



Industrial Relations in the Platform Economy in Slovakia

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Overview

1. Introduction of the IRSDACE project
 2. Methodology
 3. Overview of the platform work in three sectors: accommodation, personal transport and microwork
 4. Industrial relations in the platform economy
 5. Discourse among social partners, platforms and platform workers
 6. Conclusions
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- A decorative graphic consisting of several overlapping, semi-transparent circles in shades of light red and pink, located in the bottom right corner of the slide.

Introduction

- Research based on the project **IRSDACE: Industrial Relations and Social Dialogue in the Age of Collaborative Economy**
- Partners:



- Duration: January 2017 - December 2018
- Outcomes:
 - National case studies in Belgium, France, **Hungary**, Denmark, Germany, **Slovakia** and Spain
 - comparative report (Akgüç, M., Beblavý, M., Circule, E. and Z. Kilhoffer 2018)

Methodology

- **Aim:** to identify how traditional players in the labour market (e.g. trade unions, employers' associations, member states and the EU) experience and respond to the platform economy
- **Desk research:**
 - literature review; analysis of legal regulations, news articles; social media analysis
- **Data:**
 - Web Data analysis based on “bag of words” (to see where the discussion happens)
 - Online survey among platform workers (comparative report)
- **Semi-structured interviews:**
 - **unique empirical evidence**
 - 9 with traditional social partners, experts and platform representatives
 - 12 with platform workers (6 at a focus group in November 2017)
- **Scope:**
 - 3 sectors: personal transport, accommodation, microwork
- **Terms:** sharing vs. collaborative vs. platform economy



Work in the platform economy

- **Platform economy:** a marginal part of the labor market, but it raises many emotions and legislative issues regarding taxation, fair pay, social security, transparency, health and safety at work

Experiences from other countries:

- **France:** one of the first instances of social dialogue involving price negotiation between a platform and a workers' union for drivers in 2016
- **Denmark:** the first collective agreement between a social partner and a platform in 2018
- **Germany:** some existing unions have opened up to include platform workers as their members
- **Belgium:** social partners have been engaged in the debate and are trying to reach out to platforms, with a limited success
- **Hungary:** social dialogue is already weak in traditional sectors and even weaker in the platform economy
- **Slovakia: ?**

Work in the platform economy

- No specific regulation, no specific status of workers, no specific working conditions
- Valid regulations in the relevant sector apply to all
- No policy framework (exception: taxation of platform providers)

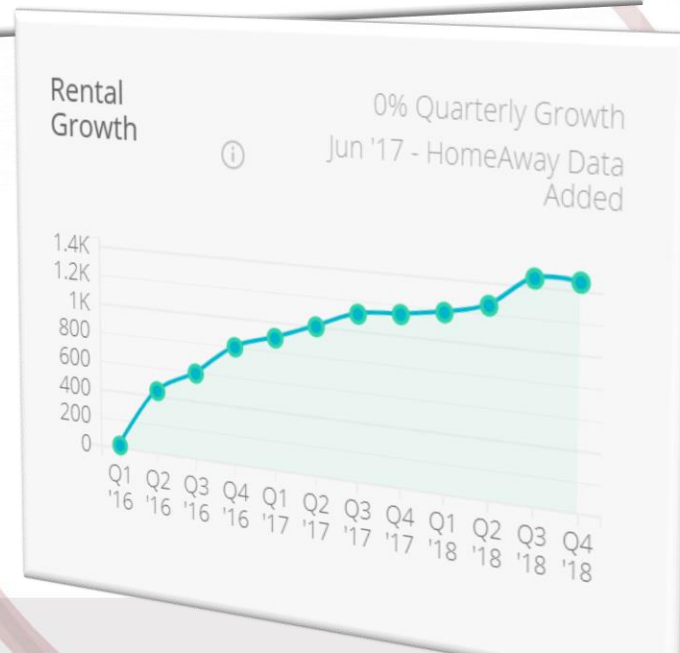
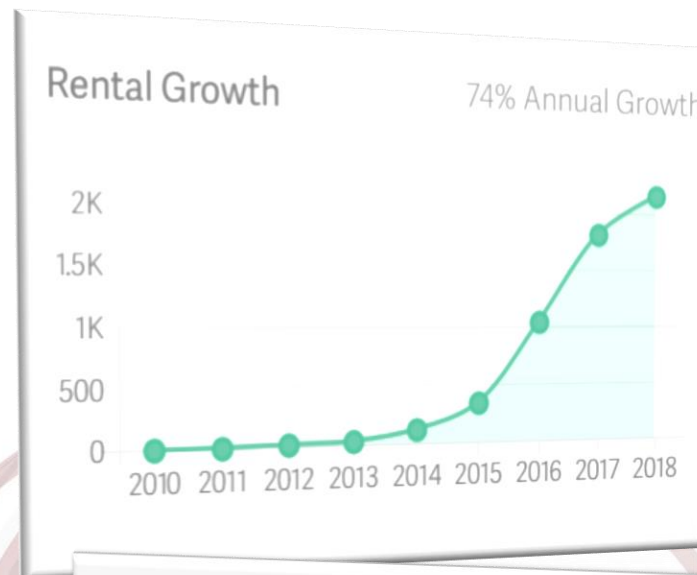
	Personal transport	Accommodation	Microwork
Platforms:	<u>Uber, Taxify (now Bolt)</u> , Hopin, BlaBla car, Liftago	<u>Airbnb</u>	<u>Domelia</u> , Jaspravim, Mikropraca, Microjob, yuVe, Rukie
Data:	Uber around 550 active drivers (in 2017); Taxify around 850 drivers during a year	2,500 active listings in 2017 (SME); around 1,000 (interviews); around 1,353 listings and 619 active hosts (inside Airbnb)	8,400 profiles on Domelia; 20,000 profiles on Jaspravim
Workers' time spent	Uber: More than 40% of drivers use it for less than 10 hours per week (2017) Taxify: average working time 12 hours; average length of stay 3 months; only 20 % full time	N/A	N/A
Status of the platform workers	self-employed with legal regulations valid for the taxi drivers (road passenger transport)	self-employed if accommodation + other services, or a natural person (pays a municipal tax +income tax from long-term accommodation); SVK: second option more common	self-employment not necessary; shadow zone (undeclared income and/or under-reported income)



