Exploring the challenges faced by Sri Lankan workers in web based digital labour platforms[1]

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Abstract: Sri Lanka is identified as one of the most favorable destinations in the world for Business Process Outsourcing/ Business Process Management (BPO/ BPM) industry. In order to secure an employment in this sector, Sri Lankans should have at least a bachelors degree whereas only 3% of Sri Lankans have one and even less on IT field. Youth unemployment is high in Sri Lanka even though most of the Sri Lankans are competent, literate and famous around the world for their soft skills. Given that more Sri Lankans are connected via Internet and are exploring employment opportunities online, this research estimate the value of web based digital labour platform economy in Sri Lanka, the Sri Lankans working on these platforms and challengers faced by them and provide policy recommendations to overcome these challengers and provide opportunities for more Sri Lankans online.

Key words: Internet, Services, Connectivity

1. Introduction

By the end of 2016, 47% of world's population was using Internet (ITU, 2016). This increased Internet connectivity has led to an outburst of information production and consumption around the world (World Bank, 2016). Research has proven that Internet rollout has an impact on productivity, job creation, consumer surplus and firm efficiency (Katz, 2012). Koutroumpis (2009) builds a strong case on the economic impact of broadband on growth based on a research on 22 OECD countries. Many industries such as e-commerce, e/m banking and e-governance have emerged as a result of the growth of broadband sector (Martin, 2008; Joshi, 2016). This has contributed to investment payoffs in other sectors such as research and development, trade and services and has facilitated the improvement of public services to enhance the business environment (Zhen-Wei, Rossotto & Kimura, 2009).

2015 Human Development Report identified that globalization and the technological revolution are changing how we do and what we do globally. With increased connectivity globally, nature of work and outsourcing itself is changing, as the importance of the location of certain types of work performed is starting to become insignificant. In this context, more and more people start working virtually and employers start to outsource their work online to benefit from the low costs witch contributes to high profits due to the accessibility for a global competent workforce. Ataloy, 2013 has proved access to broadband services in a United States counties are associated with approximately a 1.8 percentage point increase in the employment rate, with larger effects in rural and isolated areas by studying Internet access and labour market outcome in the United States from 1999- 2007. Empirical evidence suggests that Internet technologies have positive labour externalities but extremely allot towards skilled workers who will most likely be employed (Galperin and Viecens, 2014). This complementary nature of the skilled labour and Internet technologies are studied by Forman, Goldfarb and Greenstein in 2012 by analyzing the relationship between US county level wage growth and Internet investment from 1995-2000. They identify a skill bias in the employment effect of Internet technologies.

In this context, this research explores the web based digital labour platform economy of Sri Lanka. It identifies the Sri Lankan Business Process Outsourcing/ Business Process Management (BPO/BPM) industry and compares it with the income generated from the workers working in digital labour platforms. It specifically identifies dynamics of the Sri Lankans working in global digital labour platforms. The challenges faced by these workers are framed and brought forth to influence policy and to facilitate a favorable environment to workers in global digital labour platforms in Sri Lanka.

2. Research questions
1. What is the value of web based digital labour platform economy of Sri Lanka?
2. Who is working in web based digital labour platforms in Sri Lanka?
3. What are the challenges faced by workers in web based digital labour platforms in Sri Lanka?
4. What are the possible policy measures that can be taken to overcome these challenges faced by workers in web based digital labour platforms in Sri Lanka?

3. Theoretical background
3.1 Web based digital labour platforms
Fuchs, 2013 defines the concept of digital labour from the Marx and Engles modes of production in the context of globalization. He connects the mode of production concept to the concept of new international division of labour (NIDL) in relation to Information and communication technology (ICT) industry. His definition of digital labour is broad and labour in the ICT value chain is defined as digital labour. This includes rare earth element (REE) mineral extractors in Congo (agricultural labour), Foxconn worker who assembles the iPhone in China (Industrial labour), Software developer in India, Call center worker in Sri Lanka, Freelancer from Philippines and Facebook user in Myanmar (Information labour)

Coarse, 1937 has studied how the technology is changing the boundaries of the firm in early twentieth century. Transfer of business process outsourcing from developed to developing countries started following the invention of broadband which facilitated the transfer of large amount of data cross country. At the moment, a new form of outsourcing is taking place in the form of digital labour platforms[2] (Graham, Hjorth and Lehdonvirta, 2017). Categorization of these platforms can be done based on location baseness and the specific skill/ person baseness of the services/ tasks provided over the digital labour platform (Schmidt, 2017). Based on this classification, basic types of digital labour platforms are:

Cloud work (web-based digital labour)
1. Freelance marketplaces (Eg: Upwork, freelancer)
2. Microtasking crowd work (Eg: Amazon Mturk, Crowdflower)
3. Contest-based creative crowd work (99designs, jovoto)
Gig work (location-based digital labour)
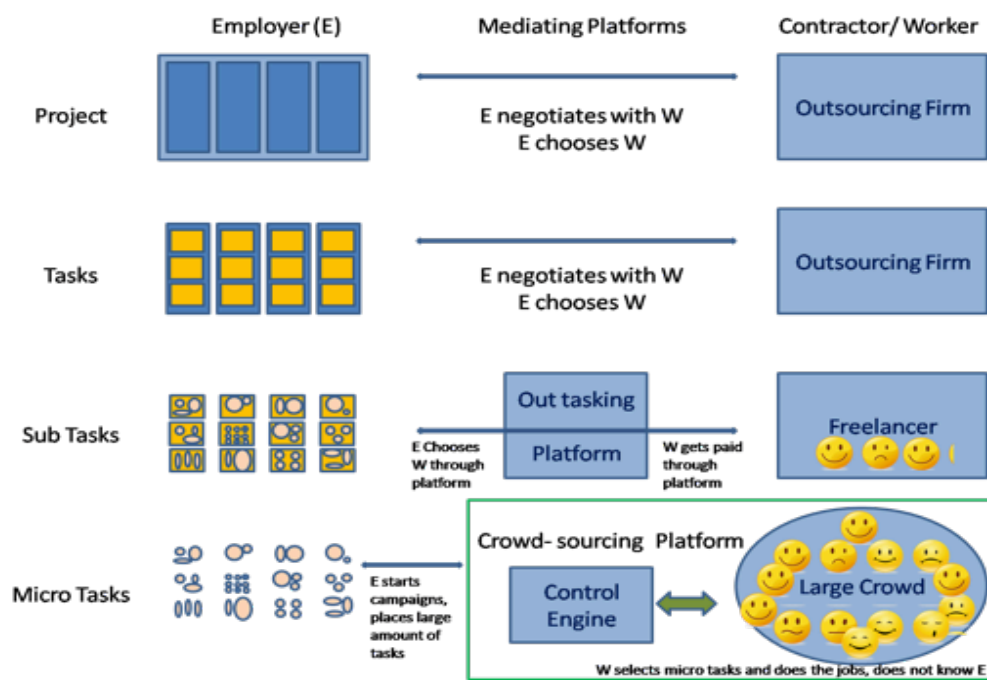1. Accommodation (Eg: Airbnb)

