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The Gig Economy and Labor Protection in China: Evidence from Food Delivery Platforms

Wei Li[1], Yuchen Liu[1] & Ying Sun[1]

[1] Jiangsu University, Zhenjiang 212013, China
Correspondence: Ying Sun, Jiangsu University, Zhenjiang 212013, China.

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Abstract

The gig economy in China has experienced exponential growth, particularly within the food delivery sector, with platforms like *Meituan*, *Ele.me*, and *Didi* becoming dominant players in the labor market. However, this growth has also raised significant concerns about labor protection and workers' rights. This paper explores the challenges and policy implications surrounding labor governance in China's platform economy, focusing on the food delivery sector. It examines the economic drivers behind the expansion of gig work, including demand-side factors like urban consumption and technology adoption, as well as supply-side dynamics such as labor surplus and migration. The study highlights key labor protection challenges, such as the ambiguity of employment status, algorithmic management, wage volatility, and lack of social insurance. Through empirical analysis of data from *Meituan* and *Ele.me*, as well as case studies from major cities like Beijing, Shanghai, and Chengdu, the paper evaluates the effectiveness of legal and policy frameworks and the response of government and platforms to address these challenges. The study concludes with policy recommendations for developing a more sustainable and equitable model of platform labor governance that balances innovation with social protection.

Keywords: gig economy, platform labor, labor protection, food delivery platforms, *Meituan*, *Ele.me*, *Didi*, algorithmic management

1. Introduction

Over the past decade, China's labor landscape has undergone a significant transformation driven by digitalization, urbanization, and shifts in industrial structure. The expansion of the gig economy has emerged as one of the defining features of this transition, fundamentally reconfiguring labor markets and employment relations. According to the *Ministry of Human Resources and Social Security (MHRSS, 2023)*, China's flexible and platform-based employment sector now encompasses more than 84 million workers, accounting for nearly 20% of urban employment. This transformation is not merely a quantitative expansion but also a qualitative shift in how labor is organized, managed, and protected. The traditional model of lifetime, formal employment is being increasingly replaced by on-demand, task-based work mediated through digital platforms. As a result, the boundary between formal and informal employment has blurred, giving rise to new forms of precarious labor under the guise of flexibility.

The rise of platform-based work models such as *Meituan*, *Ele.me*, and *Didi Chuxing* has been central to this reconfiguration. These platforms have become dominant employment intermediaries in urban China, connecting millions of workers—many of them rural migrants—with consumers in real-time service markets. *Meituan Research Institute (2023)* reported that by the end of 2022, the platform employed over 6.27 million active delivery riders across more than 2,800 cities and counties. Similarly, *Ele.me* employed approximately 3 million delivery workers, while *Didi* provided income opportunities to over 13 million registered drivers nationwide. These figures illustrate not only the scale of platform-mediated employment but also its growing systemic importance to China's urban economy. Platform labor has become an indispensable buffer in absorbing job losses from traditional sectors and stabilizing household incomes during periods of economic uncertainty, including the COVID-19 pandemic recovery phase (NBS, 2023). However, this dependency has also exposed new governance challenges related to worker classification, occupational safety, and algorithmic management.

Underlying this expansion is a deeper structural shift from manufacturing-based employment toward digital services and urban consumption economies. Between 2012 and 2022, employment in the manufacturing sector declined from 30% to 25% of total national employment, while jobs in the service sector—particularly logistics, e-commerce, and digital delivery—grew to over 52% (National Bureau of Statistics, 2023). This transformation reflects both China's strategic move toward a high-value, consumption-driven economy and the systemic casualization of its labor force. In the absence of strong labor institutions or universal social protection, gig work has effectively filled the employment vacuum left by industrial restructuring. Yet, this new labor configuration has also deepened the divide between formal and informal workers, challenging the inclusiveness and sustainability of China's economic modernization.

In sum, the rapid expansion of the gig economy represents a double-edged transformation: it has enhanced economic flexibility and urban efficiency but simultaneously fragmented labor protections and eroded employment stability. Food delivery platforms like *Meituan* and *Ele.me* now occupy a critical nexus between technological innovation, urban governance, and labor policy, making them a vital focal point for understanding the evolving dynamics of work in China's digital economy.

