

Press information

Digitalisation of Work Conference – Issues relating to quality of work in the context of new forms of work on 19 September 2018 in Vienna

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Digitalisation as a priority of the Austrian Presidency of the Council of the EU

Building on the work of its trio partners Estonia and Bulgaria, the Austrian Presidency is focusing on platform work. This topic is also in line with the content of the Austrian Federal Government's work programme, which aims to make Austria "fit for the challenges of digitalisation". Opportunities should be seized and the necessary framework conditions established. "Securing prosperity and competitiveness through digitalisation" is one of the three main priorities contained in the Austrian Presidency's programme.

Austria has traditionally low levels of unemployment as well as high social standards and has a particular interest in identifying current developments and new challenges for both the national and European labour markets and in protecting and supporting its workers and businesses.

The increasing use of digital technologies has given rise to new forms of employment in Europe and Austria. Many of these forms are underpinned by a technological, temporal and geographical flexibilisation of work. In particular ICT-based mobile work that is done outside of offices or business premises and using laptops and smartphones is becoming increasingly important. So-called platform work, in which online platforms are used to coordinate supply and demand for paid work, is experiencing rapid growth and is presenting new challenges for policymakers. These challenges must be discussed in detail and answers need to be found at a national and European level alike.

Initiatives under the Austrian Presidency of the Council of the EU

The digitalisation of work already formed the focal point of discussions at the informal meeting of employment and social policy ministers, which took place on 19 and 20 July in Vienna. The Digitalisation of Work Conference on 19 September 2018 will be dedicated to the quality of work in the context of new forms of work and, in particular, platform work. The conference will be flanked by meetings of the Social Protection Committee (17 and 18 September 2018) and the Employment Committee (20 and 21 September 2018) and will deal with similar issues to these meetings. The Employment, Social Policy, Health and Consumer Affairs Council in December 2018 will be informed of the outcome of all these meetings. There are also key messages planned for this Council meeting. The Austrian Presidency aims to hereby enrich the debate at European level and present to the European Commission ideas on how to address the central challenge of digitalisation and present proposals for solutions identified by the member states.

Conference on the quality of work in the context of new forms of work

On 19 September, representatives of the EU member states, EFTA, the Western Balkans, the European Commission, the European social partners, the International Labour Organization (ILO), the European Foundation for the Improvement of Living and Working Conditions (Eurofound), the European Economic and Social Committee (EESC), the Organisation for Economic Co-operation and Development (OECD), the World Bank, the European Centre for the Development of Vocational Training (Cedefop) and many other experts have been invited to come together to discuss the opportunities and challenges of digitalisation at the Digitalisation of Work Conference. The conference will be moderated by Gerald Groß, Austrian media coach and presenter.

The latest scientific findings will be presented at the conference with the objective of continuing and broadening the debate. This will provide support for appropriate framework conditions at European and national level that will enable EU citizens to take advantage of the opportunities of digitalisation.

The topic of quality of work in the context of new forms of work will be explored in two sessions at this one-day conference. The morning session will address the organisation of new forms of work in a broader context, while the afternoon session will focus on the organisation of work and employment relationships in the platform economy. Recent studies will be presented at the start of both sessions, establishing the focus of each session, and will be followed by round tables at which individual aspects will be examined in greater depth through a combination of brief input from individuals and moderated discussion.

The conference is co-funded by the European Union and fulfils the criteria of the Austrian Ecolabel for Green Meetings.

Programme

The conference will open with an introduction to the topic by **Beate Hartinger-Klein**, Federal Minister of Labour, Social Affairs, Health and Consumer Protection, **Barbara Kauffmann**, Director of Employment and Social Governance at the European Commission, and **Heinz Koller**, Assistant Director-General of the International Labour Organization (ILO).