data (Source: AirDNA)

Update 3/7/19

Number of active rentals (4/7/2018)	983	1,353
Type of rental		
• entire home	77% (758)	79 % (1,073)
• private room	20% (199)	19 % (258)
• shared	3% (26)	2 % (22)
Average rental size	1.3 bedrooms	1.3 bedrooms
Average number of guests	3.9 guests	3.9 guests
Number of active hosts	619	
of which		
• superhosts	32% (196)	
• multi-listing hosts	21% (132)	
• single-listing hosts	79% (487)	
Rental activity	39 % available full time	44 % available full time
Average daily rate	48 EUR	
Occupancy rate	70%	
Revenue	855 EUR	



Industrial relations: social dialogue

Platform workers

Do they want to be organized and represented?



Workers' representation

How to organize them?



Employers?

Who to negotiate with? Are online platforms employers?



Industrial relations: overview

Level	Industry	Traditional work proxy		Platform work	
		Employee representation	EMPLOYERS	Employee representation	PLATFORMS representation
National	all	KOZ SR TU Confederation	RUZ AZZZ SR APZ Employers' associations	N/A	Uber in RUZ
Sector	Transportation	The Union of Taxi drivers (self-employed)	Taxi Drivers Guild (Professional association)	N/A (informal Facebook and WhatsApp groups) Meetings of dissatisfied Taxify drivers	Uber in ITAS
Sector	Accommodation	OZPOCR Trade union of workers in commerce and tourism	ZHRSR Employers E association of hotels and restaurants ZCRSR	N/A (informal Facebook groups) Bratislava AirBnb Hosts, civic association Welcome Home	N/A
Sector	Microwork	SOZZaSS trade union of workers in healthcare	not applicable	N/A (Informal discussions on portals)	N/A

Discourse: established IR actors

Trade unions

- For the *Confederation of Trade Unions in Slovakia (KOZ SR)*, platform work is not a salient issue in Slovakia
- General stand: platform work seen as a subset of new atypical forms of flexible work (potentially precarious); but KOZ focuses their actions on the representation of traditional employees
- Obstacles for inclusion of platform workers into the KOZ structures:
 - **1. How to identify them? How to contact and organize them?**
 - Problematic if platform workers organized in existing sectoral unions > could complicate CB negotiations
 - **2. Structure of the organization and decision-making process** within the organization: unions organized according to sectors; no individual membership; slow dynamics
- Possible solutions: new modern trade unions; one trade union uniting all platform workers across sectors; dynamic adaptation to new challenges on the LM > potential to increase membership base;

Discourse: established IR actors

Example of actors' action:

- *The Union of Taxi drivers (transport)* is neither a trade union, nor an employer's association:
 - “we are representing ourselves” (TRA 3)
- Strong criticism of platforms and platform workers; lack of professional qualification and anonymity of their work
- calls for regulation of platform work; status-quo shall apply to all
- *Uber's* services suspended; the same aim for *Taxify*
- Good example: a Slovak company *Hopin*
- Social dialogue:
 - “unless the taxi drives demonstrate, nothing happens” (TRA 3)
- members are self-employed (90 %) vs. employees



Discourse: established IR actors

Employers

- in April 2018, Uber became a 55th member of the National Union of Employers (RUZ)
- Thus, Uber also a member of ITAS (member of RUZ)
- Opinion that Slovakia should not resist the trends and innovations which may result in a need to change traditional business models and legislative framework
- Some members of RUZ, such as the Slovak Tourism Association were surprised by this decision

Platforms

- Perception that online platforms are not employers
- No need for a formal structure of social dialogue: work for platforms is flexible and voluntary (80% of drivers are part-time)

