



Commission proposals to improve the working conditions of people working through digital labour platforms

Brussels, 9 December 2021

Today, the European Commission proposes a set of measures to improve the working conditions in platform work and to support the sustainable growth of digital labour platforms in the EU.

The new rules will ensure that people working through digital labour platforms can enjoy the labour rights and social benefits they are entitled to. They will also receive additional protection as regards the use of algorithmic management (i.e. automated systems that support or replace managerial functions at work). A common set of EU rules will provide increased legal certainty, therefore enabling digital labour platforms to benefit fully from the economic potential of the Single Market and a level playing field.

As part of today's package, the Commission is putting forward:

- A **Communication** setting out the EU approach and measures on platform work. These are complemented by actions that national authorities, social partners and other relevant actors should take at their level. It also aims to lay the foundations for work on future global standards for high-quality platform work.
- A **proposal for a Directive** on improving working conditions in platform work. This includes measures to correctly determine the employment status of people working through digital labour platforms and new rights for both workers and self-employed people regarding algorithmic management.
- **Draft Guidelines** clarifying the application of EU competition law to collective agreements of solo self-employed people seeking to improve their working conditions. This includes those working through digital labour platforms.

Directive on improving working conditions in platform work

- **Employment status**

The [proposed Directive](#) seeks to ensure that people working through digital labour platforms are granted the legal employment status that corresponds to their actual work arrangements. It provides a list of control criteria to determine whether the platform is an "employer". If the platform meets at least two of those criteria, it is legally presumed to be an employer. The people working through them would therefore enjoy the labour and social rights that come with the status of "worker". For those being reclassified as workers, this means the right to a minimum wage (where it exists), collective bargaining, working time and health protection, the right to paid leave or improved access to protection against work accidents, unemployment and sickness benefits, as well as contributory old-age pensions. Platforms will have the right to contest or "rebut" this classification, with the burden of proving that there is no employment relationship resting on them. The clear criteria the Commission proposes will bring the platforms increased legal certainty, reduced litigation costs and it will facilitate business planning.

- **Algorithmic management**

The Directive increases transparency in the use of algorithms by digital labour platforms, ensures human monitoring on their respect of working conditions and gives the right to contest automated decisions. These new rights will be granted to both workers and genuine self-employed.

- **Enforcement, transparency and traceability**

National authorities often struggle to access data on platforms and the people working through them. This is even more difficult when platforms operate in several Member States, making it unclear where platform work is performed and by whom.

The Commission's proposal will bring more transparency around platforms by clarifying existing obligations to declare work to national authorities and asking platforms to make key information

about their activities and the people who work through them available to national authorities.

In its [Communication on Better Working Conditions for a Stronger Social Europe: harnessing the full benefits of digitalisation for the future of work](#), the Commission calls on Member States, social partners and all relevant actors to put forward concrete measures to improve working conditions in platform work. Its aim is to harness the benefits of the digital transformation and protect the European social market economy. The EU also wants to lead by example and contribute to future global standards for high-quality platform work. Platforms operate in a cross-border way and warrant a cross-border regulatory approach.

Draft Guidelines on the application of EU competition law

The Commission is also [launching today](#) a public consultation on [draft guidelines on the application of EU competition law to collective agreements of solo self-employed people](#), i.e. people who work completely on their own and do not employ others. These draft Guidelines aim to bring legal certainty and make sure that EU competition law does not stand in the way of certain solo self-employed people's efforts to improve collectively their working conditions, including remuneration, in cases where they are in a relatively weak position, for example where they face a significant imbalance in bargaining power. The draft Guidelines cover both online and offline situations.

Members of the College said

Executive Vice-President for A Europe Fit for the Digital Age, Margrethe **Vestager**, said: *"With more and more jobs created by digital labour platforms, we need to ensure decent working conditions for all those deriving their income from such work. Our proposal for a Directive will help false self-employed working for platforms to correctly determine their employment status and enjoy all the social rights that come with that. Genuine self-employed on platforms will be protected through enhanced legal certainty on their status and there will be new safeguards against the pitfalls of algorithmic management. This is an important step towards a more social digital economy."*

Executive Vice President for an Economy that Works for People, Valdis **Dombrovskis**, said: *"Digital labour platforms play an important role in our economy as they bring innovation, provide jobs and help meet consumer demand. People are at the heart of this business model and they are entitled to decent working conditions and social protection. This is why we are proposing new rules today, to increase certainty for digital labour platforms to grow and to protect the rights of people working in the platform economy, so that everyone can make the most of this opportunity."*

Commissioner for Jobs and Social Rights, Nicolas **Schmit**, said: *"We must make the most of the job-creating potential of digital platforms. But we should also make sure that they are quality jobs, that don't promote precariousness, so people working through them have security and can plan for their future. The Commission's proposal sets clear criteria to establish whether a platform is an employer, and if so, their workers are entitled to certain social protection and labour rights. Technological progress must be fair and inclusive, which is why the proposal also addresses transparency and oversight of platforms' algorithms."*

Next steps

The Commission's proposal for a Directive on improving working conditions in platform work will now be discussed by the European Parliament and the Council. Once adopted, Member States will have two years to transpose the Directive into national law.

The draft guidelines on the application of EU competition law will undergo an eight-week public consultation to gather feedback from stakeholders, after which they will be adopted by the Commission. The guidelines bind the Commission in its subsequent interpretation and enforcement of EU competition rules.

Background

The digital platform economy is growing quickly. Today, over 28 million people in the EU work through digital labour platforms. In 2025, their number is expected to reach 43 million people. The vast majority of these people are genuinely self-employed. 5.5 million are however estimated to be incorrectly classified as self-employed. Between 2016 and 2020, the revenues in the platform economy grew almost fivefold from an estimated €3 billion to around €14 billion.

Digital labour platforms create opportunities for businesses, workers and self-employed, as well as improved access to services for consumers. However, new ways of work also come with new challenges. It becomes increasingly difficult to correctly classify the employment status of people, leading in some cases to inadequate labour rights and social protection. In addition, the use of algorithms in platform work can raise questions of accountability and transparency.

In her [Political Guidelines](#), President **von der Leyen** stressed that "digital transformation brings fast

change that affects our labour markets". She took the commitment to "look at ways of improving the labour conditions of platform workers". The [Commission Work Programme 2021](#) announced a legislative initiative on improving the working conditions in platform work for the end of 2021, following a two-stage consultation of social partners. The proposal is one of the key initiatives of the [European Pillar of Social Rights Action Plan](#).

In accordance with Article 154(2) TFEU, the Commission carried out a two-stage consultation of European social partners. The [first-stage consultation](#) ran from 24 February to 7 April 2021. The [second-stage consultation](#) was launched on 15 June and ended on 15 September 2021. In addition, the Commission held exchanges with many relevant parties to inform this initiative, including dedicated meetings with platform companies, platform workers' associations, trade unions, Member States' representatives, experts from academia and international organisations and representatives of civil society. The results of the consultation process are available in the annex to the Impact Assessment accompanying the proposal for a Directive.

For More Information

[Questions and answers: improving working conditions in platform work](#)

[Factsheet: improving working conditions in platform work](#)

[Press release: Draft Guidelines on the application of EU competition law](#)

[Questions and answers: Draft Guidelines on the application of EU competition law](#)

[Proposal for a Directive on improving the working conditions in platform work](#)

[Communication on Better Working Conditions for a Stronger Social Europe: harnessing the full benefits of digitalisation for the future of work](#)

[Draft Guidelines on the application of EU competition law to solo self-employed people in a weak position](#)

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