WEP Warwick Evans Publishing

International Journal of Social Sciences and Public Administration

ISSN: 3005-9836 (Print), ISSN: 3005-9585 (Online)
Volume 10, Number 10, Year 2026
DOI: https://doi.org/10.62051/ijsspa.v10n10.03



Judicial Identification of Labour Relationships in Platform Work in the Digital Economy

-- Centred on 'Dominant Labour Management'

Hanyu Qiao*

Postgraduate researcher in Economic Law, School of Economic Law, Shanghai University of Political Science and Law, Shanghai, China

*Email: 932110282@qq.com

ABSTRACT

The development of the digital economy has reshaped the way labour is organised. Platform-mediated work - food delivery, ride-hailing, live streaming and on-demand freight - has expanded rapidly. Platform enterprises typically present themselves as providers of technical services, information matching or cooperative contracting, yet in practice they shape the labour process through algorithmic dispatching, service ratings, pricing rules, reward and penalty mechanisms and account control. The central judicial question that arises is whether a labour relationship exists between the worker and the platform or its partner enterprise. The traditional identification of labour relationships rests on personal, economic and organisational subordination, but platform work combines formal flexibility with substantive control, which gives rise to inconsistent standards across courts. Taking the notion of 'dominant labour management' as its point of departure, this article examines the doctrinal basis, the practical difficulties and the adjudicative approach to identifying labour relationships in platform work. It argues that the digital economy has not altered the essential structure of domination and subordination within the labour relationship; it has merely transformed labour management from direct commands into rule-based, algorithmic and evaluative forms of control. Judicial practice should adhere to a fact-first principle and assess, in combination, the contractual label, the work rules, algorithmic dispatching, the source of remuneration, business integration, the allocation of risk and the parties' evidential capacity, so as to balance the protection of workers' rights against the vitality of the platform economy.

KEYWORDS

Digital Economy; Platform Work; Labour Relationship; Dominant Labour Management; Algorithmic Management.

1. INTRODUCTION

The digital economy has transformed the way labour is organised. Workers are no longer always subject to face-to-face management by an employing unit at a fixed workplace during fixed hours; instead they accept orders through a mobile application, perform the service and settle payment. Nor do platform enterprises rely on attendance sheets, job assignments and on-site supervisors: they organise labour through online rules, algorithmic recommendations, rating systems and account management. Workers in new forms of employment - food delivery riders, ride-hailing drivers, on-demand freight drivers and live-streaming hosts - have therefore grown rapidly in number. This has

Content from this work may be used under the terms of CC BY-NC 4.0 licence (https://creativecommons.org/licenses/by-nc/4.0/).
Published by Warwick Evans Publishing.

expanded employment opportunities, but it has also left the legal status of these workers in a grey zone between labour law and civil law.

In disputes over platform work, the first and most intractable issue is usually not the amount of remuneration but whether a labour relationship exists at all. If such a relationship is found, the worker may claim labour law entitlements such as remuneration, working time and rest, social insurance and employment injury protection. If the relationship is characterised as cooperation, a contract for work, an agency or some other civil law arrangement, both the remedies available and the intensity of the obligations differ markedly. The identification of a labour relationship is thus the gateway issue in platform labour disputes. Existing research identifies a number of difficulties in the identification of labour relationships for online delivery riders: insufficient legislative supply, divergent judicial standards, avoidance strategies designed by platforms, and evidential difficulties for workers [1]. These problems affect not only individual redress but also the sound development of the platform economy.

The Supreme People's Court has begun to address this practical difficulty through the typical cases on safeguarding the rights and interests of workers in new forms of employment that it has issued in recent years. Those cases hold that although internet platforms and digital technologies have changed the manner in which labour is traditionally managed, they have not changed its nature: whether a labour relationship exists between a worker in a new form of employment, such as an on-demand freight driver, and an enterprise must be examined in light of the actual facts of the engagement, with particular attention to whether the enterprise exercises dominant labour management over the worker [2].

This line of reasoning indicates that the focus of judicial identification should not rest on the name of the contract or on the technological appearance of the platform, but should turn to the actual structure of domination within the labour process.

