

Digital age

Platform work: Maximising the potential while safeguarding standards?



When citing this policy brief, please use the following wording:

Eurofound (2019), *Platform work: Maximising the potential while safeguarding standards?*, Publications Office of the European Union, Luxembourg.

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Research project: Employment and working conditions of selected types of platform work (170904)

Luxembourg: Publications Office of the European Union

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Print: ISBN 978-92-897-1963-6 ISSN 2599-8110 doi:10.2806/16825 TJ-AR-19-003-EN-C

PDF: ISBN 978-92-897-1967-4 ISSN 2599-8153 doi:10.2806/212968 TJ-AR-19-003-EN-N

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Introduction

Platform work – the matching of supply of and demand for paid labour through an online platform – is an emerging employment form on European labour markets. It is difficult to measure its current scale for various reasons, including the lack of a single definition, the way jobs are fragmented into tasks, and the fact that some platform work is cross-national. A dearth of government administrative data and the different approaches used in surveys add to the measurement problem.

The largest and most recent European survey on platform work, COLLEEM II, covering almost 39,000 internet users in 16 Member States, estimates that 1.4% do platform work as their main job, while another 10% do it at various levels of intensity and frequency next to other activities. There are considerable differences in incidence across the EU Member States, which suggests that a combination of technological, economic and sociocultural factors influence a person's decision to engage in this type of work.

The growth of platform work and the conflicts it has sparked as it gains a foothold, as well as its potentially disruptive impact on established labour market concepts, regulations and institutions make this employment form an ongoing subject of public and policy debate. There is increasing awareness that the heterogeneity of business models, operating mechanisms and tasks embraced by platform work significantly influence the employment and working conditions of the workers who take it up.

This diversity should be adequately addressed in policy responses, whether seeking to foster platform work or to regulate it. To aid these endeavours, this policy brief aims to provide insights into the opportunities for employment and good working conditions offered by specific types of platform work, as well as the downsides that policy should aim to mitigate. It also illustrates some initiatives that aim to tackle and prevent the disadvantages experienced by workers.



Policy context

European labour markets are characterised by an increasing variety of new forms of employment. Some of these are transforming the traditional one-to-one relationship between employer and employee. Others are distinguished by their unconventional work patterns as regards the time and place where work is performed. Economic and societal trends, including employers' and workers' need for more flexibility, are driving these developments, partly facilitated by technological advancements.

One of these new forms of employment is platform work. About a decade ago, online US platforms that match the supply of and demand for paid labour entered the European market. Since then, there has been sustained growth in the number of platforms, workers, clients and tasks conducted in the platform economy.

Public and policy debate on platform work generally takes place in a broader context of the future of work in the digital age. It widely acknowledges the contribution of platform work to the competitiveness and innovative

capacity of the European economy and as a means of labour market access and integration. More prominent, however, are discussions related to the employment status and working conditions of the workers involved in it. This is attributable to the challenge that platform work presents to traditional concepts like employer and employee, employment regulation and labour market institutions. These norms cannot be seamlessly applied to a task-based, on-demand form of work, some of it ignoring geographical boundaries, established on a triangular relationship between platform, worker and client.

At EU level, issues related to the platform economy have been raised, for example, in the European Commission's Digital Single Market Strategy and more specifically in the European Agenda for the Collaborative Economy. Furthermore, recent regulations explicitly refer to the platform economy, such as the Directive on Transparent and Predictable Working Conditions and the Regulation on Promoting Fairness and Transparency for Business Users of Online Intermediation Services.

A comparatively wide range of publications on platform work is already available. These either engage in a critical discussion of the impact of platforms on the economy and labour markets at EU level and across Member States, or provide evidence of such effects (Eurofound, 2018b; 2019c). Nevertheless, specific actions aiming to foster the opportunities and to tackle the challenges inherent to platform work are still fragmented across Europe and small in scale. This results in limited visibility of these attempted solutions and a lack of exchange on the approaches they have taken.

To help bridge this knowledge gap, this policy brief describes some of the initiatives established by governments, social partners and grassroots organisations to shape the development of the platform economy so that it provides decent work to the individuals who engage in it. The examples selected are responses to pressing challenges related to specific types of platform work. More examples can be found in Eurofound's web repository on the platform economy. However, due to the recency of these initiatives, no information is yet available about their effectiveness.

