



Participation of Employees in New Business Forms in Social Insurance: Development Dilemma and Breakthrough Path

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Abstract. The rise of the Internet platform economy originated from the development of the “digital revolution”, and the resulting new industries are promoting the development of contemporary employment while changing the traditional employment methods. The flexibility of the new industry workers developed from the Internet platform economy is different from the traditional employment workers, and they are gradually developing into an important part of China’s labor market. This paper analyzes the target group, target demands and problems, and finds that there are many employment security problems for new industry workers, such as disadvantaged status, low quality of social insurance participation and low motivation of employers. It also proposes the path to enhance the awareness of the main responsibility and enrich the participation mechanism in order to achieve the result of continuously regulating their labor relations recognition and improving the underwriting of their labor risks, so as to improve the quality of employment and social security participation of new industry employees.

Keywords: New Business Form · Employees · Social Insurance · Internet Platform Economy

1 Introduction

In 2020, the full outbreak of the new crown epidemic has a major impact on either the world or Chinese labor market, but the overall situation of China’s employment market is expected to perform relatively smoothly, with an important reason coming from the sharing economy platform creating a large number of new flexible employment positions for China’s labor market. Innovation continues to lead the development of the new era, and the sharing economy platform generated by the combination of innovation and technology has given rise to new forms of employment that are different from the traditional forms of employment. According to the “2021 Sharing Economy Report” released by the National Information Center, China’s sharing economy market turnover reaches 337.73 billion yuan in 2020, and the number of people participating in the sharing economy is about 830 million in 2020, with the number of people providing services reaching about 84 million. The reason why sharing economy platforms can quickly absorb so many workers in new industries is that they do not restrict the “subordination”

of workers. Compared with the traditional employment, new industry workers have more flexible working hours and workplaces, while new industry workers can transfer the right to use labor and revitalize the ownership of labor, so that they are no longer subordinate to the enterprise. The subordination relationship is weakened, and the benchmark of labor relations based on subordination in labor law gradually fails to work, and new industry employees cannot sign labor contracts with employers if they lose the identification of labor relations, and employers take advantage of legal loopholes to avoid risk-taking, which leads to increased risks for new industry employees [3]. In August 2021, the State Council issued the “Fourteenth Five-Year Plan”, which mentioned “establishing and perfecting a labor rights protection system to adapt to flexible employment and new employment patterns”. It can be seen that it is urgent to solve the problem of social insurance for employees in new industries, and it is necessary to start from the basic concept and re-examine the dilemma in the employment development of employees in new industries, and choose a path that is beneficial to the future development of employees in new industries.

2 Basic Characteristics of Employees Under New Business Conditions

2.1 Diversification of Labor Forms of Employees in New Business Forms

The traditional labor relationship refers to the legal relationship between the worker and the employer to sign a labor contract according to law, the worker accepts the management of the employer, obeys the work arrangement of the employer and becomes a member of the employer, and receives remuneration from the employer protected by labor law. Under the development of new industry, the Internet platform plays the role of information intermediary in the labor market, and the platform makes the production material platform, virtualization and intelligence, and generates the work mode of mutual collaboration between labor force and the Internet platform, which makes the employees of new industry and the working time and workplace more decentralized, so that the employees of new industry give up the right to use their own labor force and revitalize their own ownership of labor force, and no longer become the subordinate of the employer [5]. The platform makes use of big data computing and other technologies to provide a platform for the new industry. The platform uses big data computing and other technologies to allocate labor opportunities through the mode of assigning orders or grabbing orders, which changes the top-down vertical management of traditional enterprises and increases the flexibility of new industry employees to choose their jobs, making it different from the traditional definition of labor relations, so the definition of labor relations between new industry employees and employers becomes blurred.

2.2 The Personality Subordination of Employees is Lower Than that of Traditional Workers

The subordination relationship is the basic theory of labor law. In the traditional form of employment, the subordination relationship is realized through the signing of an employment contract between the worker and the employer, and after the labor relationship is

established, the two parties have a subordination relationship in terms of duties; the employer arranges tasks for the worker, and the worker complies with the arrangement of the employer and produces through his own labor. Driven by the development of information technology, employees in the new industry work with the help of the Internet platform, shifting from a fixed way to a more accurate and flexible time or place to work in time and space, so that employees in the new industry have a very broad “autonomy” in working time and the subordination between the employer and the employees is weakening. In the case of DDT, for example, the interests of new industry employees are inextricably linked to the rules set by the platform company, and the rewards and penalties for new industry employees are reflected in their income and priority dispatch order ranking [2]. If they receive too many bad reviews, they may lose their jobs for a short period of time as a punishment. Therefore, there is still a subordinate relationship between the new industry workers and the platform company, but the subordinate relationship between them is weaker than that of traditional workers.

