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Work in the platform economy: Deliveroo riders in Belgium and the SMart arrangement

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Work in the platform economy: Deliveroo riders in Belgium and the SMart arrangement

Jan Drahokoupil and Agnieszka Piasna

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Abstract

This paper presents a case study of the food delivery platform, Deliveroo, in Belgium in 2016-2018. The case offers insights on the nature of platform work, the workers who perform it, the preferences of workers, the strategy of the platforms, and the role of local regulations. Interestingly, Deliveroo in Belgium employed workers through an intermediary, SMart, and we also observed the termination of their co-operation in the period under analysis. Using administrative data provided by SMart and a survey of workers, we analyse patterns of work and also focus on pay. We investigate the characteristics of the workers, their preferences regarding working conditions and their motivation for engaging in platform work. We identify that the jobs are low-hours and low-income, performed primarily by precarious student workers. We show that the SMart arrangement was motivated primarily by the specifics of the Belgian tax system. Even so, it provided workers with protections that they valued, including income security. Contrary to what the platform claimed, the abandonment of the SMart system did not offer the riders the flexibility they desired. Instead, it reduced their degree of autonomy and control in relation to the platform.

Introduction

Online labour platforms are associated with great potential for changing the way work is organised in society. In particular, they can facilitate a shift from accessing labour through employment towards relying on self-employment (Drahokoupil and Fabo 2016). This brings obvious risks as most institutions of worker protection, such as minimum wages and social insurance, are linked to the employment relationship. At the same time, as often emphasised by representatives of labour platforms, platform-mediated work can bring flexibility that workers may desire and which is typically assumed not to be possible to deliver in the context of standard employment. In this paper, we show that the flexibility that the platform workers want can be delivered together with the protection they value and need. However, it is likely to be resisted by platforms that seek to maximize their autonomy and control.

Food delivery represents a major growth segment as far as platform-mediated services are concerned. Workers sporting the logos of companies such as Deliveroo, Foodora or Uber Eats have become a familiar sight in many cities. This paper presents a case study of one of the largest food delivery platforms, Deliveroo, in Belgium in 2016-2018. Deliveroo is a place-based platform offering physically-delivered services. In contrast to the geographically dispersed platforms that organize provision of digitally-delivered services, working conditions in the place-based platforms are directly affected by local regulations and institutions (cf. Drahokoupil and Piasna 2018). The Deliveroo case is particularly interesting in this context as the company hired workers through an intermediary, SMart, and we observed the termination of their co-operation in the period of study. The intermediary role of SMart gave employment status, and respective protection, to workers who *de facto* worked for Deliveroo. Moreover, SMart developed a joint protocol with Deliveroo and another food delivery platform, Take Eat Easy, in 2016. The protocol was a commercial agreement that included additional measures to improve riders' working conditions and pay. Through this case study, we explore terms and conditions of work in this novel and controversial arrangement facilitated by the presence of the special labour market intermediary. We also identify the role of local regulations and institutions.

Using administrative data provided by SMart and a worker survey, we analyse work patterns, including pay, at the major food delivery platform. We investigate the characteristics of workers and their preferences as far as working conditions are concerned and their motivation for engaging in platform work. In this way, we can understand better the nature of the

flexibility entailed in this type of platform work and the actual preferences of workers for particular working arrangements.

We first discuss the strategy of Deliveroo on the Belgian labour market, including the evolution of its arrangement with SMart and the role of institutions in shaping incentives for the platform to employ workers. The second section introduces our data and methods. In the sections that follow, we present our analysis of the administrative data and worker survey: the profile of workers; work time and pay; preferences regarding flexibility; data on working conditions and work organisation; and the perspective of workers on the ending of the partnership with SMart.

Deliveroo in Belgium: The SMart arrangement

Platforms can be seen as labour market intermediaries, but there was a unique situation in Belgium in which Deliveroo used another intermediary, SMart, to organise and legalise workers' employment status. The status of SMart, or 'Société Mutuelle pour les Artistes' (now SMartBe), is controversial. It started as an 'administrator' (Bonet *et al.* 2013): an intermediary that manages the employment relationship as long as the worker-user link is active. However, its role has grown, adding multiple functions, including that of a third-party payer and employer, a worker's representative, a temporary work agency, a legal advisor, and a loan provider. Pointing to its wider role, including the provision of insurance against client bankruptcy, the offer of training and advice and the inclusion of workers in governance, some thus characterize it as a cooperative (Beuker *et al.* 2017). This is also how SMart sees itself. In any case, SMart established itself as a community-based organisation offering innovative solutions to artists and other project-based workers in organising their discontinuous careers (see Xhaufclair *et al.* 2018). It invoices contractors on behalf of its 80,000 members and, after deducting a fee and the respective taxes and contributions, pays salary to its members. It thus offers administrative, accounting, and financial services to its members, who otherwise face a complex regulatory environment, and allows them to access social security through the employment contract. The model, albeit controversial, has been firmly established in Belgium. It has been criticised, among other things, for enabling precarious work models and undermining the centrality of employment (see Demoustier 2009; Valenduc 2017).

Deliveroo, a British online food delivery company founded in 2013, entered the Belgium market in September 2015. It introduced a guaranteed hourly pay structure that it also used in its home market in the UK at the time. The hourly rate was €10 for students and €11 for other workers and with a bonus per delivery (€1.50 for students who made three deliveries per hour and €2 for all deliveries by other workers).¹ Its main competitor in the Belgian market, local start-up Take Eat Easy, paid on a per-delivery basis (€7.50 plus bonuses, i.e. €8.10 per delivery on average).² Take Eat Easy also introduced a minimum wage after Deliveroo's launch in Belgium.

-
1. See: <http://www.fondspourlejournalisme.be/telechargements/UberizeMe5.pdf>. The hourly rate in London was £7 with a £1 bonus per delivery (<https://www.theguardian.com/business/2016/aug/15/deliveroo-boss-says-sorry-for-paydispute>; <https://deliveroo.co.uk/blog/uncategorised/note-rider-payment-model-triallinglondon/>).
 2. <http://www.fondspourlejournalisme.be/telechargements/UberizeMe5.pdf>

Riders who did not wish to work under the rules and regulations applying to those with self-employed worker status relied on the intermediary SMart to bill their services. SMart would then employ them, charging a 6.5% fee for the service. This was particularly attractive for workers with student status who, if employed, could work for 475 hours per year while paying only a ‘solidarity’ social insurance contribution of 2.71% and no tax. Most students thus opted to work through SMart.³ In March 2016, SMart had 424 riders on their books.⁴ According to SMart, many of its riders had to report their earnings over several days to be able to declare a single day’s work and reach the legal minimum wage.⁵ This applied in particular to those working in the original Take Eat Easy system that operated purely on a per-delivery basis. However, it was reported that the minimum rates paid by Deliveroo did not allow the payment of a net wage at or above the statutory minimum.⁶

In this context, SMart negotiated with Deliveroo and Take Eat Easy a joint agreement that standardised pay structures and introduced some worker protection in these major food delivery platforms. SMart management presented its protocol as an alternative to precarity in the platform economy with the hope that it could thereby establish a more general standard.⁷ As of May 2016, Deliveroo workers could work on a self-employed basis and invoice the platform directly,⁸ or become employed by SMart.⁹ SMart employees covered by the joint protocol were guaranteed the minimum wage of €9.31 net per hour (€9.49 as of June 2017). They also received a performance bonus (e.g. for three or more deliveries per hour) and tips. The use of mobile phone was partially reimbursed as a tax-free expense (€0.12/hour). Those working through SMart were also guaranteed minimum three-hour shifts, which were paid fully even if a technical problem prevented the worker from finishing the shift. SMart employees also received safety training and were covered by work-related accident insurance and third-party liability insurance, financed from the 6.5% fee invoiced to the platforms. Moreover, SMart administered a salary fund that provided insurance against the bankruptcy of the client or late payment.

After the SMart protocol was implemented, the media reported complaints from Deliveroo riders who attributed falls in their pay to the new system, citing at the same time various inefficiencies such as mistakes in the number of hours

3. <http://www.fondspourlejournisme.be/telechargements/UberizeMe5.pdf>

4. <http://plus.lesoir.be/archive/d-20160509-G7M4P5>

5. <http://plus.lesoir.be/archive/d-20160509-G7M4P5>

6. To earn the net minimum wage of €9.31 per hour, a standard worker needed to earn €14.43 (€15.37 to cover also the fee to SMart); a worker with student status needed to earn €10.15 (€10.8 with the SMart fee).

7. <http://plus.lesoir.be/archive/d-20160509-G7M4P5>

8. Self-employed workers were paid €11 per hour, plus €2 per delivery, and a €25 bonus for every 25 deliveries, and €1.50 for three deliveries within an hour.

9. The Belgian legislation allows for a ‘triangular’ employment contract involving a worker, a legal employer (SMart, in this case), and an effective employer (Deliveroo). A national collective agreement then regulates how the employer responsibilities are divided between the contractual and effective employers (email correspondence with Gérard Valenduc, 28 November 2018).

recorded and bonuses paid.¹⁰ The problems were resolved once Deliveroo started sharing information about work time and pay with SMart directly. Deliveroo continued to advertise pay rates of €10 per hour plus tips on its website, but SMart reported in July 2016 that the average hourly rate of its riders was less than €10 per hour.¹¹ In July 2016, Take Eat Easy went bankrupt, leaving hundreds of riders unpaid. SMart disbursed €340,000 from its salary fund to pay its riders, thus gaining considerable legitimacy for its model. Riders who were members of SMart were the only ones to receive their final pay.

In any case, the number of riders registered with SMart grew rapidly as Deliveroo continued its expansion. SMart reported 3,828 member-riders in October 2017, with about 1,000 being active in the month (over a 15-day period).¹² Deliveroo management reported to SMart that 90% of Deliveroo riders worked through SMart.¹³

In October 2017, Deliveroo announced that it had decided to terminate its partnership with SMart, changing its remuneration system and the algorithms under which it allocated work (see Kilhoffer and Lenaerts 2017). The transition towards a self-employment model started on 25 October 2017 and lasted until January 2018. Those involved were to work directly for Deliveroo as self-employed riders and were paid on a per-delivery basis. Students were to receive €5 per delivery and other workers €7.25. Deliveroo claimed that, at the average rate of 2.2 deliveries per hour, a student would earn €11 per hour while a non-student worker would earn €16. Riders were to maintain their own liability insurance while the company said it was exploring options to offer accident insurance. Deliveroo claimed that the change would benefit riders by providing them with greater flexibility.

Deliveroo had started exploring a per-delivery pay system in 2016, when such a scheme was announced in the UK for the first time.¹⁴ In Belgium, the shift to self-employment coincided with the extension of tax relief for platform workers. In 2016, the so-called *Loi De Croo*¹⁵ introduced special tax relief for income from activities carried out on officially-approved platforms. Accordingly, earnings of up to €5,000 annually (indexed) were taxed at only 10% instead of the minimum rate of 33% that would otherwise apply (see Lenaerts *et al.* 2017). In addition, a separate legislation that allowed students

10. <https://www.lecho.be/actualite/archive/C-est-du-courage-qu-il-te-faut-pour-travailler-chez-Deliveroo/9800354>;
<https://www.lecho.be/entreprises/horeca/les-coursiers-denoncent-les-salaires-de-deliveroo/9800110.html>

11. <https://www.lecho.be/entreprises/horeca/les-coursiers-denoncent-les-salaires-de-deliveroo/9800110.html>

12. <https://smartbe.be/wp-content/uploads/2014/01/251017-Deliveroo.pdf>

13. Interview with SMart management by the authors, 2017.

14. It intended to pay £3.75 per delivery and to do away with scheduled shifts. The plan was abandoned after worker demonstrations and negative publicity.
<https://www.theguardian.com/business/2016/aug/15/deliveroo-boss-says-sorry-for-pay-dispute>

15. The law was named after Alexander De Croo, a liberal minister (Open Flemish Liberals and Democrats). Belgian trade unions opposed the legislation.

to work as self-employed came into force in 2017. Platform workers using the *De Croo* framework were self-employed and without access to social protection. Uber Eats, a Deliveroo competitor that entered the Belgian market in October 2016, chose to rely on the *De Croo* framework in contracting its riders. As of January 2018, the income limit was increased to €6,000 annually (maximum €500 per month) and the tax rate was cut to 0%.¹⁶

The expanded *De Croo* framework thus offered tax relief that, from Deliveroo's perspective, could be seen to be as attractive as relying on student status. At the same time, the *De Croo* tax relief applied to any worker, not just students. What is more, the *De Croo* framework gave Deliveroo the flexibility to change the pay system and working conditions without having to negotiate conditions with SMart and without dealing with the other constraints involved in employing people. Ultimately, in terminating its co-operation with SMart and relying on self-employed workers, Deliveroo was able to avoid the prospect of being covered by a collective agreement. As reported by the Managing Director of SMart, the unions BTB (ABVV), HORVAL (ABVV) and CNE (ACV) were close to reaching a collective agreement with Deliveroo at the time when the platform decided to terminate its co-operation with SMart.¹⁷

The shift to self-employment had apparent benefits for Deliveroo, but it caused resentment among the riders. In January 2018, a group claiming to represent 200 riders organised a strike against the obligation to move to self-employed status.¹⁸ The action was supported by both major trade union federations, the CSC and FGTB. The platform responded with an offer to engage to negotiate a framework for riders together with trade unions.¹⁹ However, these developments did not stop Deliveroo from transition out of the SMart model.

