wage updates that appear in the newspaper, right?, it's like you don't need to beg for it"*).

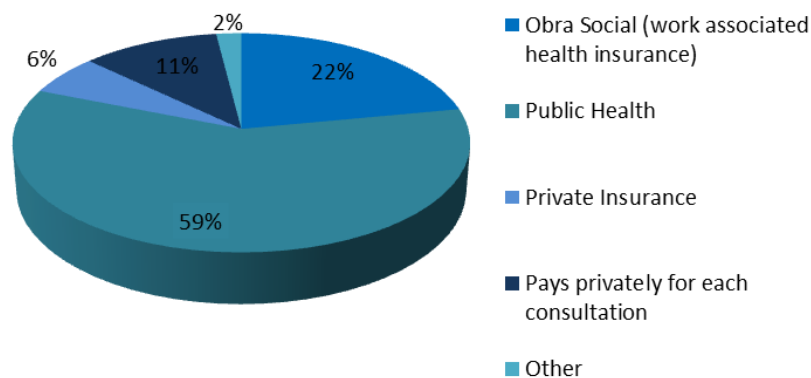
Although restrictions around social protection may constitute a problematic issue for some, in general they are not pointed out as an immediate or concern. Even if the future pension that employers' contributions can guarantee is very low, this tends not to be a spontaneous concern. Rather, for workers who live day-to-day and have had mostly informal labour trajectories the issue at stake tends to be the actual possibility of accessing to such pension at all.

#### **Figure 6. Zolvers registered domestic workers. How do they access health care?**

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<sup>12</sup> Once again, since domestic workers tend to have multiple insertions we consider here the main occupation (the one that requires more hours).

<sup>13</sup> Data based on Argentina's Permanent Household Survey, IV Trimester 2019.



Source: UNGS/AFD Survey to platform workers, 2020

When it comes to health coverage, as it happens with registered independent workers analyzed above, the formal population of *Zolvers* also exhibits a low use the *obra social* of the sector: only 22% of formal workers in the platform access health care via this entity, whereas the majority (59%) chooses the public sector (Figure 6). As Paula's testimony suggests, even a small personal payment to complement employers' contributions can become quite significant in front of the sector's meager salaries: *"I do not use [the obra social] because only two employers registered me and I do not reach the minimum that I have to pay, that is, to access the healthcare insurance. I have to pay from my money, I don't want to, I prefer to go to a public hospital"*. In other cases, the reasons for not using the service are very similar to those exhibited by the *monotributistas* previously analyzed and again, mostly related to the low value of employers' contributions in this sector. On one hand, not using the sector's health insurance has to do with what is perceived as a low-quality service (*"I have bad references of the obra social"*; *"They have very few clinics, not so good I heard, and they are too far away"*). On the other hand, many workers tried to switch their contributions to other entities of their preference that in theory should receive them and in most cases they were directly or indirectly rejected (*"they make it impossible for you, they put you a lot of obstacles, which is their way to say no"*; *"they don't want domestic workers, they don't want to take you, do you understand me?"*).

## Final considerations

Without ignoring that platform labour has implied significant precarisation trends in many respects - which have been well documented in literature (Berg *et al.* 2018; De Stefano, 2015; Maatescu and Nguyen, 2019) - this paper has analysed the impact of this kind of insertion on a very specific dimension that could entail potential benefits. Can platforms help to increase registered labour in contexts of extended informality? As has been pointed out, this could be read as a positive outcome in terms of making workers and their labour situation more accountable and it may even facilitate the potential regulation of such activities<sup>14</sup> (Beccaria and Maurizio, 2019). However, it is also important to address questions such as: What does this formalisation (if it exists) imply in the facts and how is it perceived by workers? Whereas the debate is already present in the literature, empirical approaches remain scarce. This piece of work has sought to provide some evidence based on the Argentinean case.

One first observation based on our enquiry is that the “formalisation effect” of platforms is highly dependent on each platform’s business model. Two of our three platforms under study (*Uber* and *Zolvers*) produced positive effects in terms of registration and not surprisingly they were the ones that had had direct policies which pointed in that direction. In the case of *Uber*, the company states as mandatory for workers to register as self-employed and, in the case of *Zolvers* the platform or aggressively promotes formalisation of labour contracts among workers and employers. In coincidence with what was observed by the literature, these are not necessarily altruistic policies but rather they seem functional to the general workings – and even the profitability - of each company. For *Uber*, having registered drivers allows the company to account for the multiple money transactions that take place between workers and the platform while at the same time it can be read as strategy to (partially) improve its image in front of the numerous questionings about its failure to comply with local regulations of the sector. The interest of *Zolvers* in formalisation is more straightforward, since the company sells workers’ registration as part of its services (a situation that has also been capitalised by platform owners to publicise their company as one that seeks “to change the reality of domestic employment in Latin America<sup>15</sup>). *HomeSolution*, for its part, is the only platform where formalisation represents the smallest portion of transitions that lead to working there. This is not dissociated from the fact that the firm does not promote workers’ registration in any way. Indeed, its founder highlights that requesting formal self-registration among providers may have harmed the company’s chances to absorb the necessary workforce in an occupation where casual labour is the norm (as they could be requesting an unusual/additional expense to their service suppliers).

