

“On-line talent platforms: How do they compare with agency work?”

Main findings from EU SSDC joint project with UNI Europa



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Denis Pennel

Managing Director

OSHA Workshop

May 2018

www.weceurope.org

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Background and scope of research

Emergence of new non-traditional forms of work that:

- Provide flexible forms of work and opportunities for labour market participation
- Challenge the definitions of employment relationships and classification of workers

WEC-Europe & UNI-Europa agreed to conduct joint-project as part their EU SSDC to better understand the development of on-line talent platforms and how do they compare with agency work

- Scope, nature of work and working conditions
- Regulatory framework
- Contribution to better functioning labour markets

Research is hampered by the limited availability of data and empirical evidence and the lack of a common definition of online talent platforms

- A common definition or conceptualisation is necessary
- Further analysis and continued monitoring are needed
- Call for greater transparency

Size and structure

The **online talent platform economy** is small in size but growing rapidly, highly heterogeneous and has a substantial impact on some sectors

- Labour suppliers are generally young men living in urban areas, looking for flexible work with high levels of autonomy and additional income

The **temporary agency work sector** is larger (especially in a number of countries) and less heterogeneous

- Growth up till 2008, then levelled off, developments connected to economic cycle
- Labour market entrants and re-entrants, different types of clients

In general, further data collection efforts that are broad in scope are necessary: nature of work, actors involved, reactions to developments

→ statistical offices, international organisations, governments, social partners

Regulatory frameworks

For the **online talent platform economy**, there is no specific framework in most countries, and therefore the existing regulations apply:

- This approach has left many questions unanswered (taxation, completion, work ...)
- Policy-making is still in the initial stages, debate on need for EU approach is unsettled
- Few attempts of self-regulation by platforms, also still unclear how platforms adjust to different national regulatory frameworks

Temporary agency work is regulated by Directive 2008/104/EC, and also governed by national regulations and ILO Conventions (C181)

- This framework ensures that temporary agency workers have similar rights as employees with indefinite contracts
- Directive 2008/104/EC has played a role in setting European-wide minimum standards in the temporary agency work sector
 - Would be difficult to achieve this for the online talent platform economy
 - Strike balance between supporting innovation and addressing risks

Access to social protection

Social security schemes are usually ill-adapted to new forms of work

- Access typically linked to the employment status (rights and obligations)
- Statutory and effective access, transitions, combinations of different statuses
- Different types of solutions have been proposed, but few have been implemented
- Enforcement of rights

In the **online talent platform economy**, access to social protection presents major challenges:

- Status of labour suppliers generally unclear → clarification needed
- Labour suppliers tend to be classified as self-employed
- Discussion on a third status
- Overall, an exchange of information between platforms, governments, workers, and social partners would be helpful

For **temporary agency workers**, access to social protection is ensured:

- Statutory vs. effective access

Skills development and access to training

Skills development is becoming increasingly important in the changing world of work for workers at all skills levels (lifelong learning, see G20/L20).

→ Raises questions on access to training of non-traditional workers

In the online talent platform economy, access to training is nearly non-existent

- Issues relating to reclassification, role of platforms
- Labour suppliers work on multiple platforms, combine different types of tasks
- Partnership model, organising training opportunities at more centralised level

In the temporary agency work sector, access to training is well developed, under the impetus of social partners.

- Bipartite funds, specific funding, training as part of larger scheme
- Statutory vs. effective access

Labour market participation, transitions and impact on undeclared and informal work

Both online talent platforms and temporary work agencies can encourage labour market participation, facilitate transitions and help reduce undeclared and informal work by offering options for flexible work and gaining experience and additional income, and lowering the barriers to entry

For **online talent platforms**, there are many anecdotal examples but hardly any evidence (either positive or negative). This is due to a lack of data overall, and the limited size and recent nature of the phenomenon

For **temporary work agencies**, the evidence is fragmented and focused on the national context: => TAW facilitates access and transitions into employment

For labour market effects generally a continued monitoring and data collection are needed



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