Key findings

- Platform work has suffered from bad press, which has fairly highlighted the poor employment and working conditions of some workers active in this sector. But this new form of employment is highly diverse and still developing, and not all platform work deserves to be labelled poor quality; indeed, some types offer real opportunities for increasing employment and flexible working. Precision is needed on the type of platform work in question when making statements about it, assessing its impact and developing policy that addresses it.
- One of the most problematic is the type where a platform assigns low-skilled tasks to workers, who perform the task in person – what Eurofound terms ‘on-location platform-determined routine work’. It includes, for example, platform-mediated transport services such as Uber and Deliveroo. It represented more than 30% of platforms and platform workers in 2017, making it the most widespread type of platform work in Europe.
- One of the main complications associated with this type of platform work is the disputed classification of workers’ employment status – whether employee or self-employed. Proper classification is a key issue as it defines workers’ rights and entitlements, for example as regards social protection, working time, earnings or representation. Misclassification seems to be most likely if the business model is based on a high level of intervention by the platform and the work involves small-scale, low-skilled tasks. As yet, no EU Member State has clear regulations that resolve the employment status of platform workers.
- On the positive side, platform work can offer low-barrier access to employment, potentially counteracting discrimination in the labour market and enabling vulnerable groups to participate. It can also be a good source of additional income for cash-strapped households. Some workers use it strategically as a stepping stone into self-employment.
- On the downside, opportunities for developing a career pathway within the platform economy are limited, as are opportunities for developing one’s occupational skills.
- Earnings, contrary to common assumption, tend to compare well to the traditional economy in the case of platform work that is carried out in person (on-location). For online platform work, global competition tends to push down rates, especially for low-skilled tasks. If work is allocated based on a contest, earnings are highly unpredictable.
- Working time can be unpredictable and workers do not always have control over it; some may be required to work unsocial hours and to be available at short notice.
- The algorithms that match worker and client have a strong influence in some types of platform work on the likelihood that workers are assigned tasks. So too do client ratings of workers’ performance. Transparency on how these features work is needed to ensure that workers receive fair treatment.
- Organising and mobilising platform workers is challenging. Notably, in platform work types that are dominated by self-employed workers using the platform for business purposes, workers see limited need for and have little interest in specific representation. In business models where the platform exerts itself strongly in transactions, there is more need for organising workers and more opportunities for this are emerging.



Exploring the evidence

The evidence on platform work begins with a description of the types covered in this policy brief and a profile of the workers engaging in it. It then looks at some of the main opportunities offered by platform work, along with the risks it entails for the labour market and working conditions. This discussion includes notes on initiatives that have attempted to regulate the situation of platform workers. The section concludes with a short review of progress on establishing collective representation of platform workers in the EU.

Diverse in all dimensions

When platform work first emerged in Europe about a decade ago, it mainly took the form of small, low-skilled routine tasks that were posted on an online platform and assigned by algorithm (a set of rules) to a virtual crowd of globally dispersed workers who did the tasks online. Since then, this employment form has developed across all its dimensions: the business models of the platforms, the matching and task-assignment mechanisms, and the characteristics of tasks, workers and clients.

Classifying types

To help make sense of this burgeoning employment form, Eurofound has created a platform work typology that considers five elements:

- the skill level required to perform the task: low, medium or high
- the format of service provision: on-location (delivered in person) or online
- the scale of the tasks: micro tasks versus larger projects
- the selector: tasks assigned based on a decision by the platform, client or worker
- the form of matching worker and client: a task offer or a contest

Applying the available data to all possible combinations of the above elements, Eurofound, in its report *Employment and working conditions of selected types of platform work*, identified 10 distinctive types of platform work in Europe that by 2017 had some critical mass in terms of the number of platforms and affiliated workers. Five of these were selected for further analysis of their employment and working conditions – see Table 1 for details – an exercise that included in-depth interviews with platform workers. The five types covered more than 50% of platforms and almost 60% of platform workers in Europe in 2017.

Table 1: Five types of platform work examined in this study

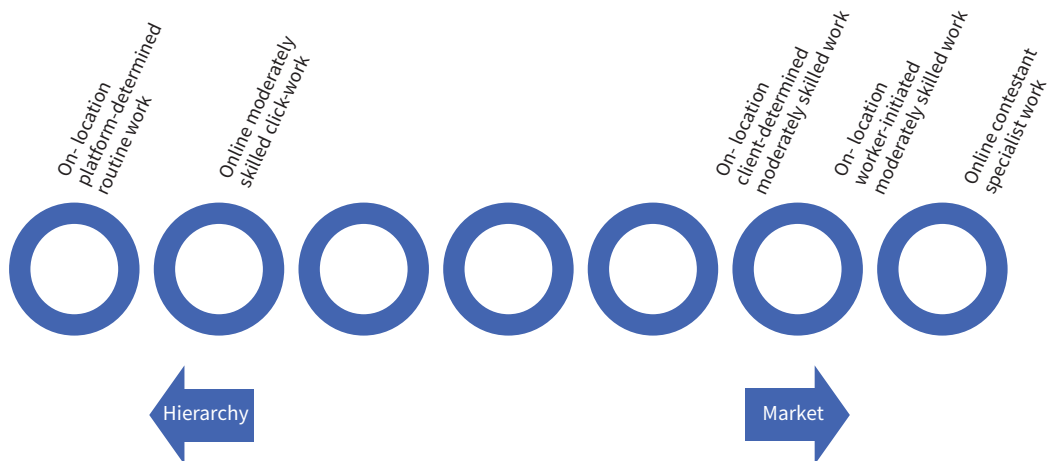
Name	Description	Example
On-location platform-determined routine work	The platform assigns tasks to workers, which are performed in person.	Ride-hailing services such as Uber
On-location client-determined moderately skilled work	Clients choose workers for tasks, which are performed in person.	Household task service platforms such as Oferia
On-location worker-initiated moderately skilled work	Workers choose tasks and perform them in person.	Household task service platforms such as ListMinut
Online moderately skilled click-work	The platform assigns tasks to workers, which are performed online.	Professional services platforms such as Crowdfunder
Online contestant specialist work	Workers perform part or all of a task online in a competition, then the client selects a winner	Professional services platforms such as 99designs