¹⁶. <http://plus.lesoir.be/120947/article/2017-10-24/le-gouvernement-federal-bichonne-leconomie-collaborative>

¹⁷. <https://smartbe.be/wp-content/uploads/2014/01/251017-Deliveroo.pdf>

¹⁸. <https://plus.lesoir.be/135248/article/2018-01-20/les-coursiers-deliveroo-en-greve-soit-les-restaurants-sallient-soit-nous-mettons>

¹⁹. <https://plus.lesoir.be/135030/article/2018-01-19/deliveroo-la-direction-veut-renforcer-le-dialogue-avec-ses-coursiers>

Data

In order better to understand the working conditions of Deliveroo workers under the arrangement with SMart, we used two primary sources of data. First, SMart allowed us to analyse its administrative data on riders that were active from September 2016 to August 2017. Second, we have administered, in co-operation with SMart, a survey of its riders in December 2017 and January 2018.

The administrative data contained information on two-week contract periods that the riders would sign with SMart. There were 22,698 contracts in the dataset. Any work for Deliveroo in that period would be recorded in the two-week records that constituted the contract between the worker and SMart. The latter would also prepare its invoice to Deliveroo based on these data. Each entry included the unique ID of the worker as well as their gender, date of birth, student status, number of hours and days worked in the two-week period, gross remuneration and the tax-free compensation for the use of their mobile phone during the period. Deliveroo was active in eight Belgian cities, but SMart did not have data on where the riders actually worked.

For the purposes of the analyses, we added together working hours and compensation in every calendar month worked by each rider, even if they worked in only one of the two two-week periods. As units of analysis, we use these notional monthly contracts (i.e. contracts as observations, $N = 14,465$) and the data on average working time and compensation for individual workers in the combined period (i.e. riders as observations, $N = 3,279$). The figures for riders as observations thus show, for instance, the share of women among all those riders that signed a contract in the analysed period and not a gender breakdown of all individual contracts (or notional monthly contracts).²⁰

We also administered a survey of Deliveroo riders who worked through SMart. We used an online survey platform that also offered a version of the questionnaire tailored for mobile phones. Respondents could choose from three language versions: English, French and Dutch. In December 2017, SMart sent an email invitation to those riders active between September 2016 and August 2017. We then sent two reminders, later in December and then in January 2018, to those who did not respond. Eventually, we obtained responses from 544 riders.

20. The gender breakdown of two-week contracts happens to be similar to that of the number of riders (10.5% female, 89.5% male).

In order to ensure that the survey sample accurately reflected the socio-demographic structure of the population of riders, we compared it with information from the administrative register (Table 1). Students were slightly over-represented among those who responded to the survey (85.5% compared to 82.9% in the administrative data). Gender composition differed by two percentage points, with slightly more women completing the survey than were recorded in the administrative data. Survey respondents were also somewhat older, by two years on average compared to the administrative data. Overall, the sample of riders that responded to the survey is reasonably similar to the administrative data records in terms of basic socio-economic characteristics. Therefore, no further adjustments were made between the sample and the population distributions as regards the variables that were available in both sources of data.

Table 1 **Comparison of main characteristics of riders based on administrative data and survey data**

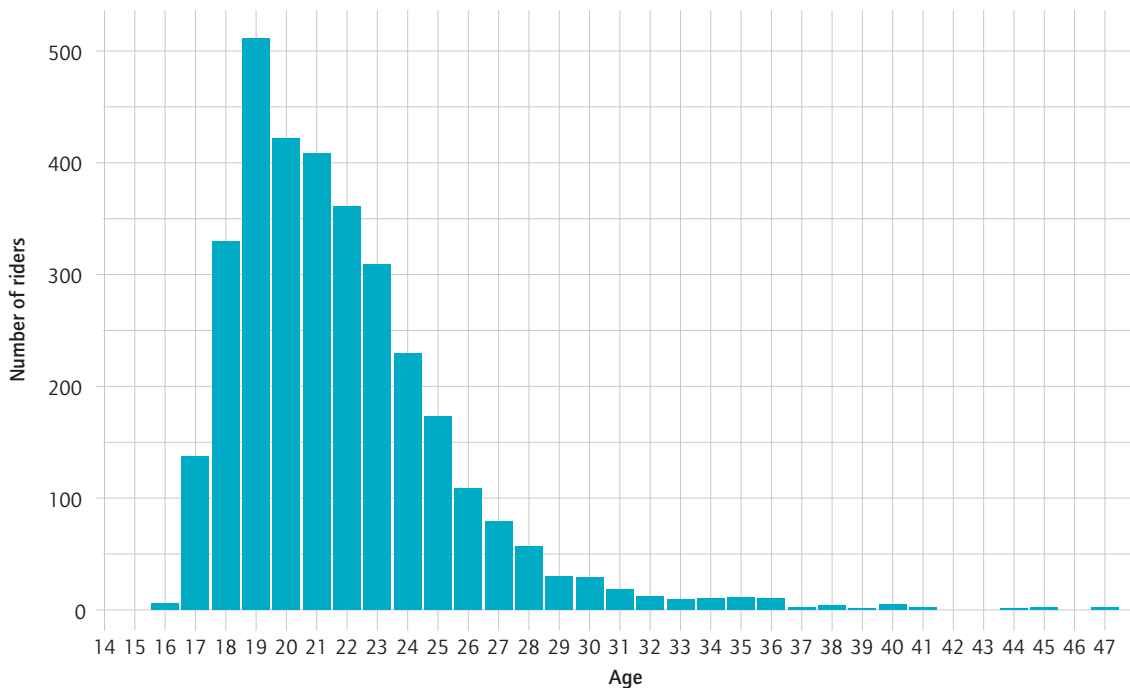
	Administrative data	Survey
Women	11.4%	13.2%
Age (mean)	21	23
Students	82.9%	85.5%

Sources: Administrative data provided by SMart; Survey of Deliveroo workers by ETUI and Smart

Deliveroo riders

The Deliveroo riders were predominantly male (88.6%) with only 11.4% being women. This gender imbalance is similar to the generally low share of women in transport-related activities in Belgium; for instance, women constitute only 15.4% of workers in land transport and 26.5% of those in postal and courier activities (Eurostat 2017). The average age was 21; the most frequent age was 19; 53% were aged between 20 and 24 (see Figure 1). Only 3% were older than 30. The average age of students was 21 years while that of salaried riders was 24 years.²¹

Figure 1 Histogram of age



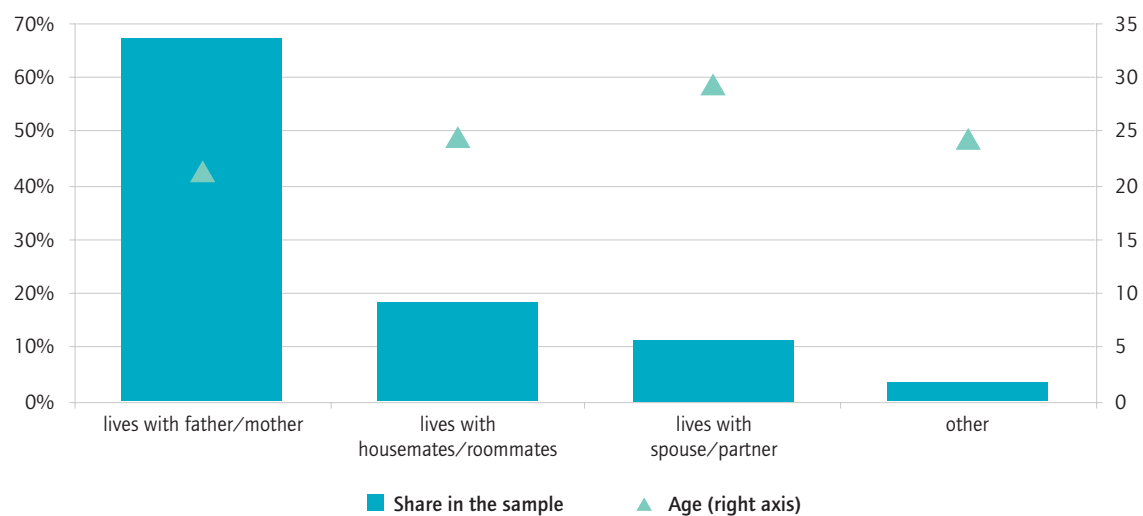
Source: Administrative data provided by SMart

21. As discussed above, students are riders who worked under the student tax status. Every student who is employed in Belgium is entitled to a quota of 475 hours with a solidarity contribution irrespective of his or her nationality.

Deliveroo relied predominately on the student workforce, with students constituting 82.9% of riders according to SMart administrative records. Deliveroo, who had full control of hiring and shift allocation, had a strong incentive to provide work to students. The platform had to reimburse the employer social insurance costs that SMart paid to the authorities. These were substantially lower for students: the overhead charge for a student worker was thus only 9% of gross income in contrast to 55% for a salaried worker.²²

Among the riders who took part in the survey, the majority still lived with their parent or parents (67%). This group was the youngest, on average aged 21 (Figure 2). Almost one in five (18%) had moved out of the parental home and lived with housemates or roommates, with an average age of 24. A small group of riders (11%) were at the couple-formation life stage, i.e. were living with their partner or spouse; some of them also had their own children. This group was on average 29 years old.

