

Crowdworking and platform economy in Germany -
The trade unions and employers' associations perspective on the
future of work, regulations, and new forms of governance

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I. Introduction

It's no question that we live in the digital era. The digitalisation affects all areas of society, the economy, and the political sector. However, it isn't so clear how the further course of development will look like and to what extent the digital future can be shaped. Regarding the economy, the rise of monopoly-type digital platforms represents one of the major changes. Several names are used to describe this phenomenon: "platform economy", "on-demand economy", "sharing economy", "gig economy" or "crowd-based capitalism" (Sundararajan 2017: 26). Because of the focus on the trade unions and employers' associations perspective on work and employment in the platform economy, only a specific part of the "platform landscape" is relevant for this paper. To be more precise, we only take platforms into account that establish novel forms of non-standard employments, types of work, and organization of work by outsourcing tasks over the Internet (cp. Schörpf et al. 2017: 44). These are known under terms such as crowdsourcing, cloudworking, and gig-working¹ or, in a more general expression, as "platform-based work".

This paper examines how the German trade unions and employers' associations react to the rise of the platform economy and how they try to address the specific challenges posed by platforms such as Helpling, Uber, mTurk, and so on. The three key questions discussed in this paper are:

1. What risks, problems, challenges, and opportunities do these labor market actors link and associate with the phenomenon crowdworking?
2. What arguments do they use and on which assumptions, data, and research are they based?
3. Which kind of regulations on the political level and new forms of governance of work do trade unions (especially IG Metall and ver.di) and employers' associations propose and what do they do to tackle the problems and challenges for work and employment they recognize?

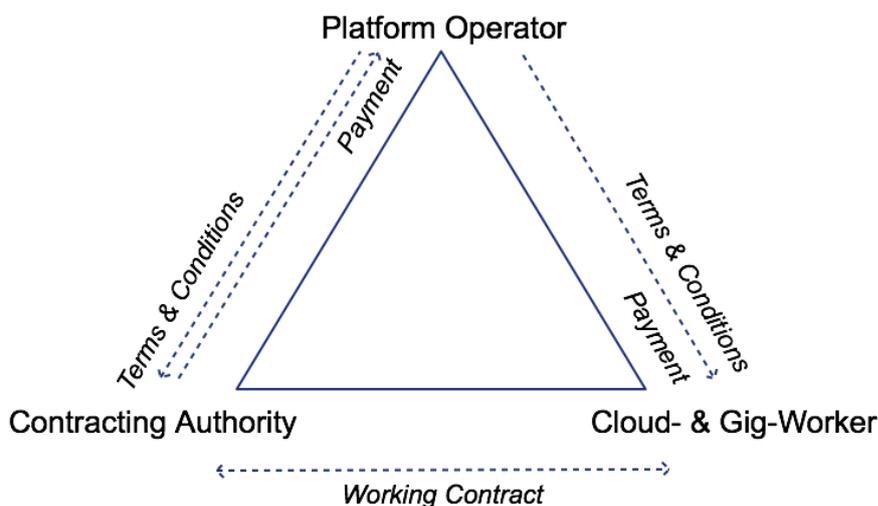
¹ In the German literature, the term "gig-working" is used in a slightly different way than in the Anglo-Saxon debate. De Groen et al. (2016: 2), regarding the structure of work platforms, differentiate in one dimension (nature of work) between "global services" (virtual) and "local services" (physical). In the German context, the former is referred to as "cloud working" the latter as "gig working". While cloudwork is performed on online platforms, gig-work is fulfilled offline on-site, in-person on a local level.

To answer these questions, we use a qualitative research design focused on document analyses. The empirical data encompass documents such as comments on (projected) laws and political initiatives, position statements in official hearings and consultation processes published by trade unions and employers' associations. With this qualitative approach, we examine the perspective on the platform economy by focusing on the central labor market actors in Germany.

1.1. Platform Economy

The platform economy is a much debated topic in the last few years. All platforms are characterized by a power asymmetry and a three-sided architecture, which distinguishes it from traditional two-sided markets. The “platform provider” or “platform operator” is located at the top of the pyramid (see Figure 1), not only in terms of profit-share. “The economic jackpot will no longer go to those achieving the feats, but to those who broker them” [translated by the authors] (Keese 2016: 171). The platform operator has the most powerful position in the architecture. Not only does he, as the intermediate, control and own all data and information. He also dictates the relationship between the platform users by the terms and conditions. The “platforms regulate the market (...) and have a position like that of the government” (Berg 2016: 18).

Figure 1: The three-sided platform architecture



Source references: Designed by the authors.