2. Economic Drivers of the Gig Economy

The rise of the gig economy in China is deeply rooted in the country's broader economic transition toward a digital, consumption-driven model. This transformation has been propelled by both demand-side and supply-side factors, reinforced by the structural realignment of the post-pandemic economy. The interaction between consumer behavior, technological innovation, and labor market flexibility has created fertile ground for the expansion of platform-mediated employment.

On the demand side, the rapid growth of China's urban middle class and the ubiquity of smartphones have accelerated the demand for convenience-based services such as online food delivery, ride-hailing, and e-commerce logistics. The *China Internet Network Information Center (CNNIC, 2023)* reports that by the end of 2023, the number of online food delivery users had reached 544 million, representing more than half of all Chinese internet users. Cities like Beijing, Shanghai, and Chengdu have become digital consumption hubs, where residents rely heavily on app-based services to meet daily needs. The combination of fast urban lifestyles, high labor participation among women, and the proliferation of mobile payment systems (e.g., Alipay, WeChat Pay) has made time-saving convenience a central driver of service demand. Platforms like *Meituan* and *Ele.me* have capitalized on this trend by building sophisticated real-time logistics networks, enabling delivery within 30 minutes in most urban districts. The resulting digital logistics ecosystem has created millions of micro-jobs, transforming how urban labor and consumption are connected.

From the supply-side perspective, the gig economy has emerged as a structural response to labor surplus and underemployment pressures. Following China's industrial restructuring, millions of migrant and low-skilled workers faced difficulties accessing stable, formal-sector jobs. The *National Bureau of Statistics (2023)* estimated that by 2022, over 293 million rural migrant workers were employed in cities, with approximately 27% engaged in

flexible or temporary work. For these workers, platform-based employment offers accessible income opportunities with low entry barriers, requiring only a smartphone and a vehicle. During the COVID-19 pandemic, when many traditional industries slowed or temporarily shut down, the gig economy absorbed large portions of displaced workers, particularly in logistics and delivery services. A *Meituan Research Institute (2022)* report noted that more than 30% of newly registered riders in 2021 were previously laid off or unemployed workers seeking short-term income. This indicates the gig economy's dual role as both an economic stabilizer and a safety valve for China's employment system.

In the context of China's post-pandemic recovery and economic restructuring, platform-based labor has become an integral component of the government's strategy to maintain social and economic stability. The *State Council's 14th Five-Year Plan for Employment Promotion (2021–2025)* explicitly recognizes digital labor platforms as vital mechanisms for expanding "new forms of employment." These platforms not only contribute to GDP growth through digital service innovation but also alleviate pressure on state welfare systems by informally absorbing workers without the fiscal burden of formal employment contracts. However, this reliance also embeds new vulnerabilities—workers remain largely excluded from social insurance, occupational injury compensation, and collective bargaining mechanisms. As China aims to balance innovation-driven growth with inclusive labor protection, the gig economy stands at the intersection of opportunity and precarity.

In summary, the economic drivers behind China's gig economy are multifaceted: on the one hand, consumer demand and technological logistics have created a thriving digital service infrastructure; on the other, surplus labor and structural employment shifts have fueled a steady supply of flexible workers. Together, these forces have solidified the gig economy's central role in China's post-industrial transformation—while simultaneously revealing the urgent need for regulatory frameworks that reconcile flexibility with security.

3. Labor Protection Challenges in Platform Employment

Despite the gig economy's contributions to employment and economic flexibility, the rise of platform-based work in China has generated profound challenges for labor protection. These challenges center on the ambiguity of employment status, algorithmic management and occupational safety, income instability, and institutional gaps within the country's legal framework. The food delivery sector, led by *Meituan* and *Ele.me*, epitomizes these tensions between technological efficiency and social protection.

