

The Internet Platform Labor in China: The Rise, Controversy and Policy Trends

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1

Overview

2

Models

3

Controversy

4

Policy Trends





中国城镇调查失业率走势

截至2020年2月，国内城镇调查失业率升至**6.2%**，为有统计数据以来新高水平。





Globally-ranked Chinese unicorn companies

No.	Company	Sales (US\$100 million)	Industry
1	滴滴出行	338.0	On-demand Transport / Movement
2	陸金所	185.0	e-Commerce
3	新美大	45.0	e-Commerce / Marketplace
4	饿了么	20.0	Restaurant services
5	中商惠民	20.0	e-Commerce
6	微影时代	15.0	e-Commerce / Marketplace
7	挂号网	10.2	Healthcare
8	优客工厂	10.0	Real estate
9	货车帮	10.0	Supply chain and logistics
10	途家网	10.0	e-Commerce / Marketplace
11	新达达	10.0	e-Commerce
12	融 360	10.0	Fintech
13	魔方公寓	10.0	Housing / Accommodation
14	瓜子	10.0	e-Commerce / Marketplace
15	知乎	10.0	Internet software and services

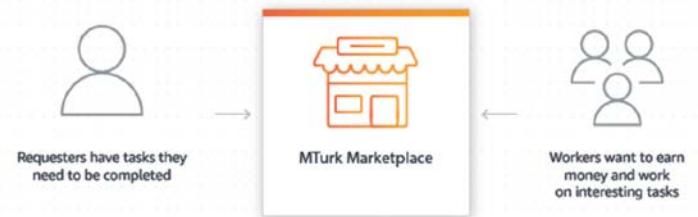
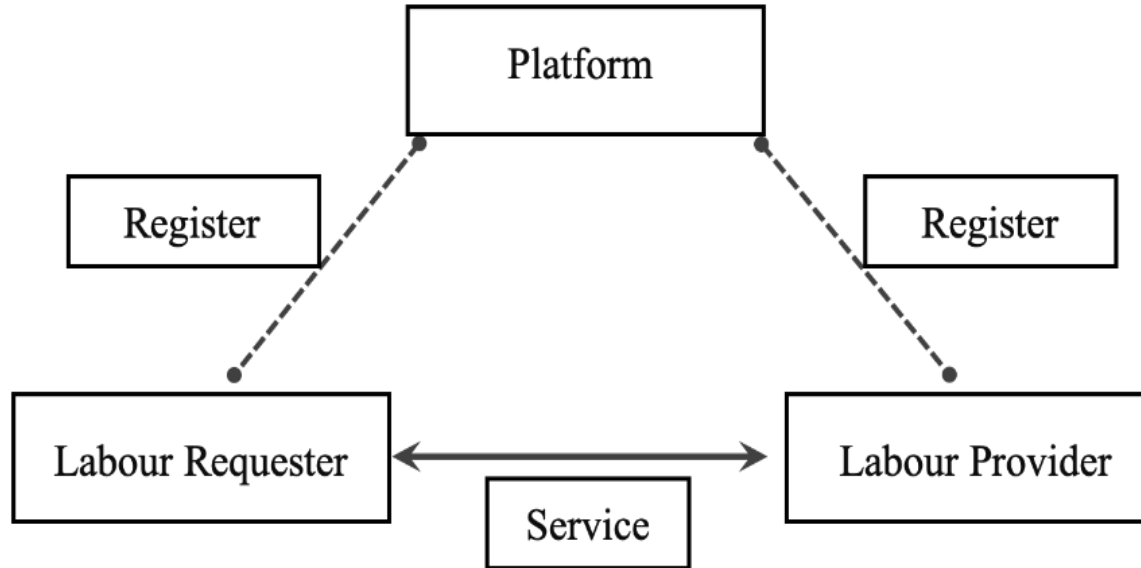
Participants in China's sharing economy by sector

Sector	Participants (million people)	Service providers (million people)	Sharing economy platform employees (people)
Life service platforms	520	20	3.41 million
Manufacturing capability	9	5	1.51 million
Transportation and outings	330	18.55	120,000
Knowledge and skills	300	25	20,000
Housing and accommodation	35	2	20,000
Healthcare	200	2.56	50,000