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[2] These markets have also been named 'online labour markets.' This article only focus on Sri Lankans working in cloud work platforms (web based digital labour)

2. Transportation and delivery services (gig work) (Eg: Uber, Lyft)
3. Household services and personal services (gig work) (Eg: Taskrabbit)

For the purpose of this paper, we have narrowed down our focus to digital work that takes place as cloud work (web based digital labour).

Web-based digital labour is enabled by digital labour platform where buyers and sellers find each other and complete the end-to-end transaction: starting from market discovery, the buyer sources the work from the seller of service, the buyer and seller communicate during the carrying out of the work, the buyer pays the seller upon completion of the work. The platforms enable sellers to advertise themselves. The buyer can select the seller directly based on a search process, or the buyer can advertise the job and enable multiple sellers to bid for the job and select one based on lowest price or other critiera. The sellers are ranked based on multiple critieria including the buyers ranking as well as other indicators automatically measured by the platform itself. The digital labour platforms usually make money by charging a commission out of what the seller is paid by the buyer. For sellers online outsourcing has generated new opportunities to access work in a global market, anywhere at anytime, as long as they have a computer, Internet access and the skills (Kuek et al., 2014).

Figure 1: Graphical representation of crowd work (web based digital labour) platforms

Source: Tobias Hoßfeld, Matthias Hirth, Phuoc Tran-Gia, 2011

3.2 Challenges faced by workers in web based digital labour platforms

Graham, Hjorth, & Lehdonvirta, 2017 illustrates four key concerns of workers in web based digital labour platforms based on a qualitative and quantitative research in Philippines, Malaysia, Vietnam, South Africa, Kenya and Nigeria. The first concern is bargaining power, because the workers are unable to negotiate their pay in the global labour platforms. Lehdonvirta V (2016) in a empirical study in United States, Philippines, Nepal identify that

the workers in web based work platforms are physically, temporally, and administratively detached and desynchronized from each other. Therefore these workers hold no collective bargaining power and sense of belonging to a community.

The second concern Graham, Hjorth, & Lehdonvirta, 2017 illustrates is economic exclusion and discrimination based on religion, ethnicity, disability or gender. Beerepoot & Branbegts (2015) in a quantitative research on a web based platform in Bangladesh, Pakistan, India and Philippines identify how racial discrimination takes place on digital work platforms. In an example they show a job advertisement where bidders from Bangladesh and Pakistan are not encouraged to apply for the job.

Third concern is intermediation where high performing digital workers will bid for a job and outsource the same job for another digital worker in the same platform for a lower pay.

Final concern is skill and capability development where digital workers performed low end tasks which did not correspond to their existing skill set, professional experiences and expertise. Zittrain, 2009 has identified that digital labor can range from highly creative projects to miniature tasks where the worker is not aware of the effect of their work.

3.3 Digital labour in Sri Lanka

In terms of digital connectivity and literacy, 26.8% of the country's population was computer literate[3] in 2015 and over 25% of households had a computer (Department of Census and Statistics, 2015b). Over 19.5% of the population had Internet Access (Central Bank of Sri Lanka, 2015b). Sri Lanka has the highest literacy rate in South Asia[4]. As of 2012, the literacy rate of the country was 95.7%[5]. Department of Census and Statistics 2012 data revealed that 36.5% of Sri Lankans are able to read and write in English and 23.8% can speak in the same[6]. Latest census revealed 3% of Sri Lankans have a degree or above qualification[7].

Sri Lanka is a lower middle-income country[8] where most of the countries employment is in the tertiary (services) sector. In line with Fuch's classification of digital labour, agricultural labour in ICT is unavailable in Sri Lanka even tough Sri Lanka has rare earth element minerals as a resource. REE extraction is not done in Sri Lanka at the moment. In terms of industrial labour in ICT, two ICT manufacturing plants are available in Sri Lanka (Electronics Watch, 2014) yet numbers of workers working in these plants are not available.

In terms of information labour, executives around the world have praised Sri Lankans on their creativity, friendliness and adaptability, soft skills that facilitate easy integration in to

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[3] Definition for Computer literacy: A person (aged 5-69) is considered as a computer literate person if he/she could use computer on his/her own. For example, even if a 5 years old child can play a computer game then he/she is considered as a computer literate person

[4] Ministry of Education and Highways. (n.d.). Overview. Retrieved May 13, 2016, from http://www.mohe.gov.lk/index.php/en/about-ministry/overview

[5] Department of Census and Statistics. (n.d.). Http://www.statistics.gov.lk/Abstract2015/CHAP14/14.1_14.2.pdf. Retrieved May 13, 2016, from http://www.statistics.gov.lk/Abstract2015/CHAP14/14.1_14.2.pdf

[6] Department of Census and Statistics. (2012). Census of Population and Housing, 2012. Retrieved May 13, 2016, from http://www.statistics.gov.lk/PopHouSat/CPH2011/Pages/Activities/Reports/CPH_2012_5Per_Rpt.pdf

[7] Department of Census and Statistics. (n.d.). Http://www.statistics.gov.lk/Abstract2015/CHAP14/14.1_14.2.pdf. Retrieved May 13, 2016, from http://www.statistics.gov.lk/Abstract2015/CHAP14/14.1_14.2.pdf

