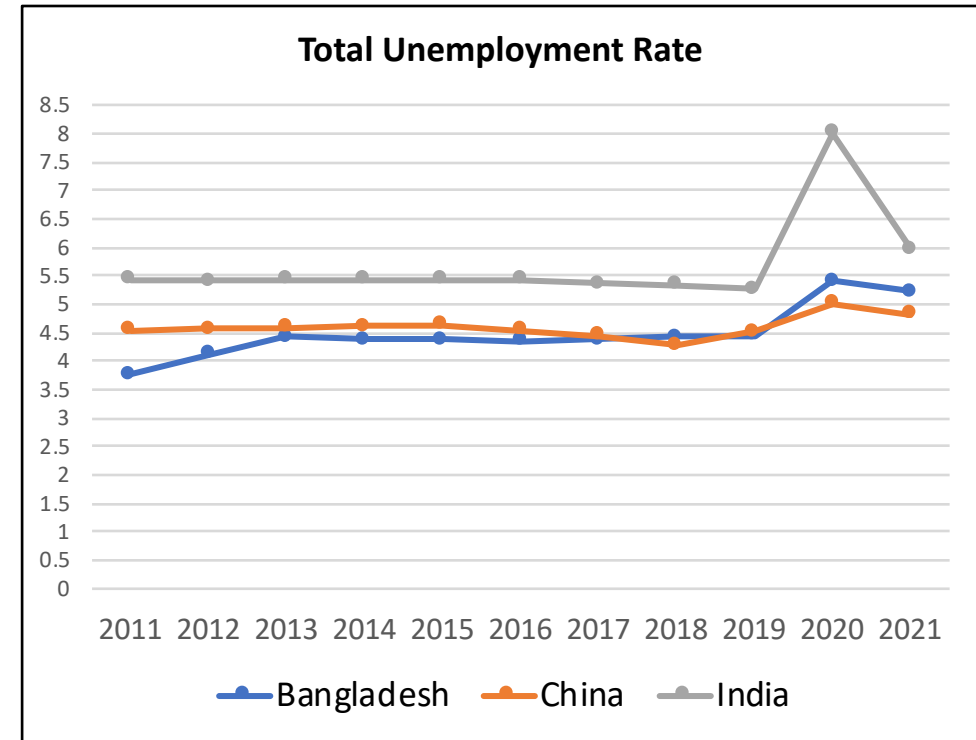
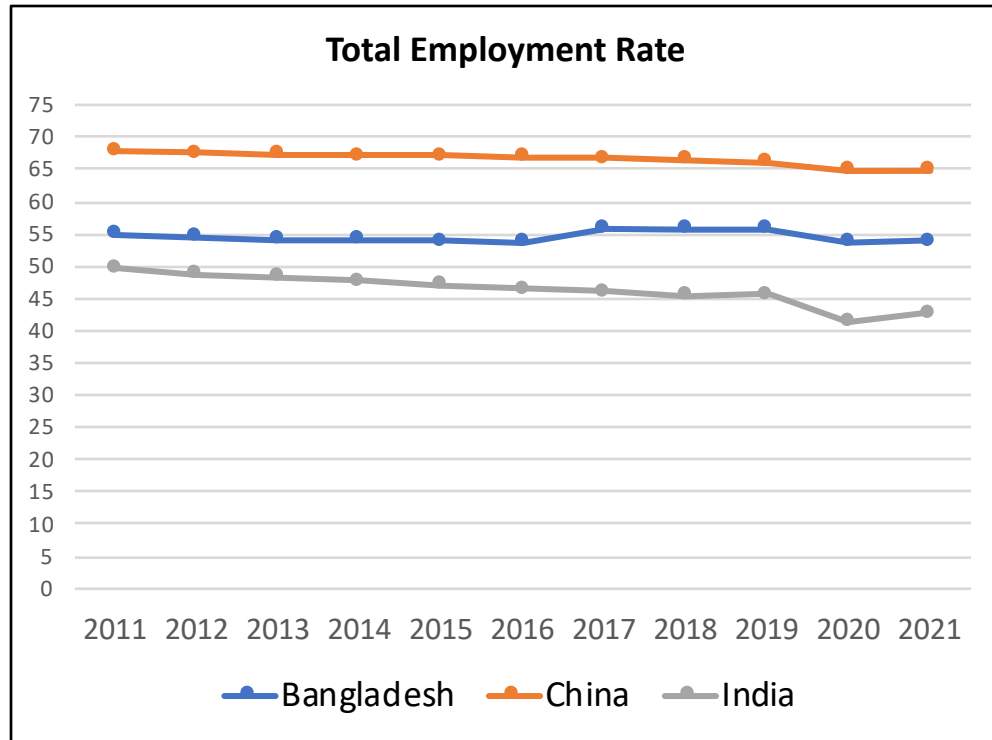


Digital Platforms and Women's Economic Empowerment: What matters and what works?

