

## AD/BR8527/SMR

Brussels, 3 November 2022

## JOINT STATEMENT ON THE PLATFORM WORKERS DIRECTIVE

## We are not platforms! Say NO to the excessive scope of the Platform Workers Proposal.

IRU, HOTREC, CEEMET, EBF-BCESA and ECEG are deeply concerned about the European Parliament's advanced discussions to classify essentially all businesses in the EU as "digital platforms" and, hence, massively reclassify self-employed collaborators of any type of business as employees under the Platform Workers Proposal.

This approach completely deviates from the original purpose of the Proposal, which, as its name indicates, was to correct speculative behaviour of several platforms which have created human inequity and avoided social and tax contributions to national schemes.

Despite the rational of the Proposal, the limited impact of the assessment, and the original intention, the discussions in the European Parliament are currently dominated by a radical trend, whereby businesses – such as truck, bus, and taxi operators, electrical equipment manufacturers, machinery repair/installation and equipment providers, or even hotels or restaurants and other long-standing EU economy players – would be considered digital labour platforms.

In addition to the mere contradiction in terms of classifying brick-and-mortar businesses as digital platforms, it must be noted that most of them have been operating in the EU for decades and have played their role as solid and reliable contributors to national budgets and social security schemes.

The EU economy is a combination of traditional employment and self-employment, in balance and full respect of social and taxation models. The self-employment model is well established and has been used in the EU's economy since its inception in accordance with national laws.

Classifying all EU enterprises under the new Platform Workers rules by artificially considering everybody to be a "digital platform" will break this balance, with foreseeable severe economic and social consequences for the entire EU economy.

Targeting most of the European industry would further deepen imbalances in the market and reduce EU competitiveness by forcing small and medium-sized enterprises (SMEs) to scale down or even close their operations, while true digital labour platforms would thrive with less competition. Consequently, there would be less workers available, and prices would increase for consumers.

Therefore, we call on the Members of the European Parliament to support a narrow definition of digital labour platforms, in accordance with the European Commission's original proposal, and expressly exclude SMEs from the scope.

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International Road Transport Union (IRU) is the voice of more than 900,000 road transport companies in the EU, including truck, bus, coach and taxi companies, which operate about 35 million vehicles. IRU is the official social partner recognised by the European Commission to engage in negotiations with trade unions on behalf of road transport employers in the EU. In total, the road transport sector employs over 5 million people.

<u>Council of European Employers of the Metal, Engineering and Technology-based Industries (CEEMET)</u> is the voice of national employers' organisations of the Metal, Engineering and Technology-based (MET) industries, representing 200,000 member companies across Europe and providing direct and indirect employment for 35 million workers. As the recognised EU level Social Partner for our sector, Ceemet is focusing on labour market policy and industrial relations issues.

<u>Association of Hotels, Restaurants, and Cafés in Europe (HOTREC</u>) is the umbrella association of Hotels, Restaurants, Bars and Cafés and similar establishments in Europe, which brings together 46 National associations in 35 countries, and is the voice of European hospitality. HOTREC's mission is to represent and champion its interests towards the EU and international institutions, foster knowledge sharing and best practices among its members to further promote innovation, and act as a platform of expertise for the hospitality sector

<u>European Banking Federation (EBF)</u> is the voice of the European banking sector, uniting 32 national banking associations in Europe that together represent some 3,500 banks employing about two million people. The EBF Banking Committee for European Social Affairs (EBF-BCESA) is EBF's competent committee for all social affairs issues falling under the scope of the European Sectoral Social Dialogue in Banking.

<u>European Chemical Employers Group (ECEG</u>) is a recognised European Sectoral Social Partner, representing the chemicals, pharmaceuticals, rubber and plastics industries in Europe. Our sector provides approximately 3.3 million direct jobs in more than 94.000 enterprises.