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**Karol Muszyński,
Valeria Pulignano,
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Jonathan Potter,
David Halabisky**

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Entrepreneurial Opportunities and Working Conditions of Self-Employed Online Freelancers in the Platform Economy

Lessons from the COVID-19 Pandemic

Karol Muszyński, Valeria Pulignano, Markieta Domecka, Jonathan Potter, David Halabisky

This paper examines the experiences of self-employed online freelancers working on digital labour platforms during the COVID-19 pandemic. It is based on interviews with freelancers and platform managers and experts in Belgium, France, Italy, the Netherlands and Poland. Their experiences during COVID-19 reveal issues of asymmetric power vis-à-vis platforms. Notably, they reported lack of transparency and certainty in their contracts with platforms, lack of power in negotiating with clients, and limited ability to engage with clients on other platforms. In addition, they often experienced difficulties in accessing government temporary supports for businesses during the pandemic. The paper puts forward policy recommendations to address these issues.

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Executive summary

The COVID-19 pandemic had wide-reaching impacts on businesses and workers, bringing major challenges for the business continuity, employment and incomes of self-employed workers. This paper explores the pandemic's impact on the entrepreneurial opportunities and working conditions of one particular group of self-employed workers, namely self-employed freelancers operating online through digital labour platforms. It explores what this reveals in terms of public policy challenges for the future for this group.

Online self-employed platform workers offer all or part of their services through platforms, or apps, which act as an intermediary between the freelancers and their clients. Examples include IT workers and graphic designers and translators and copywriters. The paper excludes other types of platform workers, notably offline platform workers, who get their work through platforms but work physically, such as delivery drivers, as well as online "click workers", who deliver multiple short-term outputs online.

The experiences of the online freelancer platform workers during the COVID-19 pandemic are explored based on interviews undertaken during the pandemic with some 75 online freelancers on platforms and with 30 platform managers and experts in Belgium, France, Italy, Netherlands and Poland. The interviews were undertaken as part of broader European Research Council and Flemish Research Council research projects.

By selecting online freelancers, our aim is to focus on a group of platform workers who would seem to resemble entrepreneurs in many respects, in that they both take on risk, including making upfront investments when setting up on platforms and bidding on work, and have significant levels of autonomy in their work decisions.

The extreme conditions of the pandemic highlighted a number of issues for online freelance platform workers, which highlight longer-standing concerns for their pursuit of entrepreneurship and working conditions. Specifically, the platforms frequently offered limited transparency on future changes in their rules and costs, operated rating systems that freelancers often considered created asymmetric power relations with clients, and frequently prevented freelancers from transferring their reputational information across platforms to access new clients. These issues offer evidence of an asymmetry of negotiating power between freelancers and platforms and their clients.

The paper also highlights that many self-employed online platform freelancers found it problematic to access temporary government supports for businesses during COVID-19, reflecting administrative complexities and lack of eligibility for the self-employed or for some non-standard forms of self-employment.

Based on these observations, the paper offers policy recommendations to governments for facilitating entrepreneurship opportunities and improving working conditions for self-employed online platform freelancers:

- Introducing rules or voluntary codes pertaining to transparency of platform fees for freelancers, including on all the costs associated with starting up on the platform and notification of changes in fee structures in advance.
- Introducing dispute resolution mechanisms for platform workers in case of conflicts with clients, and solutions requiring clients to pay for additions to service specifications following contract agreement to limit exploitative behaviour of clients.
- Assuring portability of service provider portfolios within the platform economy to reduce the lock-in of entrepreneurs into individual platforms.
- Exploring whether in certain cases freelance platform workers should be enabled to collectively negotiate the contracts and fees with platforms and facilitating arrangements for collective bargaining by online freelance platform workers.
- Carefully considering the eligibility criteria for business supports to remove unintentional barriers to the participation of self-employed freelancers.

1 Online freelancers and digital labour platforms

Platform work and economic resilience in the COVID-19 crisis

Digital labour platforms have developed rapidly in recent years, with a growing number of people involved in platform work (OECD, 2020^[1]). The platform economy overall can be defined as including both commercial and non-commercial forms of exchanges and a variety of business models, which may or may not be digitally-mediated (Hartl and Hofmann, 2019^[2]) (Howcroft and Bergvall-Kåreborn, 2019^[3]). These business models are not limited to those of the major global platform companies (e.g. Uber, Airbnb) (Kenney and Zysman, 2016^[4]).

