

The Singapore Platform Workers Act and Its Implications

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Abstract: The global expansion of the platform economy in the era of digital capitalism has given rise to a “regulatory gap” in safeguarding workers’ rights. This article examines the legislative breakthrough of Singapore’s Platform Workers Act and argues that China’s platform economy governance should adopt a progressive protection framework of “dynamic adaptation”. By innovating mechanisms to balance algorithmic power and establishing a tripartite governance model (expert guidance, platform accountability, and trade union collaboration), China can achieve a dynamic equilibrium between protecting gig workers’ rights and sustaining platform-driven economic growth.

Keywords: Platform Workers Act; Labor Rights; Gig Economy; Comparative Study

1. Introduction

In the digital economy era, the global labor market is undergoing profound transformations driven by internet platforms. According to World Bank research, the gig economy now accounts for 12% of the global workforce, encompassing 435 million gig workers worldwide, making it a crucial channel for employment and income generation. Flexible workers have emerged as a vital force in socioeconomic development. This transformation exhibits even more distinctive local characteristics in China. Data from the National Information Center reveals that China’s flexible workforce has reached 200 million, with over 60% comprising “workers in new employment forms” who rely on digital platforms. While the platform economy creates employment opportunities, it has also introduced unprecedented complexity in employment relationships between platforms and workers. Under the traditional “employment dichotomy” framework, there’s ongoing debate about whether platform

workers should be classified as subordinate employees, with a clear trend toward “de-laborization” in platform employment.^[1] The legal ambiguity surrounding platform workers’ status under this de-laborization trend has created significant challenges in legal application, hindering the establishment of an appropriate legal protection framework.^[2] Consequently, effectively safeguarding these workers’ rights has become an increasingly pressing social and legal issue.

Since implementing the “Guidelines on Protecting Labor Rights of Workers in New Employment Forms” in 2021, China has developed a preliminary “categorized protection” policy framework. However, empirical studies reveal three major implementation challenges: (1) ambiguous employment classification standards limiting coverage, (2) regional barriers in occupational injury insurance pilots, and (3) lack of effective remedies for rights violations caused by algorithmic opacity. These institutional bottlenecks structurally mirror governance challenges faced in Europe and the U.S., highlighting systemic mismatches between traditional labor law paradigms and platform employment characteristics. In this context, Singapore’s legislative approach - combining “technological governance with incremental reform” - particularly its differentiated protection scheme, offers China new possibilities for navigating the dilemma between “inadequate protection” and “over-regulation.”

2. Singapore’s Platform Workers Act

2.1 Legislative Background

According to Singapore’s 2023 Labour Force Report, there are over 70,000 platform workers in the country, accounting for 3% of the local workforce, with 73% engaged in ride-hailing and food delivery services. Confronted with the global governance challenges of the gig economy, Singapore has responded with

targeted legislation to address the rights protection needs of these platform workers. The Act breaks through the traditional binary employment framework by redefining worker classification—platform workers are neither conventional employees nor self-employed individuals, but rather a “third category” with independent rights. This represents an institutional breakthrough in digital labor rights protection. While the international community has long debated these issues without resolution, Singapore has taken the lead in establishing a dynamic balancing mechanism that safeguards both labor and capital interests. This innovative approach provides a new governance paradigm for the global platform economy.

2.2 Institutional Innovations

2.2.1 Clarifying the nature of platform employment relationships

At the practical level, the Act recognizes a third category of workers beyond traditional employees and self-employed individuals, establishing platform workers as a distinct and independent labor group with dedicated legislative protections. At the theoretical level, the Act introduces a subordination test centered on the criterion of “control”. It defines platform workers as those who: “Provide platform services to end-users in Singapore on behalf of platform operators” “Are subject to the management and control of platform operators”. The Act further clarifies “management and control” by specifying that: Using the platform’s application and performing assigned tasks constitutes *prima facie* evidence of control, Unless the platform can provide sufficient counterevidence. Breaking free from traditional subordination standards for employment classification, the Act creatively positions platform workers as a third category between employees and independent contractors. This approach: responds to the flexibility and diversity of digital economy labor relations, captures the essence of capital’s control over labor, sets a legislative precedent for protecting platform workers.