The other two participants, the “contracting authorities” or “platform clients” (often companies) on the one hand and an undefined group of potential “self-employed contractors” (crowdworker or cloud- and gig-worker) on the other, must agree to the given terms. They are forced to approve them without any possibility to negotiate the terms, or otherwise they can’t use the platform (cp. Dobisch 2016: 46). But “both sides depend on the platform for their survival. (...) The owner of the platform can determine prices and conditions almost freely. Nobody can avoid him” [translated by the authors] (Keese 2016: 167). That’s especially true because in contrast to markets, platforms tend towards monopolies. The network effect² and lock-in-effects³ strengthens the position of the already strongest actor – the platform operator.

Despite these similarities the platform economy is versatile and differentiated. In a simple approach to distinguish the different types of platforms that are generally mentioned, three basic types can be identified (cp. Schmidt 2017: 5ff.; Dobusch 2016: 46):

- 1) the “sharing economy” with platforms such as Uber and AirBnB;
- 2) the “commercial trading platforms” for physical goods, money, funding, investment, or information such as Amazon, etsy, iTunes, PayPal, Kickstarter, and Google Maps;
- 3) the “commercial service platforms” for web-based or location-based labor such as MTurk, Upwork, or Helpling and BookATiger.

As we focus on web-based labor platforms in these article, commercial trading platforms as well as some platforms from the sharing economy, such as the not so much labor-related AirBnB, are not within the scope of this study. We also don't address internal in-house crowdsourcing (such as IBM Liquid Challenge Program).

- 1) To understand the view of trade unions on web-based labor platforms that act as a broker for work assignments and working contracts, four aspects are crucial: If work assignments and tasks are outsourced into the crowd (“crowdsourced”) via an online platform, the business premises and production sites as reference for the shaping of working relationships, working conditions, and wage structure are resolved.

2 The individual benefit for the user of a network grows with every new user. Therefore, the greatest benefit is to be expected by joining the largest network. As a result, the membership of the leading network grows exponentially. In the long run, the development trends towards a monopoly (cp. Schmidt 2017: 10).

3 Data is often not easily transferable between platforms. Therefore, every investment (time and money) in a platform increases the costs involved in switching the platform in the future.

- 2) Crowdsourcing platforms are characterized by a few contracting authorities on the one hand and many freelancers, independent contractors, self-employed workers, and people seeking sideline jobs on the other. Those crowdworker, potentially from all around the world, compete for task- or project-based contracts. The resulting working contracts are, in contrast to the “normal” standard employment relationship, not subject to collective agreements or minimum wages, not safeguarded by social security, without strict legal regulation, and not covered by the established standards of labor law (cp. Donovan et al. 2016: 11; Berg 2016: 18).
- 3) Neither the platform operator nor the contracting authority consider themselves as employers. The platform owners see themselves as mediators between demand and supply, with no legal obligation for the resulting working contracts between the platform clients. The contracting authorities fall back on the argument, that they deal with self-employed individuals and no employment-relationship is established. As a result, the arrangements and agreements in the contract can be dictated by the contracting authority. The crowdworkers can just compete to be the first or the cheapest to get the job.
- 4) The actual tasks carried out by crowdworkers, and therefore the amount of payment and income, vary substantially in terms of time, complexity, and demands. They range from non-qualified “microtask” to very comprehensive projects. Some of the latter are labeled “contest-based creative crowdwork”. That means you have to do some work upfront without any payment to take part in the contest, but only one winner gets paid afterwards (“the-winner-takes-it-all” principle) (cp. Schmidt 2017: 16f.).

1.2. Crowdfunding in Germany

Regarding the scale and importance of cloud- and gig-working in Germany the data available is insufficient. We don't know exactly how many people are actively using the platform economy to gain income. These working-arrangements are not mapped in the official labor market statistic. Therefore, the overall importance and relevance of crowdwork is up for debate and widely disputed (cp. Hill 2017: 169-176). Thus, it is still unclear to the trade unions whether the phenomenon will actually have a relevant share in the future organization of work (cp. Rio Antas 2014). None the less individual studies have shed some light on the issue.

In a representative survey (cp. Bitkom 2016) of companies with more than three employees in Germany in 2016, only 26 percent of the survey participants knew what crowdworking means. And merely three percent of all companies had already outsourced at least some individual tasks to crowdworkers. Nevertheless, 18 percent of the companies can imagine to use crowdsourcing in the future.

The number of actual crowdworkers in Germany, is very difficult to determinate, because there is a lack of data in the statistics. In a study by Huws and Joyce (cp. 2016: 1) 22 percent of the survey participants (equivalent to nearly 13 million people in Germany) stated to have worked as crowdworkers in the past year. 14 percent (equivalent to nearly 8,2 million people) indicated to work currently as crowdworkers. These striking high numbers of crowdworkers are put into perspective in a study by Bertschek et al. (2016). A clear majority of 69 percent of the interviewed crowdworkers earn less than 4.99 € per week and 96.7 percent less than 20 € per week. These findings are not surprising as a majority of 54 percent works less than one hour a week in the platform economy (ibid. p. 9, 35-36).