One of the most persistent challenges is the ambiguity of employment status and legal classification of riders. Unlike traditional employees, platform workers are typically labeled as *"independent contractors"* rather than formal staff. This classification allows platforms to avoid the costs of social insurance, paid leave, and workplace injury compensation. Yet, in practice, riders operate under close algorithmic supervision—receiving assigned orders, performance ratings, and penalties—conditions that mirror a de facto employment relationship. A 2022 *China Labor Bulletin* (CLB) analysis of 200 labor dispute cases found that over 70% of courts ruled against riders' claims for formal employment recognition, citing the lack of written labor contracts. The *Supreme People's Court (SPC)* in its *Guiding Case No. 47 (2021)* acknowledged the complexity of "new employment forms," urging lower courts to consider factors such as algorithmic control and economic dependency. Nonetheless, the absence of clear legislative criteria has left most riders in a legal gray zone—excluded from core protections guaranteed under the *Labor Contract Law (2008)*.

Compounding this precariousness is the rise of algorithmic management, which governs riders' every move—from route optimization to delivery time and performance scoring. These digital control systems, while improving logistical efficiency, have intensified workloads and safety risks. A *Renmin University of China Labor Research Center (2022)* survey revealed that the average *Meituan* rider works 10.7 hours per day, often under pressure to meet shrinking delivery windows. The introduction of "smart dispatch" algorithms has reduced order completion times but increased accident rates. Data from *Beijing Traffic Police (2022)* indicated a 32% year-on-year increase in traffic incidents involving delivery riders between 2020 and 2022, highlighting the human cost of algorithmic

optimization. The lack of effective rest periods and unrealistic delivery expectations—combined with financial penalties for lateness—create an occupational environment marked by chronic stress and fatigue.

Wage instability and exclusion from social protection further exacerbate riders' vulnerability. Unlike traditional employees with fixed monthly salaries, gig workers' income depends on fluctuating order volumes and algorithmic pay adjustments. *Meituan Research Institute (2023)* reported that the average monthly income of riders in large cities was around 5,200 RMB, but with significant variability: earnings could drop by 30% during off-peak seasons or after algorithmic recalibrations. Meanwhile, less than 8% of full-time riders were covered by comprehensive social insurance, according to *MHRSS (2023)* statistics. Platforms often provide commercial accident insurance instead of formal contributions to pension, medical, or unemployment funds, thereby shifting risk to workers. This exclusion reflects broader gaps in China's *Social Insurance Law (2010)*, which was designed for conventional, long-term employment and struggles to encompass platform-mediated labor.

Finally, institutional and legislative limitations compound these vulnerabilities. Although the *Labor Contract Law (2008)* and *Social Insurance Law (2010)* offer comprehensive protection for standard employees, they lack provisions explicitly addressing "non-standard" or algorithmically managed labor. The *2021 Guidelines on the Protection of Delivery Workers' Rights* issued by the *State Administration for Market Regulation (SAMR)* marked a step forward by mandating that platforms "reasonably set delivery times" and ensure insurance coverage. However, enforcement remains inconsistent across local jurisdictions, and penalties for non-compliance are minimal. Without statutory recognition of hybrid employment models or shared liability mechanisms between platforms and subcontracting agents, most riders remain beyond the reach of formal protection.

4. Legal and Policy Framework Evolution

China's legal and policy framework for labor protection has historically been oriented toward stable, long-term employment under formal contracts, a structure that has proven increasingly inadequate in addressing the realities of digital and platform-based work. Since the promulgation of the *Labor Contract Law* (2008) and *Social Insurance Law* (2010), the Chinese government has gradually sought to adapt its legal institutions to the growing prevalence of flexible, informal, and algorithmically managed labor. Between 2008 and 2024, this adaptation has evolved from incremental administrative guidelines to more structured national policies emphasizing accountability, risk-sharing, and algorithmic oversight.