2.2.2 Safeguarding platform workers’ rights

The Platform Workers Act ensures workers’ rights through three key dimensions: First, occupational injury protection. The Act mandates platform operators to provide

workers with work injury compensation insurance equivalent to that of traditional employees, guaranteeing proper compensation for work-related injuries. Second, collective labor rights. The legislation permits platform workers to form “Platform Work Associations”—representative bodies with legal status similar to trade unions—to protect workers’ lawful interests and engage in collective bargaining. It also grants supplementary rights protection channels, including the right to strike under reasonable circumstances. Third, economic rights safeguards. Platform operators must: Maintain and provide workers with earnings records; Grant priority claims for specific debts (e.g., unpaid wages, injury compensation, and CPF contributions) during operator bankruptcy or liquidation.

2.2.3 Innovative social security mechanisms

(1) Tiered mandatory CPF contributions

The Act implements a dual-track contribution system based on workers’ age and income levels. Both platform workers and operators will see their CPF contribution rates gradually increase over five years to align with standard employer-employee rates, with annual caps of 2.5% for workers and 3.5% for platforms. Contributions are allocated monthly to workers’:

Ordinary Account (housing/retirement), Special Account, (long-term savings), Medisav Account (healthcare). Mandatory participation for workers born on/after January 1, 1995 Opt-in for older workers (addressing Singapore’s platform workforce average age of 28.4) This design balances intergenerational equity while mitigating long-term pension pressures from the sector’s youth dominance.

(2) Dynamic adjustment: CPF transition support scheme

During the first four years of increased CPF contribution rates for platform workers, the government will implement a four-tiered subsidy scheme (see **Table 1**) under the CPF Transition Support Scheme to assist lower-income platform workers (including food delivery riders and private hire car drivers) earning S\$2,500 or less per month, thereby alleviating their financial burden:

① In 2025: 100% cash subsidy for Ordinary and Special Accounts;

② In 2026: 75% cash subsidy for Ordinary

and Special Accounts;

③ In 2027: 50% cash subsidy for Ordinary and Special Accounts;

④ In 2028: 25% cash subsidy for Ordinary and Special Accounts.

Institutional Context: for illustrative purposes, consider a 31-year-old platform worker in 2025 employed as a full-time delivery personnel for Platform A, with a net monthly income of S\$2,000. Under Singapore's Platform Workers Act, their CPF contribution structure comprises two components:

1) Base account (Medisave): Fixed S\$160/month.

2) Flexible accounts (OSA): Gradual incremental contributions.

3) Transition support: PCTS subsidizes OSA increases.

Table 1. Phased Subsidy Implementation Schedule (2025-2028)

year	Medisave Account Base Contribution (S\$/month)	OSA Additional Contribution	PCTS Subsidy Policy
2025	160	50	Full subsidy: S\$50/month PCTS (covers 100% of increment)
2026	160	50	75% subsidy: S\$38/month PCTS (worker bears S\$12 difference)
2027	160	100	50% subsidy: S\$25/month PCTS (worker bears S\$75, including accumulated increments)
2028	160	150	25% subsidy: S\$25/month PCTS (worker bears S\$125, including accumulated increments)

2.3 Challenges of the Platform Workers Act

The Platform Workers Act adopts a selective and progressive protection strategy for platform workers. Rather than replicating all traditional employment safeguards, the legislation focuses on prioritizing core rights: Work injury compensation provisions fully protect workers' right to life and health safety; CPF contributions establish fair and essential social security rights;

Association rights safeguard freedom of association. Other labor standard rights are delegated to collective bargaining by workers' associations, activating the collective

coordination mechanism in labor relations while balancing enterprise and worker interests. Nevertheless, the Platform Workers Act continues to face implementation challenges and debates.

2.3.1 Judicial challenges in defining "management control"

The draft regulations introduce statutory definitions for platform workers, platform operations, and platform services, reflecting the Singapore government's intent to classify platform workers as a distinct category. The key determinant is whether the worker is subject to the platform's "management control" while providing services to users. Under the draft regulations, management control arises when:

(1) The platform collects personal data from users and workers during service provision.

(2) Such data usage occurs without regular human intervention.

(3) The platform imposes requirements, prohibitions, or restrictions on workers, including:

① Mandating compliance with platform-set guidelines, rules, or service standards;

② Restricting workers' ability to negotiate payment terms with users;

③ Limiting workers' capacity to build or retain their own clientele;

④ Dictating service hours or task quotas;

⑤ Applying rewards/penalties unilaterally.