In the first session, there will be an exciting presentation from **Loukas Stemitsiotis**, Head of the Thematic Analysis Unit at the European Commission, who will present the results of the 2018 Employment and Social Developments in Europe (ESDE) report on how digitalisation is changing the world, focusing on new forms of work. **Wolfgang Greif** of the European Economic and Social Committee will speak about "The changing nature of employment relationships and its effects

on maintaining a living wage”. **Max Uebe**, Head of the Employment Strategy Unit at the European Commission, and **Mark Keese**, Head of the Skills and Employability Division at the Organisation for Economic Co-operation and Development (OECD), will present the results of the study “Policy responses to new forms of work”.

In the first round table, **Christian Bodewig** of the World Bank, **Ursula Huws**, professor at the University of Hertfordshire, **Jon Messenger**, researcher at the International Labour Organization (ILO), and **Manuela Vollmann**, Managing Director of ABZ* Arbeit Bildung Zukunft AUSTRIA (Work, Education, Future, AUSTRIA), will discuss the impact of telework and virtual work on working conditions, training issues, and new working time models and working hours policies adapted to different life stages.

After lunch, in the second session, **Enrique Fernandez Macias**, researcher at the European Commission’s Joint Research Centre, will present the latest quantitative findings on platform work in the EU. **Irene Mandl**, Head of the Employment Unit at the European Foundation for the Improvement of Living and Working Conditions (Eurofound), will present a Eurofound project intended to expand the monitoring of platform work in the EU as well as the results of the recent study “Digital age: Employment and working conditions of selected types of platform work”. **Jovana Karanovic** of the University of Amsterdam will examine evaluation mechanisms of platforms, while **Konstantinos Pouliakas** of the European Centre for the Development of Vocational Training (Cedefop) will present initial study results to demonstrate the importance of lifelong learning for platform workers.

The second round table will feature a discussion between **Peter Scherrer**, Deputy General Secretary of the European Trade Union Confederation, **Rebekah Smith**, Deputy Director in the Social Affairs department of BusinessEurope, **Adele Siegl** of Foodora Vienna, **Matthias Niebuhr**, Head of Legal at MyHammer, and **Martin Risak**, Professor at the Department of Labour Law and Law of Social Security at the University of Vienna. This panel discussion will explore labour and social security legislation, the employment status of platform workers, codetermination issues, the role of the employer in platforms, and changes in the employer/employee relationship.

The sessions will be concluded with final statements from **Barbara Kauffmann** and **Beate Hartinger-Klein**.

Performances by the Technical University of Vienna as part of the accompanying conference programme

The Technical University of Vienna (TU Wien) will introduce and illustrate another aspect of the digitalisation of work with two performances from a transdisciplinary research project on human-machine interactions.

In the “Raum-Spiel” (space game) presentation with audience interaction, a robot will ask people about the human working world. The robot will learn about many of the elements that make up our conceptual world from the answers given and uses these to generate work contexts. The game will be presented in plenary in the first session by project manager **Oliver Schürer**. The audience will then have the opportunity to interact with the robot themselves during the breaks.

In the afternoon session, the dance performance “Doppelgänger” will explore the concept of living and working with humanoid robots. A dance featuring two robots and the dancer **Eva-Marie Kraft** will show in an abstract way how robots will require new working procedures to be adopted. The dance will, in particular, illustrate the close relationship that we will develop to these machines.

Background information on the conference

In Europe, the conventional or typical employment relationship is the predominant form of employment. In the wake of the economic and financial crisis, as a result of changes in society and in the face of new economic activities made possible by the increasing use of digital technology, new forms of employment have developed or evolved.

Regardless of how the new forms of work are developing, they are changing traditional direct employer/employee relationships or the way in which work is arranged or organised, or both. New forms of employment have advantages and disadvantages for both sides.

They can make it easier for people to access the labour market, although it is unclear whether this is a stepping stone to “traditional” employment or whether it leads to segmentation of the labour market. What most new forms of employment have in common is a high degree of flexibility; in a number of cases, a high level of autonomy is also possible. Both flexibility and autonomy are desirable in themselves, but they may also be associated with job insecurity and with social and professional isolation.