Figure 2 Riders by life stage

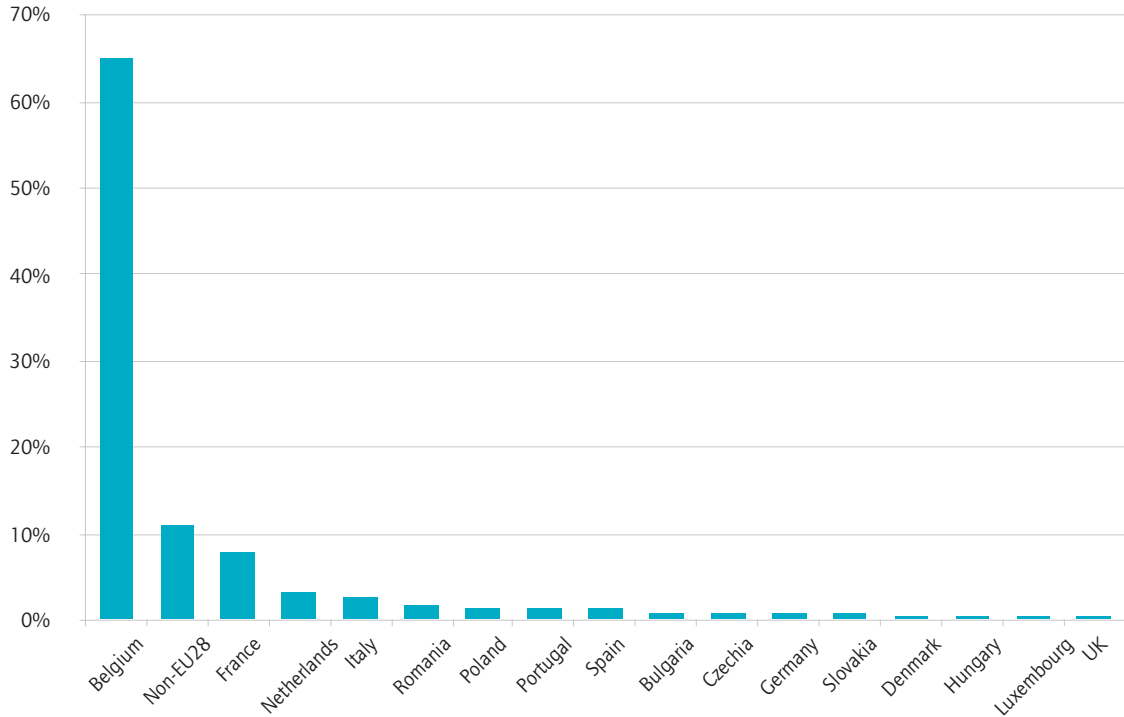


Source: Survey of Deliveroo workers by ETUI and SMart

According to responses to the survey, the vast majority of riders were born in Belgium (65%), followed by France (8%) and the Netherlands (3.3%), while 11% were born outside of the EU28 (Figure 3).

22. The solidarity contribution was 2.71% for the student and 5.42% for the employer. For salaried workers, the employer's social security contribution amounted to 30%, while the employee's social security amounted to 13.07 per cent, both uncapped.

Figure 3 Country of birth



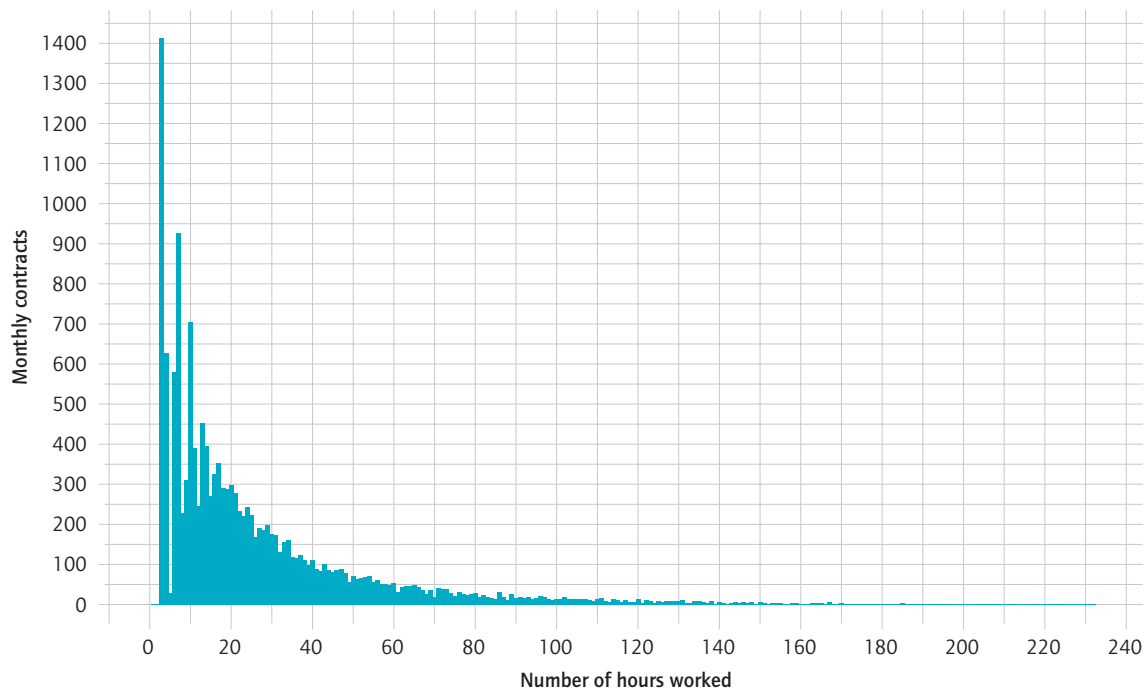
Source: Survey of Deliveroo workers by ETUI and SMart

The survey showed that most riders worked for Deliveroo for a relatively short period. Half the respondents had been working for Deliveroo for seven months or less. Students rode for Deliveroo for a shorter period on average (8.3 months) than non-students (12.4 months). This confirms the high turnover also reported by SMart, with only a couple of respondents continuing to work for Deliveroo since it entered the Belgian market in the autumn of 2015.

Low hours and low income

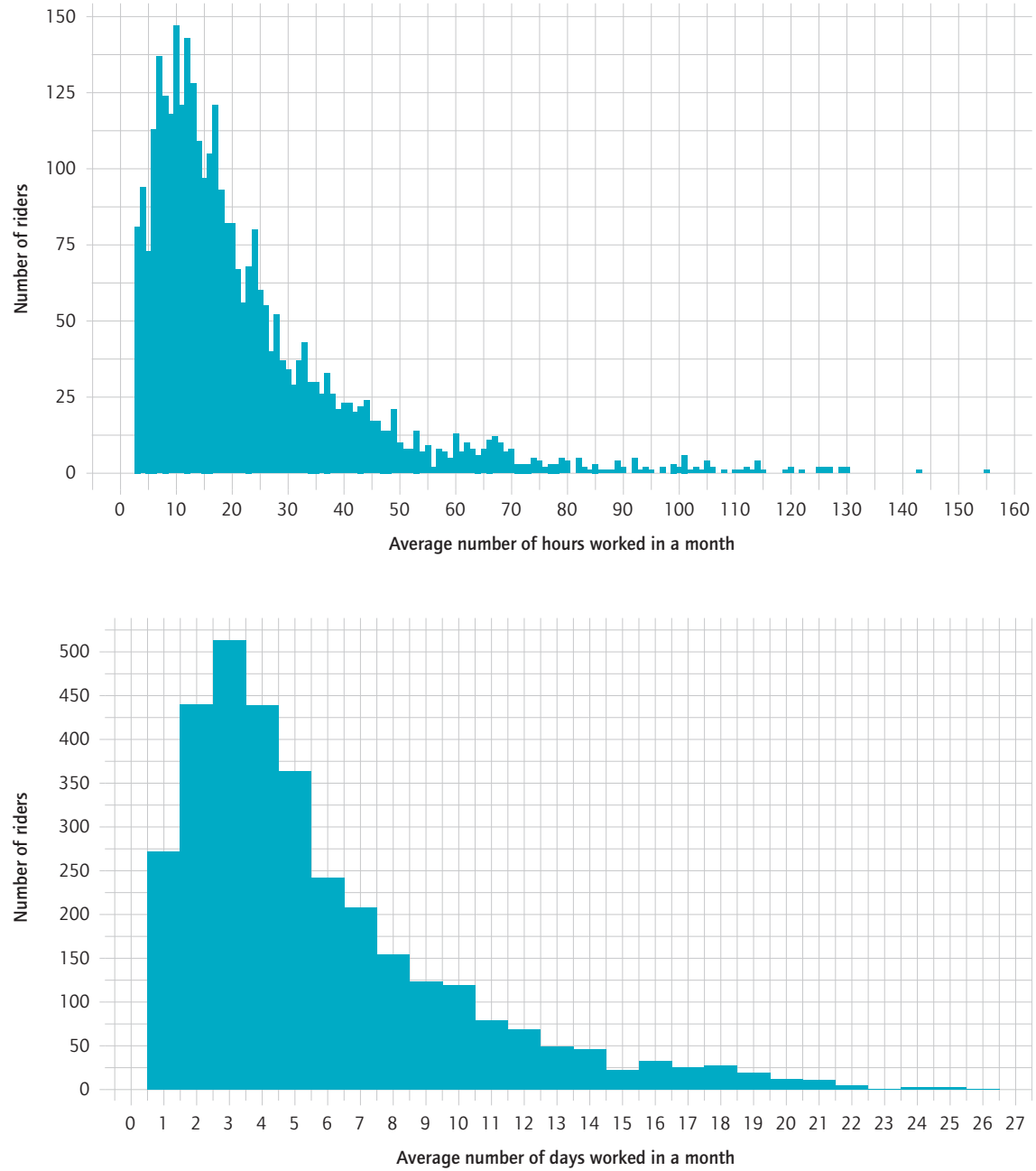
SMart records indicate very short monthly hours of work. On average, riders worked only 23 hours in a month, with a median of 17 hours. The median is about one-tenth of what a full-time job would be in Belgium (i.e. about 160 hours). The long tail of the distribution, displayed in Figure 5, shows there is a small group that put in relatively long hours. No-one reached 160 hours on average over the year (the maximum was 155 hours). Only 54 monthly contracts out of 14,465 recorded 160 or more hours (see Figure 4). As shown in Figure 6, the small group of heavy riders who worked more frequently also worked longer hours. Salaried riders were over-represented in this group: the average number of hours for salaried riders was 35 hours per month while it was only 21 hours for students.

Figure 4 Histogram of work hours



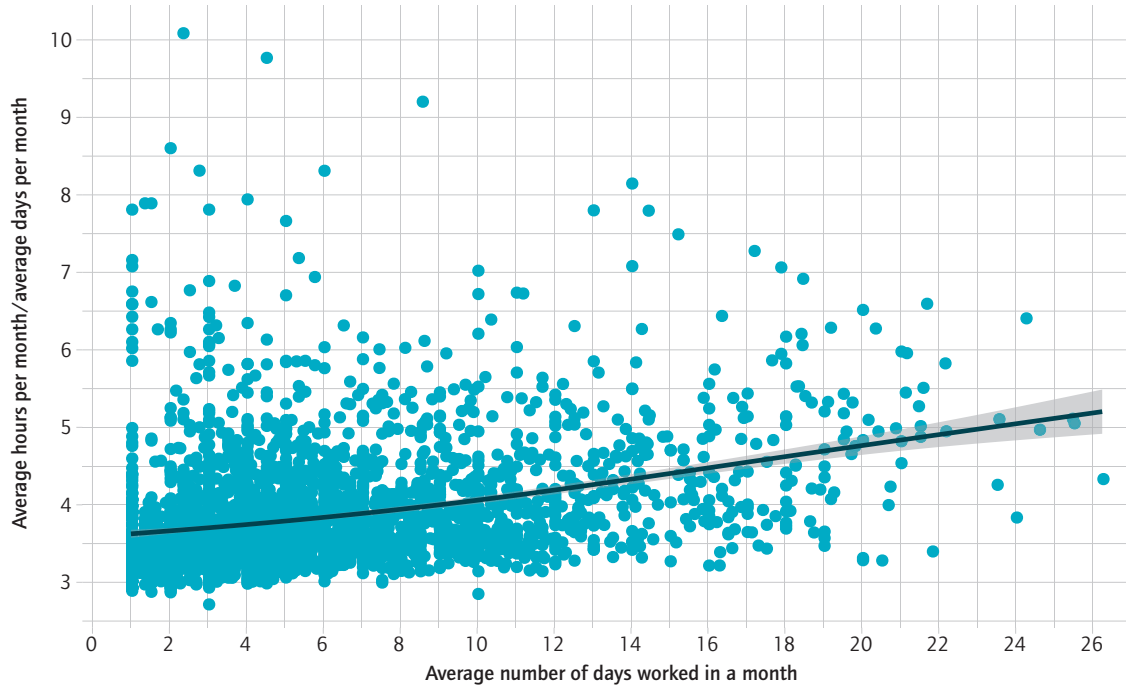
Source: Administrative data provided by SMart