Judicial interpretation of "management control" faces three key dilemmas:

1) Formal vs. substantive control mismatch: Platforms circumvent traditional employment traits (e.g., absence management) via contractual terms but enforce de facto work arrangements through algorithmic tools (e.g., dispatch heatmaps with ≥ 0.7 intensity index).

2) Absence of quantitative thresholds: The current bill lacks objective criteria (e.g., daily working hours, economic dependency ratios) for determination.

3) Imbalanced burden of proof: workers must demonstrate "sustained control", yet critical evidence (e.g., algorithmic weighting parameters) remains exclusively held by platforms.

2.3.2 The cost-sharing dilemma

From the perspectives of workers and platform companies, requiring platforms to contribute to CPF (Central Provident Fund) and provide work

injury compensation insurance would significantly increase operational costs. To mitigate this financial pressure, many platforms resort to adjusting pricing models or commission structures—a move that indirectly reduces workers' earnings. Moreover, companies may further pass on the added costs to consumers through higher service fees, triggering a chain reaction within the gig economy.

From the consumer standpoint, enhanced protections for platform workers inevitably raise operational costs for platforms. These companies are likely to shift part of the burden to users through price hikes. Singapore's Senior Minister of State for Manpower, Dr. Koh Poh Koon, has acknowledged this potential cost-pass-through effect, noting that such expenses are an inherent part of business operations, similar to the labor costs borne by traditional employers.

3. Recommendations for China

Unlike Singapore and certain European nations, China has yet to enact legally binding regulations governing labor relations between platform workers and digital platforms. In developing its worker protection framework, China must draw lessons from Singapore's "precision balancing" legislative approach while addressing its unique institutional context and the unprecedented scale of its digital economy. The Guidelines on Safeguarding Labor Rights of Workers in New Employment Forms (issued by the MOHRSS and seven other ministries) introduced the innovative concept of "non-standard employment relationships". Scholars note this formulation effectively establishes a tripartite labor classification system in China, structured as: Standard employment relationships, Non-standard employment relationships, Civil contractual relationships. [3] However, this pioneering framework faces three systemic challenges.

3.1 Theoretical Debates and Local Innovations: From "Third-Category Workers" to a "Rights-Centric" Approach

3.1.1 Challenges of legal system compatibility Singapore's and Europe's "intermediate worker" systems are rooted in centuries of common law or civil law traditions governing employment contracts. In contrast, China's

Civil Code does not explicitly recognize employment contracts, and its labor law framework emerged from the planned economy transition. For instance, Germany's Collective Bargaining Act (Section 12a) explicitly incorporates economic dependency as a criterion for classifying "employee-like" self-employed workers—a concept difficult to directly transplant into China's judicial practice due to the absence of a foundational employment contract doctrine [4].

3.1.2 Diverging approaches to institutional innovation

There is a debate in academia over two paths: "identity empowerment" and "rights extension":

Proponents advocate creating a "third-category worker" status, inspired by Singapore: Wang Tianyu argues that platform work inherently involves power asymmetry and informational inequality, justifying a "quasi-employee" classification based on dependency theory.

Ban Xiaohui suggests introducing "economically dependent service providers" to mitigate risks comparable to traditional employment while avoiding overreliance on rigid labor relationship classifications. [5] Critics contend that foreign "third-category" models are incompatible with China's institutional context and propose bypassing status debates by legislating core rights (e.g., working-hour protections, occupational safety) through a Labor Standards Law. [6,7] Empirical studies from Jiangsu and Zhejiang reveal that delivery riders prioritize immediate safeguards (e.g., occupational injury insurance coverage rising from 12% to 89%) over abstract legal classifications. [8] This suggests China's policy design should adopt a problem-driven approach rather than conceptual formalism.

3.2 Recommendations for Tiered Governance: From a "Rigid Dichotomy" to a "Dynamic Spectrum"

3.2.1 Gradual protection system design

China can draw inspiration from Singapore's tiered approach to platform worker protections, emphasizing "targeted policies" and "dynamic adaptability" to balance the diversity of flexible work arrangements with universal rights coverage. This would establish a "dynamic spectrum" governance framework tailored to different industries, risk levels, and

worker needs:

(1) Phased implementation: pilot programs in 7 provinces/municipalities (e.g., Beijing, Shanghai) have extended occupational injury insurance to workers on 7 major platforms (e.g., Meituan, Lalamove), covering 10.2264 million workers as of November 2024.