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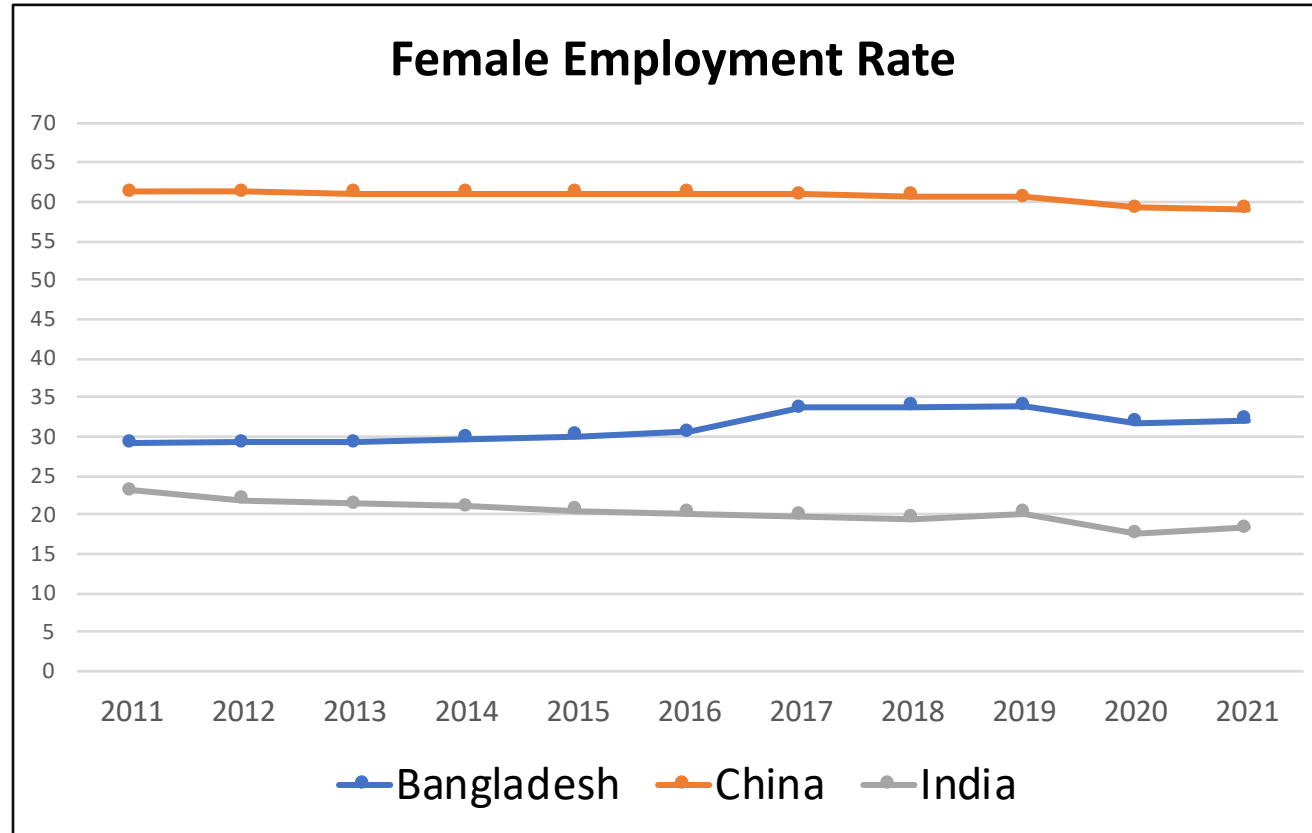
18 May 2023