[8] World Bank. (n.d.). Sri Lanka. Retrieved May 13, 2016, from http://data.worldbank.org/country/sri-lanka

foreign units, which makes Sri Lanka an ideal place for BPO/BPM industry[9]. As a result of this knowledge and skill availability in Sri Lanka many foreign investors have started investing on the BPO sector of the country.
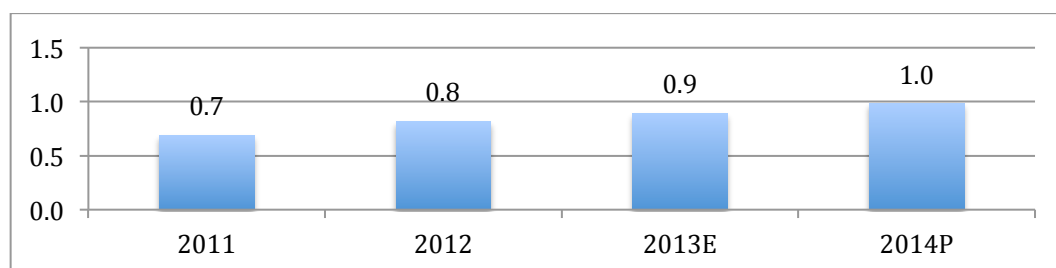
Table 1: Global and regional rankings of Sri Lanka as a BPO destination

Organization	Year and Report	Rank and Notes
ATKearney	2016: Global Services Location Index	Ranked 14 (up from 16 in 2014) Sri Lanka is identified as a "hidden jewel" with low cost, similar talent to India and an easier operating environment.
Tholons	2016: Top 100 Outsourcing Destinations 2016	Ranked 16 among the top 100 outsourcing destinations.
United Nations Development Program	2015: Human Development Index	Ranked first in South Asia
World Economic Forum	2015: Network readiness Index	Ranked among top 10 in Asia
NOA	2013 & 2014: Offshore destination of the year	Sri Lanka awarded off shore destination of the year for 2013 and 2014

Source: Sri Lanka, IT/ BPM destination (http://srilankaitbpm.com/why-sri-lanka/#ranking)[11]

Recent survey by Information and communication Technology Agency of Sri Lanka (ICTA) revealed that the BPO sector workforce is 75,107[12]. The employment growth rate of year on year of this sector was 17% (2012-2013).

Figure 2: IT/ BPM sector workforce as a % of total workforce in Sri Lanka

Source: Source: SLASSCOM, 2014, labour force survey (http://www.statistics.gov.lk/samplesurvey/2015Q1report.pdf)
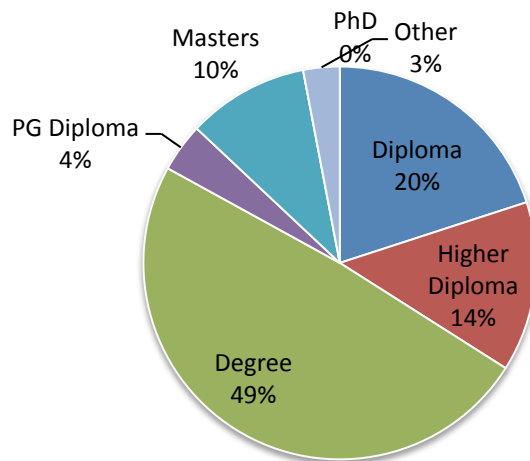
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[9] ATKearney. (n.d.). Latest census revealed 3% of Sri Lankans have a degree or above qualification . Retrieved May 15, 2016, from https://www.atkearney.com/documents/10192/430128/Country_Competitiveness_Study-Sri_Lanka.pdf/7d3033a4-5935-41d8-bf99-a1462bf7d553

[10] Ranking updated by the author in line with latest rankings

[11] Ranking updated by the author in line with latest rankings

[12] ICT workforce rises by 50% since 2010, National ICT Workforce Survey 2013 reveals. (2014, May 2). DailyFT. Retrieved May 15, 2016, from http://www.ft.lk/2014/05/02/ict-workforce-rises-by-50-since-2010-national-ict-workforce-survey-2013-reveals/

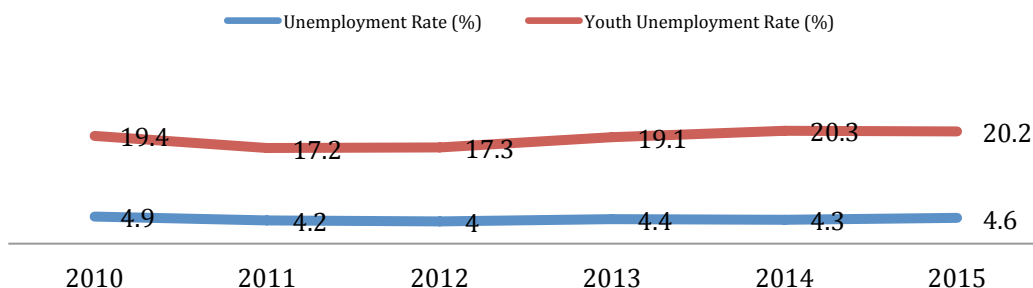**Figure 3: Qualification profile of ICT workforce (2013)**

Source: National ICT Workforce Survey, ICTA, 2013

The standard entry-level qualification on recruitment for BPO sector in Sri Lanka is a Bachelors degree. 63% of the ICT workforce held a graduate or post-graduate level qualification in 2013[13]. Bachelors degree as the standard entry qualification for IT- BPM sector is a reasonably high barrier to entry, given that Sri Lanka produces on average 25,000 university level bachelors degree holders per year, and only 5,778 of these are in computer science and engineering or related topics. But each year, it is estimated that an additional 1,250 Sri Lankans complete professional courses that fall short of a bachelor's degree (Gamage & Wijesooriya, 2012). Many more partially complete other technical qualifications.

Even though traditional BPO/BPM sector work requires a bachelor's degree as the minimum entry criteria, others are likely to have skills that could benefit from opportunities in web based digital labour platforms. Some segments of the Sri Lankan population still have higher unemployment rates - particularly youth. Youth unemployment rate in Sri Lanka is over 20% in 2015.

