



# Analysis of the Causes of Excessive Labor of Workers in "Gig Economy" and the Way Out ——Use Takeaway Riders as an Example

Anguo Fang

Jilin University, Qianjin Dajie, Chaoyang District, Changchun City, Jilin Province, China

1359335784@qq.com

**Abstract.** With the rapid development of "Internet Plus" digital technology, China's labor market is undergoing a platform-based transformation. The emerging new forms of employment represented by the "gig economy" have given rise to a new type of employment group, the gig workers. The fragmented and diversified public demand leads to more and more intense competition in the labor supply market, and the gig workers are in deep trouble of excessive labor due to longer working hours, higher work intensity, and work over pressure. Through the investigation of existing research materials, a series of suggestions are put forward based on the analysis of the causes and hazards of excessive labor of gig workers, with reference to the multi-governance theory.

**Keywords:** Gig economy; Excessive labor; Multi -governance.

## 1 Introduction

In recent years, the rapid development of the new digital economy, characterized by intelligence and information technology, has given rise to a large number of new forms of employment featuring diversity, clear labor division and high work efficiency. And again, the "gig economy", which relies on the Internet and mobile technology to quickly match supply and demand, has attracted a large number of workers by virtue of its short time and flexibility, and has become a force to be reckoned with in China's current and future labor market. According to the National Bureau of Statistics, by the end of 2021, China's flexible workers had reached 200 million,<sup>[1]</sup> of which there were nearly 15 million takeaway riders, and the total number is expected to exceed 20 million by the end of 2022.

Unlike temporary workers in the traditional sense, the "gig economy" emphasizes the use of the Internet and mobile technology to quickly match freelancers with employers. The "on-demand work" is a new form of the sharing economy, which has broadened employment channels and become an emerging force to promote economic and social development. However, with the rapid development of the new industries, the problems of excessive labor, such as long working hours, high work intensity and excessive work pressure, etc., have come to the forefront. Occupational injuries

caused by excessive labor have emerged in an endless stream, which negatively affects the physical and mental health of workers as well as the sustainable development of the industry. Therefore, how to address the problem of excessive labor of "gig economy" practitioners has become a focal topic of social concern.

## **2 Theory and Analysis: Theoretical Analysis of "Excessive Labor" and "Gig Economy"**

In 2009, Tina Brown, an American journalist, first put forward the concept of "gig economy", and the term "gig economy" appeared in English, which refers to that people pursue "a number of free and flexible projects, counseling, and part-time gig work that is transacted on digital channels", whose work is either skill-based or demand-based tasks.<sup>[2]</sup> In recent years, advances in Internet and communication technologies have given rise to the vigorous development of new forms of digital economy in China, and the "gig economy" has ushered in a golden period of development by taking advantage of such an opportunity. In this paper, the "gig economy" is defined as a new economic form in which freelancers utilize the Internet and mobile technology to quickly match supply and demand and flexibly provide service supply. The "gig economy" is a new way of organizing labor resources, showing different characteristics from traditional formal employment patterns.<sup>[3]</sup> First, the employment threshold is low. The task-oriented jobs provided by the platforms are mainly in the daily life service industry, which does not require a high level of skills and education, providing opportunities for disadvantaged groups of workers who are unable to obtain full-time standard employment; second, one of the most important features of the "gig economy" is its high flexibility, which allows workers to freely choose the location and mode of work, as well as to plan for the time when they can enter and exit the platforms. Meanwhile, the method of payment and settlement of labor remuneration varies according to the content of different services provided by the workers, and different platforms have different percentages of commission, which is one of the most important features of the "gig economy" compared with the traditional formal employment pattern.

"Excessive labor" describes the phenomenon that the physical and mental health of workers is damaged due to excessive labor intensity, longer labor time, and labor over pressure<sup>[4-6]</sup>. Some scholars define "excessive labor" as a state in which fatigue accumulates and that cannot be recovered by a small amount of rest due to overtime and over-intensity labor in the course of a worker's work;<sup>[7,8]</sup> some scholars define it as the behavior of a worker who provides overtime and over-intensity labor even when he or she is fatigued for a long period of time.<sup>[9]</sup>

