



## Rights And Responsibilities In The Labor Market Based On The Platform Economy

Khujanazarov Yusufjon Sayfullaevich

Independent Researcher At Tashkent State University Of Law, Uzbekistan

Journal Website:

<https://theamericanjournals.com/index.php/tajpslc>

**Copyright:** Original content from this work may be used under the terms of the creative commons attributes 4.0 licence.

### ABSTRACT

Platform employment is a dynamically developing flexible format that can play the role of both primary and secondary employment. Although the available statistics do not allow us to accurately estimate the size of this segment of the economy, we can talk about its large-scale growth, as well as the number of people involved and turnover.

The platforms are intermediaries and assistants in the process of providing services. Without employers, they would now become an integral part of the labor market infrastructure. In fact, platforms perform the function of matching supply and demand, and in this sense, they do not hire employees, but serve them themselves and create a convenient platform for clients and clients to find work. In this context, when using platforms, platforms should be seen as partners offering services in the ecosystem they have created.

### KEYWORDS

Platform economy, platform employment, self-employment, freelancer, social insurance, modern labor market, rights and obligations, information technology, unsecured aspects of platform employment.

### INTRODUCTION

Getting a job through platforms is an easy and inexpensive way to earn temporary or permanent income. The development of platform infrastructure will increase the

flexibility of the labor market and expand the opportunities for finding additional jobs that will help improve the well-being of the population. Low barriers to entry, freedom of

working hours and the ability to move remotely provide services for people with disabilities, such as vulnerable groups. Young people without work experience, persons of retirement and retirement age, mothers with children and the disabled. In some cases, working on the platform will allow you to take your income out of the shadows and create a source of additional tax revenue.

At the same time, it is also dangerous to give up a permanent guaranteed job and adapt to working on the platform as the only source of income on the other hand. In some segments of the platform economy, the absence of a minimum level of service cost or a weak link between current minimum tariffs and national minimum wage standards, as well as temporary unemployment, including lack of compensation during temporary disability, increase low wages. Segment of employment or creates a risk of overwork and health, which leads to overly intense employment.

The COVID-19 pandemic has intensified the debate over the development of a social security network for platform workers in 2020-2021. With the growing demand for general contactless services, the economic downturn is accompanied by an unfavorable epidemiological situation and an increase in health risks, the economy shows that in the employment platform segment there are social consequences of the lack of social protection and social insurance measures and, therefore, a clear need for their institutionalization.

Working through platforms is a new form of employment, be it self-employment or entrepreneurship. The wrong approach to the platform jeopardizes the stability of the economy, increases costs and reduces its

operating margins and, as a result, excludes some operators from this segment. As a result, a significant part of the employed returns to the shadow sector of the economy and to the labor market, which leads to a decrease in income.

Although employment regulation on the platform has not yet been created, most countries around the world are looking for solutions to integrate this format into the existing system of economic and social relations. An employee's basic rights to a paid job often end up in court cases around the world. However, this is not the case and should not be seen as an attempt to equate platform employment with traditional wages. The main reason this practice has not been fully recognized is the legal gap in this area. Therefore, it is necessary to develop appropriate legislation for this segment of employment.

In practice, the introduction of new forms of labor relations and labor relations into national legislation is rare. The future of sole proprietorship is more in line with the platform economy format than with the traditional labor contract. For example, such freelancers are called differently in different countries: "economically independent self-employed" (Spain), "work platforms" (India), "economically dependent workers" (Colombia); "Independent dependence" (South Korea). However, they still do not fully take into account the specifics of the platform workplace, and this segment is still in its infancy.

There are no social guarantees for people working through the platforms yet. Scientists from all countries are studying the balance

between economic efficiency and social justice in a platform economy.

National regulation varies depending on:

- a) The willingness of enterprises and the population to pay taxes and social security contributions;
- b) The level of informal employment and the ease with which businesses are covered;
- c) The existing model of social protection and existing norms in the country, social guarantees of employment and wages of workers;
- d) Source of organization and financing of health care;
- e) Primary or secondary employment on the platform, which is usually measured by setting a minimum income cap for contributions.