II. Trade unions Perspective

After World War II in Germany, the main trade unions organise the employees in a given industry sector or trade (sectoral or industry principle), regardless of their occupation, qualification and status. They are also characterized by party political and ideological neutrality (unity principle). In addition, the German trade unions act according to the principle of “one shop - one union”. However, this principle is undermined by the changing value chains and the blurring of lines between the industry- and the service sector. With regard to the platform economy two unions are affected the most: the Industrial Union of Metalworkers “IG Metall” and the service union “ver.di”. Both are members of the German Confederation of Trade unions (“DGB”), with 6 million members (cp. DGB 2018).

II.1. Metal Workers Union “IG Metall”

With nearly 2.3 million members in 2017 (37.7 percent of the overall membership of 6 million in the DGB) the Industrial Union of Metalworkers or Metal Workers Union (“Industriegewerkschaft Metall” or “IG Metall”) is the largest trade union in Germany (cp. DGB 2018). Since the IG Metall was founded in the post-war era in 1949 her scope of responsibility was broadened. The union not only represents workers in manufacturing and industrial production but also in engineering and the electrical sector. At the end of the last century two

other unions, representing workers in wood, plastics, textiles and clothing joined⁴ the IG Metall. Therefore, the membership of the IG Metall consists of blue-collar as well as white-collar workers.

Crowdworking has been an ongoing issue of discussion since 2012 not only inside the Metal Works Union but annually at their “Engineering- and IT-Conference” in the open. At the end of 2014 Christiane Benner, currently the second chairperson of IG Metall, published an anthology with the title “Crowdwork – back to the future?” [translated by the authors] (Benner 2014). Since then the activities regarding the question of how to handle and deal with the associated changes in working-conditions and working-arrangements have increased (see the following table).

Table 1: Activities related to crowdworking by IG Metall

Date	Activity
September 2012	Crowdworking as a topic of the annually “IG Metall Engineering- and IT-Conference”
October 2014	Book publication: Benner, Christiane (eds.) (2015): Crowdwork – back to the future. Perspectives on digital labor, Berlin: Bund Verlag.
May 2015	Website launch: www.faircrowdwork.org for evaluating crowdworking platforms
October 2015	23 rd IG Metall trade union congress: Change of the statute permits self-employed workers to become a member of IG Metall
December 2015	Book publication: Schröder, Lothar/ Urban, Hans-Jürgen (eds.) (2016): Yearbook Decent Work 2016. Digital work environments – Trends and Requirements, Berlin: Bund Verlag.
January 2016	Changed statute comes into effect
April 2016	First meeting with relevant German platforms First meeting with international actors
since June 2016	Workshops with crowdworkers from different German platforms
since July 2016	Start of the BMAS cooperative project “Cloud and Crowd” (cooperation with ISF, LMU, University of Kassel, ver.di, andrena objects).
December 2016	Publication: Frankfurt Paper on Platform based work (result of the international meeting in April 2016)
January 2017	New version of the “Code of Conduct” from several platforms with participation of the IG Metall
March 2017	First transfer-conference of the BMAS cooperation project “Cloud and Crowd”
June 2017	Website relaunch: www.faircrowdwork.org Press conference: “Crowdwork in international comparison” on the occasion of the publication of the study “Crowdwork – A Comparative Law Perspective” by Waas et al. (2017)
November 2017	Platform economy as a topic at the annual “Engineering and IT conference”.

Source references: IG Metall 2017; ISF 2016.

4 In April 1998, the “Gewerkschaft Textil-Bekleidung” (“Union Textile-Clothing”) joined the IG Metall union and on 1 January 1998, the “Gewerkschaft Holz und Kunststoff” (“Union Wood and Plastics”) followed.

For the IG Metall crowdworking is clearly an international phenomenon. Many platforms operate not only in a national context but international. “Global challenges need global answers, therefore we are networking internationally” [translated by the authors], says Christiane Benner (IG Metall 2016). As a result, the IG Metall tries to not only establish coalitions and projects on the national level (eg. with the service union “ver.di”) but also with other Unions for Metalworks at the European and international level.

II.2. Service Union “ver.di”

The service union ver.di (“Vereinte Dienstleistungsgewerkschaft – ver.di” [united service union] or “ver.di”) was founded in 2001 as a federation of five unions: DAG, DPG, HBV, IG Medien and ÖTV⁵. At its founding, ver.di was the largest national and also international single trade union with approximately 2.8 million members (cp. DGB n.d.). Currently, ver.di has around 2 million members and is the second largest trade union in Germany after the IG Metall. Its members account for 33.1% of the overall members of the DGB (cp. DGB 2018).