Hierarchy versus market

Platforms are often described as a hybrid organisation form, situated between markets (understood as spaces where supply and demand meet) and hierarchy (structures of command applied within firms). Among the five types analysed here, platforms mediating on-location platform-determined routine work

and online moderately skilled click-work resemble a more hierarchical type of organisation as they tend to exert control, partly through algorithms, and instruct workers on how to perform the job. The other three types are located towards the market end of the spectrum, acting as a tool that matches clients with workers, with limited interference in the actual service provision.

Figure 1: Hierarchy-vs-market dichotomy applied to five types of platform work



Worker profile

In general, platform work is dominated by young, highly educated male workers. The exception is online click-work, where there is a relatively good gender balance. Workers who do on-location worker-initiated and client-determined work are slightly older and more likely to have family responsibilities. They have a solid employment status beyond platform work; this is also true of online contestants. Workers conducting on-location platform-determined work are often students or migrants, while online click-workers tend either to be in precarious employment or to be jobless.

Motivation

Workers doing on-location worker-initiated and client-determined work as well as contestants generally mention positive factors like flexibility and opportunities as the reasons they engage in platform work. On-location platform-determined workers and, even more so, click-workers tend to be pushed into platform work by necessity, either due to lack of other employment alternatives or because it is the simplest solution to earn money.

Table 2 provides a profile of workers involved in the different types of platform work.

Table 2: Typical tasks and worker profiles, by type of platform work

	Type of tasks	Gender	Age and family status	Education	Labour market status (outside platform work)	Motivation
On-location platform-determined work	Transport	Male	Young	Highly educated	Student	Low entry barriers
Online click-work	Data and information	Balanced	Young	Highly educated	Precarious labour market status	Lack of employment alternatives
On-location worker-initiated work	Household	Male	Slightly older, more likely to have children	Highly educated	Employee or self-employed	Build or extend client base
On-location client-determined work	Household	Male	Middle-aged, more likely to have children	Highly educated	Employee or self-employed	Earn additional income
Online contestant	Creative tasks	Male	Young	Highly educated	Self-employed or freelancer	Fun, use creativity and ideas

What is the impact on labour markets?

Platform work offers opportunities for opening up employment to greater participation while at the same time having the potential to expand precariousness in the labour market. The challenge for policymakers is to encourage the former and avert the latter. This section looks at both the positive and negative implications of platform work for labour markets, with the caveat that no information is available as regards the magnitude of either. The outcomes identified are not necessarily equal: a single risk could – from a macroeconomic perspective – in practice outweigh the opportunities identified.

Opportunity: Easy labour market access

One of the main advantages of platform work as an employment form are the low entry barriers. In many cases, workers are not required to provide any proof of their qualifications, nor are there many administrative procedures to follow.

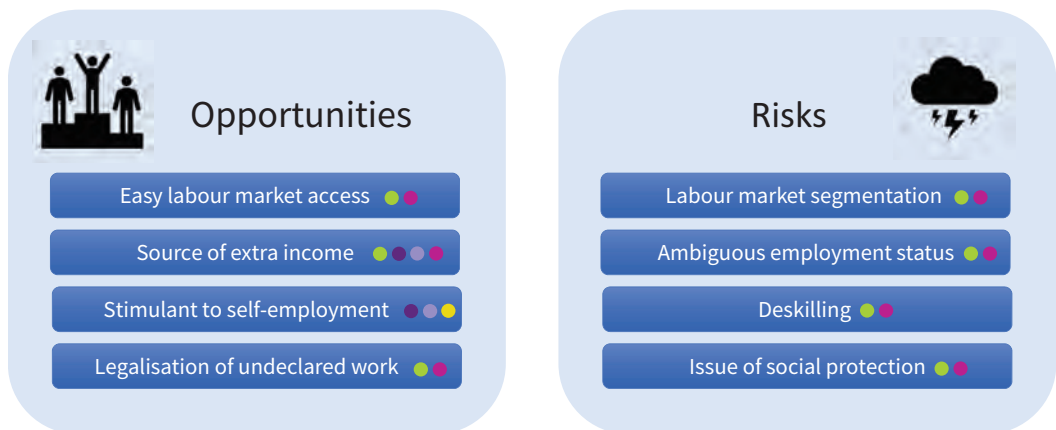
This probably is one reason for the large share of young and foreign-born platform workers, as the COLLEEM II survey found. At the same time, other research, by Huws et al (2017), found that older people are also getting involved in platform work.