Figure 4: Youth unemployment compared national unemployment level

Source: Sri Lanka Labor force Statistics, Department Census and Statistics (2010- 2015)

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[13] SLASSCOM. (n.d.). Sri Lankan IT/BPM Industry 2014 Review. Retrieved May 15, 2016, from http://www.slasscom.lk/sites/default/files/Sri Lankan IT-BPM Industry Review 2014.pdf

In this context, it is important to identify and explore potential work that these unemployed skilled workers can be employed in.

3.4 Web based digital labour in Sri Lanka

A glance at some of the commonly used web based digital labour platforms show that these platforms are not unpopular in Sri Lanka, and that several of these are among some of the the top sites accessed by Internet users in Sri Lanka. Fiverr.com, Freelancer.com, Upwork.com and microworkers.com are a few of the well known web based digital labour platforms in Sri Lanka.

Table 2: Proxies for the use and popularity of various known web based digital labour platforms in/by Sri Lanka

Microwork platform	Site rank by Alexa		Registered number of Sri Lankans
	Sri Lanka	World	
Upwork.com	235	579	4,910
Freelancer.com	257	1,424	5,511
Fiverr.com	32	526	Fiverr does not allow sorting registered sellers by country. But the number is likely to be higher than Upwork/Freelancer given the very high Alexa ranking compared to platform.
Microworkers.com	500<	17,905	-

Source: Authors, based on http://www.alexa.com/ and websites of the listed web based digital labour platforms. The Alexa ranks websites by frequency of access, by country. Registered number of participants is a count of the sellers who list Sri Lanka as their country, and is self declared.

As the Alexa rankings indicate, Sri Lankans are registered and using web based digital labour platforms. Upwork, Fiverr and Freelancer are popular among Sri Lankan web users compared to the world.

Therefore, this research explores web based digital labour platform economy of Sri Lanka and who work in these platforms, in what capacity and the challenges faced by them. Also, current work done by Sri Lankans on web based digital labour platforms are not documented or explored. This research will contribute to fill this gap in literature as well.

4. Methodology

A threefold approach is adapted in this research. They are:

<u>Island wide quantitative survey</u>

Quantitative findings of this paper are based on a nationally representative survey. The sample size of this survey was 5500. The sample was designed to represent the target population, covering both urban and rural areas in nine provinces and 25 districts of the country with no more than ±2.5% margin of error. The respondents were selected using a multi-stage stratified random sampling method using probability proportional to size (PPS). The main stratification was based on the population size of the district. Within each district

urban and rural centers were randomly selected. Fieldwork for the study was conducted in October - December of 2015.

Non-representative survey

To validate the findings of the island wide survey, we conducted a survey among 84 current freelancers who attended Dialog's FreelancerSL 2.0 event on 22nd of October 2016.

Qualitative survey

The qualitative research was designed to understand people's perceptions and attitudes towards work in web based digital labour platforms. Six focus group discussions (FGD) and one in-depth interview (IDI) were carried out in the three population centers: Colombo (4), Jaffna (1) and Galle (1). Each FGD had between 3 to 6 respondents and lasted 2.5 hours on average. The In Depth Interviews were conducted with a respondent who could not participate in a FGD, and lasted 2 hours. A total of 20 respondents were interviewed using both methods.

For both lines of research, our target age group was the population between the ages of 16-40. The lower level was set at 16, as this is the age when students sit for the national Ordinary Level exam (after 10 years of schooling), after which some may go into the workforce full-or part-time. Existing literature suggest majority of the online freelance workers are young and between the age group of 18-28 (Kuek et al., 2014). We wanted to understand the dynamics of such work among slightly older persons who might still have the necessary skills to participate on platforms. Therefore our upper age cut-off was set at 40.
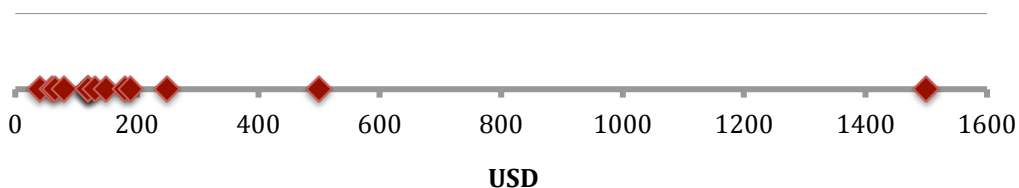
5. Results and discussion
5.1 Value of web based digital work platform economy
Income of online freelancers

Most of the workers worked on web based digital labour platforms part time, and was involved in work only two- three hours a day. Workers earned around LKR 20,000 (USD 140) per month by working part time. The workers who worked full time on platforms, earned around LKR 50,000 (USD 350) per month. A few workers earned more than their full time job by working part time online. There were some exceptional freelancers who earned around LKR 150,000- LKR 200,000 (USD 1,000- USD 1,300) per month.

Figure 5: Average monthly earnings of Sri Lankans working on web based digital labour platforms

Source: LIRNEasia

Most frequent project values

Most frequent project value of online work was around USD 5 per project. There were workers who charged USD 50- USD 200 per project.

Figure 6: Most frequent project values of work done by Sri Lankans

Source: LIRNEasia

Value of web based digital platform economy

Based on the number of workers in Sri Lanka, the value of web based digital platform economy was calculated based on pessimistic assumptions. We assumed 40% of the workers are active and that they earn a regular income. This was around 7,800 workers online. As the monthly average income of workers were USD 200, the total take home from working on web based digital labour platforms was calculated as below:

$200 (monthly average earning)*12 (months)*7800 (workers) = $18.7 Million

When comparing this value with the revenue of the BPO/BPM industry of Sri Lanka, Per employee contribution of working on digital labour platforms last year (2016) was USD 2,400 and the BPO industry was USD 10,625.

