



# Regulating Platform Work in Pakistan





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## Executive Summary

The proliferation of the platform economy in Pakistan has ushered in a new era of work, offering both unprecedented opportunities and complex challenges. With an estimated 1.1 billion gig workers worldwide, the scale of this transformation is immense. Pakistan, in particular, stands out as it is home to the third largest population of online platform workers. Though no final estimates are available, the Centre for Labour Research estimates the number of location-based workers at 0.7 million (and growing) in the country. This report delves into the intricacies of this evolving landscape, shedding light on the diverse and dynamic nature of platform work and its impact on labour rights. With millions of individuals now dependent on digital labour platforms for their livelihoods, it is imperative to address the regulatory gaps and vulnerabilities that have emerged. The report underscores the need for a nuanced and adaptable approach, rejecting simplistic and short-term solutions in favour of tailored reforms that balance the forces of innovation and social protection.

One core proposal centres around the establishment of clear employment contracts for regular platform workers. By instituting a presumption of employee status for those surpassing a designated threshold of weekly hours and by standardising employment agreements, a foundation for fair labour practices can be laid. This visionary approach gains significant validation from recent developments in Spain. The country's progressive stride towards labour rights is exemplified by the enactment of the Royal Decree-Law 9/2021, colloquially referred to as "The Rider" Law. This ground-breaking legislation introduces crucial modifications to the revised text of the Workers' Statute Law, effectively guaranteeing the employment rights of those engaged in delivery

services within the realm of digital platforms. As highlighted in the report, legislative reforms are happening in both developing and developed countries. There are examples of regulation from the Asian region as well, where India covers platform workers under its 2020 Social Security Code. Rajasthan enacted a platform worker protection law in July 2023, guaranteeing registration of platforms and workers, grievance redressal mechanisms, and access to social security schemes. Furthermore, the Philippines' "POWERR Act" aims to recognise gig workers as employees, while Indonesia's BPJS enables self-registration for work injury benefits. China's 2021 guidelines extend labour protections to platform workers via a "less-than-complete employment relationship," highlighting the commitment to enhancing protections for platform workers. The International Labour Organization is also addressing platform work by planning to adopt a global labour standard for decent working conditions in the platform economy by 2026.

The report also delves into the imperative of proper licensing and taxation for foreign companies. This ensures a level playing field and safeguards local labour, a crucial aspect considering Pakistan's status as a major player in the platform economy. Simultaneously, it calls for comprehensive social protection measures that extend to all platform workers, irrespective of their engagement type. Leveraging the potential of data-driven regulatory evolution, the report champions a collaborative partnership between platforms and regulators, where technology is harnessed for efficient oversight. Collective bargaining and unionisation emerge as crucial cornerstones of worker empowerment. By securing collective bargaining rights and encouraging union participation, platform workers can amplify their voices and bolster their legal position.



Effective enforcement mechanisms, underpinned by stringent sanctions, are identified as pivotal for ensuring platform companies' compliance with labour regulations. The negative income phenomenon, which affected 5% of motorbike delivery workers and 56% of ride-hailing workers, draws attention to the urgency of such enforcement. Importantly, the report emphasises the significance of crafting standalone legislation tailored to the unique challenges posed by platform work. Drawing inspiration from international experiences, the report emphasises the significance of striking a harmonious balance between technological advancement and the well-being of workers.

In conclusion, the report illuminates a path forward for Pakistan's platform economy, one that demands a multidimensional approach, thoughtful collaboration, and innovative regulatory frameworks. By meticulously addressing the concerns of platform workers, Pakistan has the opportunity to position itself as a global leader, harnessing the potential of its burgeoning digital workforce and contributing to a future where innovation coexists harmoniously with equitable labour practices.

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## The Rise of the Platform Economies

The rapid spread of technology over the last ten years has fundamentally altered the way we live and work. Although technological innovation has sparked prosperity and created opportunities across the globe, the World Development Report of 2019 (WDR) is correct to warn that we are now riding a wave of uncertainty.<sup>1</sup> A new challenge faces those concerned about striking a balance between economic progress and social protection.

The rise of ‘platform economies’ both globally and in Pakistan merits our immediate attention. There exist around 1.1 billion gig workers worldwide, and this number is expected to rise.<sup>2</sup> With Pakistan being home to the third largest population of online platform workers in the world,<sup>3</sup> millions have become dependent on labour platforms for their income. This report highlights how the platform work operates and the labour protection gaps it creates. Based on this, it takes a comparative regulatory approach and proposes necessary reforms in the Pakistani context.

### 1.1 What is the platform work?

A platform business model acts as a facilitator between producers and consumers of work to allow them to engage in value-creating interactions.<sup>4</sup> The platform, usually in the form of an online application, provides the infrastructure through which these interactions take place efficiently. In theory, this is meant to create mutually beneficial relationships resulting in the exchange of goods and services between workers and clients.<sup>5</sup>

The International Labour Organisation (ILO) defines a “digital labour platform” as an enterprise that mediates and facilitates “labour exchange between different users, such as businesses, workers and consumers”.<sup>6</sup> That includes digital labour “marketplaces” where “businesses set up the tasks and requirements and the platforms match these to a global pool of workers who can complete the tasks within the specified time”.<sup>7</sup> On the other hand, marketplaces that do not facilitate labour exchanges - for example, Airbnb (which matches owners of

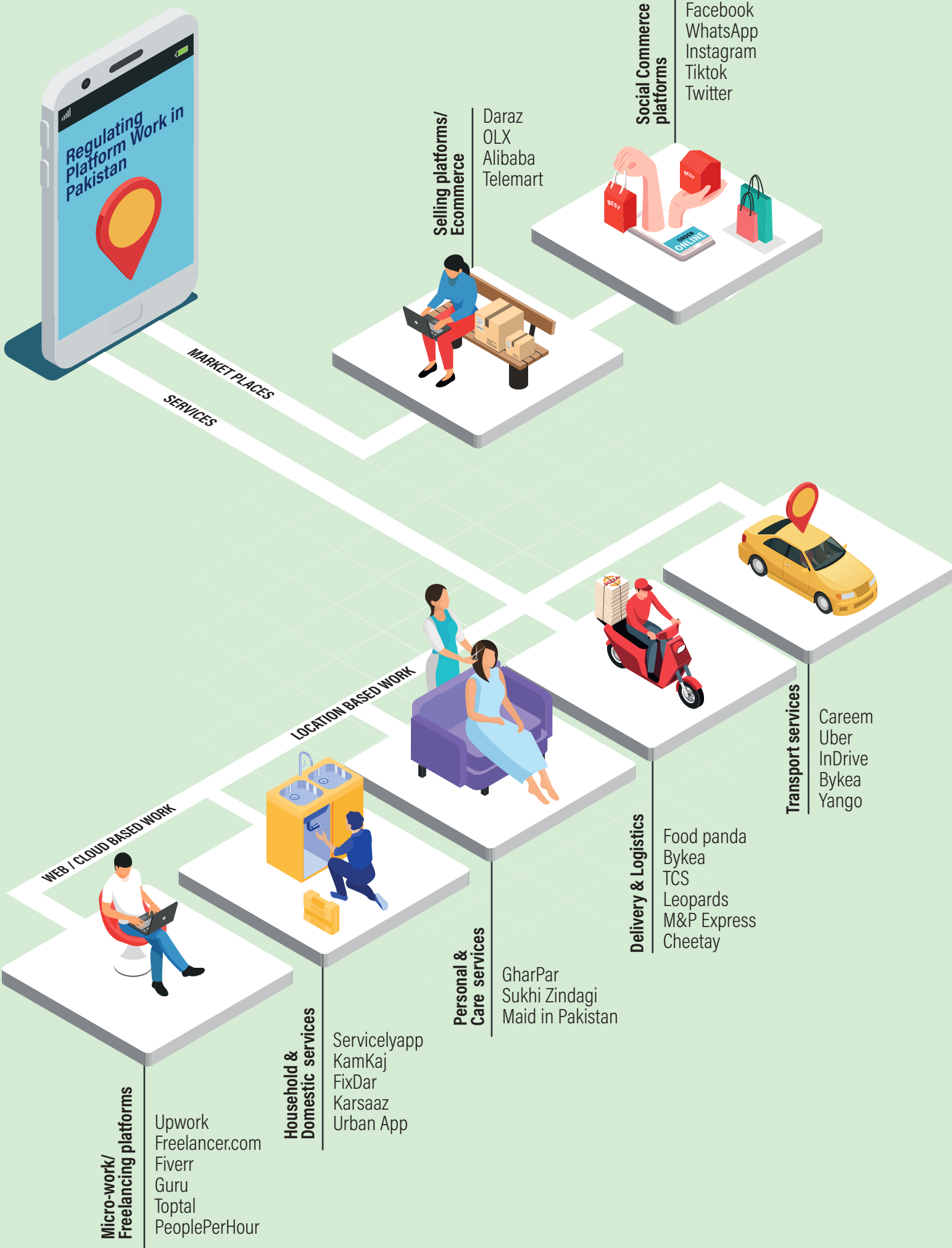
accommodation with those seeking to rent short-term accommodation) and Daraz (which matches buyers and sellers of goods) are obviously excluded from the definition.

There are two broad categories of platform work: ‘crowdsourcing’ and ‘work on demand’ via apps. Crowdsourcing (also referred to as ‘cloudwork or online work’) covers activities performed online irrespective of location, which clients and workers on a global scale. It has become increasingly popular in software development, content moderation and transcribing services with companies such as Upwork, Amazon and Freelancer. On the other hand, work on demand via apps (also referred to as location-based or ‘geographically-tethered’ work) enables clients and workers to be matched online but perform the work locally. This has proliferated in the transportation sector through ride-hailing apps such as Uber, Careem, inDrive and Bykea, and food-delivery services such as Foodpanda. There are also instances of domestic and home services as well as professional services like Super Tasker, Uncle Fixer, and GharPar.<sup>8</sup>

As the WDR 2019 observes, the rise of platform marketplaces has enabled more people to reap the benefits of technological advancement than ever before. This is especially so for countries like Pakistan, which have been slow to industrialise.<sup>9</sup> The economic opportunities created by platforms have empowered thousands by providing them with a flexible and independent earning capacity they did not realise was possible. The platform’s removal of market barriers has resulted in the creation of jobs and encouraged a spirit of entrepreneurship amongst those otherwise struggling to find work.<sup>10</sup>

Therefore, at first glance, the platform is simply a neutral intermediary which helps foster mutually beneficial relationships. However, the platform also sets the rules governing the interactions. The nuance and power of the algorithmic structures which create these rules can result in a huge power imbalance.





## 1.2 How does the platform business model work?

It is important to remember that the primary business goal of any labour platform is to maximise its market share and profits rather than empower its workers.<sup>11</sup> So long as these interests happen to align, there is little to worry about. However, eventually tension arises between the economic interests of the platform and its workers, making the situation ripe for unfavourable work conditions. This can happen through a series of business design choices which create imbalances of power between the platform, workers, and clients.

### A. Minimisation of Market Failure results in Removal of Free Agency

The platform must efficiently and reliably meet the demands of its users. Market failure occurs in the platform economy when a potential interaction fails for instance, non-availability of drivers in a given location or time, or a cancelled ride. In order to minimize the chances of this occurring, the algorithm restricts the free agency of workers by setting prices and withholding journey details from drivers before they accept rides.<sup>12</sup> In the crowdsourcing sector, clients are often given access to several drafts of work whilst only paying for the one they ultimately choose.<sup>13</sup> This forces workers to adapt to an unpredictable yet inflexible<sup>14</sup> pattern of work, removing their independence and entrepreneurship.

### B. Minimisation of Multi-homing Costs Creates Platform Dependence

Multi-homing is the use of several platforms offering the same service. Multi-homing costs are low when any party can easily switch platforms. For example, users can opt for two different ride-hailing platforms without generating any cost. In order to tackle this, platforms generate hierarchical 'reputation systems' based on ratings which cannot be exported from one platform to another.<sup>15</sup> This traps workers by tying them to a particular platform, ultimately making it more difficult to switch to a competitor offering better prices or conditions.

### C. Lean Start-Up Model Creates Unpredictability

Given their access to huge swathes of data, most platforms employ the lean start-up methodology, which bases product development on market feedback.<sup>16</sup> This results in rapid changes in policy, algorithmic programming, and pricing. Both workers and regulators find it difficult to keep track of these changes. It also fosters income insecurity, as many workers are lured by attractive prices, which are then slashed once the platform gains greater market share.<sup>17</sup>

### D. The Extreme Commodification of Labour Makes Workers Easily Replaceable

Popular platforms, such as inDrive, Uber or Foodpanda, deliver standardised skills, which creates a virtually limitless potential worker base.<sup>18</sup> Even crowdsourcing for basic data entry, administration paperwork, and transcription services can be promptly replaced. This is symptomatic of the extreme commodification of labour. When workers can be so easily and rapidly substituted, the platform prioritises network growth instead over worker-friendly policies.<sup>19</sup>

## 1.3 What are independent contractors losing out on?

Platform workers are usually classified as independent contractors rather than employees. In addition to the power imbalances created by the business design model, independent contractors lose out on the fundamental protections afforded to employees. As one commentator put it, platform workers occupy a precarious no man's land between binary territories of employment.<sup>20</sup> This becomes especially worrisome for workers whose dominant source of income is the platform itself.

For instance, independent contractors struggle to exercise collective bargaining rights. Although social media has played a positive role in putting workers in touch with each other, the absence of a formal institution such as a trade union nevertheless weakens the voices of workers' complaints.





Treating workers as independent contractors also allows the platform to offload financial risks onto the workers themselves. For instance, most ride-hailing platforms require drivers to insure their own vehicles. Despite this, the Centre for Labour Research found that most drivers/captains/partners in Pakistan had not insured their vehicles which left them solely responsible in the event of an accident.

Although the legal rights of independent workers differ between jurisdictions, as a general rule, national employment legislation is not applicable to the self-employed, or at least not to the same extent. This leaves the majority of workers without access to essential guarantees such as minimum wage, maximum working hours, sick leave and annual paid leave. A thinly disguised form of independence and autonomy through platform employment requires workers to sacrifice their basic rights and financial security.<sup>21</sup> The complete absence of any form of social protection has thus put thousands of platform workers across the country in a precarious position. Concerns have also arisen about the sustainability of this form of work in terms of long-term career development and retirement income.<sup>22</sup> As technology creates new employment opportunities, the legislative and regulatory response must match its pace in order to remain effective.





## Regulating the Platform Work: International Perspectives

In terms of effective regulation, platform economies represent a moving target.<sup>23</sup> National legislatures and courts across the world have grappled with the unique challenges thrown up by this form of modernisation. Although policy and legal approaches differ, there is a wealth of experience and insight to be exploited by taking a comparative approach.