From a policy perspective, it is worth considering whether and how platform work could be used strategically as a tool for labour market integration of young or disadvantaged groups, or to extend working life.

Risk: Labour market segmentation

Ease of access may mean, however, that the work on offer is largely piecemeal and transitory. There is a question over whether platform work offers sustainable career options. Can it act as a stepping stone into more traditional employment forms, if that is a worker's aim? Or do workers become locked into an employment form they perceive as unfavourable, leading, from a broader point of view, to labour market segmentation? As of mid-2019, little information is available about the impact of platform work on career prospects or labour market coherence.

Figure 2: Overview of labour market effects of different types of platform work



- On-location platform-determined routine work
- On-location client-determined moderately skilled work
- On-location worker-initiated moderately skilled work
- Online moderately skilled click-work
- Online contestant specialist work

Opportunity: Source of additional income

The ease of access has fostered a market in lower-skilled, small-scale routine tasks, which offers people a means of quickly earning additional income. Workers who do these tasks are not usually aiming to build a career in platform work but see it as a temporary solution that fits their current phase of life.

The moderately-skilled types of platform work – on-location worker-initiated and client-determined – are also attracting workers looking to earn some extra income, some of whom are professionals. One reason for that might be the increase of in-work poverty. While in 2007 about 8% of workers in the EU were at risk of poverty, in 2014 this share reached almost 10%. And while higher education reduces the risk of in-work poverty, the self-employed, especially those with no employees, are at increased risk (Eurofound, 2017).

Platform work, particularly that involving low-to-medium-skilled tasks, deserves to be examined by policymakers as a means for supplementing household incomes.

Opportunity: Stimulant to self-employment

Platform work can provide a good test environment for budding entrepreneurs and workers considering self-employment, which might then be extended to the traditional economy. At least some platform workers – especially online contestants and those involved in the worker-initiated and client-determined on-location types – use platform work strategically, either to test whether they have the required entrepreneurial skills (like self-organisation or dealing with clients) to run their own business or to expand their activity if they are already self-employed or freelancing.

Risk: Deskilling

As Table 2 shows, workers in the platform economy tend to be highly skilled, which means that they are often overqualified for the

low-skilled tasks that comprise much platform work. This could result in deskilling, which is damaging both to the workers whose potential is left untapped and to the economy that fails to benefit from their unused skills.

Risk: Ambiguous employment status

As of mid-2019, none of the EU Member States has clear regulations specifying the employment status of platform workers, whether employee or self-employed. In practice, the terms and conditions of the platform often determine their employment status. This widely results in platform workers being considered self-employed or using special employment arrangements applicable in national law, as platforms tend to aim to reduce their responsibilities towards their workers by not recognising them as employees (Daugareilh et al, 2019; Vandaele, 2018).

While there are differences across countries, in general, the level of subordination to an employer as well as the flexibility, autonomy and control retained by the worker are important criteria to differentiate employees and the self-employed. Following these criteria, the types of platform work founded on more market-based business models (that is, on-location worker-initiated and client-determined work as well as online contests) justify the employment status of self-employed. Classifying workers as self-employed becomes problematic, however, for those types of work where the platform engages in something more akin to task management than just task matching (the on-location platform-determined and online click-work types).

Clarifying the employment status of platform workers is important as it has considerable consequences for their rights and entitlements. These include access to social protection and representation, as well as working conditions like working time, income, and health and safety standards. In general, self-employed workers are less protected with regard to these matters or have a higher level of responsibility for their own protection.

Initiatives attempting to clarify employment status

Next to a growing array of court cases investigating the employment status of platform workers across Europe – mainly related to the platform-determined type of platform work such as food delivery and ride-hailing – a number of other attempts are being made to clarify this issue.

In the Netherlands, strikes by food-delivery riders in 2018 to voice their dissatisfaction with their employment status led the government to launch an investigation to determine whether the contracting situation of platform workers is in alignment with the Dutch labour code.

Finnish delivery platform workers have launched a campaign called 'Justice4Couriers'. The campaign demands the option of an employment contract, as well as a reversal of pay cuts, transparent shift allocations, places to take rest breaks, compensation for damage to equipment, and insurance against illness and accidents.

In May 2019, the Italian food-delivery company Laconsegna and three trade unions signed a collective agreement that clarifies that riders are employees. They are covered by the national collective agreement for the logistics sector and benefit from all social protections (Daugareilh et al, 2019).

Opportunity: Legalising undeclared work

Related to the unclear employment status of platform workers is the question of whether platform work contributes to legalising undeclared work or to fostering it. The results of the COLLEEM II survey indicate that the majority of workers conduct platform work only marginally or sporadically, which means they are probably below national thresholds regarding tax and social protection contributions. However, for around one-tenth of platform workers it is their main employment, and about two out of five earn between 25% and 50% of their income through it.

