



# Seven common misconceptions about digital labour platforms

Mehmet Koksal  
ETUI

Very few people work via the internet, so is it unnecessary to legislate in this area? Do platforms create stable employment for people on an insecure income? Can platform working earn you a high income? Do bicycle couriers account for the greatest share of internet activity? Are unemployed people more likely to supplement their income via these platforms? Are digital workers mainly low-skilled people? Does working via the platforms of the new economy without a set timetable give people more freedom? If you answered 'yes' to any of these questions, you need to read on...

Adhaa, a refugee in France from North Africa, works non-stop for a meal delivery platform. He dreams of having enough money to bring his wife, Sanaa, and his son, Hamza, to join him in Paris to offer them a better future. 'Paris is beautiful, you'll love it!' he says enthusiastically, while his wife urgently asks him to send money to cover their basic needs. Adhaa would love to send her money faster, but his boss, Mr. Marcos, only paid his wages that morning and this week he has kept back 50% in commission. 'What a thief this Marcos is, he does nothing, and he's making as much as you!' complains Sanaa. Her husband, Adhaa, is only too aware of the problem, but he has no choice: he has to go on doing speedy deliveries if he wants to bring his family to join him one day.

In mid-conversation, his work app pings him to say that he can earn a 40-euro bonus now if he manages to make 15 bicycle deliveries in less than three hours. Quick, quick,

quick... that's enough chatting, there isn't a second to lose if he's going to pocket this bonus, even if this means putting his health and safety at risk. Adhaa is so tired that he starts hallucinating en route, but he refuses to take a break for fear of losing this bonus. Mind you, if an accident happens while he is working, he has no one to blame but himself, as there is no official employer and he has no social protection.

This particular tale is fictional, taken from the short film *À tout prix (At all costs)* by young French director Gauthier Monnet, which was presented at the 12<sup>th</sup> Nikon Film Festival in 2022.<sup>1</sup> However, it is typical of the conditions of this kind of platform work; you only need to observe the constant daily toing and froing of working bike riders in the European urban environment to grasp the extent and the uncontrollable rise of this new two-click economy, hosted in an app installed on a mobile phone. You might think that this kind of work is only done by

students living on an insecure income and looking for extra earnings to meet a passing need. But the reality is very different from the image peddled by the systematic propaganda of the digital labour platforms.

Before going any further, we need to agree on terminology. What does 'digital labour platform' mean? According to Fairwork<sup>2</sup> researchers, it is 'a company that uses digital resources to mediate value-creating interactions between consumers and individual service-providing workers'. But it is worth noting that digital platforms like Airbnb or Vinted, where goods are exchanged, sold or rented out between

1. See <https://festivalnikon.fr/video/2021/402>  
2. Fairwork is an action research project which defines and measures decent working standards in the gig economy (<https://fair.work>).



**HesaMag+**

*Listen to the podcast interview with the authors of the report The platform economy in Europe on our website ([etui.org/ZSh](https://etui.org/ZSh)).*

3. De Groen W., Kilhoffer Z., Westhoff L., Postica D. and Shamsfakhr F. (2021) Digital Labour Platforms in the EU: Mapping and Business Models. <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8399&furtherPubs=yes>

↴ In France, Deliveroo was found guilty of misclassifying employees as self-employed people. Photo: © Martine Zunini

individuals, are not included within this definition. The discussion revolves rather around labour platforms like Bolt, Deliveroo, Glovo, Uber or Uber Eats, where the work is required to be done in a particular location (e.g. delivering food from a restaurant to an apartment or driving a person from one part of town to another), and also other kinds of online labour platforms, like Amazon Mechanical Turk, where the work can, in theory, be performed from anywhere via the internet (e.g. online image classification).

### **An estimated 47.5 million internet workers in the EU**

Can it be said these days that few people are actually engaged in internet work? This is one of the first arguments used by people who want to stick to the status quo, claiming that there is no need to legislate on an issue that involves so few individuals.