The scale of platform work is difficult to measure and often debated (Piasna and Drahokoupil, 2019^[5]; Kässä, Lehdonvirta and Stephany, 2021^[6]), but a recent OECD/ILO/EU measurement handbook offers guidance to statistical agencies for improving methodologies (OECD/ILO/EU, 2023^[7]). Divergent estimates show that the prevalence of digital platform employment ranges from less than 1% to as much as 8% of the labour market (OECD/ILO/European Union, 2023^[8]). Digital labour platforms are expected to grow in the future and are believed to be one of the most fundamental components of recent transformations in the world of work (Berg et al., 2018^[9]). The uptake in the use of digital labour platforms has many benefits, e.g. offering entrepreneurial opportunities to people who want to offer services to a wider range of clients through digital methods, as well as facilitating formalisation of business activities, in particular in the emerging economies. However, at the same time it raises concerns about the impact of certain platform practices on the balance of power with platform workers and hence on the opportunities for securing good working conditions and genuine entrepreneurship (Alonso Soto, 2020^[10]).

With the onset of the COVID-19 lockdown/confinement and physical distancing measures in early 2020, many countries experienced a shift towards digital labour platforms for economic activities amenable to this. The uptick in the use of the platforms was larger in countries with better digital communications infrastructures and stronger regulatory frameworks relating to digital infrastructure and connectivity (OECD, 2020^[1]). Moreover, the severity of containment measures impacted activity levels on digital labour platforms – increasing as lockdown measures became stricter (OECD, 2020^[1]).

Digital labour platforms therefore took on an important role in the crisis, although their impact depended on the sector concerned (OECD, 2021^[11]). In some sectors digital labour platforms made an important contribution to economic resilience. For example, they played a key role in supporting business continuity in sectors such as restaurants, which could offer take-away food on food delivery platforms (Beręsewicz et al., 2021^[12]), and business-to-business (B2B) IT services, where firms could substitute in-person consultants with consultants operating on platforms (Stephany et al., 2020^[13]). On the other hand, some sectors of the platform economy were negatively affected by the pandemic. For instance, the demand for platform-mediated ride hailing dropped substantially due to restricted mobility and clients' concerns about contracting COVID-19 (Du and Rakha, 2020^[14]). In addition, outsourced professional services delivered

through platforms saw an overall decrease in demand as firms faced declining revenues and tried to reduce non-essential spending (Stephany et al., 2020^[13]).

Online freelancers on digital labour platforms

Within this mixed picture of platform work during COVID-19, freelancers such as IT workers, graphic designers, translators, and copywriters were one important group who often tried to maintain the continuity of their activities when social distancing measures were introduced by finding clients through digital labour platforms.

This group of platform workers have certain characteristics commonly associated with entrepreneurs. Many of them offer services in a relatively flexible and autonomous manner, effectively building a business through the platforms (Jarrahi et al., 2020^[20]), potentially complementing their non-platform work. Moreover, they often take on some risk in pursuing these market opportunities, e.g. in terms of taking on the costs of their start-up investments and operating costs on platforms (e.g. fees for bidding on work) without guarantees of revenues, and their investments may not always work out. Although some of these characteristics can also be features of some other groups of platform workers, in these senses freelancers can be seen as a group of platform workers with some of the closest resemblances to entrepreneurs. On the other hand, some workers in this group may also possess some characteristics and vulnerabilities of more dependent workers, reflecting their arm's length relationships with clients and the need to conform to platform practices.

The digital labour platforms for the services of online freelancers can be viewed as online markets where micro-entrepreneurs can start their own business with minimum start-up costs (Kuhn and Maleki, 2017^[21]). They can also offer entrepreneurs a reduction in transaction costs associated with accessing the market and finding clients (Drahokoupil and Piasna, 2017^[22]) and provide easy access to international markets (OECD, 2021^[23]). The platforms typically act as intermediaries between entrepreneurs and their clients without determining the nature of the services offered or the pay, and provide only limited oversight of the performance of the service (OECD, 2019^[24]).