Platform work brings both opportunities and challenges. As the name suggests, platform work uses an online platform to enable both customers and platform workers to exchange services and payments online.

It is assumed that platform work accounts for a small but growing part of the labour market. The increasing prevalence of platform work was facilitated by the spread of information and communication technologies and by improved internet connectivity. Technological change is also influencing the way in which people “find each other”. For instance, people offer their work online on a platform, or companies offer services provided by people who register virtually on this platform.

Certain types of platform work can help improve employability and provide an opportunity for people to gain professional experience. Autonomy and flexibility are also considered to be other potential advantages of platform work. In theory, workers can choose the activities they engage in and decide when, where and how they will perform them. In practice, however, this discretionary power is only possible in the case of a few forms of platform work; in others, a greater degree of control is exercised through the platform.

The platform economy can also increase the visibility of some non-registered activities, such as casual work done by students, enabling law enforcement to be improved and work to be transferred from the informal economy.

There is potential for jobs to be created since platform work offers people outside the labour market low-threshold access opportunities to it. This can apply in particular to socially disadvantaged groups, since many decisions that had previously been made by people are determined by algorithms in platform work. These algorithms are generally less likely to discriminate against certain groups. However, using algorithms to perform management tasks also involves risks. Algorithmic management could help to increase equality if it assumed that decisions made by algorithms are less influenced by characteristics such as gender or ethnicity. The use of algorithms is not transparent, however, and it cannot be ruled out that the algorithm systematically perpetuates discrimination due to programming and recourse to existing data.

A major element of uncertainty is the income of platform workers. Although a number of platforms enable workers to receive an adequate income, this security is far from being perceived as adequate. In some cases, however, income can be higher than on the traditional labour market. There are also fewer opportunities for further education and training.

Probably the greatest challenge related to platform work is the unclear employment status of platform workers, especially in terms of the impact on their rights and obligations as workers, their social protection and their access to representative bodies.

Labour law traditionally distinguishes between employees (who are subordinate to an employer and dependent on him or her) and self-employed workers. This results in different rights and obligations for the two categories, with the self-employed generally having less protection. However, platform workers may display characteristics of both employees and the self-employed. Which of the two categories they are more similar to depends on the type of platform work, the activities carried out and the degree of control exercised through the platform. The employment status of platform workers is not specifically regulated in any of the EU member states: ultimately, therefore, the workers' formal employment status is determined by the conditions of the platform. Usually, platform workers are considered to be self-employed. A number of platforms offer workers an employment contract, however (for example the cleaning services platform [Book-A-Tiger](#) and the food delivery service [Foodora](#) in Austria). In addition, the same platform may have very different characteristics in different countries and even in the same country a single platform often offers several different employment relationships.

The uncertain employment status of platform workers and the type of work they do make their organisation and representation more difficult. Platform workers typically have no common identity, are not physically present at a single workplace and are highly vulnerable to labour market fluctuations. Some platform workers do not even describe what they do as work.

Despite the challenges, there are examples throughout Europe of trade unions that are trying to organise platform workers. Trade unions have supported legal proceedings and strikes, negotiated working conditions with individual platforms, organised information campaigns, set up working groups and published position papers on this issue.

Platform workers' employment status also plays a key role in their access to social protection. Since platform workers are usually self-employed, they are subject to social security legislation for the self-employed. In some EU countries, this is associated with a lower level of social protection and/or higher contribution rates than is the case in social protection systems for employees. Moreover, some national regulations specify minimum thresholds for insurance claims, which are linked to employment duration or income level. For platform workers who perform their work mainly on a part-time or occasional basis, it can therefore be very difficult to reach the threshold levels required. Gaps in access to social protection affect the social protection of the individuals involved due to their status on the labour market and type of employment relationship. However, they also have an impact on the economy and society as a whole, whether this is in the form of lower growth, less investment in people's knowledge and skills, or lower social cohesion. These gaps lead to unfair competition between companies that continue to contribute to social protection systems and companies that avoid doing so.