Figure 5 Histograms of monthly hours and days of work



Source: Administrative data provided by SMart

Figure 6 Average days worked in a month and average hours worked per day



Source: Administrative data provided by SMart

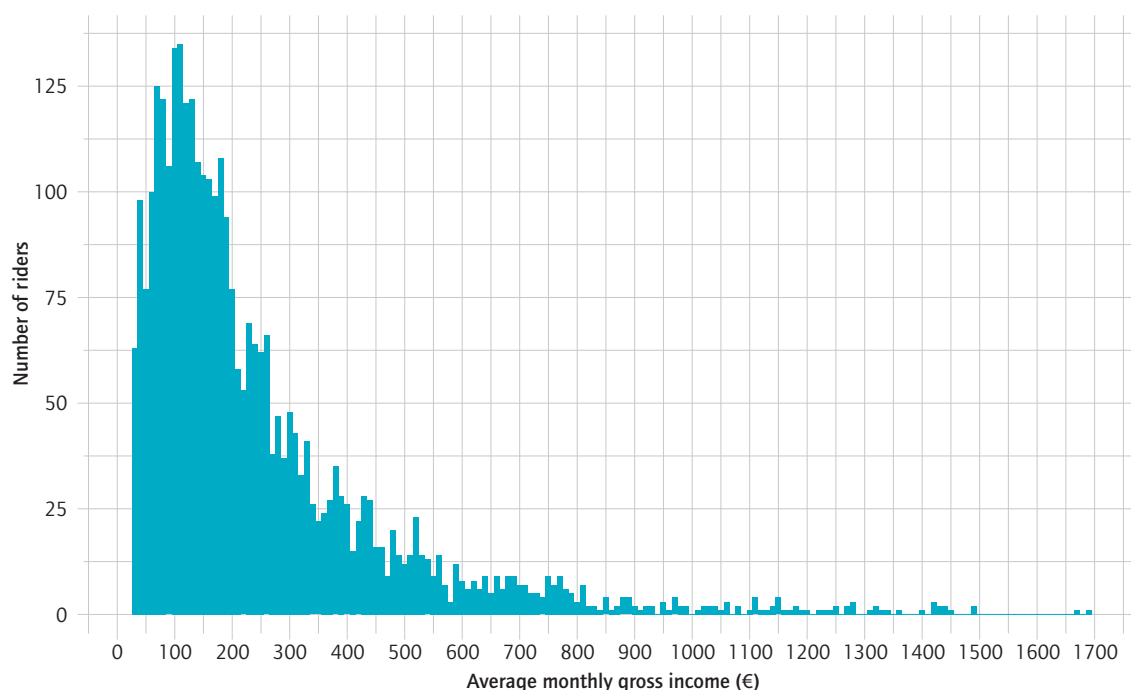
According to the SMart arrangement, workers were remunerated on the basis of a minimum three-hour shift. Longer waiting times between deliveries would affect only potential bonuses and would thus not have a substantial impact on income. In any case, short working hours translated into relatively low monthly incomes. Average gross monthly earnings are shown in Figure 7. Average gross income was €249 with a median of €177. Observing the contracts shows somewhat higher values: a mean of €290 and a median of €181. However, as discussed earlier, students would only pay a 2.71% ‘solidarity’ contribution and no tax. Riders received also a tax-free compensation for mobile phone use of €0.12 per hour on top of their gross income (that is €2 for the median 17-hour work month).

Women earned, on average, less than men: €179 compared to €258 per month, respectively. They worked shorter hours and so their earnings were proportionately lower. Salaried workers earned more than students: respectively, €384 and €221. This also reflected the longer hours put in by salaried workers (35 compared to 21 hours). The average gross hourly wage was similar: €11 for salaried and €10.70 for students. However, the student tax advantage made this type of work more attractive financially for students.

The breakdown of earnings by household composition obtained from the survey shows that those workers who led independent lives tended to earn more, but such workers also reported very low incomes. Those living with their parents worked less hours for Deliveroo and had the lowest incomes, averaging

€261 per month (see Figure 8). Riders living with roommates or housemates earned more, on average €401 per month, while those living with their partner or spouse (some of them also with their own children) were the group with the highest earnings, averaging €720 per month.

Figure 7 Histogram of average monthly gross income

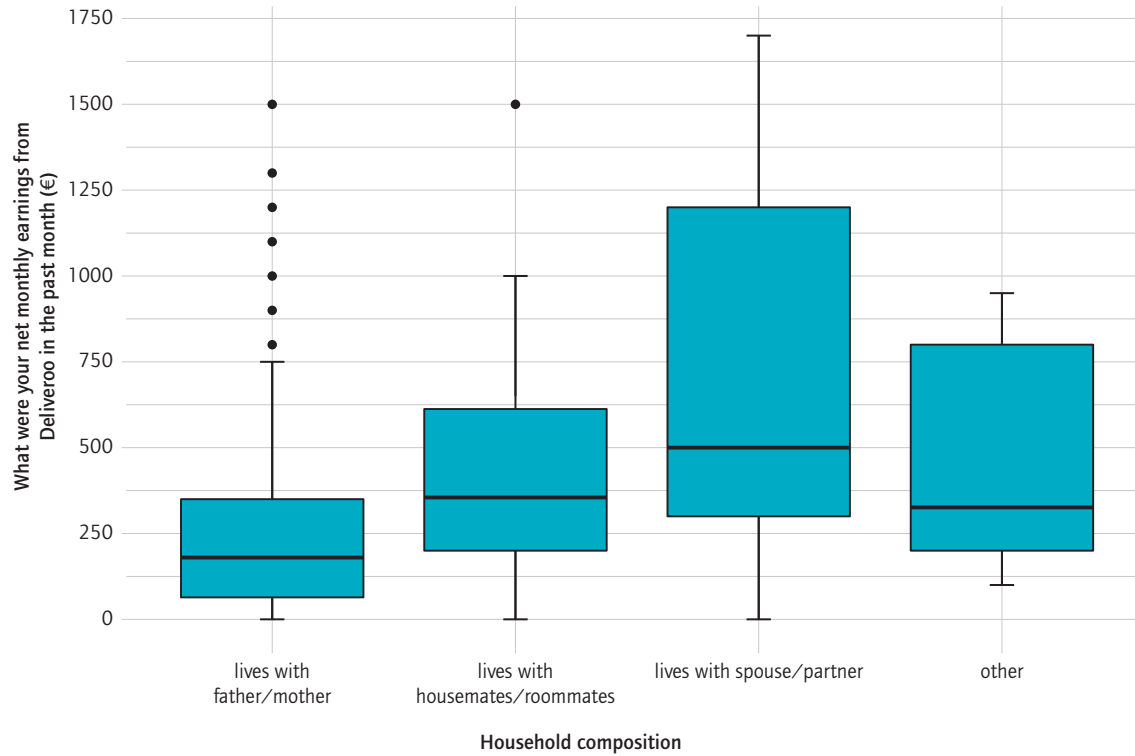


Source: Administrative data provided by SMart

Despite low monthly net earnings, for the majority of riders, work for Deliveroo represented the main source of their overall income (see Figure 9). The relevant question in the survey actually asked about any income, not just from paid employment, and including therefore amongst others scholarships, support from family and income from property or capital. Income from Deliveroo represented at least three-quarters of total income for 56% of riders in the past month and for nearly 60% of riders in the period since they started working for the platform.

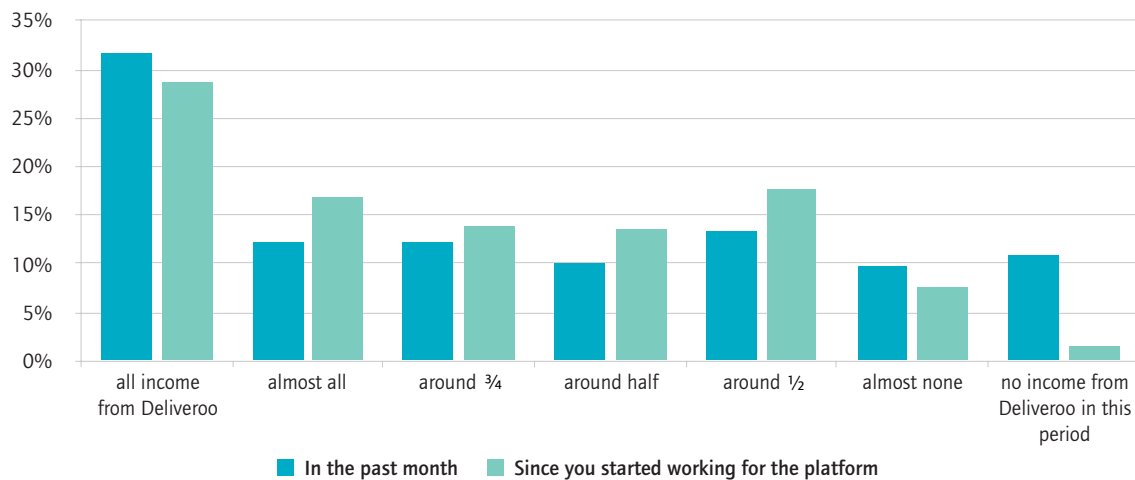
Low levels of income put limits on the financial independence of riders. Their financial security cannot come from work for Deliveroo alone and is very much dependent on the support they receive from others and their other life circumstances. Those riders who declared that they received financial support from others reported in the survey a net average wage of €277 per month, while those who supported others earned a net average of €557 per month. In both cases, these are very modest income levels.

Figure 8 Household composition matters for income and work patterns



Notes: A horizontal line inside the box shows the median for each group, while the box limits are the lower and upper quartiles (i.e. the box shows the middle 50% of the income distribution for each group).
Source: Survey of Deliveroo workers by ETUI and SMart

Figure 9 A high degree of dependence on income from Deliveroo



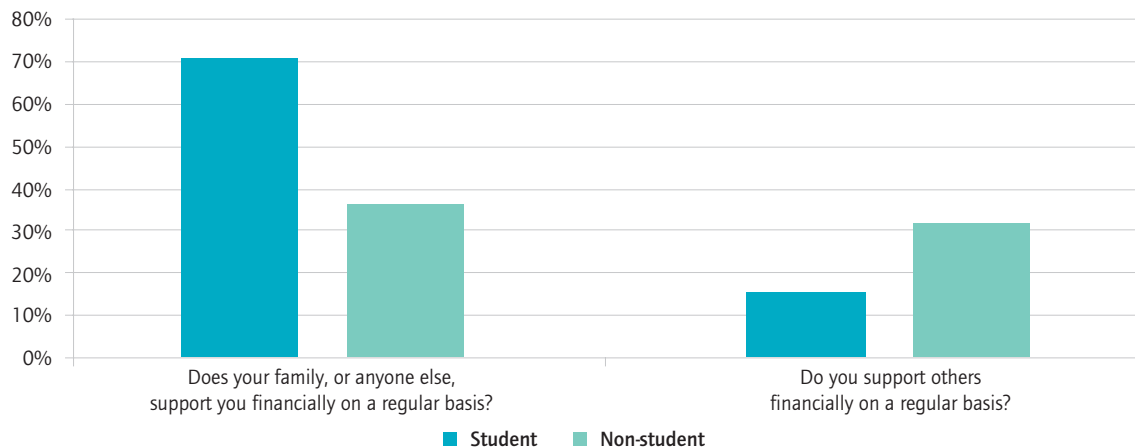
Source: Survey of Deliveroo workers by ETUI and SMart

The financial situation of Deliveroo workers was thus rather precarious. One-third of surveyed riders would find it very difficult to cover an unexpected expense of €300 and another one-quarter of riders would only be able to cover it with help from family or others. Only 26% said they could cover such an expense themselves without difficulty.

In general, students were less financially independent than salaried riders. Almost 71% of students received financial support from their family or others on a regular basis while only 15% supported others on a regular basis. Among salaried workers, 36% received financial support while 32% provided support to others.

Students born in Belgium and living with their parents were in a more secure position compared to foreign-born students or those who had moved out from the family home. Those born in Belgium received financial support from others the most often (72.8%), which could be expected based on their relative proximity to their family of origin. Only one in six supported others financially. Riders born in other EU countries were also likely to receive financial support (59.7%), but only one in ten provided support to others. Among riders from outside the EU, only one in three received support while 40% declared that they supported others financially.

