Title: Consumer 'App-etite' for Workers' Rights in the Australian Food Delivery Gig Economy

1   Introduction

The rise of the 'gig' economy has been facilitated by advancements in online communication, mobile technology and fuelled by venture capital. Despite their 'virtual' component, app-based platform-work still depends on traditional face-to-face services. This novel form of work organisation presents 'gig' workers with opportunities via new sources of income and flexible work hours. However, there is concern regarding the exploitation of this workforce.

The aim of this research is to collect empirical evidence on consumers' attitudes toward the provision of gig workers' entitlements. The project will inform policy on whether regulating the informal food delivery sector is viable and/or socially desirable.

This extended abstract presents the research method, data collection strategy and preliminary results for a web-based survey of 840 Australians.

2   Research Method

Gig workers are presently classified as independent contractors and paid on a piece-rate basis, allowing the platforms they work on to shift economic risks onto workers. This classification also excludes gig workers from industrial relations frameworks that guarantee important terms and conditions, such as a minimum wage and occupational health and safety insurance. These industrial relations frameworks developed under negotiation between employers, industrial tribunals and worker representatives and thus provide a sound benchmark to what society regards as fair. However, consumption of "app" services reveals that consumers either:

1) Disregard the notion of fairness (or are misaligned with formal institutions) in the pursuit of cheap alternatives,

2) Believe that the workers are happy with their industrial conditions or are unaware that the 'gig' sector may be exploitative

These two factors have informed the data collection for this research. Broad questions around awareness and expectations (factor 2) are important issues investigated the survey of opinions (survey PART 1).

To investigate facro1, PART 2 of the survey executes an A and B treatment approach using discrete choice experiments (DCE). The treatment tasks include levels of workers' entitlements. Preliminary control tasks are presented to all respondents. Treatment A answered PART 1 before undertaking the Treatment DCE tasks. It is expected participants in Treatment A will be primed to consider the issue of workers' rights. Treatment B undertook the treatment choice tasks before PART 1 and are not primed.

During the pilot stage, attribute non-attendance was identified as an important consideration and follow up questions were added to each choice experiment.

3   Results

The sample is predominantly female (62%), older (median age > 50) and more likely to live in a household without children (66%). Fifty five percent of respondents reported ordering food delivery (e.g., Menulog, Uber Eats) by online or 'app' platforms in the last six months.

Respondents thought that workers earned an average of $16 dollars per hour – below the minimum casual employment wage of $22.86, but higher than $12.10 reported by workers (Goods et al., 2019).

Twenty-two per cent thought workers earned a wage (4%) or a casual hourly rate (18%). Respondents were asked about which entitlements currently apply to gig workers. Three entitlements stood-out: minimum wage (25% were sure that this protection existed); regulated work and rest conditions (20%); and workers compensation (24%). However, when asked what entitlements should apply, respondents were more generous with at least 65% of respondents indicating that gig workers should receive employer contributions to retirement funds, a minimum wage and access to workers compensation insurance.

3.1   Preliminary Results for Choice Data

The effect of the treatment is considered by differences in the stated attribute attendance levels and changes in choice preferences. Respondents reported whether an attribute was considered highly important, sometimes considered or ignored. **Table 1** shows the control (before) and *treatment (after)* counts for the delivery workers wage attribute. Whilst no significant difference was found for the control data, a significant difference ($\chi^2_{\text{2 d.f.}}$ = 8.00) exists between treatment groups.

Table 1: Counts for level of attribute attendance for deliver worker's wage (control and treatment choice tasks).

Levels of deliver workers wage attribute attendance	Treatment		Total
	A Control , *(treatment)* %change	B Control , *(treatment)* %change	
Yes I considered this important	170 *(200)* 18%	166*(175)* 5%	375
I sometimes considered it	135 (*141*) 4%	130 *(130)* 0%	271
No I did not consider it	115 (*76*) -34%	124 *(109)* -12%	185
Total	417	414	831

Choice models at this stage are preliminary and only relate to a sub-sample (420 respondents, downloaded mid survey). However, based on preliminary models, two findings indicated promising lines of inquiry:

1) Stated attribute non-attendance plays a substantial role in the model fit.
2) Two latent classes were identified. One class was primarily price driven and the second balanced workers conditions, user ratings and price. In the control experiment the price driven class represented about one half of the sample 48%. However, it would seem that after some level of awareness (or learning through the attributes levels) the split for the classes was 32% in the price only class and 68% in the class that balanced workers' rights with price. Indicating a structural change in preferences (**Table 2**).

Table 2: Latent Class models for Control and Treatment tasks.

Control Tasks						
	Class 1: pro-social consumers			**Class 2: price driven consumers**		
Attribute	**Coefficient**	**T-Value**	**P-Value**	**Coefficient**	**T-Value**	**P-Value**
Cost of the order	-0.335	-5.04	0.000	-0.603	-9.430	0.000
Percentage of order value paid by the restaurant to the app provider	-0.077	-3.23	0.001	-0.032	-0.500	0.620
Delivery persons wage (expected $/hr)	0.438	7.48	0.000	0.077	0.930	0.351
Average class membership probability	*0.516*			*0.484*		
Model Fit Statistics						
LL-ASC no parameters	-1184.90					
LL- Model	-813.88					
McFadden's psuedo-r2	0.312					
AIC/N	0.961					
Treatment Tasks						
	Class 1: pro-social consumers			**Class 2: price driven consumers**		
Attribute	**Coefficient**	**T-Value**	**P-Value**	**Coefficient**	**T-Value**	**P-Value**
Cost of the order	-0.279	-4.72	0.000	-0.862	-5.60	0.000
Percentage of order value paid by the restaurant to the app provider	-0.003	-0.52	0.606	0.007	0.66	0.509
Delivery persons wage (expected $/hr)	0.229	7.78	0.000	0.114	2.67	0.008
Average user star rating for the app service	1.497	6.00	0.000	0.108	0.21	0.831
App ensures minimum wage and workers' compensation insurance	1.643	8.65	0.000	0.349	1.38	0.169
Average class membership probability	*0.680*			*0.320*		
Model Fit Statistics						
LL-ASC constant only	-1780.70					
LL- Model	-1315.90					
McFadden's psuedo-r2	0.261					
AIC/N	1.033					

Reference List

Goods C, Veen A and Barratt T. (2019) ''Is your gig any good?'' Analysing job quality in the Australian platform-based food-delivery sector. *Journal of Industrial Relations* forthcoming.