

# Platform Work and Labour Protections in Pakistan



## DO YOU KNOW?

- ☞ There is **NO** legally binding definition of digital labour platforms in Pakistan..
- ☞ There is **NO** specific regulation applicable to digital labour platforms in Pakistan.
- ☞ Digital labour platforms are **NOT** considered to be employers in Pakistan.

Many digital labour platforms are working in Pakistan. These include Uber, Careem, Foodpanda, Bykea, Daraz, Cheetay, Airlift, Jovi, InDriver, and Gharpar. During the first round of our work (2021-22), the report focuses on seven famous platforms. The geographical focus of the report is the twin cities of Islamabad and Rawalpindi.



Pakistan's Centre for Labour Research, in collaboration with the Fairwork Foundation, based at the University of Oxford, UK, has evaluated the working conditions of seven digital labour platforms in Pakistan. An evaluation was undertaken against five principles: Fair Pay, Fair Conditions, Fair Contracts, Fair Management and Fair Representation (see <https://fair.work/en/fw/principles/>).

## 1- How does your platform rate against decent work standards?

As you can see, the overall scores were very low. Gharpar, a local platform offering beauty services at home, is tied with Uber and Foodpanda, a global ride-hailing platform and an international food delivery platform respectively, in the current table with a score of one point each. The remaining four platforms: Cheetay (food delivery), Careem (ride-hailing), Bykea (ride-hailing) and Daraz (e-commerce delivery) did not score any point under the fairness principles, meaning we could not find any evidence of decent work standards.

## Fairwork Scores

Score ( out of 10)

Gharpar	1
Uber	1
Foodpanda	1
Cheetay	0
Careem	0
Bykea	0
Daraz	0

The breakdown of scores for individual platforms can be seen on our website: [www.fair.work/ratings](http://www.fair.work/ratings)

## 2- Performance of platforms on Fairwork principles in Pakistan

### 1. Fair Pay

**1.1 - Guarantees workers earn at least the local minimum wage after costs (one point)**

**1.2 - Guarantees workers earn at least a local living wage after costs (one additional point)**

For only one of the seven platforms, Gharpar, was there sufficient evidence that its workers earn above the minimum wage after costs. While 80% of workers we interviewed across the other platforms were able to show that their gross earnings were above the minimum wage, their net earnings did not meet the standard of PKR 109\* per hour after taking into account work-related costs: fuel, mobile data, transportation between jobs, insurance, vehicle lease or rent, and its repair and servicing. Adding in waiting times—when workers are logged in to the platform app, waiting for work but unable to do anything else—then far fewer workers saw their true net earnings exceed the minimum wage.

As a result, the minimum wage point could not be awarded to the other six platforms.

Moreover, when extending this net calculation to consider a living wage, none of the platforms could fulfil this criterion of Fair Pay. Worse, it was found that some workers on the ride-hailing platforms are earning negative income: their costs being higher than their income, trapping them in a cycle of debt if they had taken out loans to obtain their vehicle. A key cause of negative income has been decreased demand in part due to Covid, and increasing transport-related costs, such as a significant rise in petrol prices.



\*During our research, the minimum wage for the semi-skilled workers was PKR 22,601 per month which translates to PKR 109 per hour.

## 2. Fair Conditions

- 2.1 - Mitigates task-specific risks (one point)
- 2.2 - Provides a safety net (one additional point)

There are numerous risks that platform workers face in the course of their work, ranging from road safety issues to crime and violence. From our triangulated evidence sources, only Uber was found to be providing a sufficient response to this to justify the award of a point, given its provision of emergency assistance, insurance, and training for workers, alongside a data privacy policy. Other platforms provided one or two of these elements, such as accident insurance and an appropriate data policy in the case of both Foodpanda and Careem; or accident insurance in the case of both Bykea and Cheetay; or emergency contact and risk training for Gharpar beauticians. However, the coverage was not sufficient to mitigate the range of risks that workers face.

A number of the platforms undertook schemes to provide short-term sick pay for workers unable to work when infected with Covid. Unfortunately, none had extended these schemes to provide an ongoing basis of income compensation for those workers who, through no fault of their own, were unable to work due to sickness or injury. Gharpar had created a savings scheme for workers to access in an emergency but this was not akin to sick pay. Thus no platform was awarded the second point for Fair Conditions.

## 4. Fair Management

- 4.1 - Provides due process for decisions affecting workers (one point)
- 4.2 - Provides equity in the management process (one additional point)

Fair Management means that platforms provide due process for decisions affecting their workers (e.g. deactivations, account blocks, dismissal from the platform), and provide workers with an avenue for meaningful appeal against these and any other disciplinary actions taken by the platform. However, none of the platforms provided this. The appeals process was undocumented, or inadequate, or workers could be disadvantaged if they voiced concern about a decision made about them. As a result, the first Fair Management point could not be awarded to any platforms.