Platform practices and the entrepreneurship and work quality of freelancers

The vast majority of freelancers working on digital labour platforms (i.e. via apps) are self-employed (Urzi Brancati, Pesole and Fernandez Macias, 2020^[15]).¹ In principle this should enable significant work autonomy consistent with entrepreneurship and facilitate the pursuit of good working conditions by the individual.

However, in some cases the work autonomy of freelancers on digital labour platforms may be restricted by certain features of the platforms they work on (Pulignano et al., 2023^[25]; Pulignano et al., Forthcoming^[26]). Depending on the platform, this may range from platforms structuring the products and services which are offered, exercising control over prices, and regulating precisely how the service is provided. In addition, the platforms may utilise instruments of control over the activities of the workers.

¹ Self-employed workers are persons who are sole proprietors, joint owners or other types of non-standard workers whose legal status may be governed by different types of contractual relationships not based on employment law (e.g. civil law contracts). This group is thus highly heterogeneous and includes both well-established business managers as well as precarious workers earning below the minimum wage. The self-employed generally negotiate their own working conditions and wages with clients. However, self-employed workers who depend on one or a small number of clients often have less control over their working conditions and are more likely to receive low earnings, work irregular hours, have little autonomy over their work, and have low job stability (OECD, 2017^[40]).

These may include algorithmic surveillance over work performance, the establishment of timetables, and the inability of workers to refuse particular tasks.

Platforms can impede entrepreneurship and have adverse consequences for work quality where they have strong control over the conditions of service of the freelancers. Many platforms not only retain information essential for concluding the contract (e.g. the identity of the contractor) but also influence other terms of service (e.g. pay, tasks, etc.). In most cases, the contract can only be made through the platform and in a form effectively dictated by it. At the same time, platforms may operate rules concerning the behaviour of the service provider and client. Platforms may also monitor compliance with those rules and sanction non-compliance through temporarily or permanently denying access to the platform. As a result, the freelancers face risks that are largely shaped by the platform. Many of these practices may be anti-competitive and reflect a situation of monopsony, i.e. a high level of control of the market by the individual platforms, with consequent asymmetric power relations between the platforms and individual freelancers and limited bargaining power of the freelancers vis-à-vis the platforms and clients.

Focus of the paper

This paper focuses on the experiences of self-employed online freelancers working through digital platforms and their working conditions and ability to act entrepreneurially during the COVID-19 pandemic and associated stay-at-home restrictions. It is based on interviews with the online freelance service providers themselves and platform managers and experts in Belgium, France, Italy, the Netherlands and Poland. We focus on the regulatory issues pertaining to opportunities for entrepreneurship and working conditions in the platform economy. We do not cover actions undertaken by platforms to protect the health of their workers during the COVID-19 pandemic, which is a subject of a separate OECD policy paper (OECD, 2020^[27]).

2 Entrepreneurial opportunities and working conditions for platform freelancers in COVID-19

Self-employed online freelancers face some significant challenges to building their businesses and achieving good working conditions on digital labour platforms due to certain features of how the platforms are structured and managed. These include:

- Lack of transparency and certainty on platform rules and fees;
- Limited access to information on clients and asymmetry of relationships between self-employed service providers and clients; and
- Lock-in effects on platforms reflecting lack of portability of client histories.

Many of these issues are long-standing but became more problematic during COVID-19 because the freelancers faced stretched margins and more constrained demand, and they had greater need for flexibility, for example to diversify markets. This section outlines the issues they faced. They shine a spotlight on a number of policy issues related to entrepreneurship and working conditions on digital platforms more generally (Rani and Dhir, 2020^[28]). The issues can all be seen as evidence of potential anti-competitive practices by platforms associated with establishment and use of monopsony power, resulting in a poor bargaining situation of workers with respect to the platforms and clients.