The first comprehensive step toward recognizing digital labor came in 2021, when the *State Administration for Market Regulation (SAMR)*, in conjunction with the *Ministry of Human Resources and Social Security (MHRSS)*, issued the *Guidelines on the Protection of Delivery Workers' Rights*. The document mandated that platform companies "reasonably set delivery times," "disclose algorithmic rules," and "ensure participation in social insurance." It further emphasized the principle of *shared responsibility* between platforms and subcontracting delivery service providers. This marked a critical shift in policy discourse—from treating gig workers as independent contractors to recognizing them as a distinct labor category requiring hybrid protections. The following year, the *State Council's Opinions on Promoting the Healthy Development of the Platform Economy (2022)* expanded this direction, calling for improved labor standards, the inclusion of flexible workers in urban social insurance, and greater oversight of algorithmic management. These opinions reflected a growing awareness that digital innovation and social protection must evolve in tandem to maintain labor stability in China's service-driven economy.

At the local level, several pilot programs have been implemented in major cities, serving as experimental laboratories for labor governance in the gig economy.

In Beijing, the municipal government launched a *Social Security Pilot Program for Platform Workers* in 2022, allowing riders and couriers to enroll in occupational injury insurance through a subsidized contribution model shared by platforms and local authorities. In Hangzhou, the *Digital Governance Pilot Zone* introduced data transparency requirements, mandating that companies disclose algorithmic performance

parameters to local labor departments for review. Meanwhile, Shenzhen, known for its technological innovation and strong labor regulation, pioneered the "Rider Care Network" in partnership with *Meituan* and *Ele.me*, establishing neighborhood-level service centers for dispute mediation, insurance claims, and legal consultation. Evaluations from the *Chinese Academy of Labor and Social Security (2023)* found that Shenzhen's program reduced formal rider disputes by 22% compared with the previous year, indicating the potential of collaborative governance models in mitigating labor tensions.

Judicial institutions have also begun grappling with the question of employment classification under the new digital economy. Courts have increasingly faced cases involving food delivery riders, ride-hailing drivers, and courier workers seeking recognition as formal employees. In *Guiding Case No. 47 (SPC, 2021)*, the *Supreme People's Court* instructed lower courts to move beyond formal contract criteria and instead consider factors such as *economic dependence, labor control, and risk allocation*. Despite this guidance, rulings remain inconsistent. For instance, in *Beijing Chaoyang People's Court v. Meituan (2022)*, the court denied a rider's claim for employment recognition, citing the absence of a fixed wage and clear subordination. Conversely, in *Hangzhou Intermediate Court v. Ele.me (2023)*, judges ruled that the platform bore partial liability for a rider's workplace accident, signaling a growing tendency toward shared responsibility. The coexistence of these divergent precedents underscores the ongoing tension between judicial caution and the need for interpretive innovation in labor law.

The evolving policy and legal framework reflects a gradual shift in the Chinese state's governance philosophy—from reactive regulation to proactive adaptation in the face of digital labor transformations. The move toward shared responsibility, local experimentation, and algorithmic transparency marks a meaningful, though still incomplete, step toward addressing the regulatory vacuum surrounding gig workers.

5. Institutional and Corporate Responses to Labor Risks

As the challenges of platform-based employment have gained national visibility, both the Chinese government and major platform enterprises have begun experimenting with institutional and corporate measures to mitigate labor risks. These initiatives reflect a broader shift toward *"co-governance"* in which public authorities, enterprises, and emerging worker collectives share responsibility for protecting digital labor. Responses have taken the form of platform self-regulation, public–private cooperation, and the gradual rise of worker associations within the gig economy.

In terms of platform self-regulation, leading companies such as *Meituan* and *Ele.me* have introduced several initiatives designed to address occupational safety, social welfare, and rider well-being. Following public criticism over extreme delivery schedules and fatal accidents in 2020–2021, *Meituan* launched the *"Rider Care Program"* in mid-2021. This initiative introduced flexible delivery time buffers, heat stress alerts during summer months, and optional commercial accident insurance plans subsidized by the company. By 2023, *Meituan Research Institute* reported that over 95% of its active riders were enrolled in some form of accident or health insurance, a major improvement from less than 60% in 2019. Similarly, *Ele.me* initiated its *"Blue Helmets Safety Initiative"* (2022), which provides free protective equipment, emergency medical coverage, and a 24-hour counseling hotline for riders. Despite these developments, most measures remain voluntary and limited in scope, lacking the enforceability and continuity of formal labor benefits. The dependence on commercial insurance rather than state-administered social protection continues to expose riders to significant economic risk in cases of serious injury or loss of income.