The rapid development of the "gig economy" promotes the continuous growth of the group of workers, whose labor compensation, labor safety, social security and other issues have become the focus of attention of society as a whole. How to strengthen the "social protection" of workers under the new form of "gig economy" and reduce the damage caused by excessive labor has become a major problem for the current social security system. Different scholars have put forward different views on

the current situation. Xuan Yinan points out that the development of the social insurance system for flexible workers in new industries in China is not yet able to follow up effectively, and the establishment of a social insurance system suitable for flexible workers in new industries should not be delayed; Xuan also points out the solution strategies of stabilizing labor relations under the sharing economy, innovating the social security system as well as encouraging the participation of social capital in the operation of the social insurance fund.<sup>[10]</sup> Guo Yuyan believes that, with the increasing number of practitioners in the new industry, the contradiction between employers and workers is gradually exposed,<sup>[11]</sup> while the existing difficulties in the protection of the legal rights and interests of practitioners of the "gig economy" are also reflected in the lack of sound laws and regulations, incomplete social security system, and the practitioners' weak legal awareness, etc. Relevant governance methods are therefore proposed. Zhang Guodong and Xie Jihong point out that new industries such as "gig economy" have played a positive role in expanding employment and promoting economic and social development. However, its flexibility, high elasticity, loosened management, and irregularities in the identification of labor relations have created friction between the current legal and social security systems, which has brought about problems such as long working hours, high occupational risks, lack of social insurance, and difficulties in safeguarding rights and interests, and the government, enterprises and society should take relevant measures to safeguard the legitimate rights and interests of "gig economy" practitioners, as well as healthy and sustainable development of the new industry.

By combing through previous studies, the author of this paper takes the most common form of "gig economy", the group of takeaway riders as an example, analyzes the reasons for excessive labor of new industry practitioners in the light of reality, and puts forward pertinent suggestions. Meanwhile, the author uses the multi-governance theory, analyzes from different dimensions of the state, the society, the enterprises and the individuals, puts forward the solutions, and explores the optimal path for addressing the problem of excessive labor and safeguarding the labor rights and interests of the employees.

### **3 Problems and Contradictions: Low Level of Labor Treatment and High Risk of Occupational Injury for New Industry Practitioners**

#### **3.1 Root causes - occupational mobility accelerates social change and "de-embedding" of the original social structure**

As a brand-new economic form, the "gig economy" is characterized by freedom, flexibility and fast matching, which brings a large number of jobs and opportunities and accelerates the current occupational mobility in China. The author of this paper argues that occupational mobility means that the time, place, nature, content and occupational status of a worker's work have changed, thus changing his or her position in the

occupational and social stratification system, and that occupational mobility and social mobility are inextricably intertwined.

**Table 1.** Comparison of riders' and migrant workers' income in different regions

Region	Average monthly income of migrant workers (yuan)	Average monthly income of riders (yuan)	Comparison of average monthly income of migrant workers		Comparison of average monthly income of special delivery riders and migrant workers		Comparison of average monthly income of crowdsourced riders and migrant workers	
			Average monthly income of	Comparison of average monthly income of	Average monthly income of	Comparison of average monthly income of	Average monthly income of	Comparison of average monthly income of
Eastern region	4351	4626	6.3%	6066	39.4%	4232	-2.7%	
Central region	3866	4657	20.5%	5232	35.3%	4348	12.5%	
Western region	3808	4258	11.8%	5051	32.6%	3954	3.8%	
Northeastern region	3574	4906	37.3%	5544	55.1%	4504	26.0%	

Source: 2017 Statistical Bulletin on the Development of Human Resources and Social Security, and survey data from China New Employment Pattern

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Take the group of takeaway riders as an example. According to Table 1, although the average monthly income of special delivery riders is high compared with the income of migrant workers, the vast majority of takeaway riders are crowdsourced riders, whose average monthly income has not gained a significant boost. Meanwhile, the occupation of delivery riders is more labor-intensive, the problem of overwork is obvious, and the risk of occupational injury is extremely high, which is obviously not matched with the level of salary received. The root cause of this quagmire is the mismatch between the accelerated social change of occupational mobility and the original social structure.

Internet taxi drivers, takeaway riders, platform streamer commerce... The emerging new employment patterns have greatly accelerated the current frequency and degree of occupational mobility in our society, and a large number of workers have undergone "drastic changes" in the division of labor, in the occupational stratification system, and in the status of the social structure, which can be said to be a reshaping of the original employment patterns, and an impact on and a challenge to the old system of division of labor. The social security system and the labor law system, which are closely related to the rights and interests of workers, are constrained by the complicated system and the cost of change, and cannot be adjusted in line with the development of the new industry, while the old social system and structure excludes the "gig economy" practitioner. The problem lies in the fact that the flourishing development of new industries has been "de-embedded" from the original social division of labor

system and social structure, and the legitimate rights and interests of workers are not protected.

