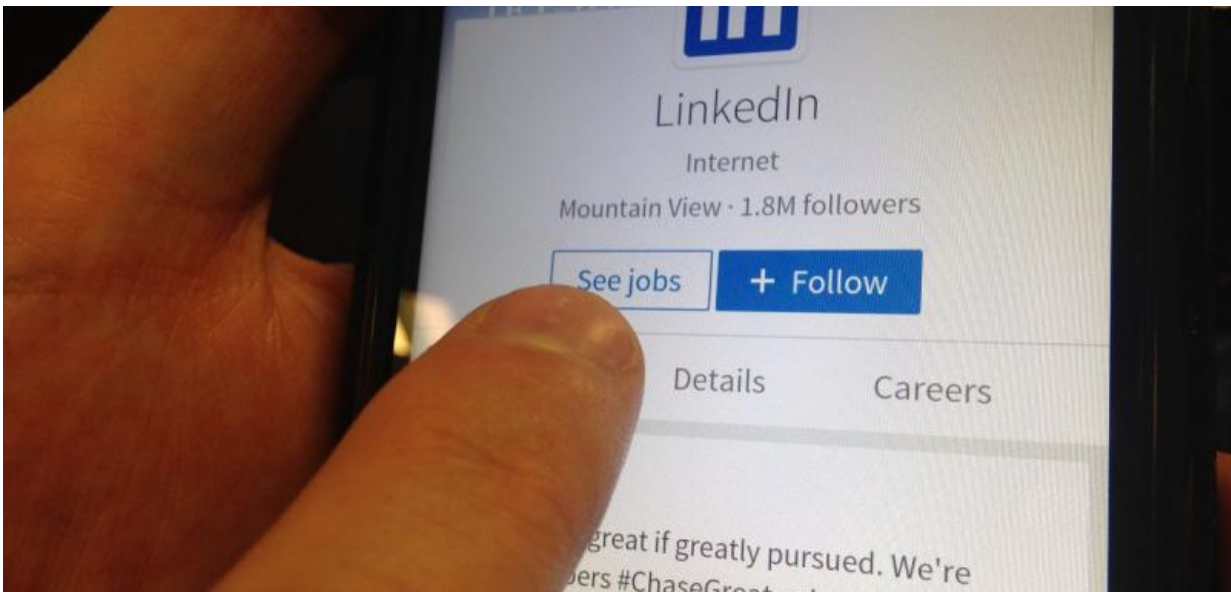


# Rise of online work captured in the first Online Labour Index

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LinkedIn page for jobs. Credit: University of Oxford

Oxford researchers launch the Online Labour Index, which finds US employers are the number one users of the 'online gig economy' (representing 52% of the market) but over the last few months UK employers have been fast catching up.

Everyone has heard about Uber drivers but how much do we know about what has been described as the 'online gig economy'? There has been a rapid increase in this new labour market where employers use online

labour platforms to engage workers for piecemeal, short-term or project-based work delivered over the internet. Oxford University researchers Professor Vili Lehdonvirta and Dr Otto Kässi have constructed an Online Labour Index, which has already gathered a wealth of data on the online gig economy from sites and apps across the world between May-September 2016. It shows that employers in the United States are the biggest [users](#) of online platforms for recruiting freelance workers, representing 52% of all the vacancies posted, followed by Britain at 6.3%, India at 5.9%, and Australia at 5.7%.

Millions of people now use online platforms and apps to find online work and recruit occasional help over the internet. Yet, despite it being a rapidly growing market, the relevant data is not recorded in conventional [employment](#) statistics. The Online Labour Index, which updates automatically in real time, currently only captures data from English-language sites although there are plans to track platforms in other languages as well. The index shows that between May and September 2016, the number of vacancies grew by 9%, representing an annual growth rate of 25%. The growth was fastest among UK employers, who increased the amount of labour bought online over the period by nearly 14%, with a 7.5% rise elsewhere in Europe and 6% in the US.

Professor Lehdonvirta comments: 'These are striking figures when they are contrasted with growth rates in conventional labour markets, which remain stagnant in the UK and US according to latest national statistics. Yet, this burgeoning online economy has been largely unobserved and is missing from conventional labour market statistics.

'This similarity between countries is surprising given substantial differences are recorded in conventional labour market statistics. However, this could be because software development and technology companies are among the first to use online platforms for engaging workers, as you might expect. This practice may soon replace job

agencies or traditional ad placements and become more commonplace for sectors across the board. Once this happens, we would expect the Online Labour Index to reflect countries' economic structures more closely.

'Labour markets are in the midst of a dramatic transformation, where standard employment is being increasingly supplemented or replaced by temporary freelancers who are recruited online. Companies and entrepreneurs are using these platforms to find, hire, supervise, and pay workers on a project, piece-rate, or hourly basis. This "on-demand" economy has deep and wide-ranging implications.'

The Online Labour Index is constructed by tracking all the projects/tasks posted to the five largest English-language online labour platforms, representing at least 60% of the market by traffic. The projects are then classified by occupation and employer country. The data is normalised so that 100 index points represents the daily average number of projects in May 2016. The resulting index is published as an automatically updated open data set and online visualisation.

The Online Labour Index will be publicly launched at the Oxford Internet Institute's conference, The Internet, Politics, and Policy, on Thursday and Friday, 22-23 September.

**More information:** Online Labour Index—Measuring the Online Gig Economy for Policy and Research: [ipp.oii.ox.ac.uk/2016/programm...i-lehdonvirta-online](http://ipp.oii.ox.ac.uk/2016/programm...i-lehdonvirta-online)

Provided by University of Oxford

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