Developments in policy

No.	Policy / Plan	Issuing organ	Date issued
1	Guiding Opinions on Developing Mass Makerspaces and Promoting Mass Innovation and Entrepreneurship	The State Council	March 2015
2	Guiding Opinions on Actively Promoting the “Internet Plus” Action	The State Council	July 2015
3	Several Opinions on Further Promoting Tourism Investment and Consumption	The State Council	August 2015
4	Guiding Opinions on Accelerating the Development of Life Service Industry and Promoting the Upgrading of Consumption Structure	The State Council	November 2015
5	Guiding Opinions on Promoting Green Consumption	NDRC, MOFCOM and other 10 offices	March 2016
6	Opinions on Deepening the Implementation of the “Internet Plus Logistics” Action Plan	The State Council	April 2016
7	Deepening the Integrated Development of the Manufacturing Industry and the Internet	The State Council	May 2016
8	National Informatization Development Strategy	Central Committee General Office, The	July 2016
9	Action Plan to Promote the Development of Smart Transport by Facilitating “Internet Plus Convenient Transport”	NDRC, MOT	August 2016
10	Opinions on Cultivating and Developing the Rental Housing Market	Central Committee General Office, The State Council	July 2016
11	Opinions on Promoting the Healthy and Orderly development of Mobile Internet	The State Council	January 2017
12	Guidelines for the Development of a Sharing Economy (draft for comment)	NDRC	February 2017
13	Guidelines for the Development of a Sharing Economy (second draft for comment)	MOF, SAT and MIIT	April 2017
14	Action Plan on the Integration of the Affairs of State Information System	NDRC	June 2017
15	Guidelines on Promoting the Healthy Development of the Car-sharing and Car rental industry (draft for comment)	MOT	June 2017
16	Implementation Opinions on the Construction of the Second Batch of Mass Entrepreneurship and Innovation Pioneer Bases	The State Council	June 2017

