

# Research on the Dilemma and Countermeasures of Occupational Injury Protection for Employees in New Business Formats

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## Abstract

With the continuous increase in the number of employees in new business formats, the lack of occupational injury protection for this group has become increasingly apparent. The employment relationship of employees in new business formats is special, and there are obstacles to participating in work-related injury insurance. They cannot receive timely relief after occupational injuries occur, which is contrary to social fairness. On this basis, this article analyzes the problems in occupational injury protection for employees in new formats, and proposes the construction of a multidimensional occupational injury protection system for employees in new formats.

## Keywords

New Business Practitioners; Occupational Injury; Occupational Injury Protection.

## 1. Introduction

With the rapid development of Internet technology, platform economy based on Internet technology has become an important force to drive economic growth. The new business model with platform economy as the main model is flourishing, creating many job opportunities. According to the "China Sharing Economy Development Report (2023)" released by the Sharing Economy Research Center of the National Information Center, the trading scale of China's sharing economy market was about 3832 billion yuan in 2022, a year-on-year increase of about 3.9%, and the trading scale of the sharing economy market continued to increase. According to data, from 2017 to 2020, the number of employees in sharing economy platform enterprises increased from 5.56 million to 6.31 million, and the number of platform employees continued to increase. New business practitioners refer to those who work on the Internet platform under the new business model, such as online car hailing drivers, delivery clerks, couriers, etc. The new business model not only promotes employment and drives economic growth, but also exposes the problem of high occupational injury risks, and employees in the new business model lack occupational injury protection. The country attaches great importance to this and has issued multiple documents proposing to support and standardize the development of new business models, and accelerate the pilot of occupational injury protection.

## 2. Problems in Occupational Injury Protection for Employees in New Business Formats

### 2.1. Difficulty in Participating in Work-related Injury Insurance

Firstly, the labor relationship between practitioners and platform enterprises cannot be clearly defined. The design premise of work-related injury insurance is to have a labor relationship, and in order to evade responsibility, platform enterprises position themselves as intermediary platforms providing information services, believing that the relationship with employees is not

between management and being managed, but rather a cooperative relationship. Platform companies believe that the salaries of employees are not directly obtained from the platform, but directly obtained from third parties through the platform company, and there is no legal labor relationship between the two. The binding of work-related injury insurance and labor relations makes it impossible for employees in new industries to be included in the coverage of work-related injury insurance.

Secondly, due to platform companies recognizing themselves as just intermediary platforms and not needing to pay work-related injury insurance for new industry practitioners, this group lacks payment entities. In addition, the benefits of work-related injuries that should have been shared by employers cannot be guaranteed, and the insurance compensation received by employees is reduced, which affects social fairness.

Finally, it is difficult for employees in the new industry to adapt to the "three work" conditions for determining work-related injuries stipulated in the Work Injury Insurance Regulations. The recognition criteria for "three workers" refer to the situation where workers are injured due to work reasons while working. Taking delivery riders as an example, they can freely decide to commute to and from work, and their working hours are not fixed; The delivery locations are scattered throughout the streets and alleys of the city, and the intersection between work and living places is prone to occur. If a traffic accident occurs, it is difficult to distinguish whether it is due to work reasons. Moreover, most employees in new business formats work alone, making it difficult to investigate and collect evidence in the process of work-related injury identification after a work-related accident occurs.

## **2.2. Insufficient Commercial Insurance Coverage**

At present, platform enterprises require employees to purchase commercial insurance in order to diversify risks and protect the safety of employees. Commercial insurance has become the dominant occupational injury protection for employees in new business formats. However, in practical operation, commercial insurance has encountered some problems, resulting in insufficient protection.

Firstly, there is a functional mismatch in commercial insurance in occupational injury protection. Due to their limited cultural level, employees in new business models do not understand the specific content of insurance even if they purchase commercial insurance. They even believe that the purchased commercial insurance is equivalent to work injury insurance, and the recognition that commercial insurance for profit is equivalent to basic social insurance can lead to a lack of comprehensive and mandatory occupational injury protection for employees.

Secondly, compared to work-related injury insurance, commercial insurance has disadvantages such as less coverage and lower compensation standards, and it does not have dynamic adjustment like work-related injury insurance. The coverage of commercial insurance generally only includes accidental death and disability compensation, accidental medical compensation, while work-related injury insurance also includes multiple benefits such as work stoppage pay leave, rehabilitation costs, etc. The level of protection of commercial insurance is not as good as that of commercial insurance.

Finally, the different guarantees and benefits for different practitioners can easily lead to controversy. Due to differences in identity and platforms joined by employees, the commercial insurance they purchase varies, which can result in different levels of protection for employees of the same job nature working under the same risk conditions. This difference in treatment can affect the self-interest of practitioners, which is not in line with the content of fairness theory and can easily cause social conflicts.