### **3.2 Difficulty in obtaining remuneration under the strict and unreasonable work appraisal mechanism**

The method of payment and settlement of labor compensation for workers in the "gig economy" varies according to the content of their different services, with some settling according to the number of orders, and some settling according to the week or month. The labor compensation of takeaway riders, the study object of this paper, is mainly composed of "base salary + commission". Data show that the riders of Meituan platform, generally have a monthly base salary of 1,500-2,000 yuan (second and third-tier cities), and get commission for each completed order on this basis, which is adjusted according to the distribution distance, distribution time and weather conditions, generally ranging from 2-8 yuan (in some first-tier cities, the commission for each order can be up to 15 yuan). Through this wage settlement, it is not difficult to find a very simple truth: more orders, high income; no orders, no money.

In order to obtain greater economic benefits, the Internet platform conducts daily attendance, work assessment, gig grade and other systems design based on the platform enterprise's interests. For takeaway riders, the most common is the deduction of wages due to customers' negative comments. Some platforms, for the sake of more business, stipulate that takeaway delivery riders and door-to-door service personnel can only have positive comments, not bad ones. In the event of unforeseen circumstances or demanding customers, delivery riders will be penalized. On January 6, 2022, CCTV's Finance Channel exposed a video of a takeaway rider bawling in an elevator due to a customer complaint, reflecting the difficulty of survival for workers in this "gig economy". It is the existence of a series of harsh assessment mechanisms, platforms strengthening the control of takeaway riders that force riders to overwork, greatly increasing the burden of work.

### **3.3 Incomplete social security treatment**

Unlike traditional forms of employment, the "gig economy" is loosely organized and has a flexible working mechanism. There are economic and legal difficulties in confirming the labor relationship between practitioners and platforms in reality, and the labor law system applicable in the industrial era is "de-embedded" from the current digital business model. At present, most of China's social security system is based on the signing of labor contracts between enterprises and workers and the establishment of formal labor relations, so most of the "gig economy" practitioners are unable to enjoy the insurance benefits enjoyed by ordinary urban workers. Although China at present allows the new industry practitioners to subscribe to social insurance such as urban workers' basic pension insurance and medical insurance by the identify of flexible workers, most platforms, in order to maximize economic benefits, often do not pay for their employees, and "gig economy" practitioners themselves are unable to bear the burden, resulting in the fact that they can only enjoy social insurance, such as

basic pension insurance, which pays lower benefits. As a result of the imperfect social security treatment, more takeaway riders choose to "work as hard as they can" for the sake of future risk prevention, resulting in excessive labor and overwork, which increases the degree of risk and creates a vicious cycle.

## **4 Way out and Construction: Multi-governance**

### **4.1 Research framework: Multi-governance theory**

With the advent of modernization and globalization, the uncertainty caused by the growth of human knowledge and the advancement of science and technology has brought about profound changes in the relationship between the state and the society, and the traditional government administrative model and governance is difficult to cope with the increasingly complex public affairs. Multi-governance has increasingly become one of the ways of solving public problems in the era of radical change. Multi-governance involves various subjects, and its realization depends on the role of key variables such as network, collaboration, integration, etc. It emphasizes public participation and multi-governance, and focuses on the use of each subject's own strengths and synergies, such as enabling the government and social organizations to cooperate in the supply of public goods, resource allocation, and grassroots integration of forces.

With the development of Internet science and technology, the deep integration of artificial intelligence and the real economy has forged a new economic form of "gig economy", which has taken root in all corners of the society; Workers are the creators of all wealth, and the protection of their legitimate rights and interests is a key issue in the smooth operation and healthy development of the social economy. To address the problem of overwork in the "gig economy" under the new employment pattern, it is necessary for the state, society, enterprises, individuals and other parties to work together to realize multi-governance.