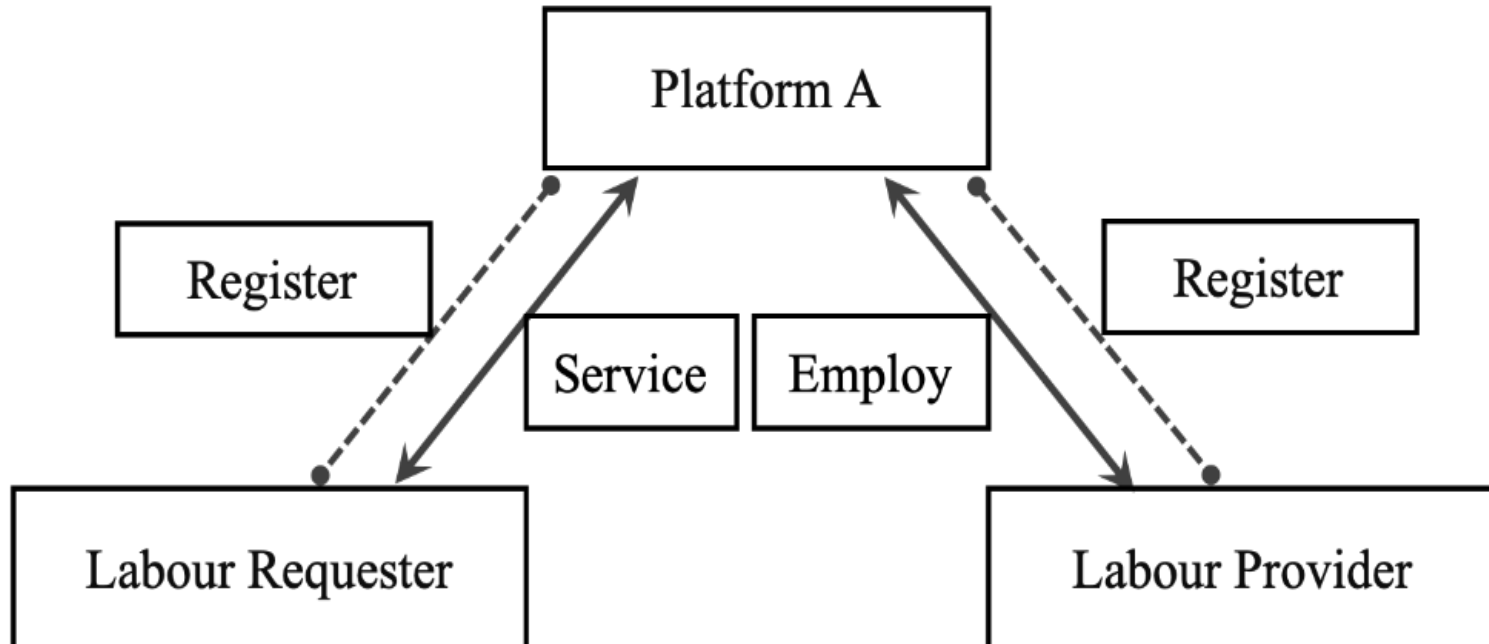
(1) Autonomous Platform 自治



Human intelligence through an API
Access a global, on-demand, 24x7 workforce



(2) Organizational Platform 組織 A



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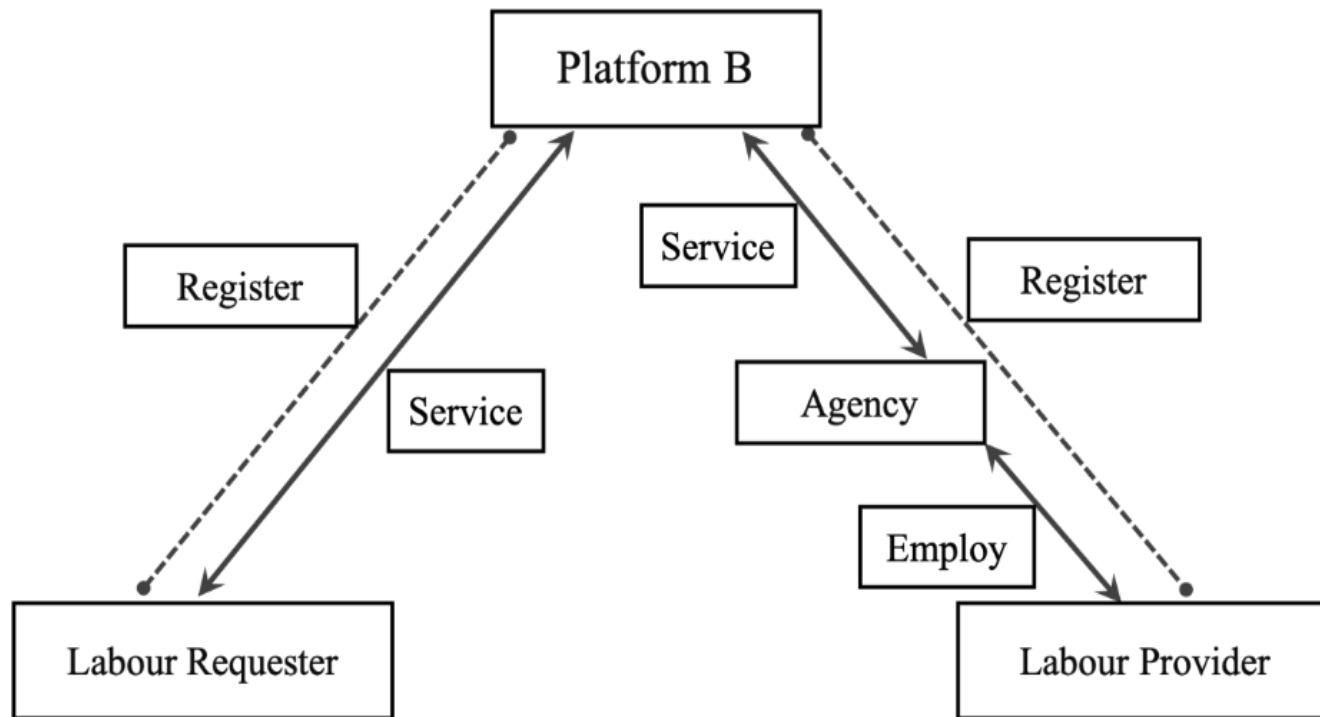
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 美团网
meituan.com

