



Regulating platform-based work in developing countries: How to balance job opportunities and workers' protection

OVERVIEW

Digital platforms are on the rise globally and transforming the world of work even in many developing countries. A key policy challenge faced by governments is how to regulate the legal status and working conditions of those whose work is mediated by platforms. Most of the debate and regulatory attempts have so far taken place in high-income countries, but developing countries face these policy challenges in a different labor market context and with different tradeoffs.

The Labor GSG hosted a 2-day interdisciplinary workshop with international experts to discuss the challenges and potential approaches in regulating and protecting platform workers in developing countries. Questions addressed are: How can regulations be designed to reap the benefits of digital labor platforms while trying to ensure safety and protection of workers? What are the emerging lessons and how can they be adapted to developing countries' context? The workshop featured presentations by experts from the legal, economic, and sociological fields; followed by a discussion with specialists, government, and workers representatives.

For more information, feel free to reach out to: laborgsg@worldbank.org

AGENDA AND PARTICIPANTS

Tuesday May 2, 2023			
Time (EST)	Session	Panelists	
9:00 am - 9:30 am	1: Opening remarks and key policy questions covered in this event	Opening remarks: <u>Federica Saliola</u> (WBG) Speakers: <u>Eliana Carranza</u> , <u>Matteo Morgandi</u> (WBG)	
9:30 am – 10:45 am	Economic rationale for regulating web-based and location-based platforms	Moderator: <u>Jonathan Stöterau</u> (WBG) Speaker: <u>Christopher Stanton</u> (Harvard Business School) Discussant: <u>Alex Wood</u> (University of Bristol)	
10:45 am - 11:00 am	Break		
11:00 am - 12:20 pm	3: Perspective on the scope of work protection that platform workers want	Moderator: Namita Datta (WBG) Speakers: Adam Badger, Kavita Dattani (Oxford Internet Institute and Fairwork) Discussant: Monica Tepfer (International Trade Union Confederation)	
Wednesday May 3, 2023			
Time (EST)	Session	Panelists	

9:00 am - 10:15 am	4: The legal classification of platform-based work	Moderator: Maho Hatayama (WBG) Speaker: Valerio De Stefano (Osgoode Hall Law School) Discussant: Federico Rosenbaum Carli (Catholic University of Uruguay)
10:15 am – 10:30 am	Break	Onliversity of Oruguay)
10:30 am – 11:45 am	5: The experience of countries that developed specific ad-hoc protections, and of countries that enforced application of full labor regulations on platforms	Moderator: <u>Harry Moroz</u> (WBG) Speaker: <u>Uma Rani</u> (International Labor Organization) Discussant: <u>Jovana Karanovic</u> (Erasmus University and Reshaping Work.)
11:45 am - 12:00 pm 12:00 pm - 1:30 pm	Break 6: Debriefing and implications for WB operational teams (WB Staff only)	Moderator: Eliana Carranza, Matteo Morgandi (WB)

SPEAKERS' BIOS

Professor Christopher Stanton is Marvin Bower Associate Professor of Business Administration in the Entrepreneurial Management Unit at Harvard Business School. His research explores labor relationships inside and outside of firms. The same technological trends that enable the growth of remote work and the rise of the gig economy also improve the measurement of internal work outcomes, giving executives rich data to target incentives, implement productivity improvement programs, or engineer spillovers between people. Professor Stanton's work helps to understand the resulting managerial, organizational, and policy implications of these issues. Professor Stanton's research has been published in the Quarterly Journal of Economics, the Review of Economic Studies, Management Science, the Journal of Labor Economics, Proceedings of the National Academy of Sciences, among other outlets and it has been covered by major media outlets including The Economist, The Atlantic, The New York Times, The Washington Post, The BBC, and Bloomberg. He earned a Ph.D. in business administration from Stanford University and B.A. and M.A. degrees from Emory University.

Dr Kavita Dattani is a feminist researcher of digital technologies and data at the Oxford Internet Institute, Oxford University. Broadly, Kavita's work seeks to uncover the ways in which new digital technologies are enabling particular forms of urban marginality, and the potentials for overcoming these. She has conducted research on biometric technologies, gig-economy work platforms and digital dating apps. She is currently a Postdoctoral Researcher on the <u>Fairwork</u> project which is committed to highlighting best and work practices in the platform economy across the globe.

Dr Adam Badger is a Postdoctoral Researcher at the Oxford Internet Institute, working as part of the Fairwork project team. His interdisciplinary (Geography & Management) PhD investigated the lived experiences of work in London's gig economy, and modes of resistance to this contemporary form of technologically enabled organization. He is motivated by questions of justice, fairness, and equality at work, and uses research that prioritizes investigations of materiality and lived practice in the city to interrogate these.

Professor Valerio De Stefano is tenured professor at Canada Research Chair in Innovation, Law and Society and Law Professor at Osgoode Hall Law School. From 2017 to 2021 he was the BOF-ZAP Research Professor at University of Leuven in Belgium. After his dissertation he served as a postdoctoral researcher at Bocconi University (2011 and 2014) and worked part-time for an international law firm. From 2014 to 2017, he worked as an officer of the International Labour Organization in Geneva. During his career, he was a visiting academic at many universities (University College London, University of Cambridge, Saint Louis University Law School, University of Melbourne).