### **4.2 Practice: Multi-governance to prevent "excessive labor" and concerted efforts to protect rights and interests**

#### **4.2.1. Government: Improve the social security system and strengthen supervision and services.**

First, policies and systems should be innovated to address the problems of excessive labor and labor rights protection for "gig economy" Practitioners. According to the Guiding Opinions on Safeguarding the Labor Security Rights and Interests of Workers in New Forms of Employment, it is necessary to "promote the inclusion of workers in new forms of employment who do not fully comply with the circumstances of establishing a labor relationship into the scope of the system's protection," so that even though these workers do not have a traditional labor relationship with the platforms, they should be included in the government social security system, just like full-time ordinary workers. In the area of pension insurance, it is recommended that the traditional dichotomy between urban and rural areas be broken down, and that

basic pension insurance be promoted for urban and rural areas, so that workers, whether they are urban or rural residents, can participate in a certain amount of pension insurance according to their own needs and financial strength. With regard to occupational injury insurance, a sound occupational injury protection system should be established for "gig economy" practitioners, so as to include this group of workers in occupational injury insurance. Meanwhile, in view of the flexibility and mobility of the "gig economy", we can explore the establishment of an unemployment protection system for gig workers in view of their unstable income and short-term unemployment. We can also strengthen the transmission of employment information and employment skills training, so as to promote their re-employment.

#### **4.2.2 Enterprises: Insisting on the implementation of the main responsibility and the formulation of a reasonable assessment mechanism.**

Enterprises, as major market players, are not wrong to pursue economic benefits. However, as employers of workers, they must put "people" in the first place. Platform enterprises should consciously abide by the law and take the initiative to assume social responsibility. When signing labor contracts with workers, they should inform them of all the terms and conditions, explain them in detail, and implement them in accordance with the principle of reciprocity of rights and obligations; when supervising the assessment of workers' work, they should explore and optimize the assessment methods to avoid unsafe behaviors such as violation of red lights and speeding against the flow of traffic for delivery riders; and, above all, they should apply for insurance coverage of work-related injuries and accidents for the workers, and supplement the social insurance with commercial insurance. The most important thing is to insure workers against work-related injuries and accidents, and to supplement social insurance with commercial insurance, so as to build a multi-level, multi-pillar insurance system for workers and to safeguard their personal and property security.

#### **4.2.3 Society: Establish social organizations for gig workers and safeguard their rights and interests in a reasonable and legal manner.**

We should draw on foreign experience to set up social organizations for "gig economy" practitioners and protect their legitimate labor rights and interests. Similar to "industry associations" and "trade unions", social organizations of gig workers can gather "gig economy" practitioners and focus on issues of concern to them, such as "labor disputes" and "social insurance", to hire or absorb professional lawyers to provide legal advice and assistance services. As long as economic strength permits, they should provide regular medical checkups, low-cost trips, group purchases of daily necessities, and other benefits to all practitioners of the "gig economy"; the government and relevant social organizations should also provide them with the necessary social services and material safeguards, and help workers to realize self-supervision, self-management, and self-service, so as to strengthen "social protection" for them.

#### 4.2.4 Individuals: Establish awareness of labor safety and protect their rights and interests by law.

As the first person responsible for their own health and safety, practitioners in the "gig economy" should enhance their awareness of labor safety and rights protection. They should use legal weapons to safeguard their legitimate labor rights and interests. First, they should grasp the red line of safety and work moderately overtime according to their ability, and stop working and take a rest in time when they feel unwell, so as to prevent damage to their health caused by excessive labor. Second, they should strengthen their study of law, especially labor law and contract law, so as to prevent being cheated by unscrupulous enterprises and platforms by taking advantage of information asymmetry when signing contracts, and to sign formal and legal contracts. Third, they should enhance their awareness of rights protection. When their own rights and interests are harmed, they should reasonably apply the relevant laws and use the help of trade unions and lawyers to safeguard their legitimate labor rights and interests through legal channels.

## 5 Conclusions

The rapid development of the Internet economy has changed the employment mode of workers. The emergence of the "gig economy" has, to a certain extent, reconfigured the labor relationship, and the issue of excessive labor and the protection of labor rights and interests of workers has gradually come into the public's view. In order to protect the legitimate rights and interests of workers, we must introduce appropriate measures as soon as possible and perform multi-governance. To promote the high-quality development of the new economy, we need technology innovation and technology renewal. However, the fundamental is still in the "people", and we need the hard work of tens of millions of "gig" workers. The only way to promote the construction of harmonious socialist market relations and make the new economy more powerful is for all the main bodies of society to work together to create a good employment environment for workers in the new industry, and to safeguard their labor rights and interests.

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