This article takes 'dominant labour management' as its central concept in discussing the judicial identification of labour relationships in platform work. It argues that the flexibility of platform work does not as such exclude a labour relationship, and that the technological guise of algorithmic management should not obscure the essence of labour management. Courts should look through the contractual form in the individual case and examine whether the platform or its partner enterprise continuously and substantively controls the worker's access to work, the service process, the receipt of income and the risk of exit, while striking a reasonable balance between the protection of workers' rights and the dynamism of the platform economy.

2. THE NORMATIVE BASIS FOR IDENTIFYING LABOUR RELATIONSHIPS IN PLATFORM WORK

The traditional identification of a labour relationship turns on three elements: whether the parties have the requisite legal capacity; whether the worker accepts the management of the employing unit and performs remunerated work; and whether the work forms part of the employing unit's business [3], [4]. This standard is reasonably clear in settings such as factories, companies and public institutions, where workers generally hold a fixed post, work fixed hours at a fixed place and display a strong organisational affiliation. Platform work disrupts this visible structure. Workers may log on and accept orders freely and may connect to several platforms at once, while platforms replace traditional workplace rules with 'service rules', on-site direction with algorithmic dispatching, and direct appraisal with rating mechanisms.

This change does not mean that subordination has disappeared; it means that the way in which subordination manifests itself has shifted. Platform workers appear to enjoy greater freedom as to working time, number of orders and place of work, yet platforms may still exercise hidden but continuous management through reward and penalty mechanisms, credit evaluation, service rules and

algorithmic dispatching. One strand of the literature describes this as the concurrent ‘weakening and alienation’ of subordination: formally, the worker does not fully fit the traditional image of an employee; substantively, access to work, level of income and work appraisal remain deeply shaped by platform rules [5].

Policy and judicial practice have likewise not stopped at a simple dichotomy between a labour relationship and a civil relationship. The typical labour dispute cases concerning new forms of employment jointly issued by the Ministry of Human Resources and Social Security and the Supreme People’s Court stress that identification should follow a fact-first principle, determining the relationship between the enterprise and the worker according to the actual facts of the engagement; they also set out a ‘subordination plus elements’ approach, which synthesises personal, economic and organisational subordination in the light of such factors as the degree of autonomy over working time and workload [6].

It follows that in platform work cases the contractual form is only one item of evidence and cannot substitute for an examination of the actual state of performance.

At the same time, policy documents adopt a tiered treatment of work in new forms of employment: where the conditions for establishing a labour relationship are met, a labour contract must be concluded in accordance with the law; where those conditions are not fully met but the enterprise nonetheless exercises labour management over the worker, a written agreement must be concluded that reasonably defines the rights and obligations of the parties; and where an individual operates independently on the platform as a freelancer, the relationship is governed by civil law [7].

This tiered approach recognises that platform work is internally differentiated, and it creates scope for a typological assessment in judicial practice.

3. EXISTING SCHOLARSHIP: APPROACHES AND SHORTCOMINGS

Three main positions can be identified in the literature on the identification of labour relationships in platform work. The first holds that the traditional subordination test retains its foundational role, so that whether a platform worker stands in a labour relationship should still be examined through personal, economic and organisational subordination [8]–[10]. The second argues that platform work has broken through the traditional labour law dichotomy: workers are neither typical employees nor fully independent civil law subjects, so intermediate categories such as the incomplete labour relationship, the quasi-employee or a new type of work relationship must be introduced, and basic entitlements should be attached to them [11]–[15]. The third focuses on algorithmic management, arguing that the control exercised by platforms through data, rules and evaluation systems has become a significant form of labour management in the digital age [16], [17].

These studies supply important analytical tools for judicial practice, but they are not without shortcomings. Some concentrate on conceptual distinctions and remain at the level of abstract comparisons between labour relationships, service relationships and contracts for work. Some emphasise the protection of workers’ rights without adequately addressing the flexibility of platform work or the diversity of business models. Others examine algorithmic control but fail to supply an operable test for when such control reaches the intensity of management required by labour law. A study that merely repeats the familiar framework - identification is difficult, rights are inadequate, legislation must be improved - cannot respond to the real problems of judicial practice.