Due to the fragmented and sometimes international character of platform work, it is commonly assumed that such work is not properly taxed or registered with social

insurance authorities. At the same time, the fact that data collection is a key element of the business models and mechanisms in the platform economy provides opportunities to make work more transparent compared to similar tasks conducted in the traditional economy.

The comparative analysis of specific types of platform work in this policy brief finds that platform workers affiliated to the market-based types of platforms (worker-initiated, client-determined and contests) report a high level of awareness of their tax obligations and are familiar with the practicalities of handling them. Workers affiliated to platform-determined work show a lower level of awareness of their tax obligations and seem to be unclear about how to deal with them in practice. No information is available on online click-work.

Initiatives on taxation

Since 2015, an automatic earnings declaration system for Uber drivers has been operating in Estonia following an agreement between the company and the Tax and Customs Board. Furthermore, in 2018, the tax responsibilities of part-time self-employed workers (including platform workers) were simplified. These include considerably reduced tax rates for income below a certain threshold.

In 2016, Belgium introduced favourable taxation of platform work. Income up to a certain threshold is taxed at a reduced rate if it is earned on platforms registered with the government.

The French Law no. 2018-898 of 23 October 2018 introduced specific reporting requirements for online platforms. These oblige platforms to provide clear and transparent information on tax obligations to their users and a link to the website of the tax office to facilitate compliance. Furthermore, platforms have to annually provide information on the transactions mediated through them to both users and the tax authorities.

Risk: Issue of social protection

As regards social protection, among the workers interviewed by Eurofound, none saw a need for specific measures related to platform work. Neither, however, did any do platform work as their main job, and they had social

insurance through other pathways. On the assumption that platform work will grow further in the future and, with this, the share of people doing it as their main job, some consideration needs to be given to the social protection coverage of platform workers.

Initiative proposed on social protection

Enzo (2019) developed a model of 'digital social security' for platform workers. His model foresees that platforms across the world would transfer a certain percentage of the agreed rate for each task performed to an international 'digital social security account' for the worker. This could cover all branches of social protection (pension, illness, accident, disability and unemployment). The accumulated amounts would be regularly transferred to the social security authority of the country where the platform worker lives and integrated into the national system. Accordingly, no harmonisation of the social security systems of different countries would be required. The international account system could be administered by the International Labour Organization (ILO), with support of the EU.

What is the impact on working conditions?

The quality of work is variable across the different types of platform work. Some aspects of working conditions make the work more feasible for workers, while others make it a less desirable work option. Again, the opportunities and risks are discussed here without reference to the magnitude of each in terms of its impact on workers.

Opportunity: Objective work assignment

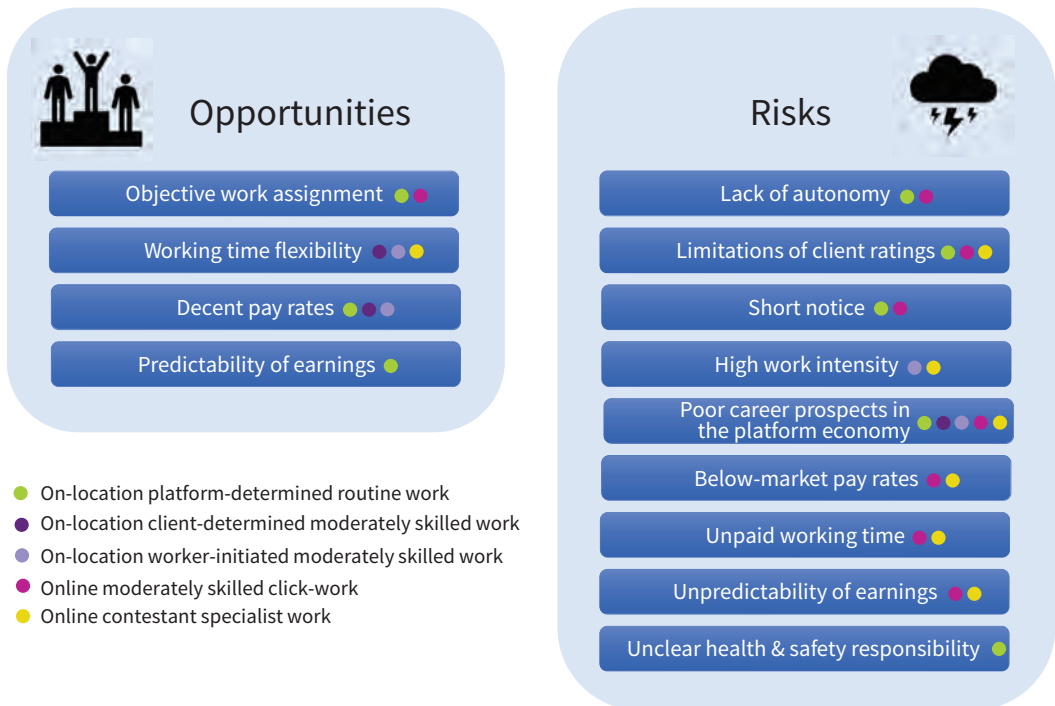
The algorithmic matching of supply and demand is a key characteristic of the platform economy. Both workers and clients benefit from the efficiency and neutrality of this feature: tasks are listed, users customise their selection criteria according to their needs, and

the algorithm performs a match. There are some grounds for assuming that automated matching is more objective than a human and hence prevents discrimination against workers based on factors such as ethnicity or disability status. This can be particularly advantageous in platform work types such as online click-work, which is dominated by groups who are generally disadvantaged in the labour market.