For the first time in Europe – in a new survey published by the European Trade Union Institute (ETUI), involving 14 countries and covering 84% of the working age population – researchers have provided a precise, quantified answer at European level. The researchers behind the Internet Platform Work Survey estimate the number

of ‘internet workers’ (understood in a wide sense) within the EU to be at 47.5 million (17% of the working age population). However, these researchers draw a distinction between, on the one hand, internet workers – namely people who provide services, sell products (except for second-hand goods) or rent out accommodation through digital online platforms, apps or websites – and, on the other hand, platform workers in the strict sense of the term, estimated at 12 million people, including also 3 million workers for whom labour platforms account for a ‘significant part’ of their working lives. These platform workers form a subset of internet workers as a whole.

Another estimate, this time from the European Commission, records more than 28 million people in the EU working via digital labour platforms. By 2025, their number is expected to reach 43 million. The large majority of these people are wrongly working as self-employed people or independent entrepreneurs. The Commission takes as a basis a report<sup>3</sup> which identifies 516 active and 74 inactive digital labour platforms in the EU27 and explains that, ‘between 2016 and 2020, revenues from the platform economy grew almost fivefold from an estimated 3 billion euros to circa 14 billion euros,’ which clearly indicates the vast size of the market.



4. Bérastégui P. (2021) Exposure to psychosocial risk factors in the gig economy: a systematic review, Report 2021.01, ETUI.

Given the media attention focused on bicycle couriers like Adhaa, you might think that they account for the biggest share of internet activity. However, the IPWS also refutes this, stating that ‘The most popular activities that people did in the last year are some form of remote clickwork (5% of the working age population) and the selling or reselling of products other than second-hand items (5%). Close to 10 million people across the EU (3.4% of the working age population) do clickwork on a monthly basis, followed by 5.6 million (2%) who are selling items and 5.2 million (1.9%) who are doing remote professional work. Somewhat surprisingly, given the amount of media attention it receives, the smallest internet activity is transport, carried out by 1.5 million people on a monthly basis (0.5% of the working age population).’

Much attention has been paid to the question of improving the regulation of platform work (meal delivery, service provision, sharing goods, etc.) since the media’s coverage of several cases of exploitation of precarious workers and related lawsuits that seriously challenged the very existence of this business in a European social model based on a robust social security system.

Just recently, at the end of April 2022, the Paris Criminal Court ordered Deliveroo France to pay a fine of 375 000 euros, and two former managers of the platform were given 12-month suspended prison sentences, for ‘concealed employment’. A Deliveroo spokesperson has already given notice that the company will be appealing against the decision, but in the meantime Deliveroo has also been ordered to pay damages of 50 000 euros to each of the five employee trade unions (CGT, Solidaires, SUD-Commerces, CNT-SO and Syndicat National des Transports Légers), which were claiming damages for the moral prejudice suffered. According to the court,

Deliveroo had engaged in the manipulation and abuse of employment regulations with a view to orchestrating a ‘systemic concealment’ of jobs of delivery personnel, who should have been employees, not self-employed people. The sole aim of this fraud was to cut the cost of employing meal delivery riders, and it was irrelevant whether some of them were ‘happy’ with this status or ‘felt free’, as the French judge stressed with reference to Deliveroo’s arguments to justify using the status of micro-entrepreneur. The platform had continually stated that it merely put customers, restaurant owners and delivery riders ‘in contact’ and rejected the existence of any hierarchical relationship.

For their part, 116 bicycle or scooter workers who were claiming damages were called to testify about their experiences of working for Deliveroo: lured by promises of ‘freedom’ and ‘flexibility’, they had soon come face to face with the reality of pressure, monitoring, the ‘war’ to secure the best slots, and reprimands from Deliveroo. A systematic literature review<sup>4</sup> has already shown that these new workers of the internet era, who have no status, have been subject to three kinds of pressure in performing their work: physical and social isolation, algorithmic management arising from constant digital surveillance, and the transient nature of the work itself.