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<sup>14</sup> This is indeed the case of Argentina’s platform delivery sector – which operates mostly with self-registered employed workers -whose regulation is being discussed based on a series of draft bills presented in the Congress (see in this series of Work Documents Pereyra and Poblete, 2021).

<sup>15</sup> Newspaper interview to one of the founders of the company, available at: <https://www.lanacion.com.ar/economia/empleos/cecilia-retegui-de-zolvers-7-de-cada-10-empleadas-domesticas-esta-en-negro-nid214283>

One second observation has to do with the fact that the reality of each occupational sector also plays an important role when it comes to platforms' outcomes in terms of formalisation. For example, the highly unionised character of private passengers' transportation sector (and of taxi drivers in particular) has been determinant in pressing *Uber* to adopt more formal policies. Although the company is still far away from full compliance with the sector's regulation, drivers' compulsory self-registration as independent workers may be read as part of these pressures to make the platform's situation more accountable. The occupational reality of domestic workers and handymen, marked by precariousness also has its implications on formalisation outcomes. On the one hand, despite *Zolvers'* efforts to promote formal contracts, the platform finds a clear ceiling – as explained in the transitions' description, still a significant portion of its workers ends up in informal contracts– since non registered labour is deeply rooted in the labour practices of the sector. On the other hand, the fact that *HomeSolution* does not push for more registration implies that informal labour arrangements that prevail in the occupation tend to perpetuate within the platform (in fact, this applies for half of the transitions that imply continuity, which are dominant in this case).

Based on results, it can be asserted that formalisation achieved through transitions that lead to platform labour exists, but it is variable depending on the companies' policies and interests as well as the dynamics of occupational sector in which they operate. But what does the partial formalisation effect observe means for workers? This question leads us to a third observation: the meaning of such formalisation is also deeply affected by the workings of general labour market. In the context of an Argentinean labour market tainted by recession, most transitions to formality through platform are explained by unemployed workers who join them. Since, according to our qualitative insights, most of the times these unemployed come from a past of formal waged labour, the figure of independent self-registered contemplated by platforms (in our study this applies for *Uber* and *HomeSolution*) is usually experienced as a setback.

As reviewed in this paper, the limitations of independent self-registered work in terms of income stability and the quality of social protection – always in comparison with that of the formal salaried jobs – are significant (and workers perceive this with clarity). Undoubtedly, it could be argued that such limitations are not directly attributable to platforms. However, this situation may propitiate workers' questioning of the real independent nature of the job performed. This is particularly the case of *Uber* drivers, given the abundant indicators of job dependency that have already been discussed in the literature (Eisenbrey and Mishel, 2016; Rogers, 2016; De Stefano, 2016). The fact that in Argentina, insertions in these platforms are far from being conceived as a gig and/or a complement for other activities – in contrast with what is sometimes suggested by certain studies in other developed contexts (see for example CPID 2017; Goods *et al.*, 2019) – helps to reinforce workers' demands in terms of stability and social protection.

In the case of *Zolvers*, formalisation achieved via the platform tends to be more positively valued. The specificities of the occupation help again to understand workers' differential approach to the issue. Whereas formalisation also tends to occur as a result to the transition from unemployment to formal contracts in the sector, unlike *Uber* drivers, most workers come from a previous past in this same activity. Therefore, their experiences in terms of formal waged labour are scarce, if not inexistent. Admittedly, formality in this particular occupation entails more certainties since it is of a salaried nature – it implies income stability, annual bonuses, paid holidays, etc. -. Nonetheless, the big majority of contracts are for very few hours (making difficult to make ends meet without having multiple insertions) and the social protection they provide is also weak given the special social security regime that applies to the occupation. However, and once again, the absence of past quality waged insertions means that registration is usually perceived as a significant advantage and social protection failures take a backseat or are dismissed as a significant issue.

Summarising, our enquiry suggests that in a developing country like Argentina, platforms may exhibit a certain potential for increased registration. However, such “formality effect” and the way in which it is perceived by workers, seems contingent and dependant on many dimensions. Indeed, the capacity of platforms to produce registered workers is associated with companies' interest and need to promote or encourage such situation. Moreover, any trend of increasing registration that platforms may generate is also highly conditional on the pre-existing dynamics of the occupation in terms of formalisation (which can act as an enabler or an obstacle). Additionally, the characteristics of the local labour market also play an important role. In particular, workers' previous occupational situations (employed/unemployed; formal/informal; waged/independent) constitute the logical parameter against which labour conditions offered by platforms are weighted and evaluated. Undoubtedly, given the contingent nature of both platforms' capacity to increase registered labour and workers' assessment of such registration, more evidence from other contexts is needed in order to delineate general trends. Given the many dimensions that intervene in these two aspects explored here, it seems important to study as many different occupations and labour contexts as possible in order to continue informing and nurturing existing debates on this topic.

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