Risk: Loss of autonomy

However, whether these positive effects are realised in practice depends on the design of the algorithm. If it is programmed in an unfavourable way, it can increase discrimination or be so rigid in proposing tasks that the workers' flexibility and autonomy are severely limited. This is not necessarily intentional but a consequence of the still insufficient development of algorithms.

Figure 3: Overview of working conditions of different types of platform work



Beyond matching, the platform's technology base can also be used to exert control over the worker (Vandaele, 2018). There are considerable differences across the types of platform work, with the strongest deployment of control evident in platform-determined work and online click-work. Here, technology is often used to monitor the worker while they conduct the task, with potentially punitive effects if the instructions provided by the platform are not followed – such as not being allocated the most rewarding tasks.

Risk: Limitations of client ratings

In this context, ratings need to be mentioned. Particularly where tasks are assigned by the platform based on an algorithm, a worker's performance rating strongly influences their access to tasks. It may also affect working conditions such as earnings, working time and the meaningfulness of tasks. In platform work types in which the client selects the worker on the basis of their offer, there is anecdotal evidence that clients are reluctant to choose workers with few or lower ratings. The power of ratings presents a challenge for those new to platform work or to a specific platform, who lack a good track record. Some platforms level the playing field for new workers by validating their expertise when they start offering their services.

While ratings may help clients to choose the best performers, the criteria on which they are based and their transparency are a concern.

Ratings tend to be a 'black box' for workers. As a result, they can find it difficult to work out how to provide their services most effectively to receive high ratings and to challenge ratings they deem unfair.

Opportunity: Working time flexibility

Flexibility over working time is one of the main reasons people engage in platform work. In practice, however, this flexibility seems to be accessible only in some types of platform work, particularly those where the skills requirements are higher and where the platform has less influence in the work organisation. So worker-initiated and client-determined platform work typically provide good working time quality. Workers often do these types of platform work in their free time from their main employment, enabling them to make efficient use of their time and hence increase their job satisfaction. Online contestants, too, have a high level of autonomy over when to complete the tasks they are interested in.

For the worker-initiated and platform-determined types, workers report working evenings and on weekends. Nevertheless, unsocial hours are attributable to the task requirements rather than the specific characteristics of platform work, and hence are not different from similar tasks in the traditional economy.

Initiatives to provide information about ratings and offer redress

In June 2019, the European Council adopted a regulation on the transparency obligations of online platforms towards business users and on providing an efficient system for seeking redress. Among other requirements, platforms are obliged to publicly disclose the main parameters for ranking users in search results and to set up a system for quickly handling complaints (European Council, 2019).

In Germany, several platforms, along with the Crowdsourcing Association and the German Metal Workers' Union, have established an Ombuds Office. Platform workers can address complaints related to a platform's payments or procedures to this body if the platform in question has signed the code of conduct (see also 'Initiatives to ensure fair earnings' further down).

Initiatives to tackle working time issues

Since 2017, a collective agreement in the Italian logistics sector, which includes food-delivery riders, covers working time, the requirement for notice of upcoming work, and compensation for changes in work schedules.

The proposed EU Directive on Transparent and Predictable Working Conditions (COM(2017) 797 final), amongst other issues, deals with working time issues, including the provision of information to ensure predictability. Platform workers are covered by the directive to the extent that they fulfil the criteria used to define ‘worker’. At a first glance, it applies more to workers affiliated to the types of platforms that resemble hierarchies, while it is less likely to cover those working under market-based business models.

Risk: Short notice

An issue that is specific to platform work, though, is that in online click-work and, to a lesser degree, in platform-determined work, tasks can be assigned on very short notice, requiring workers to be available on-demand and to respond quickly. This negatively influences working time quality and increases stress levels.

Risk: Increased work intensity

Anecdotal evidence flags the danger of increased work intensity in worker-initiated platform work if clients underestimate the amount of work demanded by an assignment. Interestingly, in Eurofound’s study, this issue did not emerge for the client-determined type, which is very similar in terms of task but with the client having a more decisive role.

Online contestants, too, are not completely free of time constraints. In fact, perhaps because this workforce is faceless and

dispersed and because competition for work is likely to be higher, clients may feel less accountable and tend to set tighter deadlines for online tasks compared to similar tasks in the traditional economy. This can increase work intensity and stress.

Risk: Poor career prospects

Prospects for career development within the platform economy are almost non-existent. There are no real opportunities for advancement due to the lack of structures in the work organisation. The development of occupational skills is also limited. For reasons of efficiency and productivity, workers performing moderately skilled and higher-skilled tasks (those engaged in on-location worker-initiated and client-determined work and online contests) tend to select tasks for which they are already qualified rather than those through which they could learn.