Figure 10 Financial independence

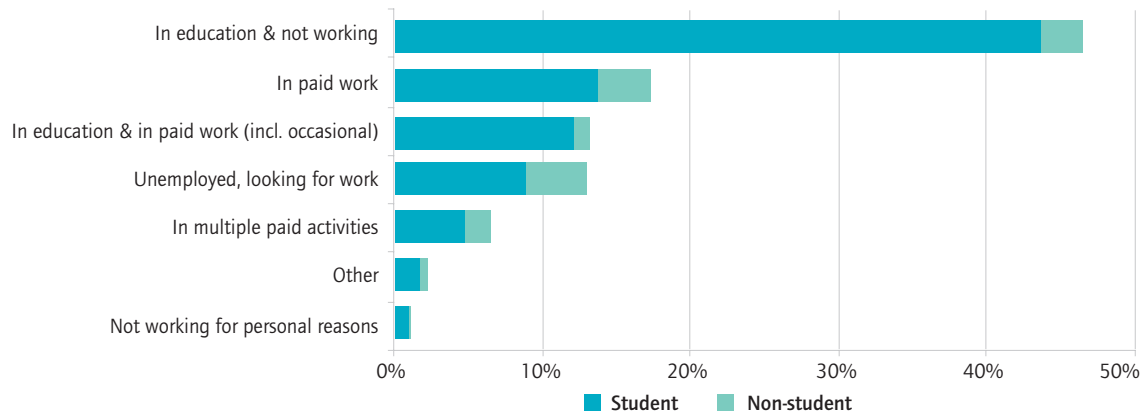


Source: Survey of Deliveroo workers by ETUI and SMart

Fragmented working lives, insufficient work

Some observers point out that platforms play a positive role in the labour market in that they offer an easy first step into paid employment for excluded or marginalised groups, a stepping stone into more stable jobs, and that they facilitate integration in the labour market. We are unable to observe that this type of platform work has a labour market integration function. Rather, it is an income generating activity undertaken during the years of formal education and which is both marginal and of relatively short duration. Most of the riders were in formal education before they started delivery work for the platform and they continued to combine work with their studies, or otherwise already had one or more paid activity (Figure 11). Only 13% reported that they were unemployed and looking for jobs immediately prior to starting work for Deliveroo, while 1.2% were not working for personal reasons. But, within this group, 2 out of 3 were students at the time of the survey.

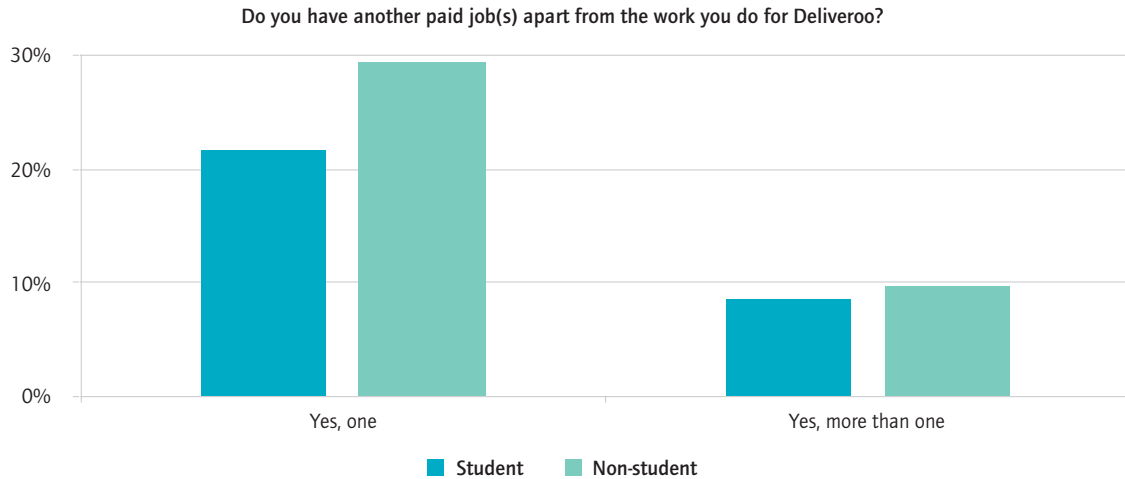
Figure 11 Employment status of respondents before they commenced working for Deliveroo



Source: Survey of Deliveroo workers by ETUI and SMart

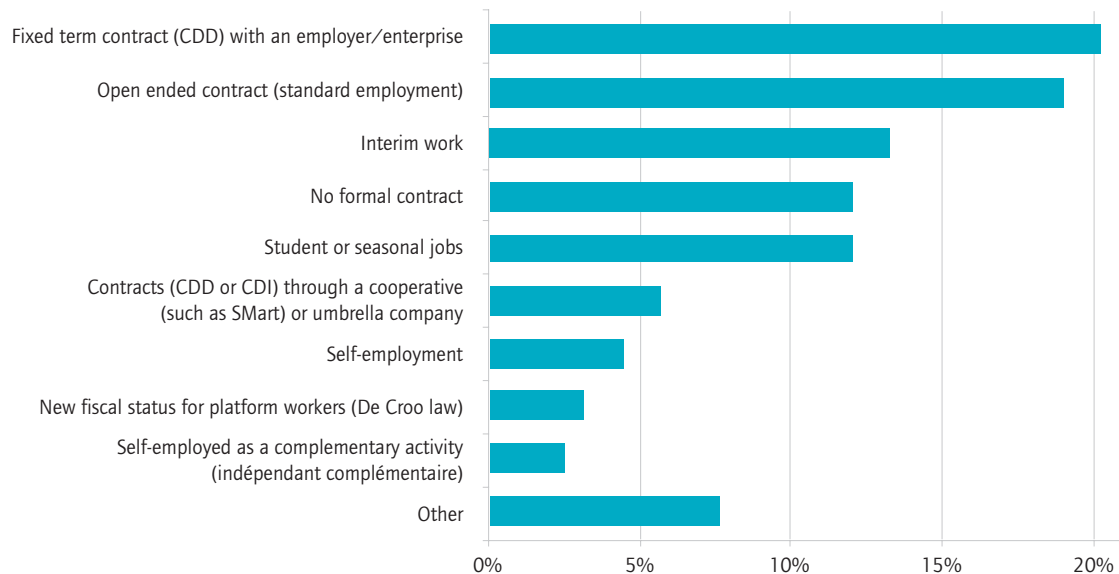
Working for Deliveroo represented the main source of income for most riders, but it was just one of multiple jobs for a large part of Deliveroo workers. As shown in Figure 12, every third rider declared that they had another job, or jobs, apart from Deliveroo. Around 10% had more than one additional job. Multiple job holding was more prevalent among salaried workers.

Figure 12 Multiple employment



Source: Survey of Deliveroo workers by ETUI and SMart

Figure 13 Forms of work in additional job(s)



Source: Survey of Deliveroo workers by ETUI and SMart

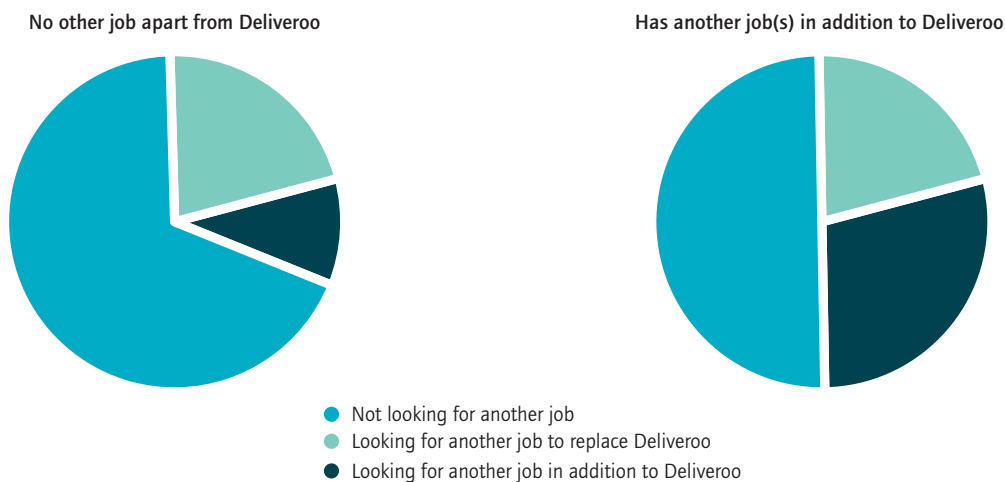
Deliveroo workers often had other jobs, but these were predominantly other forms of non-standard or informal work (see Figure 13), thus rarely offering any stability or security of income. Fixed-term contracts of various types were reported by 51.3% of riders, self-employment by 7%, while 12% worked without any formal contract. The category 'other' includes activities such as paid volunteering, internships or artists who did not classify themselves as self-employed. Still, a substantial minority (19%) had a standard employment contract in addition to the work they did for Deliveroo.

Other online platforms could be found among the additional jobs mentioned by the riders: 6.7% had performed work for another platform in the past month while an additional 5.2% reported doing such work during the past year and 6.9% more than one year ago. Work through other online platforms was much more common among non-students, with nearly half (48.3%) having previously worked on other platforms. Among all those who had any experience working for other platforms this was, in most cases, a very similar type of activity, i.e. delivery, most commonly with Take Eat Easy and Uber Eats.

The survey highlighted the prevalence of fragmented working lives among Deliveroo workers: many relied on multiple sources of income with the one from Deliveroo not being enough to cover the cost of living. This might account for the almost one in two riders (45%) who declared that they had been looking for another paid job since they started working for Deliveroo. Many riders were looking for additional work rather than a job to replace their work for Deliveroo: 43% of those looking for another job were looking for a second or an additional job to top-up their income rather than a job to in place of Deliveroo.

Overall, platform workers with more fragmented working patterns (multiple jobs) were more likely to be searching for additional jobs, hence reproducing their fragmented situation (see Figure 14). Those looking for another job were more likely already to have more than one job: 41.4% of those looking for another job said they already had an additional job apart from Deliveroo, compared to 23.7% of those not looking for another job. A majority of those who were looking for a new job to replace Deliveroo did not have other jobs (70.3%). In contrast, the majority of those looking for a second or additional job already had more than one job (54.5%).

Figure 14 Fragmented work patterns and job search behaviour



Source: Survey of Deliveroo workers by ETUI and SMart

Fragmentation and the precariousness of their working life were also reflected in riders' expectations of the type of potential future employment they might secure for themselves. Only about one-third (32%) were looking for a permanent or long-term job; the rest would accept anything they could find (27%), or else were looking for a temporary or a short-term job (32%) or for self-employed work through another platform (9%). Those with more 'fragmented' work strategies (i.e. looking for an additional job, not in place of Deliveroo) had even lower expectations regarding their future employment: 29% would accept anything they could find while 38% were looking for a temporary position; and only 26% were looking for a permanent job.