This article therefore adopts ‘dominant labour management’ as its organising concept rather than discussing the protection of workers in new forms of employment in general terms. The value of the concept is that it brings contractual form, algorithmic rules, income dependence, business integration and the allocation of risk under a single adjudicative question, namely whether the platform in substance controls the worker’s access to work and the labour process. Only by structuring the inquiry

around that question can a court explain, in the individual case, why some platform work should be treated as a labour relationship while other arrangements should be treated as civil cooperation.

4. PRACTICAL DIFFICULTIES IN JUDICIAL IDENTIFICATION

First, the appearance of the contract diverges from the facts of the engagement. Platform enterprises routinely construct the appearance of a civil relationship through cooperation agreements, service agreements, crowdsourcing agreements or contracts for work, and some disperse responsibility for employment through multi-layered structures involving regional agents, outsourcing companies and flexible staffing platforms. In practice the worker may depend on the platform for orders, be subject to its rules and perform the service to its standards, yet the written agreement contains no reference to an 'employing unit' or a 'worker'. If a court relies solely on the name of the contract, it will easily overlook the substantive employment relationship.

Second, algorithmic management conceals traditional labour management. Conventional labour management typically takes the form of instructions from superiors, attendance rules, on-site supervision and disciplinary measures imposed by people. Platform management takes the form of order-acceptance rules, delivery time limits, route planning, deductions for lateness, downgrading for poor ratings and account suspension. These rules appear to operate automatically, but in substance they are management mechanisms designed in advance by the platform. The difficulty is that whether an algorithm constitutes labour management is understood differently by different adjudicators. Platforms commonly argue that because workers may choose whether to accept an order, personal subordination is absent; workers reply that failing to accept orders, refusing them, running late or receiving poor ratings all affect subsequent dispatch and income, so that the freedom in question is not genuine.

Third, flexibility and subordination coexist. Platform workers do differ from traditional employees: delivery riders may choose when to log on, ride-hailing drivers may decide whether to accept an order, live-streaming hosts may arrange their own content, and some workers serve several platforms at once. These facts show that platform work cannot be mechanically equated with traditional full-time employment. Flexibility, however, is not independence. In order to maintain ratings, obtain orders and secure income, workers often have to comply with the platform's implicit rules. If one looks only at free log-on and free acceptance of orders, without examining the platform's control over access to work and the distribution of income, the actual intensity of platform management will be underestimated.

Fourth, multi-party structures make it harder to identify the responsible party. Platform economies commonly involve layered relationships between the platform company, agents, partner enterprises, labour service companies and the worker. When employment injury, wage arrears or account suspension occur, the various actors tend to shift responsibility: the platform claims to be a mere information intermediary, the agent describes the worker as an independent contractor, and the flexible staffing company says that it only handles settlement. If a court examines only the nominal party that signed the agreement with the worker, it may overlook the party in actual control; if it requires the platform to bear all responsibility as a matter of course, it may disregard differences between business models. Platform work cases thus require not only a determination of whether a labour relationship exists, but also a further determination of who in fact exercises labour management.

Fifth, the evidential capacity of workers is plainly inadequate. Platforms hold the key evidence - dispatch logs, algorithmic rules, GPS traces, service ratings, records of penalties and settlement data - while workers can usually produce only fragmentary material such as screenshots of the application, chat records and income statements. If the ordinary civil law rule that he who asserts must prove were applied strictly, requiring the worker to prove the details of algorithmic control, the burden of proof

would in practice be impossible to discharge. It has been suggested that once a worker has produced prima facie evidence of managerial control or economic dependence, the platform should be required to produce the relevant back-end data and management rules; otherwise a de facto evidential impossibility arises [1].

5. JUDICIAL IDENTIFICATION OF 'DOMINANT LABOUR MANAGEMENT'

'Dominant labour management' is not an abstract notion; it is a method of review organised around the facts of the engagement. Its core is whether the platform or its partner enterprise exercises a continuing influence over the worker's labour process through institutional, technological and economic mechanisms. Unlike traditional labour management, platform management does not necessarily take the form of an express command; it may appear as control over access to work, over the labour process, over remuneration and over the risk of exit.

