

## A Decent Level Playing Field for Platform Work

### *Policy recommendations for sustainable growth of platform work and the provision of quality online talent platform services*

The [World Employment Confederation](#) (WEC), the global representative of private employment services, puts forward the following recommendations for policymakers and stakeholders to support the sustainable growth of platform work and the provision of quality online talent platform services<sup>1</sup>.

#### What is WEC's understanding of 'Platform Work'?

Working via an online platform is a new way of organising work rather than a new form of work. It can be done through all kinds of legally recognized contractual work arrangements, either in an employment relationship (fixed term, part-time, agency-work, variable hours, etc.) or within the framework of self-employment. The online/digital way of (1.) the delivery of a service or (2.) the conclusion of a recruitment or work arrangement does not change the nature/requirements of the service provided and/or the work contract concluded. As such 'online talent platform work' is not a new legal form of work or a new business service: it is a new way of organising work that technological development allows.

## Setting the Scene

### THE POTENTIAL OF PLATFORM WORK

Online platforms allow people and businesses to organise work in new ways. Even before the Covid-19 crisis, the world saw the rapid rise of 'platform work'. It can be done and defined in a vast variety of ways: online, offline, in all sectors, via different contractual (work) arrangements, B2B, B2C and/or in all kinds of occupations. As such, it holds the same potential to bring people to the labour market that diverse work options have always offered in support of higher employment. Consequently, it can and will contribute to the recovery from the labour impacts of the global Covid-19 pandemic. Still platform work is work; in the same diverse forms we have known for decades. All such work rightly comes with expectations of decent work

#### *Online Talent Platforms have the Potential to Enhance Labour Market Efficiency*

In the vast ecosystem of online platform services, existing Private Employment Services providers - as well as new market players - deploy online talent platform technology to enhance their value add to jobseekers, workers and businesses. These online talent platforms match people to work and increase labour market participation, allocation, and efficiency and further their ambition to enable work, prosperity, security and adaptation for workers, businesses and society at large. The rapid developments of the Online Talent Platform space in the past years have led to challenges for a level playing field and decent work but also to great potential for dynamic, diverse, and inclusive labour markets.

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<sup>1</sup> These recommendations complement [those that the World Employment Confederation-Europe and UNI Europa provided to EU institutions in 2017 following their bipartite research on online talent platforms in Europe](#).

### *Decent Work: The Role of the Private Employment Services Industry*

The World Employment Confederation has for over 50 years led the way to improve labour market functioning, provide solutions for businesses, job seekers and workers and grow decent and diverse forms of work. It has worked with policymakers, workers' representatives, and other stakeholders to shape new technologies and ways of working to the benefit of workers and businesses alike. *This time is no different*. WEC embraces the opportunities digital technology brings to the world of work and welcomes the new solutions, platforms and entrepreneurs in the Talent-space that join the ambition for dynamic, diverse, and inclusive labour markets.

To this end WEC and its members are committed to the global industry standard on private employment services: the **WEC Code of Conduct**. This covers the key principles of HR services such as the ban to charge recruitment fees to workers and the compliant and confidential use of personal data.

**In no way does the digital delivery of Private Employment Services, including work performed via a platform, alter the commitment to the principles set out in the WEC Code of Conduct.**

### *Promote New Ways of Working through Online Talent Platforms*

New technologies, such as online platforms, allow for finding new balance between caring, learning, working and leisure. It allows people to engage with the labour market from home and provides opportunity to personal growth and employability. The Covid-19 outbreak has only further underlined the importance of working in new ways. As such, it holds great potential for labour market formalisation, participation, and inclusiveness. No single work contract can accommodate the diversity of people, ways of working, and the diversity of business models emerging thanks to digital opportunities. Policymakers need to create regulatory frameworks that allow diverse forms of work for people and businesses to tailor labour market needs to their circumstances and engage with work the way they want.

### *Appropriate National Regulatory Conditions to Leverage Technological Change*

To live up to the potential, first and foremost a regulatory framework is needed that fosters and leverages technological developments and labour market innovation. While alignment amongst international institutions has value, it is up to national governments and relevant civil society to steer and support digital technology and make it work for all. In doing so, an open mind is needed to let opportunity for more, better, and importantly formal work prevail. Per se, regulators do well to onboard business' and workers' labour market expertise to identify where opportunities and challenges for Platform Work lie, and tailor effective and appropriate regulatory conditions. And, when they have identified them, make sure they are implemented in a regulatory environment that ensures a level playing field.

## Policy recommendations linked to 'Platform Work'

Among the multitude of services provided, this Position Paper with policy recommendations for national and international labour market policy makers focuses on Platforms providing **Talent-related services** only.

## Defining and applying a regulatory framework

### THIS NEW WORLD OF WORK IS NOT SO DIFFERENT

### *No International One-Size-Fits-All Regulation on 'Platform Work'*

'Platform Work' is a multi-faceted complex concept that can be anything: from B2B consultancy to peer-to-peer volunteer work. 'Platform Work' compounds and confuses digital delivery and tooling with a service

provision, client nature and/or a work status. A one-size-fits-all regulation will not capture it and, as such, will only further confuse the urgently needed classification of workers' status and services within the national frameworks of countries. As such, creating an international standard on 'Platform Work' will divert attention, resources, and energy from the urgent need to redesign national labour market institutions and safety nets to accommodate a more dynamic and digital economy and world of work.