Employment scenario in India



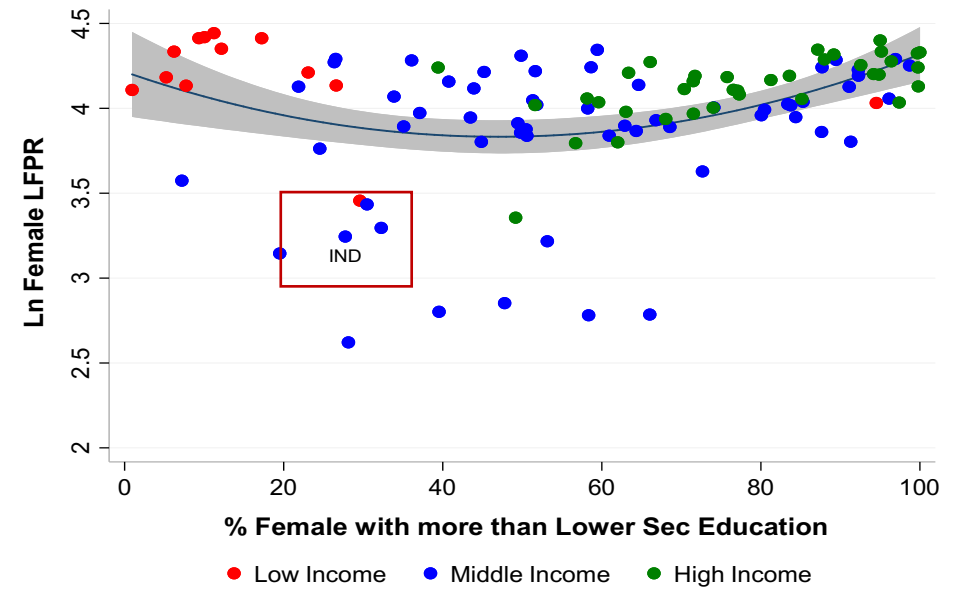
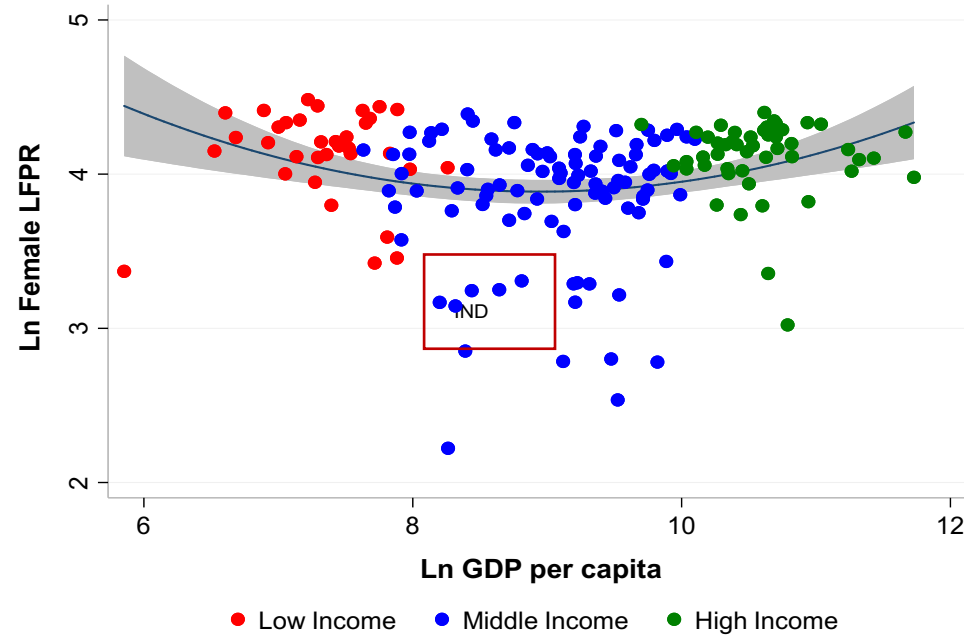
Source: ILO estimates, World Bank data base (2011-21)

Women's employment scenario in India



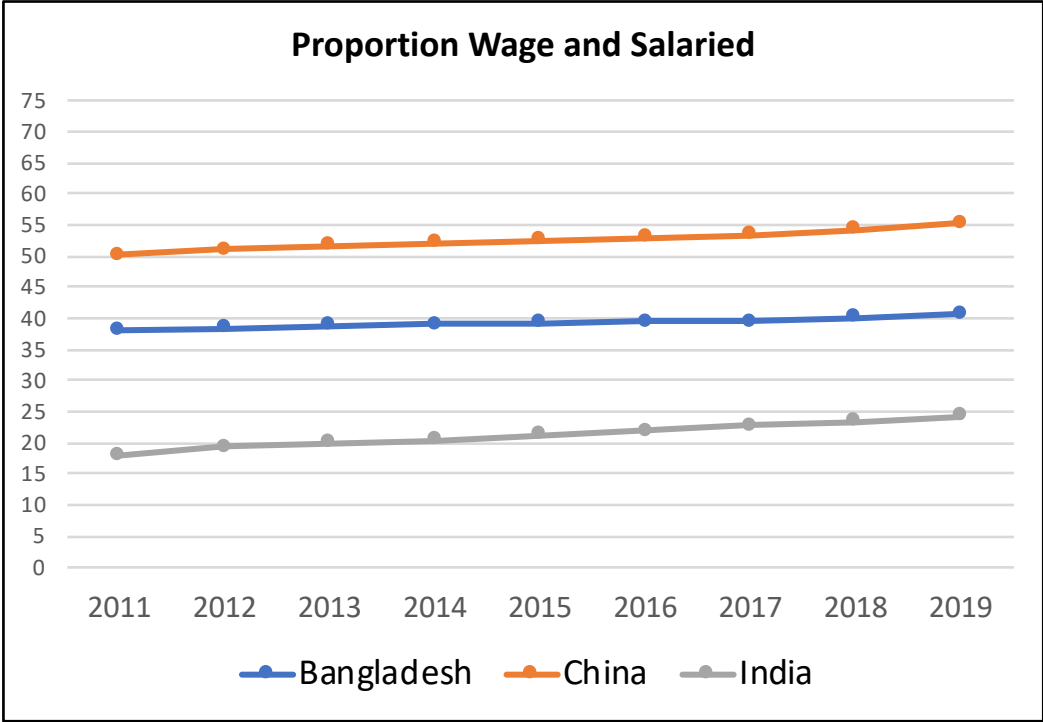
Source: ILO estimates, World Bank data base (2011-21)