Lack of transparency and certainty on platform rules and fees

The COVID-19 pandemic increased uncertainty for businesses, causing an increased unpredictability of demand and client behaviour and the emergence of tougher requirements from customers (e.g. shorter timelines) on digital labour platforms. Many platforms adapted their business models to these changing market conditions during the pandemic, including changing the terms and conditions of working on the platforms, as well as increasing fees for using platforms and advertising. These changes to terms and conditions and fees exacerbated a long-term challenge for self-employed entrepreneurs of operating in a market where there is a lack of transparency related to the rules and fees (Jarrahi and Sutherland, 2019^[30]). They are practices on the part of the platforms that are associated with monopsony power in the labour market, or an asymmetry of power between the platforms and the individual freelance suppliers.

Lack of transparency and certainty on platform rules and fees makes it difficult for self-employed freelancers because they cannot anticipate changes to how the platform (i.e. market) operates and may face reduced margins unexpectedly (Box 2.1). A lack of transparency also undermines competition on platforms because not all self-employed service providers have the same means to adjust to changes in terms or fees (OECD, 2020^[31]). Moreover, fee increases and regularly changing rules can discourage new freelancers from entering the platform (OECD, 2018^[32]).

The online freelancers working on platforms tend to invest heavily in building platform-specific reputations, which explains, in part, their reluctance to leave the platforms during the COVID-19 outbreak, when demand and rates of fees for their services fell. Some interviewees reported being subject to unpredictable and unfavourable renegotiation of contracts with the platforms in this period, which they had to accept because of the possibility of losing clients and tasks, again offering evidence of adverse impacts of monopsony power.

Box 2.1. Fee transparency on platforms

Some digital platforms require self-employed service providers to make an investment to begin work on the platform or imply that this is required, e.g. in the form of registration fees, necessity to purchase premium accounts or in-platform currencies to contact clients. The self-employed online freelance service providers would recoup this initial investment as they complete work on the platform. As there was significant demand on digital labour platforms during the pandemic and the labour market was difficult, platforms were accepting as many service providers as possible, making it harder for them to earn back the initial investment.

Such requirements may lead to service providers investing their funds while not having a real chance to work and make up for their investments, which leads to sunk costs that might effectively threaten the long-term viability of their businesses.

Moreover, some service providers noted being undermined by unilateral changes in the fees charged by platforms. Whole business models might become unsustainable and unprofitable if changes in fees are introduced unilaterally and without adequate notice.

Take-away for policy makers

Policy makers could consider the introduction of rules or voluntary codes pertaining to the transparency of fees charged by digital labour platforms from service providers, allowing the latter to make informed business decisions and better manage their risk. Such rules might involve informing service providers about necessary upfront financial investments, clarifying at the outset the possible risk of not being able to earn enough money to pay off the initial investment, as well as notification periods regarding changes in the fee structures to give service providers time to adapt to the proposed changes.

Overall, there is a risk that a lack of transparency about marketplace rules may lead to exploitative behaviour on the part of the platforms vis-à-vis the freelance service providers. These problems could be addressed by policy measures aimed at requiring or encouraging platforms to offer certain standards of transparency and certainty.

Asymmetric relationships with clients

Platforms often use algorithmic management and reputation systems which rate, score, or review freelancers' work based on clients' feedback and/or criteria established by the platform such as being responsive to clients' requests. This may result in reduction of the autonomy of self-employed service providers in terms of setting their own prices and timelines with respect to their clients. This challenge was particularly noticeable during the COVID-19 pandemic, due to the limited number of tasks on offer and increased competition among the freelance platform service providers.

In addition, many freelancers agreed to undertake tasks below their skill levels and/or agreed to terms that they would normally refuse, such as very short deadlines and unlimited numbers of adjustments. Clients were aware of the difficult situation of freelancers during the COVID-19 pandemic and often used the

context to pressure them to lower their rates or provide unpaid work (Box 2.2). The service providers felt constrained to accept what they saw as unfair pressures because of the risk of seeing their reputation scores reduced by clients and losing access to further work in general.

Box 2.2. Asymmetric relations with clients and the provision of unpaid services on platforms

Self-employed online freelance service providers on platforms are prone to provide unpaid work to clients in the form of unpaid corrections to submitted work, adjustments after the performance of the contract, under-reporting their actual working hours, or under-cutting their prices. Although this may reflect a general situation of excess supply, platforms exacerbate this by the use of rating and scoring of freelancers by clients (Pulignano and Mara, 2021^[33]; Pulignano et al., 2022^[34]). Freelance service providers are often aware that not agreeing to provide additional work if requested may lead to the worsening of their reputation on the platform, as clients might give a platform worker negative feedback for the task.