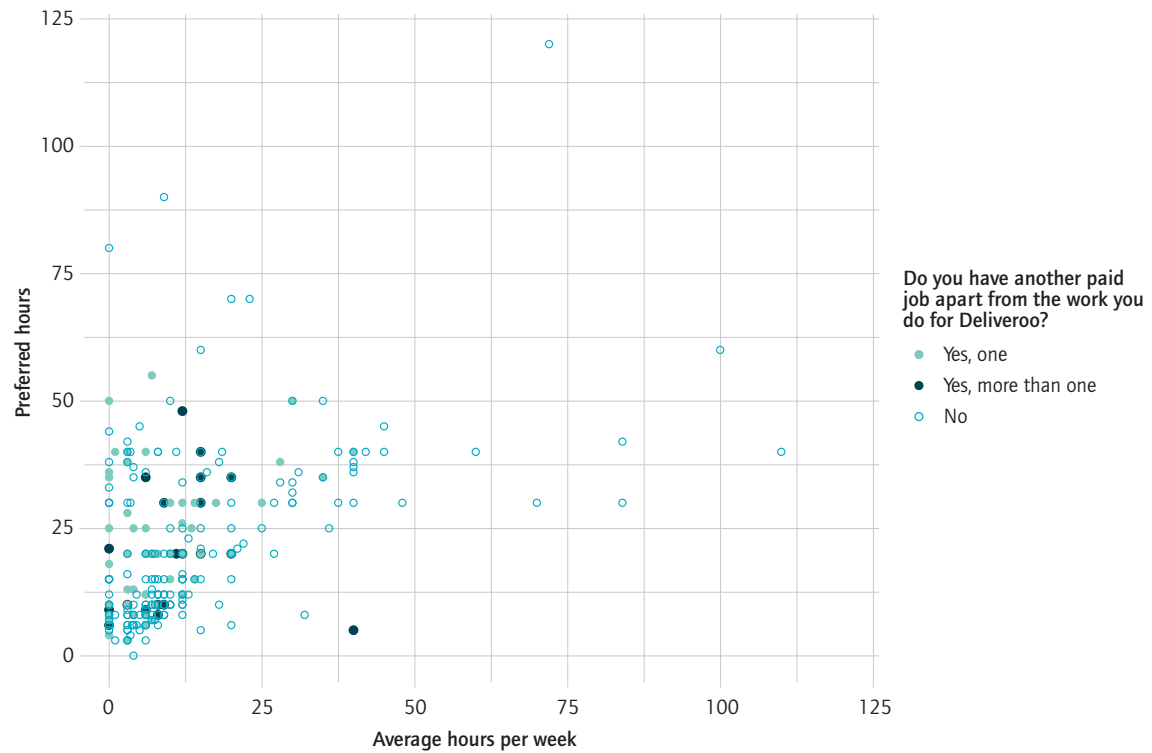
The data may suggest low expectations but also a preference for flexible employment – the students may not yet have been looking for a stable job. However, as shown in the following section, riders overwhelmingly did not choose Deliveroo because they only wanted to work for a short period of time (see Figure 16): strong evidence that they were not specifically seeking jobs that are typically short-term in nature.

Workers' expectations are also shaped by their previous experiences in the labour market which might potentially have a scarring effect. One-third of the respondents had performed another paid activity just before they started working for Deliveroo. Among this group, only 18% worked on an open-ended contract; the rest working either on various atypical and temporary contracts or without a formal contract (14%).

The fragmentation of working life is, in part, linked to the insufficient availability of paid activity. Figure 15 compares the actual weekly hours of work for the platform (in November 2017) with the number of hours that riders would prefer to work, in total in all paid activities, considering their need to earn a living. Deliveroo workers generally preferred to work more hours than they did for the platform, on average almost 9 hours longer per week. Only a small group (12.5%) would prefer to work fewer hours.

All riders, including those who did not have another paid job apart from Deliveroo, generally expressed a preference to work more hours than they did for Deliveroo. Interestingly, a person having another job in addition to Deliveroo did not have a lesser preference to work (even) longer hours. On the contrary, riders who had one additional job would prefer to work 13.5 hours longer each week, and those juggling more than one additional paid activity nearly 10 hours more; while among those for whom Deliveroo was the only source of income, the mismatch was less than 8 hours per week.

Figure 15 Insufficient availability of work

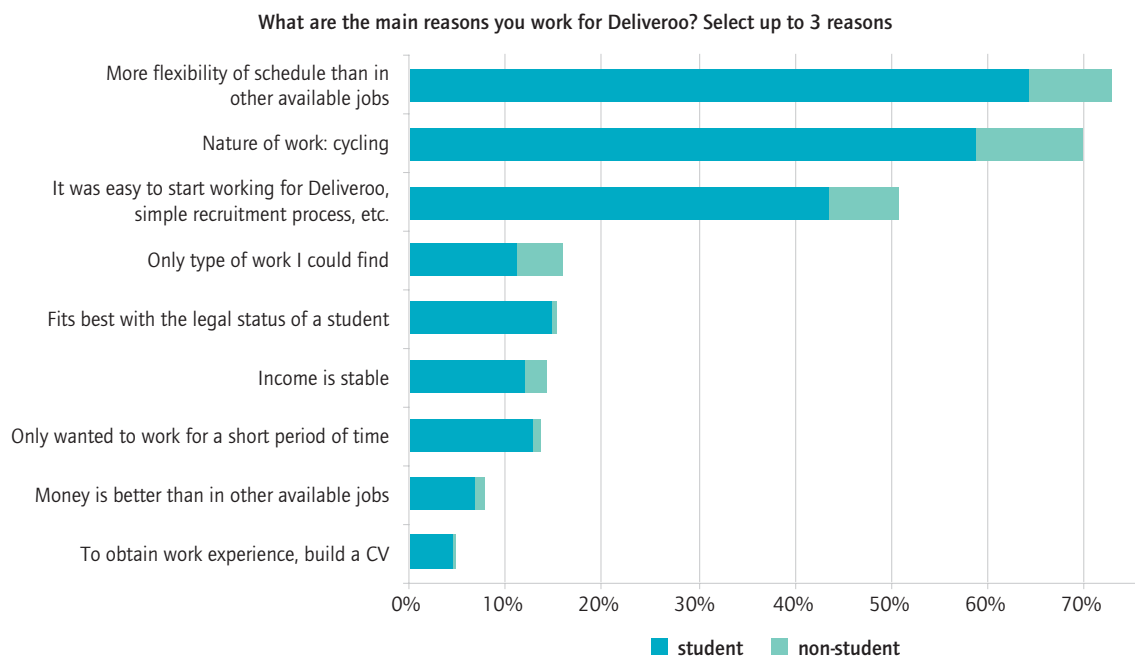


Note: Preferred hours: "How many hours per week, on average, did you work for Deliveroo in November 2017?" Average hours: "If you could make a free choice regarding your working time and taking into account the need to earn a living: How many hours per week would you prefer to work in total in all paid activities?"
Source: Survey of Deliveroo workers by ETUI and SMart

Flexibility for whom?

Deliveroo justified its abandonment of the shift system in terms of offering greater flexibility to riders through a per-delivery remuneration system. Figure 16 shows that flexibility was indeed the motivation to work for Deliveroo which riders selected most frequently in response to our multiple response question. ‘More flexibility of schedule than in other available jobs’ was selected by 73% of riders followed by ‘Nature of work: cycling’ (70%) and ‘It was easy to start working for Deliveroo, simple recruitment process, etc.’ (51%). The fourth most frequently indicated reason was that it was ‘The only type of work I could find’ (16%). A preference to work only for a short period of time was indicated by just 14% of riders, showing that workers do not choose to work in the gig economy for the taste of short-term engagements. Attractiveness of earnings (‘Money is better than in other available jobs’) and gaining experience in the labour market (‘To obtain work experience, build a CV’) were the reasons indicated least often, by 8% and 5% of riders respectively.

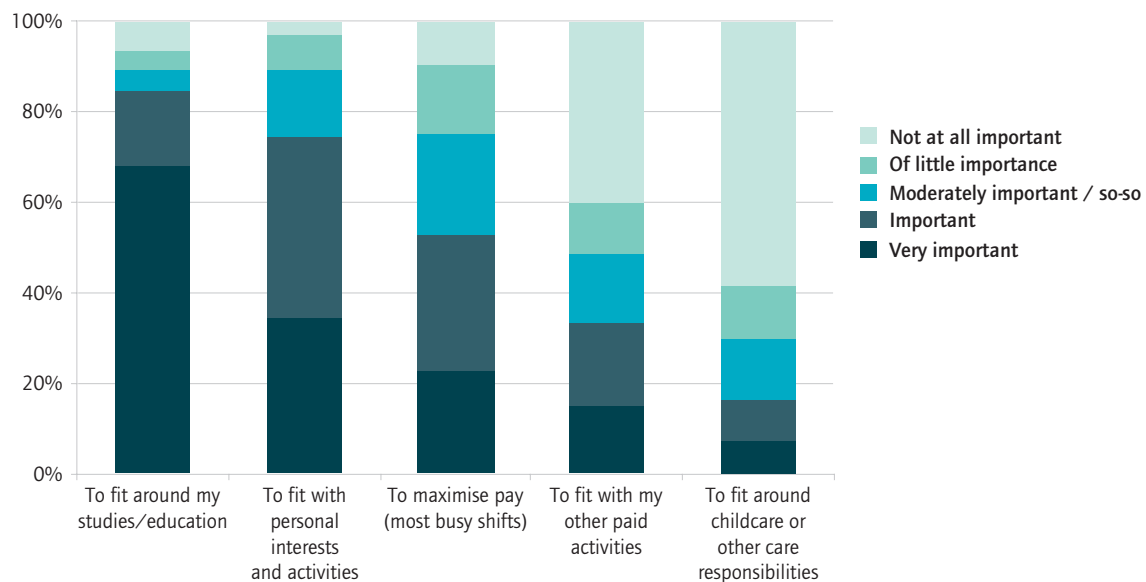
Figure 16 Motivation for working for Deliveroo



Source: Survey of Deliveroo workers by ETUI and SMart

The riders we surveyed sought flexibility in working time predominantly to fit work around their studies or education (Figure 17). For nearly 85% of riders, this was an important, or very important, factor when choosing shifts. A fit between work and personal interests was the second most important factor. More than half the riders would also take into account the busiest shifts to maximise their per-delivery bonuses or tips. Fitting work around childcare or other care obligations was important only for 16% of riders, a finding which is linked to their pre-family formation life stage.

Figure 17 Factors important for riders when choosing their shifts for Deliveroo



Source: Survey of Deliveroo workers by ETUI and SMart

Deliveroo recruited riders with the promise of flexibility balanced with good pay. ‘Flexible work, competitive fees’ was the slogan welcoming potential applicants for work on the platform’s website.²³ However, many riders found the actual flexibility offered by Deliveroo to be lacking and expressed a preference for greater control over their schedules. 45% would like to be able to work instantaneously when they could (log in and ride), 44% would like greater flexibility in taking short or long breaks from work (e.g. for holidays, study) and 40% would like greater flexibility in choosing their schedules.

Moreover, comments from respondents included grievances about a lack of flexibility in the shift system operated by Deliveroo. When questioned about their ability to sign up for the shifts they wanted, 10% reported that they could never, or rarely, access them while a further 30% was able to access their preferred shifts only on occasion. Almost one-half (46%) thought the shift

²³. <https://deliveroo.be/en/apply?utm-campaign=ridewithus&utm-medium=organic&utm-source=landingpage>

system was not transparent; one-third (32.6%) reported that the system was too rigid for riders; while for one in three (33.5%) the system was badly conceived.

Many complaints made in response to the survey's open-ended questions referred to a lack of control over the allocation of shifts:

'Sometimes one got 4 shifts a week and someone else only one, although they applied for the same amount.'
'You never knew if you could work a lot or not.'
'No way of knowing why they would put me on one shift instead of another; I could only guess.'
'Impossible to have the shifts we want, a lack of security in getting the shifts we request, schedules coming out while shifts are ongoing, etc ...'
'We have no power, those with assigned shifts [by Deliveroo] were given preference.'
'We did not get work when we wanted.'

Riders also complained about a lack of accountability in the system:

'Sometimes really hard to get shifts, sometimes not; don't know what to expect. In a way flexible, in a way totally not.'
'You never know when you'll be able to work, and why sometimes you don't have any shifts and other time[s you are] full.'
'When the shifts were handed out by the [Deliveroo] office to particular riders last year, you never knew what criteria was used as a basis.'

Another grievance was the rigidity of the system as the riders were not able to sign off the shifts allocated to them.

'It was always a problem that I couldn't take myself off a shift if something happened [at the] last minute. While there is quite a bit of flexibility in when you can choose to work, there is almost no flexibility when it comes to getting off a shift. For example, if I had chosen the wrong shift or day, I was now bound to those shifts unless I traded, which was not a guarantee.'
'With the new SSB [self-serve booking] system we do not see the number of riders present during the shifts. Moreover, allocation of the shifts now depends entirely on the algorithm, and there is even greater possibility of being replaced. Now when you sign off a shift it feeds back to the algorithm, is that greater flexibility?'