### 2.1 United Kingdom – Lessons from Litigation

In the UK, the judiciary has been instrumental in preserving the employment rights of platform workers. By re-interpreting the existing framework for national employment laws, judges have brought the majority of platform workers within the ambit of social security laws designed to protect the vulnerable.<sup>24</sup>

Section 230(3)(b) of the Employment Rights Act defines a ‘worker’ as an individual who has entered into work under any contract other than a contract of employment.<sup>25</sup> In *Pimlico Plumbers*, the Supreme Court held that individual plumbers fell within this definition despite the fact that they had a right to substitute another operative company in its place.<sup>26</sup> Similarly, in 2021 the UK Supreme Court confirmed that Uber London Ltd.’s drivers were employed as ‘workers’ within the scope of section 230(3)(b). By focusing on the ‘practical realities’ of the relationship, the court found that Uber exerted sufficient control over its workers’ behaviour and pay, which warranted protection under employment legislation.<sup>27</sup>

Although some disparities remain in the legal status of ‘workers’ and ‘employees’, securing protection under section 230(3)(b) nevertheless comes as a huge relief to individuals reliant on platforms. Crucially, it grants them an important package of employment rights such as entitlement to minimum wage, a 48-hour working week, the statutory minimum level of paid holiday, rest breaks, protection against unlawful discrimination, and protection against the unlawful deduction of wages.<sup>28</sup>

The consistent line of case-law on this issue has made the legal position (not only in the UK but also in the EU) pertinently clear. It also demonstrates an international domino effect, provoking companies to respond when faced with the imminent threat of the rule of law. For instance, in response to litigation, Uber procured insurance for its European workers free of charge covering sickness, injury, maternity and paternity payments.<sup>29</sup> Later on, accidental insurance was extended to Uber partners worldwide. Provoking corporate reform and granting platform workers access to the national legislative framework is a huge step forward, revealing the impact of litigation in the hands of the powerless. However, some grim realities remain which must be borne in mind moving forward:

- i) **Litigation fails to secure industry-wide reforms** – most cases are launched by individual workers seeking redress. Despite unfavourable rulings, companies are under no obligation to alter the contractual status of their remaining workers.<sup>30</sup> Initiating expensive and complex tribunal procedures to assert their legal rights is rarely an option for low-paid workers already struggling to survive.<sup>31</sup>
- ii) **Focusing on contractual documents incentivises legal obscurity** – cases turning on contractual interpretation allow companies’ lawyers to make minor technical alterations which require re-litigation.<sup>32</sup> Reformers have suggested creating a statutory presumption of worker status to remove the need for satellite litigation.<sup>33</sup>
- iii) **Proactive enforcement is crucial** – a handful of rulings in favour of workers guarantees little in the form of nationwide social protection. As one commentator put it, workers win the litigation battle but lose the larger war for economic justice.<sup>34</sup> National agencies with a mandate for inspection and sanction are needed.
- iv) **Self-employed individuals left defenceless** – courts have only extended the extra protection to those platform workers doing



work on demand via apps. This is because employment status in the UK and many other jurisdictions is governed by three factors; whether there is a mutuality of obligation, whether the employer has sufficient control over how, when and where the work is done, and whether the provisions of the contract are consistent with an employment relationship.<sup>35</sup> Although ride-hailing and delivery workers can easily make these types of arguments, those involved in crowdsourcing are still considered self-employed. Under national legislation, self-employed workers in the UK are only protected from discrimination.<sup>36</sup>

## 2.2 United States – Case by Case Evaluation

Uber has suffered protracted litigation in the United States on the issue of independent contractor-employee status.<sup>37</sup> Similar to other jurisdictions, employee status in the US grants workers fundamental protections concerning wages, leave and dismissal.<sup>38</sup> Although the United States National Labour Relations Board published an opinion in May 2019 indicating that Uber drivers would not be considered employees owing to their independence and flexibility,<sup>39</sup> the strict legal position still remains unclear. New York City Council passed a series of bills in 2018 establishing minimum wage levels for ride-hailing drivers,<sup>40</sup> but no federal statute governs a country-wide classification of employee status, leaving common law tests to plug the gap. Two broad approaches are applied across the US, but both are inconsistently applied and ultimately inconclusive:

- i) **The Control Test** – this focuses on factors such as the right to direct how an employee performs tasks, the right to control business aspects of the employee's job, and the permanency of the relationship.<sup>41</sup>
- ii) **The Economic Realities Test** – this utilises a broader, purposive approach that attempts to uncover the economic realities of an arrangement. For

example, it looks at inequalities of bargaining power between parties, and a worker's dependency on another's business to render services.<sup>42</sup>

Although both tests probe important issues, they produce inconclusive results for a platform like Uber because they are deeply affected by *how* drivers use the app.<sup>43</sup> For example, the permanency of the relationship differs between drivers who use a ride-hailing platform app to supplement their income, and those who are logged in from 9 AM to 5 PM five days a week. Dependency also fluctuates between those dependent on the platform as their main source of income, and occasional drivers using multiple platforms in an unpredictable fashion. This kind of multiplicity is impossible to evade in platform economies.

In order to overcome these limitations, a more nuanced case-by-case analysis of worker status has been suggested.<sup>44</sup> This is not limited to the judicial approach alone but could also form the blueprint for any prospective regulations. For example, platforms could be required to provide regular benefits and protections for workers who cross a certain threshold of hours per week.<sup>45</sup> However, independent contractor status would still be reserved for those workers whose behaviour genuinely lacks the dependence and vulnerability warranting social protection.

Furthermore, the US had established criteria to determine what exactly an independent contractor is. California passed a new law in September 2019 to address worker misclassification. Assembly Bill (AB) 5 went into effect on 1 January 2020. The “ABC” test, which has been employed by courts and government organisations to assess employee status, was adopted by AB5. According to this standard, employees can only be categorised as independent contractors if the employer can show that they:

- are not subject to supervision from the employer;
- perform tasks that are not normally done for the hiring organisation; and



- are established on their own in that industry, profession, or business.<sup>46</sup>

However, after the costliest campaign of its likes<sup>47</sup>, Uber and Lyft succeeded in getting approval of Proposition 22, a controversial ballot measure that was voted in favour of by a majority of California voters in November 2020. It allows companies such as Uber, Lyft and DoorDash to exclude app-based drivers from the scope of AB5 and classify such drivers and couriers as independent contractors. Nevertheless, Alameda County Superior Court Judge Frank Roesch ruled Prop. 22 as “unconstitutional” and “unenforceable” in 2021 due to a provision in the measure that restricts future legislatures’ power to modify the law.<sup>48</sup> On 13 March 2023, a Court of Appeals in California ruled that Proposition 22 is largely constitutional, but that part of the measure is invalid. The appeals court disagreed with a lower court that had ruled in 2021 that Prop. 22 was unconstitutional on the whole.<sup>49</sup>

In October 2022, the Biden administration put forward a new proposed rule<sup>50</sup> through the US Labour Department, where when a person is “economically dependent” on a business, they must be treated as employees, giving them access to more benefits and legal protections than contractors. It might have broad effects on business earnings and employment decisions, household incomes, and the standard of living for employees.

It defines an “employee” as any individual whom an employer “suffers, permits, or otherwise employs to work” and is intended to encompass all workers who “as a matter of economic reality, are economically dependent on an employer for work.” The proposed rule further explains that an independent contractor is only a worker who is, as a matter of economic reality, “in business for themselves.”

The newly proposed rule outlines six-part criteria to assess whether a person is economically dependent on their employer for work based on the facts of their working relationship.

**The first factor** takes into account if the employee utilises managerial skills that have an impact on the employee’s financial loss or profit. To determine that, certain facts can be considered, such as whether the

worker determines the charge for their work, whether the worker accepts or declines jobs or chooses the order or time in which the jobs are performed etc. However, if a worker has no opportunity for a profit or loss, then the worker is an employee. **The second factor** is that for a worker to be considered an independent contractor, any investment by the worker must be capital or entrepreneurial in nature. **The third factor** weighs in that employees who perform services under a contract that is “routinely or automatically renewed,” suggests a long-term or permanent relationship and are to be considered employees. It also mentions that the ability to work for others does not always factor in favour of independent contractor status. **The fourth factor** assesses the degree of control a platform has on its workers and takes into accounts facts including but not limited to whether the employer sets the worker’s schedule, supervises the performance of the work, sets the price or rate for service, or explicitly limits the worker’s ability to work for others. **The fifth factor** considers that when the work that a worker performs is “critical, necessary or central to the employer’s principal business,” the worker shall be awarded employee status. **The sixth factor** suggests that a worker who uses specialised skills which contribute to a “business-like initiative,” then they are more likely to be considered an independent contractor. On the other hand, this factor indicates employee status, where the worker is dependent on training from the employer to perform the work.

## 2.3 The European Union – Presumption of Employment

As recently as June 2019, The EU Parliament adopted a Directive on Transparent and Predictable Working Conditions which explicitly tackles the regulatory challenges thrown up by digitisation and innovative work practices. The new rules grant those in more ‘open-ended’ forms of work, transparency in working conditions, more predictable working hours, and payment for cancelled work.<sup>51</sup> The directive embarks on a more nuanced legal approach to labour rights and embraces more open-ended forms of work as deserving of social protection.



For instance, paragraph 8 of the preamble makes a powerful statement which negates the effect of ‘bogus self-employment’ as prescribed by national law.<sup>52</sup> If a person is falsely classified as self-employed whilst fulfilling the conditions characteristic of an employment relationship,<sup>53</sup> they fall within the ambit of the directive. Given the wave of litigation challenging ride-hailing and food delivery platforms across Europe, this could be a blow to platform companies who continue to misclassify their workers despite exerting power indicative of employment.

Article 11 also secures ‘Complementary measures for on-demand contracts,’ ensuring that on-demand platform workers are not left defenceless. The directive prescribes that member states must either limit the use and duration of such contracts or create a rebuttable presumption of employment contracts securing a minimum number of paid hours, or other equivalent measures.<sup>54</sup> If implemented and enforced effectively, this could remove the need for individual workers to resort to litigation, instead placing the burden on companies to prove their workers are not employees.

However, a loophole remains since the directive does not extend to purely freelancing or self-employed persons. This leaves the majority of crowdsourcing work untouched by reform. Although the EU rules cover those working at least three hours per week,<sup>55</sup> they fail to account for vulnerable individuals working on multiple platforms whose total time per platform fails to reach the three-hour threshold. The number of such workers currently remains low, but some predict that the expansion of the platform economy will result in increasing fluidity. As Gad Allon remarked, “Fluidity is where people can choose between working for ride-sharing for a while, then doing a little bit of household work, and then continuing later on to do food delivery work.”<sup>56</sup>

In 2021, the Spanish government passed the Royal Decree-Law 9/2021<sup>57</sup>, also known as “The Rider” Law, which modifies the revised text of the Workers’ Statute Law to guarantee the employment rights to workers engaged in delivery work through digital labour platforms. Its provision on the presumption of employment now extends to “distribution activities of any type of product or merchandise, when the

company exercises its powers of organisation, direction and control, through the algorithmic management of the service or of working conditions, through a digital platform.” The legislation further establishes the workers’ right “To be informed by the company of the parameters, rules and instructions on which the algorithms or artificial intelligence systems are based that affect decision-making that may affect working conditions, access and maintenance of employment, including profiling.”

The new law has been a legislative response to the around 50 court cases which decided in favour of app-based delivery courier workers, giving them employee status. It was enforced in August, 2021 and has since been heavily opposed by platform companies. As a consequence of this law, Spain fined its largest platform Glovo, a whopping €79 million, due to its misclassification of riders as self-employed.<sup>58</sup>

To fill the void that exists owing to the negligible number of legislative changes in the member states, the European Commission drafted a Directive on Platform Work in 2021 to nudgethe EU member states in the right direction. The proposed European Union Directive on Platform Work<sup>59</sup> is based on Article 153(1)(b) of Treaty on the Functioning of the European Union (TFEU), which empowers the Union to support and complement the activities of the Member States with the objective to improve working conditions.

The proposed directive was earlier presented by the European Commission in December 2021, and the Council of the European Union adopted its position on the proposal on 12 June 2023. The proposed directive helps in determining the correct employment status of people working for digital platforms while setting the first EU rules on the use of artificial intelligence (AI) in the workplace. According to the EU, more than 28 million people in the EU work through one (or more) of digital labour platforms. In the next two years (by 2025), that number is expected to reach 43 million people. Of these 28 million people, 5.5 million are, however, estimated to be incorrectly classified as self-employed though they fulfil all criteria to be classified as employees.

Under the proposed directive, a person is presumed to be a worker with an employment relationship with





the digital labour platform if three of the seven criteria set out below are fulfilled. The digital labour platform:

- determines upper limits for the level of remuneration.
- requires the person to respect certain rules with regard to appearance, conduct towards the recipient of the service or performance of work.
- supervises the performance of work, including by electronic means.
- restricts the freedom to choose one's working hours or periods of absence.
- restricts the freedom to accept or to refuse tasks.
- restricts the freedom to use subcontractors or substitutes.
- restricts the possibility to build a client base or to perform work for any third party.

Under the proposed directive, it is the obligation of the digital labour platform to prove that there is no employment relationship with the platform worker. If the employment relationship is established, the worker should be able to enjoy those labour and social rights that come with that employment relationship. This might be, depending on national systems: a minimum wage, working time and health protection, paid leave, improved access to protection against work-related accidents, collective bargaining, and various social protection benefits.

The directive also intends to increase transparency regarding the use of algorithms by digital labour platforms, ensure human monitoring of working conditions, give the right to contest automated decisions through an appeals process.

## 2.4 An International Labour Standard by the ILO

The International Labour Organization has adopted conventions, relevant to specific sectors such as domestic work, homework, maritime labour, etc. There have been calls for the adoption of a separate convention on platform work for some time. During the 347<sup>th</sup> Session of the ILO Governing Body (March 2023), it was decided to place an item on the agenda of the 113th Session (June 2025) of the International Labour Conference on decent work in the platform economy for standard-setting with a double-discussion procedure. This means that by 2026, there will be an international labour standard for decent working conditions in the platform economy.<sup>60</sup>



## 2.5 What can Pakistan learn from others?

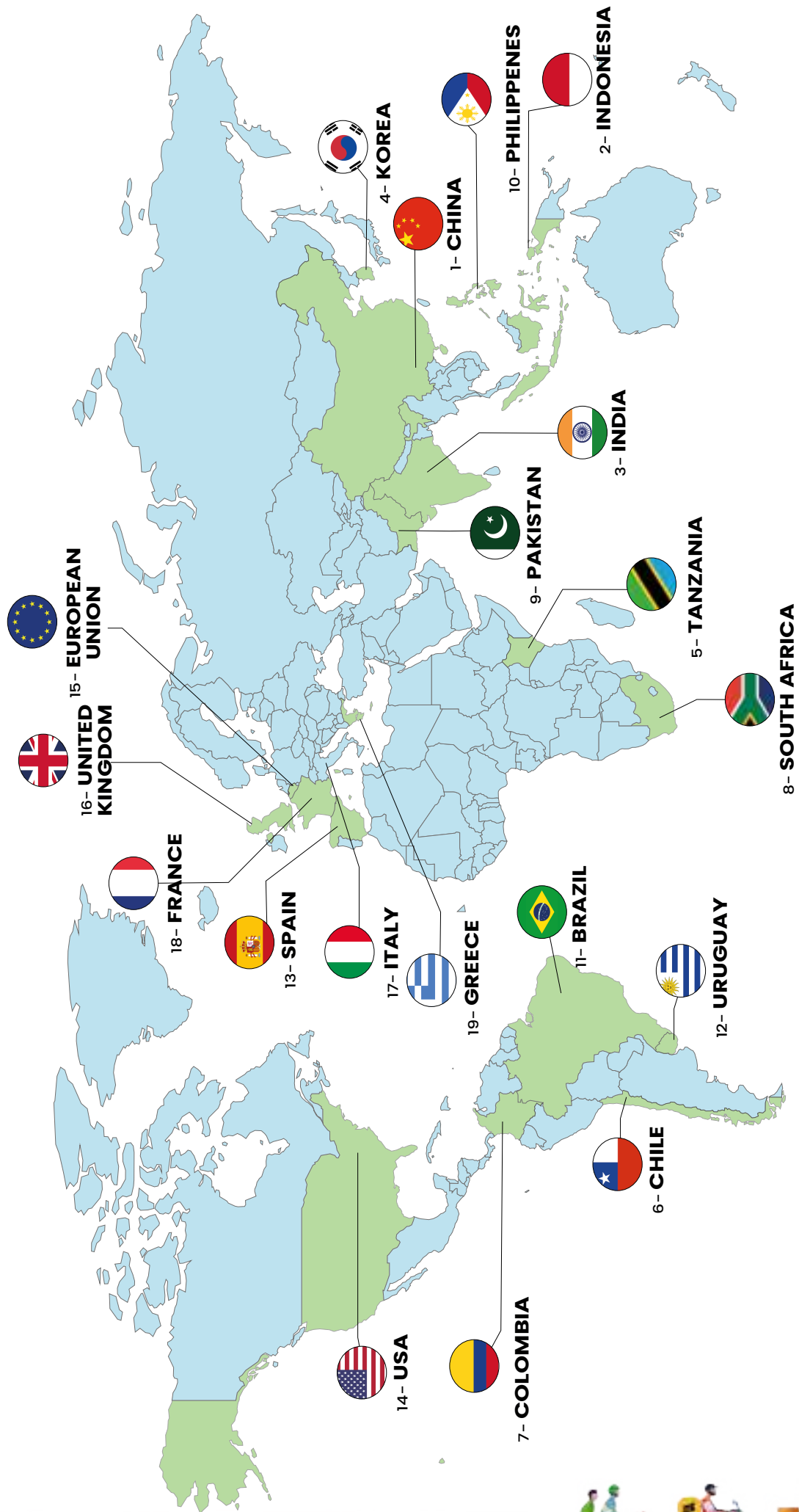
Regulation in the platform economy is relatively new. But here are some quotable examples that can be used to initiate necessary reforms in Pakistan.