On 9 December 2021, in response to all these issues, the European Commission took the initiative of presenting a proposal for a directive on improving working conditions in platform work. ‘This proposal is currently under scrutiny by the European Parliament and the Council, which will agree on their respective positions, and then the official negotiations will start. It is up to the co-legislators to decide on the schedule for the next stages, but the Commission is hoping that this important proposal will be adopted quickly and is ready to lend its support during this process. Under the Commission’s proposal, once it is adopted, the Member States will have two years in practice to transpose the directive into national law,’ explained a Commission spokesperson we interviewed. ‘On the same day, the Commission also published draft Guidelines on the application of EU competition law to collective agreements regarding the working conditions of solo self-employed people seeking to improve their working conditions. This text was opened up to public consultation until 24 February 2022. The aim is for the final guidelines to be adopted in the course of the year,’ added the spokesperson.

The proposal for a directive essentially aims to clarify the professional status of workers, using a list of five verification criteria to determine whether the platform is an employer and make the use of algorithms by digital labour platforms more transparent.

Naturally, the companies affected by the future European Directive have not remained idle in the face of the initiatives to improve regulation in this sector. Uber promptly came out with a very negative reaction, insisting that the Commission’s proposal was likely to have the effect of ‘putting thousands of jobs at risk, crippling small businesses in the wake of the pandemic and damaging vital services that consumers across Europe rely on’.

At the strategic level, these platforms have given rise to two new pressure groups aiming to influence European decision-makers in order to defend their interests and their business models. One lobby is closely involved in (food) delivery. It is called ‘Delivery Platforms Europe’ and has six influential members: Uber Eats (United States), Deliveroo (United Kingdom), Bolt (Estonia), Delivery Hero (Germany), Glovo (Spain) and Wolt (Finland). This group met before December 2021 to influence the Commission initiative on the rights of platform workers even before it was published. After the proposal was communicated, the lobbying campaign aimed at Members of the European Parliament (MEPs) and national governments appeared to continue, seeking to do away with the most problematic issues, such as changing workers’ status. These delivery platforms can also draw on earlier efforts made by another pressure group called ‘Instant Delivery Platforms Coalition’, consisting of four large companies based within the EU, namely Delivery Hero, Bolt, Glovo and Wolt. This latter group had gained some publicity with the launch of a ‘European Purpose Project’ aiming ‘to reconcile the potential and the opportunities offered by this new economic model with the European values underlying our companies’ – in short, they want to establish a non-binding code of conduct for the sector as a way of dampening down the criticisms levelled against them.

Opposite them, at European level, the European Trade Union Confederation (ETUC) has already clocked up nearly 200 lawsuits to date in various countries (France, Italy, the Netherlands, the United Kingdom and elsewhere) with the result that platform workers are regularly reclassified by the courts as employees. These often long and costly proceedings arise from

## IPWS methodology

The IPWS (Internet Platform Work Survey) was carried out by three senior researchers at the ETUI (Agnieszka Piasna, Wouter Zwysen and Jan Drahokoupil) between 5 March and 9 May 2021 using computer-assisted telephone interviewing (CATI), and the fieldwork in all countries was harmonised and coordinated by the research firm Ipsos.

- The survey was sent to a representative sample of adults (from 18 to 65 years old) living in the target country.
- The target number of interviews per country was 1 750, with the final size of the sample varying from 1 476 in Slovakia to 1 760 in Austria.
- The survey is based on a total of 24 108 respondents in 14 EU countries.