The formation of ver.di was, on the one hand, a response to the changing environmental conditions (changes in the structure of the economy, labor markets and production systems, the emergence of new economy sectors and the dissolution of operating and industry boundaries). On the other hand, union membership and union density have declined over the last decades. As a result, the trade unions are subject to increasing financial restrictions. In addition, the founding of ver.di should improve the interests representation as well as eliminate competition between the unions involved (cp. Keller 2001: 92). To ensure an equivalent participation of the individual merging unions (with significant size⁶ and resource differences) a “new type” of multi-sector-union was established. The matrix organization divides ver.di vertically in 13 departments (eg financial services, supply and disposal, traffic, trade) and horizontally into a multi-stage regional structure (state, districts, regions). In addition, there are eight special groups of people, “self-employed” among them.

5 DAG: „Deutsche Angestellten-Gewerkschaft“ („German Employees Union“), DPG: „Deutsche Postgewerkschaft“ („German Postal Workers' Union“), HBV: „Gewerkschaft Handel, Banken und Versicherungen“ („Union of Retail, Bank & Insurance“), IG Medien (IG Media), ÖTV: „Gewerkschaft Öffentliche Dienste, Transport und Verkehr“ („Union for Public Services, Transport and Haulage“).

6 In 2000 the membership figures of the merging unions were as follows: DAG - 458,000; DPG – 445,968; HBV - 440,638; IG Medien - 175,044 and ÖTV - 1,476,708 members (Keller 2004: 34).

Table 2: Activities related to crowdworking by ver.di

Date	Activity
September 2008	Publication of the “Berlin Manifesto” “Public services 2.0. Services of general in the information society”
August 2012	Publication: Bsirske, Frank/ Schröder, Lothar/ Werneke, Frank/ Bösch, Diana/ Meerkamp, Achim (eds.) (2012): Boundlessly networked. Trade union positions to the network policy. Hamburg: VSA.
October 2012	Publication of “Crowdsourcing and Cloudworking: Dangers to society and employees” (“Berlin Crowdsourcing-Cloudworking-Paper”)
September 2014	First digitalisation congress “Work environment, self-determination and democracy in the digital age!”
June 2015	Second digitalisation congress “Work 4.0: Dignity, self-determination, solidarity and good work in the digital society!”
September 2015	(especially) Decision E001 of the trade union conference “Good work and good services in the digital world” Special Issue of “Labor law in the company” (AiR) with the topic “Crowdworking”
December 2015	Book publication: Schröder, Lothar/ Urban, Hans-Jürgen (eds.) (2016): Yearbook Decent Work 2016. Digital work environments – Trends and Requirements, Berlin: Bund Verlag.
since July 2016	Start of the BMAS cooperation project “Cloud and Crowd” (cooperation with ISF, LMU, University of Kassel, ver.di, andrena objects).
October 2016	discussion paper “Working 4.0” needs equal participation! More co-determination and democracy in the digital world of work Third digitalisation congress “Work and society 4.0 - Co-determination, co-design”
March 2017	First transfer-conference of the BMAS cooperation project “Cloud and Crowd”
November 2017	Fourth digitalisation congress “Participation in shaping the public services of the future”

Source references: Research and compilation by the authors.

Discussions on the subject of crowdworking takes place implicitly in 2008 in the “Berlin Manifesto” (ver.di 2008). With the “Berlin Manifesto”, ver.di positioned itself in a society that is becoming increasingly digital, although the subject of crowdworking is not addressed directly, but issues like data protection and personal protection are. The year 2012 can be seen as a starting point for the systematic discussion on the topic “Crowdworking/ Crowdsourcing” by the publication of the “Berlin Crowdsourcing-Cloudworking-paper” (ver.di 2012). In addition, the issue of crowdworking was addressed in decision E001 – “Good work and good services in the digital world” [translated by the authors] – at the trade union day in 2015. The subject is also addressed by ver.di in different publications: Schröder and Schwemmler (2014) on the topic “Good work in the crowd?”, a special issue of the journal “labor law in the company” (ver.di Bundesverband 2015), the anthologies by Bsirske et al. (2012) and by Schröder and Urban (2016). In 2016 ver.di (2016b) publishes the discussion paper: “‘Working 4.0’ needs equal participation! More codetermination and democracy in the

digital world of work”, which deals with the necessary evolution of codetermination under changing conditions through digitization.

Crowdworking has also been addressed in different forms at the annual “digitalisation congress” which was established in 2014. And as was already shown in the previous section, the project “Challenge Cloud and Crowd – New organizational concepts for sustainable services” [translated by the authors] has been initialized in cooperation with IG Metall.