1. In 2021, the Ministry of Human Resource and Social Security in **China** issued guidelines to extend labour protections to platform workers. The guidelines introduce a new concept of “establishment of a less-than-complete employment relationship”. The guidelines extend the right to the minimum wage to all platform workers.<sup>61</sup>
2. The **Indonesian** Social Security Provider for Employment (BPJS) allows self-employed workers to self-register and access work injury benefits. The system is accessible to the platform workers.<sup>62</sup>
3. **India** enacted its Social Security Code in 2020. Though yet to be implemented, the Code extends social security benefits to the platform workers by requiring the platforms to pay a certain percentage of their revenues to the social security system for providing various social security benefits to the workers.<sup>63</sup> On 24 July 2023, the Rajasthan assembly passed a bill, Rajasthan Platform-Based Gig Workers (Registration and Welfare) Bill, 2023, extending social security to gig workers in the state through the establishment of the Platform-Based Gig Workers Welfare Board.<sup>64</sup>
4. The **Republic of Korea** (South Korea) made amendments to various employment acts in 2020, entitling platform workers to various insurance benefits.<sup>65</sup>
5. In **Tanzania**, Land Transport Regulatory Authority (LTRA) had set the commission for ride-hailing companies at 15% (previously 33%) at the start of 2022. However, in the recent Notice of December 2022, LATRA now allows ride-hailing operators to charge up to 25% as commission and up to 3% as a booking fee.<sup>66</sup>
6. In 2022, **Chile** promulgated a new law amending the Labour Code in order to regulate platform work. The law requires a “contract for independent digital platform workers” to grant them various workplace right, including that of collective bargaining.<sup>67</sup>
7. In March 2023, the Government of **Colombia** submitted a bill before Congress (Bill No. 367/2023) (Work for Change) that aims to make many changes in individual and collective employment relations. Other than this, it also aims to regulate the platform work requiring the provision of employment contracts to workers, registration of platform workers with social security institutions, and assigning of a human supervisor by the platform.<sup>68</sup>
8. **South Africa** applies anti-discrimination law to all workers, including platform workers.<sup>69</sup>
9. **Pakistan** extends anti-harassment legislation to all workers and workplaces, including platform workers.<sup>70</sup>
10. **Philippines** The “Protektadong Online Workers, Entrepreneurs, Riders, at Raketera (POWERR) Act” is a proposed bill in the Philippines that seeks to recognise gig workers on digital platforms as regular employees and provide them with normal worker protections. It aims to safeguard the

rights of the country’s growing gig economy by introducing various measures.<sup>71</sup>

11. **Brazil** provides for the protection of delivery workers, in relation to the covid, and also requires accident insurance by platforms. The Brazilian government is also working on legislative reform.<sup>72</sup>
12. **Uruguay** allows digital social security contributions for platform workers.<sup>73</sup>
13. **Spain** enacted Rider Law in 2021 to provide labour protections to delivery workers.<sup>74</sup>
14. **New York** (USA) enacted the first-ever law to improve working conditions of food delivery riders by setting the minimum pay, access to bathrooms in restaurants, etc.<sup>75</sup>
15. In December 2021, the **European Commission** proposed a Directive to improve the working conditions in platform work. On 2 February 2023, the European Parliament (EP) voted in favour of amendments to the European Commission’s platform worker directive that would introduce a presumption of employment and increase algorithmic transparency. The Council of the European Union adopted its position on the proposal on 12 June 2023. The number of criteria for determining an employment relationship have been revised from five to seven.<sup>76</sup>
16. In 2021, **the UK** Supreme Court decided that Uber drivers are workers and have the right to minimum wage, holiday pay, sick pay, etc. The UK has three employment categories: employee, worker and independent contractor.<sup>77</sup>
17. In 2019, **Italy** enacted a reform requiring that the sectoral collective agreement for the sector of activity must apply to the platform workers. In the absence of a collective agreement, the Law provides for a “minimum level of protection”, recognising certain rights for self-employed platform workers, including minimum wage, protection from discrimination, premium wage payment for night work, holiday work and payment of their industrial accident and occupational disease insurance.<sup>78</sup>
18. Since 2016, **France** has incorporated a concept of the platform’s “social responsibility” towards its workers, including self-employed workers. The platform is required to pay any industrial accident insurance contributions that the worker may have been paying, as well as recognise their right to vocational training and to join a union. In 2019, another law required that self-employed transport and delivery platform workers should have a “charter” in which the platform provides for “additional social protection guarantees”.<sup>79</sup>
19. **Greece** enacted a reform in Labour Law in 2021 (No. 4808/2021) to establish a novel regulatory framework for platform work, ensuring trade union rights for self-employed service providers. The law also mandates platforms to apprise service providers of their legal rights before commencing duties and furnish written as well as digital contract copies.<sup>80</sup>





## Pakistan – Regulatory Vacuum or Dearth of Creativity in Utilising Existing Legislation

To date, the plight of gig or platform economy workers in Pakistan has not attracted regulatory attention. Pakistan has experienced significant recent growth of the platform economy for both in-person and online cloud-based work, but local legislative as well as judicial institutions have not kept up with this rapid growth.

Although the governments of Punjab and Sindh attempted to ban ride-hailing platforms in 2017, their notifications only tackled competition and corporate law concerns.<sup>81</sup> Whilst lack of compliance with competition law can have an indirect impact on the rights of workers,<sup>82</sup> a private negotiated settlement had occurred within 48 hours, leaving both companies largely unregulated.<sup>83</sup>

Khyber Pakhtunkhwa Assembly has introduced the Khyber Pakhtunkhwa Transportation by Online Ride Hailing Company Bill, 2022. This bill aims to regulate transportation services offered by online ride-hailing companies, making it the first specific legislation targeting the platform work sector in Pakistan. The bill establishes a legal framework for online ride-hailing services, emphasising rider safety, guidelines for online companies, and general rights for drivers. The proposed bill specifically considers drivers as online service providers, rather than employees of the company.<sup>84</sup>

A basic set of labour rights is enshrined in the Constitution of Pakistan, ranging from the prohibition against slavery<sup>85</sup> to securing just and humane conditions of work.<sup>86</sup> However, these open-textured constitutional provisions govern civil and political rights rather than socio-economic protections. They, therefore, require supplementation by a variety of federal statutes, covering contracts for employment,<sup>87</sup> termination procedures,<sup>88</sup> working time limits,<sup>89</sup> paid leave,<sup>90</sup> and regular payment of wages.<sup>91</sup> Although legislation accounts for informal and unwritten agreements, for instance, between casual labourers and contractors,<sup>92</sup> the first hurdle remains employment status.

The platform companies and workers in Pakistan operate in an ambiguous legal and policy context. The two major dissensions to be faced are the classification of workers and the applicability of sector-specific regulations.

Platform workers are treated as independent contractors/self-employed rather than employees, which limits their access to rights, such as minimum wage, decent working hours, social security and collective bargaining. By classifying workers as independent contractors rather than employees in service agreements, most platforms seek to avoid the obligations applying to an employment relationship as the parties are legally considered to be in a commercial relationship.

For example, despite its litigation battles in Europe, Uber's terms and conditions in Pakistan still classify drivers as independent contractors.<sup>93</sup> This has become especially significant since Uber's takeover of Careem's operations in the Middle East and Asia. Its domination of the ride-hailing market in this region now leaves the majority of workers without any access to basic labour protection. It also gives the green light to other platform providers to dodge national labour legislation with relative immunity, creating a cycle of abuse.

The principles of the term “decent work” apply to all work arrangements, including the work undertaken through digital labour platforms by the self-employed.<sup>94</sup> The concept of decent work for all is emphasised not only in various ILO Declarations<sup>95</sup> as well as under Goal 8 of the Sustainable Development Goals.<sup>96</sup>

### 3.1 Using Labour Law to Protect Platform Workers' Rights

In Pakistan, two major labour statutes are the Industrial and Commercial Employment (Standing Orders) Ordinance 1968 and the Punjab Minimum Wages Act 2019. Both define a worker in open-ended terms, which can include the platform workers. The Standing Orders Ordinance 1968 defines a worker as any person employed in any industrial or commercial establishment to do any skilled or unskilled, manual or electrical work for hire or reward.<sup>97</sup> The Ordinance





classifies workers in six categories including a contract worker, and defines the term as a worker who works on a contract basis for a specific period of remuneration to be calculated on a piece rate basis.<sup>98</sup> Similarly, the Punjab Minimum Wages Act 2019 states a worker to be any person, including an apprentice employed in any industry, industrial or commercial establishment, to do any unskilled, skilled, manual, clerical, technical, intellectual or any other work for hire or reward.<sup>99</sup> Considering the fact that platform workers are paid on a piece rate basis, both the key legislations can be applied to digital labour platforms.

The platform companies identify themselves as technology companies connecting independent contractors and users/customers. By using this legal grey zone, the applicability of sector-specific labour regulations becomes quite limited. Nevertheless, there exist laws which can be made applicable to the platform economy. An analysis of labour legislation applicable to the Islamabad Capital Territory (ICT) and the most populated province, Punjab, reveals that regulatory authorities can ensure decent work for platform workers.

The Minimum Wages Ordinance 1961, applicable in ICT, and the Punjab Minimum Wages Act 2019 call for minimum rates of wages for all classes of workers<sup>100</sup>, in any category or grade, while the Payment of Wages Act, 1936, applicable both in ICT and Punjab, regulates the payment of all kinds of remuneration.<sup>101</sup> With one of the most vulnerable groups of informal workers now being legally prohibited to be paid anything less than the minimum wage in the Punjab Domestic Workers Act 2019<sup>102</sup>, it is very much possible to legally establish payment of minimum wage for the significant and ever-growing number of workers in Pakistan's platform economy. The Punjab Domestic Workers Act can regulate the payment of minimum wages for workers being serviced by platforms for clients in their homes, like GharPar. The regulation of work and rest hours can be applicable through the Punjab Shops and Establishments Ordinance, 1969<sup>103</sup> and Road Transport Workers Ordinance, 1961<sup>104</sup> (applicable to ride-hailing and delivery platforms in Punjab like Uber, Careem, Foodpanda, inDrive, and Bykea), which set limits on the daily and weekly working hours.

Furthermore, considering the fact that platforms act like employment agencies, the Fee-Charging Employment Agencies (Regulation) Act, 1976 controls employment agencies which directly or indirectly derive any pecuniary or material advantage<sup>105</sup> from the worker or a periodical contribution or any other charge<sup>106</sup>. The Act defines an employment agency as a person, company, institution, agency, firm or other organisation who or which acts as intermediary for the purpose of procuring employment for a worker, or supplying a worker for an employer, in Pakistan.<sup>107</sup> This definition is applicable to digital platforms charging commissions from their workers, and the Act prohibits any employment agency in any area to charge a fee from workers unless the government has issued them a licence.<sup>108</sup>

Similarly, Provincial Employees' Social Security Ordinance, 1965 can be applied to the digital labour platforms where the government can notify digital labour platforms as a separate industry.<sup>109</sup> The provision under the law on special tax can also be used to take contributions from digital labour platforms.<sup>110</sup>

The Protection Against Harassment of Women at the Workplace Act 2010, amended in 2022, can also be used to protect platform workers from instances of sexual harassment. The 2022 Amendment Act extended the application of 2010 legislation by adding to the definition of "employee", contractual piece rate, gig, temporary or part-time workers, freelancers, domestic workers, home-based workers, interns, trainees, apprentices, students, performers, artists and sportspersons. Similarly, the amended law extends the definition of "workplace" to "the place of work or any place where services are rendered or performed by professionals, including educational institutions, gigs, concerts, studios, performance facilities, courts, highways, sporting facilities and gymnasiums, and shall include any building, factory, open area or a larger geographical area, where the activities of the organisation or the employer are carried out and include any situation that is linked to work or activity outside the office". The legislation requires digital labour platforms to constitute inquiry committees to enquire into complaints received from and about their workers. All workers also have the



option to file a complaint directly with the Ombudsperson instead of the inquiry committee.

Provision of health and safety conditions as well as of a safety net for platform workers can be regulated through Acts like the Punjab Occupational Safety and Health Act 2019<sup>111</sup> which includes protection for the self-employed, Workmen's Compensation Act, 1923<sup>112</sup>, Provincial Employees' Social Security Ordinance, 1965 which provides for sickness and injury benefits, Shops and Establishments Ordinance, 1969 which allows sick leave<sup>113</sup>, and the Employees Old Age Benefits Act 1976<sup>114</sup> which has provisions on old age pension, invalidity and survivors' pension for workers. In addition, the Electronic Crimes Act 2016 includes applicable clauses for data protection.<sup>115</sup>

Many terms of service agreements limit platform workers' access to their rights and impede their efforts to contest any platform decisions. However, certain legal applicability can exist through the Industrial and Commercial Employment (Standing Orders) Ordinance, 1968, Road Transport Workers Ordinance, 1961 (applicable to ride-hailing and delivery platforms) and Punjab Domestic workers Act, 2019. These oversee the presence of rightful terms and conditions in agreements such as having a written contract<sup>116</sup> with work hours<sup>117</sup>, employment termination process<sup>118</sup> and the undertaking of liability<sup>119</sup> by the platforms.

Moreover, the Contract Act<sup>120</sup> of 1872 can also be used as a legal guide for establishing the terms of service agreements for platform workers.

In case of any grievances raised against platform workers, there can be cases of arbitrary deactivations, penalties and disciplinary actions without the ability to appeal against such. The Punjab Industrial Relations Act 2010 provides a grievance redressal<sup>121</sup> process and the Industrial and Commercial Employment (Standing Orders) Ordinance, 1968 legally prevents any dismissal of a worker without a due process.<sup>122</sup> Furthermore, the Punjab Minimum Wages Act 2019 protects all classes of workers against discrimination on the basis of religion, sex, political affiliation, sect, colour, caste, creed, ethnic background.<sup>123</sup> Other applicable laws on platforms include Protection Against Harassment of Women at the Workplace Act, 2010<sup>124</sup> Transgender Persons

(Protection of Rights) Act, 2018<sup>125</sup>, Punjab Empowerment of Persons with Disabilities Act 2022<sup>126</sup> and ICT Rights of Persons with Disability Act, 2020<sup>127</sup>.