While many platforms prohibit their workers from discriminating against users on grounds such as race, social origin, caste, ethnicity, nationality, gender, sex, gender identity and expression, sexual orientation, disability, religion or belief, age or any other status, no parallel provision was found that clearly protected workers from discrimination by customers or others. In consultation with the Fairwork Pakistan team, one platform (Gharpar) has implemented an anti-discrimination policy protecting both beauticians and customers but has yet (at the time of writing) to formally and publicly document it. Furthermore, equity in management means more than simply having anti-discrimination policies, but also taking practical measures to remove barriers and promote equality of opportunity for underrepresented and disadvantaged groups, including measures to ensure algorithmic decision-making is fair for all groups. As yet, no platforms can demonstrate this, and so no additional point was awarded under Fair Management.



## 3. Fair Contracts

- 3.1 - Provides clear and transparent terms and conditions (one point)
- 3.2 - Does not impose unfair contract terms (one additional point)

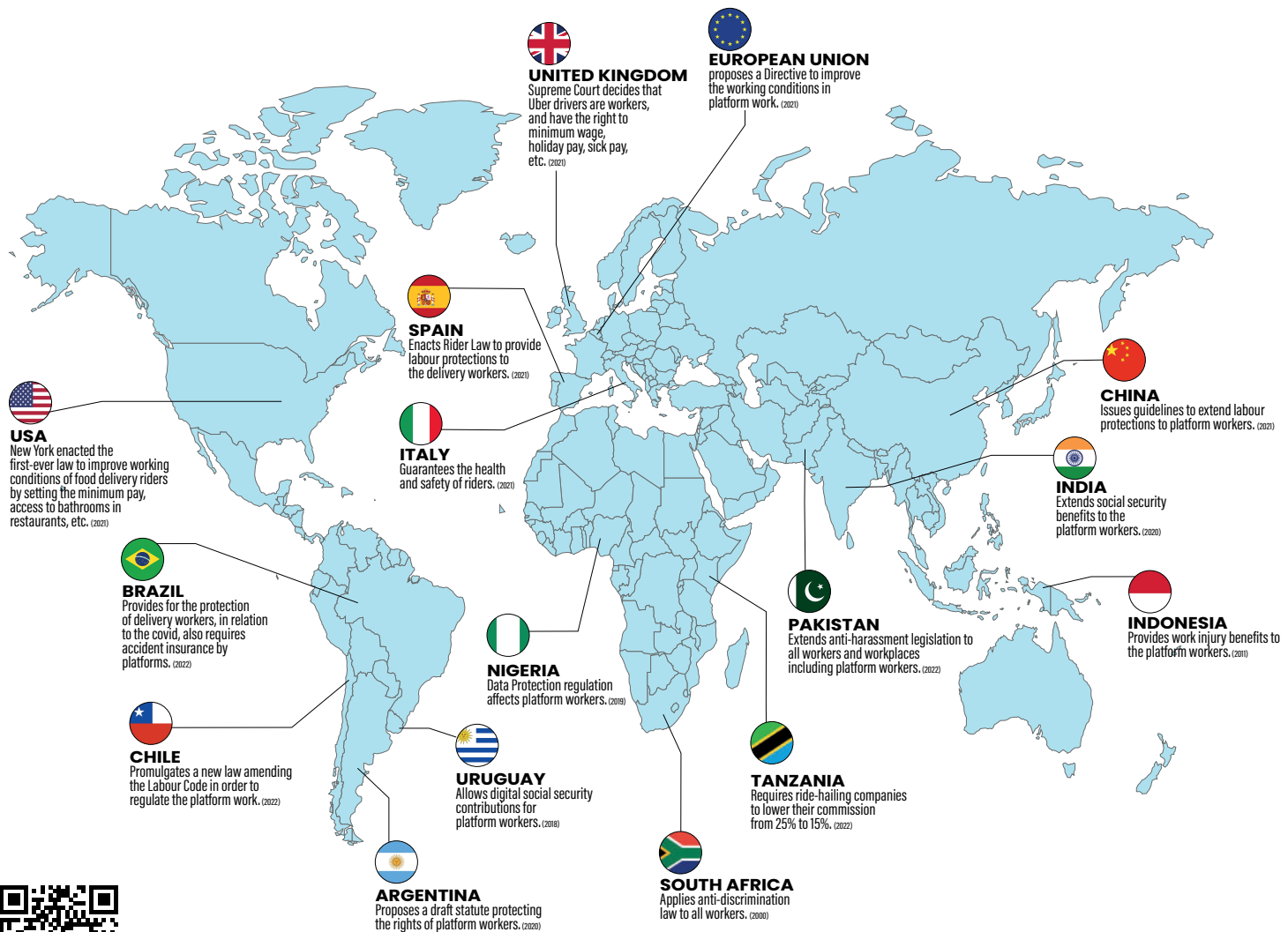
Not all platforms have clear and accessible terms and conditions, and only one platform – Foodpanda – has been awarded the first point for this principle. The contract provided by Foodpanda is public and accessible to both current and prospective workers and has been made comprehensible to the majority, in consultation with the Fairwork Pakistan team, by translating it into the national language, Urdu. For the remaining six platforms that did not score this point, the main reason is that the contract is either in English or is not accessible to the workers at all times. In one case, Uber, the contract is not subject to Pakistani law and more generally it was not always easy for workers to seek legal or other forms of redress for any grievances that might arise against the platform. This asymmetry between workers and platforms was also found in relation to risk and liability. No platforms were able to evidence contracts with clauses that fairly shared liability with workers; instead, liability and risk were loaded onto the workers and as a result, no additional point for Fair Contracts was awarded to any platform.