II.3. Trade unions Perspective on the platform economy

Why do trade unions care about crowdworking? The IG Metall (Benner 2016: 130) states three essential reasons:

- 1) The working conditions in the platform economy have a huge influence and impact on the working arrangements of all workers.
- 2) People work in the digital working environment to earn money and secure their livelihood.
- 3) The unions want to prevent a step backwards in a time befor the progress regarding decent work and social security was achieved.

The positions of ver.di and IG Metall are largely identical. The trade unions want to intervene early in the development process of crowdworking as a new form of work organization. They want to take advantage of opportunities and minimize risks at the same time. To achieve this, trade unions must also be perceived by crowdworkers as partners Mirschel (2013: 152) states: “For trade unions self-employed workers are a future and long-term also an existential topic. As more and more self-employed people see the Internet as a workplace, the union must be present at this workplace. They must use the Web as a tool for merger and exchange to prevent the isolation of the new proletariat and the loss of individual as well as collective assertiveness [translated by the authors].

Despite the fact, that Trade unions recognize the emergence of the platform economy as an important development, the importance is not reflected with regards to the content of the press releases by IG Metall and ver.di in the years 2014 to 2017. For the IG Metall 10 out of 196 press releases had a reference to crowd-/cloudworking and the platform economy.⁷ In

⁷ All IG Metall and ver.di press releases between 2014-01-01 and 2017-04-13 were evaluated. Press releases containing on of the following keywords were recognized as relevant: crowd, cloud, crowdwork/ing, cloudwork/ing, platform economy, and sharing economy.

2014 the IG Metall published two relevant press releases, three in 2015, four in 2016 and one in 2017. Three press releases were related to yearly reports on the ICT industry. Two are regarding the positive membership development of the organization. Four press releases demand fair und decent working conditions for crowdworkers and one was published upon the publication of the “Frankfurt Paper on Platform-Based Work” (cp. Austrian Chamber of Labour 2017). Ver.di published just two relevant press releases of a total of 1,032 press releases. Both were published in 2015, one related to a big conference by ver.di regarding digitalisation and one upon the start of an online based advisory service for cloudworkers. Interestingly both unions use different terms most of the time. Ver.di speaks of “cloudworker” while the IG Metall favors “crowdworker”.

The trade unions are not like the Luddites when it comes to digitalisation. “The IG Metall is not per se against crowdworking, especially since this form of work happens to exist und we can't turn the clock back” [translated by the authors] (Benner 2016: 133). Both trade unions share the same basic vision: seize the opportunities and avoid the pitfalls and risks of digitalisation. They want to actively shape the digital world in the means of ensuring decent work with fair working conditions and payments. That’s especially true for the platform economy, as Christiane Benner, second chairperson of IG Metall, stated: “It must be possible to take advantage of the opportunities provided by digitalisation and new forms of work on digital platforms, without throwing out all the protection and safeguarding for employees we achieved in the past” [translated by the authors] (IG Metall 2016).

II.4. Risks, challenges, and opportunities

Today crowdworkers are not considered to be dependent employees. As self-employed workers, they are not covered by the same legal and social safeguards. They are not entitled to social protection and pension benefits. They are also not covered by the minimum wage and the labor protection laws, “and are therefore typically excluded from the legal and social protections established for employees over the last hundred years” (Austrian Chamber of Labour et al. 2016: 2). Self-employment encompasses largely unregulated working conditions (cp. Benner 2015: 292, 295; ver.di 2014, 2016). In addition, platform-based work enables a new level of (social) control, through easy automatic surveillance and the collection of all data by the platform operator. The resulting problems reach far into the areas of (employee) data protection and the right to privacy. The situation is aggravated by the fact that in the platform economy the contractor is in the weakest position. He finds himself in a double-sided

dependency. On the one hand, he fully depends on the rules set by the platform operator. On the other hand, the conditions the contracting authority or client (often a company) specifies in the invitation to tender or the task description are sacrosanct. The self-employed contractor can only accept the terms. He is not in the position to bargain nor is there a mediating instance or any form of co-determination. “However, the existing regulations are not sufficient to ensure fair and adequate working conditions” [translated by the authors] (Rio Antas 2014). The resulting consequences include an increasing tendency of precariousness as well as an increasing labor intensity due to low pay. From an economic perspective crowdsourcing offers a cost-effective way of service provision, which increases the pressure on regular employment and is reinforced by a “global crowd” (cp. ver.di 2015a).

Despite the risks and challenges the trade unions are also aware of the potential positive effects of the platform economy and cloud-/gig-working. One of the promises of platform-based work can be the “labor market access to large groups of previously excluded people” (Austrian Chamber of Labour et al. 2016: 2). Platform-based work can also offer more flexibility and freedom by enabling time and location independent working, and therefore improve work-life balance. From the ver.di perspective, positive aspects open up, for example new opportunities for employment and income for freelancers and solo self-employed persons (cp. ver.di 2015a). Greater freedom in the organization of work strengthens autonomy and self-determination (cp. Schröder/ Schwemmler 2014: 117).