In developed European countries, the trajectory of "providing minimum guarantees with minimal interference in the mechanisms of the platform economy" was demonstrated, that is, while protecting the basic rights of workers, there is room for innovative economic development.

Both international experience and expert analysis show that the platforms already offer additional tools for risk insurance and infrastructure development, the implementation of which requires co-financing of some social programs with their contractors and partners. Such schemes create more convenience for those who work across platforms.

Currently, there is no legal basis for the legal registration of cooperation with sites in Uzbekistan. However, in the CIS countries, in particular in the Russian Federation, there are

two options for the legal registration of cooperation with sites:

- Individual entrepreneurship;
- Self employed;

The third option is unregistered, that is, hidden employment, the performers of which are outside the legal framework. Once the legal framework for the employment platform has been established, all stakeholders believe that employment can be achieved through the platforms.

The new, specific platform work format cannot be compared to classic labor relations. The closest to the most optimal solution in terms of cost-benefit ratio is self-employment, the advantage of which is legal status, a simplified tax regime, in other words, professional income tax and at the same time a very simple registration procedure. However, the absence of minimum social guarantees may become a source of new social risks in the future.

At the same time, according to the stakeholders of the employment platform in the Russian Federation, all social guarantees are automatically distributed to this segment with the amount of payments related to the traditional social sphere. One development option that meets the needs of the platform economy could be soft regulation and increased voluntary insurance opportunities for some companies. For people with jobs on a unified platform, the benefits package should be a priority so that the economy is free of the risks associated with maintaining self-employment status.

Based on their experience in digital products, platforms can understand the specifics of this

segment of employment and act as a developer of information and platform infrastructure for implementing social participation schemes. In addition, platforms should provide co-financing of individual guarantees related to health and disability insurance, primarily for parties to insurance schemes, as well as for certain categories of partners in cooperation with all stakeholders, who can act as various initiators and Developers.

To address this issue, the employment platform will become an economic incentive platform if tools are created to encourage the voluntary inclusion of their employees in risk insurance and continuing education programs.

Given the fact that the Republic of Uzbekistan is a country rich in labor resources, it is necessary to create a legal and practical mechanism to attract the unemployed to the platform system of employment and develop their skills.

For this, the creation of schools and universities specializing in the creation of separate platform programs or the creation and promotion of such specialties on the basis of existing schools and universities, I think, will lead to an increase in the number of freelancers in the Republic of Uzbekistan.

Today, due to the lack of a legal basis for platform employment in the Republic of Uzbekistan, it is advisable to amend the Law of the Republic of Uzbekistan "On Employment", which includes platform labor, its rights and obligations, as well as social insurance guarantees.

## REFERENCES

1. Law of the Republic of Uzbekistan "On employment of the population".
2. Decree of the President of the Republic of Uzbekistan No.DP-5598 dated 13.12.2018 "On additional measures to introduce the digital economy, electronic government, as well as information systems in the state administration of the Republic of Uzbekistan."
3. Resolution of the President of the Republic of Uzbekistan No. RP-4699 of 28.04.2020 "On measures for the widespread introduction of the digital economy and electronic government."
4. Resolution of the President of the Republic of Uzbekistan No. RP-4321 dated 05/18/2019 "On measures to further improve the infrastructure of the digital economy and the "Electronic government" system."
5. Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 373 of 15.06.2021 "On measures to further improve the rating system for assessing the state of development of the digital economy and electronic government".
6. World Employment and Social Outlook 2021 (2021) The role of digital labour platforms in transforming the world of work. International Labour Office, Geneva: ILO, 2021.
7. Zhou I (2020) Digital labour platforms and labour protection in China. ILO Working Paper No. 11.
8. Todoli-Signes A (2020) Platform work: protection through case law while the law is amended. Peer Country Comments Paper. Spain.

9. Sociaal-Economische Raad (2020) Hoe werkt de platformeconomie [How does the platform economy work?]
10. Schmidlechner, L, Peruffo, E, Contreras, R & Molinuevo, D 2017, Coordination by platforms: literature review, European Foundation for the Improvement of Living and Working Conditions, Dublin, viewed 21 May 2021.