First, it should be examined whether access to work is controlled by the platform. Where whether the worker obtains orders, what orders are obtained and how many are obtained depends mainly on indicators set by the platform - online duration, acceptance rate, cancellation rate, complaint rate and rating level - the platform already controls access to work in substance. Even if the worker can ostensibly refuse an order, it must be asked whether refusal leads to fewer subsequent orders, a lower tier or reduced income. If refusing a task produces clearly adverse consequences, the worker's freedom of choice should not be overstated.

Second, it should be examined whether the labour process is controlled by the platform. In food delivery, the delivery time limit, the sequence of collection, route planning, the handling of anomalies, responsibility for lateness and customer evaluation are generally determined by platform rules; in on-demand freight, service standards, transport routes, customer evaluation and penalties for anomalies may likewise be continuously shaped by the platform system. The typical cases issued by the Supreme People's Court state expressly that where facts of engagement exist between an enterprise and an on-demand freight driver and dominant labour management is present, a labour relationship should be found [2].

This shows that courts have begun to bring platform rules and digital management within the scope of review for labour management.

Third, remuneration rules and business risk should be examined. A worker in a labour relationship normally does not set the service price directly, nor bear the full business risk. In platform work, if the platform unifies the pricing method, the commission rate, bonuses and subsidies, deduction rules and settlement cycles, then although the worker is paid per order, the income is not genuinely determined by the market. This is particularly so where the worker cannot negotiate with the customer or set the service price independently, yet bears the risk of lateness, poor ratings, accidents and account restrictions; the worker's legal position is then closer to that of a managed worker than to that of an independent operator.

Finally, it should be examined whether the worker is integrated into the platform's business organisation. Platforms frequently claim to be mere information intermediaries, yet in many settings they do more than match transactions: they organise the complete service process through order allocation, service standards, payment settlement and evaluation mechanisms. The commercial value of a food delivery platform lies not simply in displaying restaurant information but in completing the overall service from order placement and collection through delivery to evaluation; the core value of an on-demand freight platform lies not merely in publishing transport information but in organising the completion of the transport service. Where the labour supplied by the worker forms an inseparable part of the platform's business model, that worker cannot readily be excluded from the protection of labour law.

6. APPLICATION TO TYPICAL PLATFORM WORK SCENARIOS

Food delivery is one of the most concentrated sites of disputes over labour relationships on platforms. A rider may choose when to log on, but once in an order-accepting state the delivery route, time requirements, collection rules, customer evaluation, penalties for lateness and appeal rules are all determined by the platform system. Where a rider has long depended on a particular platform for income, and ratings, tier and acceptance rate directly affect subsequent dispatch, the platform already exercises strong control over the labour process and the receipt of income. In such a case, even if the parties have signed a crowdsourcing agreement, the existence of a labour relationship should be determined in light of the actual state of performance.

The identification is more complex for ride-hailing and on-demand freight. Drivers usually supply their own vehicle, and their place of work and log-on times are relatively flexible, which on the surface resembles independent operation. Yet if the platform uniformly sets pricing rules, commission rates and service standards, and influences the driver's access to orders through indicators such as acceptance rate, cancellation rate, complaint rate and service score, the driver's business autonomy is likewise constrained. In judicial practice, review should focus on whether the driver can negotiate prices independently and choose customers independently, whether income depends mainly on the platform, and whether the platform can affect continued work through account suspension or reduced visibility.

Content-based platform workers such as live-streaming hosts present a different pattern. A host may display a strongly individual character in what is expressed, but if an MCN agency or the platform continuously arranges broadcast duration, broadcast content, account operation, revenue sharing, traffic support and penalties for breach, the host may equally be situated within organised labour. Such cases cannot be decided simply by asking whether the host enjoys creative freedom; what must be examined is whether the account, the traffic, the income and the work schedule are subject to the substantive control of the agency.

These scenarios show that the identification of a labour relationship in platform work cannot be drawn along occupational lines; it must turn on whether the worker can genuinely determine the labour process and the outcome in terms of income. Courts should avoid two extremes: denying a labour relationship merely because the worker supplies their own tools and logs on freely, and finding a labour relationship automatically merely because the platform has rules and evaluations. What must be examined is whether those rules have moved beyond ordinary transactional terms to become control over the labour process, and whether they subject the worker to continuing constraints in obtaining work, maintaining income and continuing to use the account.