II.5. Organizational adjustments and adaptation

Normally trade unions exclusively organise dependent employees. Therefore, the IG Metall had to change its statute in order to allow self-employed persons to become union members. At their last trade union congress in October 2015 the delegates add a passage to “§3 Accession” of the statute which reads: “Self-employed persons who render professional or freelance activities without being an employer (...) may become a member of IG Metall” [translated by the authors] (IG Metall 2015: 11). This addition has been a direct result of the increasing importance of platform-based work and other forms of solo self-employment.

Self-employed persons have been included in the organizational structure since ver.di was founded. Section 6 (“membership”) of the statute states: “Anyone can become a member (...) who is self-employed in the organizational area” [translated by the authors] (ver.di 2015b: 6). Self-employed persons also form one of the eight groups of people in the matrix structure. In addition, the interests of the approximately 30,000 solo self-employed members of ver.di are

represented across the different departments (cp. Haake 2016: 311f; ver.di n.d.). Ver.di also offers counselling services for solo self-employed persons. And crowdworkers are explicitly addressed by the “mediafon”, which is financed mainly by ver.di.

Besides their autonomous adjustments to the phenomenon of cloud- and gig-work the trade unions strengthen their cooperation. This is true not only for the national level but international. On the national level IG Metall and ver.di are part of a joined project called “Challenge Cloud and Crowd – New sustainable organizational concepts for services” [translated by the authors], which has a term of three years and started in July 2016 (cp. ISF et al. n.d). Together with scientific and industrial partners they want to develop approaches for decent work, consultation rights, and co-determination in the platform economy (cp. ver.di/IG Metall n.d.). On the international level IG Metall collaborated with trade unions from other European and North American countries and published the “Frankfurt Paper on Platform-Based Work” in December 2016. In this paper, they present “Proposals for platform operators, clients, policy makers, workers, and worker organizations” toward fair platform based work (Austrian Chamber of Labour et al. 2016: 1f.). The proposals are the result of joined sessions with a broad range of technical and scientific advisers.

II.6. Political demands and calls for regulation

At the substantive level four dimensions are key to dealing with the phenomenon of crowdworking:

1. *employment status*: categorisation between self- employed and dependent employment;
2. *social protection*: existing legal regulations and rights are linked to employee status;
3. *income*: current legal regulations on minimum wages do not extend to the free drafting of contracts among the self-employed;
4. *codetermination and interest representation*: company codetermination rights are linked to the concept of the firm. Cartel and competition law limits self-organisation of the self-employed.

1. Employment status

The established instrument to regulate platforms that tend toward monopolies is the antitrust law. This may be enough to deal with (il)legal acquisition of competing actors, but it is insufficient to regulate neither the organization of working contracts between contracting

authorities and self-employed workers nor for the terms and conditions of a platform (cp. Schlüter 2017: 2). One approach to make an impact on the working conditions of cloud- and crowdworkers is the demand to clarify their employment status. One fundamental point is that trade unions regard crowdworkers as employees or dependent workers. A redefinition or adaptation of the existing conception of employee would have to take this into account. Even when crowdworkers are not working directly for the platforms and not paid by them, they “nonetheless control the basic conditions of work” and “exert control over workers” (Austrian Chamber of Labour et al. 2016: 4).

In this context, it is necessary to determine whether there is an employee-employer relationship between the platform operator and solo self-employed persons or not. If such a relationship is stated, platform operators should be held liable for non-compliance with labor rights (cp. ver.di 2016: 3). In order to ensure this, an increase of resources and an expansion of competences of the tax offices and the “financial control of illicit employment” as well as a right for associations to initiate proceedings is necessary (cp. ver.di 2016: 7).

2. Social Protection

Crowdworker should also be entitled to an affordable health insurance and to retirement benefits, which could be achieved by incorporating them into the social security system. Also, the established health and safety regulations should be extended to cover those working in the platform economy (cp. Benner 2015: 296; 2016: 137). The payment of the social security contributions should be shared between workers, platform operators, and contracting authorities (cp. Austrian Chamber of Labour et al. 2016: 7).