### 2.3. High Occupational Risks for Employees

New industry practitioners have long working hours, high work intensity, high occupational risks, and are prone to occupational injury accidents. Due to the similarity between new industry formats and other labor-intensive industries, the more physical labor they put in, the higher their income. Therefore, in order to increase their income, employees in new industry formats have to give up rest time and extend their working hours. The lack of rest for a long time increases the physical burden on employees, and the phenomenon of overwork among employees is prominent, increasing the probability of occupational risks. Due to the unstable income of employees in new business formats, once accidental injuries occur, on the one hand, it will invisibly increase the work pressure of employees. On the other hand, if accidents occur, their labor ability will decrease or even lose, which will have a serious impact on themselves and the entire family.

The high occupational risks of employees in new business formats have not been taken seriously. On the contrary, the majority of employees have weak awareness of occupational safety protection. On the one hand, they do not attach importance to the occupational safety training provided by platform enterprises. On the other hand, employees do not pay enough attention to their own safety protection in their work, do not pay attention to safety training before accidents occur, and do not pay attention to self-protection in their work. They only hope for compensation from platform enterprises and insurance companies after accidents occur. This is irresponsible for their own life safety and will also increase the frequency of occupational injury accidents.

## 3. Suggestions for Countermeasures

The low protection benefits and non mandatory insurance models of commercial insurance cannot provide sufficient occupational injury protection for employees in new formats. China should establish a socialized protection system to diversify the occupational injury risks faced by employees in new formats.

### 3.1. Establish a Specialized Occupational Injury Protection System

From the previous analysis, it can be seen that employees in the new industry are prone to occupational injuries during the work process, and due to the inability to participate in work-related injury insurance, employees are unable to enjoy occupational injury protection rights. In fact, regardless of whether there is a labor relationship between employees of new formats and platform enterprises, the occupational injuries they suffer objectively exist. As workers, employees of new formats should enjoy the basic rights and interests of occupational injury protection after experiencing occupational injuries. After reviewing relevant national documents and referencing relevant literature, this article believes that a specialized occupational injury protection system should be established to protect the relevant rights and interests of employees. When constructing an occupational injury protection system, it is necessary to unbind whether one has a labor relationship and whether they can participate in the occupational injury protection system.

Firstly, expand the coverage of the main body. The establishment of occupational injury insurance system is to protect the legitimate rights and interests of workers who are unable to enjoy work-related injury insurance rights due to the lack of established labor relations or unclear labor relations. In principle, the occupational injury insurance system should include all workers who meet the new employment mode. However, in reality, there are various forms of work under the new industry. Therefore, in the initial stage of the system, it can first cover key platform employees such as delivery riders, couriers, and ride hailing drivers. As the system

matures, the coverage gradually expands until all new industry employees are included in the protection scope.

Secondly, multiple entities share financing. In the traditional work-related injury insurance system, employees do not pay, and the employer pays the work-related injury insurance premiums. In the new business model, the relationship between the platform and the employees is not a traditional employment relationship. Therefore, the financing method of the occupational injury protection fund can break through the principle that employees do not need to pay, and establish an insurance mechanism where the government, platform enterprises, and employees jointly raise funds and share risks. There are two financing models that can be adopted. For platform enterprises and employees with close connections and strong attributes, the payment model of "platform+individual+government subsidies" can be adopted; For employees with stronger independence and difficulty in determining the employer's new business model, a payment model of "individual payment+government subsidies" can be adopted. Due to internal constraints such as human capital and social capital, as well as external factors such as industry differences and registered residence registration system, the income levels of employees in different new business types are often quite different. If the insurance premium is collected according to the unified payment ratio, the new system will be unfair [6]. Therefore, in terms of occupational injury insurance payment, it is recommended to use the labor remuneration obtained by new industry practitioners through the platform as the base, adopt single or monthly payment, and divide different levels based on the corresponding industry risk classification of the current occupational injury insurance industry for the new industry practitioners. A floating rate should be implemented on the basis of the payment benchmark rate [7].

Thirdly, the occupational injury recognition standards should adapt to new business formats. The traditional form of occupational injury recognition standards can no longer adapt to the flexible employment mode in the new industry, and it is necessary to establish occupational injury recognition standards that adapt to the characteristics of the new industry. Therefore, when determining occupational injuries, the focus should be on whether there is a causal relationship between occupational injuries and work, and the cause of work should be the core element of injury determination.