7. TOWARDS A REFINED JUDICIAL APPROACH

First, priority should be given to actual performance. The identification of a labour relationship in platform work cannot turn on the name of the contract. A contract described as one of 'cooperation' does not as such exclude a labour relationship, nor does the worker's registration as an individual business necessarily show independent operation. What matters is who, in the performance of the contract, determines the service standards, controls the allocation of tasks, sets the remuneration rules and bears the business risk. Where civil cooperation agreements are used to evade the obligations of an employing unit, where 'false outsourcing' conceals genuine employment, or where workers are induced to register as individual businesses, judicial bodies should conduct a look-through review based on the actual facts of the engagement [6].

Second, a tiered standard of identification should be established. Platform work characterised by strong management, strong dependence and strong integration should be found to constitute a labour relationship in accordance with the law. Where the platform merely provides information publishing,

transaction matching and payment tools, and the worker can set prices independently, choose customers independently, decide how the service is performed and bear the business risk, the relationship may be treated as a civil one. Intermediate forms between these two poles should receive basic protection of rights through rules on the incomplete labour relationship or a new type of work relationship. This approach prevents the inflation of the labour relationship category while avoiding a situation in which workers lose all labour protection because their legal status is unclear.

Third, algorithmic management should be brought within judicial review. Courts need not require platforms to disclose all source code or trade secrets, but they should require an explanation of the dispatching logic, methods of calculating remuneration, penalty rules, criteria for account suspension and appeal mechanisms that bear directly on workers' rights. Where a platform relies on the automatic operation of an algorithm as a defence and refuses to explain how its rules affect the worker's access to work and receipt of income, the court may draw an adverse assessment under the rules of evidence. Algorithms are not a space beyond the law; embedding management in a technical system does not mean that managerial responsibility disappears with it.

Fourth, the allocation of the burden of proof should be optimised. Platforms hold the key data and workers are in an informationally weak position. Once a worker has produced prima facie evidence - income statements, work records, screenshots of penalties, pages from the application, chat records - capable of showing that they have long been managed by the platform or its partner enterprise, the court should require the platform to produce the relevant back-end data. Where a platform refuses to do so without justification, an adverse inference may be drawn on the basis of rules on obstruction of evidence. This facilitates the establishment of the facts and creates an incentive for platforms to keep proper data and to regularise their employment management.

Fifth, basic protection should be extended to intermediate categories of workers. Not all platform work can be classified as a standard labour relationship, but that does not mean that such workers must rely on ordinary civil law rules and bear risk alone. For workers who do not fully meet the conditions for a labour relationship but are plainly subject to platform labour management, minimum protection should be put in place in respect of remuneration, rest, occupational safety, employment injury, platform appeals, algorithmic transparency and access to social insurance. Liu's research on the incomplete labour relationship argues that the shortfall in protection for workers in new forms of employment should be remedied by clarifying the identification criteria, regulating platform management conduct, improving dispute resolution mechanisms and establishing pluralistic social insurance arrangements [15].

Sixth, dispute resolution should be moved upstream. Platform labour disputes typically involve modest sums but affect large numbers of workers; if they are all routed through litigation, the cost of redress is high and industry governance suffers. A pluralistic mechanism involving labour inspection, trade unions, industry associations, platform enterprises and people's mediation could handle high-frequency disputes over remuneration settlement, account suspension, algorithmic penalties and employment injury more quickly. For cases of precedential value, courts can also unify adjudicative standards through typical cases, judicial recommendations and the retrieval of similar cases.

Seventh, labour protection and the development of the platform economy should both be taken into account. The judicial identification of platform work must neither allow platforms to evade responsibility through technology and contract, nor bring all flexible employment within the traditional labour relationship. The former would sacrifice workers' basic security; the latter may suppress the space for flexible employment. A more reasonable path is to confirm a labour relationship for platform work of the strongly managed type, to respect the civil character of weakly connected platform services, and to provide basic labour protection for intermediate forms. Only thus can a dynamic balance between protection and development be achieved in the judicial practice of the digital economy.

