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Article

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Lots of work, poor conditions

Health Risks for Workers in the German Platform Economy

By Tatiana López, Oğuz Alyanak, Patrick Feuerstein, Pablo Agüera

Summary

What health risks are workers in the German platform economy exposed to? A new study by the Fairwork project identified three overarching risks: psychological stress due to high levels of job and income insecurity; physical health risks resulting from strenuous working conditions and a lack of appropriate work equipment; and negative effects on workers' well-being linked to experiences of discrimination or harassment.

The German platform economy provides income opportunities for a rapidly increasing number of people. A study commissioned by the European Union from 2018 found that nearly 6 percent of the working population in Germany earns 25 percent of their income or more through online platforms, including digital labor platforms. These platforms organize, control and coordinate labor processes via digital tools and digitally mediate value-creating transactions of labor between individual workers and customers. Digital labor platforms have become a part of our everyday lives, especially in food and grocery delivery, ride-hailing or domestic and care work sectors. Companies such as Lieferando, Gorillas, Uber, Helpling and Betreut.de have created a new platform-mediated labor market segment with relatively low entry barriers that is attractive especially to migrant workers. While the platform economy is often labelled as inclusive, innovative and flexible, it has also attracted broad criticisms around the precarious conditions and the physical and mental health risks that platform workers face (see e.g. this EU Policy Brief). In this article, we explore the various health risks associated with work on food and grocery delivery, ride-hailing and domestic and care work platforms in Germany. We draw on a study of working conditions on the ten major digital labor platforms in Germany that was conducted in the context of the Fairwork project and that involved interviews with more than 60 workers in Berlin in 2021.

Health risks of workers in the German platform economy

Our study identified three overarching risks that affect platform workers' physical and mental health: (1) psychological stress due to high levels of job and income insecurity; (2) physical health risks resulting from strenuous working conditions and a lack of appropriate work and health and safety equipment; and (3) negative effects, especially on female and migrant workers' well-being, resulting from experiences of discrimination or harassment.

Psychological stress due to job and income insecurity

High levels of job and income insecurity and the ensuing psychological stress were frequently mentioned by workers as an important by-product of platform work. The specific labor practices by platforms leading to high job and income security vary from sector to sector. In the domestic and care work sector, workers are usually categorized as self-employed, meaning they do not get paid when they fall sick or cannot work for other reasons. Being self-employed also means that workers on domestic and care work platforms constantly face the risk and fear that clients may end the working relationship, which leads to loss of income. In turn, workers on ride-hailing platforms, such as Uber or FreeNow, generally have formal employment contracts via subcontracting arrangements. Nevertheless, these drivers are not paid an hourly wage but are instead paid per services, that is per rides that they complete. As a result, their income is highly volatile.

The COVID-19 pandemic further exacerbated workers income insecurity, since for the most part workers did not receive any compensation when they had to quarantine or isolate themselves. Whereas Uber had announced financial assistance schemes for drivers in several countries, interviews with Uber drivers in Germany indicate that these benefits either did not exist in Germany or workers were not aware of them. Similarly, workers on domestic and care work platforms found themselves without income when they could not work due to sickness or government contact restrictions. In face of the generally low wages, being unable to work for two weeks or even longer meant that many workers could not find ways to make ends meet. Especially migrant workers from non-EU countries, who make up the majority of the workforce on these platforms, reported having to take loans to sustain themselves during the pandemic, since they were not eligible for state aid.

In contrast, food and grocery delivery platforms in Germany offer employment contracts, granting workers social and health insurance as well as paid sick leave. Nevertheless, most often these are fixed-term or part-time contracts. According to worker interviews, the short contracts and long probation periods enable platforms to flexibly 'hire and fire' workers in response to short-term fluctuations in demand, as well as to intimidate workers into not asking for sick days or into refraining from collective organising. Worries about income insecurity are further aggravated by the fact that hourly wages are with an average of 11.50 € per hours below a living wage level. Hence, workers have to rely on bonuses and tips to make a living. However, when workers fall sick, they usually only receive the hourly base wage rate, resulting in a de facto income loss. Moreover, access to sick payment involves lengthy paperwork, which often results in payment delays. Consequently, delivery workers seldom perceive their income situation as stable and many state that they constantly worry about their economic situation and employment future.

Most recently, some improvements regarding workers contract situation could be observed on platforms with a longer history of worker organizing and established codetermination structures. Responding to workers' demands, Lieferando has offered permanent employment contracts to all riders since 2021 and Flink has recently followed Lieferando's lead. However, it remains to be seen whether other platforms will implement similar changes.