Table 3: Comparing web based digital labour platform sector with the IT/BPM sector of Sri Lanka

Comparison	Revenue per year (millions)	Employees	Per employee contribution	Nature of work
BPO Industry	USD 850*	80,000*	USD 10,625	Full-time
Web based digital labour platforms	USD 18.7	7,800	USD 2,400	Majority part-timers

SLASSCOM Strategy document 2016,
https://slasscom.lk/sites/default/files/SLASSCOM%20Strategy%20Document%202016.pdf

5.2 Who is working in web based digital labour platforms in Sri Lanka?

An estimated number of 17,000- 22,000 workers

A two-fold approach was adapted to estimate the number of workers in web based digital labour platforms. Based on the conducted nationally representative survey, we identified 22,000 workers. To further validate this, we manually calculated the registered Sri Lankans in web based digital labour platforms and conducted a survey at the FreelancerSL event and asked the current workers who participated in the event in what platform they work in. By this, we identified 17,000 workers in these platforms. This method was adapted because

public data was not available on registered workers in "Fiverr" platform. We estimated the Sri Lankan workers in the "Fiverr" based on its "Alexa" ranking.
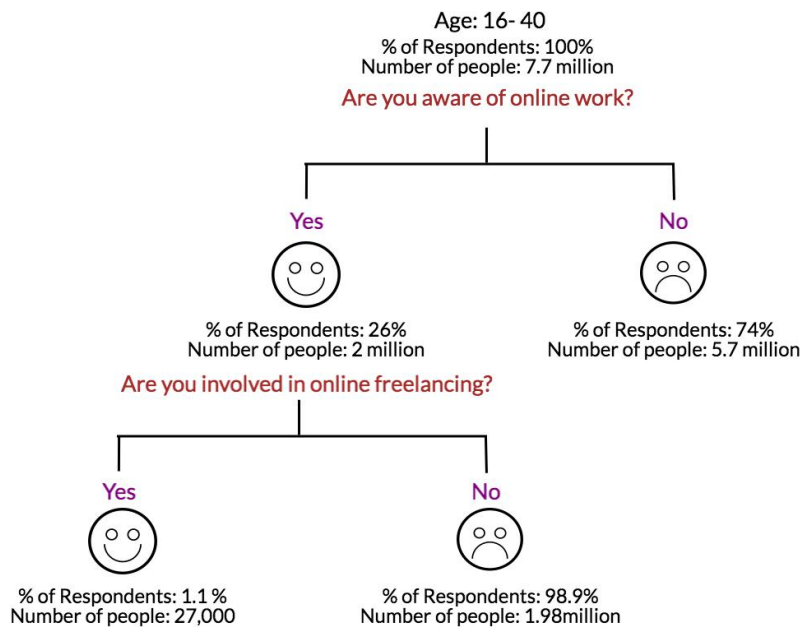
Therefore, based on these two approaches, our study estimates 17,000 - 22,000 workers in web based digital labour platforms in Sri Lanka.

Annual growth of 44%

We asked the respondents of the non representative survey at FreelancerSL 2.0 event when they got themselves registered in these platforms. 44% of the respondents registered themselves during the last year. This response was further validated by Alexa rankings, where the increase use of the site was evident by the increase of the world rank in Sri Lanka in the Alexa website.

Quantifying the online Freelancers of Sri Lanka
Estimation based on nationally representative survey

Age: 16- 40
% of Respondents: 100%
Number of people: 7.7 million
Are you aware of online work?

Yes

% of Respondents: 26%
Number of people: 2 million
Are you involved in online freelancing?

No

% of Respondents: 74%
Number of people: 5.7 million

Yes

% of Respondents: 1.1 %
Number of people: 27,000

No

% of Respondents: 98.9%
Number of people: 1.98million

Estimation based on manually counting the online freelancers in platforms, Alexa ranking and non representative survey

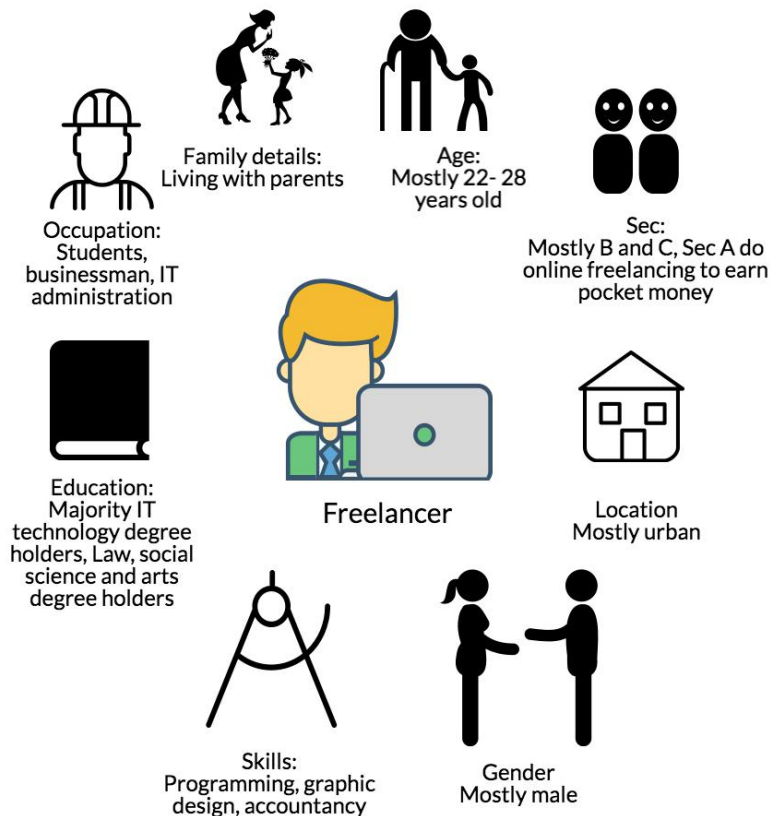|	fiverr	freelancer	up	Google AdSense	peopleperhour	ClixSense	neobux	Total freelancer accounts	No. of unique freelancer accounts
% of Respondents	60%	33%	29%	13%	6%	6%	4%	151%	Average 1.5 accounts per person
Number of Freelancers	10,,020**	5,511*	4,910*	2,154*	985	985	585	25,510	17,000
Alexa Ranks (2015 – 2016)	64- 32	289- 257	264- 235						

