

Panel of Experts on the Platform Economy – Third meeting on 22 August 2017

Summary: Consumer protection

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In the wake of the use of digital platforms, a situation has arisen in which consumers could end up the losers. Consumer protection is inadequate in the platform economy of today. Not only is the law in the area out of date, but developments may eventually lead to untenable competition for Danish businesses.

As is the case in all other areas, the protection of consumers has to be in place. Besides, improved consumer protection should first of all aim at helping to create fair competition, i.e. provide a common framework for doing business. We must avoid a situation where traditional businesses comply with one set of legislation, while the law opens up a variety of alternative possibilities for new digital businesses to go under the radar in a legal context. Secondly, it is important to focus on the risk that increased consumer protection could also raise the cost level for sales on digital platforms and therefore, ultimately, cost jobs.

Current consumer protection on digital platforms

Marianne Jull Sørensen, Associate Professor with the Department of Law of Aalborg University, gave a presentation on the legislative and regulatory aspects of consumer protection on digital platforms.

In Denmark, consumer protection of players on the digital platforms is something the courts decide on a case-to-case basis. The outcome of the cases depends on whether the platforms are to be regarded as employers who use workers to perform individual tasks. In other words, as far as legislation is concerned, consumer protection depends on whether it is possible to identify an employer and a worker.

Marianne Jull Sørensen pointed to a range of scenarios for the work that lies ahead.

1) EU regulation

A new legal categorisation of players must be developed : Employer “light” or worker “light” with correspondingly fewer rights/obligations.

In addition to this, a European research group has pointed out that there may be a future need for placing contractual risk on the digital platforms and at the same time require the platforms to disclose various information, and introducing minimum requirements for the configuration of their rating systems.

2) National regulation

Several approaches can be taken to address the question of future consumer protection. Firstly, the present state of the law may be accepted, which means a continuation of the massive inconsistency seen today between reality and the law existing in the area.

Secondly, it is possible to go for a stronger regulation of digital platforms by establishing, through legislative measures, a clearer division of responsibilities in terms of rights and obligations. Thirdly, it is possible to consider rethinking labour law and the employer-worker concept.

Terms of reference

The panel will map out how Denmark can make full use of growth and job opportunities through the platform economy and will also raise awareness of the future implications of the changes for Danish society and the labour market, in particular.

Objectives

- To present specific proposals for how Denmark can become a world leader in using the potential of the platform economy
- To raise awareness of the changes the platform economy creates for our society in general and our labour market in particular – and their impact on workers
- To analyse how the labour market and the Danish model are affected and secured in the platform economy
- To shed light on the types of jobs created by the platform economy

Over the course of 2017, the panel will discuss the development of the platform economy and expectations for future needs in the labour market and will present recommendations on how to strengthen the proliferation of the platform economy. The panel will meet for four theme sessions:

- 1) Digital platforms – new business models or an old business concept in new clothes?
- 2) Growth, tax and competition – between innovation and regulation
- 3) Digital platforms – and the social safety net
- 4) Digital task platforms ensuring proper working conditions – responsibility of trade unions

Members of HK’s and Akademikerne’s – Panel of Experts on the Platform Economy

Platform businesses

Michael Bugaj, Co-founder of Meploy
 Alexia Nielsen, Senior Marketing Manager, Upwork
 Mathias Linnemann, Worksome
 Steffen Hedebrandt, Airtame, and former Country Manager of Upwork Norden

Experts

Martin von Haller, Lawyer specialised in IT law
 Marie Jull Sørensen, Associate Professor at Aalborg University, Department of Law
 Anna Ilsøe, Associate Professor at University of Copenhagen, FAOS
 Bent Greve, Full Professor of Social Science at Roskilde University

Employee representatives

Geert Laier Christensen, Vice President, Confederation of Danish Enterprise
 Katia Østergaard, CEO, HORESTA

Nordic representatives

Christl Kvam, State Secretary of the Ministry of Labour and Social Affairs, Norway
 Fredrik Söderqvist, Chief Economist of Unionen, Sweden

Trade union representatives

Kent Pedersen, President, Financial Services Union Denmark
 Lars Werge, President, Danish Union of Journalists
 Lars Qvistgaard, President, Akademikerne
 Kim Simonsen, President, HK
 Nanna Højlund, Vice President, LO (Danish Confederation of Trade Unions) Simon Tøggern, President, HK/Private

Representative of unemployment insurance funds

Verner Sand Kirk, President, Unemployment Insurance Funds in Denmark