The Constitution of Pakistan, 1973 states the fundamental right of freedom of association for all workers.<sup>128</sup> Moreover, the Punjab Industrial Relations Act, 2010 allows the workers the right to organise<sup>129</sup>, to collectively bargain<sup>130</sup> by sharing the functions of a collective bargaining agent, and also gives workers the right to set up a works council<sup>131</sup>, thereby allowing to enable platform workers to play a meaningful role in governing the platform. In addition, the 2010 Act prevents any unfair labour practices<sup>132</sup> against workers involved in trade unions, therefore encouraging the expression of collective worker voice.

The home-based work legislation, already enacted in all four provinces, can be used to protect the rights of online workers by bringing them under the social security net. This is already being done in Balochistan.

### 3.2 Using Consumer Protections Laws to protect Platform Workers

While the Labour Departments might be reluctant to apply labour law to the digital labour platforms, consumer protection law can be used by regulatory agencies to give platform workers their due rights, especially the right to fair wages. Consumer protection is a provincial subject and all provinces have enacted the necessary legislation on the subject.<sup>133</sup>

The Provincial Consumer Protection Acts can be used here as well to ensure platforms take liability for their actions regarding their workers. These unfair trade practices can include a certain amount of "promised" earnings or a specific range of earnings to attract workers and do not include other relevant information which can have an impact on the worker's earnings, such as higher working hours needed to earn that advertised amount. For instance, ICPA 1995 holds companies liable for false or misleading advertisement<sup>134</sup> such as for recruitment and PCPA 2005 makes service providers liable<sup>135</sup> for faulty or defective services<sup>136</sup> and requires duty of disclosure<sup>137</sup> about their services to the consumers (also platform workers being consumers of the apps).



Since digital labour platforms are offering services as technology platforms, one major service is the provision of the “app” through which the workers receive work orders. This makes the workers or partners “consumers” of the app as they are using the app to earn a livelihood on self-employment basis (a view which is also supported by platforms).

Under Islamabad Consumers Protection Act (ICPA) 1995 and Punjab Consumer Protection Act (PCPA) 2005, “consumer” means any person who buys goods for a consideration which has been paid or partly paid and partly promised to be paid or under any system of deferred payment or hire purchase and includes any user of such goods but does not include a person who obtains such goods for resale or for any commercial purpose.<sup>138</sup>

The PCPA 2005 further explains for its sub clause (i) that “commercial purpose” does not include use by a consumer of products bought and used by him only for the purpose of his livelihood as a self-employed person. The self-employed, thus, qualify for the definition of the consumer as they are not involved in the resale of goods for any commercial purpose. Since platform workers in Pakistan are paying commission to the platform, they are eligible for being considered consumers under the legislation.

ICPA 1995 section 2 also further defines a consumer who hires any goods or services for a consideration which has been paid or promised or partly paid and partly promised or under any system of deferred payment and includes any beneficiary of such services.<sup>139</sup>

The sub-clause (ii) appears to be relevant to platform workers as it includes consumers of services, and platform workers can also be considered consumers of a service through using of apps by digital platforms. The platform workers are paid under system of deferred payment and can be considered as beneficiaries of such services.

ICPA 1995 section 2 (e) further states “Services” to include services of any description which is made available to potential users and includes the provision of facilities in connection with banking, financing, insurance , transport, manufacturing, processing , accountancy, supply of electrical, mechanical or any

other form of energy, boarding or lodging, entertainment, medicine, education, construction work, amusement, catering, security, or purveying a news or other information, and similar other services, but does not include the rendering of any service free of charge or under the contract of personal service;

As claimed by companies that the service they are providing is only of technology or platform for workers (independent contractors), this wide definition of “services” under the ICPA 1995 can cover the scope of technological services or services of any description. The definition in ICPA 1995 also mentions potential users of the services which can include all those who are consumers of the service, including digital labour platform workers (the self-employed).

Moreover, the gig workers do not fall in the category of exceptions in ICPA 1995, which are rendering of any service free of charge or under the contract of personal service. The gig workers’ pay a commission to make use of the technology provided by the digital platforms, and so are removed from the exception of ‘rendering of any service free of charge’.

Furthermore, the agreement entered into between the worker and the platform is not a ‘contract of personal service’. Under the Specific Relief Act of 1877, section 21 lists types of contracts which are not specifically enforceable, including:

(b) a contract which runs into such minute or numerous details, or which is so dependent on the personal qualifications or volition of the parties, or otherwise from its nature is such, that the Court cannot enforce specific performance of its material terms

The type of contract defined above is illustrated in the Act as a contract of personal service. The contracts with gig workers are not dependant on the personal qualifications of a worker as unskilled labour is a major part of the platform work in Pakistan. Therefore, the platforms provide a ‘service’ as defined in ICPA 1995.

In its current state, the only legal provisions protecting platform workers both in crowdsourcing and location-based platform work are the Contracts Act 1872 and Code of Civil Procedure 1908. These provisions are designed to create legitimate and



enforceable agreements between private parties. Although they prescribe certain aspects such as remuneration and certainty of terms,<sup>140</sup> the substantive content of the terms is largely left to the parties themselves. Contract law generally empowers parties to make their own agreements and courts hesitate to intervene unless terms are particularly outrageous. This is why the use of private law to regulate relationships between powerful companies and vulnerable individuals is inappropriate.

However, this wide array of legislation has not had any specific application to platform workers due to the lack of court cases brought in order to clarify the law. Even with uncertainty in terms of the direction of judgements, this could allow for legal rulings allowing the platform workers to be explicitly included within the scope of these existing laws; hence providing them with rights that are currently absent.

Were rulings to exclude platform workers, then new legislation will be required. There are already some positive signs that new laws will address the current legal grey zone. For example, the new Islamabad Protection of Home-Based Workers Bill, which has already been approved by the federal Cabinet, recognises online platform workers and has provisions regarding the extension of social security benefits to them.

The table below shows access to various employment benefits depending on the employment status of platform workers in Pakistan.



# Employment Status and Access to Employment Rights

## How are labour rights linked with employment status?

	Employee	Independent Contractor
Wages	Guaranteed minimum wage (Rs. 32,000 per month/154 per hour)	✗
	Eligibility for premium wages after 8 hours/day and 48 hours/week	✗
	Premium wages for working on weekly rest days and public holidays	✗
	Protections against unlawful deductions from wages	✗
Emp. 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	✗
	Minimum length of rest breaks and daily rest periods	✗
	Right to an appointment letter	✗
	Platform/ Employer liability	✗
Emp. Contracts	Minimum notice period	✗
	Severance pay/gratuity	✗
Due Process & Equity	Anti-discrimination protection	✗
	Policy on the prohibition of sexual harassment	✓
	Due process for decisions affecting workers	✗
	Right to appeal decision (on low ratings, payment issues, deactivations, and disciplinary actions)	✗
FOA & CB	Right to unionize	✗
	Right to collective bargaining	✗
	Right to form a Works Council	✗
	Right to collective action	✗





## Pakistan's Platform Economy

### 4.1 How many platform workers are there in Pakistan?

Oxford University's Online Labour Index (OLI) finds Pakistan to have the third-largest population of professionals in the global cloudwork (online gig work) industry after India and Bangladesh, with a market share of around 12 per cent.<sup>141</sup> The Pakistan Freelancers Association estimates the overall number of IT-related freelancers in the country as one million. Concerning the location-based platform economy in Pakistan, we estimate from our desk research that there are at least 700,000 workers engaged in ride-hailing, professional services, and parcel and food delivery in Pakistan. The sheer volume of this workforce simply exacerbates the regulatory vacuum it finds itself in and undercuts any arguments dismissive of the implications of the rise of platform economies. This industry is booming and will continue to grow in the years to come.

During the last one and a half years, the number of digital labour platforms in Pakistan has shrunk instead of multiplying, leading to a situation of monopsony in markets like food delivery as well as ride hailing. Pakistan's economy is teetering on the brink of default, though the crisis is seemingly averted for now due to IMF package of US\$ 3 billion, payable over next nine months. The local platform economy is situated in crippling inflation (around 38%), large informal economy (above 80%) and increasing youth unemployment (around 30%). The situation is leading platform workers to either quit the platform work or incur losses and accumulate platform debt due to negative incomes. The government's four-day internet shutdown in May 2023 severely impacted more than one million platform workers in the country.

### 4.2 The state of labour rights on Pakistani platforms

Estimates indicate that around 700,000 have found employment in Pakistan's location-based platform economy, with the majority engaged in ride-hailing and delivery services.<sup>142</sup> Over the last four years, the Centre for Labour Research has conducted around 300 interviews with ride-hailing and delivery workers in the twin cities of Islamabad and Rawalpindi. The aim has been to understand whether platform workers are given the right to decent work. This included mapping their working patterns, maximum earning capacity and overall contentment.

Trapped by circumstance and insecurity, the majority of platform workers revealed some grim realities for platform work in Pakistan:

- i) **Lack of information about contractual agreements** – None of the workers knew about the nature of their contractual agreements with the platforms. Moreover, most of them had their registration done by representatives of the platforms who failed to share any information with them from the terms and conditions while agreeing to these during sign up. This lack of understanding left workers completely in the dark about their legal position. It may be helpful if workers are made to sign such agreements at local offices in Urdu, given full and frank explanations in the event of confusion.
- ii) **Maximum working hour thresholds routinely crossed** – Under employment legislation in Pakistan, the general working hours are 8 hours per day and 48 hours per week.<sup>143</sup> However, more than 50% of the interviewed workers were toiling beyond these daily and weekly limits. The average working hours were 12 hours per day and more than 75 hours per week without any weekly day off. This reflects that platforms like Uber, Careem, Foodpanda, Bykea, GharPar, and inDrive introduce the appeal of flexibility that turns into excessive hours, overshadowing its benefits. Workers here lack traditional “clock



in, clock out” routines, potentially leading to extended hours due to financial pressures. This exploitation of flexibility risks harming physical and mental well-being, eroding work-life balance, and causing burnout.

- iii) **Low Earnings and Negative Income: A Double Burden** – The findings of our work over the last four years reveal a stark reality for platform workers who, despite clocking in more than 8 hours a day and 48 hours a week for their livelihood, continue to face significant financial challenges. Only a mere 10% of the interviewed workers managed to surpass the living wage benchmark, while only 20% earned above the minimum wage. write more about how this reflects on economy and on worker rights. The phenomenon of negative income (where cost of working with the platform exceeds earnings from the platform) emerged where the workers’ monthly costs were higher than their income, chaining them in a vicious cycle of loss and debt that can only be broken free from if the income and cost balance improve significantly.
- iv) **Insurance protection is negligible** –Several platforms within the industry do offer accidental insurance coverage, yet it remains concerning that a substantial majority of platform workers are currently without any such form of protection provided by these platforms. Adding to this issue, there is a prevailing lack of awareness platform workers regarding the potential existence and specifics of insurance options from the platforms. This glaring lack of information highlights a critical gap that jeopardises the well-being and security of the workers. They find themselves in a vulnerable position, lacking adequate coverage against accidents and unforeseen events. Urgently addressing this gap and proactively enhancing transparency about the accessibility and advantages of platform-provided insurance are imperative steps to ensure the protection, rights, and safety of platform workers.

- v) **No access to minimum workplace rights**  
Almost all workers knew that national employment legislation did not protect their line of work. Whilst they appreciated the autonomy of platform work, drivers nevertheless wanted access to minimum workplace rights concerning maximum working hours, social protection in the event of accidents, sick leave, and paid annual leave.
- vi) **Market saturation** –Following the aftermath of the COVID-19 pandemic, a prevalent concern among drivers was the lack of market regulation within the sector. Our work unveiled an ongoing supply-demand imbalance in the ride-hailing industry. As the year 2022-2023 signalled the conclusion of COVID-19 restrictions, the renewed demand in services resulted in reduced fare rates, further accentuating the struggles drivers face to sustain their income. Moreover, the customary driver bonuses, which had been a significant income source during early years of platform economy in Pakistan, have either disappeared or are very limited. Additionally, the sharp rise in fuel prices added to the financial burden endured by drivers. This intricate landscape contributes to the persistence of negative income situations, highlighting the complex interplay between market dynamics, external influences, and the livelihoods of platform workers.
- vii) **Algorithmic flaws blamed on drivers** – Several drivers complained of poorly calibrated maps which gave inaccurate pick-up and drop-off locations. This algorithmic flaw caused frustration and delays, which would be reflected in the drivers’ own ratings.
- viii) **Governance by the invisible hand of the algorithm** –The majority of respondents voiced concerns about platforms’ unfair disciplinary procedures, often driven by automated systems. For example, workers’ IDs would be automatically blocked if their ratings fell below a certain threshold. However, it’s worth noting that appeals processes now exist



within the apps themselves, allowing workers to contest such actions. Moreover, representatives are available on call to reverse account blocks, ensuring a more balanced and just approach to addressing such issues.

### 4.3 Proposals for Reform – Repairing the Fragmentation

Whilst the digitisation of modern economies may have sparked countless new avenues and opportunities for work, it has also fragmented basic labour rights. Before embarking on the journey to repair this fragmentation, it is crucial to recognise the sheer heterogeneity of this phenomenon. Access to limitless possibilities for work also creates limitless varieties in patterns of work. Therefore, the urge to construct superficially simple, ‘one-size-fits-all’ solutions must be resisted.<sup>144</sup> Any reform effort aiming for effective and sustainable regulation must be nuanced and evolve along with market patterns. Balances must continuously be struck between legal-social protection and the risks of thwarting innovation. It is also important not to lose sight of the fact that digital platforms are not isolated. Many of the issues facing these workers are also faced by countless others performing more traditional types of work.<sup>145</sup> Nevertheless, the virtual absence of any legal regulation on the phenomena in Pakistan requires that a few basic changes be introduced.

- i) **Employment contracts for regulars** – Litigation across the globe has confirmed that the argument for granting worker or employment status to platform workers is one worth making. First, there should be a statutory presumption of employee/worker status<sup>146</sup> for all workers whose weekly working hours cross a certain threshold.<sup>147</sup> Creating a statutory presumption in favour of workers obviates the need for vulnerable individuals to resort to litigation to enforce their rights. This is because the burden of proof then shifts to the company to show that a worker’s behaviour is truly not analogous to employment. Supplementing this should be subordinate legislation prescribing standardised employment contracts for those whose work is

regular enough to constitute an employment relationship.<sup>148</sup> For example, those working an average of 40+ hours per week are evidently dependent on a particular platform for their monthly income. This requires that they be protected first by their employment contract itself, and second by national labour laws. Nevertheless, although changing worker status could improve social benefits and insurance, it is merely a preliminary measure that creates a thin safety net. This is because worker status has no effect on many of the control mechanisms and power imbalances between individuals and platforms.<sup>149</sup> Therefore, on its own, this reform is not enough.