* Physically counted number of Sri Lankans registered
**Fiverr does not report registered sellers by country. Number of Fiverr users estimated based on other platform numbers

Profile of Freelancers

Successful freelancers who participated in our research were within the age of 22-28 years, predominantly males and belonged to Socio Economic Classification[14] B & C. Most of the workers studied were go-getters who intended to establish themselves at any cost. They stated that they are even willing to migrate for better prospects. Workers lived with their parents or extended family, even though parents did not approve this kind of work. The parents of the respondents didn't understand the nature of work involved in this sector. The parents of female respondents were against them working in this field. But once they started earning, the parents didn't oppose workers working in platforms because they supported their families financially from the earnings from these platforms. When probed about the sector of employment, the online workers expected or did a job in the IT Sector while some were employed in other sectors. Most freelancers were working on web based digital labour platforms part time. When we asked the workers who have day jobs why they work part time on platforms, they said that they are willing to work extra hours utilizing their skills to increase their living standard. The successful Sri Lankan workers working in platforms were entrepreneurs, they were determined and responsible, had good customer relationship management skills, were self disciplined, has excellent time management, was confident of themselves and the work that they do and was flexible.

Profile of freelancers

Occupation: Students, businessman, IT administration

Family details: Living with parents

Age: Mostly 22- 28 years old

Sec: Mostly B and C, Sec A do online freelancing to earn pocket money

Education: Majority IT technology degree holders, Law, social science and arts degree holders

Freelancer

Location Mostly urban

Skills: Programming, graphic design, accountancy

Gender Mostly male

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[14] The Socio Economic Classification (SEC) of Households is defined by twin variables (The Occupation of the Main Earner & the Highest Examination passed by the Main Earner)

Perception of workers on web based digital labour platforms on employment prospects and doing work on platforms in Sri Lanka

Workers agreed that there is a skilled workforce in Sri Lanka. This was an advantage of Sri Lankans to work on web based digital labour platforms. They feared that trade agreements with India will negatively effect this BPO/BPM workforce in Sri Lanka. There was also an agreement that in order to get a job/ enter a profession, connections/ contacts or knowing the right people was an advantage in Sri Lanka.

*"We have best global firms in Sri Lanka. We have MIT and Virtusa in Lanka. MIT is registered in the London stock exchange. But I have a concern in signing the **Economic and Technology Cooperation Agreement (ETCA)** with India. We have a skilled IT workforce and we are trying to bring Indians here. This is a challenge to us: Nuwan, 25, Sec B, Part time worker of a web based digital labour platform"*

*"One of my **personnel contact** found me the **job** at the University. In Sri Lanka, if you have good contacts, you can find a job: Sampath, 26, Sec B, Part time worker of a web based digital labour platform"*

Introduction to working on web based digital labour platforms and the reasons to be involved in online work

Workers were introduced to online work by their relatives, friends, colleagues or lecturers. Then they started looking for information online and offline by using Google search, blog posts and advertisements on paper.

*"I got to know about online work from Amazon Lanka **paper ad.** I went with my daughter and listened to it. Then I tried it out on the computer by my self: Gunawardana, 48, Sec B, Part time worker of a web based digital labour platform"*

*"I got to know about it from a **blog post**. It had step by step, how everything has to be done. This blog post was done by a Sri Lankan. I got to know about Fiverr through this. I followed these steps and registered in Fiverr and added a gig: Sudesh, 28, Sec C, Part time worker of a web based digital labour platform"*

Most workers registered in these platforms 2/3 years ago and some were registered within last year.

*"I started working in **2011**. One of my friends has an Internet card in Sampath bank. He brings stuff using it. Ho told me that he just make an video and upload it, then money goes to his Paypal account and he uses his paypal to purchase stuff. Therefore, not in the motive of earning, just to buy stuff I like, I started working online: Gayantha, 23, Sec B, Part time worker of a web based digital labour platform"*

Most workers were working on platforms to earn a secondary income source. They agreed that they are attracted to the sense of freedom attached to this type of work.

*"Anyway, personally I was **saving up** for a computer. So I wanted to save a bit of cash so that I can get it. So my other friend has told Shea (friends name), and I called my other friend and somehow got in to it: Chapa, 25, Sec A, Part time worker of a web based digital labour platform"*

Skills of Sri Lankans
Respondents agreed that Sri Lankans are all-rounders. The communication skills of Sri Lankans working in web based digital labour platforms were high. Most Sri Lankans were involved in graphic design, programming and technical skills. Some workers were involved in online marketing and research.

Nature of work done by Sri Lankans
The time taken to do a particular task depended on the type of work that workers do on platforms. The time may vary from 10 minutes to weeks.

*"**10-15 minutes**: I do IT support. I earn around USD 10- 15 from this type of work: Nuwan, 25, Sec B, Part time worker of a web based digital labour platform"*

*"**1 ½- 2 hours**: I do online marketing. 1 ½- 2 hours I can finish 15 USD project: Sudesh, 28, Sec C, Part time worker of a web based digital labour platform"*

Most online freelancers do this work at night, after they go home. This is because their full time job or education needs their attention 8-5. Some workers do this work during office time, at office. They've found jobs that facilitate this.

*"I **work at night** most of the time. I go to university and come and do this work during evenings. That's how I do: Prabath, 25, Sec B, Part time worker of a web based digital labour platform"*

*"To tell the truth, I actually don't spent that much of an effort in to this. I do this during the free time I have. **I don't do freelancing work after 4,5 p.m. After 4, I play games**. And I don't work during the weekend as well. My income is with less effort: Rajika, 25, Sec A, IT administrator"*

Reasons for workers from Sri Lanka to thrive in web based digital labour platforms
Successful workers were able to build relationships with their customers in platforms and start working with them away from the platforms. Most workers targeted US/ UK and Australian buyers while some workers worked for any buyer. Specific targeting of buyers from the Western countries was because they pay for the work done and because it was easy to work with them.

*"I worked for a New Zealand customer. Then he came out of Fiverr and **contacted me directly** and I worked with him: Dhanuka, 26, Sec B, Businessman"*

Some workers in these platforms acted as the middle person, they get the job from the platform and outsourced it. We came across a few emerging businesses based on these platforms, where registered rated sellers in these platforms hire others to do their work and pay them a lower rate for the work done.