Next steps could adopt Singapore's tiered contribution model for CPF (Central Provident Fund): High-risk industries: Mandatory enrollment, Medium-risk industries: Semi-mandatory (opt-out allowed), Low-risk industries: Voluntary participation.

(2) Industry-Specific risk stratification: A "graded" protection system should be developed based on occupational hazards:

High risk industries (food delivery, freight): platforms are required to purchase commercial accident insurance, establish a "take on orders and circuit breakers" mechanism, and work continuously for 4 hours with mandatory offline rest.

Medium risk industries (ride hailing, housekeeping): Implement "income support+ floating subsidies", requiring platforms to ensure that workers' hourly wages are not less than 1.5 times the local minimum wage, and dynamically adjust peak subsidy periods through algorithms;

Low risk industries (live streaming, crowdsourcing design): voluntary participation is the main method, and the government provides tax incentives to incentivize payment platforms.

(3) Dynamic income benchmarking

Develop a floating calculation model tied to order volume and working hours. Given the non-standardized nature of gig work (e.g., self-determined schedules, unpredictable demand), minimum earnings should follow:

Formula: $(\text{Order fee} \times \text{Total orders} \times \text{Industry coefficient}) / \text{Total working hours}$

Industry coefficient = Weighted adjustments for factors like:

Time-based order density (e.g., rush-hour premiums)

Special circumstance bonuses

Output: Hourly earnings must exceed the local minimum wage^[9].

3.2.2 Algorithmic accountability mechanisms

The Hangzhou Internet Court, in its landmark case *Xu v. a Hangzhou Software Service Company* (a dispute over algorithmic decision-making in platform governance),

established critical judicial review standards for platform algorithms. The court: Defined reasonable boundaries for platform algorithmic authority Set due process criteria for automated decision-making, mandating compliance with principles of transparency, fairness, scientific validity, and security created precedent requiring: Public disclosure of algorithm rules

Plain-language explanations of technical logic Third-party algorithm audits User informed consent for algorithmic applications Guaranteed non-discriminatory outcomes This judicial precedent demonstrates how dynamic equilibrium among platforms, users, and public interests can be achieved, suggesting a "data + rules" dual-track governance model: One is penetrating supervision: using natural language processing (NLP) technology to scan platform protocols and identify expressions such as "individual business registration" and "risk bearing clauses" that avoid labor relations; The second is algorithm transparency: forcing platforms to publicly disclose 12 core parameters such as dispatch logic and reward and punishment rules (refer to Appendix B of the EU Digital Services Act).

3.2.3 Collaborative governance innovation: State guidance & pluralistic Co-regulation

By strengthening institutional resilience through "tripartite consultation+ judicial support" and drawing on Singapore's experience, a tripartite mechanism of government guidance, platform accountability, and union collaboration is established to strengthen the social governance responsibility of platform enterprises, encourage platform enterprises to include the protection of platform workers' rights and interests in their social responsibility target system, and implement it in specific platform governance rules and means. Regulatory departments and industry associations to which platform enterprises belong should issue relevant compliance guidelines and use the performance of platform enterprises as evaluation indicators for government rewards, awards, and assessments. Professional third-party certification agencies should be cultivated and introduced to increase ethical review of automated decision-making such as platform algorithms, and conduct annual evaluations of the performance of platform

enterprises in fulfilling their social responsibilities. Encourage platform enterprises to actively participate in the construction of industry self-discipline mechanisms, jointly formulate industry standards and norms, and promote the healthy development of the entire industry.

4. Conclusion

The second is the "penetration power" and "goodness oriented" of technological governance, establishing a government led algorithm review center to conduct compliance testing on core models such as rider path planning and driver peak pricing, ensuring that technological dividends are not monopolized by platforms. By building a more reasonable symbiotic ecosystem of "guarantee development" in a giant ecosystem of over 200 million flexible employment population, it is conducive to achieving a dynamic balance between rights protection and platform economy development.

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