- ii) **Crowdsourcing Code of conduct** – Encouraging companies to sign a voluntary code of conduct may help foster a culture of openness and collaboration between workers, platforms and regulators. For example, 10 different crowdsourcing companies in Germany have promised to abide by a variety of rules and aims such as information transparency, timely and reasonable payments, prices set in advance, fair disciplinary procedures, and clarification of terms and conditions upon each new transaction.<sup>150</sup> If companies voluntarily agree to make these minor adjustments which empower workers there is no need to engage in protracted litigation or enact specific legislation that is likely to become rapidly outdated. Given that the Code of Conduct regulates the algorithmic structures at play, the best way to shift the imbalance of power is to have the creators and controllers of the algorithm on board.
- iii) **Portable ratings** – When people invest time and energy in traditional forms of employment, their efforts are reflected in their CVs upon transferring to other jobs. This helps people map the direction of their ambition and witness gradual career progression. However, if we are to strive towards equalisation in online-offline realities, one’s digital fingerprint is arguably just as important as time spent in an office.<sup>151</sup> The platform economy’s use of ratings as a means of control can just as easily be transformed into a means of





empowerment if these are made portable. Not only is it important for workers to feel like they have options, but they also have a right to experience career progression as their experience and expertise accumulate.<sup>152</sup>

- iv) **Licencing** – Pakistan is suffering from a crisis of trade legitimacy and market regulation. Foreign companies such as Uber and Careem earn millions without being registered with the Federal Board of Revenue. Proper licensing and tax returns must be strictly enforced so that foreign actors cannot exploit local labour and export the profits. Licensing is also linked to effective enforcement of competition laws designed to guard against market saturation and low earnings.
- v) **Social protection across the board** – Legislative reforms should provide all workers with a minimum safety-net of social protection such as insurance for accidents, injury, sickness and redundancy.<sup>153</sup> Whilst employment contracts and worker status reforms protect those in relationships akin to employment such as Uber drivers, pure freelancers in crowd sourcing work are still left to fend for themselves. Although this is an ambitious idea, there could be an allocation of social security burdens across platforms through the setting up of a benefits fund.<sup>154</sup>
- vi) **Data-driven evolution of regulatory responses**  
In order to maximise efficiency and precision, regulators should exploit the same technologies as platforms. As one commentator remarked, ‘the data ingesting processes underlying optimisation of the platform business model can also be harnessed in the service of optimal regulation.’<sup>155</sup> This enables a regulator to remain alert and match the pace of innovation. However, it can only remain functional in the event of platform-regulator collaboration. If the state or regulatory body offers incentives for collaboration,<sup>156</sup> such as lower taxation, the risks of thwarting economic progress and innovation are be minimised.

- vii) **Collective Bargaining Rights/Unionisation** – Most platforms actively discourage or prevent their workers from speaking to one another.<sup>157</sup> This makes them feel alienated and powerless. As in all other industries, unionisation and collective bargaining rights must be secured if platform workers are to have a voice. Existing unions should not see this as a threat, but rather take the initiative and expand their horizons to embrace platform workers in different sectors such as ride-hailing, or software development etc.<sup>158</sup> Not only does unionisation legitimise the concerns of workers, it also strengthens the impact of any litigation efforts, should the need arise.

- viii) **Effective enforcement agencies** – It is easy to overlook the practical underbelly to any reform proposal. Simply changing the law achieves little. Nor is changing the law our biggest battle. As one worker put it, “we’re winning the cases,” but it is the pre-existing power imbalance that enables companies to dodge their legal obligations time and time again.<sup>159</sup> Companies can only be trusted to carry out sincere reforms if they are afraid of legal sanction. Favourable rulings or aspirational constitutional provisions achieve nothing on the ground. The government must invest resources in enforcement by empowering its existing institutions to monitor compliance and impose sanctions.<sup>160</sup> For instance, the Ministry of Overseas Pakistanis and Human Resource Development should be given a mandate to create a national plan of action, which can then be refined and enforced by provincial labour departments. If local bodies are able to impose strict fines on companies evading the law, it would obviate the need to resort to complex and expensive litigation in order to secure basic rights.

- ix) **Informed and Adaptive Regulatory Frameworks for Platform Work** – In the pursuit of developing regulatory frameworks for platform work, it is crucial for federal and provincial governments to engage in robust consultations with platforms and workers to understand working conditions, pay standards, and social security needs. Representation of



platforms and workers in committees and technical working groups is essential to address platform adaptation challenges effectively. Sector-specific technical working groups should be established to tailor policies for distinct working conditions. The federal and provincial governments can explore experimental regulatory sandboxes to test different approaches and determine appropriate employment classifications for platform workers while enhancing institutional capacities and social protection measures. By adopting these measures, Pakistan can create adaptive and inclusive regulatory frameworks that safeguard the well-being of platform workers.

Pakistan lacks any specific case law and legislation regarding platform work. As mentioned, one of the most important factors to address is the misclassification of platform workers as independent contractors, since this deprives the workers of the already existing labour law protections that exists for employees. Therefore, a standalone legislation is very much a requirement for effective regulation of platform work in Pakistan.

## 4.4 Platform Workers Protection Bill 2023

Given the above situation and reform recommendations made in the above pages, the Centre for Labour Research, together with the WageIndicator Foundation and Fairwork, has proposed a draft bill intended to protect the rights of platform workers.<sup>161</sup> The draft bill first and foremost defines certain contentious terms such as active hours, digital labour platform and employer, among others. The most consequential of these is the criteria laid out to establish an employer. As per the bill, an employer “shall include any agent, manager or representative provided that at least one of the following conditions are met:

- (a). The digital labour platform effectively determines, or sets upper limits for, the level of remuneration or issuance of periodic wage payments;

- (b). The digital labour platform requires the person performing platform work to respect specific binding rules with regard to appearance, conduct towards the recipient of the service or performance of the work;
- (c). The digital labour platform supervises the performance of work or verifies the quality of the results of the work, including by electronic means or customer reviews or uses rating systems as a tool of control and a basis for penalties and as a tool to allocate work assignments;
- (d). The digital labour platform effectively restricts the platform worker, including through sanctions, in organising work, in particular, the discretion to choose the working hours or periods of absence, to accept or to refuse tasks or to use subcontractors or substitutes; and
- (e). The digital labour platform effectively restricts the person performing platform work from building a client base or performing work for any third party, including the competitors of the digital labour platform.

The draft bill proposed by the Centre for Labour Research gives platform workers all workplace rights and also covers all Fairwork principles:

**Fair Pay** (the right to a minimum wage, working hour restrictions, and premium wage payments for work on rest days and public holidays, during night hours and inclement weather)

**Fair Conditions** (health and safety protection of platform workers including heat action plans, right to various kinds of leave including but not limited to annual leave, sick leave, maternity leave, plus social protection and various cash benefits from the PESSI and EOBI including old-age pensions and social security benefits, data protection and data portability rights)

**Fair Contracts** (right to comprehensible employment contracts, platforms to follow the labour legislation of their national jurisdiction, no exclusion of platform liability, information on dynamic pricing, notification

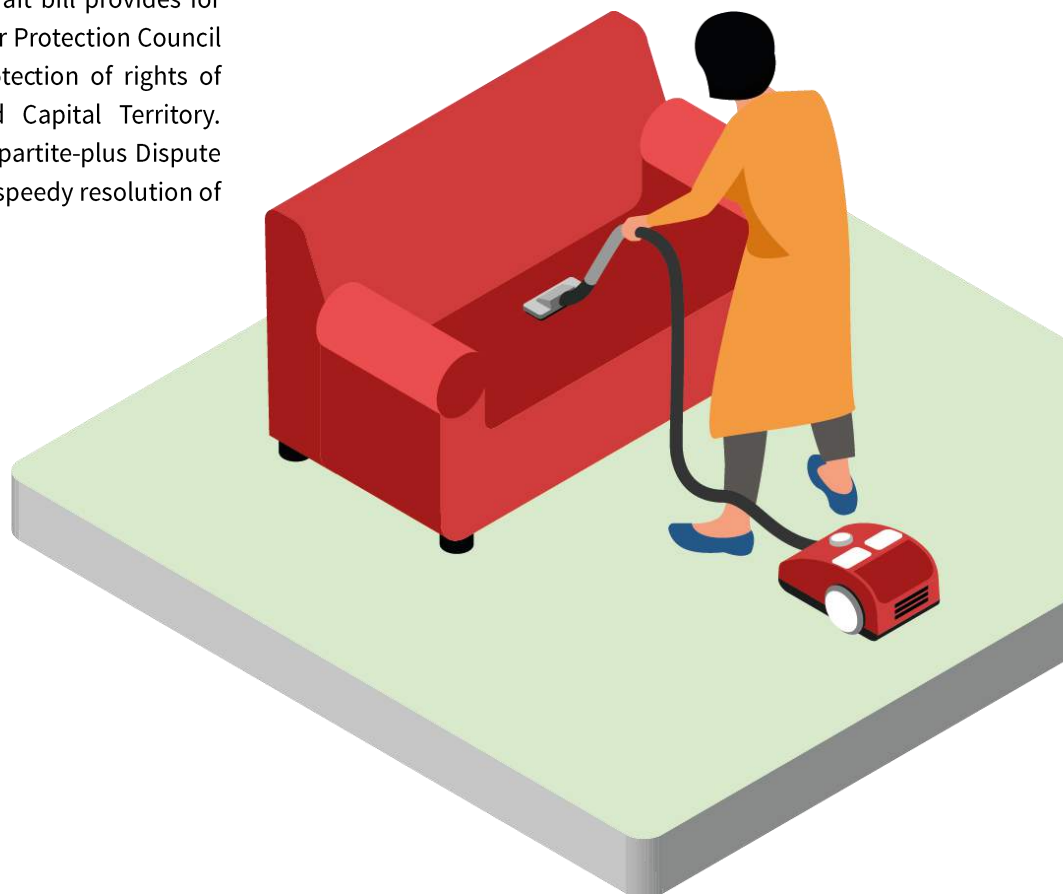


to workers of any proposed changes in existing frameworks within reasonable timeframes)

**Fair Management** (grievance redressal mechanisms, protections from multiple forms of discrimination and harassment, including sexual harassment, human oversight of all decisions that impact working conditions, transparency in decision-making systems, right to contest and appeal disciplinary actions)

**Fair Representation** (the right to unionise and bargain collectively, and provision for mandatory works council requiring social dialogue at the level of the platform).

The bill includes five-point criteria to determine whether a platform worker is engaged in an employment relationship with the digital labour platform. The proposed bill introduces a requirement for regular external audits by digital labour platforms to ensure fair and unbiased work allocation. These audits aim to promote transparency and equal opportunities for all workers. The draft bill also requires platforms to establish rest points and toilet facilities for workers, in coordination with the municipal administration. The draft bill provides for establishment of Platform Worker Protection Council to monitor and oversee the protection of rights of platform workers in Islamabad Capital Territory. There is also a provision for a tripartite-plus Dispute Resolution Committee to ensure speedy resolution of workers' complaints.



## Conclusion

When societies grow and prosper, cultures gradually undergo changes that reflect their evolution. An economy enriched with opportunity produces patterns of behaviour that never remain static. The mere fact that Pakistan's platform workers find themselves in uncharted legal territory is evidence of discovery. But for such discoveries and innovations to entrench themselves in a sustainable fashion, they must promote economic progress in harmony with the interests of the people they ultimately serve. All over the world, governments are grappling with their wish to embrace the technological revolution without being at its mercy. This report has highlighted some key issues meriting attention in Pakistan and proposed specifically tailored solutions.

Being home to a sizeable platform economy, Pakistan find itself in a unique position because there is a wealth of international experience its workers can benefit from. Structural inequality and power imbalance have always dominated the world of labour law, and the platform work is no different. However, the symptoms of inequality have undergone great sophistication, making them harder to detect. A change in our thinking is required, reflected by a shift in our regulatory response. If the correct balances are struck, Pakistan may find itself a world leader, harnessing the talents of its youth on a global scale like never before.

Platform work must be transformed into decent work by regulating it instead of the current laissez faire approach. Many would argue that regulation will kill the nascent digital economy and start-up ecosystem in the country. However, a business which survives only by exploiting and depriving workers of their due rights just by misclassifying them as independent contractors is a bad example to follow. Such growth never trickles down to the masses.



## Summary of Case Law

The overall theme of the case law revolves around the complex and contentious issue of gig worker employment status. With the rise of digital platforms and the gig economy, a significant number of workers are engaged in on-demand, flexible work arrangements provided by companies like Uber, Foodpanda, and inDrive. However, the legal classification of these workers as either employees or independent contractors has been a subject of intense debate and litigation in various countries. The key question at the heart of these cases is whether gig workers should be considered traditional employees entitled to labour protections, benefits, and collective bargaining rights, or if they are genuinely independent contractors with greater flexibility and entrepreneurial freedom. The distinction between these two categories is critical as it determines the legal rights and responsibilities that apply to the workers and the companies that engage them.

Courts around the world have grappled with this issue, and their rulings have been diverse and sometimes contradictory. The decisions typically rely on examining the degree of control exerted by the platform over the workers, the level of autonomy and flexibility the workers have, and the economic realities of the relationship between the parties. While some courts have found gig workers to be employees due to the significant control and direction exercised by the platforms over their work, others have ruled in favour of the platforms, highlighting factors such as the freedom to substitute, lack of specific working hours, and entrepreneurial aspects of the work.

The cases also demonstrate that the legal tests and criteria applied to determine employment status can vary between jurisdictions. Different countries have distinct labour laws and regulations, leading to divergent outcomes in similar cases. The cases discussed cover a wide range of regions, including Europe and South America, each grappling with the issue of gig worker employment status. In Europe, notable cases like *Pimlico Plumbers Ltd v Smith* [2018] UKSC 29 and *IWGB/ Central Arbitration Committee & Deliveroo* (2018) highlighted the determination of worker status and entitlement to holiday pay and wage protection. European courts often examined factors such as

personal performance, the right to substitution, and the level of control exerted by the platform over workers. Additionally, cases in Spain, such as *Deliveroo / Giuseppe Di Maggio & Uiltucs union* (February 2023) and *Clintu Online S.L.com* (June 2023), dealt with the distinction between platform providers and independent contractors. Spanish courts looked into the level of control exerted by the platforms over the workers and assessed whether an employment relationship existed, leading to recognition of worker status and potential coverage under collective labour agreements. In South America, cases like *Rojas Luis Roger Miguel and others / Rappi ARG SAS S* (2019) in Argentina and *Ministério Público Do Trabalho (MPT) / Ixia Gerenciamento de Negócio Ltda* (2022) in Brazil focused on establishing employment relationships between gig workers and platforms. Courts in this region emphasised the significance of subordination, control, and personal performance, and they relied on labour laws to protect gig workers' rights and provide social benefits.

The difference in approaches across regions underscores the global significance of the gig worker employment status issue and the complexities faced by jurisdictions in addressing it. While the exact legal principles may vary, the core concerns of worker rights, autonomy, and fair labour practices remain central to these cases, irrespective of the geographic context. As the gig economy continues to grow and impact the global workforce, finding a consistent and fair legal framework to protect workers' rights remains a challenge for jurisdictions worldwide. The gig worker employment status has far-reaching implications, not only for workers' rights and job security but also for the business models of gig economy platforms. The classification of workers as employees may require platforms to provide benefits such as minimum wage, holiday pay, sick leave, and social security contributions, which could significantly impact their profitability and operating models.

The issue of worker classification remains a pressing concern for policymakers, courts, and the platforms themselves. Achieving a balance between fostering innovation and ensuring adequate protections for workers is an ongoing challenge that requires careful consideration and robust legal frameworks.