2.3 Informal Work of Employees in New Business Forms

The Internet platform economy presents a “self-centered” flexible way of employing workers. The autonomy of the labor input of the employees in the new industry allows them to have the autonomy to control the means of production, including the labor resources at their disposal, the labor time at their disposal and the skills they can contribute. For example, in the work mode of platform dispatching, employees can obtain work opportunities from the platform at any time according to their own time demand and thus obtain compensation income. Not only can workers accept work assignments according to their own time requirements, but there is no fixed workplace restriction for new forms of employment [6]. New industry practitioners can change their working time or workplace at will according to their own needs, thus creating non-time and space restrictions.

3 Analysis of the Impact of the Participation of New Business Practitioners in Social Insurance

The cardinality test was used to analyze the correlation between personal information, family situation, institutional awareness and willingness to participate in social insurance.

When the p-value was less than 0.05, the differences were described, and a binary logistic regression model was further introduced (Tables 1, 2 and 3).

In this paper, we choose the binary logistic regression model, and the transformed regression model is regression model i.e. (1) (Table 4).

$$\text{Logit}(Y) = \ln \frac{p}{1-p} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \cdots + \beta_i X_i \quad (1)$$

To sum up, age, household registration, education level, type of new business, working years, total monthly income, the most important risk faced during working period, and the most urgent insurance coverage have significant effects on the willingness of

Table 1. Cardinality test between personal information and dependent variable

Independent variable	χ^2	p
Gender	15.039	0.000**
Age	25.674	0.000**
Education level	16.842	0.003**
Health status	1.372	0.491

* $p < 0.05$ ** $p < 0.01$

Table 2. Cardinality test between family situation and dependent variable

Independent variable	χ^2	p
Marital status	2.242	0.524
Number of minor children	13.973	0.004**
Pressure to grow old	2.887	0.236

* $p < 0.05$ ** $p < 0.01$

Table 3. Cardinality test between institutional causes and dependent variables

Independent variable	χ^2	p
Level of system understanding	1.859	0.601
The greatest risk to work	49.89	0.000**
The most urgent insurance coverage	49.16	0.000**

* $p < 0.05$ ** $p < 0.01$

new business employees to participate in insurance, while gender, number of minor children, and satisfaction with social insurance services do not have significant effects on the willingness of new business employees to participate in insurance.

According to the survey, the working time of new industry employees is fragmented, for example, take-out riders need to work for several hours without interruption during peak meal times, and spend a lot of time waiting for work assignments during non-peak meal times. Despite the fact that take-out riders need to pay attention to platform information to obtain labor opportunities during non-peak meal times, it can be seen that the labor time of employees in the new industry under the platform economy is not only fragmented but also overlong and overloaded. The overloaded working hours make online car drivers or delivery riders more prone to traffic accidents, according to data from Shenzhen in 2017, the traffic accident rate for online car drivers was about 7.2%, while the rate for traditional cab drivers was only 1.8%. In addition, the strict overtime penalty

Table 4. Summary of binary Logit regression analysis results

Independent variables	Variable values and codes	B	WALDX2	P	EXP(B)
Gender		-0.923	14.678	0.573	0.398
			1.092	0.296	
Age	16-18	-0.773	3.096	0.078	0.462
	19-30	0.871	4.021	0.023	1.989
	31-40	0.668	5.882	0	2.165
	41-50	-1.106	8.252	0.004	0.331
	51-60	-1.116	2.595	0.107	0.327
Education level			0.0002	0.965	
	Junior High School	-1.303	4.899	0.537	0.272
	High School	5.303	4.866	0.051	3.682
	College	1.352	6.158	0.113	3.864
	Bachelor's degree and above	0.822	2.205	0.138	2.276
Number of minor children					
	No	1.17	3.965	0.056	3.222
	1pc	1.802	9.021	0.103	6.061
	2-3pcs	1.253	3.628	0.057	3.1
	3 or more	0.057	0.188	0.52	1.576
Most urgent need for insurance					
	Work Injury Insurance	1.14	18.61	0	3.12
	Social Medical Insurance	1.54	15.48	0.0003	2.981
	Pension Insurance	-1.16	7.642	0.006	0.314
	Personal Accident Insurance	0.535	0.816	0.366	1.707
	Business Insurance	1.654	4.688	0.03	5.854

rules of the takeaway platform, takeaway riders have to take the risk of violating traffic rules at work leading to traffic accidents. Therefore, new industry workers usually lack social insurance protection for their safety than traditional workers, and the health risks arising from their work often have to be borne by the workers themselves. As workers, new industry workers should also enjoy the same quality of social security treatment. The poor quality of social insurance for new industry workers is also reflected in the fact that only a few platforms purchase commercial accident insurance for their workers, and most of the insurance premiums are deducted from the workers' fees after completing orders. In addition to accident insurance, the proportion of new industry workers who

consciously participate in social pension insurance and social medical insurance is also very low.