One of ver.di's central concern is to ensure minimum standards for crowdworkers. In the case of the inclusion in the social security systems, there are many similarities to the findings of the IG Metall (supplementary to Schröder 2014: 17). Ver.di's position on who should pay the social contributions varies between the platform and the companies. On the one hand, ver.di calls for expanding the concept of the employed worker, and on the other hand, platforms as employers should pay social insurance contributions for the crowdworkers and provide equal pay and the same working conditions as “traditional employers” (cp. ver.di 2016: 3). For example, the decision E001 of the trade union day 2015 (cp. ver.di 2015) states that companies, as contracting entities, should be used for the pro rata contribution of social

security contributions, analogous to employers' contributions to employees. This is to apply, if there is no contributory employment relationship at the side of the contractor (cp. *ibid.*). Another proposal by ver.di is the establishment of a separate system of social protection for solo self-employed workers according to the pattern of the “artist's social insurance fund”, financed by contributions from the insured workers as well as the contracting authorities (cp. Schröder/ Schwemmler 2014: 121).

3. Income

To establish a fair payment of cloud- and gig-workers the IG Metall propose a statutory minimum remuneration so that companies can't circumvent the minimum wage by crowdsourcing. Therefore one of the trade unions biggest goals is to guarantee the minimum wage to workers in the platform economy (cp. Austrian Chamber of Labour et al. 2016: 6).

A significant factor for cloud- and gig-workers is their “social reputation” on the platform. It has a relevant influence on competitiveness, marketability, and income position. In this context it is important to establish transparency rules in particular with regard to the rating criteria (cp. ver.di 2016: 5). In addition, ver.di postulates a threat to personal and privacy rights. Therefore, legal, technical, and organizational protection and defense measures are necessary, eg. in the form of a law on employee data protection (cp. ver.di 2014: 2).

With regard to the platforms terms and conditions a public control should be established, which ensures the fulfillment of minimum requirements and standards (such as “transparency” and “protection from arbitrariness”).

4. Codetermination and interest representation

Existing rules and regulations for companies regarding outsourcing, temporary and contract employment should be extended to cover work assignments that are crowd-sourced via online platforms. Also, it should be prevented to circumvent the worker council's co-determination rights by the use of crowdsourcing (cp. Rio Antas 2014). Therefore, the IG Metall demand a law, that expands the employer's obligation to provide information to workers' councils and strengthens the co-determination rights in regard to (sub)contracting (cp. Benner 2016: 136). Ver.di argues in the same direction as the IG Metall, by calling for an expansion of the national and European interest representation of employees, in the areas of out- and crowdsourcing, near- and offshoring (ver.di 2014). On the one hand, a loss of influence of the interest

representation on the company side should be counteracted. On the other hand, workers' councils are to be given more voice in the employment and working conditions of the so-called "third person", such as temporary workers, contract workers, crowdworkers and other employee-like workers to effectively represent their interests (cp. ver.di 2014, 2016b: 4).

As intermediaries, the platforms enjoy a monopoly on the communications' data. Therefore it isn't an easy task for the employees to connect to each other. Quite the contrary, the platform operators are eager to prevent them from organizing. "Direct communication between clients and workers is restricted to the interaction within an ongoing business relationship and otherwise not supported. Workers can hardly get in contact with each other" (Schörpf et al. 2017: 50). At this point, IG Metall tries to intervene by establishing its own platform in form of the website faircrowdwork.org. The four main goals are "advise crowdworkers, organise their networking, create transparency and build countervailing power" [translated by the authors] (Benner 2016: 136). The website was originally launched in May 2015 but just recently relaunched in June 2017 after a general overhaul. This platform should not only enable crowdworkers to connect but provide a tool to evaluate and score platforms.⁸ Crowdworkers can leave feedback about their working-experience and rate the fairness of the platform they are working on in categories such as payment, work-quality, work-evaluation, communication, and site-functionality (cp. IG Metall n.d.). On top of these first-hand knowledge from crowdworkers, IG Metall lawyers assess the terms and conditions you have to accept in order to use the platform. As from June 2017 faircrowdwork.org lists 37 platforms but only 70 evaluations have been submitted since the start of the website.

Furthermore, several connections to already existing legal instruments are drawn. Thus the copyright contract law is referred in order to determine contract content and the fee level (cp. ver.di 2015). This requires the creation of mechanisms for standardization and collective negotiation of contract contents and fee levels. However, change in competition law are necessary "to allow (solo) self-employed with a lack of market power collective agreements and mergers which are functionally equivalent to the tariff cartels depending on the employee" [translated by the authors] (cp. ver.di 2016b: 4). This approach is designed to reduce the prevailing one-sided risk transfer at the expense of the crowdworkers.

⁸ The idea is based on the browser-plugin Turkopticon that implements a reputation system for Amazon Mechanical Turk. With Turkopticon crowdworker can write reviews and rate the companies they have worked for (cp. Irani/ Silberman 2013: 611).