*"I created the profile and kept. I wrote everything. I try to get the job most of the time. **I get the job and give some other person to do** the job: Dhanuka, 26, Sec B, Businessman"*

*"He has a **small company and he has 4 employees**. He does logo design. He charges 150 dollars per logo. That is the thing with top seller. Everyone comes to him: Rajika, 25, Sec A, IT administrator"*

Most workers were satisfied with their income. Due to the advantage of the high exchange rate of the dollar, their earnings were higher than that of the payments in local market.

*"We can live from this, from working on the platform. **We can earn double and triple more than they pay in Lanka:** Sudesh, 28, Sec C, Part time worker of a web based digital labour platform"*

Workers found new methods to convert digital money to physical money. They created Paypal accounts in other countries and transferred money to their Sri Lankan accounts, as Paypal is not available as a service in Sri Lanka.

*"**I use paypal. I have created a Malaysian account**. It's under my name. Its not counted. It comes unofficially, from back channels. Even for me, although I get money from a Malaysian account, sometimes commercial banks ask from me how this money came. Now its illegal, but I can get money from private banks from some loophole: Piyumi, 25, Sec A, Part time worker of a web based digital labour platform"*

Workers emphasized the benefits of flexible working hours as a major advantage of online work. Having control over time (Work at night from home/ work during office hours/ stay at home and work), ability to avoid rush hour traffic, scheduling work among the available time were a few benefits they mentioned.

The freelancers were not excellent or fluent users of English language. But they thrived in online freelancing. They said that language doesn't influence working online.

*"We **don't know that much of English**. But they say what they want and we communicate with them: Sudesh, 28, Sec C, Part time worker of a web based digital labour platform"*

5.3 What are the challengers faced workers in digital labour platforms in Sri Lanka?

<u>Working on fake sites with the hope of getting paid at the end of the task</u>

There were some who had worked online, ad click fake sites in the hope of getting paid in the end. They did monotonous work for months so that they got paid at the end of the assigned tasks. We came across a stay at home mother who has worked online for months in

a fake site in the hope of getting paid at end of the task. Her story, in her own words are below:

*"The name of this site **is 2 dollar click**. The work I did in this site was ad click. I worked on this for 6 months. It says that **USD 1,000** is added to my Paypal account, but my Paypal account doesn't show this amount. It maybe a issue with withdrawing money from Paypal. I'm not sure: Suneetha, 29, Sec C, Part time worker of a web based digital labour platform"*

Less social interaction when working online
Workers emphasized that they have less social interaction after they started working online. Some made use of this to interact with their friends and family (closer social circle) more whereas others didn't do online work because of this factor.

*"I have **a positive attitude** towards online work. But it's not my passion. So, I do online work as a part time job: Chapa, 25, Sec A, Part time worker of a web based digital labour platform"*

*"The best thing about online freelancing is **less interaction with the society**. Therefore, my mind is free than before. I have more time to involve in activities in my locality: Lolitha, 36, Sec B, Full time worker of a web based digital labour platform"*

Online work platforms are biased towards the buyer
The workers who are just starting to work in these platforms say that they return money to buyers when the buyer's rate them low in web based digital labour platforms to retain a good ranking in the platform. Also they stated that the platforms favours buyers and bias towards the buyer.

*"One customer didn't like the work I did and he gave me a low rating. This affected my overall rating. So **I refunded his money**. We should bear these types of losses for some time until we reach up to a certain level in platforms: Nuwan, 18, Sec C, Part time worker of a web based digital labour platform"*

"This system is biased towards the buyer. If I didn't deliver a good product, the buyer can cancel. If we provide a good product and if he cancels it, we can contact Fiverr directly. If you are a level I seller (entry level), they don't get back to you quickly: Malith, 25-year, Sec C, Part time worker of a web based digital labour platform"

Power cuts interrupt continues work online
Load shedding was identified as a barrier to work online. Working online requires self-discipline to deliver work on time. When the work is not delivered on time, customers give workers low ratings. These low ratings affect their profile and their marketability in the long term.

*"The power cuts in Sri Lanka are unannounced. **It's really difficult when we have power cuts**. The customers don't believe us when we say that we can't deliver work on time because we*

have power cuts. These are people who have never experienced power cuts in their entire life: Sandun, 25-year, Sec B, Part time worker of a web based digital labour platform"

Job security and income stability

Most Sri Lankans involve themselves in online work as part time work. This is because they are reluctant to start working online full time. They are unable to prove that they have a secure job and that they can earn a steady income. The banks in Sri Lanka do not issue loans for online workers.

*"Online freelancers are **not given loans from local banks**. The first question the officers ask us is whether EPF/ ETF is deducted from our salary. This is how they understand whether we have a stable job or not. They refuse to issue us loans because we don't have a stable job. This is not the case in other countries: Sampath, 26, Sec B, Part time worker of a web based digital labour platform"*