Take-away for policy makers

Policy makers could consider making platforms responsible for the introduction of oversight systems covering the behaviour of clients, thus limiting the risk of clients forcing service providers to provide unpaid work. For instance, policy makers might oblige platforms to introduce systems of rating or reviewing clients by freelancers to counterbalance the ratings given to freelancers by clients, as done for instance by Upwork. Further, platforms can be required or encouraged to introduce solutions requiring clients to pay for additional adjustments, as well as to provide freelancers with access to effective support and dispute resolution mechanisms in case of conflicts with clients. This is further discussed by (Lane, 2020^[19]) within the OECD Going Digital Toolkit (<https://goingdigital.oecd.org>).

Lock-in effects on platforms

Platforms derive profits from building large, multi-sided networks. They collect and store data allowing service providers to construct platform-specific portfolios and reputations. Self-employed service providers tend to invest in building their reputations and portfolios on a single platform, or a very limited number of platforms. These investments can lead to dependency on those platforms. This both leads to potential vulnerabilities to deteriorating conditions on a platform that they are dependent on, and difficulties of growing the business across platforms. Such effects were particularly pronounced during COVID-19 when competition on some platforms grew exponentially. Due to sunk costs, freelancers experienced lock-in to their platforms while finding it hard to explore new markets and alternative solutions, hindering the growth of their businesses (Box 2.3).

Box 2.3. Lock-in effects on digital labour platforms

Digital labour platforms often serve as entry points to the market for online freelance service providers. However, the lack of data portability between the platforms creates lock-in effects for freelancers reliant upon one platform, which can build dependency, distort competition, create obstacles to accessing the market (Engels, 2016^[35]) and slow down scaling up of businesses.

Furthermore, the lack of portability of portfolios might force freelancers who start to work on platforms to engage in provision of tasks which are substantially below their skills level, leading to underutilisation of human capital. This reflects the fact that in the case of platform work, freelancers have to start as a “blank page”. So even highly-qualified freelancers have to first build reputation on platforms by providing low-skilled tasks.

Take-away for policy makers

Policy makers should consider requirements or voluntary codes encouraging platforms to assure data portability across platforms (OECD, 2021^[36]). Specifically, policy makers might require or encourage the platforms to allow freelancers to extract their skills and client interaction information from individual platforms in an accessible and processable form to use as an input on other platforms. This would reduce lock-in effects, helping freelancers to access the market. This might also improve competition between the labour platforms in terms of the business models offered. For instance, the Belgian platform Jellow allows service providers to easily transfer portfolios and data from external websites such as LinkedIn. Freelancers working on that platform report having more control over their businesses and careers, and not having to provide low-skilled tasks to build their portfolios.

Implications of monopsony power situations facing the freelancers

This section has presented evidence of lack of transparency and certainty for freelancers in their contractual relations with platforms, asymmetric relations between freelancers and their clients because of operational features of the platforms, and lock-in effects resulting from lack of portability of reputational information between platforms. This may point towards the existence of labour market monopsony, with stronger bargaining power in the hands of the platforms and the clients than the self-employed service providers. The digital platforms may consider themselves as matchmakers between entrepreneurs and their clients, rather than employers, but there are still features of an employment relationship involved.

In response, governments could consider one or both of two types of measures:

- First, governments could pursue regulatory measures for platforms. For example, they could introduce regulations for platforms to provide more transparency and certainty to their contracts with service providers, constraints or counterbalances to abusive client ratings, and requirements to facilitate portability of provider data across platforms. Alternatively, governments could encourage platforms to take voluntary measures to enable freelancers to express their concerns and to respond to the issues raised.
- Second, in some situations, governments could consider granting collective bargaining rights to self-employed freelance workers on platforms via from anti-competition law provisions preventing collective bargaining for this group. They could also facilitate efforts by unions and employer organisations to promote collective bargaining arrangements for this group.