Prof. De Stefano acted as a consultant for the International Labour Office, the European Parliament, Eurofound, the Joint Research Center of the EU Commission and national governments. His research is also frequently referred to by governments and international organizations, including the International Labour Organisation, the OECD, the European Commission, and the European Parliament, and has been cited by courts, parliamentary bills, policy reports, employers' and workers' organizations, and media worldwide.

Dr Uma Rani Uma Rani is Senior Economist at the Research Department of the International Labour Office. She has conducted research on informal economy, minimum wages, poverty and inequality issues with a focus on gender. Since 2016 she has been working on digital transformations in the world of work, wherein she tries to explore how labor and social institutions could be strengthened to address economic and social inequality. She coordinated the major flagship report of the ILO on "World Employment and Social Outlook 2021: The role of digital labor platforms in transforming the world of work" and co-edited the special issue on "Women, work and the digital economy" for Gender and Development, 2022.

SESSIONS' OUTLINES

Session 2: Economic rationale for regulating web-based and location-based platforms

- The introduction by Jonathan Stöterau will start with an overview of the key differences between weband location-based platforms and why these differences matter for regulation and workers. The introduction will then discuss the specific benefits and challenges of platform-based work in the context of developing countries.
- On this basis, Christopher Stanton will provide an overview of the economic rationale and theory underlying the need to regulate platform-based work. His presentation will draw on evidence from High-Income countries to discuss the policy challenges surrounding the regulation of platform labor.
- Alex Wood will provide further understanding from an economic sociologist perspective. He will discuss
 how digital labor platforms can drive the commodification of work, damage job quality, and lead to an
 unmet demand for labor rights, co-determination and collective organization.

Session 3: Perspective on the scope of work protection that platform workers want

- Namita Datta will start the session with insights from the recent World Bank Report Global Online Gig Jobs Study that tries to identify and understand regional and local platforms in some developing countries. She specifically will focus on results from surveys and interviews to bring key characteristics of online platform workers. She will emphasize the fact that these workers share characteristics with informal work and other non-standard work arrangements that are prevalent in developing countries, where most people (including most gig workers) work outside the purview of labor regulations without access to social protection.
- Kavita Dattani and Adam Badger will present findings from surveys and interviews on the perspective of on-location based platform workers in developing countries. They provide insights on how people whose work is mediated by platforms perceive their work; more specifically they will focus on low pay, long working hours, and limited power to negotiate rates. They will also emphasize unsafe working conditions and discrimination and unfair management. In her intervention she will mention Fairwork Principles that provide a benchmark of fair work for companies, workers, customers and policymakers.
- Monica Tepfer will give the International Trade Union Confederation perspective on digital platform work.
 She will talk about the priorities of ITUC in this regard. She will also emphasize the importance of giving

voice to workers, allowing them to organize, be able to convey their needs and fight for their rights. She will also bring some good examples from the region on collective bargaining.

Session 4: The legal classification of platform-based work

- In the opening remark, Maho Hatayama will introduce the issue of the misclassification of platform workers and why clarifying employment status is important for workers to ensure employment and labor protection. The introduction will also highlight the legislative efforts of various countries to define the employment status of platform workers.
- After the topic introduction, Professor Valerio De Stefano will discuss the key elements in international
 case laws to determine whether platform workers are self-employed or employees. He will also discuss the
 possibility that misclassification drives up informality in developing countries and highlight the importance
 of establishing employment relationships.
- Professor Federico Rosenbaum Carli will bring further insights from the experience of legislative efforts by the Uruguayan government. He will first explain the context of Uruguay's labor markets and showcase examples of judicial rulings on employment status. He will also explain about a draft bill that the government has developed to protect platform workers.

<u>Session 5: The experience of countries that developed specific ad-hoc protections, and of countries that enforced</u> application of full labor regulations on platforms

- Harry Moroz will provide a brief introduction to the topic of extending labor protections to platform workers. This introduction will note that the lack of clarity on the legal status of platform workers highlighted in Session 4 has significant implications for worker protections, that is, lack of clarity generally means lack of access to protections. The introduction will also point out that, despite this lack of legal clarity, many countries are taking steps to extend protections to platform workers. The question to kick off the presentation and discussion will be: is this type of approach good enough?
- Uma will provide a brief framing of how we should think about labor protections. Uma will then move
 into a discussion focused on developing countries of how labor protections are (and are not) being
 extended to platform workers.
- Jovana will provide insight from developed countries, highlighting differences in experiences for platform workers in this context. Jovana will focus in particular on different organizational forms for platform work, for example, worker-led platforms.

Session 6: Debriefing and implications for WB operational teams (WB Staff only)

This session brings together all internal participants to the workshop. Invited WB operational teams will present their projects related to platform-based work (ongoing or planned). The goal is to share experiences / lessons learned between teams and to explore potential synergies. Teams are invited to provide ideas/inputs on the focus and content of the upcoming policy briefs, and on pilot activities the Labor GSG plans to launch in collaboration with operational teams.