Apart from this, freelancers are not assured that these platforms will be there in the long run. Therefore, they opt to work online part time with a day job.
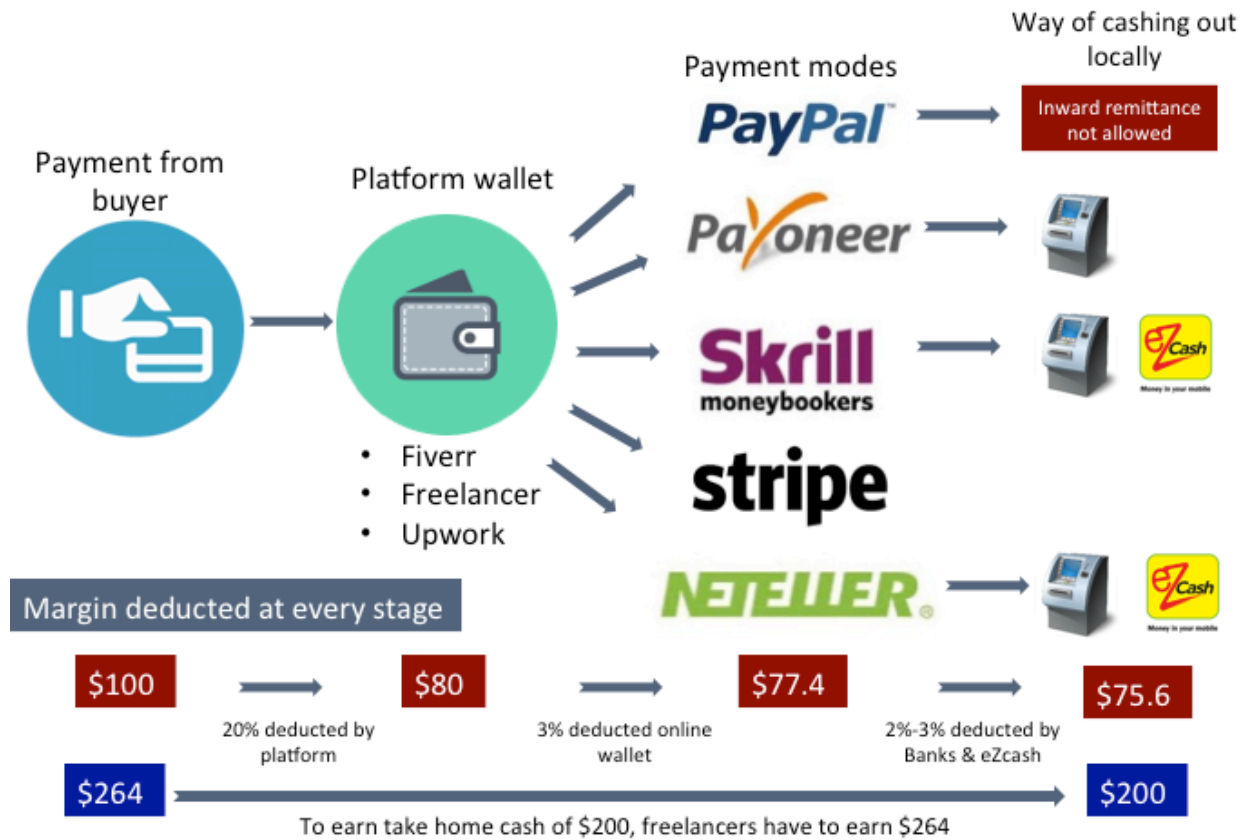
*"The other risk of working online is, if something happens someday, if an issue arise, say its because regulations of Sri Lanka, or because of some other reason, **you might lose everything all of a sudden**. If this happens, I'll lose my income. In this context, if I have a steady day job, with experience I can go for another job: Nuwan, 25, Sec B, Part time worker of a web based digital labour platform"*

Online payment modes and inward remittance

PayPal inward remittance is not allowed in Sri Lanka. This was raised as a concern by some of the workers we interviewed. Some freelancers used the PayPal account, the money remitted to their PayPal account based on the work they did to buy goods online as they cannot cash out this money. Other workers found other payment methods such as Payoneer, Skrill, Stripe and Netteller, which enabled them to cash out the money that they earned by working on platforms.

Figure 7: Available payment modes for workers working on web based digital labour platforms in Sri Lanka

High competition from other countries

The low rates offered by sellers from other countries and fellow Sri Lankans and the competition it generates was emphasized by workers in Sri Lanka.

"The tasks that were listed for **100 dollars I've bid and done for 5 dollars** *because if not I won't get that job. This brother said that Indians are doing it. Even I've done it: Gayantha, 23, Sec B, Part time worker of a web based digital labour platform"*

Low Internet speed and uplink

Sri Lankan workers emphasized the need for high speed Internet and uplink.

"We need uplink. Most provide download speed but upload is low. If we host a website, what we need is upload. It's difficult to do it here: Dhanuka, 26, Sec B, Businessman"

5.4 What are the possible policy measures to overcome these challenges faced by workers in web based digital labour platforms in Sri Lanka?

Creating awareness on online freelancing among youth and lower sec Sri Lankans

This research findings shows that there is a potential for Sri Lankans to work in online digital labour platforms. To do this, awareness has to be increased among the youth. Also, the

message on the availability and the possibility to involve in this type of work has to be conveyed to lower SEC Sri Lankans. Furthermore, Sri Lankanshas to be made aware of online work and freelancing using media, target information dissemination methods and classes/ trainings and information sharing on success stories.

Changing social perception on freelancing jobs

Most Sri Lankans look for job security. The society does not accept the workers of web based digital labour platforms. This perception has to be changed to popularize this type of work in Sri Lanka. This can be done using media to make aware the elderly community who are against their children being involved in this type of work.

Better inward payment mechanism to secure the earning of online freelancers

The inability to cash out the funds transferred to the PayPal account for the work done was raised as a concern by current workers. Letting the current and potential workers know about available inward payment mechanisms to secure what they've earned online is important to build trust among these freelancers. This will also help and guide the freelancers on ways to withdraw money they've earned online.

Insurance solution to reduce earning volatility

Earnings of freelancers are not insured and they are not provided any security based on their earnings. This makes potential workers reluctant to work online and keeps current workers from working in these platforms full time. Innovative ideas on how to insure income from online work are important to encourage workers to work on these platforms.

Ways to demonstrate credit worthiness

Even though the workers earn a fair income from working online, local banks do not accept this income as a regular income source and freelancers are not given bank loans. Workers raise this as a main concern because they cannot borrow from banks showing their income from online freelancing. Even though they can show proof of their income, they are not seen as credit worthy individuals. Therefore, policies has to be developed to accept online workers as credit worthy individuals to provide them with access to credit.

6.0 Conclusion

This article explores the web based digital labour platforms of Sri Lanka and the challengers faced by the workers in these platforms. This research identifies work in platforms as a favourable employment option for many skilled/ semi skilled youth of Sri Lanka. Therefore, it is important that the Sri Lankan government and regulatory authorities facilitate this work by creating a favourable environment for online workers by providing them with uninterrupted work conditions such as informed load shedding, high speed internet and favourable inward remmitance mechanisms. This will help the online workers to bring in large amount of foreign earnings to Sri Lanka by residing in Sri Lanka and will facilitate the development of the country as a whole.

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