But the trade unions do not only demand state interventions. Another approach is self-regulation. “Pushed by the trade unions” some platforms (Testbirds, Streetspotr, Clickworker, appJobber, CrowdGuru) committed to a “Code of Conduct” (Benner 2016: 135). “Its aim is to create general guidelines about how to act in regard to crowdwork and thereby create a basis for a trusting and fair cooperation between service providers, clients and crowdworkers, supplementary to current legislation” (Testbirds 2017). The IG Metall characterizes the ten points of good intentions as “laudable” but “by no means sufficient” (Benner 2016: 135).

III. Employers’ associations Perspective

The employers’ perspective differs significantly from the demands of the trade union side. It is not just that they take a different view; rather there are explicit demands for further deregulation in order to nail down flexibility for companies. In particular, employers demand a flexibilised working time regime. “Rigid” rules on working time are no longer appropriate in a digital, sometimes non-site-specific world of work. With particular regard to crowdworking, in many cases employers simply reject any need for regulation.

Crowdworkers are regarded as self-employed, working flexibly, independently and self-reliantly. The existing legal regulations are regarded as sufficient for determining the status of crowdworkers. They would already allow to differentiate between self-employed and dependent employees, regulate temporary employment and service contracts or are supposed to prevent bogus self-employment. Because the latter are generally classified as self-employed, they are responsible for their own social protection and have a say in their remuneration due to freedom of contract. Minimum standards, remuneration regimes or an extension of social protection, in their view, are neither necessary nor appropriate. At most, in exceptional cases, a minimum level of protection might be considered for persons in particular need of it.

Overall, the trade unions are calling for a broad range of regulations and demands, with an equally wide range of detail. The employers pretty much take the opposite view. They generally consider regulation to be unnecessary and even call for further deregulation. All actors, however, are agreed on the need for further studies to ensure a reliable assessment of future developments and the real significance of the platform economy and of crowdworking for the labor market.

Table 3: Regulation of crowdworking - trade unions and employers' associations perspective

	Trade Unions	Employers' associations
Employment status	Legal clarification is needed with regard to whether crowdworkers are self-employed (objective/economic dependence). To that end, clarification is required with regard to the status of platforms or clients in terms of the employer function. If crowdworkers are not employees, then it may be that a special labor law status should be created for them. In Germany there are already persons with the same status as employees (parasubordinate).	Crowdworkers, as self-employed, are not personally dependent on platforms or clients. There is no need for regulation because existing regulations on distinguishing between dependent employment and self-employment, on temporary employment, on service contracts and on bogus self-employment are sufficient.
Social protection	Introduce mandatory old-age provision and create citizens' insurance/employment insurance. The platforms and/or clients should contribute to funding this.	Self-employed people are independent and self-reliant with regard to social protection responsibilities. Mandatory insurance would harm employment and thus mandatory provision is conceivable at best at the minimum level.
Income	Introduction of minimum remuneration or a remuneration regime at the level of the minimum wage or remuneration that is customary in the local area as paid by traditional employers taking qualifications into account. Profit-sharing in sales through copyright. Minimum requirements for terms and conditions; platforms would be liable for compliance.	Service provision takes place on a self-employed basis and the fee is thus subject to contractual freedom.
Codetermination and interest representation	Extension of the concept of the firm so that crowdworkers and outsourcing fall under mandatory codetermination. In addition, make it easier for crowdworkers to organise themselves by giving trade unions access to platforms and enabling exceptions in competition law to make it possible for the solo self-employed to engage in collective bargaining.	No extension of codetermination is needed because the crowdworking phenomenon is not substantial enough.

Source references: Research and compilation by the authors.

IV. Conclusion

The platform economy is the driving force behind the growth of specific types of (non-dependent employee) working-contracts (freelancing, solo self-employment) and therefore also generate major challenges for established forms of regulations and industrial relations. It's still unclear by whatever means fair working conditions, wage bargaining, social security, workers' participation, and co-determination can be secured long-term. The future is uncertain, but none the less the trade unions as the main actors on behalf of the employed workers are on their way to ensure decent jobs in the digital era. "Unless governments step in and recognize workers as the employees that they are, platforms will continue to have an

advantage over traditional industries, risking a deterioration of working conditions that extends beyond on-line work” (Berg/ De Stefano 2016: 2).

Trade unions as well as employers’ associations have generally taken a positive approach to the challenge of digitalisation. The trade unions in particular from the very outset have not sought to obstruct digitalisation as modern Luddites. They emphasise the opportunities that digitalisation offers, although without losing sight of the risks, which they demand must be tackled. The trade unions began to develop their position and to make proactive proposals early on. With regard to the further development of Germany as an industrial location – and thus at the level of technological innovation – there is broad consensus with the employers’ associations. In other areas – which in particular are to be classified at the level of social innovation – there are marked differences of interest with regard to the way forward, especially when it comes to performance, data protection and working time policy. There is a particular conflict of interests between trade unions and employer organisations with regard to the evaluation of crowdworking within the framework of the platform economy.

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