State

- **Who is responsible for issues related to the platform economy?**
- The Ministry of Transport and Construction of the Slovak Republic follows the topic but “waiting” for an EU regulation
- Platforms are not employers, but workers seem to be calling for some representation
- Role of the ministry: guarantee of legal regulations

Discourse: platform workers

- Almost all platform workers: platform work is a secondary job activity
 - Reasons for work: extra income; independence and flexibility
- The most important issues for workers: **unclear definitions and (lack of) clear legal rules and regulations** (esp. taxation)
 - “Innovative” forms of employment in Slovakia
 - Uber/Taxify fleet; companies hiring drivers; companies managing Airbnb
- **Working conditions**
 - **Remuneration for their services:** income and negotiations about it; fair (AirBnb) vs. unfair pay (Taxify, Uber)
 - **Working time and flexibility**
Airbnb host available all the time vs. Taxify drivers who work when they want;
Is it really that flexible?
 - **Rating system:** cancellation comes with penalization
 - **Liability and safety** (property-wise; costumer-wise; host-wise)
“I was afraid she [mother of a child] would kill me in case of some accident”
“I had a huge respect towards this type of job” (MIC 2).

Discourse: platform workers

Social dialogue and its (non-) presence

- **The element of voluntariness and possibility to leave**

“It does not matter to me that much, even if they cancel Taxify today, I will survive.” (TRA 2)

- **Definition of dependent work**

“I did not feel like an employee (...) If I needed to deal with something, I had to advise myself, it was not as easy as to just pick up the phone or write a message. It should be there when I'm an employee, I am expecting my supervisor to deal with any little problem right away. But they do not do anything, I have to take care of everything.” (TRA 2).

“If I wanted to meet someone, not as a costumer, there was no chance.” (TRA 1)



Comparison: discourse

Sector	Actor	TRADITIONAL WORK Legal perspective	PLATFORM WORK Legal perspective	PLATFORM WORK General stand
National level	Unions	N/A	N/A	N/A
National level	Employers	Keep the status quo for all	Support/ Keep the status quo for all	positive
Transportation	Taxi providers (employers+ self-employed)	Keep the status quo for all	regulate	negative
Accommodation	Ministry	Deregulate the status quo for all	Equal regulations for all	neutral
Accommodation	Employers in hotels and restaurants	Deregulate the status quo for all	Regulate (but only necessary regulations)	positive
Microwork	Unions (healthcare)	N/A	N/A	neutral
All	Workers in platform economy	Not applicable	Keep the status quo or deregulation	positive


Comparison: social dialogue

Level	Industry	Traditional work proxy				Platform work			
		Employee representation	EMPLOYERS	Social Dialogue	CBA	Employee representation	Platforms representation	Social Dialogue	CBA
National	all	KOZ SR	RUZ AZZZ SR APZ	yes	yes	N/A	Uber in RUZ	yes?	no
Sector	Transportation	The Union of Taxi drivers	Taxi Drivers Guild (Professional association)	yes	no	N/A (informal Facebook and WhatsApp groups) Meetings of dissatisfied Taxify drivers	Uber in ITAS	no	no
Sector	Accommodation	OZPOCR	ZHRSR (professional association) ZCRSR	yes	no	N/A (informal Facebook groups) Bratislava AirBnb Hosts, civic association Welcome Home	N/A	no	no
Sector	Microwork	SOZZaSS	not applicable	yes	yes	N/A (Informal discussions on portals)	N/A	no	no

Conclusions

- **Platform economy is not seen as a salient issue in Slovakia and not a priority for social partners/relevant actors**
 - Explanations: in Slovakia, tourism sector growing (accommodation sector too); taxi drivers licenses growing; lack of information on microwork
- **No social dialogue in the platform work “sector”**
 - Traditional social partners follow the topic informally;
 - Focus of their attention: legal regulations and framework
 - Structural obstacles for new types of workers to join the unions
 - Opinion that there is no need to bargain collectively
 - Even in traditional sectors, there is no higher-level CBAs and little/no company level CBAs, except in the healthcare sector)
- **Unlike in other EU states, in Slovakia attempts to be organized come from the employers’ side**
 - Uber in the National Union of Employers; Uber in ITAS
 - Decision taken with surprise (“So it IS an employer”)
 - Potential issue: fragmentation of representation; no unity, but potential for cooperation

Conclusions

- **No attempts to organize employees from workers side**
 - Only informal discussions on social media, BUT informal groups seem to be increasing in numbers
 - **Do we see an impact of the IRSDACE project?**
 - Results from the interviews: respondents do not feel the need to be organized
 - Results from the focus group: respondents see a potential to be organized
 - **Overall, an agreement among all stakeholders:**
 - Based on the definition of dependent work in Slovakia, platform workers are not employees and platforms are not their employers
 - Potential to connect it to the research on:
 - Domestic workers in personal and household services
 - Self-employed persons and their collective representation
 - Migrant workers
 - Temporary agency workers
 - Trade union representativeness
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