Studies show that the level of social protection among platform workers is comparatively low. The lack of social protection is not just a problem for people without insurance cover, however; it also has a negative impact on society as a whole. If a large proportion of the population does not pay any social contributions, this restricts the ability of national institutions to provide public goods and services – although demand for services of this kind is expected to increase.

Study on Platform Work

In the context of the content-related preparations for priority of digitalisation of work, the Centre for European Policy Studies (CEPS) was commissioned to carry out a study on platform work in Austria. The results of the study were then incorporated into a study prepared by the European Foundation for the Improvement of Living and Working Conditions (Eurofound) on employment and working conditions of selected types of platform work, under which a more detailed analysis was conducted on Austria and five further EU member states (France, Germany, Italy, Poland and Sweden).

The results of the Eurofound study will be presented at the conference by Irene Mandl, the foundation's Head of Employment Unit. The study will be published in autumn 2018.

The report on Austria includes a number of interesting findings:

In Austria, platform work is especially prevalent in the context of food delivery (represented by the platforms Foodora, Uber Eats or Lieferservice.at) and personal transportation (via the platforms Uber and Taxify). Geographically speaking, these activities are centred mainly in Vienna.

The topic of platform work is particularly interesting, as it is the subject of a very lively public debate. On the one hand, discussions in the media focus on the fact that platform work is associated with a lower income and working conditions that are generally less favourable than in other forms of work. On the other hand, however, the debate highlights the benefits of forms of labour that offer workers more flexibility. Platform work is a topic of much discussion among the social partners, who also highlight the risk that this form of work could be used to circumvent social and labour law regulations (including taxation and social protection provisions) and might also lead to unfair competition. The discussion mainly focuses on local (or physical) platform work – in this case, services like Foodora, Uber, MyHammer¹ or Book-A-Tiger². In Austria there is, however, also online platform work. The most important players on the Austrian market are the internationally active platform Clickworker, on which platform workers carry out micro-activities, and the competition-based design and architecture platform GoPillar.

As is already illustrated by these few examples, the range of services provided via platforms in Austria is very wide. Thus, not only the required skills but also the associated working and employment conditions vary considerably. As there is little data available, the spread of platform work in Austria can only be roughly assessed. In addition, the available figures vary greatly. According to a study by

¹ MyHammer offers services provided by handymen and handywomen to private households.

² Book-A-Tiger connects clients with platform workers who offer cleaning services. According to its website the platform is no longer accepting new clients in Austria.

Huws and Joyce (2016), 18% of respondents have already found work on platforms (5% weekly and 9% monthly), while the Eurobarometer survey (2016) found that only 2% of respondents regularly offer services via platforms.

In Austria, there is no legal framework that applies specifically to platform workers. They are subject to different regulations depending on their employment status and the type of work they offer. Most platform workers are self-employed; employment contracts tend to be an exception (only with Foodora and Book-A-Tiger). Although all platform workers have access to statutory social insurance (regardless of their employment status), they are subject to different labour and social law provisions. It is interesting that workers who are active for one and the same platform can have a different employment status. On Foodora, for example, some bicycle couriers are employed via the platform, while others work as freelancers. For platform workers, this distinction also means there are different income models.

Another special aspect of platform work in Austria relates to the representation of interests. Since platform workers who are active as one-person companies and hold a business licence are members of the employer organisation in Austria, both the platform workers and the platform itself may be represented by one and the same employer organisation. An interesting example with respect to workers' representation is the [Fair Crowd Work](#) initiative. It provides online information on platforms and assesses them based on reports by platform workers and the business terms and conditions they offer. Fair Crowd Work is also involved in and contributes to the [Frankfurt Declaration on Platform-based Work](#). This declaration is a common statement by a number of workers' organisations and calls for the establishment of uniform standards and fair working conditions in the platform economy.



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