Initiative to provide occupational training

The French platform Frizbiz, which mediates household tasks, organises training programmes for its workers. This is done jointly with a well-known home improvement and gardening retailer. The training is free of charge and provided online as well as through in-person training sessions.

Opportunity/Risk: Pay rates

Platform work is often criticised for being low-paying. This seems to be based on early surveys that highlighted the low pay rates for individual tasks and the low overall earnings, which was often limited to online micro-tasks (Ipeirotis, 2010; Berg, 2016; Leimeister et al, 2016). But platform work has evolved since, and the issue of pay deserves a more nuanced discussion.

Among the types analysed by Eurofound, income is most favourable in the worker-initiated and client-determined types. Here, workers have a high degree of discretion in setting the rates per task, and the unpaid working time dedicated to searching and bidding for tasks is not substantial. An issue raised in relation to client-determined platform work is the commuting time to clients' homes that cannot be charged. However, the issue is specific to the type of task rather than to platform work and also occurs in the traditional economy.

Pay rates are low in platform-determined work and online click-work due to the small scale and low skills requirements.

However, platform-determined work involves face-to-face contact with clients and limited competition among workers, factors that tend to improve pay rates for low-skilled work. As a result, earnings are generally deemed decent in terms of comparable market prices in the traditional economy.

For workers fulfilling tasks online, particularly those doing low-skilled micro-tasks, rates tend to be lower than comparable rates in the traditional economy as the work attracts workers based in low-wage countries. These workers also spend a lot of unpaid working time searching and bidding for tasks.

Opportunity/Risk: Predictability of earnings

Due to the mechanism by which it operates, task assignment is predictable in platform-determined work. However, the number of tasks on offer might not amount to a full-time job, meaning the overall income generated could be limited.

Work opportunities are unpredictable, however, in online click-work and contests due to the global level of competition.

Initiatives to ensure fair earnings

In 2018, the Danish trade union 3F and the cleaning-services platform Hilfr signed a collective agreement that sets a minimum hourly wage and an obligatory 'welfare supplement' paid into the social protection system for affiliated workers.

In 2018, the government of Bologna in Italy together with some trade unions and food-delivery platforms signed a Charter of Fundamental Rights of Digital Workers. This sets out a fixed hourly rate that equals the minimum wage in the respective sector as well as compensation for overtime, public holidays and bad weather.

In 2017, several German-based platforms launched a code of conduct for crowdsourcing and crowdworking. The platforms have committed to 10 responsibilities, with the aim of contributing to decent working conditions and fair treatment in platform work. Among these responsibilities are fair pay, the provision of information on legal regulations (including taxation), ensuring transparency and the provision of assistance to workers.

Sharing Economy UK, which promotes the interests of businesses in the platform economy, has developed a confirmation of good practice called TrustSeal. This is granted to platforms satisfying six criteria, one of which is transparent communication and pricing.

Risk: Unclear health and safety responsibility

The physical environment in platform work does not differ from comparable environments in the traditional economy. Online workers have to deal with the physical toll of office and computer work such as posture-related disorders and eye strain; on-location workers may have to face physical hazards, such as road accidents among those doing transport-related tasks or exposure to chemicals for those doing cleaning tasks.

While there are clear standards and responsibilities ensuring the physical health and safety of workers in the traditional economy, this is not the case in the platform economy due to the ambiguous employment status of workers. This is a particular problem in platform-determined work. Here the risk is higher than in other forms of platform work due to the pay-by-task mechanism, which can

be an incentive to conduct tasks quickly rather than with care. The youth of workers is another factor; young workers are often less aware of risks and less interested in taking precautions.

This point is supported by Eurofound's finding that platform workers in the worker-initiated and client-determined types show a much higher level of awareness of physical dangers due to their professional maturity. They are also familiar with precautionary measures due to their experience in the traditional economy. Interviewees involved in client-determined platform work emphasised the importance of safety and quality of service over speed of delivery, even if that meant lower relative earnings or the need to negotiate with clients. An interesting aspect to this is clients' general lack of awareness of potential risks and safety standards and procedures – probably not very surprising, as the clients are private households rather than businesses.

Initiatives to tackle physical health and safety

In July 2018, the city of Milan in Italy launched the Riders' Municipal Information Counter, dedicated to listening to, informing and advising people working for food-delivery platforms. One of its services is free training on road safety, safety and work, and basic sanitary rules for food transport. Also in Italy, the Bologna Charter of Fundamental Rights of Digital Workers obliges platforms to cover insurance for accidents and illness at work as well as accidents that occur on the way to and from work.

In Spain, the National Institute for Safety, Health and Well-being at Work organised a campaign to improve road safety for food-delivery riders. The 'Make yourself visible!' campaign aimed to increase awareness among couriers by addressing them through peers who had a good understanding of the situation and needs of platform workers as well as direct access to them.