## Case Laws on Determination of Employment Status for Platform Workers





	Parties	Ruling	Reasoning	Decision In Favour of :
2018	Pimlico Plumbers Ltd v Smith [2018] UKSC 29 UK Supreme Court <sup>162</sup>	The Supreme Court determined that the respondent was a worker with the right to holiday pay and wage protection.	To establish yourself as a limb (b) worker or to form a contract of service it is necessary for one to have undertaken to “perform personally” his work or services. <sup>163</sup> The plaintiff did the task himself, and any contractual right to have a substitute was limited, not unrestricted and discretionary. Pimlico Plumbers was neither a client nor a consumer because it tightly regulated his work.	WORKER
	Addison Lee Ltd / Lange (2018) <sup>164</sup> Employment Appeal Tribunal (UK)	The drivers were found to be employees within the meaning of the Working Time Regulations 1998 and the National Minimum Wage Act 1998 due to the factual circumstances of the case.	The factual circumstances included that new drivers received training and documents indicating how to do the work, that they received codes of conduct and instructions <sup>165</sup> , that the drivers booked the vehicles from the platform, that the drivers were given a computer with which they could be tracked, that the drivers were required to accept individual bookings <sup>166</sup> , that Addison Lee fixed the rate of which the drivers had no awareness at the commencement of the journey <sup>167</sup> , and that the drivers were required to accept individual bookings.	WORKER
	IWGB/ Central Arbitration Committee & Deliveroo (2018) <sup>168</sup> High Court of Justice (UK)	Uber drivers are not employees but self-employed, now that they have the right to be freely replaced and thus no right to collective bargaining as per the ECHR	The right of collective bargaining given under Article 11(1) of ECHR is restricted by Article 11(2) as "necessary in a democratic society... for the protection of the rights and freedoms of others" which include freedom of business and freedom to contract on terms the business chooses to offer, including freedom from the imposition of bargaining arrangements. Moreover, any interference with Art.11(1) is of a limited nature as it only affects those that have the ability to freely substitute and not the rest of the workers. <sup>169</sup>	PLATFORM
2019	Federatie Nederlandse Vakbeweging (FNV) / Deliveroo (2019) <sup>170</sup> Court of Appeal - Amsterdam	Label of the agreement does not matter, the legal relationship between the drivers and the platform is that of employment as per Article 7:610 of the DCC that contains the elements of an employment contract.	To establish an employment relationship the court took into account the fact the riders who perform well and work more hours receive 'priority access' to reserve a time slot in a zone and therefore have a better chance of being offered orders at desirable times. <sup>171</sup> Furthermore, when it comes to the right to free substitution, the factual possibility of it occurring is practically impossible as the rider comes	WORKER



			to know of the exact details of the order after acceptance; leaving very limited time to find a substitute. <sup>172</sup> The court concluded that the dependence of the riders of Deliveroo and its position of authority outweighs any freedom they get	
	DELIVEROO / Federatie Nederlandse Vakbeweging (2019) <sup>173</sup> Court of Appeal - Amsterdam	Deliveroo, as a company, falls under the scope of the provisions of the CAO, and must comply with these provisions (with retroactive effect) towards the deliverers.	Deliveroo falls under the scope of the Collective Trade Agreement as delivery is integral to the business model of the platform. It delivers meals which comes within the definition of “professional goods” <sup>174</sup> and the agreement covers both motorized and non-motorized means of transport (both of which are employed by Deliveroo). <sup>175</sup> This entitles the riders to a fixed hourly wage, supplements and holiday pay and their wages will continue to be paid during waiting times, illness and days off. <sup>176</sup>	WORKER
2019	Rojas Luis Roger Miguel and others / Rappi ARG SAS S (2019) <sup>177</sup> National Labor Court of First Instance (Argentina)	The judge finds that the denial of access for the labourers is a violation of the right to freedom of association. The judge does not render a discussion in regards to the classification of the labourers as employees.		WORKER
	Stichting bedrijfstakpensioenfonds voor de reisbranche / Booking.com (2019) <sup>178</sup> Court of Amsterdam	Booking.com does not fall under the category of a travel agent as it does not "mediate the conclusion of contracts" because it does not actively intervene to conclude said contracts.	The court declared that the platform acts as a mere “bulletin board” and not as a mediator. <sup>179</sup> Booking.com's involvement in the conclusion of an agreement only consists of creating the opportunity to bring together the offer of the accommodation providers and the demand of visitors to the website via a platform provided. Booking.com gives accommodation providers the opportunity to offer goods or services on its website against payment of a commission. <sup>180</sup>	PALTFORM
	Pensioenfonds Vervoer / Deliveroo (2019) <sup>181</sup> Court of Amsterdam	Given that Deliveroo's primary business is transportation, the company satisfies the requirements needed to contribute to the professional road transport industry pension fund.	Deliveroo was obliged to contribute to the pension fund as it was required to do so by every business that transports goods by road for a fee, and the employer must perform these transport activities exclusively or mainly. <sup>182</sup> It has been established that Deliveroo transport good i.e., meals through roads and the provision extended to the use of non-motorized vehicles (as utilized by Deliveroo). <sup>183</sup> Furthermore, it has been established that	WORKER





			delivery of meals is the primary function of the platform as it accounts for more 50% of the turnover and compensation of the office staff as well as the deliverers. <sup>184</sup>	
2019	Dewhurst / Revisecatch & City Sprint (2019) <sup>185</sup> Central London Employment Tribunal	Gig-workers are protected under TUPE Transfer of Undertakings (Protection of Employment) regulations	Regulation 2(1) of TUPE 2006 states that an employee is 'any individual who works for another person whether under a contract of service or apprenticeship or otherwise'. This mean that a broader class of individuals than just those employed under a contract of employment have to be protected under TUPE. <sup>186</sup> And have been extended to limb (b) workers/ Equality Act employees.	WORKER
	AIRBNB Ireland / Court of Justice of the European Union (2019) <sup>187</sup> Court of Justice of the European Union	An intermediation service such as AIRBNB must be classified as an 'information society service' under Directive 2000/31, which means that member states must respect the freedom to provide information society services.	Under Article 1(1)(b) of Directive 2015/1535, the concept of an 'information society service' covers 'any service normally provided for remuneration, at a distance, by electronic means and at the individual request of a recipient of services'. <sup>188</sup> All of the aforementioned are fulfilled by AIRBNB Ireland.	
2020	Uber France SAS, Uber BV/Mr. X (2020) <sup>189</sup> Court of Cassation (France)	The French Court of Cassation described the contractual arrangement between Uber and a driver as an employment contract.	The court held that working within an organised service may constitute an indication of subordination in cases where the employer unilaterally determines the terms and conditions of performing the job as is the case with Uber. <sup>190</sup> Furthermore, the option to choose working hours does not negate the presence of a subordination relation because the drivers are incited by penalties to choose rides not suitable to them, a liberty independent drivers have. <sup>191</sup> Thus, the independent worker status that Uber insists on is purely fictitious. <sup>192</sup>	WORKER
2020	B / Yodel Delivery Network Ltd UK (2020) <sup>193</sup> Court of Justice of the European Union	Yodel drivers are not considered "workers" as they enjoy certain discretions such as use of substitutes, working for 3rd parties etc.	Directive 2003/88 must be interpreted as precluding a person from being classified as a 'worker' for the purposes of that directive, where that person is afforded discretion: to use subcontractors or substitutes to decline any tasks or set a maximum number; to provide his services to any third party, including direct competitors of the putative employer, and to fix his own hours of 'work' within certain parameters as per his own convenience. <sup>194</sup>	WORKER



	City sprint UK ltd London South (2020) <sup>195</sup> Employment Tribunal	The couriers were considered workers because the dominant feature of the contract was personal performance. Thus, they must be awarded holiday pay.	The court declared that even though the right of substitution was given it had never been used because it was not well thought through and claimants thought of it as an impossible endeavour. <sup>196</sup> The clients also do not want to engage with unregistered substitutes. <sup>197</sup> Furthermore, the order in which jobs are to be done is at times dictated by the controllers and to that extent the contract does not reflect practice on the ground. <sup>198</sup> Due to these reasons the court concluded that the claimants were workers. <sup>199</sup>	WORKER
2021	Deliveroo/Federatie Nederlandse Vakbeweging (FNV) (2021) <sup>200</sup> Court of Appeal Amsterdam	Deliveroo's riders are employed by the company under an employment contract, not as independent contractors, lending to the significant control the platform has on its workers.	The Supreme Court ruled that the elements 'in employment', 'wage', 'during a certain period of time' and 'labour' must be considered in order to qualify an employment relationship. <sup>201</sup> Even though Deliveroo offers substitution, it is not incompatible with the existence of an employment contract, since there is also the possibility within an employment contract that the employee can be replaced with the employer's permission. <sup>202</sup> Deliveroo unilaterally sets the wages for a delivery, which indicates the presence of an employment contract. <sup>203</sup> The court found that Deliveroo was in a position of authority use to factors including, GPS tracking of the riders etc. <sup>204</sup>	WORKER
	Ola drivers / Ola Cantonal Court- Amsterdam (2021) <sup>205</sup>	OLA must adhere to the GDPR's transparency obligations and give information about the personal information that was used to make the decision to deactivate the drivers' accounts.	In Article 4 part 4 of the GDPR, profiling is defined as any form of automated processing of personal data in which certain personal aspects of a person are evaluated on the basis of personal data, in particular with a view to his professional performance, economic situation, health, personal preferences, interests, analyze or predict reliability, behaviour, location or movements. Article 15 GDPR enables a person to access personal data used for profiling. <sup>206</sup> The court found that the Fraud Probability score as well as "earning profile" as per which bonuses are decided by OLA constitutes as profiling. <sup>207</sup> Thus the court decided that it must provide what personal information it accessed and used. <sup>208</sup>	WORKER
2021	Uber-drivers/Uber 209	Uber is required to give details about the anonymized		WORKER



	Cantonal Court Amsterdam (2021)	personal information associated with the ratings. All other information requests are turned down, either because they are too general or because they violate the passengers' right to privacy and does not include the right to obtain data in a particular format.		
	IGWB/ The Central Arbitration Committee (2021) <sup>210</sup> Court of Appeal (UK)	Deliveroo riders are not workers because they do not have the obligation to provide their services personally and thus are not entitled to collective bargaining.	As per Directive 2003/88's interpretation in Yodel by the European Court of Justice, workers that have a right to substitution are precluded from the definition of an employee. <sup>211</sup> Other aspects of the relationship between Deliveroo and the riders could support the notion that, for the purposes of article 11 ECHR, there was no work relationship between them. The present case lacked a number of the elements listed in ILO R198's paragraph 13(a), such as "specific working hours," "work of a particular duration and... a certain continuity," and a necessity for "the worker's availability." In reality, riders had no responsibility to accept any work at all. <sup>212</sup> This led the court to decide that riders fall within the scope of the trade union freedom right under article 11. <sup>213</sup>	PLATFORM
2021	José Luis Bolzan / Cabify S.A. (2021) Juzgado Nacional del Trabajo (Argentina) <sup>214</sup>	A relationship of employment exists between the drivers and the platform as the law presumes that an employment relationship exists between parties unless proven otherwise. The party who asserts otherwise must prove his stance.	According to Section 23 of the Argentine Labour Contract Law No. 20,744, if a person regularly provides services to a third party, there is a legal presumption that there is an employment relationship present, barring proof to the contrary. According to this legal doctrine, it is the onus of the business to whom a person renders services to establish that no employment contract exists. <sup>215</sup>	WORKER
	Uber B.V./Federatie Nederlandse Vakbeweging (FNV) (2021 Cantonal Court Amsterdam)	According to the court, there is an employment contract between Uber and its drivers. Additionally, Uber is covered under the collective bargaining agreement for taxi transportation since transport services are part of Uber's core business.	The characteristics of an employment contract are labour, wages and authority. <sup>216</sup> First, Uber drivers by signing up and agreeing to Uber's term agree to offer transport services, which is carried out personally by the drivers. <sup>217</sup> The question of wage is not in contention. Lastly, authority is the deciding factor to finding a relationship of employment. This is decided by analysing factors such as :	WORKER



			Uber unilaterally decides the terms of the drivers' employment; the Uber app's algorithm then decides how the journeys are allocated and which priorities are set; the drivers are rated via the Uber app and are subsequently assessed; this can have an impact on their access to the Uber platform and their ability to offer rides; and finally, Uber decides unilaterally about a potential resolution in the event that customers have complaints. <sup>218</sup> Thus, an employment contract exists and within the meaning of Article 1.2 of the Collective Labor Agreement for Taxi Transport, Uber falls under the scope of this Collective Labor Agreement. <sup>219</sup>	
2021	Federatie Nederlandse Vakbeweging (FNV) / Helpling B.V. <sup>220</sup> Court of Appeal Amsterdam (2021)	An agency work employment contract exists between Helpling and its cleaners as it does not supervise or monitor the work performance of the cleaners and Collective Labour Agreement for cleaning work is therefore not applicable.	The Court ruled that there is no employment contract between the cleaners and Helpling because Helpling does not exercise authority over the cleaners. Helpling has virtually no insight into how the work is performed, what kind of work is performed and even whether work is performed: as long as the household pays the commission to Helpling, Helpling does not interfere with this. <sup>221</sup> Helpling only sets a minimum per hour rate that is equal to the minimum wage and has no further input in decided the wages of the cleaners. <sup>222</sup> However, a temporary employment contract exists which is characterized by the fact that the employee performs work under the supervision and direction of the hirer. <sup>223</sup> Due to this, Helpling cannot be regarded as a cleaning company under the Collective Labour Agreement for Cleaning Work. <sup>224</sup>	PLATFORM
	Deliveroo / FNV (2021) Court of Appeals Amsterdam	The court of appeals confirms the decision of the cantonal court. Deliveroo falls within the ambit of the COA for the professional goods transportation industry.		WORKER
	Repartos Ya S.A. / Deliverers (2021) Labour Court of Buenos Aires	The deliverers of Repartos Ya S.A. work based on an employment relationship and the imposed fine has a valid legal basis.	Article 375 of the Spanish Code of Civil Procedure prescribes that the person alleged to be an employer must proof that another legal relationship exists instead of an employment relationship. Repartos Ya was unable to refute the employment	WORKER



			presumption. There are further situations that point to the presence of an employment relationship. For instance, Repartos Ya chooses the method and sum of payment and tells the deliverers how to carry out their duties. All of this led the court to declare a relationship of employment. <sup>225</sup>	
2021	Uber BV/ Aslam (2021) UK Supreme Court <sup>226</sup>	The UKSC declared Uber drivers as workers as they are in a position of subordination and dependency in relation to Uber.	UK Supreme Court case of Uber B.V v Aslam (2021), where the court took into account 5 factors: one, Uber sets the fares without any input from the drivers; two, drivers cannot negotiate the terms of the contract between them and the passengers; three, Uber monitors the activities of the drivers e.g. their rate of cancellation which results in them receiving periodic warnings from the app; four, Uber controls how the drivers provide services by specifying the kind of vehicle, setting routes for delivery and using technology that is exclusively controlled by Uber; five, Uber restricts any communication between the drivers and the passengers. <sup>227</sup> Based on these factors, the court labelled Uber drivers as limb (b) workers. This category is exclusive to the UK, which is defined under Employment Rights Act 1996 as workers who generally have a more casual employment relationship and work under a contract for service.	WORKER
2022	Court of Justice / Tesorería General de la Seguridad Social (TGSS) (2022) <sup>228</sup> Court of Justice EU	The Court of Justice EU decided that the Spanish provision that excludes domestic workers from unemployment benefits is not in line with art. 4 Directive 2006/54 as it is not necessary and proportionate.	The Spanish Government states that its policy decision to exclude domestic employees from unemployment protection is linked to the fact that the labor sector of domestic employees presents high employment rates, a low level of qualification and, therefore, of remuneration, and a considerable percentage of workers not affiliated with the Social Security System as well as the increase in wage charges and costs resulting from the increase in contributions to cover the unemployment contingency could, according to the Spanish Government and the TGSS, translate into a decrease in employment rates in this labor sector, in the form of a reduction in new hires and the termination	WORKER