8. CONCLUSION

The digital economy has changed the outward appearance of the labour relationship without eliminating its structure of domination. Platform enterprises no longer necessarily manage workers through offices, attendance sheets and supervisors' orders; they organise labour through algorithms, rules, evaluation, pricing and account control. If judicial identification remains fixed on the external forms of traditional employment, a large number of workers who are in substance managed will be excluded from the protection of labour law; if the category of labour relationship is simply expanded, the flexible employment function of the platform economy may be overlooked.

The identification of labour relationships in platform work should therefore be centred on 'dominant labour management', adhering to a fact-first approach, a comprehensive assessment and a balancing of interests. Courts should look through cooperation agreements, contracts for work, registration as an individual business and multi-layered outsourcing structures, and examine whether the platform exercises continuing domination over the worker through algorithmic dispatching, service rules, remuneration settlement and reward and penalty mechanisms. Where the facts of the engagement are established and substantive management is present, a labour relationship should be found in accordance with the law; where the intensity required for a labour relationship is not reached but a relationship of managerial dependence exists, protection should be supplied through the incomplete labour relationship and a regime of basic entitlements. Only in this way can the protection of workers' rights and the sound development of the platform economy be reconciled in the judicial practice of the digital economy.

REFERENCES

[1] Chen, Z. (2025). The multidimensional dilemma and institutional reconstruction of the judicial identification of labour relationships for online delivery riders: Based on platform work practice in China. Hebei Falü Zhiye Jiaoyu [Hebei Legal Vocational Education], (12). [in Chinese]

[2] Supreme People's Court. (2025, April 30). Typical cases on safeguarding the rights and interests of workers in new forms of employment.

[3] Standing Committee of the National People's Congress. (1994/2018). Labour Law of the People's Republic of China.

[4] Standing Committee of the National People's Congress. (2007/2012). Labour Contract Law of the People's Republic of China.

[5] Li, G. (2026, February). Research on the identification of labour relationships in internet platform work. Fazhi Bolan [Law Review], (4). [in Chinese]

[6] Supreme People's Court, & Ministry of Human Resources and Social Security. (2023, May). Typical labour dispute cases concerning new forms of employment.

[7] Ministry of Human Resources and Social Security & seven other departments. (2021). Guiding opinions on safeguarding the labour protection rights and interests of workers in new forms of employment (MOHRSS Document No. 56 [2021]).

[8] Bi, J. (2024). A brief discussion of the dilemma of identifying labour relationships in internet platform work models. Jiuye yu Baozhang [Employment and Security], (10). [in Chinese]

[9] Cheng, Z. (2025). An analysis of the identification of labour relationships in organisational internet platform work. Zhigong Falü Tiandi [Workers' Legal World]. [in Chinese]

[10] Dong, Z. (2025). The identification of labour relationships in platform work and suggestions for improvement. Zhigong Falü Tiandi [Workers' Legal World]. [in Chinese]

[11] Luo, H. (2024). The dilemma and the way out of identifying labour relationships in online platform work under new forms of employment. Fazhi Bolan [Law Review]. [in Chinese]

[12] Chai, H., & Sun, Y. (2025). Problems in identifying labour relationships in platform work and improved approaches. Zhigong Falü Tiandi [Workers' Legal World]. [in Chinese]

[13] Wei, Y. (2022). Protection of the rights and interests of workers in new forms of employment under the platform economy. Shangye Jingji [Business Economy], (3). [in Chinese]

[14] Wang, Q. (2022). Reflections on the protection of workers in new forms of business in the digital-intelligent era. Qinghai Shehui Kexue [Qinghai Social Sciences], (6). [in Chinese]

[15] Liu, Z. (2023). Research on the protection of the rights and interests of workers in incomplete labour relationships under new forms of employment. Shehui Fuli [Social Welfare], (12). [in Chinese]

[16] Yu, L., & Yuan, B. (2024, May). An analysis of the protection mechanism for workers in new forms of employment from the perspective of comparative analysis. Fazhi Bolan [Law Review]. [in Chinese]

[17] Xu, J. (2022). Difficulties and suggestions in protecting the rights and interests of workers in new forms of employment. Sichuan Laodong Baozhang [Sichuan Labour and Social Security], (4), 36–37. [in Chinese]