Physical health risks resulting from strenuous work processes and inadequate equipment

Besides psychological health risks resulting from insecure employment and income conditions, workers in the German platform economy also face a variety of physical health risks resulting from inadequate work and safety equipment and strenuous work processes. Drivers on ride-hailing platforms often have to work long shifts of up to 12 hours six or seven days per week to make a liveable income. Hence, drivers on platforms often face high levels of fatigue and therefore accident risks. Moreover, drivers for ridehailing platforms face heightened risks of COVID-19 transmission: While most subcontractors' cars are equipped with plastic panels separating drivers from passengers, several workers reported that these panels were torn and therefore unfunctional. Similarly, workers on care and domestic work platforms risk COVID-19 transmission due to the nature of the work requiring workers to often visit several households per day. In this light, access to high quality personal protection equipment consisting of FFP-2 masks, hand sanitizer and gloves as well as regular testing is crucial for these workers. However, of the three domestic and care work platforms analysed none provided workers with personal protection equipment nor subsidized related costs. Moreover, while clients and workers were encouraged to use personal protection equipment at work, platforms did not implement any mechanisms to enforce these safety measures.

In the food-delivery sector, physical health risks result predominantly from the high time pressure and inadequate work equipment. In particular grocery delivery platforms such as Gorillas, Flink or Getir promise customers delivery within 10 minutes with workers paying the price: Many of the interviewed riders had been involved in a road accident. While food delivery platforms such as Wolt or Lieferando do not have speed targets for deliveries, delivery speed still matters, since workers depend on tips and bonuses to earn a decent wage. This payment structure provides a strong financial incentive for workers to drive faster, increasing the risk of road accidents. To mitigate this problem, Wolt has limited the delivery radius to 3 km, thereby allowing workers to complete more deliveries per hour while driving safely.

Accident risks also result from inadequate and faulty work equipment. Many platforms have introduced e-bikes with the aim to make deliveries less strenuous for workers. However, these e-bikes are often unfunctional and even dangerous to operate with workers reporting various incidents of bike batteries catching fire or of accidents due to faulty breaks. Besides the bikes, the quality of backpacks causes further health problems: workers reported that their 'cube' backpacks are not ergonomic and often very heavy, causing riders backpain, fatigue and loss of balance. In addition, on some platforms, riders are forced to deliver under harsh weather conditions, like heavy rains or icy roads.

Discrimination and harassment against migrant and female workers

The last overarching health risk for workers on digital labor platforms involves workers' mental health, primarily due to experiences of discrimination and harassment. Around three quarters of interviewed workers were migrants from Latin America, East and Southern Europe, South Asia and the Middle East. Especially for newly arriving migrant workers who have little knowledge of German language and whose formal qualifications are often not recognized in Germany, platforms provide important income opportunities. However, workers' migration history and lack of German language skills also exposes them to discrimination of various types. About one third of the interviewed platform

workers report that they have experienced unfair treatment harassment by customers. Uber drivers, for example, reported that clients addressed them with racist slurs or cancelled rides because they did not want an Arabic or Turkish driver. An African care worker for Betreut.de reported that a client once sent her away due to her alleged smell. Female workers, in addition, report that they feel unsafe when they are alone with male clients, who may ask for sexual favors. One cleaning worker described how after living through such an experience she is in a constant state of anxiety when male clients are present in the house. This anxiety is further aggravated by the fact that workers usually do not receive adequate support from platforms when they report experiences of discrimination or harassment. Only in rare cases do platforms take decisive action against clients reported by workers, such as blocking their accounts. As a result, many workers refrain from reporting incidents of discrimination or sexual harassment to platforms. Instead, workers on domestic and care work platforms are self-organizing to warn each other about 'problematic' clients through online messenger groups.

Outlook: Interventions for mitigating health risks in the German platform economy

In light of the various physical and psychological health risks that platform workers face, interventions are needed to ensure fairer and safer working conditions in the German platform economy. First and foremost, stronger public regulation is needed to ensure that all platform workers – independent of their employment status – have access to social security and to adequate work and safety equipment. Second, consumers can use their decision–making power and choose to only use platforms making active efforts for improving labor conditions. To support consumers in taking informed and socially responsible decisions, Fairwork produces annual fairness rankings, which evaluate labor platforms against five principles of fair work. In addition, Fairwork has initiated the Fairwork Pledge – a public declaration in support of fairer platform work. By joining the Fairwork Pledge, organizations such as companies, universities, NGOs or public administrations can send platforms an important signal to platforms and help to prevent a 'race to the bottom' when it comes to labor standards.

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