## 5. Fair Representation

- 5.1 - Assures freedom of association and the expression of collective worker voice (one point)
- 5.2 - Supports democratic governance (one additional point)

Freedom of association for workers is a fundamental right enshrined in the Pakistan Constitution, yet none of the seven platforms could be clearly shown to enable this for their workers, and so no platforms were awarded the first point for Fair Representation. Gharpar was the only platform which came close to providing a mechanism for collective worker voice, in the form of its regular Gharpar Monitor Meetings. However, without evidence of an open and formal policy on this, they fell just short of being awarded a point. Likewise, with the other platforms, there was a lack of evidence that they were recognising a collective worker body, documenting a mechanism for the expression of collective worker voice, or guaranteeing that workers will not be penalised for associating or expressing demands collectively. Even this does not fully equate to Fair Representation – there needs to be some counter-balance to the asymmetry of power between platforms and workers, so workers can have a meaningful say in their conditions of work. This was not found in any of the platforms, and so no additional point was awarded under Fair Representation.

### 3- How is the world regulating the platform work?



Scan to see the Map

<https://clr.org.pk/platform-work-in-world/>

### 4- Platform work in Pakistan

What rights would you have if the Government of Pakistan decides to regulate this sector? Centre for Labour Research has drafted a law, protecting the rights of platform workers, in line with the Constitution of Pakistan. The table below indicates the current set of rights and the rights you would have once necessary labour legislation categorizes platform workers as “employees”. Your representative organization or association can also use the provisions of this draft law to negotiate better working conditions for you and other workers engaged with the platform.



## 5 - What if the Government regulates platform work?

### FAIR PAY

Guaranteed minimum wage (Rs 25,000/-)\*  
Eligible for overtime pay after 8 h/day or 48 h/wk

### Current Rights

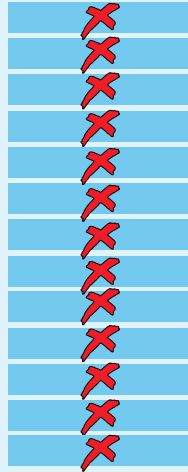


### Rights after Legislation



### FAIR CONDITIONS

Paid annual leave  
Paid sick leave  
Maternity leave (for women workers)  
Registration with Employee Social Security Institution (ESSIs)  
Access to healthcare  
Sickness benefits  
Disability benefits  
Survivors' benefits  
Maternity benefits (for women workers)  
Registration with Employee Old Age Benefits Institution (EOBI)  
Old-age pension  
Invalidity pension (due to non-occupational injury)  
Survivors' pension



### FAIR CONTRACTS

Right to an appointment letter  
Platform/ Employer liability



### FAIR MANAGEMENT

Anti-discrimination protection  
Policy on the prohibition of sexual harassment



### FAIR REPRESENTATION

Right to unionize  
Right to collective bargaining  
Right to form a Works Council  
Joint Management Board



For more information on labour legislation and platform workers, please contact the Centre for Labour Research at [info@clr.org.pk](mailto:info@clr.org.pk).

The Centre for Labour Research promotes awareness on fundamental labour rights, as guaranteed under the Constitution of Pakistan 1973 and various international human rights treaties that the State has signed or ratified over the years. The Centre's work guides all the stakeholders, i.e., workers especially youth, employers, government and international organizations, in navigating the local labour market in legal and statistical contexts. The Centre engages in research on contemporary labour issues and generates innovative ideas to deal with the labour rights malaise.

Our Vision is for a society where all types of labour is equitably rewarded and where people are aware of their employment rights.

Our Mission is to produce objective research that can help reform the employment legislation regime in the country. While pursuing these reforms, we strive to provide information to the masses and raise their awareness about workplace rights and obligations.

\*or the applicable minimum wage.