 大众点评
dianping.com

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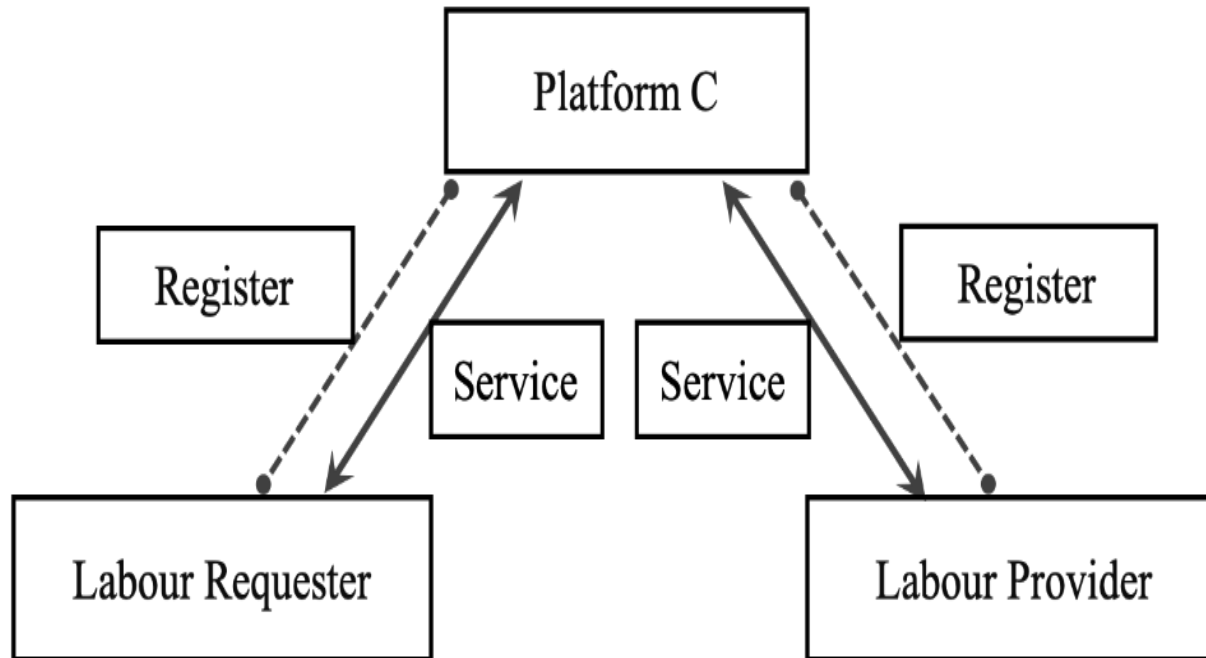
(2) Organizational Platform 組織 B



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(3) Organizational Platform 組織 C



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Chinese Court Decisions on Model C (2014-2019)

Table 1. Distribution of dispute cases related to labour services in Platform C mode by year

Year of judgment	Number of cases	Percentage
2014	4	4
2015	4	4
2016	3	3
2017	41	40
2018	31	30
2019	19	19
Total	102	100

Note: The year of judgment refers to the time when the court accepts the case, and the court needs a certain period of time to make the judgment. This means that for some cases, the acceptance of the case and the judgment of the case are not in the same year.

Table 2. Distribution of cases by dispute reasons

Dispute reasons	Number of cases	Percentage
The labour provider requests the court to confirm the labour relationship with the platform in two scenarios:	20	20
1. <i>The labour provider is injured by himself and hopes to receive work injury insurance benefits (15 cases)</i>		
2. <i>The labour provider is not injured and hopes to obtain other labour law benefits (5 cases)</i>		
Third-party damage caused by traffic accidents caused by the labour provider	82	80
Total	102	100