The latter issue is discussed in OECD (2019_[18]). This argues that many non-standard workers operate in a grey zone between dependent employment and self-employment and face strong power imbalances with their employers because of lack of alternative employment options and low bargaining power. These are features of the market for online freelancers on digital labour platforms given the platform practices described in this chapter. On the evidence of this paper, some online freelancers working on digital labour platforms may be one part of this grey zone group. Although they are acting entrepreneurially in some respects, they share some characteristics and vulnerabilities with dependent employees and face a power imbalance vis-à-vis their employers and clients. However, they have little scope to organise and bargain collectively. This is because, as self-employed workers, they are commonly regarded as business operations by the relevant regulations, and therefore excluded from collective bargaining due to competition laws prohibiting cartels.

OECD (2019_[18]) states that there is a strong argument for extending collective bargaining rights or making explicit exemptions to cartel prohibitions for such workers and encouraging social dialogue in this area. Similarly, the European Commission issued a Commission Communication in 2021 on working conditions and platform work, which highlights the challenges of the recent development of the labour platform economy for workers, including the lack of transparency and predictability of contractual arrangements. The Communication highlighted the key potential of social dialogue and collective agreements in improving working conditions.¹

In terms of collective bargaining rights, some countries have already made competition law exemptions in ways that are adapted to their own labour laws and collective bargaining arrangements. Furthermore, in 2022, the European Commission adopted Guidelines on the application of EU competition law to collective agreements regarding the working conditions of solo self-employed persons. The Guidelines aim to provide legal certainty to the solo self-employed people by clarifying that competition law constraining collective negotiation on fees or other trading conditions does not apply to solo self-employed people (i.e. those who do not employ others) that are in a situation comparable to workers, including those who provide services to or through a digital labour platform.

An issue in terms of social dialogue in the sector is that no physical workspace is involved in digital labour platforms and people working on the platforms rarely interact with each other, or even know each other or how to make contact. Governments could therefore take actions to encourage or facilitate the efforts of unions and employer organisations to expand their membership to non-standard forms of work and business. For example, in some OECD countries unions have adapted their legal status to allow self-employed workers to become members, others have created dedicated branches for non-standard workers, and independent unions have also been created, such as the Freelancers Union in the United States OECD (2019_[18]).

In taking such steps, Governments need to take care in ensuring that labour market and competition policy remain aligned and that an undue regulatory burden does not limit entrepreneurship and innovation in the platform economy. The issues discussed in OECD (2019_[18]) are particularly relevant for self-employed freelancers on platforms, as revealed by their experiences with platforms during the COVID-19 pandemic.

¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and Committee of the Regions on Better working conditions for a stronger social Europe: harnessing the full benefits of digitalisation for the future of work, COM(2021)761 final, 9.12.21.

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Difficulties accessing emergency supports during the COVID-19 pandemic

Governments around the world introduced a range of temporary support measures to keep businesses going during the COVID-19 pandemic lock-down and confinement measures, when demand was restricted and it was difficult to do business in person. These actions primarily sought to avoid a business liquidity crisis and a possible spike in bankruptcies and unemployment. The support packages tended to include deferrals of payments due to government, wage subsidy schemes to enable retention of employees on the payroll, and financial support, particularly via debt channels (OECD, 2021^[37]).

The measures were essential for maintaining business continuity for many firms and ensuring that employees retained incomes. However, while some of the surveyed online platform freelancers effectively accessed these supports, many were effectively excluded either because they were self-employed and the measures did not extend to this group, or because they were in non-standard forms of self-employment that were not covered although other self-employment forms were included. In addition, many reported administrative difficulties with the application process.

With respect to the administrative difficulties, some interviewees reported struggling with the timing of the measures, deadlines for applying, and complexity of the administrative procedures. For example, some complained about a lack of clarity in terms of whether they were eligible for the support measures, or difficulty in proving that they met the criteria, resulting from miscommunication and ambiguity in the support measures. In particular, a number of the platform freelancers had difficulties demonstrating a loss in income, which was needed to access certain schemes.

With respect to business form, some governments offered support only for sole proprietors. These could be accessed by many of the freelancers we covered. However, not all the online freelancers were operating with this form of self-employment. Self-employed platform workers working through other popular non-standard forms of employment (e.g. on civil law contracts) were left with no help during the COVID-19 pandemic.

