

IMPROVING WORKING CONDITIONS IN PLATFORM WORK

December 2021

#PlatformWork #SocialRights

The platform economy brings innovation, flexibility, access to the labour market, and it responds to consumer demand. People working through digital labour platforms should benefit from appropriate labour rights and social protection.

28 million
jobs

more than
500
platforms
in EU

Revenues from the platform economy in the EU in 2020 were estimated to be as high as €20 billion.

There are more than 500 digital labour platforms active in the EU.

More than 28 million people in the EU work through digital labour platforms – by 2025, their number is expected to reach 43 million.

Employment status

Your employment status affects the labour rights and social protection you are granted. Of the 28 million people who are believed to do platform work, the large majority are genuinely self-employed. However, 5.5 million may be at risk of misclassification.

The Commission's proposed Directive provides a **list of criteria** to determine whether the platform is an "employer". If the platform meets at least two of the criteria – it is legally presumed to be an employer.

The presumption of the employment status is rebuttable in legal or administrative proceedings by either the platform or the person affected.

out of the
28 million people,

5.5
million

may be wrongly
classified as
self-employed

As a result of the proposed Directive, it is estimated that between **1.7 million and 4.1 million people** could be re-classified as workers. Others may become genuinely self-employed as some platforms may adjust their business models.

What would these people gain from being classified as workers?

-  guaranteed rest time and paid holidays
-  maternity, paternity and parental leave
-  at least the national or sectoral minimum wage (where applicable)
-  pension rights
-  safety and health protection
-  benefits relating to accidents at work and occupational diseases
-  unemployment, sickness and health care benefits

What benefits would platforms gain from the clarification about status?

To date there have been more than **100 court decisions** and **15 administrative decisions** about employment status of people working through platforms in the EU.

The clear criteria the Commission proposes will bring the platforms **increased legal certainty**, meaning reduced litigation costs and less administrative burden.

It will also bring a **level playing field** among platform companies and for traditional businesses.



Algorithmic management

The Commission's proposed Directive will grant all people working through platforms (both workers and self-employed):

- **better understanding** of how tasks are allocated and prices are set and how they are being monitored
- **human monitoring of** automated decisions and how they affect working conditions
- **the right to contest** automated decisions and rectify them where needed



Enforcement, transparency and traceability

The Commission's proposal will bring **more transparency** around platforms by clarifying existing obligations to declare work to national authorities and asking platforms to make some information about their activities and the people who work through them available to national authorities.



Social dialogue and collective representation

The proposal will create **possibilities** for people working through platforms to get in touch with each other, to organise themselves and discuss automated systems with platforms through their representatives.