



Are social security systems adapted to new forms of work created by digital platforms?

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“Tackling new forms of work in social security”

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Overview

1. Outlines and overview on outcomes of our ESIP-studies
2. The “status” of platform workers and its consequences
3. Are the systems fit for administrative implementation in case of platform work?
4. Are the systems prepared to cope with the cross-border features of organization and performance of platform work?
5. Financing social Security for self-employed platform workers
6. The new approach: Platform intermediation with employer-like responsibilities
7. Need for legal action at European level?



1. Outlines and overview on outcome of our ESIP-studies on platform work

First study (2017)

pensions only

Second study (2019)

comprehensive – over all
branches

Third study (2021):

sickness and unemployment
benefits



2. The “status” of platform workers and its consequences

- Overview

- 2.1 “Empirical” observations on the status
- 2.2. Platform work in self–employment: consequences for the level social security?
- 2.3 Result: The “status” of platform workers – still a central landmark for social security
- 2.4 A possible way out: qualifying more platform workers as employees?
- 2.5 But: It’s not all about the status
- 2.6 ESIP’s conclusions



2.1 “Empirical” observations on the status

- Platform workers most likely to be self-employed
- Some shifts through recent court decisions
- Good overview on status in EU-countries: EU Commission staff working document SWD(2021) 143 final v. 15. 6. 2021, p. 100 ff.



2.2. Platform work in self-employment: consequences for the level social security?

ESP member's experience - overview

- For schemes based on social contributions, the status will often make some difference
- Branch-dependent:
 - Access to pension insurance more likely to be granted to both employees and self-employed
 - Accident and unemployment insurance less likely.
 - Sickness-benefits somewhere in the middle.



2.2. Platform work in self-employment: consequences for the level social security?

Sickness benefits

For self-employed,

- access conditions may be harder
- sometimes flat-rate instead of income replacement
- access voluntary instead of mandatory – low take-up
- qualifying periods may be longer, generosity lower
- no employer who continues to pay wages!



2.2. Platform work in self-employment: consequences for the level social security?

Unemployment benefits

For self-employed,

- In many countries no access,
- or access voluntary instead of mandatory – low take-up,
- or access only for sub-categories of self-employed



2.2. Platform work in self-employment: consequences for the level social security?

conclusions and further stepping stones

- Often no access or for self-employed,
- Even when access is given in principle, many “hidden” hurdles may weaken access or benefit level: high minimum-thresholds, only coverage for sub-groups, no coverage of “occasional” work, no coverage of “side-income”, exceptions for “beginners”, only voluntary access, lower contribution thresholds, lower contribution rates, opting for minimum basis allowed.



2.3 Result: The “status” of platform workers – still a central landmark for social security

- For some branches, this could be easily changed by parametric reforms, particularly in the field of pensions
- For other branches, it might be more difficult such as unemployment benefits.



2.4 A possible way out: qualifying more platform workers as employees?

- Refutable legal assumption that platform work is „dependent“ work?
- Third status?



2.5 But: It's not all about the status

“The qualification (or re-qualification) of platform-work as dependent work alone is not a guaranty for a good social protection”.

Gaps can occur in all forms of atypical or non-standard work
- such as mini-jobs, casual work, short-term fixed contracts, seasonal work, on-demand-work and zero-hour-jobs.



2.6 ESIP's conclusions

- and non-conclusions

- No specific position on social security needs specifically for platform workers
- Acknowledged challenges in some member states:
 - heavy fragmentation of social security schemes with ist different branches
 - relatively high thresholds for access to statutory schemes
- No common positions on
 - priority of mandatory access vs. voluntary
 - same level of protection for all kind of platformwork, independend of status



3. Are the systems fit for administrative implementation in case of platform work?

- Particular problem: compliance with reporting obligations
- More responsibilities for platform enterprises
- Better cooperation between tax and social administration
- Breakthrough: Dir. (EU) 2021/514 of 22 March 2021, amending Dir. 2011/16/EU on administrative cooperation in the field of taxation. Improves cross border data exchange on income generated via platforms. (DAC 7)



4. Are the systems prepared to the cope with the cross-border features of organization and performance of platform work?

- Problem: designation of the applicable jurisdiction
- Labour law: Rome I. Which jurisdiction determines the status of the worker?
- Social law: Reg. 993/2004. Lex locus laboris. Zinnecker Case C-12/2004
- No compelling reasons to change the rules.



5. Financing social Security for Self-employed platform workers

The elephant in the room: Who pays for better social protection?

- The platform economy: It's not me
- But who is it? The final customer?



6. The new approach: Platform intermediation with employer-like responsibilities

6.1 Platform as an employer:

- If the platform worker was classified as employee – the platform should be held as employer (and not the many end-costumers)

6.2 Employer like platform responsibilities for self-employed platform workers

- This model includes obliging platform companies to pay a part of social contributions for the intermediated workers.



7. Need for action at European level?

Preliminary question:

What is the priority goal when choosing the European level for a legal action?

- Improving the social protection of platform workers?
- Or: Harmonisation of working conditions with the aim of improving the sustainable growth of a competitive European platform economy?



Thank you !