Beyond individual corporate initiatives, government–enterprise cooperation has become a central pillar of China's evolving platform labor governance model. Local governments in Beijing, Shanghai, and Shenzhen have established *tripartite consultation mechanisms* involving labor authorities, platform firms, and trade unions to coordinate safety standards and welfare contributions. In 2022, the *Ministry of Human Resources and Social Security (MHRSS)* and *Meituan* jointly piloted a program allowing riders to access partial state occupational injury insurance through platform contributions—a model later expanded to ten provinces. According to MHRSS statistics, over 6.8 million platform workers were covered by pilot insurance schemes by the end of 2023, an increase of 150% from the previous year. These

collaborative arrangements signify an important policy experiment in shared liability, balancing the need for labor flexibility with minimal social protection guarantees. However, enforcement remains uneven: while some local authorities have introduced mandatory coverage requirements, others rely on voluntary compliance, creating significant disparities between urban regions.

A more recent and subtle development is the rise of collective bargaining and worker associations within the digital labor landscape. Historically, China's trade union system—dominated by the *All-China Federation of Trade Unions (ACFTU)*—has struggled to engage informal or dispersed workers. In 2021, the ACFTU began promoting the formation of *platform-specific worker service centers* and *"rider unions"* to provide dispute resolution and welfare assistance. For instance, the *Shanghai Riders Federation* established in 2022 represents over 20,000 food delivery workers across multiple platforms and has successfully negotiated the establishment of "cooling stations" and safety rest areas during heatwaves. These initiatives represent incremental progress toward institutionalizing worker representation in a sector previously characterized by atomization and dependency on platform algorithms. Nevertheless, formal collective bargaining over wages or algorithmic rules remains limited, constrained by the absence of legal frameworks recognizing digital worker unions as legitimate bargaining agents.

The combination of corporate self-regulation, government collaboration, and nascent worker organization marks a tentative move toward a *"hybrid governance model"* for China's gig economy. While these measures signal institutional learning and adaptive regulation, they remain largely reactive and fragmented. The sustainability of such efforts depends on whether China can translate localized pilot successes into comprehensive, enforceable national standards that bridge the current divide between innovation and protection.

6. Empirical Evidence from Food Delivery Platforms

Empirical data from recent studies and industry reports shed light on the structural realities of labor conditions within China's food delivery platforms. By integrating quantitative evidence from *Meituan Research Institute (2023)*, local government reports, and field-based surveys, this section examines working hours, income distribution, safety risks, and evolving protection measures across key cities such as Beijing, Shanghai, and Chengdu. It also incorporates qualitative findings reflecting workers' perceptions of fairness, autonomy, and algorithmic control, with case-based insights from *Meituan* and *Ele.me* initiatives.

Working Hours, Income, and Accident Rates

Food delivery work in China is characterized by long working hours, volatile income, and significant occupational risk. According to the *Meituan Research Institute's China Food Delivery Employment Report (2023)*, the average full-time rider works approximately 10.2 hours per day, completing between 35 and 45 orders daily. During peak meal delivery periods, such as weekends or national holidays, working hours often extend beyond 12 hours. Income levels vary considerably across regions and seasons. The same report estimated an average monthly income of 5,200–6,000 RMB, with riders in first-tier cities like Beijing and Shanghai earning around 6,800 RMB, while those in smaller cities earn closer to 4,500 RMB. However, nearly 45% of riders surveyed reported experiencing at least one month per year where income dropped by more than 20% due to weather disruptions, algorithmic adjustments, or policy restrictions.