The French Law no. 2016-1088 obliges platforms to bear the costs of workers' occupational accident insurance if the workers generate a minimum revenue through platforms.

Collective voice for a fragmented workforce

The specific characteristics of platform work and the unclear employment status of workers challenge the ability of platform workers to have their interests represented. As they are widely considered self-employed, at least in some Member States, traditional trade unions do not have a mandate to represent them, and competition regulation may not permit them to organise through other means. Limited or no access to collective voice seems to be particularly problematic in situations where there is a power imbalance between the actors, a possible misclassification of the employment status, and suboptimal working conditions

(hence, notably for platform-determined and online click-work). As a response, initiatives to organise and mobilise platform workers are emerging in several EU Member States, driven by trade unions or by grassroots organisations (Vandaele, 2018).

At the same time, the available evidence suggests a limited need for specific representation in those types of platform work that follow a more market-based business model (worker-initiated and client-determined platform work as well as online contests). The main reason for this is that these types of platform work are used as a tool rather than a standalone employment form by workers, who are represented through other means in their main employment.

Initiatives to provide collective voice

The French Law no. 2016-1088 provides platform workers with the right to set up or join a trade union and to organise or participate in a strike without negative consequences for their contractual relationship.

In January 2019, the Austrian Union of Private Sector Employees, Printing, Journalism and Paper (GPA-DJP) opened its membership to platform workers. This gives platform workers access to legal protection and advice. Furthermore, the trade union wants to connect platform workers, spark debate about working conditions and gain insight into the mechanisms of platform work.

Next to traditional trade unions, new bodies are emerging to represent platform workers. One example is the Belgian Collectif des Courier-e-s, a self-organised collective of food-delivery riders. In order to negotiate working conditions, it organises meetings and strikes and liaises with similar initiatives across Europe.



Policy pointers

- Platform work is an innovative employment form that could be used as a labour market tool to integrate disadvantaged groups into employment, extend working life, legalise undeclared work, promote self-employment and raise household incomes. For these objectives to be realised, there is a need to raise awareness of these potential positive effects among labour market actors such as public employment services. However, before promoting such an approach, additional information on the potential unintended effects, such as labour market segmentation or crowding out of traditional jobs with better working conditions, is required.
- Platform work is increasingly heterogeneous, resulting in differences in employment and working conditions across the platform-working population. The experiences of a handyman are distinct from those of a delivery rider or a graphic designer, even if all three secure work through a platform. These differences should be further explored, and tailored solutions implemented, rather than applying a one-size-fits-all approach, which entails the risk of inefficiency and ineffectiveness.
- Regarding one of the most discussed issues – establishing the employment status of platform workers – policymakers might consider instituting a default classification as employee or self-employed based on the typology of platform work. It would then rest with the platforms to provide justification for a different employment status on the basis of their individual business model and the mechanisms by which it operates.
- Algorithmic control and client ratings are a particularity of platform work. While they can offer some advantages for the worker (like neutralising decision-making based on stereotypes), they also create challenges. These include the lack of transparency of the underlying logic, the fairness of the system, workers' access to redress and the portability of ratings across platforms. The 2019 EU regulation on transparency obligations for platforms towards business users could be an important first step to address this issue. Its implementation and effectiveness should be monitored over time.

- For platform workers competing globally for tasks, decent pay rates need to be ensured. For other types, the predictability of income and work schedules and unpaid working time need to be tackled. In this context, the applicability of already existing and proposed EU directives, notably the Directive on Transparent and Predictable Working Conditions, and their effectiveness for platform work should be explored.
- Action should be taken so that platforms' business models and mechanisms do not incentivise workers to take health and safety risks; this is most relevant where the platform assigns tasks. In addition, clients of household-task platforms should be provided with information on health and safety standards so that they assist in minimising physical risk to the workers they engage.
- Online platforms have expanded the marketplace in household services for domestic users. These clients bear responsibilities towards the workers they hire. Clients should be instructed on how to best describe tasks to avoid work overload and conflicts. They should also be made aware of the potential effects of their ratings on workers and given criteria on which to base subjective assessments of task provision.
- Representation of platform workers could focus on those types of platform work that present the most challenges while at the same time make it most feasible to organise and mobilise workers. Cooperation between traditional representative bodies and newly emerging actors is advisable, to take advantage of the strengths of both approaches.



Resources

All Eurofound publications are available at www.eurofound.europa.eu

More information on the platform work initiatives described in this policy brief and others across the EU are available in Eurofound's platform economy repository at <http://eurofound.link/platforminitiatives>

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Platform work emerged onto European labour markets about a decade ago. While still small in scale, it is growing and evolving into a variety of forms. Different types of platform work have significantly different effects on the employment and working conditions of the affiliated workers. To be effective, policy responses aimed at ensuring decent conditions in platform work should take these differences into consideration, rather than applying a one-size-fits-all approach. This policy brief highlights the main opportunities and challenges of specific types of platform work and illustrates some of the first attempts at addressing them in the EU.

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.