These problems highlight the importance of clarifying the position of self-employed workers with respect to access to business support programmes.

4 Conclusions and policy recommendations

The COVID-19 pandemic highlighted several issues affecting the entrepreneurial opportunities and working conditions of self-employed online freelance service providers on digital labour platforms. Many of the problems revealed pre-date the outbreak of the COVID-19 pandemic and thus are likely to continue if no policy action is undertaken. They will potentially affect more people as the platform economy grows.

Self-employed online freelancers are finding their capacities to operate entrepreneurially in a quality working environment constrained by certain features of the operations of platforms. They can struggle with business planning due to opaque fee structures and unpredictable changes introduced by platforms. They can suffer from platform rules such as reputation mechanisms amplifying asymmetric relationships with clients. They can also suffer from lock-in effects because of platform rules tying their reputations to specific platforms, which makes it difficult for them to diversify and expand their business operations across different platforms.

These challenges appear to have been exacerbated by the COVID-19 pandemic due to several reasons. First, the business models of the platforms came under pressure due to reductions in economic activity due to social distancing measures, home-schooling and more. Consequently, platforms often increased their fees and adjusted the terms and conditions to the economic climate. Second, the self-employed service providers faced barriers in trying to find work across a range of platforms due to high entry costs and a lack of data portability imposed by platforms.

In addition, many self-employed freelance platform workers could not access COVID-19 business support measures either because their legal forms of work were excluded from eligibility criteria for the measures or because of administrative difficulties in accessing the programmes or lack of communication on what programme support was available to platform workers.

A number of policy recommendations are offered to address these issues:

Measures to regulate platform practices

- **Fee transparency:** Policy makers could consider the introduction of rules or voluntary agreements with digital labour platforms pertaining to the transparency of fees charged and notification periods regarding changes in fee structures to support service providers in business planning.
- **Asymmetry in relationships with clients:** Policy makers could consider introducing rules or voluntary agreements with platforms to develop dispute management mechanisms that reduce the risk of exploitative behaviour of clients, in particular related to the provision of unpaid work.
- **Lock-in effects:** Policy makers could consider introducing rules or voluntary agreements with platforms assuring portability of the service providers' portfolios across platforms to reduce lock-in effects.

Measures to support collective bargaining

- **Collective bargaining rights.** Given the evidence of imbalances in bargaining power between platforms and the self-employed freelance service providers in this paper, a case can be made for governments to introduce provisions to extend collective bargaining rights to some self-employed freelance platform workers, for example enabling them to negotiate fees and contract terms collectively. Alternatively, governments could encourage platforms to take voluntary measures to enable freelancers to express their concerns and to respond to the issues raised.
- **Collective bargaining arrangements.** Governments could also take actions to facilitate the emergence of new forms of social dialogue involving self-employed online freelancers on digital labour platforms, for example by accompanying the efforts of unions and employer organisations to expand their membership to self-employed freelancers.

Access to business supports

- **Status of online freelance platform service providers for business support:** Policy makers could clarify the situation of self-employed online freelance digital platform workers to ensure they can benefit from business support. This could apply both to business supports in general and temporary, emergency business assistance if needed in future shocks.

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Annex A. Methodological appendix

The basis of this report is a set of 74 in-depth biographical narrative interviews conducted with platform service providers between April 2020 and August 2021 in five European OECD member countries: Belgium, the Netherlands, France, Italy, and Poland, within the European Research Council and Flemish Research Council funded ResPecTMe project. The focus is on online freelancers in IT and graphic design and translators and copywriters working on several online freelance platforms (e.g. Upwork, Jellow, Malt, AddLance, Useme) within the selected countries (Table A.1). In addition, 30 semi-structured expert interviews were conducted with policy makers, trade unions, platform managers, and academics to understand the social, economic, and legal frameworks regulating the platform work in the countries under study.

Table A.1. Overview of interviews online freelance platform service providers by sector and country

	IT and graphic designers	Translators and copywriters
Belgium	11	7
France	5	10
Italy	5	9
Netherlands	7	7
Poland	4	9