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For struggling platform workers, loopholes threaten rice bowls

Many platform workers in Singapore struggle with the precarity of their work, where fare structures are opaque and earnings unpredictable, say the writers. They add that their research shows that workers who rely on such jobs for most of their income are constantly worried about increased competition. Their worries are heightened when foreigners are able to compete for these jobs. PHOTO: LIANHE ZAOBAO

Singapore's gig workers face a tough environment and unauthorised competition from foreigners adds to their worries.

Mathew Mathews and Tan Lyn Cai

Platform workers in Singapore recently raised their concerns with NTUC about foreigners illegally doing delivery work. Their complaints have revealed more than just security loopholes – they have exposed the deep-seated anxieties of local platform workers about the security of their livelihoods.

Singapore has very strict employment regulations and stiff penalties for illegal work. Under the Employment of Foreign Manpower Act, foreign workers are only permitted to work in Singapore with valid work passes and must strictly adhere to the occupations specified in their passes. Those flouting these rules face fines of up to $20,000, imprisonment of up to two years, or both. Additionally, convicted offenders may be permanently barred from working in Singapore.

With such measures in place, breaches of these laws are rare. In response to a parliamentary question in 2023, the Ministry of Manpower clarified that the authorities had investigated 163 complaints between 2018 and October 2023 about suspected illegal foreign delivery riders. Enforcement action was taken against only 10 foreigners. Some of the foreigners suspected to be working illegally as platform delivery riders were on work passes as in-house deliverymen. In other cases, there was insufficient evidence to prosecute.

However, this is cold comfort for the many platform workers already struggling with the precarity of their work, where fare structures are opaque and earnings unpredictable. Based on a 2022 IPS survey on food delivery riders, the top worry for these platform workers is that they would not be able to earn enough because "there are many people becoming food delivery riders".

Our ongoing research also reveals that workers who rely on such jobs for most of their income are constantly worried about increased competition. Some are not happy about there being no caps on the number of people who can work through platforms, since increased competition reduces their earning potential. The sense of injustice is heightened when foreigners are able to compete for these jobs.

IT'S A GLOBAL ISSUE

Internationally, platform work has been a haven for those who might otherwise not be legally allowed to work. The very nature of the sector, with its heavy use of independent contractors, makes compliance difficult to enforce and enables easier circumvention of labour market barriers. Social networks within migrant communities also help newcomers access these platforms, making them attractive options for those seeking financial stability.

For instance, in China, which has the world's largest platform economy, data from ride-hailing platform Didi reveals that locals account for only 3 per cent of its drivers in Shanghai and 10 per cent in Beijing. The majority are migrant workers from rural parts of China working in the cities without authorisation – part of the so-called "grey economy" due to their unrecognised status in government policies.

Meanwhile, in the United Kingdom, account subletting is widespread, with legitimate delivery accounts rented out via social media for as little as £40 (S$69) a week, enabling unauthorised workers to earn up to £1,000 weekly. Even though platforms like Deliveroo, Uber Eats and Just Eat have implemented voluntary right-to-work checks, illegal practices persist. The "substitute" system designed to allow registered riders to delegate work legally is often exploited to bypass background checks and employment restrictions.

The mechanics of unauthorised platform work are troublingly simple, as seen in other countries. In the United States, for example, DoorDash recently faced a surge in account sharing among Venezuelan migrants who saw food delivery as a quick path to economic integration. The company responded by implementing mandatory re-verification and deploying machine learning technology to detect suspicious patterns, now carrying out over 150,000 real-time identity checks weekly across major US cities.

THE SINGAPORE SITUATION

In Singapore's platform delivery sector, workers have highlighted two key concerns: contractors hiring foreigners for delivery jobs, which reduces opportunities for legitimate local riders; and individuals renting out their platform work accounts to foreigners.

Some may argue that stricter security measures could reduce the flexibility that makes platform work attractive.... However, the long-term benefits of a secure and well-regulated platform ecosystem outweigh these short-term conveniences.

The first concern is linked closely to broader manpower policy. Singapore has long required foreign workers for delivery jobs to address persistent labour shortages, especially in logistics and other blue-collar sectors. Foreign workers have become essential in supporting the smooth functioning of these industries. This pragmatic approach has long underpinned Singapore's economic growth, but it also raises complex questions about how best to protect local workers' interests.

Currently, there are strict safeguards in place: for example, only Singaporeans and permanent residents are permitted to drive taxis and private-hire vehicles or work as platform delivery riders, reflecting deliberate efforts to reserve certain jobs for locals.

Should delivery jobs including those involving heavy loads also be similarly reserved? This might be problematic. Younger local workers are the ones who may most likely be able to manage those heavy loads, but it may be best to channel them to jobs with long-term prospects. The challenge, therefore, lies in finding the right balance – meeting the nation's workforce needs while ensuring that local workers in sectors like delivery have adequate opportunities and protection. This is a nuanced issue that demands ongoing review and recalibration as Singapore's workforce and economic conditions evolve.

What about individuals renting out their accounts to foreigners? It should be easier to resolve this issue, given Singapore's firm resolve to prevent illegal work. However, despite protective measures by platform operators, some local riders continue to rent out their accounts to foreigners and even provide them with local motorcycles to conceal these illegal activities.

While platform companies profess zero-tolerance policies against such fraud and require facial recognition verification and proof of citizenship or permanent residency, these safeguards are not always effective. Flaws in existing systems, such as how facial verification can sometimes be bypassed by wearing masks, and scepticism regarding how committed the platform operators are to enforcing such checks, further undermine confidence in whether they are working on the ground.

To address these issues, a newly formed trilateral workgroup – comprising NTUC, platform operators and government agencies – has outlined specific initiatives. These include developing standardised verification protocols across platforms, establishing a central reporting system for suspected violations, and creating clear escalation pathways for worker concerns. Improving communication channels between platforms and legitimate workers is also a priority, ensuring faster responses to reported violations.

Some may argue that stricter security measures could reduce the flexibility that makes platform work attractive. Account substitution – where registered workers allow others to use their accounts for a fee or a share of earnings – has evolved partly because workers need scheduling flexibility to manage personal commitments or maximise earnings across platforms. However, the long-term benefits of a secure and well-regulated platform ecosystem outweigh these short-term conveniences.

Singapore has made significant progress in protecting platform workers through the Platform Workers Act, which addresses work injury compensation and mandatory CPF provisions for retirement security. The next challenge is to secure workers' economic well-being.

Enhanced security measures, clearer communication channels and stronger enforcement are not just about preventing unauthorised work – they are about preserving the livelihoods of legitimate platform workers who are an essential part of our modern economy.

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