The algorithm allocating shifts was thus seen as arbitrary and unclear; the unilateral decision of the platform that workers could do nothing about and over which they could exert no influence.

The lack of flexibility involved in working for Deliveroo has also featured prominently in another qualitative investigation of working conditions in Deliveroo Belgium (Grégoire 2017). Accordingly, workers reported a high

degree of subordination and of monitoring and control through the app. As one rider reported, ‘Deliveroo disconnected me because I refused more than 20% of the orders they sent me’ (Grégoire 2017: 20).

At the same time, the shift system was not necessarily seen as a problem *per se*. Indeed, riders did not generally perceive the three-hour shifts to be too rigid: over one-half (55.6%) disagreed that three-hour shifts were too rigid (17.2% agreed with this statement); while nearly one-half (47.4%) did not see the shifts as too rigid even for Deliveroo (compared to 12.5% who agreed). A large group of riders actually expressed a preference to work regular shifts, for example the same days or time slots every week: 42% strongly agreed (while 31% strongly disagreed) that they would prefer regular shifts. Among those who stated flexibility of schedule as one of the main reasons they worked with Deliveroo, the preference for regular shifts was still noticeable but was somewhat less pronounced: 38% would like to work regular shifts while 34% would not, with the remaining 28% being undecided.

Finally, while they valued flexibility, the riders also had a strong preference for income security. Indeed, income insecurity and unpredictability was not the type of flexibility sought by riders. Riders’ comments on the shift towards a per-delivery remuneration system following the termination of the SMart arrangement show that the workers did, in fact, value income security in the form of predictable salaries – in particular, hourly remuneration and the three-hour guarantee of paid work – alongside the other forms of protection entailed in the SMart system. Many also mentioned protection for work in less busy periods, or less busy areas.

‘It is extremely unfortunate that the co-operation has been abandoned because we will no longer have a fixed salary per hour, we lose our bonuses and this system does not favour flexibility! It’s an argument that does not make sense ...’

‘It’s a shame; above all, for fixed wages and accident insurance.’

‘I think it is a shame; whilst working with SMart we had a sense of security and felt we were being defended by them. Now we are out in the open and we never know how much we’ll earn.’

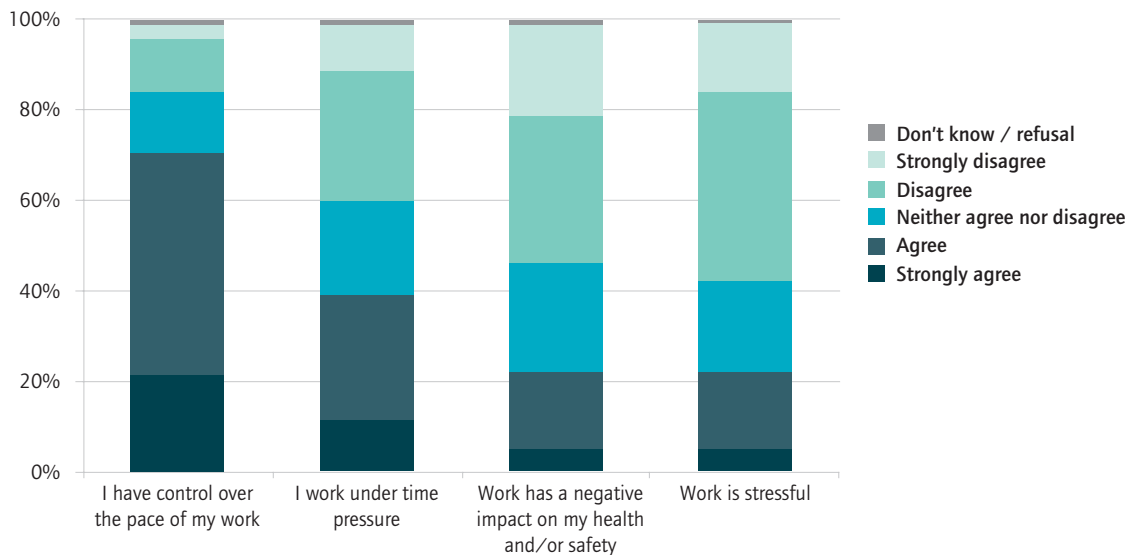
‘SMart contracts had huge benefits, the most important of which are that I did not have to work as a freelancer and I knew what I was going to earn whenever I worked.’

Flexibility thus proves too broad a concept for evaluating the desirability of the systems under which working time and pay were organised. The key question is the degree to which riders retain autonomy and control over their conditions of work and their pay. From that perspective, the abandonment of shift systems increased the level of autonomy and control exhibited by the platform – it entailed greater flexibility, but it was flexibility for Deliveroo, not the flexibility sought by the riders.

Working conditions and organisation of work

Riders' evaluation of their working conditions was quite positive, painting a picture of work with only a moderate level of strain (see Figure 18). This can be attributed to the income security offered by the SMart arrangement. The riders we interviewed felt that they had control over the pace of their work, with 21% strongly agreeing and a further 49% agreeing with this. Experiences of stress at work did not dominate: 57% disagreed, while 22% agreed that their work was stressful. Bicycle couriers are a particularly vulnerable group of road users, exposed to risks such as accidents, injuries and pollution, but the majority of Deliveroo riders did not express such concerns. Only 22% agreed that their work had a negative impact on their health and/or safety, while 52% disagreed with this statement. Nevertheless, the riders admitted that they worked under the pressure of time, with almost 40% agreeing or strongly agreeing.

Figure 18 Perceptions of working conditions



Source: Survey of Deliveroo workers by ETUI and SMart

Some also seemed to take advantage of the system by working less busy shifts or areas. With a per-hour payment system, they felt they were making good money given the effort they put into the work:

‘This was certainly handy in the morning, because you never had a lot of orders. Two in one hour was already special.’

In contrast to the generally positive evaluation of the content of their work, riders were rather critical of the way work was organised and managed by the platform (Figure 19). Only 17% agreed that Deliveroo had a fair system for evaluating riders while 27% perceived it to be unfair. At the same time, one in five riders did not know enough about the system to provide any evaluation, showing the platform’s lack of transparency in managing work. Communication with the platform was also an issue, testifying to the problems posed by working for an ‘invisible employer’. More than one in three riders (35%) reported that they were not able to communicate in a timely and effective way with Deliveroo in order to resolve problems.

The degree of fairness of the overall level of compensation was evaluated somewhat more favourably, with 41% disagreeing and 35% agreeing that they were paid appropriately by Deliveroo taking into account all their efforts and performance. The standards against which survey respondents evaluated the fairness of their compensation was, however, unclear. Such results might be surprising in view of the overall low earnings from delivery work for the platform, with hourly rates hovering around the minimum wage in Belgium. Thus, evaluations might be driven by riders’ relatively low expectations in relation to this type of work; or otherwise by adaptive preferences formed in response to their restricted options.

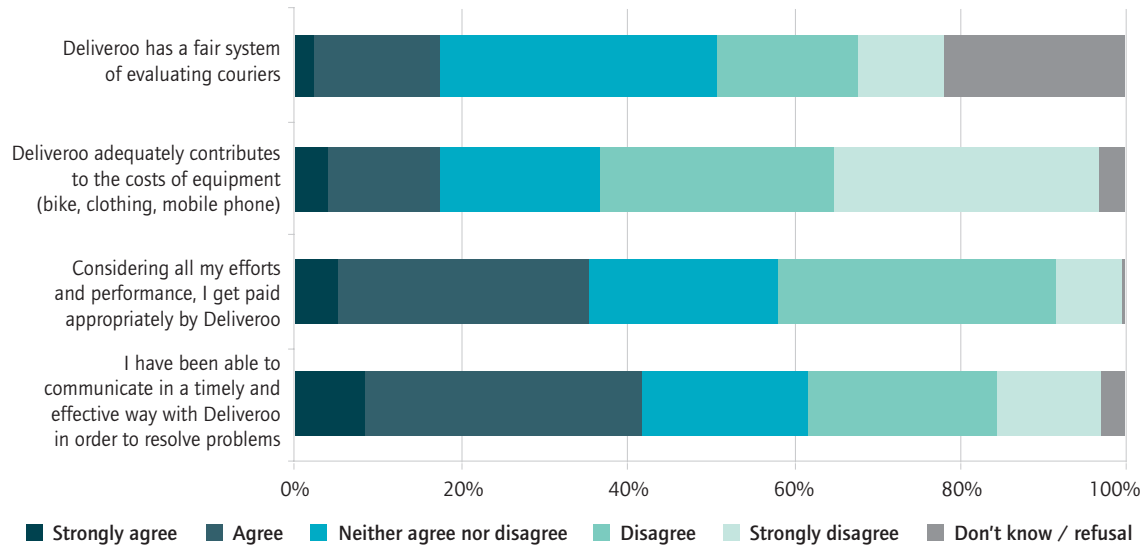
Riders were, in general, satisfied with the benefits gained as part of the deal with SMart, such as the prevention and safety training measures, insurance regarding accidents at work and civil liability (damages caused to a third party), with around 40% being quite or very satisfied with these aspects of the SMart-Deliveroo arrangement. Nearly 52% of riders said it was important for them to be reimbursed for the use of their tools (bike and cell phone, at least the latter of which is reimbursed to the value of €0.12 per hour), while 22% said it did not much matter. However, 60% of riders did not see it as sufficient and only 17% thought the compensation was adequate (Figure 19). One in four riders (26.3%) was not aware that such reimbursement was possible.

Work for Deliveroo involves a large amount of unsocial hours. Thus, three out of four riders would work with Deliveroo on weekends and as many as one in five reported working every weekend (Figure 20). Work in the evenings was even more prevalent: just over 4% of surveyed riders said they never worked in the evening – that is, between 8pm and 11.30pm – while 15% spent at least every other evening working with Deliveroo (Figure 21).

Such a significant level of unsocial hours working is due to the nature of food delivery work, with peaks in demand coinciding with others’ leisure time. This type of schedule also responds to the needs of student riders who seek to fit paid work around their, mostly weekday and daytime, education activities. However, we found that riders who were not students worked even more often during unsocial hours than students. Thus, we could expect that individual

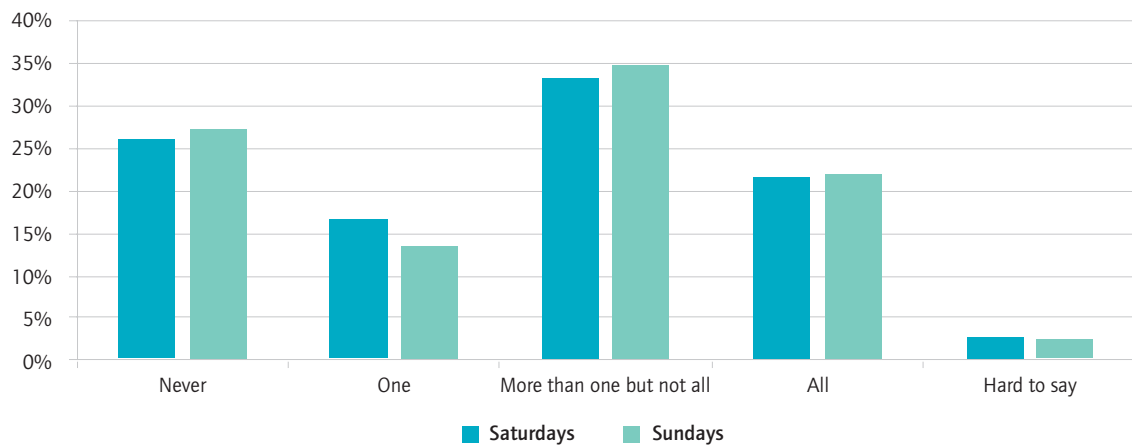
preferences for flexibility would play a smaller role compared to the availability of work.