			<p>of contracts. On the other hand, workers such as gardeners, private drivers, agricultural workers, and those employed by cleaning services who work for non-professional employers or whose labour sector exhibits similar peculiarities in terms of employment rates, qualification, and pay as that of domestic employees are all protected against the unemployment contingency, despite the fact that their contributions to society are minimal.<sup>229</sup> The court decided that this exclusion results in a greater lack of social protection for domestic workers, which translates into a situation of social abandonment, and that the relevant national provision is not required to accomplish the aforementioned goals.<sup>230</sup></p>	
2022	<p>Ministério Público Do Trabalho (MPT) / 1ª Região (2022)<sup>231</sup> The Regional Labor Court of the 2nd Region (São Paulo)</p>	<p>The judge did not see any indications of entrepreneurship. It was impossible to determine the workers' economic activity or risk, separate from the business. Additionally, it is forbidden for the business to hire and retain workers who operate as sole proprietors or microbusiness owners.</p>	<p>The court stated that the workers who provide services to the company meet the necessary requirements for the recognition of the employment relationship, such as onerosity, personality, non-contingency and subordination. The judge raised a question, "There is no entrepreneurship that is carried out. What would be the economic activity and what economic risk is [the worker] subjected, if not in relation to the economic value of his work (which is not stipulated by him), working hours (provided by the defendant and which must be complied with) and exercise of activity (chosen by the defendant)?"</p>	WORKER
	<p>Glovo App 23 / Riders Social Court number 3 of Córdoba (Spain)<sup>232</sup></p>	<p>Glovo workers are employees as Glovo has a significant control over them in the form of evaluation criteria, rewards and sanctions etc.</p>	<p>Drivers do not have control over the manner in which the fares are set, they have to follow the rules and regulations set by Glovo. Glovo, like all other platforms insisted that signing up for the app and accepting jobs is totally voluntary. But Glovo creates an evaluation system that fundamentally rewards you for participating in "high demand" hours and maximizing your activity during those hours, for which it creates a self-assignment system. If the worker does not choose these hours and type of work, he is demoted in the score and is unable to choose the following work schedules in the first positions, so he is penalised with a lower score once again. Therefore, the</p>	WORKER





			putative freedom of the delivery person to choose the time slot, accept orders, or reject them is not as it seems because all assessment is geared toward the opposite, so the worker performs his activity on the days, hours, and in a manner that best fits GLOVO, and if he does not, gradually it will reduce your score until it terminates the driver.	
2022	Uber/Staat der Nederlanden (2022) Cantonal Court Den Haag (Netherlands) <sup>233</sup>	The decision by Minister for Social Affairs and Employment to declare the Taxi Transport Collective Bargaining Agreement generally binding, was valid.		WORKER
	NZEmpC 192 (2022) New Zealand Employment Court <sup>234</sup>	Drivers were employees, not independent contractors. The court does not have jurisdiction to make broader declarations of employment status, so all Uber drivers do not, as a result of this judgment, instantly become employees.	The factors that the court took into account include: The riders can use Uber only if they agree to the unilateral terms of agreement of Uber that Uber does change on its own volition. <sup>235</sup> Uber does not allow substitution and access to the app is non-transferable. <sup>236</sup> The rates, the method of calculation, and the label used to describe the fare are all outside the driver's control. <sup>237</sup> Uber exercises significant control via its "reward" schemes, incentivising work during peak times and the acceptance of rides (withholding access to rewards if ratings slip below a certain level set by Uber) etc. <sup>238</sup> All the above factors led the court to believe that a more befitting term for Uber's tactic is control and sub-ordination rather than encouragement. Due to which the court found that the plaintiffs were in employment relationship with Uber. <sup>239</sup>	WORKER
2022	Deliveroo Australia Pty Ltd v Diego (2022) <sup>240</sup> Fair Work Commission (Australia)	The Fair Work Commission has ruled that a Deliveroo delivery driver did not classify as an employee in an unfair dismissal claim	The Commission applied the rulings of recent High Court Cases in Personnel Contracting and Jamsek, stating that the process is one of analysing the terms of the agreement, without taking the further step of analysing how the parties subsequently conducted themselves.	WORKER
	Feb 2022 Labor Court of Bologna (Italy) <sup>241</sup>	The court declared that there is a subordinate relationship between the riders and the platform		WORKER



Deliveroo / Giuseppe Di Maggio & Uiltucs union (Feb, 2023)	Since December 1, 2018, there has been "a collaborative relationship" between the rider and Deliveroo based on the Jobs Act. The company must apply the "discipline of a full-time subordinate employment relationship of 40 hours a week". The company must also place the rider in the National Collective Contract for Commerce and guarantee a gross salary of 1,407.94 euros for 14 months".		WORKER
Glovo / Glovo riders (Jan, 2023)	The Labour and Social Security Inspectorate in Madrid has proposed a penalty of €57 million on delivery company Glovo for false classification of self-employed workers and illegal employment of migrant workers.		WORKER
Deliveroo / FNV (Supreme Court) (March 2023)	The contents of the agreements comply with the legal description of the employment contract.	The Court of Appeal ruled in favor of the delivery drivers, stating that the transition from fixed-term contracts to assignment agreements, automatic bi-weekly payments, lack of influence on wages, and majority not considering themselves entrepreneurs all pointed towards an employment relationship with Deliveroo. Additionally, the company's unilateral changes to contracts and work organization, along with the drivers' performance of regular delivery work, indicated a relationship of authority, further supporting the conclusion that they should be classified as employees rather than independent contractors.	WORKER
Uber / Uber drivers Amsterdam Court of Appeal (April 2023)	The court ruled in favor of the drivers, ordering Uber to provide complete and accessible personal data within a month or face penalties. PDF format was deemed unacceptable.	Under the General Data Protection Regulation (GDPR), individuals have the right to confirm if their personal data is being processed, access the data, and transfer it to another controller. The GDPR also acknowledges the potential harm of solely automated decision-making and profiling, which can have legal effects or	WORKER



		significant impacts on individuals. The court's ruling upholds these rights, protecting individuals from automated decisions without human intervention.	
Uber / Drivers Amsterdam Court of Appeal (April 2023)	The court ordered Uber to provide drivers with access to their personal data used in the decision to deactivate their accounts. Human intervention was involved in the decisions, making them not solely automated, and the automated decisions had no legal effect. Uber's argument to reject access for trade secrets protection was insufficient.	Under the GDPR, individuals have the right not to be solely subjected to automated decisions that can significantly impact them legally or otherwise. They are entitled to express their views and challenge such decisions. The court found Uber's manual investigations to be symbolic rather than meaningful, without concrete evidence of substantial human intervention in the decision-making process.	WORKER
Clintu Online S.L.com (June 2023) <sup>242</sup>	The Social Court, n.º15 of Barcelona, upheld the claim presented by the General Treasury of Social Security against the cleaning service platform Clintu Online S.L.com, recognizing 505 workers as employees.	The Labor Inspectorate ruling establishes that Clintu is a provider of cleaning services, not just an intermediary platform. Clintu directly organizes and manages the work, instructing workers and ensuring full coverage for client services. The platform sets hourly parameters, filters worker profiles, and handles client contacts, payments, and pricing. The decision reflects Clintu's significant involvement in the cleaning services, making it a service provider.	WORKER
Glovo / riders (July 2023)	The Social Court number 4 of Madrid has recognized an employment relationship between Glovo and 280 riders in Murcia and Cartagena.	The judge ruled in favor of the delivery workers, recognizing them as employees despite being hired as self-employed by Glovo. Most of the plaintiffs were found to meet the requirements of the Workers' Statute.	WORKER
Uber / Sefton Council (July 2023)	Uber sued Sefton council in Merseyside over VAT terms for operators outside London. Currently, private hire operators do not pay VAT as the individual drivers are usually classed as independent, self-employed contractors. On July 28, the High Court confirmed that a passenger entered into a contract of hire with the minicab operator, not the driver. “A properly regulated		WORKER



		and remunerated pool of drivers benefits public safety.		
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- <sup>1</sup> World Bank Group, 'The Changing Nature of Work,' *World Development Report 2019* page 7.
- <sup>2</sup> Making It Work: A Participatory Project with Digital Platform Workers <https://institute.global/policy/making-it-work-participatory-project-digital-platform-workers>
- <sup>3</sup> <https://www.thenews.com.pk/print/425639-pakistan-stands-third-in-global-online-gig-industry>.
- <sup>4</sup> Oxford Online Labour Index, accessed at <https://ilabour.oii.ox.ac.uk/online-labour-index/>.
- <sup>5</sup> International Labour Organisation, Future of Work Research Paper Series 'The architecture of digital labour platforms: Policy recommendations on platform design for worker well-being' (2018) page 1.
- <sup>6</sup> ILO (2021). World Employment and Social Outlook: The role of digital labour platforms in transforming the world of work. Geneva: International Labour Organization. p. 31. Available at: [https://www.ilo.org/global/research/global-reports/weso/2021/WCMS\\_771749/lang-en/index.htm](https://www.ilo.org/global/research/global-reports/weso/2021/WCMS_771749/lang-en/index.htm)
- <sup>7</sup> ILO (2021). World Employment and Social Outlook: The role of digital labour platforms in transforming the world of work. Geneva: International Labour Organization. p. 107. Available at: [https://www.ilo.org/global/research/global-reports/weso/2021/WCMS\\_771749/lang-en/index.htm](https://www.ilo.org/global/research/global-reports/weso/2021/WCMS_771749/lang-en/index.htm).
- <sup>8</sup> <https://wageindicator.org/labour-laws/platformeconomy/platform-or-gig-economy>.
- <sup>9</sup> [n1] World Development Report 2019, Page 3.
- <sup>10</sup> [n5] ILO Future of Work Research Paper Series, page 7.
- <sup>11</sup> [n5] ILO Future of Work Research Paper Series, page 8.
- <sup>12</sup> Ibid, page 11.
- <sup>13</sup> For example, on the platform 99Designs, designers create competing designs following an initial brief, but only the one whose design is chosen by the client is paid; ibid page 16.
- <sup>14</sup> Ibid, page 23.
- <sup>15</sup> Ibid, page 5.
- <sup>16</sup> Ibid, page 6.
- <sup>17</sup> Ibid, page 14.
- <sup>18</sup> Ibid, page 16.
- <sup>19</sup> Ibid, page 15.
- <sup>20</sup> Ursula Hews et al, 'Working in the Gig Economy, Insights from Europe', in Max Neufeind,, Jacqueline O'Reilly and Florian Ranft (eds) *Work in the Digital Age, Challenges of the Fourth Industrial Revolution*, (Rowmand and Littlefield 2018, page 154.
- <sup>21</sup> Frank Field and Andrew Forsey, *Legalising the Gig Economy, Protecting Britain's Vulnerable Work Force* (March 2019), page 2.
- <sup>22</sup> [n20] *Work in the Digital Age*, p155.
- <sup>23</sup> The European Union, 'European Legal Framework for Digital Labour Platforms' (2018) Page 2.
- <sup>24</sup> To date, there have been 12 successful cases launched against platform companies in the UK. See appendix to [n21] *Legalising the Gig Economy, Protecting Britain's Vulnerable Work Force*.
- <sup>25</sup> Employment Rights Act 1996, section 230
- '(3) In this Act "worker" (except in the phrases "shop worker" and "betting worker") means an individual who has entered into or work under (or, where employment has ceased, worked under) –
- (a) a contract of employment, or
  - (b) any other contract, whether express or implied and (if it is express) whether oral or in writing, whereby the individual undertakes to do or perform personally any work or services for another party to the contract whose status is not by virtue of the contract that of a client or customer or of any profession or business undertaking carried on by the individual;
- and any reference to a worker's contract shall be construed accordingly.
- <sup>26</sup> *Pimlico Plumbers Ltd and another v Smith* [2018] UKSC 29 – in the Supreme Court's view, the fact that Pimlico exercised strict control over its plumbers by imposing conditions around payment, their clothing and appearance for work, and restricted their practical ability to work for competitors suggested they had worker status and were not self-employed. It especially made note of the fact that Mr Smith (the plumber) would do the work personally, rather than pass it on to a substitute contractor, even though he did have the option to pass work to another Pimlico operative, see <https://www.employmentlawwatch.com/2018/06/articles/employment-uk/supreme-court-decision-announced-in-pimlico-plumbers-case/>.
- <sup>27</sup> *Uber BV & Ors v Aslam & Ors* [2021] UKSC 5- The case turned on the question of whether Uber drivers were "workers" and not self-employed as alleged by Uber. Since Uber London and the drivers did not have a written agreement, their legal relationship had to be drawn from the parties' actions. The right conclusion was that Uber London enters into contracts with its customers and hires drivers to handle bookings. The UKSC upheld the decisions of the Employment Tribunal and the Court of Appeal that declared drivers as "workers" and dismissed Uber's appeal.
- <sup>28</sup> England & Wales, Sweet and Maxwell 4.2
- <sup>29</sup> *Employment & Labour Law 2015* (Sweet and Maxwell International series), England and Wales, Employment Status and Categories of Worker, paragraph 4.1.
- <sup>30</sup> NZEmpC 192 (2022), the New Zealand Employment Court held that the drivers in the case were "employees" not self-employed due to the relationship of subordination between them and the platform. But the court does not have jurisdiction to make broader declarations of employment status, so all Uber drivers do not, as a result of this judgment, instantly become employees.
- <sup>31</sup> [n21] *Legalising the Gig Economy, Protecting Britain's Vulnerable Work Force*, page 8.
- <sup>32</sup> Ibid, page 12.
- <sup>33</sup> Ibid, page 5.
- <sup>34</sup> Ibid, authors recommend "A new single labour inspectorate headed by a Commissioner for Labour Market Enforcement, with the remit and resources it needs regularly to conduct proactive checks on companies, to ensure they are not wrongly classifying members of their workforce as independent contractors, and to deliver justice on behalf of those individuals who it has found to be wrongly classified. Stiffer fines for non-compliance with the law, which are linked to a company's turnover, should be introduced as a means of resourcing the new labour inspectorate."
- <sup>35</sup> [n29] *Employment and Labour Law 2015*, paragraph 4.0.



