The long (and arduous) journey of the Platform Work Directive

The EU **Platform Work Directive** is a legislation aimed at improving the working conditions of **platform workers** and providing legal certainty in the gig economy.

Timeline

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2021 December

Commission)

Revisions First proposal (European

2022 **December**

(European Parliament's **Employment** Committee)

2023 **January**

Negotiations (Parliament, Commission, and Council)

2023 June

Council agreed its position Negotiations with the

Parliament

What does the directive entail at this point?

Reporting obligations: Platforms that are employers need to declare work performed by workers to the competent authorities of the Member State and provide associated information.

Employment status: The latest Council draft suggests that the presumption of employment status applies if the platform exerts control and direction over the work performed.

Right to explanation and review: Platform workers have the right to obtain proof for decisions significantly affecting them.

Personal Data

Transparency and Information

Human resources and safeguards

EU countries nail down common position

EU labor ministers endorsed a general approach to the Platform Workers Directive on **June 12**, 2023, marking the close of a **year** and a half's worth of intense negotiations and opening the door to interinstitutional negotiations with the Commission and the **European Parliament.**

In total, 22 member states approved the general approach text at the Employment and Social Affairs Council (EPSCO) in Luxembourg. Only five – Estonia, Germany, Grece, Latvia, and Spain - abstained. There were no votes against it.

The Commission's 1st proposal for a Directive aims to:

Ensure that people working through platforms can obtain the correct

employment status in light of their actual relationship with the digital labour platform

Ensure that people working through platforms gain access to the relevant labour and social protection rights

Ensure fairness, transparency and accountability in management via algorithms

Enhance transparency, traceability and awareness of developments in platform work

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Timeline

2024 February

Provisional agreement reached, legal presumption of employment relationship was introduced

2024March

Agreement
approved by
employment
and social
affairs ministers

2024 April

Parliament adopted Platform Work Directive

2024 October

Platform Workers: <u>Council adopts</u> new rules to improve their working conditions It is now up to the Council and the Parliament to **sign the directive**. Once it is published in the **EU's Official Journal**, the directive will enter into force.

2 years: the time given to
Member States to transpose the
provisions of the Directive into
national law.

What does the latest directive entail?

Transparency and data protection: Digital labour platforms will be forbidden from processing certain types of personal data, such as data on someone's emotional or psychological state and personal beliefs.

Employment status: The directive obliges EU countries to establish a rebuttable legal presumption of employment at national level, aiming to correct the imbalance of power between the digital labour platform and the person performing platform work.

New rules on algorithmic management: ensure that a person performing platform work cannot be fired based on a decision taken by an automated decision-making system.

Personal Data Protection

Transparency and Information

Human resources and safeguards

Feb 2024: First EU-wide rules for platform workers

The new rules, <u>agreed on by the</u>
<u>Parliament and the Council in</u>
<u>February</u> and adopted with 554
votes in favor, 56 votes against and
24 abstentions, aim to ensure that
platform workers have their
employment status classified
correctly and to correct bogus selfemployment. They also regulate,
for the first time ever in the EU, the
use of algorithms in the workplace.

Implications of the Directive on gig workers

Automated systems are monitored by human staff and workers can challenge automated systems are monitored by qualified staff

A platform worker's relationship with a digital labour platform is presumed to be employment if there are signs of control and direction.

Certain types of personal data cannot be processed by digital labour platforms. (private conversations, data used to infer a worker's racial or ethnic origin)

Workers must be informed about the use of **automated monitoring** and decision-making systems.



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