Safety remains a persistent concern. The *Beijing Traffic Management Bureau (2022)* documented over 6,300 road accidents involving food delivery riders in 2022—a 29% increase compared to 2020. Among these, 17% resulted in serious injuries. The primary causes cited were time pressure, route optimization errors, and fatigue. Similarly, a *Shanghai Municipal Labor Security Bureau (2023)* report indicated that 82% of riders considered "tight delivery deadlines" a major source of stress. These statistics reveal a pattern of occupational strain directly linked to algorithmic time compression and incentive-driven work structures.

City-Level Comparison: Beijing, Shanghai, and Chengdu

Regional differences in policy implementation provide valuable insights into the uneven governance of platform labor.

In Beijing, the municipal labor bureau introduced a *joint insurance model* in 2022, allowing *Meituan* and *Ele.me* to co-fund occupational injury insurance premiums with

government subsidies. This program currently covers over 200,000 riders, marking one of the highest coverage rates in the country.

Shanghai, on the other hand, has emphasized digital transparency through its *Algorithmic Accountability Framework (2023)*, requiring platforms to publicly disclose delivery time algorithms and allow third-party audits. Preliminary evaluations by the *Shanghai Labor Protection Institute (2023)* found that delivery delays caused by severe weather were reduced by 11% after implementation, indicating improved coordination between platform operations and worker welfare.

In Chengdu, local authorities have prioritized community-based welfare centers known as "Rider Stations." These facilities provide rest areas, legal assistance, and free health check-ups. As of late 2023, the *Chengdu Human Resources Bureau* reported that over 60% of riders utilized these services monthly, suggesting the potential of localized welfare interventions in improving working conditions.

Worker Perceptions and Algorithmic Control

Beyond quantitative metrics, worker experiences reveal complex attitudes toward platform governance and autonomy. Field interviews conducted by *Peking University's School of Labor and Human Resources (2023)* show that 72% of riders believe platform algorithms "determine all aspects of work," including route planning, order acceptance, and payment calculation. While many appreciate the income opportunities and flexibility, nearly two-thirds express frustration over opaque penalty systems and perceived "unfairness" in algorithmic ranking mechanisms. Riders often describe a sense of *"digital dependency"*—where their livelihood depends on maintaining algorithmic favor, leaving little room for contesting decisions. This sentiment reflects broader issues of data asymmetry and power imbalance between workers and platform corporations.

Case-Based Insights from *Meituan* and *Ele.me*

Meituan and *Ele.me* have both launched initiatives to address worker welfare concerns, but their effectiveness varies. *Meituan's "Rider Care Program"* includes emergency funds, rest stations, and mental health counseling, reaching over 3 million riders as of 2023. *Ele.me's "Blue Helmets Safety Initiative"* provides accident coverage and regular safety training sessions. However, independent evaluations by the *China Institute of Industrial Relations (2023)* indicate that only 38% of riders report being aware of these programs, and participation remains uneven across regions. While corporate policies demonstrate growing recognition of labor issues, implementation remains constrained by cost pressures and subcontracting layers, which diffuse accountability.

Collectively, these empirical findings highlight the dual reality of China's food delivery sector: the gig economy serves as both a crucial employment source and a site of deepening precarity. Despite improvements in insurance coverage and digital governance, the underlying power asymmetry between platforms and workers—mediated through algorithms—continues to limit substantive progress in labor protection.

7. Social and Economic Implications of Platform Labor

The rapid growth of the gig economy has fundamentally altered China's urban labor structure, creating both opportunities and vulnerabilities. On one hand, platforms such as *Meituan* and *Ele.me* have become essential to employment generation and economic resilience, especially for migrant and low-skilled workers. On the other hand, this expansion has accelerated the informalization of labor, deepened inequality, and redefined traditional notions of work and security.

Recent estimates from the *Ministry of Human Resources and Social Security (MHRSS, 2023)* show that over 84 million Chinese workers—nearly one-fifth of the urban labor force—are engaged in flexible or platform-based jobs. However, fewer than 10% of them have full access to social insurance or contractual protection. This exclusion represents a significant shift from the state's earlier model of formalized, welfare-linked employment. As a result, China's urban labor market has become increasingly dualistic: formal employees benefit from stable protection, while platform workers operate under algorithmic governance with fluctuating income and minimal security.