the fact that the platforms had succeeded in imposing a presumption that people signing up to work with them were self-employed or independent entrepreneurs. If adopted, the proposal for a directive aims to reverse the burden of proof to the benefit of the weaker party in the relationship, in other words the workers: in a recent resolution adopted by its Executive Committee, the ETUC welcomed the fact that the Commission's proposal for a directive included its main demand, 'the setting up of a rebuttable presumption of employment relationship for workers in digital labour platforms, which is completed with a reversal of the burden of proof. This means that a platform will be considered an employer unless otherwise proven by the digital labour platform.' In a rather subtly worded statement, the ETUC had already taken pains to apply the list of criteria proposed by the Commission in the text of its directive to five large companies (AMT, Uber, Glovo, Deliveroo, Cuideo). The conclusion was that the largest active platforms in Europe would not be able to escape from the employment presumption, but fears are emerging among trade unionists that a strategy of evasion would be used. 'If, in the end, the proposed directive doesn't apply to the big platforms that are clearly acting as employers, what use would the directive be?' asks Ludovic Voet, the ETUC's Confederal Secretary, calling on MEPs to nail down the text at the negotiation stage so that there is no way of circumventing its objective.

## Average earnings of 250 euros a month

The ETUI's IPWS survey also examines the huge potential of digital tools for labour intermediation and the development of e-commerce and online rental. To determine whether platforms help to create stable jobs, the researchers dissected the results of the survey and concluded that, 'Despite this wide reach, most people who used platforms do so only sporadically, and move in and out of this labour rather quickly. Thus, among the respondents in 14 EU countries, if almost 30% declared having ever tried to earn money by finding work or connecting with clients through online platforms, apps or websites, 12.4% had already stopped at least a year before the survey.' While the workforce clearly lacks stability, is it possible at least to count on high earnings to explain the appeal of these platforms? The authors of the IPWS explain that, 'For the vast majority of workers (85%), platform work provides less than half of their annual income, and often much less. In detail, a platform worker earns a mean of 250 euros per month. Only a small group of platform workers rely almost completely on their platform work for their earnings: 7.5% of remote professional workers, 7% of on-location workers and 11% of drivers. Internet and platform work is generally an addition to offline work, and does not appear to substitute for it. The average platform worker works online around 10 hours per week. There is no real difference in hours worked online between employed respondents or those not working. Earnings per hour for platform work lie between 15 euros at the top end for remote professional work, and slightly over 8 euros per hour for delivery work.'

Can this level of remuneration be justified by the low skills of the people working for these platforms? 'Platform and internet work is carried out by a large variation of workers, with generally little match between the offline job and online work. Almost all platform workers, regardless of their type of work, are more likely to be relatively highly-skilled and carry out widely different occupations. Two exceptions are transport workers and remote professional workers – where we see more of an extension of the offline work into the online labour market,' say the IPWS researchers on the basis of their field investigations.

Are these platforms targeted at groups of workers who are inactive on the labour market? 'The unemployed and the inactive

– whether due to care responsibilities or otherwise – are not more likely to do any type of internet work than those in employment. This indicates that there is not a large proportion of non-working people earning extra money through apps or digital platforms,' the study concludes.

No stability, no high pay, no social protection, no recognition of qualifications, not even a feeling of freedom to organise your work – what can draw these atypical workers to sign up to work for these platforms?

The picture that emerges of a platform worker in 2022 looks very much like a highly qualified male immigrant who, in addition to his insecure work, is trying to top up his income by working between 5 and 10 hours a week to earn additional income of 15 to 200 euros a month and who, even so, has an income below the local minimum wage. The only thing that can explain this work strategy is that despair, discrimination and emergency situations of all kinds can be a valid reason to take up poorly paid work to provide for one's basic needs and hold out for a better future for one's family. ●



### FURTHER READING

Piasna A., Zwysen W., Drahokoupil J. (2022) *The platform economy in Europe. Results from the second ETUI internet and Platform Work Survey, Working Paper 2022-05, ETUI. Available on [etui.org](https://etui.org)*

Degryse C. (2017) *Shaping the world of work in the digital economy, Foresight Briefs, 1, ETUI.*

Willems M. (2021) *Le piège Deliveroo. Consommer les travailleurs, Investig'Action.*