4 The Way to Solve the Problem of Employees' Participation in Social Insurance in New Business Forms

4.1 Strengthen the Sense of Responsibility of All Subjects

Clarifying the responsibilities and obligations of relevant subjects is the main way to solve the problem of social insurance participation of new industry practitioners. The government, as the responsible body, should strengthen the supervision and management of the employment of platform companies and guide the balance of interests between workers and platform companies through legislation [4]. When the rights and interests of new industry practitioners are protected by legislation, the employment quality of new industry practitioners can be improved and the relationship between platform companies and new industry practitioners can be harmonious and stable. The government should actively promote the existing laws to adapt to the development of new industries and ensure that new industry practitioners should enjoy the rights recognized by law and social protection. The local government should take into account the local conditions and introduce preferential policies for employers to strengthen the sense of responsibility of local employers, so that they can continuously expand the scale of social security participation of new industry workers. In addition to the government's active guidance, it is also important to develop a trade union system among the employees in the new industry. The construction of trade union organizations is conducive to building harmonious labor relations, and the trade unions themselves have strong penetration ability, which can enhance the cohesion among the groups of new industry practitioners, defend the rights of new industry practitioners, regulate labor-management disputes, reduce conflicts between the two sides, and help the Party and the government to carry out work in the new industry groups. The power of trade unions can help new industry practitioners negotiate with platform companies on working hours, salaries and wages, labor rights and interests, and improve the current situation that new industry practitioners are in a vulnerable position.

4.2 Enrich the Participation Mechanism of Social Insurance

New industries work in a variety of ways and are still in a stage of continuous innovation and development at this stage. In the early stage of solving the problem of social security participation of new industry workers, the government can introduce relevant preferential policies such as government subsidies, lower taxes and fees and other incentives to Companies that are willing to take the initiative to bear the cost of social insurance can be incentivized. The existing new industry employees can be classified to participate in social insurance according to their work style, work intensity, and high risk level [1]. Practitioners belonging to low risk can voluntarily participate in social insurance on the basis of participation in social pension insurance for urban and rural residents and medical insurance for urban and rural residents; practitioners with high work intensity

and high occupational risk can be mandatorily required to participate in social insurance. At the same time, new industry enterprises and practitioners can share the cost of social insurance to reduce the cost pressure on micro enterprises while protecting the legitimate rights and interests of new industry practitioners. Or to increase the level of social insurance participation of new industry employees by classifying them according to their income level, a suitable income standard line should be drawn up between industries according to the average salary level of local employees; employees above this standard can directly participate in local employees' social insurance and bear the cost by themselves, while those below this standard can choose to participate in employees' social insurance or urban residents' social insurance by themselves, and enterprises and the government will subsidize this Subsidy.

5 Conclusions

The rapid development of the Internet has changed the traditional operation mode of the labor market. On the one hand, the platform economy provides a large number of employment opportunities for the society to alleviate the employment pressure of the society. While changing the traditional employment mode, the new type of employment mode is derived from the traditional employment mode. Its fuzzy characteristics of labor relations make the employees of the new type of employment need to resist uncertain risks by themselves. Therefore, it is very necessary for employment equity to solve the problem that employees in new formats and traditional employees enjoy the same quality of social insurance. This paper starts with the basic concept of new business employees, analyzes the difficulties existing in the participation of new business employees in social insurance, and puts forward three main suggestions: strengthening relevant subjects, breaking the traditional labor relationship model and innovating the participation mechanism of social insurance, so as to solve the difficulties existing in the participation of new business employees in social insurance. The low quality of new business employees' participation in social insurance needs more social attention in order to make a continuous breakthrough. The reason is that the platform economy absorbs a large number of labor force in the society. In the face of a large number of employees, how the new business employment form is more healthy, fair and safe requires us to constantly think about how to optimize and innovate the employment safety of new business employees in the future.

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