Socioeconomic inequality within this system is most visible among migrant and young workers. Surveys by *Renmin University of China (2023)* indicate that more than 70% of food delivery riders are rural migrants who lack access to urban welfare benefits due to household registration (hukou) restrictions. While platform

work offers flexibility and immediate income, it rarely leads to upward mobility, leaving workers trapped in cycles of economic precarity. *Meituan Research Institute (2023)* data show that riders' average annual earnings remain roughly 60% lower than those of formal logistics employees. Furthermore, the constant surveillance and productivity demands imposed by algorithms create high psychological pressure—over 60% of riders report chronic stress or fatigue according to *Fudan University (2022)*.

Gender and family dynamics also shape the social impact of platform labor. Though the delivery sector is predominantly male, women increasingly participate in other platform-based jobs such as e-commerce, tutoring, and domestic services. This flexibility helps increase female labor participation but often confines women to lower-paying, insecure forms of work. Studies by *Tsinghua University (2022)* suggest that women's average earnings on digital platforms are about 25% lower than men's, reflecting algorithmic bias and uneven task allocation.

Overall, China's platform economy represents a paradox: while it expands employment and supports consumption-driven growth, it also reinforces a fragmented and unequal labor system. The emergence of millions of digitally managed yet socially unprotected workers underscores a central tension in China's modernization—between economic efficiency and social equity. Without stronger institutional safeguards, the promise of digital inclusion risks perpetuating a new era of algorithmic precarity beneath the surface of innovation.

8. Toward a Sustainable Model of Platform Labor Governance

As China's gig economy continues to grow, there is an urgent need to develop a sustainable model for platform labor governance that balances the benefits of technological innovation with the protection of worker rights. A key challenge lies in creating a framework that can ensure fair wages, social protection, and transparency, while also maintaining the flexibility that has made platform work attractive to both employers and workers.

To address these challenges, several policy recommendations can be considered. First, there needs to be a clear legal recognition of platform workers as a distinct category of employment, with tailored protections that reflect the hybrid nature of their work. This includes extending social insurance coverage to gig workers, similar to the benefits enjoyed by formal employees. The implementation of national-level regulations mandating minimum benefits such as health insurance, accident coverage, and unemployment compensation would help bridge the gap between formal and informal labor. For instance, the adoption of a "third employment category"—one that acknowledges the unique nature of gig work without forcing platforms into traditional employer-employee relationships—would provide a clearer path for legal inclusion. This approach has already been successfully trialed in parts of the European Union and could be adapted to China's specific conditions.

Second, algorithmic transparency must be prioritized. Platforms currently operate with opaque algorithms that govern workers' pay, task assignments, and penalties. This lack of transparency exacerbates power imbalances, undermining workers' ability to challenge unfair practices. Regulatory bodies should enforce measures that require platforms to disclose how their algorithms work, allowing for third-party audits to ensure fairness. Platforms should also be mandated to provide workers with data access—allowing them to understand the metrics that affect their performance and earnings. This would empower workers to make informed decisions and mitigate algorithmic bias, which disproportionately affects vulnerable workers.

Third, worker participation mechanisms should be introduced. Currently, the absence of formal labor unions or collective bargaining structures leaves platform workers vulnerable to exploitation. The establishment of worker councils or platform unions would allow workers to have a seat at the table in negotiations concerning wages, working conditions, and algorithmic changes. Government and industry collaboration in facilitating such bodies would ensure that platform workers' voices are heard and their interests represented. Cities like Shenzhen have already seen some success with worker representation initiatives, but the scope of such movements must be expanded across China.

Finally, public-private partnerships should be strengthened to provide a more comprehensive safety net for platform workers. In the absence of a fully integrated welfare system for gig workers, partnerships between platforms and

local governments can help create more localized protection schemes, such as subsidized insurance, income stability programs, and community-based support centers. The pilot programs in cities like Beijing, Hangzhou, and Chengdu have shown that these collaborative efforts can improve both worker welfare and platform compliance with labor regulations.

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