- <sup>36</sup> Ibid.
- <sup>37</sup> Timeline of Uber's lawsuits since launching: <https://www.theguardian.com/technology/2016/apr/13/uber-lawsuits-619-million-ride-hailing-app>.
- <sup>38</sup> Fair Labour Standards Act 1938.
- <sup>39</sup> <https://www.nytimes.com/2019/05/14/business/economy/nlr-uber-drivers-contractors.html>.
- <sup>40</sup> <https://www.vox.com/2018/12/4/18125789/uber-lyft-drivers-wage-minimum-new-york>
- <sup>41</sup> Richard A. Bales and Christian Patrick Woo, 'The Uber Million Dollar Question: Are Uber Drivers Employees or Independent Contractors?' 68 Mercer. L. Rev (2017), page 469-470.
- <sup>42</sup> Ibid, page 471-472.
- <sup>43</sup> Ibid, page 486.
- <sup>44</sup> Ibid, page 485.
- <sup>45</sup> [20] *Work in the Digital Age*, page 194.
- <sup>46</sup> <https://www.epi.org/publication/how-californias-ab5-protects-workers-from-misclassification/>
- <sup>47</sup> Uber and Lyft spent over \$200 million on the ballot measure to keep their drivers classified as independent contractors. <https://www.theverge.com/2020/11/4/21549760/uber-lyft-prop-22-win-vote-app-message-notifications>
- <sup>48</sup> <https://www.latimes.com/california/newsletter/2021-08-23/proposition-22-lyft-uber-decision-essential-california>
- <sup>49</sup> The Court struck down part of Prop. 22 that seemingly intruded on the legislature and judiciary's power. <https://calmatters.org/economy/2023/03/prop-22-appeal/>
- <sup>50</sup> Employee or Independent Contractor Classification Under the Fair Labor Standards Act, Wage and Hour Division, Department of Labor, USA, Pg 58 <https://www.federalregister.gov/documents/2022/10/13/2022-21454/employee-or-independent-contractor-classification-under-the-fair-labor-standards-act>
- <sup>51</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L1152&from=EN>.
- <sup>52</sup> Ibid, preamble paragraph (8), 186/106.
- <sup>53</sup> Ibid, "the determination of the existence of an employment relationship should be guided by the facts relating to the actual performance of the work and not by the parties' description of the relationship."
- <sup>54</sup> Ibid. Article 11
- Where Member States allow for the use of on-demand or similar employment contracts, they shall take one or more of the following measures to prevent abusive practices:
- (a) limitations to the use and duration of on-demand or similar employment contracts;
  - (b) a rebuttable presumption of the existence of an employment contract with a minimum number of paid hours based on the average hours worked during a given period;
- other equivalent measures that ensure effective prevention of abusive practices.
- <sup>55</sup> Ibid, preamble, paragraph (11).
- <sup>56</sup> <https://knowledge.wharton.upenn.edu/article/eu-gig-economy-law/>.
- <sup>57</sup> <https://www.boe.es/boe/dias/2021/05/12/pdfs/BOE-A-2021-7840.pdf>
- <sup>58</sup> Spain is serious about stopping bogus self-employment <https://tribunemag.co.uk/2022/10/spain-rider-law-glovo-fine-couriers-self-employment>
- <sup>59</sup> [https://eures.ec.europa.eu/eu-proposes-directive-protect-rights-platform-workers-2022-03-17\\_en](https://eures.ec.europa.eu/eu-proposes-directive-protect-rights-platform-workers-2022-03-17_en)
- <sup>60</sup> [https://www.ilo.org/gb/GBSessions/GB347/pol/VVCMS\\_872938/lang--en/index.htm](https://www.ilo.org/gb/GBSessions/GB347/pol/VVCMS_872938/lang--en/index.htm)
- <sup>61</sup> [http://www.mohrss.gov.cn/xxgk2020/fdzdgknr/zcfq/gfxwjldgx/202107/t20210722\\_419091.html](http://www.mohrss.gov.cn/xxgk2020/fdzdgknr/zcfq/gfxwjldgx/202107/t20210722_419091.html)
- <sup>62</sup> [https://www.nyuilp.org/china-and-international-labor-standards-new-guidelines-extend-labor-protections-to-platform-workers/#\\_ftn12](https://www.nyuilp.org/china-and-international-labor-standards-new-guidelines-extend-labor-protections-to-platform-workers/#_ftn12)
- <sup>63</sup> [https://www.ilo.org/jakarta/info/public/pr/VVCMS\\_794858/lang--en/index.htm](https://www.ilo.org/jakarta/info/public/pr/VVCMS_794858/lang--en/index.htm)
- <sup>64</sup> [https://labour.gov.in/sites/default/files/SS\\_Code\\_Gazette.pdf](https://labour.gov.in/sites/default/files/SS_Code_Gazette.pdf)
- <sup>64</sup> <https://www.hindustantimes.com/india-news/rajasthan-assembly-passes-bill-extending-social-security-to-gig-workers-sets-up-welfare-board-101690224255887.html>
- <sup>65</sup> [https://www.upi.com/Top\\_News/World-News/2020/12/09/South-Korea-passes-law-to-protect-delivery-workers/311607525489/](https://www.upi.com/Top_News/World-News/2020/12/09/South-Korea-passes-law-to-protect-delivery-workers/311607525489/)
- <sup>66</sup> <https://abccattorneys.co.tz/the-land-transport-regulatory-authority-latra-and-ride-hailing-mobile-applications-fees-in-tanzania/>
- <sup>67</sup> <https://www.bcn.cl/historiadelaley/nc/historia-de-la-ley/7981/>
- <sup>68</sup> <https://cms.law/en/col/publication/bill-367-of-2023-submitted-to-the-congress-on-march-16-of-2023-labour-reform>
- <sup>69</sup> <https://www.justice.gov.za/legislation/acts/2000-004.pdf>
- <sup>70</sup> [https://www.pc.gov.pk/uploads/act/Women\\_H\\_Work\\_Act\\_2022\\_Amendment.pdf](https://www.pc.gov.pk/uploads/act/Women_H_Work_Act_2022_Amendment.pdf)
- <sup>71</sup> <https://www.hcamag.com/asia/specialisation/employment-law/power-act-bill-calls-for-gig-workers-to-be-recognised-as-regular-employees/423575>
- <sup>72</sup> [http://www.planalto.gov.br/ccivil\\_03/\\_ato2019-2022/2022/lei/L14297.htm](http://www.planalto.gov.br/ccivil_03/_ato2019-2022/2022/lei/L14297.htm)
- <sup>73</sup> <https://www.issa.int/sites/default/files/documents/publications/3-Digital%20economy-266846.pdf>
- <sup>74</sup> [https://www.boe.es/diario\\_boe/txt.php?id=BOE-A-2021-7840](https://www.boe.es/diario_boe/txt.php?id=BOE-A-2021-7840)
- <sup>75</sup> <https://www.cnn.com/2021/09/23/new-york-city-passes-protections-for-food-delivery-workers.html>
- <sup>76</sup> <https://www.consilium.europa.eu/en/policies/platform-work-eu/>
- <sup>77</sup> <https://www.supremecourt.uk/cases/docs/uksc-2019-0029-judgment.pdf>
- <sup>78</sup> <https://www.gazzettaufficiale.it/eli/id/2019/11/02/19A06843/sg>
- <sup>79</sup> <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000032983213/> ; <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000039666574/>
- <sup>80</sup> <https://www.taxheaven.gr/law/4808/2021>
- <sup>81</sup> Digital Rights Foundation (2019), 'Ride-Sharing Apps and Privacy in Pakistan, A Detailed Study on the Practices of Uber and Careem,' page 11.
- <sup>82</sup> See below at 3.2.7, market saturation leads to non-availability of work and a reduction in prices.
- <sup>83</sup> [n81].
- <sup>84</sup> <https://www.pakp.gov.pk/wp-content/uploads/Agenda-item-8-Transportation-by-Online-Ride-Hailing-Company-Bill-2022.-Bill-No.-220.pdf>
- <sup>85</sup> The Constitution of the Islamic Republic of Pakistan, Article 11.
- <sup>86</sup> Ibid, Article 37(e).





- <sup>87</sup> Industrial and Commercial Employment (Standing Orders) Ordinance 1968
- <sup>88</sup> Industrial Relations Act 2012
- <sup>89</sup> Factories Act 1934 section 34, Shops and Establishments Ordinance 1969 section 8
- <sup>90</sup> Factories Act 1934 section 49H
- <sup>91</sup> Payment of Wages Act 1936
- <sup>92</sup> [https://www.ilo.org/ifpdial/information-resources/national-labour-law-profiles/WCMS\\_158916/lang--en/index.htm](https://www.ilo.org/ifpdial/information-resources/national-labour-law-profiles/WCMS_158916/lang--en/index.htm).
- <sup>93</sup> <https://www.uber.com/pk/en/drive/insurance>
- <sup>94</sup> *World Employment and Social Outlook 2021: The role of digital labour platforms in transforming the world of work*
- <sup>95</sup> ILO's Centenary Declaration for the Future of Work 2019; ILO Declaration on Social Justice for a Fair Globalization 2008
- <sup>96</sup> SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all  
<https://sdgcompass.org/sdgs/sdg-8/>
- <sup>97</sup> Section 2(i)
- <sup>98</sup> Article 1, Schedule Standing Orders [Section 2 (G)]
- <sup>99</sup> Section 2(t)
- <sup>100</sup> Section 5
- <sup>101</sup> Section 2 (vi)
- <sup>102</sup> Section 8
- <sup>103</sup> Sections 8, 9 and 10
- <sup>104</sup> Sections 4 and 5
- <sup>105</sup> Section 1 (e) (i)
- <sup>106</sup> Section 1 (e) (ii)
- <sup>107</sup> Section 1 (b)
- <sup>108</sup> Section 5
- <sup>109</sup> Section 1(3)
- <sup>110</sup> Section 70
- <sup>111</sup> Sections 3, 5, 8 and 9
- <sup>112</sup> Chapter II, sections 3-18
- <sup>113</sup> Section 15
- <sup>114</sup> Chapter V, sections 22-23
- <sup>115</sup> Section 14, 35 and 38
- <sup>116</sup> Section 3A, Road Transport Workers Ordinance, 1961
- <sup>117</sup> Section 5, Punjab Domestic workers Act 2019
- <sup>118</sup> Section 12, Industrial and Commercial Employment (Standing Orders) Ordinance, 1968
- <sup>119</sup> Section 20, Industrial and Commercial Employment (Standing Orders) Ordinance, 1968
- <sup>120</sup> <https://www.ma-law.org.pk/pdf/law/Contract%20Act,%201872.pdf>
- <sup>121</sup> Section 33
- <sup>122</sup> Section 15
- <sup>123</sup> Section 21
- <sup>124</sup> <http://punjablaws.gov.pk/laws/2426a.html>
- <sup>125</sup> [http://www.senate.gov.pk/uploads/documents/1536559131\\_237.pdf](http://www.senate.gov.pk/uploads/documents/1536559131_237.pdf)
- <sup>126</sup> <https://punjabcode.punjab.gov.pk/uploads/articles/punjab-empowerment-of-persons-with-disabilities-act-2022-pdf.pdf>
- <sup>127</sup> [http://na.gov.pk/uploads/documents/1601028302\\_229.pdf](http://na.gov.pk/uploads/documents/1601028302_229.pdf)
- <sup>128</sup> Article 17 (1) Every citizen shall have the right to form associations or unions, subject to any reasonable restrictions imposed by law in the interest of sovereignty or integrity of Pakistan, public order or morality.
- <sup>129</sup> Section 3
- <sup>130</sup> Section 24
- <sup>131</sup> Section 29
- <sup>132</sup> Section 17
- <sup>133</sup> The legislation includes Islamabad Consumer Protection Act, 1995 (ICPA); Khyber Pakhtunkhwa Consumer Protection Act, 1997 (KPCPA); Balochistan Consumer Protection Act, 2003 (BCPA); Punjab Consumer Protection Act, 2005 (PCPA); Sindh Consumer Protection Act, 2015 (SCPA); The Competition Act, 2010
- <sup>134</sup> Section 7, ICPA 1995
- <sup>135</sup> Section 17
- <sup>136</sup> Section 13
- <sup>137</sup> Section 16
- <sup>138</sup> Section 2 (c) (i) ICPA 1995, PCPA 2005
- <sup>139</sup> Section 2 c (ii)
- <sup>140</sup> Contracts Act 1872, section 29 (Agreements void for uncertainty), section 8 (Acceptance by performing, conditions, or receiving consideration).
- <sup>141</sup> Online Labour Observatory. (2023). OLI Supply. Retrieved August 7, 2023, from <http://onlinelabourobservatory.org/oli-supply/>
- <sup>141</sup> Pakistan Freelancers Association (PAFLA). (2022). Retrieved May 8, 2023, from <https://pafla.org.pk/> ; Public News. (2022). PM Imran Khan attends Pakistan's first E-Commerce convention | Launches E-Tijarat Portal [Video]. Youtube. Retrieved May 3, 2023, from [https://www.youtube.com/watch?v=WGXt0e\\_8qhc&t=2232s](https://www.youtube.com/watch?v=WGXt0e_8qhc&t=2232s)
- <sup>142</sup> LABOUR STANDARDS IN THE PLATFORM ECONOMY, Pakistan Ratings 2022 by Fairwork and the Centre for Labour Research
- <sup>143</sup> [n89].
- <sup>144</sup> [n23], page 5.
- <sup>145</sup> 'A Manifesto to Reform the Gig Economy' <http://regulatingforglobalization.com/2019/05/01/a-manifesto-to-reform-the-gig-economy/>.
- <sup>146</sup> [n33].
- <sup>147</sup> For example, the EU Directive on Transparent and Predictable Working Conditions covers anyone working more than three hours per week, see [n51] Article 1(3).



- <sup>148</sup>'A Manifesto to Reform the Gig Economy' [n145].
- <sup>149</sup>[n5] ILO Future of Work Research Paper Series, page 33.
- <sup>150</sup>'Code of Conduct, Ground Rules for Paid Crowdsourcing/Crowdworking, Guideline for a Prosperous and Fair Cooperation Between Crowdsourcing Companies and Crowdworkers,' Munich 2017, accessed at <http://crowdsourcing-code.com>.
- <sup>151</sup>'A Manifesto to Reform the Gig Economy,' [n145].
- <sup>152</sup>Good Work, *The Taylor Review of Modern Working Practices*, (July 2017), page 110.
- <sup>153</sup>'A Manifesto to Reform the Gig Economy,' [n145].
- <sup>154</sup>[n5], ILO Future of Work Research Paper Series, page 37.
- <sup>155</sup>Ibid, page 34.
- <sup>156</sup>Ibid.
- <sup>157</sup>Ibid, page 24.
- <sup>158</sup>'A Manifesto to Reform the Gig Economy,' [n145].
- <sup>159</sup>[n21] *Legalising the Gig Economy*, page 6.
- <sup>160</sup>[n34] *Legalising the Gig Economy*.
- <sup>161</sup>LABOUR STANDARDS IN THE PLATFORM ECONOMY, Pakistan Ratings 2022 by Fairwork and the Centre for Labour Research
- <sup>162</sup><https://www.bailii.org/uk/cases/UKSC/2018/29.html>
- <sup>163</sup>Ibid, para 20
- <sup>164</sup>
- [https://assets.publishing.service.gov.uk/media/5bec126740f0b667b8089f5b/Addison\\_Lee\\_Ltd\\_v\\_Mr\\_M\\_Lange\\_and\\_Others\\_UKEAT\\_0037\\_18\\_BA.pdf](https://assets.publishing.service.gov.uk/media/5bec126740f0b667b8089f5b/Addison_Lee_Ltd_v_Mr_M_Lange_and_Others_UKEAT_0037_18_BA.pdf)
- <sup>165</sup>Ibid, para 8
- <sup>166</sup>Ibid, para 10
- <sup>167</sup>Ibid, para 15
- <sup>168</sup>[https://www.bailii.org/cgi-bin/format.cgi?doc=/ew/cases/EWHC/Admin/2018/3342.html&query=\(deliveroo\)](https://www.bailii.org/cgi-bin/format.cgi?doc=/ew/cases/EWHC/Admin/2018/3342.html&query=(deliveroo))
- <sup>169</sup>Ibid, para 41-48
- <sup>170</sup><https://uitspraken.rechtspraak.nl/inziendocument?id=ECLI:NL:RBAMS:2019:198>
- <sup>171</sup>Ibid, para 32
- <sup>172</sup>Ibid, para 38
- <sup>173</sup><https://uitspraken.rechtspraak.nl/inziendocument?id=ECLI:NL:RBAMS:2019:210>
- <sup>174</sup>Ibid, para 21
- <sup>175</sup>Ibid, para 23
- <sup>176</sup><https://etuclex.etuc.org/amsterdam-court-appeal-rules-deliveroo-riders-fall-under-collective-labour-agreement>
- <sup>177</sup><https://wageindicator.org/labour-laws/platformeconomy/platform-economy-court-cases/march-2019-argentina-rappi-arg-sas-s-rojas-luis-roger-miguel-y-otros>
- <sup>178</sup><https://uitspraken.rechtspraak.nl/inziendocument?id=ECLI:NL:GHAMS:2019:1849>
- <sup>179</sup>Ibid, para 3.3
- <sup>180</sup>Ibid, para 3.14
- <sup>181</sup><https://uitspraken.rechtspraak.nl/inziendocument?id=ECLI:NL:RBAMS:2019:6292>
- <sup>182</sup>Ibid, para 3
- <sup>183</sup>Ibid, para 21
- <sup>184</sup>Ibid, para 40
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