India is an outlier on women's LFP



Data: World Development Indicators (World Bank, 2011)
Source: Afridi, Bishnu and Mahajan (2022)

Precarious nature of work predominates



Source: ILO estimates, World Bank data base

More jobs but also 'good' jobs needed

- Historically low employment and high unemployment rates overall
 - Youth (15 – 24 years) unemployment rate more than 20%
- High level of informal work
- Low women's LFP critical factor in explaining poor labor market attachment
 - Cultural and social norms
 - Structural shift away from agriculture
 - Informalization and lack of 'good jobs' with flex work and decent wages, work conditions

How can employment be increased?

- Labor intensive growth for job creation remains central: **blue collar sector**
 - *Gender lens* on labor market policies
- *Digital platforms* for gig work and job matching have the potential to lower transaction and information costs:
 - Lower job search costs
 - Align with job preferences
 - Flexible jobs and hyperlocal options

Digital platforms

- The world has witnessed a **five-fold increase** in the number of digital labor platforms – spurred by digitization and new ways of working during the Covid-19 pandemic (ILO Report 2021)
 - online web-based (tasks are performed online or remotely)
 - location-based (taxi, delivery, or home services)
- Two types of work relationships offered by these platforms:
 - internal employment wherein workers are directly hired by the platform
 - external employment mediated through the platform, viz. employer-employee online/app-based matching

Digital platforms

- Challenge of estimating the size of the “platform-mediated” workforce due to non-disclosure of data.
 - A ballpark from North America and Europe is that 0.3-22% of the adult population has performed platform work during 2015-19.
 - Globally, women represent only 4 in 10 workers on online web-based platforms and 1 in 10 on location-based platforms.
- According to ILO, India is emerging as the **largest supplier of global labor** on online platforms:
 - “the gig economy has the potential to service up to 90 million jobs in India’s non-farm economy alone, transact over US\$250 billion in volume of work, and contribute an incremental 1.25 percent (approx.) to India’s GDP over the long term” (BCG-Dell Report)

Leveraging digital platforms for women

- Both labor supply and demand factors converge to limit potential benefits of digital platforms for women:
 - Skills
 - Information asymmetry
 - Spatial mobility
 - Digital access and usage

Skilling for jobs and career progression

- Skills and capital are often in short supply for women to take full advantage of the self-employment and gig work opportunities through platforms.
- Lack of skills that align with the nature of work on platforms.
 - Occupational segregation of women
 - Women apply for fewer job/occupation types on digital platforms, relative to men, indicating lack of wider range of skills and/or job preferences.

Information asymmetry & matching

- Information asymmetry between the demand and supply ends of the labor market is a central concern with platform labor markets.
 - Employers rely on the platform to verify the skills and trustworthiness of workers, while workers often do not possess skill certification.
- Women lack awareness of the work opportunities on and via the platform
 - Mismatch in wage expectations higher for women

Spatial and digital mobility

- Public infrastructure is woefully inadequate, especially in Tier 1 and 2 cities, to meet the needs of an agile labor force
 - Workers' physical mobility key to location based gig work.
 - Gender divide in access and usage of mobile technology
- Important to improve women's safety and mobility in order for them to engage in this sector.
 - Women are willing to travel shorter distances for work, than men.
 - Research shows that platform exposure alone may not increase women's wage employment significantly unless they are spatially mobile.

Quality of work on digital platforms

- Platform work classified as informal as per current labor laws
- Proposed labor law amendments provide limited benefits at work
- Ensuring safety of women workers in location-based platform work needed

Program objectives

- Analysing and loosening the constraints in *skilling and upskilling* of women to access platform work
- Investigating gender differences in *job preferences and search behavior* on platforms
- Addressing *information asymmetries*
- *Advocacy* for improving women's mobility
- Suggesting *legal frameworks* for improving the quality of work through and on platforms