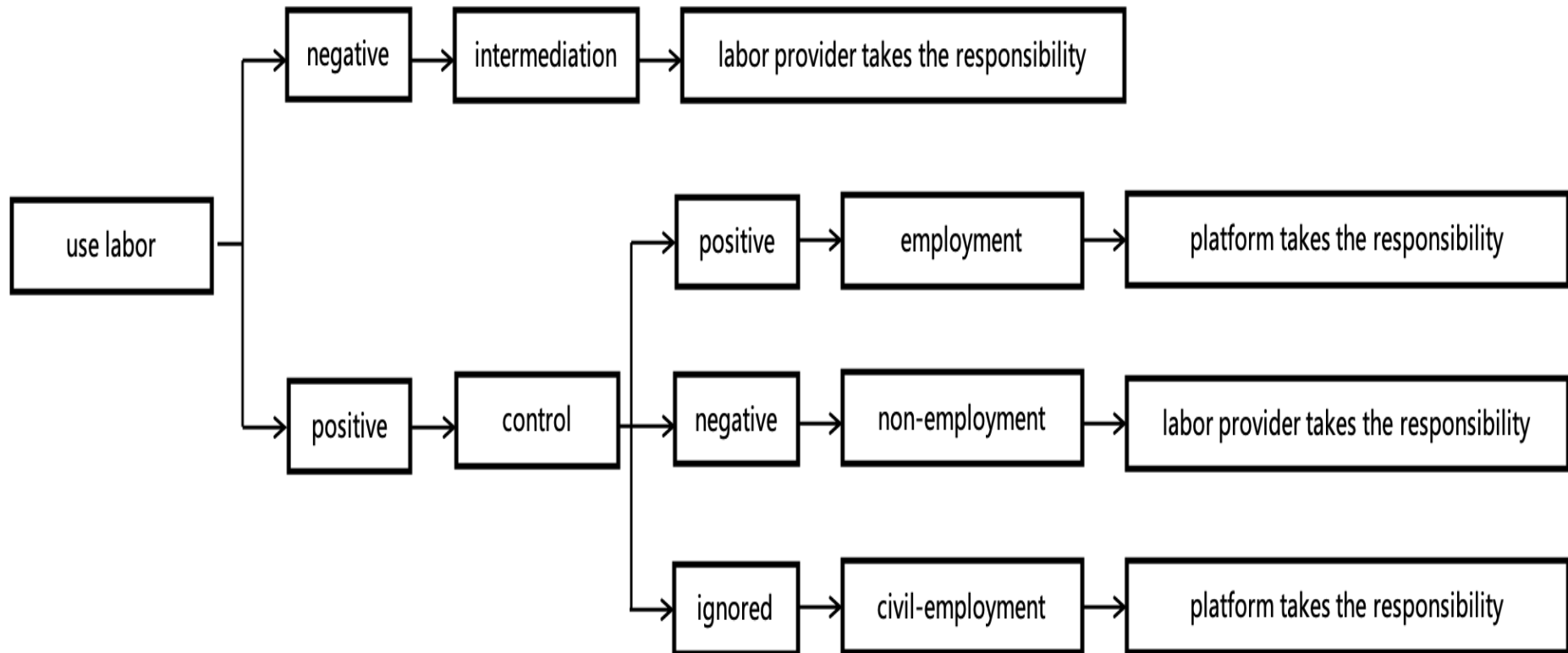
Table 3. Court ruling outcomes on cases requesting recognition of labour relationship

Court ruling outcomes	Number of cases	Percentage
Confirming labour relationship in two scenarios:	5	25
1. <i>The labour provider is injured by himself and hopes to receive work injury insurance benefits (4 cases)</i>		
2. <i>The labour provider is not injured and hopes to obtain other labour law benefits (1 cases)</i>		
Negating labour relationship in two scenarios:	15	75
1. <i>The labour provider is injured by himself and hopes to receive work injury insurance benefits (11 cases)</i>		
2. <i>The labour provider is not injured and hopes to obtain other labour law benefits (4 cases)</i>		
Total	20	100

Table 4. Judgment result of cases in which the labour provider has caused damage to a third party

Court ruling outcomes	Number of cases	Percentage
Confirming labour relationship, platform assumes employer's liability to third party	29	35
Negating labour relationship, labour provider himself assumes liability to third party	52	64
Confirming labour relationship, labour provider and platform share responsibility equally	1	1
Total	82	100

The Court's Reasoning Logic For Platform Employment



General Office of the State Council:

The Guiding Opinions on Promoting the Normative and Healthy Development of the Platform Economy

August 8, 2019

- 1. Existing labor law norms are not rigidly applied to platform workers, but rather are categorized and adjusted according to the characteristics of platform workers.**
- 2. The system for safeguarding occupational injuries of platform workers is the focus of current system construction.**
- 3. Strengthening the government's supervisory responsibility, scientifically defining the responsibilities of platforms, and effectively controlling the social risks arising from platform labor.**

Thanks

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