Figure 19 Views about fairness in working for Deliveroo



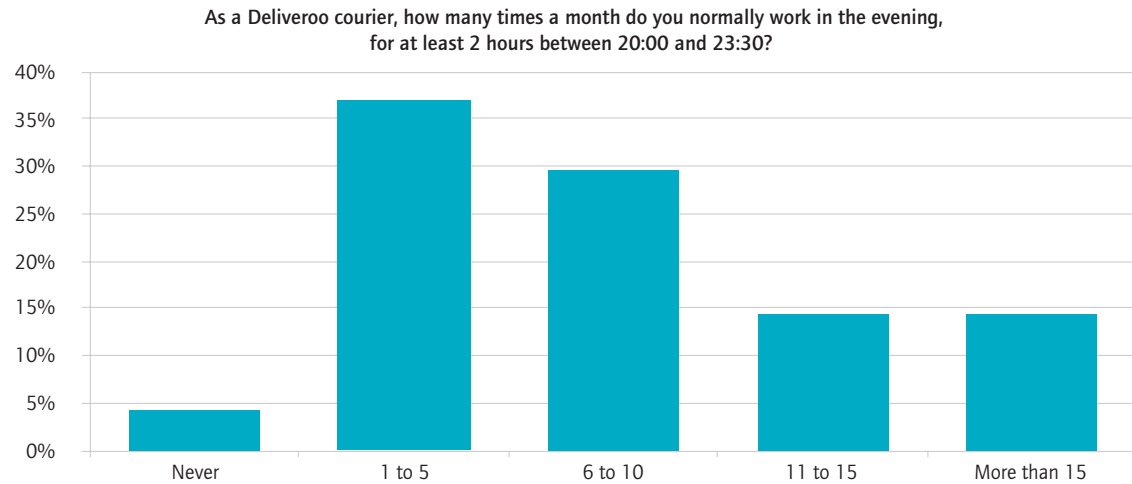
Source: Survey of Deliveroo workers by ETUI and SMart

Figure 20 Prevalence of weekend work, on average per month



Source: Survey of Deliveroo workers by ETUI and SMart

Figure 21 Prevalence of evening work, on average per month



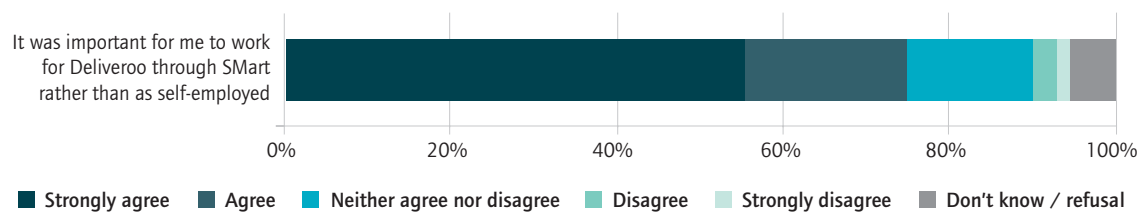
Source: Survey of Deliveroo workers by ETUI and SMart

The working hours of food delivery riders were not only short and unsocial, but also variable. Most riders (58%) worked a different number of hours each week. At least to some extent, this coincided with their preferences. For instance, those with variable hours also had a lower preference for working stable shifts (32% would prefer stable shifts) compared to riders working the same number of hours each week (55% would prefer stable shifts). On the other hand, those working a different number of hours each week were less successful in signing up for their preferred shifts: 56% reported that they could always, or usually, access the shifts they wanted compared to 70% of riders working stable hours.

The end of the partnership with SMart: The worker perspective

The benefits entailed by the SMart system were valued by workers. Figure 22 shows that riders believed it was important for them to work for Deliveroo through SMart rather than as self-employed. Three out of four surveyed riders agreed or strongly agreed with this, while only 4% disagreed.

Figure 22 Riders' views on co-operation between Deliveroo and Smart



Source: Survey of Deliveroo workers by ETUI and SMart

The arrangement with SMart was, to judge by the views expressed in the comments, a good solution: it offered flexibility on both sides of the contract while giving some security to riders. The move thus led away from flexibility for riders and towards flexibility for the platform.

‘SMart was like a family [...] it provided insurance for us; we could come with questions or a problem.’

‘The fact that Deliveroo wants to stop paying workers with a[n] hourly wage in the name of more ‘flexibility’ for riders is just false. Workers [should] not have to pay the burden of the uncertainty of the number of orders.’

‘I think it's a great deal for Deliveroo but, as a rider, I've turned into a number in the system. Support is less inclined to help, the rider community is smaller and everything is less personal and more stressed.’

At the same time, some riders were critical of Deliveroo not employing riders directly but relying on an intermediary. Several respondents saw SMart as being out of place and not too efficient with respect to processing pay and communicating with riders.

‘Too bad even if Deliveroo as a company should deal directly with its employees rather than outsource their management to an intermediary

that operates in the area of art and entertainment.’
‘We will surely be paid more quickly.’

In either case, comments on the ending of the co-operation were consistently negative, reflecting a loss of protection and the expectation of a more precarious position. Abandoning the SMart system was seen by some as reflecting a loss of rights.

‘This is a bad thing because SMart was the only organisation able to protect our rights in a more or less acceptable way.’
‘I think that, beyond the Deliveroo case, it is a political problem; a choice of society that politicians must take. Do they agree with this ultra-liberalisation of work that calls into question all workers’ social benefits and which reduces workers to resources that can be used at will and which are replaceable at any time?’
‘Many employers opt for this because it is economically advantageous, but this is in line with what is called ‘false self-employment’.’

Some felt that their subordinate position *vis-à-vis* Deliveroo was exposed and that they were to be left without any protection and power, with the conditions of work fully controlled by the platform.

‘This is the end of workers’ rights. The new conditions with Deliveroo are very much like slavery. It is even aggressive towards workers: one is what, ultimately? Just a machine without needs?’
‘It’s modern slavery.’

Riders also believed that the loss of protection would leave them fully exposed to the market, losing power and, as some put it, even their dignity as they turned into a commodity.

‘Where will it stop? Riders are not perceived or treated as human beings (any more than is strictly required by law).’
‘I will continue my studies. I think Deliveroo is ideal for students for the flexibility that this job offers. Indeed, I am in an exam period so I am not working at the moment; I will resume at the end of my exams. In contrast, for those for whom this job is their main pay, they are society’s slaves.’

Workers also mentioned the increased administrative costs they were expected to face.

‘It’s a shame I will have to stop working for Deliveroo because I cannot afford to pay the taxes associated with having a VAT number, as a future self-employed non-student, and riders in the BWO area will probably be underpaid in view of the irregularity of the number of orders. This implies either an abandonment of the area by riders and customers will no longer be able to order, or the riders will be paid less.’

Moreover, the new arrangement shifted workers on to another legal framework, making work for Deliveroo more exclusive and less open to foreigners:

‘Also, as a foreigner studying here in Belgium, it was nice always to have the option of working for a company that supports foreigners working for it. Now with the new partnership, this is not so easy.’

‘I am a foreign student older than 25 and must therefore stop altogether (as far as I am aware). I am particularly sorry for this last point because I like riding for Deliveroo. Even without hourly wages I would have done more, but it is just not possible any longer.’

The situation, as pointed out by many respondents, was at odds with Deliveroo’s narrative about their ‘co-operative’ philosophy and how much they valued their riders. In the view of our respondents, this clashed with Deliveroo’s abandonment of the SMart arrangement which they interpreted as profit maximisation at any cost.

‘It’s quite ironic though: they always said that bikers were the priority; in this case, we are just uncertain about our future money income while they are just making sure that they’ll have more on a regular basis.’

Riders were largely uncertain about their future work for Deliveroo. Just under half (45.9%) declared that they would not continue working with Deliveroo, mainly because they did not agree with the new terms and conditions (41.3%). At the same time, every third rider (34.3%) confirmed that they would still work for Deliveroo, with 16.1% stating that they had no better option. One-fifth (19.8%) of riders did not at that time know whether they would continue working with the platform.

The general expectation was that earnings would go down after the end of the partnership with SMart. One rider in two (52.2%) expected to earn less compared to what they earned with SMart, in comparison to the one in five (21.6%) who expected to earn more under the new regime. The remainder either could not predict the amount of earnings or expected to earn a similar amount either side of the break.

Some riders expected that they would need to exploit their bikes and themselves more to maintain their income, with potentially negative consequences for their health and safety.

‘I’m going to take more risks when I ride because time is money [...] in each and every other biker we will see a [competitor], not a friend.’

‘In my area, I had an average of 1 order per hour. This obviously meant that I was well-paid. By moving to a per-delivery payment system, I would earn 50% less if I stayed at one order per hour. However, if the number of orders increases, I could get more than €10 per hour! But I’m not ready to make such a physical effort (exhaustion on the bike, but also in the cold now) for a few more euros.’

‘Because that is what you need most as a rider: certainty on a decent wage that does not depend on the number of orders and that does not encourage us to take reckless turns on the street to get in as many orders as possible within the hour.’

Not surprisingly, those who planned to continue working for Deliveroo estimated their future earnings most favourably, with 62.9% expecting to earn more. In contrast, only 11.6% of those who did not agree with the new terms and conditions, and who were not planning to work with Deliveroo in the future, expected to earn more under the new system. Nearly one-half (47.4%) of those who planned to continue working with Deliveroo only because of a lack of better options said they expected their earnings to drop.

Despite the efforts to organise worker protests, including a strike, there was a perception that there was not much they could do to oppose the unilateral decisions of Deliveroo:

‘Riders can only ride.’

‘I don’t think workers will have much negotiating power from now on – not that we had plenty of it beforehand. The loss of [an] hourly wage, decent insurance and [the] other benefits [that] SMart provided us [represents a] social dismantling.’

‘They leave us basically without rights, without a contract, with self-employed status although we are not because who controls our work is the company which hires us, supervises us and dismisses us without prior notice and, in most cases, without justification or notice. It has happened to me twice: my accounts were blocked one day and I was no longer able to work.’

‘I want to be independent, if we have our say on terms and conditions.’

‘It’s a [gamble] to rely on untrained workers without choice, and/or students, leading to a precarization of working conditions and [to a] loss of service quality.’

Conclusions

Deliveroo agreed to enter the contractual agreement with SMart to be able to access student workforce and thus also to benefit from the tax break for students in employment without actually having to employ them as workers. The SMart system has been criticised for undermining the concept of employment and normalising precarious work in that it facilitated clients not hiring workers directly who could, otherwise, qualify as employees (see discussion in Valenduc, 2017 and Xhauflair *et al.* 2018). Such a criticism could also apply to the arrangement with Deliveroo. However, the SMart arrangement did give workers protections that they valued, most notably income security. The relative satisfaction with working conditions can be attributed to the protection entailed by the arrangement.

The platform abandoned the SMart arrangement once a tax incentive for self-employed workers conducting platform work was introduced. Deliveroo justified the abandonment of the shift system by offering more flexibility to riders through a per-delivery remuneration system. Riders indeed expressed a preference for greater flexibility, understood as the ability to control their own schedule, and many were not satisfied with the operation of the shift system precisely because of the lack of such control. However, the shift system was not necessarily seen as a problem *per se*, and many valued the predictability it brought. Most importantly, riders valued the security of income that the shift system entailed. The views of workers on the shift towards self-employment were, therefore, overwhelmingly negative.

By changing incentives for the platform that made self-employment as advantageous as employing (student) workers, the tax reforms aiming to promote platform work worsened working conditions and the income security of a large segment of platform workers. The worker protection entailed in the SMart arrangement was apparently compatible with the business model of the platform, but the shift towards self-employment and a per-delivery remuneration system was attractive for Deliveroo as it increased the flexibility the platform enjoyed in organising working conditions and pay. Indeed, work flexibility is always relative: flexibility for one is a constraint for another. The key question is the degree to which workers retain autonomy and control over their conditions of work and pay. By abandoning the SMart system, Deliveroo gained greater autonomy and control at the expense of protections for workers. The failure of the attempt to reverse the decision of Deliveroo to abandon the SMart system points out to the difficulty of organizing collective representation in this segment of platform work. The high workforce turnover combined with the temporary nature of this type of work gives little incentives to workers for

investing into efforts to improve their working conditions and pay. At the same time, the protection that the workers need and desire can be delivered by a strong regulatory framework, including a tax system that gives the right incentives to the platforms.

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