### *Create Simple & Clear Regulation for Worker Classification*

Ambiguous and outdated worker classification systems raise legal uncertainty, lead to enforcement costs and create labour market conflict. Workers and business need clear rules on worker status that meet modern working relations and make sense for 21<sup>st</sup> century workers and businesses. In doing so, digital tools & technology should not be confused with a contractual relation or the provision of a service. In shaping national common understanding of variables such as accountability, economic independence and supervision, collaboration with the workers' and business' communities at the national level is key, including with the communities of self-employed workers.

### *Enforcement of Worker Status Classification for a Level Playing Field*

**Effective and proportional enforcement of existing regulation on the classification of workers is the key to creating the level playing field needed.** Public authorities should allocate appropriate resources to the enforcement of worker status. For the most proportional, risk-based and target enforcement authorities do well to integrate market knowledge and expertise of business and workers. Finally, before any regulatory overhaul is considered, policymakers should assess to what extent more effective enforcement could be a solution to issues related to worker classification.

### *Classify and Enforce the 'Platform': Same Service = Same Regulation*

The 'Platform Economy' is vast and wide. Not all platforms deliver the same service and output. Yet, some (if not most) platforms produce output and services that have existed for decennia. This is also true of online platforms that deliver Business to Business HR services. In regulating and enforcing these HR services, **policymakers need to ensure similar services are governed by the same regulation, conditions, and standards.** Applied to the world of recruitment services: if the result of the classification is that fees and costs are illegally charged to jobseekers and/or workers, this must be thoroughly discouraged and measures to counter such practices must be enforced.

### *Promote Agency Work as Decent Form of Working via a Platform*

Like all other forms of work, agency work can be and is provided through online platforms and other digital tools and channels. Agency work is [internationally recognized in ILO Convention 181](#) as an HR service and as a decent form of work. From the disruption in the 1950s, this triangular employment relationship is now paired with [international](#), [European](#) and national legislation on decent minimum labour conditions, social protections and in many places embedded in a context of social dialogue. Private Employment Agencies have embraced this development and continue to ensure quality and adaptability for workers and businesses alike.

### Stimulating Social Innovation

#### LEVERAGING PLATFORM WORK FOR THE BENEFIT OF ALL

##### *Create a Balanced Work Protection Floor across Diverse Forms of Work*

‘Platform Work’ exemplifies how digital technologies allow ways of working that many existing labour market institutions are unable to accommodate. This results in workers and businesses opting out of the 20<sup>th</sup> century employment pathways and relationships, with sometimes detrimental effects to workers and the society at large. For WEC this is not the way forward and needs to be addressed urgently. If we want a Human Centred Approach for labour markets, we need to ensure labour market regulations are up to date and future proof. This means we need to create new solutions for working, learning and social protection to ensure rights, obligations and benefits are appropriately balanced across diverse forms of work (irrespective of whether an online (talent) platform is involved in the organisation of the work).

In balancing and setting a futureproof minimum floor, governments, civil society, and circumstances at the national level should be leading. Yet, national policy makers should consider the following elements to ensure regulation provides protection, agility, and a business case for decent ‘platform work’:

- 1. Respecting the ILO Fundamental Principles and Rights at Work**
- 2. A shared responsibility of workers and business to a safe and healthy working environment**
- 3. Creating the portability & transferability of benefits (esp. for training) across jobs, sectors, and forms of work**
- 4. Opportunities, access, and incentives for training and lifelong learning**
- 5. Access to quality private employment services to support labour market transitions**

##### *Prevent Inappropriate Triggers for Bogus Self-Employment*

Bogus self-employment can result from inadequate employment regulation, a labour cost incentive and/or a lack of worker status enforcement. Unequal treatment for basic social protections can result in significant differences in gross labour costs and net incomes, incentivizing both workers and businesses to opt for self-employment. This can create an undesired waterbed between self-employment and employment. Governments should conduct well-structured reforms that ensure balance when creating differences between self-employed and employed in terms of social protection coverage and gross labour costs.

##### *Treat Private Employment Agencies equal to other business*

Private employment services have a track record of dedication to quality work, social dialogue and providing adaptation and security to people. Like any other business, private employment services should not be impaired or face unequal treatment and unjustified restrictions when providing services to (properly classified) self-employed and independent contractors to find new clients and improve their services and businesses (irrespective of the online platform technology they deploy to that effect).

##### **About the World Employment Confederation**

The World Employment Confederation is the voice of the private employment services industry at a global level, representing national federations as well as workforce solutions companies from across the world. Members of the World Employment Confederation represent a wide range of HR services, including agency work, direct recruitment, career management, Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP).

The World Employment Confederation works to broaden recognition of the positive economic and social role which the private employment services industry plays in enabling work, adaptation, security, and prosperity. This role involves building networks with relevant stakeholders such as policy makers, social partners and the academic world; setting high recruitment and employment standards and practices; acting as a thought-leader shaping futureproof and competitive labour markets and providing strategic data on employment issues.