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**Socialists & Democrats**  
in the European Parliament



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**WORK 4.0 - CHALLENGES TO  
WORKING CONDITIONS AND SOCIAL  
SECURITY IN THE DIGITAL AGE**

**Speakers**

- » Josef Weidenholzer, MEP - S&D Group Vice-President & Chair of the Digital Europe Working Group
- » Agnes Jongerius, MEP - S&D EMPL Coordinator
- » Prof. Ursula Huws, University of Hertfordshire
- » Ana Carla Pereira, European Commission, Head of Unit for Modernisation of social protection systems
- » Esther Lynch, ETUC
- » Yondec Polet, PES Deputy Secretary General
- » Agnes Streissler-Führer, Trade Unions, Austria, specialist in digitalisation
- » Vanessa Barth, IG Metall (Trade Unions Germany)



**European Parliament**  
A3G2 Brussels



**Thursday 7th December 2017**  
9.00 to 12.30



**Interpretation**  
EN, ES, FR, DE, IT

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# The historical context

- Most European welfare systems have evolved from norms laid down in the mid 20<sup>th</sup> century,
- designed to complement labour markets in which jobs were deemed to be
  - Full time
  - Permanent
  - Requiring the same skills over a working lifetime
- And embedded in national economies where most employers were represented by national employer confederations and most workers by national trade unions/confederations
- The working population was clearly divisible into those employed, those unemployed and those economically inactive
- The unemployed were seen as employees who had fallen on hard times (because of sickness, disability or redundancy)
- The employed were divisible into self-employed and employees
- As labour markets became more complex (not least because of the growing labour market participation of women with caring responsibilities) further differentiation was introduced between full-time and part-time and permanent and temporary employment
- Nevertheless the normative model was strong enough for these forms to be regarded as 'atypical'

# The situation since the financial crisis

A convergence of several pre-existing trends reaching critical mass, linked with digitalisation and globalisation

- Use of online platforms for managing work
- Development of a global 'reserve army' of workers equipped with digital skills and speaking global languages
- Further evolution of global outsourcing of digital work – extending to SMEs the advantages previously only available to large corporation (through business models that absorb transaction costs of intermediation and charge a rent for use)
- Formalisation of the informal economy, bringing casual workers within the disciplinary scope of online platforms

# Research evidence

- Rapid growth of a range of just-in-time forms of work
- ‘crowd workers’ are typically combining this form of work with many other means of income generation
- Definitions of crowd work are fuzzy, with many overlaps with other forms of temporary, agency and casual work
- The new working poor combine ‘new’ and ‘old’ forms of work as well as other forms of income
- Meanwhile many of the practices of the ‘gig economy’ are spreading to other sectors of the labour market, including:
  - Expectations to be available 24/7
  - Use of customer ratings
  - Expectation to meet quantitative performance targets
  - Monitoring and tracking of workers
  - Use of ‘apps’ for communication with employers and clients, summons to work and logging of working hours
  - Deterioration in working conditions and health and safety coverage – especially psycho-social risks

# Towards a new regulatory model for 21<sup>st</sup> century labour markets?

- Need for universal coverage
- Clarification of the definition of self-employment – for employment, tax and social protection purposes
- Clarification of the definition of subordinate employment. All workers not deemed self-employed to be regarded as subordinate workers with the onus of proof on the employer. Workers' rights to be clearly specified in relation to *inter alia*:
  - Health and safety – including rights to call in inspectors
  - Insurance and legal liability
  - Data protection
  - Communications with employers/platforms, including rights to challenge arbitrary suspensions, customer ratings etc.
  - Other national statutory rights
- Clarification of the definition of private employment agencies and temporary work agencies. Online platforms to be regarded as such by default with the onus proof on the platform?.
- Need for inspection and compliance, with clear reporting procedures and realistic penalties for failure to comply.
- Adjustment of social security and tax systems to fit the new labour market realities

For further information: <http://www.feps-europe.eu/assets/08673ebb-ca52-4a65-a7d7-d82c9542d957/europeagigeconomy-longversionpdf.pdf>

## WORK IN THE EUROPEAN GIG ECONOMY