Fourthly, the level of treatment protection is appropriate. Due to the current weak ability of practitioners to pay insurance premiums, if the same benefits are implemented based on work-related injury insurance as a reference in the early stage of system design, it will cause a huge burden on the occupational injury protection fund and government finance. Therefore, in the initial stage, the benefits should be concentrated on key protection projects such as accident injury medical benefits, disability and work-related death benefits, to meet treatment needs first, and then expand after the system is mature. At the same time, due to the poor ability of employees in new business formats to cope with risks, in order to avoid the situation of employees returning to poverty due to illness after occupational injury accidents, the payment of benefits should be a combination of long-term and one-time payments, so that injured employees can receive regular and continuous occupational injury compensation.

Fifth, introduce commercial insurance companies to handle and manage. With the continuous development of the Internet economy, the number of new business practitioners is increasing, and the current social insurance agencies are understaffed, so it is obviously unrealistic to be managed by social insurance agencies. The handling model can be led by the government and undertaken by commercial insurance companies, and commercial insurance companies can be entrusted to handle it through the purchase of services by the government. Commercial insurance companies are responsible for handling specific matters, which not only solves the problem of insufficient personnel in social security agencies, but also leverages the

professionalism of commercial insurance to better ensure the smooth implementation of the occupational injury protection system.

### **3.2. Encourage the Purchase of Commercial Insurance as a Supplement**

The occupational injury protection system can provide the most basic protection for employees in new formats, but more protection supply may be insufficient. Therefore, while promoting the operation of the occupational injury protection system, new format enterprises can be encouraged to purchase commercial insurance as a supplement. New format enterprises should establish an assessment mechanism to control employees and benefit from it. They should bear the responsibility to purchase commercial insurance to provide multiple protections for employees. The diversified and personalized characteristics of commercial insurance can not only alleviate the pressure on the operation of occupational injury protection systems, but also provide more choices for new business enterprises and practitioners, achieving multi-level protection.

### **3.3. The Platform Actively Assumes the Responsibility of Ensuring the Safety of Employees**

Platform enterprises are not only independent individual enterprises operating independently, but also the core entities of the commercial ecosystem. They are also platforms for integrating and optimizing social resources. Therefore, the social responsibility undertaken by platform enterprises cannot be limited to the governance of independent operating individuals and the commercial ecosystem. They should position the social function of the platform at a higher level and emphasize the creation of social value. The important goal of platform enterprises is to make profits. They seek to maximize their profits by formulating rules that are beneficial to themselves and using the Internet flexible employment model to reduce enterprise management costs. At the same time, enterprises should also take the responsibility of ensuring the occupational safety of employees, which is not only conducive to employees' work, but also to their own long-term development.

Occupational injury accidents that occur among employees in new business formats can cause losses to their personal safety and property. New business enterprises should take measures to ensure the occupational safety of employees and enable them to work with peace of mind. On the one hand, new business enterprises should strengthen occupational safety training for employees, and provide safety education to employees before they start work, such as popularizing labor laws and regulations, demonstrating basic first aid measures, and promoting the hazards of occupational injury accidents. On the other hand, the labor protection equipment provided by platform enterprises is only simple helmets and knee pads, which cannot meet the needs of employees for their own safety protection. Therefore, the labor protection equipment provided by new format enterprises to employees should not only be in place but also diverse. In addition to helmets and knee pads, employees should also be equipped with first aid kits to ensure that they can receive timely treatment after injury. At the same time, new format enterprises should also be responsible for regular inspection and maintenance of transportation vehicles for delivery riders and ride hailing drivers, and reduce the probability of occupational injury accidents through multiple channels.

### **3.4. Enhance Safety Awareness among Employees**

One of the important reasons for the frequent occurrence of occupational injury accidents among employees in new business formats is their low awareness of occupational safety. Therefore, new industry practitioners should enhance their occupational safety awareness, which is not only to better carry out production labor, but also to be responsible for their own life and health. On the one hand, practitioners should enhance their awareness of safety precautions, actively participate in occupational safety training activities organized by the

government and platform enterprises, actively learn traffic safety rules, laws and regulations for protecting the rights and interests of workers, and basic first aid measures. On the other hand, employees should pay attention to their own life safety during the work process, and wear safety protection tools before work. For example, food delivery riders should wear helmets and knee pads before delivering meals, ride hailing drivers should fasten their seat belts before accepting orders, and if they find any physical discomfort during the work process, they should rest or go to the hospital for medical treatment in a timely manner. When riding on urban roads, employees should abide by traffic rules, avoid dangerous behaviors such as reverse driving, speeding, and running red lights, and achieve civilized travel to protect their own safety and health.

#### 4. Conclusion

With the continuous increase in the number of employees in new business formats, the issue of occupational injury protection for this group is becoming increasingly prominent. How to ensure that this group receives the appropriate occupational injury protection has become a common focus of attention in the whole society. Faced with the current situation of insufficient occupational injury protection for employees, China should establish a specialized occupational injury protection system and construct an occupational injury protection system from multiple perspectives such as platform enterprises and employees, in order to protect the legitimate labor rights and interests of employees in new industries.

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